

LANE EDUCATION SERVICE DISTRICT	BOARD MEETING
1200 Hwy 99 N	Tuesday, April 2, 2024
Eugene, Oregon 97402	Regular Meeting: 6:00 PM

**LANE ESD BOARD MEETING
AGENDA**

Tuesday, April 2, 2024

1. Work Session: Budget Committee Overview

The Budget Committee will attend an orientation for the 2024-25 Budget process.

Board of Directors

Budget Committee Orientation 4-2-2024 (1)

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2. Call Regular Meeting To Order

Board Chair

3. Welcome

Guests attending the meeting will be introduced.

Board Chair

4. Public Participation

This is an opportunity for the audience to address the Board on topics either on, or not on, the agenda. There will also be opportunities for the audience to comment on specific agenda items as the Board addresses them.

Comments Regarding Staff Members - Speakers may offer objective criticism of ESD operations and programs. The Board will not hear comments regarding any individual ESD staff member. The Board chair will direct the visitor to the procedures in Board policy KL - Public Complaints for Board consideration of a complaints involving a staff member. The association contract governing the employee's rights will be followed. A commendation involving a staff member should be sent to the superintendent, who will forward it to the staff member, his/her supervisor and the Board.

The Board requests that a public comment add information or a perspective that has not already been mentioned previously, and that the patron refrains from repeating a similar point. To make a comment or present a topic during public comment, if the opportunity is available on the Board agenda, please complete the Intent to Speak card and submit it to the Board secretary prior to the start of

the meeting. An individual that has submitted an Intent to Speak card and has been invited to speak by the Board chair, will be allowed three minutes.

Any person, who is invited by the Board chair to speak to the Board during a meeting, should state his/her name and address and, if speaking for an organization, the name of the organization. A spokesperson should be designated to represent a group with a common purpose.

5. Lane Education Service District Statement of Accountability: Land Acknowledgement

Lane ESD acknowledges that the lands we call Lane County - the lands that sustain our children, our future, and our collective well-being - are the traditional ancestral home of the Kalapuya, Siuslaw, Molalla, and other indigenous people who have lived in Lane County since time immemorial. Native children, families, and communities bear witness to a legacy of displacement and forced relocation. As an educational institution we are accountable for addressing the current and former silencing, erasure and genocide of native people in Oregon and Turtle Island. We aim to join with indigenous people, honoring their resilience, courage, and self-determination in a purposeful pursuit of justice.

Vice-Chair Leslie Harris

Lane ESD Board of Directors Land Acknowledgement

6. Agenda Review

Board Chair

7. Presentation: Camp Preparation

Annie Galaxy, Program Supervisor, will present on efforts towards Summer Camp for Special Education students.

Annie Galaxy, Savannah Butler, Jarrod Norris, Special Education Administrators

8. Action Items

Board Chair

A. Consent Agenda

The Lane ESD Board of Directors has agreed to implement a consent agenda. All items in the consent agenda are adopted by a single motion unless a member of the Board or the Superintendent requests that such item be removed from the consent agenda and acted upon separately.

Generally, consent agenda items are matters which members of the Board agree are routine in nature and should be acted upon in one motion to

conserve time and to enable the Board to focus on the other matters on the agenda.

Back-up materials for consent agenda items are included in the agenda packet as needed. Minutes of this meeting will reflect action on each item.

If any board member wishes to withdraw any consent group item, it will be moved to the appropriate section of the agenda.

BE IT RESOLVED that the Board of Directors of Lane ESD adopts the consent group as submitted and listed below.

1. Lane ESD Board Meeting Minutes of February 6, 2024
2. Lane ESD Board Meeting Minutes of March 5, 2024
2. Human Resource Report, dated April 1, 2024

Board Chair

Hrrpt 4-1-2024	45
LESD Board Minutes - February 6 2024	47
LESD Board Minutes - March 5 2024	59

B. Accept Financial Report

BE IT RESOLVED that the Board of Directors of Lane ESD accepts the Financial Report for February 2024.

Board Chair

February 2024 Financial Report	66
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C. Declare Budget Committee Vacancy, Position 8

By law, the budget committee is charged with making recommendations concerning financial priorities. The budget committee will have the responsibility for reviewing the financial program of Lane ESD, reviewing the proposed ESD budget as presented by the superintendent and recommending an annual ESD budget in keeping with the provisions of applicable state laws.

Educational policy decisions, however, are the responsibility of the Board, not the budget committee. The committee does not have the authority to add programs or to approve additional personnel or increase salaries. While the committee may, in effect, delete programs because of a fund decrease in

arriving at a levy figure, the committee is charged primarily with a fiscal evaluation of programs. The committee may, alternatively, recommend an amount that changes the proposed budget and may request the administration make such changes in accordance with priorities set by the Board.

The budget committee consists of the elected Board members and eight members appointed by the Board from component school district boards or designees of component district Boards. The members appointed by the Board shall consist of five members selected by ESD zone and three members selected at large. To be eligible for appointment, the appointive member must:

1. Live and be registered to vote within the ESD and, if a zone representative, must live within the appropriate zone;
2. Not be an officer, agent or employee of the ESD. No budget committee member may receive any type of compensation from the ESD.

Reimbursement of budget committee expenses shall be in accordance with Board policy and administrative rule BHD/BHD-AR.

The Board will announce the vacancies and receive recommendations of interested members of component school district Boards or designees of component district boards. Candidates for vacant positions must reside in the vacated zone. At-large vacant positions will be filled from among members of component school district Boards or designees of component district boards.

The appointive budget committee members will be appointed for three-year terms in the September meeting. The terms will be staggered so that approximately one-third of the appointive members' terms end each year. The Board may appoint budget committee members to as many consecutive terms as deemed appropriate. If any appointive member is unable to complete the term for which he/she was appointed, the Board will announce the vacancy at the first regular Board meeting following the committee member's resignation or removal. An appointment to fill the position for its unexpired term will be made at the next regular Board meeting. (continued)
1-2 Budget Committee - DBEA (continued)

The budget committee will elect a presiding officer from among the members at the first meeting. It may also establish such other ground rules as necessary for successful operation of the committee.

A majority of the constituted committee is required for passing an action item. Majority for a 15-member budget committee is 8. Therefore, if only

eight members are present, a unanimous vote is needed for passing an action.

As provided by law, the committee will hear the budget message presented by the superintendent, receive the budget document, listen to comments and suggestions by patrons and announce the time and place for its future meetings. All meetings of the budget committee are open to the public.

The budget committee may request any information for the preparation or revision of the budget document from any ESD officer or employee. It may request the attendance of any employee at its meetings. Such requests by the budget committee should be made through the superintendent and/or budget officer. The budget committee will approve the budget document as submitted by the superintendent or as subsequently revised by the committee.

After approval of the original or revised budget document, the budget committee's duties cease. The hearing on the approved budget is held by the Board.

Lane ESD's Budget Committee has vacancies in Positions/Zones 8. Crow-Applegate-Lorane Board member Doug Perry has indicated he is no longer able to serve in Position 8. The Board of Directors of Lane ESD will declare this Budget Committee Vacancy.

Board Chair

lesd_board_zone-map

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D. Appoint Budget Committee Member(s)

Lane ESD Board of Directors declared a Budget Committee vacancy in Position 2 at its February 2024 meeting. The Budget Committee now has two vacant positions: Position 2 and Position 8 (at-large).

Creswell School District's Board of Directors has nominated Mike Anderson to serve on the Lane Education Service District Budget Committee.

The Mapleton School District Board of Directors has nominated Mizu Burrus for Lane ESD's Budget Committee position 8.

The Board of Directors of Lane ESD will act to appoint Mike Anderson to Budget Committee position 2 and Mizu Burrus to position 8.

Board Chair

E. Accept Financial Audit for 2022-23

The Board of Directors will review and accept the Financial Audit for 2022-23.

Audit Committee Representatives

Lane Education Service District - Board Letter - 2023 71

Lane Education Service District - Financial Report - 2023 78

Financial Report - Fiscal Year Ended June 30, 2023 177

F. Approve Grant

HB 4082 provides \$30 million for **Summer Learning Grants** to school districts, charter schools, and ESDs for the summer of 2024. These grant funds are to be focused on serving historically underserved students for applicants with pre-existing plans for summer programming while prioritizing collaboration with community partners and tribal nations.

HB 4082 also supports a plan for the future by creating a study that provides recommendations for a sustainable state-funded summer learning plan, ensuring equitable access and funding mechanisms, proposing outcome metrics, streamlining grant administration, incentivizing partnerships, and establishing best practices.

The Migrant Education Program vision and mission are in complete alignment with the broader Lane ESD mission and vision as well as with the 5 Board goals. We make our programmatic decisions based on equity and access for those within our program. We work alongside districts and community partners to interrupt inequitable practices and policies. We engage in continued professional goals to ensure best practice when serving our families. We include youth and family voice in our programming decisions. In particular, our summer program is specifically designed for our Migrant students based on their input. Finally, we authentically engage with our community and continually find opportunities for both students and their families to gain leadership opportunities within and outside of our program.

1. All decisions and actions will reflect the guiding principles and affirmations in our Equity Lens document.

2. Lane ESD staff along with community partners will be equity leaders trained to dismantle systems of oppression through interrupting inequitable policies and practices by providing culturally specific curriculum that reflects the histories of our students.

3. All ESD staff and educators we serve will be provided the equity tools and training needed to inspire student learning, so all youth thrive.
4. Youth, from all backgrounds, will have access to highly engaging and culturally relevant learning opportunities connected to our communities and delivered by diverse, qualified, and passionate educators.
5. While amplifying youth voice, we will build trusted and inclusive relationships with our families and elevate the engagement of community partners that lead to improved equitable student outcomes.

This program is designed to meet the specific and unique needs of migrant children and their families. The overwhelming feedback of our summer program is that our program is vital to the identity of the students and that learning is engaging and impactful. Some of the direct program components that have resulted from past parent feedback are as follows. First, every classroom has a multilingual educator. Students are able to communicate in their chosen language, hear their name spoken correctly, and know their families can communicate with teachers as well. Students have pride in speaking their chosen language. The program and its staff encourage multilingualism. Some students come to summer school being primarily English speakers and experience the acceptance and value of being multilingual. Second, we annually bring teachers from Mexico to provide authentic, engaging, beautiful, culturally celebratory lessons and activities to ensure students have opportunities to value and respect Latin cultures. Students learn that they come from greatness! Students float with pride because their language, skin color, whole person is celebrated. Students experience teachers who are authentically themselves and deliver lessons that encourage students to do the same. Through this, a different kind of instructional relationship with students is developed. Third, our Mercado (end-of-summer showcase/celebration) allows families, component district staff, and various stakeholders to learn about the work the students did through a student-led process. Students also learn songs and dances that celebrate their culture and perform for their families and peers.

BE IT RESOLVED that the Board of Directors of Lane ESD approve this grant as presented.

Superintendent Scurto

Summer Learning Grant Report

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G. Appoint Interim Bargaining Board Representative(s)

Starting in April, Lane ESD will open interim negotiations with LCEA regarding two previously agreed upon items in our Collective Bargaining Agreement (CBA). The items are the Instructional Assistant salary schedule

and pay for bilingual employees. Superintendent Scurto seeks two Board representatives to participate.

BE IT RESOLVED that the Board of Directors of Lane ESD appoints Board Members to the Interim Bargaining Committee.

Superintendent Scurto, Board Chair

9. Discussion/Reports

A. Legislative Update

Superintendent Scurto will provide an update on legislative activities.

Superintendent Tony Scurto

B. Superintendent Report

Superintendent Tony Scurto

C. OAESD Spring Conference

The OAESD Spring Conference is scheduled for May 8-10, 2024. The schedule and workshops are as follows:

Wednesday, May 8

9-12:30 Superintendent Council Gathering

4:00 Early Registration

4:30 Governance Council Meeting

6:00 Vendor Reception - All invited

Thursday, May 9

7:00-7:45 Optional Wellness Activity

7:30 Registration and Visit with Exhibitors

8:00 Breakfast with Exhibitors

8:00 ESD Executive Assistants Networking Breakfast

8:30 Welcome and Introductions - Chair Jill Conant; President Tony Scurto
"Telling Our Story"

9:00 Linn Benton Lincoln ESD Wellness Presentation

9:45 Break

10:00 First General Session, Featured Speaker: Dr. Paul Coakley-Leaving
A Legacy: Elevating Voices, Removing Barriers, and Creating a Healthy
Culture

11:45 Transition and Lunch

*1:00 Breakout Sessions Round 1: 6 Sessions

2:00 Break

*2:15 Breakout sessions, Round 2: 6 sessions

3:15 Break

*3:30- Breakout sessions, Round 3- 6 sessions

4:30 Conclusion of Daytime Activities

5:00 President's Reception

6:00 Banquet and Recognition Ceremony-Keynote: Superintendent of the Year, Darin Drill

*Breakout Sessions:

- Region 16 Comprehensive Center-Co-Designing with Families and Communities
 - Topic/Strand-Community Engagement, Equity, (making space at the table for voices that haven't been heard), Telling our Story
- High Desert ESD-Building a Culture of Care in Central Oregon
 - Topic/Strand: ESD Promising Practices, Equity, Telling our story, School Safety and Wellness
- Clackamas ESD-Building Resiliency through Crisis Prevention, Intervention, and Mitigation
 - Topic/Strand-ESD Promising Practices, Equity, Telling our story, School Safety and Wellness
- Willamette ESD-Telling Our Story and Impact Through an Interactive Dashboard
 - ESD Promising Practices, Telling our story
- Linn Benton Lincoln ESD-Instructional/Education Playbook - A Community of Practice Approach
 - Workforce, Community Building
- Oregon Department of Education, Office of Education, Innovation, and Improvement: Updates
- Wallowa ESD- Story of WallowaRebranding
 - Telling our Story
- Oregon Department of Education, Small and Rural Schools Update
- Oregon School Boards Association-Unleashing Success through Proactive Risk Management
 - School Safety & Wellness
- ESD Executive Assistant Collaborative Session

- **Lane ESD**-Constructing a Brighter Future: Statewide model to prepare students for their future while supporting a workforce initiative and community solutions
 - Workforce, Community Building (CTE)
- Southern Oregon ESD-The Other 16 Hours of the Day: Engaging Community Resources in Attendance
 - ESD Promising Practices, Community Building
- Oregon Department of Education-Our Collective Commitment: Oregon's Early Literacy Framework & Future Efforts for 6-12 Literacy
 - ESD Promising Practices, Equity, Telling our story
- **Lane ESD**-Unified Robotics: How Lane ESD Impacted Self Determination for ALL Students
 - ESD Promising Practices, Equity, Telling our story, Other (list in notes at the end of this form)
- Northwest Regional ESD-From Vision to Impact: Harnessing Liberatory Design for Equity in Strategic Planning and Program Development
 - ESD Promising Practices, Equity, Telling our story
- Clackamas ESD-Transforming Spaces: The Journey of the Clackamas Early Learning Center
 - Promising Practices, Telling our Story, Early Childhood Programs
- Oregon Education Association/Oregon Department of Education-Telling Our Story Together: Centering Equity and Intersectional Racial Justice in Promoting Education Employee Well-Being
 - ESD Promising Practices, Equity, Workforce, Telling our story, School Safety and Wellness
- Oregon Department of Education-Generative Artificial Intelligence (AI) in K-12 Classrooms
 - Artificial Intelligence

Friday, May 10

7:00 Optional Wellness Activity

7:45 Breakfast with Exhibitors

8:15 Welcome Back, Vendor Raffles

8:30 Second General Session, Featured Speaker: Teacher of the Year, Mandy Vance

9:00 Break, Vendor Raffles

9:15 Third General Session: Dr. Williams, Director of Oregon Department of Education

10:00 AESA Update, OAESD celebrations and looking ahead

10:30 Round Table Activity and Reflection Discussion

11:30 Lunch, Finish up vendor raffles

12:30 2025 Conference Announcement, Evaluation, & Adjourn

Board Chair

D. Unified Basketball Game Nights

This year Unified Basketball Game Nights will take place at the four high schools! The teams will consist of athletes (students experiencing intellectual and developmental disabilities), and partners (students in general/neurotypical development), to create a genuine inclusion opportunity for ALL players on the team to play together.

Special Olympics Oregon will be in attendance at the CHS vs SEHS Unified Basketball game to present CHS with their Oregon Unified Champion School banner, in recognition of the school's dedication to inclusion. CHS earned this honor by participating in Unified Sports (Basketball and PE), Inclusive Youth Leadership (Unified Robotics), and Whole School Engagement (Unified Basketball, Unified Robotics, Unified PE, Cheer and band attending events, and assemblies highlighting Unified activities.)

The last game of the season will be held at Churchill High School vs. South Eugene High School, Thursday, April 11th 6:30-7:30 p.m.

Superintendent Scurto

Final_Unified Basketball Game Flyer-For All Schools

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10. Information from Administrative Staff

The directors of Human Resources and Title Programs, Special Education, Business Services, Facilities, Technology and School Improvement have submitted written reports to the Board on matters of interest concerning his/her area of responsibility.

Special Education:

Services Analysis

At the March Lane Co. Special Education Directors meeting we began a discussion of service gaps in addressing the needs of students with disabilities.

The directors met in three groups, representing small, medium and large districts and they rotated between tables to address three major areas; Social-Emotional-Behavioral, Life Skills and Low Incidence Disabilities. At the April meeting the directors met in mixed groups, again rotating among the three tables to distill the written input into themes. In May we will take the next step of identifying short-term and longer term action steps, the latter being to make recommendations to the Superintendents Council to inform the development of the 2025-27 Local Service Plan.

Lane School Family Night: On March 20 Lane School held its annual Family Night featuring Science Fair projects, crafts and pizza!

Administrative Staff

11. Board Member Reports and Comments/Agenda Planning

Lane ESD Board, Liaisons, Advisors

A. Agenda Planning

Board members are invited to request agenda items now or send agenda items to be considered for the next board meeting. Please call or email to the Board Chair or Superintendent.

Board Chair

B. Board Member Reports

Board members are asked to submit their reports in writing to be attached to Boardbook. Reports can be sent to the Executive Assistant in advance of the meeting.

As Board Members prepare their reports, please consider the following questions:

1. What programs did I visit over the last month? What committees did I participate in?
2. What is the connection to the LESD services and programs to the component districts or community?
3. What significance or meaning does the activity have to the broader community?
4. What are the next steps or follow-up activities planned?

Sherry Duerst-Higgins
Linda Hamilton

Leslie Harris

Nora Kent
Sydney Kissinger

Vanessa Truett

Rose Wilde

Sue Wilson, Superintendents' Council Advisor
Emilio Hernandez, Liaison, Springfield Public Schools
Mike Anderson, Liaison, Creswell School District
Erin Zygaitis, Community Advisor

Board, Advisors, Liaisons

12. Announcements/Correspondence

Board Chair

A. Acknowledgements and Recognition

Superintendent Tony Scurto

B. Kudos

Kudos to: Lane ESD Tech Team
Reported by: Tony Scurto
Reason: Lots of hard work over this past weekend! It all seemed to go well. Super effort!

Kudos to: Rene Conable
Reported by: Marina Brisby
Reason: I received a phone call that one of SpEd's Life Skill's teacher, Rene, was nominated for the Golden Apple Award at 4j! May 30th is when staff will be awarded.

Kudos to: Jose Pleitez-Sanchez
Reported by: Brandon Webb
Reason: Jose is one of the IT departments newest members. Since coming on as a member of our team Jose has never said no, he treats everything with careful planning and thought while accomplishing tasks on

schedule or before. Jose's most recent work around the wireless system upgrade plan is beyond impressive and a perfect example of the type of work our IT department strives to make our standard. Thank you Jose!

Thank you to those who took the time to acknowledge co-workers/staff with kudos. Employees and Board members can submit a "kudo" any time during the month. To submit a kudo visit:
www.lesd.k12.or.us/forms/kudos.html

Administrators

C. Announcements

Board Chair

1. **Lane ESD Board Member Activities and Opportunities**

April 9, 2024: OSBA Executive Committee Meeting

April 16, 2024: Oregon Rural School Board Members Caucus
Leadership Assembly Meeting - April 2024

April 19, 2024: OSBA Board of Directors Special Meeting - April 19, 2024

April 20, 2024: OSBA Legislative Policy Committee Meeting - April 2024

April 23, 2024: OSBA Policy Committee Meeting - April 23, 2024

May 3, 2024: School Lunch Hero Day

May 7, 2024: Oregon Rural School Board Members Caucus Executive
Committee Meeting - May 2024

May 8, 2024: National School Nurse Day

May 14, 2024: OSBA Executive Committee Meeting

May 18, 2024: Oregon School Board Members of Color Caucus
Membership Meeting - May 2024

May 21, 2024: Oregon Rural School Board Members Caucus Leadership
Assembly Meeting - May 2024

2. **Component District Board Meeting Dates**

Bethel: The school board usually meets in regular public sessions at 6:30 p.m. on some Mondays of the month during the regular school year. at the Bethel District Office located at 4640 Barger Drive in Eugene. This schedule sometimes varies, and special meetings and work sessions are

scheduled as necessary. The Bethel School District Board of Directors will conduct meetings in-person and virtually, unless otherwise noted. Blachly: The District Board meets on the third Wednesday of each month at 6:00 pm in the school library.

Creswell: Regular Board of Director meetings are typically held the second Wednesday of each month at 7:00 PM. Special meetings and work sessions are scheduled as necessary.

Crow-Applegate-Lorane: The Board of Directors for Crow-Applegate-Lorane School District #66 holds a regular meeting at 7:00 pm on the third Thursday of each month. The meetings are held at Applegate Elementary School and at the Lorane Grange. For current information, contact the CAL district office at 541-935-2100. Executive sessions usually begin at 6:30 pm and are closed to the public.

Eugene: The school board usually meets in regular public sessions on the first and third Wednesdays of each month at 7 p.m. at the Education Center, 200 North Monroe, Eugene. This schedule sometimes varies, and special meetings and work sessions are scheduled as necessary.

Fern Ridge: The Fern Ridge School District Board of Directors meets on the 3rd Monday of each month unless posted otherwise.

Junction City: Monthly Meetings are held 4th Monday of the month except in December and July.

Lowell: Regular Board Meetings are scheduled for the 4th Monday of the month, with the meeting beginning at 4:00 pm. When there is a holiday on the 4th Monday, normally, the meeting will be held on an alternate Monday. Study sessions are tentatively scheduled to provide the opportunity for the Board to meet to study an individual aspect of the District.

Mapleton: The Mapleton School Board meets on the third Wednesday of each month. There is no meeting during the month of July. The School Board meeting is held in the high school at 6:00pm, unless otherwise noted.

Marcola: Regular board meetings are scheduled for the 2nd Monday of each month at 6 PM.

McKenzie:

Oakridge: Board Meeting calendar is posted on the Oakridge School District website.

Pleasant Hill: Board meeting calendar is posted on the Pleasant Hill School District website.

Siuslaw: The board of directors meet the second Wednesday of each month with the exception of a regular meeting scheduled for August 17, 2022. The board normally meets in the district board room located at 2111 Oak Street in Florence, Oregon. The meetings are scheduled to begin at 6:00 p.m. with work session and the regular meeting will begin

at approximately 6:30p.m. Please see the school calendar on the district website to confirm dates and times or call the district office at 541-997-2651.

South Lane: The South Lane School Board usually meets in regular public sessions on the first Monday and third Monday of each month at 5:30 p.m. for a work session. This schedule sometimes varies, and additional meetings and work sessions are scheduled as necessary. Meetings normally are held at the South Lane School District Office, 455 Adams Ave in Cottage Grove.

Springfield: The Board of Directors meet twice during most months during the school year. Regular business meetings begin at 7 p.m. on the second Mondays of the month. Work sessions are generally held at 5:30 p.m. on the fourth Monday of the month. All meetings, unless otherwise noted, are held in the Board Room of the Springfield Public Schools Administration Building, 640 A Street, Springfield, OR 97477.

13. Adjournment

- The next regular meeting is scheduled to be held Tuesday, May 7, 2024, at the Lane ESD Main Campus, 1200 Highway 99 N, Eugene. The Budget Committee will conduct its first meeting on Tuesday, May 7, 2024 at 5:00 p.m.

14. Executive Session

- To review and evaluate the performance of the superintendent or any other public officer, employee or staff member, unless that person requests an open hearing. (ORS 192.660(2)(i))

Board Chair

BUDGET COMMITTEE ORIENTATION

April 2, 2024

WELCOME

introductions

AGENDA

overview of local service plan
budget outlook and priorities
grants and contracts
next steps
questions

LOCAL SERVICE PLAN

development

- superintendents council
- district job-alike groups
- college, early childhood and community partners

LOCAL SERVICE PLAN

framework

- ❑ superintendents' council agreed to two-year plan
- ❑ align with Oregon's K-12 biennium funding
- ❑ focus on services that support district long-term goals
- ❑ review annually for service recommendations

LOCAL SERVICE PLAN

2023-25 year two

- second year of biennium
- second year of two-year plan

FUNDING MODEL

ORS 334.177

- ❑ at least 90% of state school fund (SSF) formula revenue must be spent on services in local service plan
- ❑ remaining funds may be spent on administrative services

FUNDING MODEL

provides basis for allocation of resolution funds

- ❑ funding for core services
- ❑ allocation of flex funds to districts
- ❑ allocation of professional development funds to districts

CORE SERVICES

essential services available to all districts

- technology services
- school improvement
- connected lane county
- innovation projects
- promise programs
- life skills high-cost pool

FLEX FUNDS

used for services outlined in local service plan

- ❑ funds are allocated to districts based on ADM
- ❑ up to 50% may be received via “transit” (cash)

FLEX FUNDS

menu of services

- services to students with special needs
- school improvement services
- technology services
- administrative services

FLEX FUNDS

custom services

- developed based on specific needs

PROFESSIONAL DEVELOPMENT

used for professional development activities

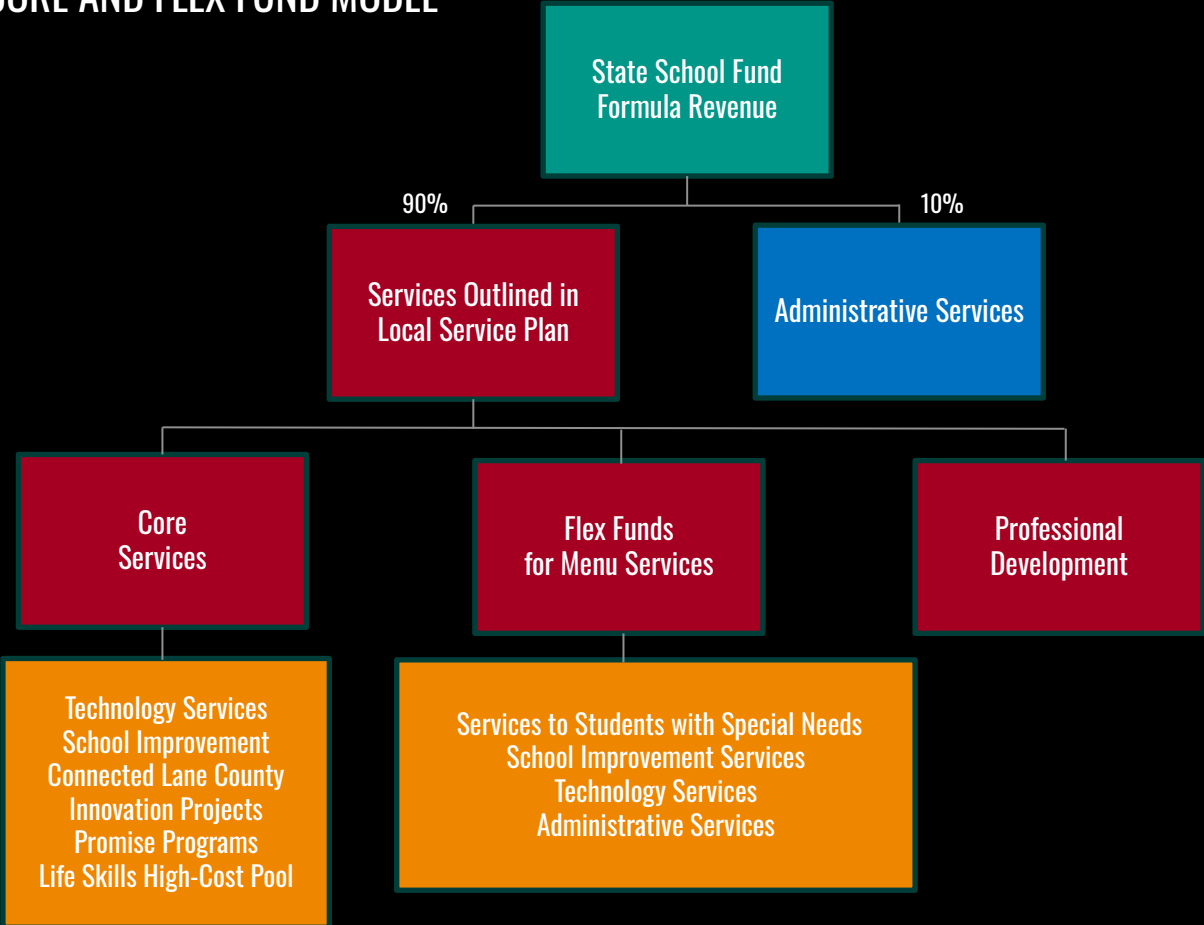
- ❑ funds are allocated to districts based on ADM
- ❑ unused funds can be carried over to following year or shifted to flex funds

LOCAL SERVICE PLAN

decision-making timelines

- ❑ significant changes to services decided by October
- ❑ proposals for innovation funds by March

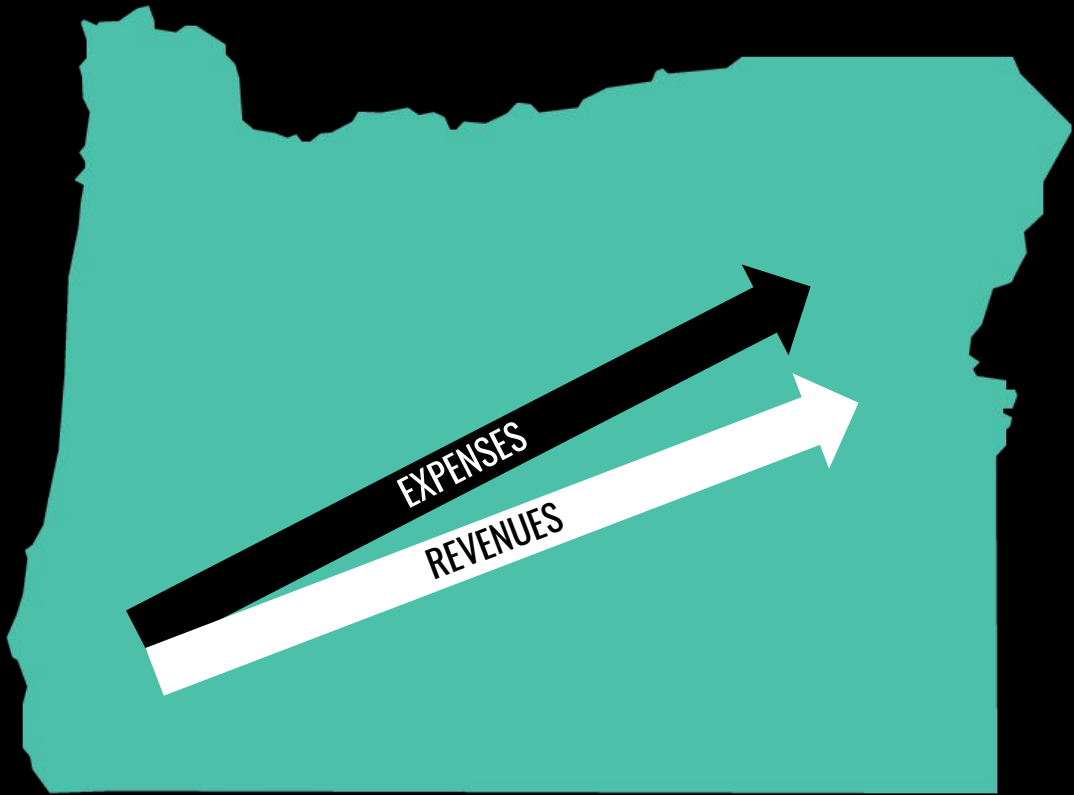
CORE AND FLEX FUND MODEL





BUDGET OUTLOOK

state school fund formula revenue
salaries and benefits



EXPENSES

REVENUES

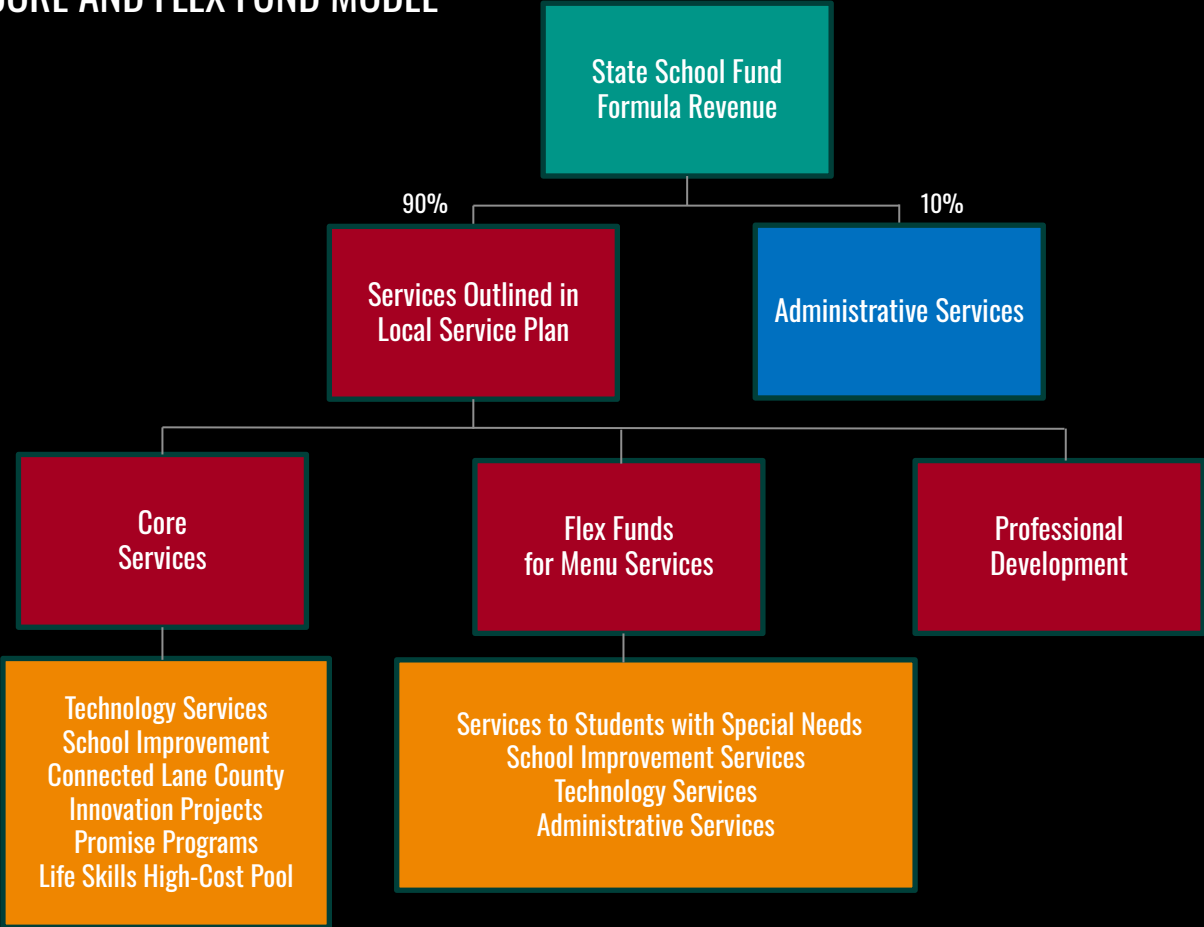
USE OF EQUITY LENS

support historically marginalized students
budget will reflect this commitment

BUDGET PRIORITIES

increase student achievement and well-being
consider positive/negative impact of changes
increase reserves to ensure stability
seek input from invested communities
examine outputs to measure success

CORE AND FLEX FUND MODEL



CORE AND FLEX FUND MODEL

2024-25 Budget

ODE ESD SSF Estimate
3-4-2024

State School Fund
Formula Revenue
\$25,305,000

90%

Services Outlined in
Local Service Plan
\$22,775,000

10%

Administrative Services
\$2,530,000

+ other resources

Board
Superintendent
Human Resources
Facilities
Central Services
Home School

Core
Services
\$2,349,200

Flex Funds
for Menu Services
\$20,223,800

Professional
Development
\$202,000

Technology Services
School Improvement
Connected Lane County
Innovation Projects
Promise Programs
Life Skills High-Cost Pool

Services to Students with Special Needs
School Improvement Services
Technology Services
Administrative Services

Life Skills
Lane School
School Psychologists
Behavior Consultants
Speech & Language Therapists
Interpreters Augmentative
Communication

GRANTS

career and technical education (CTE)

grow your own (lane regional teacher pathways)

student investment account (SIA)

school safety and prevention specialist

regional educator network (REN)

regional STEM hub network



GRANTS

title I-C (migrant education program) (MEP)

title III (english language acquisition) (ELA)

title IV-B (21st century community learning centers) (CCLC)

perkins (career and technical education) (CTE)

COVID-19 stimulus resources (ESSER) (GEER)



CONTRACTS

early intervention/early childhood special education (EI/ECSE)

regional inclusive services (RIS)

juvenile detention education program (JDEP)

state hospital education program

NEXT STEPS

receive service orders

align budget with service orders

review staffing



NEXT MEETING

Tuesday, May 7, 2024, 5:00 pm

Receive Budget Message

Hear Public Comment

Discussion and Questions

Approve Budget

HUMAN RESOURCES REPORT TO LANE ESD BOARD

April 1, 2024

CLASSIFIED STAFF (Information)

	Employee Name	Position	Effective Date	Notes
<i>Appointments</i>	Clark, Melissa	Instructional Assistant, Life Skills	2/12/2024	
	Harvey, Tonya "Pixie"	Instructional Assistant, Life Skills	2/12/2024	
	Krugielki, Andrew	Sign Language Interpreter	2/16/2024	
	Masterson, Caitlin	Sign Language Interpreter	2/29/2024	
	Millen, Jennifer	Instructional Assistant, Lane School	1/9/2024	
	Noble, Sophia	Instructional Assistant, Life Skills	2/26/2024	
	Perez, Jaden	Instructional Assistant, Lane School	2/3/2024	
	Selland, Sarah	Instructional Assistant, Life Skills	2/14/2024	
<i>Leaves of Absence</i>				
<i>Discontinuation of Employment</i>	Asay, Justice	Instructional Assistant, Life Skills	2/16/2024	
	Bennett, Laura	Instructional Assistant, Life Skills	1/19/2024	
	Jackson, Jocelyn	Instructional Assistant, Life Skills	2/21/2024	
<i>Change of Status</i>				

LICENSED STAFF (Action)

	Employee Name	Position	Effective Date	Notes
<i>Appointments</i>	Frazier, Jess	Teacher, Physical Education & Electives	1/3/2024	
<i>Leaves of Absence</i>				
<i>Discontinuation of Employment</i>	Frazier, Jess	Teacher, Physical Education & Electives	1/31/2024	
	Campbell, Savannah	Speech Language Pathologist	1/19/2024	
	Rear, Tracy	Specialist, Regional Educator Network	2/23/2024	
<i>Change of Status</i>				

MANAGEMENT STAFF (Action)

	Employee Name	Position	Effective Date	Notes
<i>Appointments</i>				
<i>Leaves of Absence</i>				
<i>Discontinuation of Employment</i>	Draeger, Annie	Program Supervisor, Special Education	2/16/2024	
	McRae, Katie	Office Manager, Special Education	12/7/2023	
	Susan Anderson-Brown	Executive Director, Human Resources	3/29/2024	
<i>Change of Status</i>	Susan Anderson-Brown	Executive Director, Human Resources	2/21/2024	Leave Without Pay

PROFESSIONAL STAFF (Information)

	Employee Name	Position	Effective Date	Notes
<i>Appointments</i>	Puls, Sheena	Student Success Navigator, Native Youth Wellness C	3/18/2024	
<i>Leaves of Absence</i>				
<i>Discontinuation of Employment</i>				
<i>Change of Status</i>				

VACANCY NOTICES (Information)

Posting #	Position	Closing Date	Notes
640	Instructional Assistant, Life Skills	4/30/2024	In process
770	Instructional Assistant, Life Skills	Open pool	In process
932	School Nurse	2/29/2024	In process
946	Instructional Assistant, Life Skills	Open pool	In process
948	Instructional Assistant, Life Skills	Open pool	In process
957	Instructional Assistant, At-Large	4/15/2024	In process

VACANCY NOTICES (Information continued)

Posting #	Position	Closing Date	Notes
959	Sign Language Interpreter	Open pool	In process
964	Instructional Assistant, Life Skills	Open pool	In process
966	Speech Language Pathologist	4/15/2024	In process
968	Systems Engineer	4/15/2024	In process
974	Teacher, Physical Education & Electives	2/12/2024	In process
975	Instructional Assistant, Life Skills	Open pool	In process
979	Teacher, Life Skills	4/15/2024	In process
981	Teacher, Emotional/Behavioral Disabilities	3/15/2024	In process
982	Speech Language Pathologist	Open pool	In process
984	Summer School Teacher, Elem., MEP	6/14/2024	In process
985	Instructional Assistant, Life Skills	Open pool	In process
986	Summer School Teacher, Elem., MEP	Open pool	In process
987	Summer School Teacher, Elem., MEP	Open pool	In process
988	Summer School Teacher, Pre-K., MEP	Open pool	In process
989	Summer School Instructional Assistant, Elem., MEP	6/14/2024	In process
990	Summer School Instructional Assistant, Pre-K., MEP	Open pool	In process
991	School Safety & Prevention Specialist	3/4/2024	In process
992	Sign Language Interpreter	Open pool	In process
997	Executive Director, Special Education	3/24/2024	In process
998	Instructional Assistant, Life Skills	Open pool	In process
1002	Instructional Assistant, Life Skills	Open pool	In process
1004	Instructional Assistant, At-Large	Open pool	In process
1005	Instructional Assistant, At-Large	Open pool	In process
1006	Instructional Assistant, At-Large	Open pool	In process
1007	Instructional Assistant, At-Large	Open pool	In process
1008	Instructional Assistant, At-Large	Open pool	In process
1009	Instructional Assistant, At-Large	Open pool	In process
1010	Instructional Assistant, Life Skills	Open pool	In process
1012	Assistant Director, Special Education	4/15/2024	In process



Shaping the future:
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LANE EDUCATION SERVICE DISTRICT

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EQUITY COMMITMENT LEADERSHIP COLLABORATION INTEGRITY

LANE EDUCATION SERVICE DISTRICT

1200 Hwy 99 N
Eugene, Oregon 97402

BOARD WORK SESSION

Tuesday, February 6, 2024
Regular Meeting 6:00 PM

1. Work Session: Strategic Plan & Equity Lens

Chair Duerst-Higgins called the Work Session to order at 5:02 p.m.

Board Members present: Sherry Duerst-Higgins, Linda Hamilton, Leslie Harris, Nora Kent, Vanessa Truett, Rose Wilde, Sydney Kissinger (remote)

Administrators present: Superintendent Tony Scurto, Assistant Superintendent Eric Anderson, Olivia Meyers Buch, Julie Simmonds (recording secretary)

Assistant Superintendent Eric Anderson led the Board through a discussion and exercise related to the Equity Lens.

2. Call Regular Meeting To Order

Chair Duerst-Higgins called the meeting to order at 6:02 p.m.

3. Welcome

Chair Duerst-Higgins called the Regular Meeting to order at 6:02 0 p.m.

Board Members present: Sherry Duerst-Higgins, Linda Hamilton, Leslie Harris, Nora Kent, Vanessa Truett, Rose Wilde, Sydney Kissinger (remote)

Board Advisors and Liaisons present: Mike Anderson (Creswell Board), Scott Yakovich (Superintendents' Council), Erin Zygaitis (Community Advisor)

Administrators present: Superintendent Tony Scurto, Assistant Superintendent Eric Anderson, Business Services Executive Director Olivia Meyers Buch, Special Education Executive Director Sue Mathisen, Julie Simmonds (recording secretary)

Guests: Annie Galaxy, Samurai Macovis, and Javin Petry, Shareen Vogel, Lee Kounovsky, Ryan Kruse, and Joshua Daniels, Teagan Wynne (LCEA), Marina Brisby, Jess Garnick Tapia, Jarrod Norris, Johnathan Hendricks, Dave Hendricks, Trina Hendricks, Alia Burkholder

4. Lane Education Service District Statement of Accountability: Land Acknowledgement

Vice-Chair Leslie Harris read the Land Acknowledgment aloud:

Lane ESD acknowledges that the lands we call Lane County - the lands that sustain our children, our future, and our collective well-being - are the traditional ancestral home of the Kalapuya, Siuslaw, Molalla, and other indigenous people who have lived in Lane County since time immemorial. Native children, families, and communities bear witness to a legacy of displacement and forced relocation. As an educational institutions we are accountable for addressing the current and former silencing, erasure and genocide of native people in Oregon and Turtle Island. We aim to join with indigenous people, honoring their resilience, courage, and self-determination in a purposeful pursuit of justice.

5. Public Participation

This is an opportunity for the audience to address the Board on topics either on, or not on, the agenda. There will also be opportunities for the audience to comment on specific agenda items as the Board addresses them.

Comments Regarding Staff Members - Speakers may offer objective criticism of ESD operations and

programs. The Board will not hear comments regarding any individual ESD staff member. The Board chair will direct the visitor to the procedures in Board policy KL - Public Complaints for Board consideration of a complaints involving a staff member. The association contract governing the employee's rights will be followed. A commendation involving a staff member should be sent to the superintendent, who will forward it to the staff member, his/her supervisor and the Board.

The Board requests that a public comment add information or a perspective that has not already been mentioned previously, and that the patron refrains from repeating a similar point. To make a comment or present a topic during public comment, if the opportunity is available on the Board agenda, please complete the Intent to Speak card and submit it to the Board secretary prior to the start of the meeting. An individual that has submitted an Intent to Speak card and has been invited to speak by the Board chair, will be allowed three minutes.

Any person, who is invited by the Board chair to speak to the Board during a meeting, should state his/her name and address and, if speaking for an organization, the name of the organization. A spokesperson should be designated to represent a group with a common purpose.

There was no public participation.

6. Agenda Review

The agenda was reviewed. Item 7 will be moved to beyond item 8.D.1.

7. Presentation: Unified Robotics

Special Education Program Supervisor Annie Galaxy introduced Samurai Macovis and Javin Petry. Unified proves a platform for students to build authentic relationships through what has typically been athletic endeavors. This year, the Lane ESD Special Education Department partnered with STEM, 4J, and several districts to bring a Unified Robotics experience to two high schools that host our Life Skills students.

8. Action Items

8.A. Consent Agenda

The Lane ESD Board of Directors has agreed to implement a consent agenda. All items in the consent agenda are adopted by a single motion unless a member of the Board or the Superintendent requests that such item be removed from the consent agenda and acted upon separately.

Generally, consent agenda items are matters which members of the Board agree are routine in nature and should be acted upon in one motion to conserve time and to enable the Board to focus on the other matters on the agenda.

Back-up materials for consent agenda items are included in the agenda packet as needed. Minutes of this meeting will reflect action on each item.

If any board member wishes to withdraw any consent group item, it will be moved to the appropriate section of the agenda.

DIRECTOR HARRIS MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD adopts the consent group as submitted and listed below.

1. Lane ESD Board Meeting Minutes of December 5, 2023
2. Lane ESD Board Meeting Minutes of January 2, 2024

Director Wilde seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-049)**

8.B. Accept Financial Report

Business Services Executive Director Olivia Meyers Buch provided comments on the December 2023 Financial Report. The Board thanked Business Services Director for the year-to-year comparison and the attached narrative. The Board inquired about the stability of the Ending Fund Balance. There are no indicators of instability in the Ending Fund Balance.

DIRECTOR WILDE MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD accepts the Financial Report for December 2023. **Director** Truett seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-050)**

8.C. Approve Juvenile Detention Education Program (JDEP) Student Investment Act (SIA) Grant Agreement
The purpose of this grant is to provide funding to assist in meeting students' mental or behavioral health needs, and increasing academic achievement and reducing academic disparities for students from racial or ethnic groups that have historically experienced academic disparities, students with disabilities, English language learners, economically disadvantaged students, students who are homeless, and students who are foster children. The focus of the grant is collaborative problem solving for staff and students.

DIRECTOR TRUETT MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD approves Juvenile Detention Education Program (JDEP) Student Investment Act (SIA) Grant Agreement. **Director Kent** seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-051)**

8.D. Declare February 2024 as Career Technical Education Appreciation Month

Superintendent Scurto read the declaration aloud:

WHEREAS: February 1-29, 2024, has been designated Career and Technical Education Month® by the Association for Career and Technical Education; and

WHEREAS: career and technical education offers students the opportunity to gain the academic, technical and employability skills necessary for true career readiness

WHEREAS: students in career and technical education programs participate in authentic, meaningful experiences that improve the quality of their education and increase their engagement and achievement; and

WHEREAS: career and technical education provides students with career exploration opportunities earlier in their educational experience, which enables them to make informed and beneficial decisions about their academic coursework and pursue established programs of study and career pathways; and

WHEREAS: leaders from business and industry nationwide report increasing challenges related to addressing the skills gap and connecting qualified professionals with available careers in critical and growing CTE-related fields, including healthcare, energy, advanced manufacturing, cybersecurity and information technology; and

WHEREAS: career and technical education prepares students for these and other fulfilling careers by offering integrated programs of study that link secondary and postsecondary education and lead to the attainment of industry-recognized credentials; and

WHEREAS: career and technical education programs ensure that employers have access to a qualified and thriving workforce, ensuring America is a strong and competitive economy;

DIRECTOR WILDE MOVED: NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Lane ESD do hereby proclaim February 1-29, 2024, as

Career and Technical Education Month

and urge all citizens to become familiar with the services and benefits offered by the career and technical education programs in this community and to support and participate in these programs to enhance their individual skills and productivity.

Director Harris seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-052)**

8.D.1. Presentation: HOPE Factory

Shareen Vogel, Lee Kounovsky, Ryan Kruse, and Joshua Daniels presented on Lane Career Academy's HOPE Factory. The HOPE Factory provides innovative regional programming that gives high school students access to work-based learning, community college credit, industry credentials and mentoring from across all 16 school districts. Students are provided in-demand curriculum and skills training in Construction and Manufacturing trades -- all in a manufactured home facility.

8.E. Approve Grants

Superintendent Scurto discussed new grants. The Board of Directors of Lane ESD were asked to approve the following recently awarded or submitted grants.

Per Board Policy DD: Lane ESD shall pursue federal, state or private grants or other such funds that will

assist the ESD in meeting adopted Board and ESD goals. Proposals for external funds will be submitted to the Board for evaluation and approval. In the event an opportunity arises to submit a grant proposal and there is insufficient time to place it before the Board, the superintendent is authorized to use his/her judgment in approving it for submission. The superintendent will review the proposal with the Board at its next regular meeting. The Board reserves the right to reject funds associated with any grant which has been approved. The Board shall, before an acceptance of such funds, consider the district's obligations, expectations or encumbrances when the grant ceases.

Lane ESD Grant Summary as of 12-31-2023

- [2024 Technical Assistance Program \(TAP\) Grants - Long-Range Facility Plan](#)
- [2024 Technical Assistance Program \(TAP\) Grants - Facility Assessment](#)
- **Constructing a Brighter Future Technical Assistance**

Director Wilde requested a map of the future for CTE. Superintendent Scurto will bring back more information on the direction of CTE programs at Lane ESD.

DIRECTOR WILDE MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD approves grants as presented. **Director** Truett seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-053)**

8.F. Declare February 2024 as Black History Month
Chair Duerst-Higgins read the declaration aloud:

WHEREAS, in 1915, Dr. Carter Godwin Woodson, noted Black scholar and son of former slaves, founded the Association for the Study of African American Life and History and initiated Black History Week on February 12, 1926; and

WHEREAS, in 1976 President Gerald Ford made Black History Month a national observance; and the second week of February coincides with the birthdays of Abraham Lincoln and Frederick Douglass; and the event inspired schools and communities nationwide to organize local celebrations, establish history clubs, and host performances and lectures; and

WHEREAS, during Black History Month we celebrate the many achievements and contributions made by Black Americans to Oregon and the United States' economic, cultural, spiritual, and political development and honor the memory of the millions of enslaved Africans who died during the Transatlantic Slave Trade; and **WHEREAS**, while the observance of Black History Month calls for our community's attention to the continued need to battle racism and to build a society that lives up to its democratic ideals; and

WHEREAS, all students need an opportunity to understand the common humanity underlying all people, to develop pride in their own cultural identity and heritage, and to respect the identity and heritage of others; and **DIRECTOR HAMILTON MOVED: NOW, THEREFORE**, we, the members of the Board of Directors for the Lane Education Service District, hereby declare February 2024 to be **Black History Month**, and we strongly encourage our staff and community to observe, recognize, and celebrate the culture, heritage and contributions of Black Americans to our country, our state, our cities, and our schools, By resolution of the Board of Directors this 6th day of February 2024.

Director Harris seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-054)**

8.G. Cast Vote for OAESD Chair Elect

The Officer Council consists of the officers of OAESD. These are the Chair, Chair-Elect, and Past Chair of the OAESD Board and President, President-Elect, and Past President of the OAESD Superintendents' Council. The term of office for the officers shall be one year in each role (three years total). Any officer may be elected to no more than two successive terms. The Chair-Elect and President-Elect succeed the Chair and President, respectively. Past practice has been for each ESD Board to have the opportunity to nominate a candidate for the position of Chair-Elect and for each member ESD superintendent to have the opportunity to nominate a candidate for President-Elect.

The nomination and election timeline for 2024 will be as follows:

- December - Local Boards may nominate eligible members of their own or other ESD boards for Chair-Elect. Superintendents may nominate themselves or other ESD superintendents for President-Elect. Nominations will be turned in to the OAESD Executive Director no later than December 29th.
- January- Local Boards will cast their votes for Chair-Elect. Superintendents will cast their votes for President Elect. Results will be turned in to the OAESD Executive Director no later than January 31st.
- February- The results of the election(s) will be announced on February 5th.
- July-New officers will begin in the role. They may shadow Legislative Committee meetings and Officer Council meetings during the 2024 spring.

Bylaw Language Pertaining to the Officer Council: The Officers Council is charged with implementing the purposes of OAESD, including but not limited to:

- 1) Creating a job description, recruiting, interviewing and hiring of the Executive Director to administer the effective implementation of the purposes of OAESD.
- 2) Entering into and administering the employment contract for the Executive Director.
- 3) Conducting an annual review of the Executive Director and report the results of the review to the Governance Council. The Past-President shall facilitate such annual review.
- 4) Dismissal or non-renewal of the contract for the Executive Director.
- 5) Interviewing and hiring of the Director of Government Relations.
- 6) Entering into and administering the employment contract for the Director of Government Relations.
- 7) Conducting an annual review of the Director of Government Relations. The Past-President shall facilitate such annual review.
- 8) Dismissal or non-renewal of the Director of Government Relations.
- 9) Advising the Executive Director in contracting with member ESDs for fiscal, website and executive secretary services, and other administrative services necessary to carry out the functions of OAESD.
- 10) Advising the Executive Director in developing an annual work plan, including communication strategies, for OAESD to provide priorities for the Association.
- 11) Advising the Executive Director in creating an annual schedule of meetings and other events.
- 12) Advising the Executive Director in creating a proposed annual budget for OAESD
- 13) Advising the Executive Director in planning Association conferences and workshops.
- 14) Advising the Executive Director in developing agendas, call, publicize, chair and arrange for minutes to be taken for all official OAESD meetings of the OAESD Governance Council.
- 15) The President-Elect shall serve as Chair of the Legislative Committee.
- 16) The Chair-Elect shall serve as OAESD Representative to the Ex Officio position on the OSBA Board of Directors.

Anna Ali and David Dunsdon have been officially nominated for the OAESD Chair-Elect position.

DIRECTOR WILDE MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD casts its vote for Anna Ali. **Director Truett** seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-055)**

8.H. Announce Budget Committee Vacancy(ies)

By law, the budget committee is charged with making recommendations concerning financial priorities. The budget committee will have the responsibility for reviewing the financial program of Lane ESD, reviewing the proposed ESD budget as presented by the superintendent and recommending an annual ESD budget in keeping with the provisions of applicable state laws.

Educational policy decisions, however, are the responsibility of the Board, not the budget committee. The committee does not have the authority to add programs or to approve additional personnel or increase salaries. While the committee may, in effect, delete programs because of a fund decrease in arriving at a levy figure, the committee is charged primarily with a fiscal evaluation of programs. The committee may, alternatively, recommend an amount that changes the proposed budget and may request the administration make such changes in accordance with priorities set by the Board.

The budget committee consists of the elected Board members and eight members appointed by the Board from component school district boards or designees of component district Boards. The members appointed by the Board shall consist of five members selected by ESD zone and three members selected at large. To

be eligible for appointment, the appointive member must:

1. Live and be registered to vote within the ESD and, if a zone representative, must live within the appropriate zone;
2. Not be an officer, agent or employee of the ESD. No budget committee member may receive any type of compensation from the ESD. Reimbursement of budget committee expenses shall be in accordance with Board policy and administrative rule BHD/BHD-AR.

The Board will announce the vacancies and receive recommendations of interested members of component school district Boards or designees of component district boards. Candidates for vacant positions must reside in the vacated zone. At-large vacant positions will be filled from among members of component school district Boards or designees of component district boards.

The appointive budget committee members will be appointed for three-year terms in the September meeting. The terms will be staggered so that approximately one-third of the appointive members' terms end each year. The Board may appoint budget committee members to as many consecutive terms as deemed appropriate. If any appointive member is unable to complete the term for which he/she was appointed, the Board will announce the vacancy at the first regular Board meeting following the committee member's resignation or removal. An appointment to fill the position for its unexpired term will be made at the next regular Board meeting. (continued) 1-2 Budget Committee - DBEA (continued)

The budget committee will elect a presiding officer from among the members at the first meeting. It may also establish such other ground rules as necessary for successful operation of the committee.

A majority of the constituted committee is required for passing an action item. Majority for a 15-member budget committee is 8. Therefore, if only eight members are present, a unanimous vote is needed for passing an action.

As provided by law, the committee will hear the budget message presented by the superintendent, receive the budget document, listen to comments and suggestions by patrons and announce the time and place for its future meetings. All meetings of the budget committee are open to the public.

The budget committee may request any information for the preparation or revision of the budget document from any ESD officer or employee. It may request the attendance of any employee at its meetings. Such requests by the budget committee should be made through the superintendent and/or budget officer. The budget committee will approve the budget document as submitted by the superintendent or as subsequently revised by the committee.

After approval of the original or revised budget document, the budget committee's duties cease. The hearing on the approved budget is held by the Board.

Lane ESD's Budget Committee has vacancies in Positions/[Zones 1 and 2](#). The Board of Directors of Lane ESD will declare these two Budget Committee Vacancies.

DIRECTOR HARRIS MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD declares two Budget Committee Vacancies. **Director Wilde** seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-056)**

8.I. Appoint Budget Committee Member

Eugene School District 4J's Board of Directors has nominated Board Member Rick Hamilton to the Lane Education Service District Budget Committee for a three-year term ending 6/30/2026.

The Board directed Superintendent Scurto to recruit for Budget Committee Position 2.

DIRECTOR HARRIS MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD appoints Eugene School District Board Member Rick Hamilton to Lane ESD's Budget Committee Position 1. **Director Wilde** seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-057)**

8.J. Declare Classified Employee Appreciation Week

DIRECTOR KENT MOVED:

Classified Employee Appreciation Week is celebrated every year during the first full week of March. The Board of Directors of Lane Education Service District recognize the contributions of its Classified Employees:

WHEREAS, the education of youth is essential to the future of our community, state, country and world; and

WHEREAS, classified employees are the backbone of our public education system; and

WHEREAS, classified employees work directly with students, educators, parents, volunteers, business partners and community members; and

WHEREAS, classified employees support the smooth operation of offices, the safety and maintenance of buildings and property, and the safe transportation, healthy nutrition and direct instruction of students; and

WHEREAS, our community depends upon and trusts classified employees to serve students; and

WHEREAS, classified employees, with their diverse talents and true dedication, nurture students throughout their school years.

NOW, THEREFORE, BE IT RESOLVED that the (insert name) Board of Directors proclaims March 4-8, 2024, to be **CLASSIFIED EMPLOYEE APPRECIATION WEEK**; and

BE IT FURTHER RESOLVED that the Lane Education Service District Board of Directors strongly encourages all members of our community to join in this observance, recognizing the dedication and hard work of these individuals.

Director Hamilton seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, KISSINGER, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-058)**

9. Discussion/Reports

9.A. Legislative Update

Legislative Update

Superintendent Scurto discussed the Bill Tracker provided by OAESD.

The EI/ECSE budget of \$22M looks like it will be formalized for Regional Inclusive Services. ODE has reconfigured its formula and states the funding projection is correct. The \$6M increase to the Regional Inclusive Services budget will be divided by all contract holders, and will leave Lane ESD with a \$536,000 deficit. OAESD superintendents continue to advocate through meetings with ODE to explore emergency funding or legislation for the Lane region.

9.B. Superintendent Report

9.B.1. Ice Storm Updates and Instructional Hours

Ice Storm Updates and Instructional Hours

While damage still lingers, districts are acknowledging that they have missed between two and six days, depending on the location. The main campus of Lane ESD closed for three days during the ice storm. Districts are discussing how to make up closure dates. Our students need to match the instructional time that their peers in their home districts receive. Many districts will not be making up for missed instructional time, and the Oregon Office of Education is considering reducing required time by 14 hours. Superintendent Scurto may return in March asking the Board to adjust instructional time or scheduling make-up days. Several schools are using President's Day as a make-up day (Springfield and Pleasant Hill).

Westmoreland Playground

Eugene Parks and Recreation met with Superintendent Scurto and shared they do not have funding for playground equipment at the Westmoreland Campus. Superintendent Scurto has reached out to the Meyer

Memorial Foundation to inquire about a grant to support playground equipment.

The OAESD Governance Council was held on February 1, 2024. The Bylaw language was updated and the Council approved legislative priorities. There was agreement on establishing OAESD as an entity, and the entity will enter into a "190 agreement" where ESDs will have a share of liability under the umbrella.

The OAESD Spring Conference will be held May 8-10. Julie Simmonds will email to gather RSVPs from the Board.

9.B.2. Local Service Plan Component District Board Visits

Superintendent Scurto provided an update on Component District Board visits related to the passing of the 2023-25 Local Service Plan - Year Two. Component districts have until March 1, 2022 to approve the 2021-23 Local Service Plan - Year Two. Many visits are completed and some schedules have been adjusted due to inclement weather closures:

1/8/2024 - Marcola, 6:00 p.m. (Vanessa Truett)
1/10/2024 - Siuslaw, 6:30 p.m. (Nora Kent)
1/22/2024 - Fern Ridge, 6:30 p.m. (Rose Wilde, Linda Hamilton)
1/22/2024 - Junction City, 6:00 p.m.. (Linda Hamilton)
1/22/2024 - Lowell, 4:00 p.m. (Rose Wilde)
1/24/2024 - Eugene, 7:00 p.m. (Linda Hamilton)
1/29/2024 - Crow-Applegate-Lorane, 7:00 p.m. (Sherry Duerst-Higgins)
2/5/2024 - South Lane, 5:30 p.m. (Sherry Duerst-Higgins)
2/07/2024 - Blachly, 6:00 p.m. (Nora Kent)
2/12/2024 - Springfield, 6:00 p.m. (Vanessa Truett)
2/12/2024 - Pleasant Hill, 7:00 p.m. (Leslie Harris)
2/21/2024 - McKenzie, 5:30 p.m. (Leslie Harris)
2/21/2024 - Mapleton, 6:00 p.m. (Nora Kent)
2/26/2024 - Bethel, 6:30 p.m. (Sydney Kissinger)

9.C. Administrative Rules

Administrative rules are detailed directions governing the operation of Lane ESD.

The superintendent is authorized to formulate such administrative rules appropriate for the implementation of policies adopted by the Board and necessary for the consistent operation of the ESD. Such administrative rules shall be binding on the employees of Lane ESD and the students in the classrooms of the ESD until modified or repealed.

All new or amended administrative rules will become effective on the day after approved by the superintendent unless an alternative effective date is specified. When approved by the superintendent, administrative rules shall be distributed to staff and other individuals, as appropriate.

The superintendent will make administrative rules available to the Board. The Board may review any administrative rule and may direct its revision if, in the Board's judgment, such rule is not consistent with adopted policies.

The Board of Directors of Lane ESD will review new Administrative Rules as presented:

[DI-AR\(3\)](#) - propose to delete and add new ARs that align with existing policies:

[Draft DJ-AR\(1\) Purchasing Procedures](#) - aligns with [Policy DJ - District Purchasing](#) further discuss purchasing authority to ensure alignment with workflows in process.

[Draft DJ-AR\(2\) Expenditure of Funds for Meals, Refreshments and Gifts](#) - aligns with [Policy DJ - District Purchasing](#)

[Draft DJFA-AR Credit Card Procedures](#) - aligns with [Policy DJFA - Use of Credit Cards](#)

[Draft DLC-AR Staff Expense Reimbursement](#) - aligns with [Policy DLC - Expense Reimbursement](#)

Business Services Director Olivia Meyers Buch provided comments on the Administrative Rule updates.

9.D. Upcoming Event Participation

The Board of Directors of Lane ESD will discuss participation in the Blacks In Government Black History Month Banquet and the LCOG Member Appreciation Dinner/Auction. Lane Council of Governments has also announced it is seeking nominations for recognition awards to be presented at the Dinner/Auction.

Blacks In Government Black History Month Banquet

The Board of Directors of Lane ESD will discuss participation/attendance at the Blacks In Government Black History Month Banquet, rescheduled for a date to be determined in March. Dr. Charlene Williams, ODE, will present on Mental Health Matters. March 29, 2024

LCOG Accepting Award Nominations

The LCOG Member Appreciation Dinner is back. The event is scheduled for Friday, March 8 at 6:00 p.m. at the Cottage Grove Armory, 628 E Washington Ave., Cottage Grove, OR 97424.

A traditional component of this event is the formal recognition of outstanding service, leadership, and commitment to the regional community.

We are currently accepting nominations for:

- Outstanding Elected Official
- Outstanding Citizen
- Outstanding Public Career
- Outstanding Public Employee
- Outstanding Intergovernmental Team
- Regional Award of Merit for Economic Enhancement

Citizens are invited to submit nominations of candidates in any or all of the six award categories.

Nominations of candidates for any of the awards must include a statement that describes the nominee's contributions to the community, the nominee's achievements, and the rationale for the selection of that nominee as the award recipient.

The formal presentations will be made at the Appreciation Dinner. Please submit nominations for one or all of the awards by February 5, 2024.

9.E. Teacher of the Year and Education Support Professional of the Year

Every year, each of the 50 states, U.S. territories, DC, and the Department of Defense Education Activity names a teacher of the year. The Oregon Teacher of the Year Program recognizes and honors teacher excellence, with the Teacher of the Year serving as the face and voice of exemplary educators across the state. Candidates for Oregon Teacher of the Year are exceptionally dedicated, knowledgeable, and skilled licensed public school educators in grades preK-12. Thanks to the Oregon Department of Education's partnership with the Oregon Lottery, the Oregon Teacher of the Year receives a gift of \$10,000 as well as a special fund to cover all travel costs for the year.

[Read more about the program](#)

About the Oregon Education Support Professional of the Year Program

Every school community in Oregon is comprised of dedicated professionals who spend their day in support of students and educators, performing a variety of jobs promoting quality education, fostering positive learning

environments, offering nutritious meals, providing reliable transportation and maintaining safe and clean schools for all students.

Beginning in 2020, the Oregon Department of Education, in partnership with the Oregon Lottery, is privileged to facilitate the Oregon Education Support Professional of the Year award. The winner will receive a \$5,000 gift, as well as a plaque and banner to commemorate this significant achievement.

[Read more about the program](#)

10. Information from Administrative Staff

The directors of Human Resources and Title Programs, Special Education, Business Services, Technology and School Improvement have submitted written reports to the Board on matters of interest concerning his/her area of responsibility.

11. Board Member Reports and Comments/Agenda Planning

11.A. Agenda Planning

Board members discussed potential items for future board meetings. Board members may also send agenda items to be considered for the next board meeting. Please call or email the Board Chair or Superintendent.

11.B. Board Member Reports

Board members are asked to submit their reports in writing to be attached to Boardbook. Reports can be sent to the Executive Assistant in advance of the meeting.

As Board Members prepare their reports, please consider the following questions:

1. What programs did I visit over the last month? What committees did I participate in?
2. What is the connection to the LESD services and programs to the component districts or community?
3. What significance or meaning does the activity have to the broader community?
4. What are the next steps or follow-up activities planned?

Nora Kent: January 5 th- Attended Deadwood Annual Community Meeting. Mapleton Superintendent Sue Wilson and Director Mizu Kinney presented on behalf of the Mapleton School District. There are exciting new programs, such as incentives to increase attendance and adding more Friday extracurricular activities as well as community events. They are certainly moving forward with their goal to make Mapleton a model rural school district!

Jan 10th- Attended the Siuslaw School Board meeting with Tony and Erik to roll out the service plan for the year. The room was packed with folks to learn more about the decisions regarding the proposed Charter School, but they got to learn about LESD while they were there.

January 20 - Attended the Siuslaw Watershed Council Meeting. I learned about the projects as well as the educational program. I was elected to the Leadership Team as a liaison for post-secondary education.

Vanessa Truett: *Springfield Illumination Exhibit: BIPOC Springfield History, Marcola Board Meeting* with Superintendent Scurto, *LCC Lecture MLK : Taraj Kohesh, We are Neighbors Exhibit and Panel* : Springfield Public Library, *North Eugene High School Student Mock Interviews, 70th anniversary Chamber Gala*; First Citizen George Russell and Future First Citizen, *OAESD Legislative Priorities* Northwest Regional ESD meeting for parents, caregivers and students about funding shortfalls for EI/ECSE and RIS and to encourage them to advocate for increased funding during this short legislative session.

Mike Anderson, Liaison, Creswell School District, the district passed bond last year and Mr. Anderson is serving on committee to select an architectural firm.

12. Announcements/Correspondence

12.A. Acknowledgements and Recognition - None

12.B. Kudos

Thank you to those who took the time to acknowledge co-workers/staff with kudos. Employees and Board members can submit a "kudo" any time during the month. To submit a kudo

visit: www.lesd.k12.or.us/forms/kudos.html

12.C. Announcements

12.C.1. Lane ESD Board Member Activities and Opportunities

FEBRUARY

13 OSBA Executive Committee Meeting

16 Bonds, Ballots and Buildings Conference (Salem)

20 Oregon Rural School Board Members Caucus Leadership Assembly

MARCH

9 OSBA Board Meeting

12 OSBA Executive Committee Meeting

APRIL

9 OSBA Executive Committee Meeting

12.C.2. Component District Board Meeting Dates

Bethel: The school board usually meets in regular public sessions at 6:30 p.m. on some Mondays of the month during the regular school year. at the Bethel District Office located at 4640 Barger Drive in Eugene. This schedule sometimes varies, and special meetings and work sessions are scheduled as necessary. The Bethel School District Board of Directors will conduct meetings in-person and virtually, unless otherwise noted.

Blachly: The District Board meets on the third Wednesday of each month at 6:00 pm in the school library.

Creswell: Regular Board of Director meetings are typically held the second Wednesday of each month at 7:00 PM. Special meetings and work sessions are scheduled as necessary.

Crow-Applegate-Lorane: The Board of Directors for Crow-Applegate-Lorane School District #66 holds a regular meeting at 7:00 pm on the third Thursday of each month. The meetings are held at Applegate Elementary School and at the Lorane Grange. For current information, contact the CAL district office at 541-935-2100. Executive sessions usually begin at 6:30 pm and are closed to the public.

Eugene: The school board usually meets in regular public sessions on the first and third Wednesdays of each month at 7 p.m. at the Education Center, 200 North Monroe, Eugene. This schedule sometimes varies, and special meetings and work sessions are scheduled as necessary.

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Junction City: Monthly Meetings are held 4th Monday of the month except in December and July.

Lowell: Regular Board Meetings are scheduled for the 4th Monday of the month, with the meeting beginning at 4:00 pm. When there is a holiday on the 4th Monday, normally, the meeting will be held on an alternate Monday. Study sessions are tentatively scheduled to provide the opportunity for the Board to meet to study an individual aspect of the District.

Mapleton: The Mapleton School Board meets on the third Wednesday of each month. There is no meeting during the month of July. The School Board meeting is held in the high school at 6:00pm, unless otherwise noted.

Marcola: Regular board meetings are scheduled for the 2nd Monday of each month at 6 PM.

McKenzie:

Oakridge: [Board Meeting calendar](#) is posted on the Oakridge School District website.

Pleasant Hill: [Board meeting calendar](#) is posted on the Pleasant Hill School District website.

Siuslaw: The board of directors meet the second Wednesday of each month with the exception of a regular meeting scheduled for August 17, 2022. The board normally meets in the district board room located at 2111 Oak Street in Florence, Oregon. The meetings are scheduled to begin at 6:00 p.m. with work session and the regular meeting will begin at approximately 6:30p.m. Please see the school calendar on the district website to confirm dates and times or call the district office at 541-997-2651.

South Lane: The South Lane School Board usually meets in regular public sessions on the first Monday and third Monday of each month at 5:30 p.m. for a work session. This schedule sometimes varies, and additional meetings and work sessions are scheduled as necessary. Meetings normally are held at the South Lane School District Office, 455 Adams Ave in Cottage Grove.

Springfield: The Board of Directors meet twice during most months during the school year. Regular business meetings begin at 7 p.m. on the second Mondays of the month. Work sessions are generally held at 5:30 p.m. on the fourth Monday of the month. All meetings, unless otherwise noted, are held in the Board Room of the Springfield Public Schools Administration Building, 640 A Street, Springfield, OR 97477.

13. Adjournment

- The meeting was adjourned at 8:19 p.m. The next regular meeting is scheduled to be held Tuesday, March 5, 2024, at the Lane ESD Main Campus, 1200 Highway 99 N, Eugene.

Minutes Approved:

Sherry Duerst-Higgins, Chairperson

Tony Scurto, Superintendent



LANE EDUCATION SERVICE DISTRICT

1200 Highway 99 North
Eugene, OR 97402

541.461.8200
541.461.8298 [Fax]

www.lesd.k12.or.us

EQUITY COMMITMENT LEADERSHIP COLLABORATION INTEGRITY

LANE EDUCATION SERVICE DISTRICT

1200 Hwy 99 N
Eugene, Oregon 97402

BOARD MEETING

Tuesday, March 5, 2024
Regular Meeting: 6:00 PM

1. Work Session: Superintendent Evaluation and Board Self-Evaluation
Chair Duerst-Higgins called the work session to order at 5:02 p.m.

Board Members present: Sherry Duerst-Higgins, Linda Hamilton, Leslie Harris, Nora Kent, Rose Wilde, Sydney Kissinger (remote), Vanessa Truett (remote)

Board Liaisons and Advisors present: None

Administrators present: Superintendent Tony Scurto, Julie Simmonds (recording secretary)

1.A. Superintendent Evaluation

The Board discussed evaluating Superintendent Scurto for the 2023-24 and 2024-25 years. The Board consensus is to survey Cabinet members, the Superintendents' Council, and Lane ESD Board members for feedback. The Board chair and vice-chair will collect data and share with the Board in Executive Session following the April meeting.

1.B. Board Self-Evaluation

The Board and Superintendent Scurto discussed how to conduct a Board self-evaluation. The Board preference is to utilize the old OSBA model for self-evaluation, and to wait until the 2024-25 year to begin evaluating.

2. Call Regular Meeting To Order

Chair Duerst-Higgins called the regular meeting of the Board to order at 6:01 p.m.

3. Welcome

Guests attending the meeting will be introduced.

Board Members present: Sherry Duerst-Higgins, Linda Hamilton, Leslie Harris, Nora Kent, Rose Wilde, Sydney Kissinger (remote), Vanessa Truett (remote)

Board Liaisons and Advisors present: Mike Anderson (Creswell School District Board), Troy Stoops (Superintendents' Council)

Administrators present: Superintendent Tony Scurto, Assistant Superintendent Eric Anderson, Julie Simmonds (recording secretary)

Guests present: Jess Garnick Tapia (LCEA)

4. Lane Education Service District Statement of Accountability: Land Acknowledgement

Director Wilde read the following aloud: Lane ESD acknowledges that the lands we call Lane County - the lands that sustain our children, our future, and our collective well-being - are the traditional ancestral home of the Kalapuya, Siuslaw, Molalla, and other indigenous people who have lived in Lane County since time immemorial. Native children, families, and communities bear witness to a legacy of displacement and forced relocation. As an educational institution we are accountable for addressing the current and former silencing, erasure and genocide of native people in Oregon and Turtle Island. We aim to join with indigenous people, honoring their resilience, courage, and self-determination in a purposeful pursuit of justice.

5. Public Participation

This is an opportunity for the audience to address the Board on topics either on, or not on, the agenda. There will also be opportunities for the audience to comment on specific agenda items as the Board addresses them.

Comments Regarding Staff Members - Speakers may offer objective criticism of ESD operations and programs. The Board will not hear comments regarding any individual ESD staff member. The Board chair will direct the visitor to the procedures in Board policy KL - Public Complaints for Board consideration of a complaints involving a staff member. The association contract governing the employees' rights will be followed. A commendation involving a staff member should be sent to the superintendent, who will forward it to the staff member, his/her supervisor and the Board.

The Board requests that a public comment add information or a perspective that has not already been mentioned previously, and that the patron refrains from repeating a similar point. To make a comment or present a topic during public comment, if the opportunity is available on the Board agenda, please complete the Intent to Speak card and submit it to the Board secretary prior to the start of the meeting. An individual that has submitted an Intent to Speak card and has been invited to speak by the Board chair, will be allowed three minutes.

Any person, who is invited by the Board chair to speak to the Board during a meeting, should state his/her name and address and, if speaking for an organization, the name of the organization. A spokesperson should be designated to represent a group with a common purpose.

There was no public participation.

6. Agenda Review

The agenda was reviewed.

7. Action Items

7.A. Consent Agenda

The Lane ESD Board of Directors has agreed to implement a consent agenda. All items in the consent agenda are adopted by a single motion unless a member of the Board or the Superintendent requests that such item be removed from the consent agenda and acted upon separately.

Generally, consent agenda items are matters which members of the Board agree are routine in nature and should be acted upon in one motion to conserve time and to enable the Board to focus on the other matters on the agenda.

Back-up materials for consent agenda items are included in the agenda packet as needed. Minutes of this meeting will reflect action on each item.

If any board member wishes to withdraw any consent group item, it will be moved to the appropriate section of the agenda.

DIRECTOR HARRIS MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD adopts the consent group as submitted and listed below:

- Human Resource Report, dated February 29, 2024
- Authorize Contracts for Licensed Staff for 2024-25
- Authorize Contracts for Licensed, Administrative Staff for 2024-25

Director Hamilton seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, KISSINGER, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-59)**

7.B. Accept Financial Report

Business Services Director Olivia Meyers Buch was unable to attend due to a commitment to a PACE event. The Board discussed concerns regarding the timeliness of the financial report, having not received information from February in March. The Board requested final information on the previous month and preliminary information on the most recent month.

The Board discussed a Budget 101 workshop. Superintendent Scurto explained that the Budget 101 or Budget overview is planned prior to the regular meeting in April.

DIRECTOR WILDE MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD accepts the Financial Report for January 2024. Director Kent seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, KISSINGER, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-060)**

7.C. Approve Grant

The Board accepts its responsibility to provide from public funds sufficient supplies and equipment for an effective program; it recognizes, however, that from time to time individuals and organizations in the community may wish to contribute additional supplies or equipment to enhance or extend the instructional program.

Lane ESD shall pursue federal, state or private grants or other such funds that will assist the ESD in meeting adopted Board and ESD goals. Proposals for external funds will be submitted to the Board for evaluation and approval. In the event an opportunity arises to submit a grant proposal and there is insufficient time to place it before the Board, the superintendent is authorized to use his/her judgment in approving it for submission.

The superintendent reviewed the proposal with the Board at its next regular meeting. The Board reserves the right to reject funds associated with any grant which has been approved.

The Board shall, before an acceptance of such funds, consider the district's obligations, expectations or encumbrances when the grant ceases.

The Meyer Memorial Trust (Meyer) has awarded a grant in the amount of \$50,000 (Grant) to Lane Education Service District (Grantee) for support of the Lane Regional Teacher Pathways Program (Grant Purpose). The Board expressed concern related to not reviewing the proposal prior to applying. The Board requested Erika Case present on the efforts of the Lane Regional Teacher Pathways Program.

DIRECTOR HARRIS MOVED: BE IT RESOLVED that the Board of Directors of Lane ESD accepts the grant as presented. Director Hamilton seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, KISSINGER, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-061)**

7.D. Declaration of Classified Employee Appreciation Week

DIRECTOR KENT MOVED: BE IT RESOLVED

WHEREAS, the education of youth is essential to the future of our community, state, country and world; and

WHEREAS, classified employees are the backbone of our public education system; and

WHEREAS, classified employees work directly with students, educators, parents, volunteers, business partners and community members; and

WHEREAS, classified employees support the smooth operation of offices, the safety and maintenance of buildings and property, and the safe transportation, healthy nutrition and direct instruction of students; and

WHEREAS, our community depends upon and trusts classified employees to serve students; and

WHEREAS, classified employees, with their diverse talents and true dedication, nurture students throughout their school years.

NOW, THEREFORE, BE IT RESOLVED that the Lane Education Service District Board of Directors proclaims March 4-8, 2024, to be **CLASSIFIED EMPLOYEE APPRECIATION WEEK**; and

BE IT FURTHER RESOLVED that the Lane Education Service District Board of Directors strongly encourages all members of our community to join in this observance, recognizing the dedication and hard work of these individuals.

Director Kissinger seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, KISSINGER, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-062)**

7.E. Declare Women in History Month

The National Women's History Month's theme for 2024 celebrates "Women Who Advocate for Equity, Diversity and Inclusion." The theme recognizes women throughout the country who understand that, for a positive future, we need to eliminate bias and discrimination entirely from our lives and institutions.

Women from every background have long realized that an uneven playing field will never bring equality or justice. Many feel the critical need to speak up and work harder for fairness in our institutions and social interactions.

During 2024, we recognize the example of women who are committed to embracing everyone and excluding no one in our common quest for freedom and opportunity. They know that people change with the help of families, teachers and friends, and that young people in particular need to learn the value of hearing from different voices with different points of view as they grow up.

Today, equity, diversity and inclusion are powerful driving forces that are having a wide-ranging impact on our country. As members of families, civic and community groups, businesses and legislative bodies, women are in the forefront of reevaluating the status quo. They are looking anew at what harmful social policies and behaviors exist and, often subtly, determine our future. In response, women in communities across the nation are helping to develop innovative programs and projects within corporations, the military, federal agencies and educational organizations to address these injustices.

It takes courage for women to advocate for practical goals like equity, diversity and inclusion when established forces aim to misinterpret, exploit or discredit them. Throughout 2024, we honor local women from the past and present who have taken the lead to show the importance of change and to establish firmer safeguards, practices and legislation reflecting these values. Following decades of discrimination, we are proud to celebrate women who work for basic inclusion, equality, and fairness.

DIRECTOR HAMILTON MOVED: Whereas, March is National Women's History Month, and the National Women's History Alliance has designated the theme for Women's History Month 2024 as "Women Who Advocate for Equity, Diversity, and Inclusion"; and

Whereas, this theme recognizes the invaluable contributions of women who have dedicated themselves to advocating for equity, diversity, and inclusion in all aspects of society; and

Whereas, women from diverse backgrounds have long been at the forefront of efforts to address systemic inequities and promote a more inclusive and just society; and

Whereas, the courageous advocacy of women for practical goals such as equity, diversity, and inclusion serves as a beacon of inspiration for all individuals and communities; and

Whereas, in 2024, we honor the women who have tirelessly worked to dismantle barriers, challenge prejudices, and create opportunities for all individuals, regardless of their background and attacks against Diversity, Equity, and Inclusions programs and training in our institutions;

Now, therefore be it resolved, that **Lane Education Service District**, do hereby proclaim March 2024 as Women's History Month in Lane County; and

Be it further resolved that, We encourage our communities and organizations to celebrate the achievements of women who have championed equity, diversity, and inclusion, and reaffirm our commitment to advancing these principles in our society. Let us honor the women who have dedicated themselves to advocating for equity, diversity, and inclusion, and let us continue to work together to build a more just, equitable, and inclusive world.

Director Harris seconded, and the **MOTION CARRIED WITH DIRECTORS DUERST-HIGGINS, HAMILTON, HARRIS, KENT, KISSINGER, TRUETT AND WILDE VOTING YES. (ESD Resolution #24-063)**

8. Discussion/Reports

8.A. Legislative Update

End of Short Session

This Sunday, March 20 is the end of the Legislative Short Session for 2024. The EI/ECSE ask from OAESD was to have the \$22M added to the program. This request is included in SB5701, which adjusts 96 different

budgets and is expected to pass. Summer Learning, HB4082, meant to provide \$50M towards summer learning and is expected to pass at \$30M with charter schools and ESDs included. There is a current study to determine the path to move 20th Century Learning into the regular budget. SB1502 passed and creates a requirement for boards to livestream their meetings. SB1558 amends previous legislation to allow 504 plan students to take a reduced schedule in high school if credits are not needed. HB4068, written to increase the amount districts receive for high-cost students, is not anticipated to pass. Superintendent Scurto called out a special note to Ozzie Rose's retirement recognition, linked in the Board report.

8.B. Superintendent Report

Sue Mathisen Announces Retirement

Sue Mathisen, Special Education Executive Director, has announced her retirement effective June 30, 2024. Lane ESD has posted the Executive Director position and will also post an Assistant Director position, with a goal of having the Executive Director function more outward facing and the Assistant Director focusing on internal-facing issues and supports. Teams will be established, comprised of external and internal individuals with different perspectives, to screen and interview.

February 28 Dr. Charlene Williams Visit

Lane County hosted a visit from Dr. Charlene Williams on Thursday, February 28. Dr. Williams had dinner with representatives from the Lane County BIPOC student group. Dr. Williams served as a keynote speaker at a Youth Voice event held at Ford Alumni Center on the following day. Lane ESD's Shareen Springer put the event together with the support of the School Improvement Team.

The 2023-25 Local Service Plan-Year Two has passed.

UO Ballmer Institute

Lane ESD learned this morning that the UO Ballmer Institute will again waive tuition for Lane County educators who would like to participate in 2024-25. The Ballmer Institute was created to train educators to work with students who present with behaviors and display needs for social/emotional learning supports.

8.C. Discuss Work Session Topic: Superintendent Evaluation

The Board of Directors and Superintendent Scurto reviewed the discussion coming out of the Work Session (item 1.A.). The consensus is to use the same document from OSBA that has been previously used to evaluate the superintendent. The Board will solicit feedback from the Superintendents' Council, Board Members and the Superintendent's Cabinet. The Board will target April for an Executive Session to review collected feedback.

8.D. Discuss Work Session Topic: Board Self Evaluation

The Board of Directors and Superintendent Scurto reviewed their discussion coming out of the Work Session (item 1.B.), and the consensus is to begin a Board Self-Evaluation in August of 2024.

9. Information from Administrative Staff

The directors of Human Resources and Title Programs, Special Education, Business Services, Technology and School Improvement have submitted written reports to the Board on matters of interest concerning his/her area of responsibility.

Facilities:

- Technology Office Remodel - The Technology Office Remodel is moving along. The server room/MDF phase of the project is near completion. Technology and Facilities plan to move all servers and critical infrastructure into new space on the weekend of March 16-17. After that is complete, the contractor will begin to build out the new office area.
- TAPS Grants for facilities assessment and long range planning - We are still waiting on a response from ODE to find out whether we will be awarded the grant.
- Westmoreland Security Upgrades - Facilities is currently collecting bids on perimeter fencing and gates at Westmoreland. This will enclose the entire campus to help keep unwanted visitors from entering the property. This work will be completed this summer.
- Main Campus Chiller Replacement - This project is out to bid on OregonBuys and bids will be accepted on March 28th.

- Main Campus Security Upgrades - Cameras and a new access control system will be installed at the Main Campus in the beginning of April following the completion of the new server room. Cameras will be placed to cover all exterior property and main hallways on the interior. A new intercom system will be included that will allow us to monitor front doors and provide guest access more efficiently.

10. Board Member Reports and Comments/Agenda Planning

10.A. Agenda Planning

Board members discussed potential items for future Board meetings. Board members are invited to send agenda items to be considered for the next board meeting. Please call or email the Board Chair or Superintendent.

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2. What is the connection to the LESD services and programs to the component districts or community?
3. What significance or meaning does the activity have to the broader community?
4. What are the next steps or follow-up activities planned?

Troy Stoops, Superintendents' Council Advisor

Emilio Hernandez, Liaison, Springfield School District: Absent

Mike Anderson, Liaison, Creswell School District: Licensed bargaining has begun, and is going well.

Erin Zygaitis, Community Advisor: Absent

11. Announcements/Correspondence

11.A. Acknowledgements and Recognition

11.B. Kudos

Thank you to those who took the time to acknowledge co-workers/staff with kudos. Employees and Board members can submit a "kudo" any time during the month. To submit a kudo visit: www.lesd.k12.or.us/forms/kudos.html

11.C. Announcements

11.C.1. **Component District Board Meeting Dates**

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11.D. Lane ESD Board Member Activities and Opportunities

MARCH

8 Lane Council of Governments Member Appreciation Dinner

9 OSBA Board Meeting

12 OSBA Executive Committee Meeting

APRIL

9 OSBA Executive Committee Meeting

12. Adjournment

Chair Duerst-Higgins adjourned the meeting at 7:57 p.m.

- The next regular meeting is scheduled to be held Tuesday, April 2, 2024, at the Lane ESD Main Campus, 1200 Highway 99 N, Eugene.

Minutes Approved:

Sherry Duerst-Higgins, Chairperson

Tony Scurto, Superintendent



LANE EDUCATION SERVICE DISTRICT

1200 Highway 99 North
Eugene, OR 97402

541.461.8200
541.461.8298 [Fax]

www.lesd.k12.or.us

EQUITY COMMITMENT LEADERSHIP COLLABORATION INTEGRITY

Prepared for: Lane ESD Board of Directors
Prepared by: Olivia Meyers Buch, Executive Director of Business Services
Meeting Date: April 2, 2024

February 2024 Financial Report (Unaudited)

The Financial Report for the General Fund for the period ending February 29, 2024 follows this report. Year-to-date operating revenues through February 29, 2024 total \$21.1 million or 75.2% of total budgeted operating revenues as compared to \$20.2 million or 76.3% through February 29, 2023. As usual, state school fund formula revenue (state school fund - general support and property taxes levied by district) constitutes the majority of funds received at this point in the year.

Total resources of \$30.3 million are projected to be \$0.8 million less than budgeted, primarily due to reduced revenue from services provided to districts compared to the actual level of services being provided.

Year-to-date operating expenditures through February 29, 2024 total \$12.8 million or 52.9% of total budgeted operating expenditures as compared to \$12.5 million or 54.3% through February 29, 2023.

Total operating expenditures are projected to be \$0.5 million less than budgeted, primarily due to savings as a result of implementing a new opt out incentive that has resulted in lower health insurance premium costs.

Projected resources and requirements through February 29, 2024 result in an ending fund balance of \$2.2 million, with \$1.1 million assigned (reserved) for districts. The remaining ending fund balance of \$1.1 million is unassigned and represents 4.1% of projected operating revenues. The projected ending fund balance reflects a decrease, or operating deficit, of \$1.0 million.

Please contact me with questions or if you would like any additional information.

**Lane Education Service District
General Fund Financial Report (Unaudited)
For the Period Ending February 29, 2024**

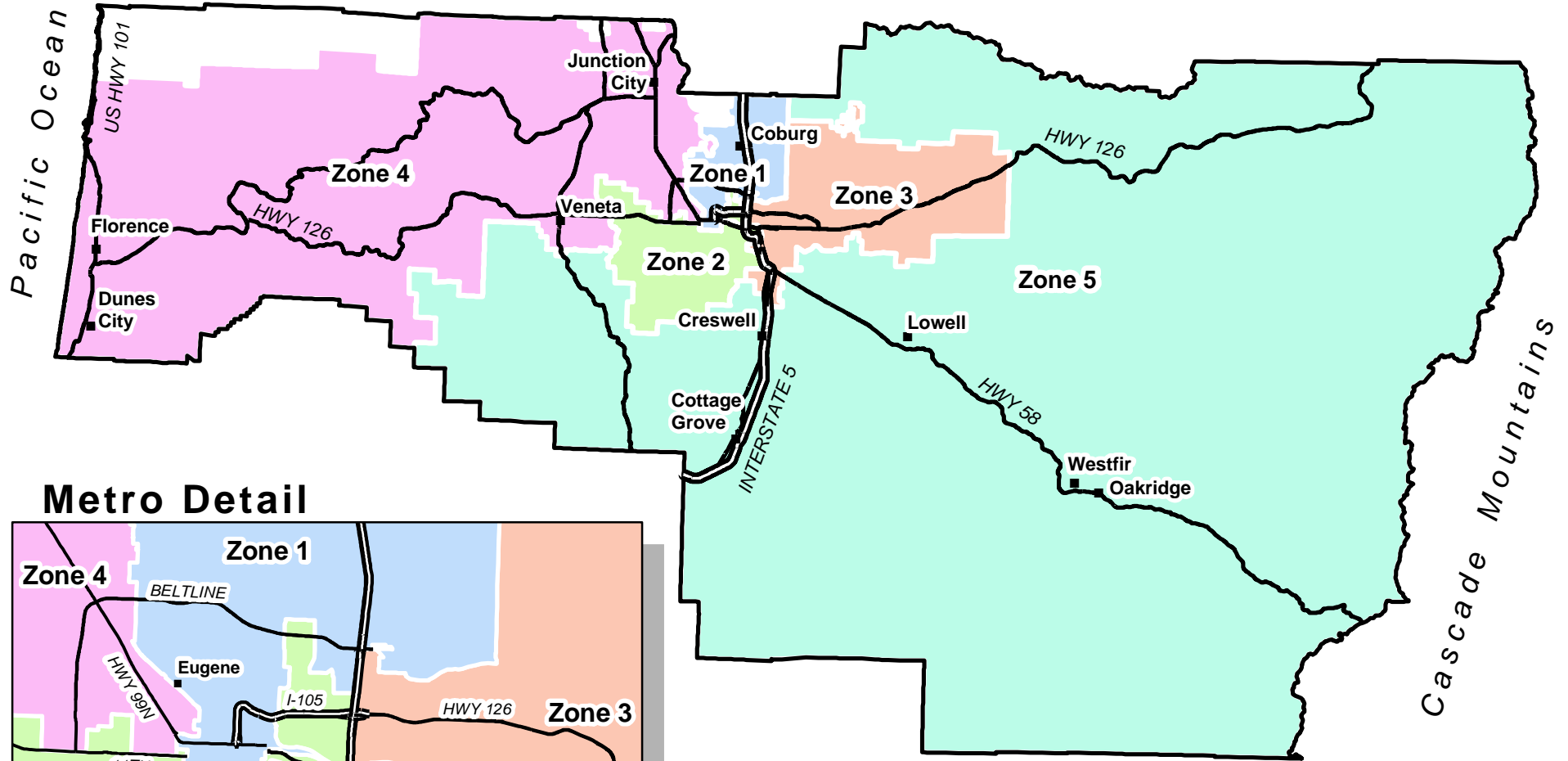
	Fiscal Year 2022-23					Fiscal Year 2023-24					
	Final Budget	Actuals thru 2/28	% of Budget	Actuals thru 6/30	% of Budget	Adopted Budget	Actuals thru 2/29	% of Budget	Projected thru 6/30	% of Budget	Budget Variance
RESOURCES											
State School Fund Formula Revenue											
State School Fund - General Support	\$ 15,425,800	\$ 11,546,122	74.8%	\$ 15,420,256	100.0%	\$ 15,532,800	\$ 12,116,289	78.0%	\$ 15,637,517	100.7%	\$ 104,717 ⁽¹⁾
Property Taxes Levied by District	8,393,000	7,977,230	95.0%	8,419,024	100.3%	8,688,000	8,217,782	94.6%	8,686,491	100.0%	(1,509)
Other Local Revenues	77,200	37,361	48.4%	118,881	154.0%	66,200	33,276	50.3%	63,531	96.0%	(2,669)
Services Provided to Districts	1,398,800	-	0.0%	1,376,808	98.4%	2,550,400	13,330	0.5%	1,369,646	53.7%	(1,180,754) ⁽²⁾
Fees Charged to Grants	630,000	205,583	32.6%	940,066	149.2%	670,000	255,810	38.2%	650,000	97.0%	(20,000)
Other Revenues	565,000	457,940	81.1%	561,641	99.4%	577,700	473,282	81.9%	654,515	113.3%	76,815
Total Operating Revenues	\$ 26,489,800	\$ 20,224,236	76.3%	\$ 26,836,675	101.3%	\$ 28,085,100	\$ 21,109,769	75.2%	\$ 27,061,700	96.4%	\$ (1,023,400)
Beginning Fund Balance (District Reserves)	1,129,000	1,080,566	95.7%	1,080,566	95.7%	921,200	1,165,894	126.6%	1,165,894	126.6%	244,694
Beginning Fund Balance	3,401,000	3,316,093	97.5%	3,316,093	97.5%	2,050,000	2,080,746	101.5%	2,080,746	101.5%	30,746
TOTAL RESOURCES	\$ 31,019,800	\$ 24,620,895	79.4%	\$ 31,233,335	100.7%	\$ 31,056,300	\$ 24,356,410	78.4%	\$ 30,308,340	97.6%	\$ (747,960)
REQUIREMENTS											
Salaries	\$ 9,384,434	\$ 5,282,138	56.3%	\$ 9,141,836	97.4%	\$ 10,981,147	\$ 6,307,834	57.4%	\$ 11,086,657	101.0%	\$ 105,510
Associated Payroll Costs	6,409,373	3,300,530	51.5%	5,738,735	89.5%	7,372,687	3,766,493	51.1%	6,721,399	91.2%	(651,288) ⁽³⁾
Purchased Services	6,612,088	3,272,021	49.5%	6,815,071	103.1%	5,140,697	2,024,203	39.4%	5,096,406	99.1%	(44,291)
Supplies and Materials	419,400	455,673	108.6%	763,976	182.2%	446,550	434,312	97.3%	491,515	110.1%	44,965
Other Objects	215,700	208,899	96.8%	312,523	144.9%	230,100	246,058	106.9%	248,943	108.2%	18,843
Total Operating Expenditures	\$ 23,040,996	\$ 12,519,261	54.3%	\$ 22,772,140	98.8%	\$ 24,171,181	\$ 12,778,901	52.9%	\$ 23,644,920	97.8%	\$ (526,261)
Transfers											
Interfund Transfers	459,000	429,000	93.5%	459,000	100.0%	459,000	429,000	93.5%	429,000	93.5%	(30,000)
Transits to Districts	4,917,153	631,667	12.8%	4,755,555	96.7%	3,410,163	882,847	25.9%	4,008,135	117.5%	597,972 ⁽²⁾
Other Uses of Funds											
Planned Reserve (District Reserves)	1,427,538	-	0.0%	-	0.0%	965,956	-	0.0%	-	0.0%	(965,956)
Planned Reserve	575,113	-	0.0%	-	0.0%	1,450,000	-	0.0%	-	0.0%	(1,450,000)
Reserved for Next Year	600,000	-	0.0%	-	0.0%	600,000	-	0.0%	-	0.0%	(600,000)
TOTAL REQUIREMENTS	\$ 31,019,800	\$ 13,579,928	43.8%	\$ 27,986,695	90.2%	\$ 31,056,300	\$ 14,090,748	45.4%	\$ 28,082,055	90.4%	\$ (2,974,245)
ENDING FUND BALANCE	-	\$ 11,040,967		\$ 3,246,640		-	\$ 10,265,662		\$ 2,226,285		
Assigned for Districts				\$ 1,165,894					\$ 1,103,757		
Unassigned Fund Balance				\$ 2,080,746	7.8% *				\$ 1,122,528	4.1% *	
<i>* Percent of Operating Revenues</i>				\$ 3,246,640					\$ 2,226,285		

(1) Variance is due to an increase in the state school allocation from \$9.9 billion to \$10.2 billion.

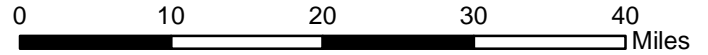
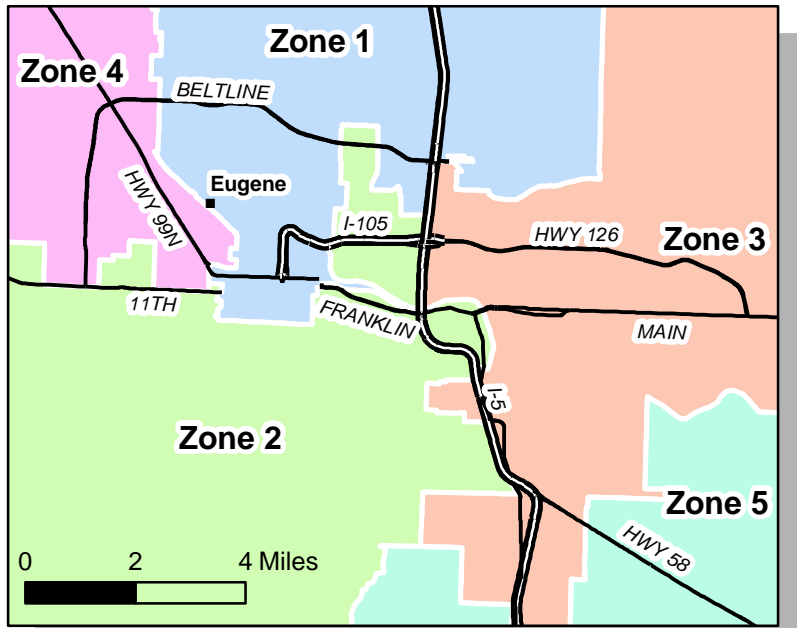
(2) Variance is due to actual services ordered by districts being less than anticipated.

(3) Variance is due to savings as a result of implementing a new opt out incentive that has resulted in lower health insurance premium costs.

Lane ESD Board Zones



Metro Detail



Lane Council of Governments
859 Willamette, Suite 500
Eugene, Oregon 97401

LANE EDUCATION SERVICE DISTRICT
2023-24 BUDGET COMMITTEE
 2024-25 Budget Year

Zone	Position	Board Members	Term Expires	Position	Appointed Members	District
1	1	Sydney Kissinger	June 30, 2025	1	Rick Hamilton	Eugene 4J*
2	2	Leslie Harris	June 30, 2027	2	Mike Anderson	Creswell
3	3	Vanessa Truett	June 30, 2025	3	Emilio Hernandez	Springfield*
4	4	Nora Kent	June 30, 2027	4	Dwight Coon	Blachly*
5	5	Sherry Duerst-Higgins	June 30, 2027	5	Jim Chapman	Lowell*
At-Large	6	Rose Wilde	June 30, 2025	6	Andrea Larsen	Fern Ridge*
At-Large	7	Linda Hamilton	June 30, 2027	7	Robin Zygaitis	Bethel*
At-Large				8	Mizu Burrus	Mapleton

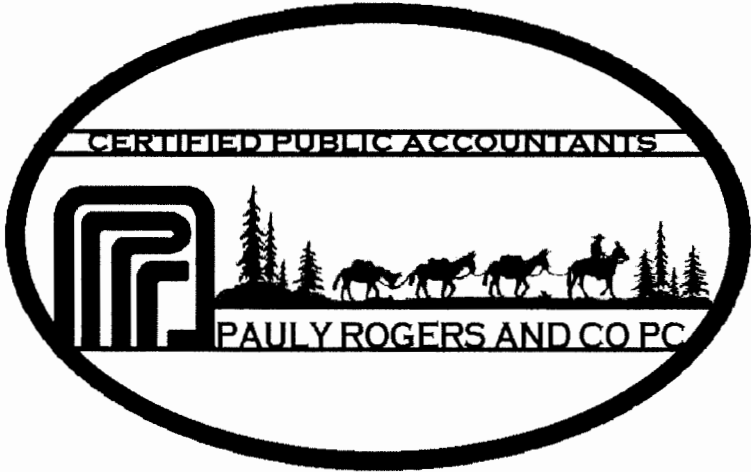
Term Expires

June 30, 2026
June 30, 2027
June 30, 2024
June 30, 2024
June 30, 2024
June 30, 2025
June 30, 2025
June 30, 2027

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2023



**12700 SW 72nd Ave.
Tigard, OR 97223**



PAULY, ROGERS AND Co., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcocpas.com

December 19, 2023

To the Board of Directors
Lane Educational Service District
Lane County, Oregon

We have audited the basic financial statements of the governmental activities, business-type activities, and each major fund of Lane Educational Service District (the District) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the *Uniform Guidance*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

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

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

Our Responsibility under U.S. Generally Accepted Auditing Standards

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

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

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

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

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

Planned Scope and Timing of the Audit

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

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

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment, except as noted on page 57 of the financial report.
3. Federal Awards - We found no issues of non-compliance and no questioned costs. We have responsibility to review these programs and give our opinion on the schedule of expenditures of federal awards, and tests of the internal control system, compliance with laws and regulations, and general and specific requirements mandated by the various awards.
4. Management letter – No separate management letter was issued.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023, except for the implementation of GASB Statement No.96 *Subscription-Based Information Technology Agreements*. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the financial statements are the actuarial estimate of the District’s portion of the statewide Net Pension Liability (or Asset) and Other Post-Employment Benefits. Other sensitive estimate(s) affecting the basic financial statements were Management’s estimate of Accounts Receivable and Capital Asset Depreciation, which is(are) based on estimated collectability of receivables and useful lives of assets. We have evaluated the methods, assumptions, and data used to develop these estimates in determining that they were reasonable in relation to the basic financial statements taken as a whole.

Pauly, Rogers and Co., P.C.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

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

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on it, except for the budgetary statements presented as required supplementary information.

Supplementary Information

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

Other Information

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

Other Matters – Future Accounting and Auditing Issues

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

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

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

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

GASB 100 – ACCOUNTING CHANGES AND ERROR CORRECTIONS – an amendment of GASB 62

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and

(2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB 101 – COMPENSATED ABSENCES

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

Pauly, Rogers and Co., P.C.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

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

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive, slightly slanted style.

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

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



12700 SW 72nd Ave.
Tigard, OR 97223

LANE EDUCATION SERVICE DISTRICT

LANE COUNTY, OREGON

2022-2023 FINANCIAL REPORT

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LANE EDUCATION SERVICE DISTRICT

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LANE EDUCATION SERVICE DISTRICT

Lane County, Oregon

PRINCIPAL OFFICIALS

<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
Sydney Kissinger	June 30, 2025
Sherry Duerst-Higgins	June 30, 2027
Linda Hamilton, Chair	June 30, 2027
Leslie Harris	June 30, 2027
Nora Kent	June 30, 2027
Vanessa Truett, Vice Chair	June 30, 2025
Rose Wilde	June 30, 2025

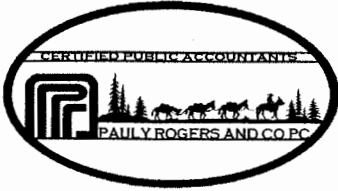
ADMINISTRATION

Tony Scurto, Superintendent
Dave Standridge, Business Manager (Registered Agent)

The Board members receive mail at the following address:

Lane ESD
1200 Highway 99N
Eugene, Oregon 97402

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PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
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December 19, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Lane Educational Service District
Lane County, Oregon

Opinions

We have audited the accompanying basic financial statements of the governmental activities, business-type activities, and each major fund of Lane Educational Service District (the District) 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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the District, 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 Lane Educational Service District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 basic 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 basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

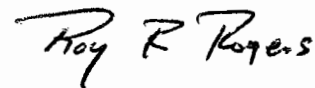
Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 19, 2022 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 19, 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.



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

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LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

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**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Lane Education Service District, we offer readers of the district's financial statements this narrative overview and analysis of the financial activities of the district for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the District has a negative net position of \$3,285,308 on June 30, 2023. Included in this amount is \$5,882,244 in capital assets and a negative unrestricted balance of \$9,567,003. A major contributor to the negative net position is a net pension liability of \$13,519,153.
- PERS related financial information is included on the district's *Statement of Net Position*. The *Statement* includes an entry for the district's proportionate share of the PERS system's overall unfunded liability. This has a material impact on the entity-wide *Statement* by reducing the Unrestricted Net Position by \$10,550,329. It also reduced expenses on the *Statement of Activities* by \$500,731. This entry only affects the entity-wide *Statement of Net Position* (page 3) and the *Statement of Activities* (page 4). This does not affect the financial statements that are prepared on a budgetary basis and will not affect how the district budgets moving forward.
- Of the \$64,733,659 in governmental fund revenue, the General Fund represents 41% and the Special Revenue Fund represents 57%.
- The General Fund received \$26,836,677 in revenue in 2022-23. The revenues that make up the State School Fund formula dollars represented 89% of the total. Services to districts were 5% and the remaining 6% was from other federal and local sources.
- The General Fund's ending fund balance is \$3,246,642 or 12.1% of the total operating revenues for the fund. A portion of the fund balance represents component district Flex Funds and other discretionary funds that they have chosen to carry over and spend in subsequent fiscal years. This amount is \$1,165,896 or 4.3% of operating revenues. The remaining fund balance represents the ESD's unrestricted fund balance of \$2,080,746 or 7.8% of operating revenues. The General Fund's overall ending fund balance had a net decrease of \$1,150,017 from June 30, 2022 to June 30, 2023. The unreserved fund balance decreased \$1,235,347 and the component district Flex Funds/Other Funds increased \$85,330.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Government-Wide Financial Statements

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

Statement of Net Position The *Statement of Net Position* presents information on all of the assets and liabilities of the District as of June 30, 2023. Net Position are the assets remaining after the liabilities have been paid off or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

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

In the government-wide financial statements, the district's activities are aggregated into the single category of *governmental activities*. All the District's basic functions are shown here, such as administration, technology/learning services, curriculum/teaching support and special education. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

Fund Financial Statements

The *fund financial statements* provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related requirements. To be considered a major fund, the fund's assets, liabilities, revenue or expenses must be at least 10% of total of all funds.

Governmental Funds. The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike government-wide financial statements, however, 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.

Since 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. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditure and Changes in Fund Balances provide a reconciliation to facilitate this comparison.

The district maintains four individual governmental funds, all of which are considered major funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditure and Changes in Fund Balances for these funds which include the General Fund, Special Revenue Fund, Debt Service Fund and the Capital Projects Fund.

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Internal Service Fund. This fund accounts for the revenues and expenditures used in replacing and maintaining the district's equipment.

Notes to the Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents this Management's Discussion and Analysis which is considered required supplementary information. Other supplementary information includes statements for the non-major governmental funds, budgetary comparison schedules and a schedule of property tax transactions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary Statement of Net Position		
	June 30, 2022	June 30, 2023
Assets		
Current Assets	\$ 24,999,747	\$ 29,911,308
Non-Current Assets	6,311,704	6,871,328
Total Assets	31,311,451	36,782,636
Deferred Outflow of Resources	7,494,427	7,113,165
Total Assets & Pension Deferrals	38,805,878	43,895,801
Liabilities		
Current Liabilities	19,335,795	25,236,863
Non-current Liabilities	4,859,504	4,230,634
Net Pension Liability	10,278,431	13,519,153
Total Liabilities	34,473,730	42,986,650
Deferred Inflows of Resources	8,335,890	4,194,459
Total Liabilities & Pension Deferrals	42,809,620	47,181,109
Net Position:		
Net Investment in Capital Assets	5,396,497	5,946,077
Restricted for OPEB – RHIA	262,568	276,898
Restricted for Debt Service	75,581	58,720
Unrestricted	-9,738,388	-9,567,003
Total Net Position	\$ -4,003,742	\$ -3,285,308

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Following are the significant variances when comparing the June 30, 2022 and the June 30, 2023 Statements of Net Position:

- **Current Assets & Current Liabilities:** The Grant and Other Receivables balance increased \$7,189,152 from the prior year. The EI-ECSE subcontractor submitted their invoices to the ESD after the end of the fiscal year. This delayed the ESD's reimbursement request to ODE. There were also other grants and programs that expanded so the year end receivables were greater than the previous year.
- **Non-Current Assets:** The ESD used grant funds to make facility improvements at the main campus and create a better environment for the Migrant Education Program.
- **Current Liabilities:** The increase is related to the aforementioned situation with the timing of the EI-ECSE contractor's invoices not being received until after the end of the fiscal year.
- **Non-Current Liabilities:** The decrease includes the annual principal payments on the debt service.
- **The Net Pension liability increased \$3,240,722 and the Deferred Inflow of Resources related to the pension plan decreased \$4,080,056.** The district's proportionate share of the PERS system wide unfunded liability is reflected in the chart. The other PERS related adjustments are reflected in the Deferred Outflows & Inflows of Resources lines in both assets and liabilities. The net amount of the adjustments for PERS increased the net position by \$500,731.

Statement of Activities		
Revenues:	June 30, 2022	June 30, 2023
Program Revenues:		
Charges for Service	\$ 4,210,482	\$ 4,083,976
Operating Grants & Contributions	32,291,775	34,301,706
General Revenues:		
Property Taxes	8,037,436	8,404,444
State Support	14,651,093	15,516,865
Gain (Loss) on Disposal of Assets	0	4,092
Earnings on Investments	69,983	237,707
Other Local Revenue	1,527,086	411,875
Total Revenue	60,787,855	62,960,665
Expenses:		
Instruction	35,066,557	36,959,005
Support Services	20,661,705	24,966,241
Community Services	47,207	60,238
Unallocated Amortization	0	5,779
Interest on Long-term Debt	294,194	250,968
Total Expenses	56,069,663	62,242,231
Change in Net Position	4,718,192	718,434
Net Position – Beginning Balance	-8,721,934	-4,003,742
Net Position– Ending Balance	\$ -4,003,742	\$ -3,285,308

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Following are the significant variances when comparing the June 30, 2022 and the June 30, 2023 Statement of Activities:

- Earnings on Investments: The average interest rate increased 324% during the year.
- Other Local Revenue: Internal payments to the Debt Service Fund were not included in local revenue as they had been in prior years.
- Support Services: Increased spending for Life Skills supervision, sign language interpreters, building maintenance/improvements, human resources and for the WREN, SIA, LAABSS and MEP grants.
- Community Services: Increase in food costs for the programs at the Westmoreland campus.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

General Fund - The General Fund is the chief operating fund of the district. As of June 30, 2023, the fund balance was \$3,246,642. The General Fund's overall ending fund balance had a net decrease of \$1,150,017 for the year. The unreserved fund balance decreased \$1,235,347 and the component district Flex Funds/Other Funds increased \$85,330.

Special Revenue Fund – The majority of the activity in the special revenue funds is for grants, contracts and miscellaneous reserves. Included in those funds is a technology fund that provides limited services to other agencies, a fund that captures all of the miscellaneous school improvement/special education activities and a fund that provides scholarships to teachers. The combined fund balance of these three funds is 94% of the total for all special revenue funds.

Debt Service Fund - The District uses this fund to account for the repayment of the 2007 pension obligation bonds issued to advance fund the district's unfunded actuarial liability for the Public Employee Retirement System (PERS). On a budgetary basis, the year ended with a fund balance of \$58,720.

Capital Projects Fund – This fund is maintained for major repairs to the ESD's two facilities. \$153,710 was spent during the year to repair water damage at the Westmoreland Campus and to improve the office space in the Special Education department at the main campus. There was a \$299,815 transfer from the General Fund to support these and future projects. The district also has annual debt service payments of \$63,067 for the loan used for the main campus roof replacement project. As of June 30, 2023, there was \$244,295 available to meet the ongoing capital needs of the district.

Internal Service Fund – This fund provides equipment replacement services for the ESD. This includes fixed asset level equipment such as vehicles, copiers, mowers and other department specific equipment. The fund also provides for the replacement of personal computers and printers. The year end fund balance was \$418,074. Purchases during the year included three vehicles, videoconference equipment and cafeteria appliances. There was also revenue of \$294,659. The Net Position decreased \$61,905 in 2022-23.

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

GENERAL FUND BUDGETARY HIGHLIGHTS

The Lane ESD board approved a supplemental budget in 2022-23. Appropriations were adjusted in the General Fund to reflect an increase in recruitment, professional development, Westmoreland campus restroom facilities upgrades, additional special ed supervisor FTE, contracted special ed staff, facility repairs and improvements and component district use of flex dollars for sign language interpreter services. The Special Revenue Fund was increased to accommodate increased grant revenue for; EI-ECSE, SEL for Native Youth, Perkins, SIA, Recruitment/Retention, Regional Educator Network. Includes an increase for Sign Language Interpreter program costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

- **Capital Assets** The District's investment in capital assets includes buildings and improvements, vehicles, furniture and equipment. As of June 30, 2023, the District had invested \$6,558,035 in capital assets, net of depreciation and related debt, as shown on the following table. Most of the net increase was due to building improvements at the main campus. Other additions included new vehicles, videoconference equipment and cafeteria appliances.

Capital Assets - Net of Depreciation				
	<u>June 30, 2022</u>		<u>June 30, 2023</u>	
Land	\$	501,013	\$	501,013
Construction in Progress		77,500		174,778
Buildings & Improvements		5,179,164		5,453,066
Vehicles		139,661		293,047
Furniture & Equipment		151,798		136,131
Total	\$	<u>6,049,136</u>	\$	<u>6,558,035</u>

Debt

At the end of the fiscal year, the district had outstanding debt of \$3,650,000 in limited tax pension bonds. Principal payments in the amount of \$615,000 were made during the fiscal year. The outstanding debt on the note payable for the roof replacement is \$611,958.

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 at 1200 Highway 99N, Eugene, OR 97402.

Dave Standridge

Director of Business Services
Lane Education Service District

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
STATEMENT OF NET POSITION
June 30, 2023

	Governmental Activities
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 3,235,649
Property Taxes Receivable	280,359
Grant and Other Receivables	26,377,853
Prepaid Expenses	17,447
Total Current Assets	29,911,308
Noncurrent Assets:	
Net OPEB Asset - RHIA	276,898
SBITA Asset, net of Amortization	36,395
Capital Assets - Nondepreciable	675,791
Capital Assets - Depreciable, Net of Accumulated Depreciation	5,882,244
Total Noncurrent Assets	6,871,328
Total Assets	36,782,636
Deferred Outflows of Resources	
Pension Related Deferrals - PERS	7,055,503
Deferred Outflows - OPEB RHIA	23,784
Deferred Outflows - OPEB Health Insurance	31,598
Deferred Outflows - OPEB Stipends	2,280
Total Deferred Outflows of Resources	7,113,165
Total Assets and Deferred Outflows of Resources	43,895,801
Liabilities	
Current Liabilities:	
Accounts Payable	21,837,349
Accrued Payroll, Withholdings, and Benefits	1,681,597
Deposits Payable	3,891
Unearned Revenue	991,949
Current Maturities of Bonds & Notes Payable	722,077
Total Current Liabilities	25,236,863
Noncurrent Liabilities:	
Accrued Vacation	337,737
OPEB Liability - Health Insurance	303,559
OPEB Liability - Stipends	31,583
Bonds & Notes Payable, Net of Current Maturities	3,526,564
Net Pension Liability - PERS	13,519,153
SBITA Liability, Long Term	31,191
Total Noncurrent Liabilities	17,749,787
Total Liabilities	42,986,650
Deferred Inflows of Resources	
Pension Related Deferrals - PERS	4,086,679
Deferred Inflows - OPEB RHIA	40,082
Deferred Inflows - OPEB Health Insurance	67,277
Deferred Inflows - OPEB Stipends	421
Total Deferred Inflows of Resources	4,194,459
Total Liabilities and Deferred Inflows of Resources	47,181,109
Net Position	
Net Investment in Capital Assets	5,946,077
Restricted for RHIA Asset	276,898
Restricted for Debt Service	58,720
Unrestricted	(9,567,003)
Total Net Position	\$ (3,285,308)

See accompanying notes to basic financial statements.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Instruction	\$ 36,959,005	\$ 714,364	\$ 22,436,082	\$ (13,808,559)
Support Services	24,966,241	3,369,612	11,820,005	(9,776,624)
Enterprise and Community Services	60,238	-	45,619	(14,619)
Unallocated Amortization	5,779	-	-	(5,779)
Interest on Long-Term Obligations	250,968	-	-	(250,968)
Total Governmental Activities	<u>\$ 62,242,231</u>	<u>\$ 4,083,976</u>	<u>\$ 34,301,706</u>	<u>(23,856,549)</u>
General Revenues:				
				8,404,444
				15,516,865
				237,707
				4,092
				<u>411,875</u>
				24,574,983
				718,434
				<u>(4,003,742)</u>
				<u>\$ (3,285,308)</u>

See accompanying notes to basic financial statements.

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023**

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTALS
ASSETS:					
Cash and Investments	\$ 421,465	\$ 1,982,417	\$ 58,720	\$ 244,295	\$ 2,706,897
Receivables:					
Taxes	280,359	-	-	-	280,359
Grants and Other Receivables	1,529,187	24,814,124	-	-	26,343,311
Prepaid Items	17,447	-	-	-	17,447
Due from Other Funds	5,215,173	-	-	-	5,215,173
	<u>\$ 7,463,631</u>	<u>\$ 26,796,541</u>	<u>\$ 58,720</u>	<u>\$ 244,295</u>	<u>\$ 34,563,187</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE:					
Liabilities:					
Accounts Payable	\$ 2,268,788	\$ 19,423,341	\$ -	\$ -	\$ 21,692,129
Accrued Payroll, Withholdings, and Benefits	1,681,597	-	-	-	1,681,597
Deposits	3,891	-	-	-	3,891
Due to Other Funds	-	5,215,173	-	-	5,215,173
	<u>3,954,276</u>	<u>24,638,514</u>	<u>-</u>	<u>-</u>	<u>28,592,790</u>
Deferred Inflows of Resources:					
Unavailable Revenue-Property Taxes	262,713	-	-	-	262,713
Unavailable Revenue-Grants	-	991,949	-	-	991,949
	<u>262,713</u>	<u>991,949</u>	<u>-</u>	<u>-</u>	<u>1,254,662</u>
Fund Balances (Deficit):					
Nonspendable	17,447	-	-	-	17,447
Restricted	-	-	58,720	-	58,720
Assigned	-	1,166,078	-	244,295	1,410,373
Unassigned	3,229,195	-	-	-	3,229,195
	<u>3,246,642</u>	<u>1,166,078</u>	<u>58,720</u>	<u>244,295</u>	<u>4,715,735</u>
Total Fund Balance	<u>\$ 7,463,631</u>	<u>\$ 26,796,541</u>	<u>\$ 58,720</u>	<u>\$ 244,295</u>	<u>\$ 34,563,187</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 7,463,631</u>	<u>\$ 26,796,541</u>	<u>\$ 58,720</u>	<u>\$ 244,295</u>	<u>\$ 34,563,187</u>

See accompanying notes to basic financial statements.

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION**

June 30, 2023

Total Fund Balances

Amounts reported for governmental activities in the Statement of Net Position are different because:	\$ 4,715,735
The PERS net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.	(13,519,153)
Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.	
Deferred Outflows - PERS	7,055,503
Deferred Outflows - OPEB RHIA	23,784
Deferred Outflows - OPEB Stipends	2,280
Deferred Outflows - Health Insurance	31,598
Deferred Inflows - PERS	(4,086,679)
Deferred Inflows - OPEB RHIA	(40,082)
Deferred Inflows - OPEB Stipends	(421)
Deferred Inflows - Health Insurance	(67,277)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	
Capital Assets, net	6,558,035
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	262,713
The OPEB asset (liability) is not reported as an asset (liability) in the governmental funds.	
OPEB - RHIA	276,898
OPEB - Stipends	(31,583)
OPEB - Health Insurance	(303,559)
The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	418,074
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.	36,395
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. These liabilities consist of:	
Accrued Vacation Payable	(337,737)
SBITA Liability	(31,191)
Bonds & Notes Payable	(4,248,641)
Total Net Position	\$ (3,285,308)

See accompanying notes to basic financial statements.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

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

For the Year Ended June 30, 2023

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
REVENUES:					
From Local Sources	\$ 11,319,810	\$ 3,147,701	\$ 837,705	\$ -	\$ 15,305,216
From State Sources	15,516,867	26,238,534	-	-	41,755,401
From Federal Sources	-	7,673,042	-	-	7,673,042
 Total Revenues	 <u>26,836,677</u>	 <u>37,059,277</u>	 <u>837,705</u>	 <u>-</u>	 <u>64,733,659</u>
EXPENDITURES:					
Current:					
Instruction	11,753,937	3,097,158	-	-	14,851,095
Support Services	11,018,202	13,743,829	1	153,711	24,915,743
Enterprise and Community Services	-	63,455	-	-	63,455
Capital Outlay	-	690,651	-	-	690,651
Debt Service	-	-	854,565	63,067	917,632
 Total Expenditures	 <u>22,772,139</u>	 <u>17,595,093</u>	 <u>854,566</u>	 <u>216,778</u>	 <u>41,438,576</u>
Excess of Revenues Over, (Under) Expenditures	4,064,538	19,464,184	(16,861)	(216,778)	23,295,083
Other Financing Sources, (Uses):					
Transfer In	-	159,185	-	299,815	459,000
Transfer Out	(459,000)	-	-	-	(459,000)
Apportionment of Funds	(4,755,555)	(19,386,155)	-	-	(24,141,710)
 Total Other Financing Sources, (Uses)	 <u>(5,214,555)</u>	 <u>(19,226,970)</u>	 <u>-</u>	 <u>299,815</u>	 <u>(24,141,710)</u>
Net Change in Fund Balance	(1,150,017)	237,214	(16,861)	83,037	(846,627)
Beginning Fund Balance	4,396,659	928,864	75,581	161,258	5,562,362
Ending Fund Balance	<u>\$ 3,246,642</u>	<u>\$ 1,166,078</u>	<u>\$ 58,720</u>	<u>\$ 244,295</u>	<u>\$ 4,715,735</u>

See accompanying notes to basic financial statements.

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

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

For the Year Ended June 30, 2023

Net Change in Fund Balance - Governmental Funds	\$	(846,627)
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The revenue (expense) represents the changes in net asset (liability) from year to year due to changes in total asset (liability) and the fair value of plan net position available to pay benefits.

PERS	\$	500,731	
OPEB - RHIA		33,768	
OPEB - Health		22,043	
OPEB - Stipend		<u>7,540</u>	564,082

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation.

Capital Asset Additions		852,773	
Depreciation expense		<u>(343,874)</u>	508,899

Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which proceeds exceeded repayments:

Debt Principal Repaid		655,681	
Accrued Vacation		<u>(89,654)</u>	566,027

Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:

Amortization of premium/(discount)	(2,666)
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Payment on Subscription Liabilities decreases liabilities in the Statement of Net Position.

Payment on Subscription Liability	10,983
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Expenditure for Right-to-use Assets reduces the Prepaid Expenses in the Statement of Net Position and Amortization Expenses on the Statement of Activities.

Amortization Expense	(5,779)
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Internal service funds are used to account for revenues and expenditures used in replacing and maintaining buildings and equipment.	(61,905)
---	----------

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as unavailable revenue. They are, however, recorded as revenues in the Statement of Activities.

	<u>(14,580)</u>
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Change in Net Position	\$	<u><u>718,434</u></u>
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See accompanying notes to basic financial statements.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2023

	Governmental Activities Internal Service Fund
ASSETS	
Deposits and Investments	\$ 528,752
Grants and Other Receivables	34,542
Total Assets	<u>563,294</u>
LIABILITIES	
Accounts Payable	<u>145,220</u>
Total Liabilities	<u>145,220</u>
NET POSITION	
Unrestricted	<u>418,074</u>
Total Net Position	<u><u>\$ 418,074</u></u>

See accompanying notes to basic financial statements.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
For the Year Ended June 30, 2023

	Governmental Activities Internal Service Fund
Operating Revenues:	
Services Provided Other Funds	\$ 294,659
Total Operating Receipts	294,659
Operating Expenses:	
Cost of Services	360,656
Total Operating Disbursements	360,656
Operating Income (Loss)	(65,997)
Nonoperating Receipts (Disbursements):	
Sale of Capital Asset	4,092
Total Nonoperating Receipts (Disbursements)	4,092
Change in Net Position	(61,905)
Net Position - Beginning	479,979
Net Position - Ending	\$ 418,074

See accompanying notes to basic financial statements.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended June 30, 2023

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Receipts From Interfund Service Charges for Internal Service Fund Activities	\$ 260,425
Payments to Vendors	(257,823)
Net Cash from (Used) Provided by Operating Activities	2,602
Cash Flows From Capital and Related Financing Activities:	
Proceeds From Sale of Capital Assets	4,092
Net Cash Provided by Capital Activities	4,092
Net Increase (Decrease) in Cash and Cash Equivalents	6,694
Cash Balance - Beginning	522,058
Cash Balance - Ending	\$ 528,752
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ (65,997)
Adjustments to Reconcile Net Income to Net Cash	
Increase in Accounts Receivable	(34,234)
Increase in Accounts Payable	102,833
Net Cash from (Used) Provided by Operating Activities	\$ 2,602

See accompanying notes to basic financial statements.

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LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The District is a political subdivision of the state of Oregon governed by an independently elected Board of Directors and is legally separate from all other entities. It is also financially independent of other state and local governmental units. It has the power to levy taxes, is responsible for its debts, and is entitled to any surpluses. The financial reporting consists of the District, any organization for which the District is financially accountable, and any other organizations that, because of the nature and significance of their relationship with the District, may not be excluded from the District's financial reporting. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate entities that are included in the District's reporting because of the significance of their operational or financial relationships with the District. Currently, there are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the expenses of a given function are offset by program revenues. *Program revenues* include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function. State school support, taxes, and other items not properly included among program revenues are reported instead as *general revenues*.

The government-wide financial statements and Internal Service fund use 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 the eligibility requirements imposed by the provider have been met.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

Separate fund financial statements are provided for governmental funds.

Governmental funds: Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental funds are used to account for the general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period, which is 60 days. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, pension and OPEB costs, and certain compensated absences and claims and judgments which are not recognized as expenditures because they will be liquidated with future expendable financial resources.

- Property taxes are recognized as revenue only if received within 60 days of year-end.
- Entitlements, shared revenues, and interest are recognized as revenue in the period to which they relate.
- Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.
- Charges for services are recognized as revenue in the period in which the services are performed.
- Other receipts are not considered measurable and available until cash is received.

Other major differences between the modified accrual basis and the accrual basis are:

- Post-employment benefits are expensed when paid rather than when incurred.
- Capital outlay expenditures are recognized as expenditures when the assets are acquired (depreciation is not recorded).
- Proceeds of long-term borrowing are recognized as an "other financing source" and principal paid is considered an expenditure when paid.
- Supply inventory is expensed when purchased.
- The Net Pension Liability is not recorded and the OPEB assets are not recorded.
- Pension and OPEB Costs are not recorded as an expense until paid.

There are the following major governmental funds:

- The General Fund accounts for the general operating revenues and expenditures. Principal revenue sources are property taxes and the state school fund.
- The Special Revenue Fund accounts for the operating revenues and expenditures of grants awarded. Grant revenues are primarily from federal, state, and local governments.
- The Debt Service Fund accounts for the annual debt service on the 2007 pension bonds.
- The Capital Projects Fund provides facility services for the District. Services include major repair/replacement projects for the grounds and buildings at the Main Campus and the Westmoreland facilities.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

There is also the following proprietary fund:

- The Internal Service Fund accounts for revenues and expenditures used in replacing and maintaining buildings and equipment.

ASSETS, LIABILITIES AND EQUITY

CASH AND CASH EQUIVALENTS

Cash and investments consist of cash on hand, demand deposits, and investments in the State of Oregon Local Government Investment Pool (LGIP). Investments in the LGIP are considered highly liquid investments with original maturities of three months or less to be cash equivalents.

Oregon Revised Statutes 294.035 authorizes investment in the LGIP, general obligations of the U.S. Government and its agencies, bankers' acceptances, and commercial paper rated A-2 or better by Standard & Poor's Corporation or P-2 or better by Moody's Investors Service, among others.

RECEIVABLES

Grant and other accounts receivables consist of amounts due from school districts for services provided, grants, and reimbursements. Management believes that the amount of any uncollectible accounts included in receivables is immaterial; therefore, no provision for uncollectible accounts has been made.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (I.E., the current portion of interfund loans) or "advances to/from other funds" (I.E., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

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 tax receivables 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.

SUPPLY INVENTORY

Supplies inventory is valued at cost using first-in, first-out (FIFO) method. Accounting for supplies inventory is based on the consumption method in the government-wide financial statements. Under the consumption method, all inventory items are charged to expenditures of user departments at the time of withdrawal from inventory. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused supply inventories and donated commodities at the balance sheet date is considered immaterial by management for reporting purposes.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PREPAID ITEMS

Payments to vendors may reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements.

CAPITAL ASSETS

Capital assets, which include land, buildings, equipment and construction in progress, are reported in the government-wide financial statements. 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. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Depreciation is recorded on capital assets on the straight-line method over the useful life of the asset. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The capital assets are depreciated using the straight-line method over the following estimated lives:

Buildings and related improvements	20 - 40 years
Vehicles	10 - 15 years
Furniture, fixtures, and instructional equipment	10 years

ACCRUED COMPENSATED ABSENCES

Policy is to permit employees to earn vacation credits. Accumulated unpaid vacation must be taken within one year and is accrued as earned and is reported as an obligation on the Statement of Net Position. Sick pay, which does not vest, is recorded as an expenditure or expense when leave is taken.

UNEARNED REVENUE

Unearned revenue is reported on the Statement of Net Position when resources are received before the District has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures.

On the fund financial statements, unearned revenue arises when resources do not satisfy both the measurable and available criteria for recognition in the current year, such as property taxes received more than 60 days after year-end. In subsequent periods, when both recognition criteria are met, the revenue is recognized.

ESTIMATES

The preparation of the basic 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 revenue and expenditures during the reporting period. Actual results could differ from those estimates.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LONG-TERM OBLIGATIONS, BOND DISCOUNTS, AND PREMIUMS

Bonds and notes payable and other long-term obligations are reported as liabilities in the government-wide financial statements. The governmental fund financial statements do not report long-term obligations because they do not require the use of current financial resources. Rather, governmental funds recognize the proceeds of debt issued as another financing source and report the repayment of debt principal and interest as an expenditure.

Bond premiums and discounts are deferred and amortized over the term of the bonds using the bonds-outstanding method in the government-wide and internal service fund financial statements. The bonds-outstanding method does not differ significantly from the effective interest rate method. Unamortized premiums and discounts are presented as additions or subtractions from the face amount of the bonds. In the fund financial statements, premiums and discounts are recognized in the current period.

SUBSCRIPTION ASSETS/LIABILITIES

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.

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.

RETIREMENT PLAN

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.

EARLY VOLUNTARY RETIREMENT

Certain employees with a minimum of 18 years of service are eligible for early retirement benefits, which are considered a special termination benefit. In the government-wide financial statements, the estimated present value of future benefits is recognized as a liability when the employee retires. In the fund financial statements an expenditure is not recognized until the benefits are paid.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ENCUMBRANCES

During the year, encumbrances are used for administrative control purposes; purchase orders and other commitments for the expenditure of monies are recorded to reserve related appropriations. At year end, encumbrances are reversed to the extent that a liability has not been incurred and encumbrances lapse.

NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets, consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. At June 30, 2023, the only restrictions to net position were for Debt Service and the OPEB RHIA asset. Unrestricted net position consists of all other assets that are not included in the other categories previously mentioned.

FUND BALANCE

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

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

There were no committed fund balances as of June 30, 2023.

The Board has determined that an appropriate target for the total of all Committed, Assigned and Unassigned fund balances in the General Fund shall be set at no less than 8% of General Fund revenues for the fiscal year.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2023 there were deferred outflows representing PERS pension related deferrals, OPEB – Stipends related deferrals, OPEB – Health Insurance related deferrals, and OPEB – RHIA related deferrals in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which qualify for reporting in this category. The first, unavailable revenue, is in the governmental funds balance sheet for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At June 30, 2023 there also were deferred inflows representing PERS pension related deferrals, OPEB – Health Insurance related deferrals, OPEB – Stipends related deferrals, and OPEB – RHIA related deferrals in the Statement of Net Position.

FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Legally required budgets are adopted for all funds on the modified accrual basis. The resolution authorizing appropriations sets the level by which expenditures cannot legally exceed appropriations. This resolution establishes appropriations at the functional level within each fund. A detailed budget is also prepared, containing more specific detailed information than the above mentioned expenditure appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the Budget Committee and the Board of Directors.

Original budgets may be modified by the preparation of supplemental budgets. There were no supplemental budgets authorized by the Board of Directors during the year. Budgets may also be modified by appropriation transfers between the levels of control. Management may make transfers of appropriations within a function. Transfers of appropriations between functions require the approval of the Board of Directors. One appropriation transfer was authorized by the Board of Directors during the year. Expenditures of the various funds were within authorized appropriations, except for the General Fund, where Instruction was over-expended by \$45,050.

3. BUDGET/GAAP REPORTING DIFFERENCES

While the government-wide statements report the financial position, results of operations, and changes in fund balance/net position on the accrual basis of accounting principles generally accepted 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 supplementary information elsewhere in this report are presented on the modified accrual basis to provide a meaningful comparison of actual results with the budget. The primary differences between the budgetary basis and GAAP basis are described in Note 1.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CASH AND INVESTMENTS

Statutes authorize investment in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool. According to District Procedures State statutes govern cash management policies.

Cash and Investments at June 30, 2023, (recorded at fair value) consisted of:

	<u>2023</u>
Deposits with Financial Institutions:	
Demand Deposits	\$ 811,467
Petty Cash	400
Investments	<u>2,423,782</u>
Total	<u>\$ 3,235,649</u>

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 appears to be in compliance with all portfolio guidelines at June 30, 2023. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it materially approximates fair value.

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 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. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

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

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CASH AND INVESTMENTS (CONTINUED)

There were the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-18</u>	<u>18-59</u>
State Treasurer's Investment Pool	\$ 2,423,782	\$ 2,423,782	\$ -	\$ -
Total	\$ 2,423,782	\$ 2,423,782	\$ -	\$ -

Interest Rate Risk - Investments

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 exceed an 18 month maturity.

Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2023, \$250,000 of the bank balance of \$1,399,662 was insured by federal depository (FDIC) insurance, and the remaining balance was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

Credit Risk – Investments

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration of Credit Risk

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.

5. GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs. No provision for bad debts has been made as management believes all amounts are collectible.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital Assets Not Being Depreciated:				
Land	\$ 501,013	\$ -	\$ -	\$ 501,013
Construction in Progress	77,500	97,278	-	174,778
Total Capital Assets Not Being Depreciated	578,513	97,278	-	675,791
Capital Assets Being Depreciated:				
Buildings and Improvements	9,650,160	527,465	-	10,177,625
Vehicles	346,959	185,355	-	532,314
Furniture, fixtures, and instructional equipment	1,026,202	42,675	-	1,068,877
Total Capital Assets Being Depreciated	11,023,321	755,495	-	11,778,816
Less accumulated depreciation for:				
Buildings & Improvements	(4,470,996)	(253,563)	-	(4,724,559)
Vehicles	(207,298)	(31,969)	-	(239,267)
Furniture, fixtures, and instructional equipment	(874,404)	(58,342)	-	(932,746)
Total Accumulated Depreciation	(5,552,698)	(343,874)	-	(5,896,572)
Total Capital Assets, Net	\$ 6,049,136			\$ 6,558,035

Depreciation expense for the year ended June 30, 2023 was allocated to the functions as follows:

Function	Amount
Instruction	\$ 126,229
Support	217,645
Total	\$ 343,874

7. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which commercial insurance is carried. Settled claims have not exceeded this commercial coverage for any of the past three fiscal years.

8. LONG TERM OBLIGATIONS

In October 2007, the District issued a series 2007 limited tax pension term bond totaling \$8,290,000 with an interest rate of 5.617% and principal payable through 2028. There are no significant default remedy clauses noted in the pension bond agreement that would impact the financial statements or require disclosure under GASB 88.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM OBLIGATIONS (CONTINUED)

In January 2020, the District issued a Full Faith and Credit Note Series 2020 for a roof replacement project for \$730,000 with an interest rate of 3.43% and principal payable through 2035. In the event of default, the lender may make a demand for the Early Redemption Value corresponding to the previously received payment (or if none is stated, then 103% of the outstanding principal balance due under the Note), and enforce and perfect its rights in the Project Fund and any other funds and accounts referenced in the agreement. Additionally, in the event of default, the principal amount of the Note then outstanding shall bear interest at the default rate of 9%, and the District will be responsible for interest at the default rate as well as all of the lender's costs of collection and enforcement.

	Principal				
	Outstanding 7/1/2022	Issued	Redeemed	Outstanding 6/30/2023	Due Within One Year
Direct Borrowing:					
Notes Payable	\$ 652,639	\$ -	\$ 40,681	\$ 611,958	\$ 42,077
Bonds Payable:					
Limited Tax Pension Bond	4,265,000	-	615,000	3,650,000	680,000
Discount Related to Bond					
Issuance discounts	(15,983)	-	(2,666)	(13,317)	
Total	\$ 4,901,656	\$ -	\$ 653,015	\$ 4,248,641	\$ 722,077

Total interest expense for the year was \$261,951 which is included as a direct expense on the Statement of Activities. No interest was capitalized for the year.

	Interest			
	Outstanding Beginning	Due	Paid	Outstanding Ending
Notes Payable	\$ 167,234	\$ 22,386	\$ 22,386	\$ 144,848
Limited tax pension bonds	841,147	239,565	239,565	601,583
Total	\$ 1,008,381	\$ 261,951	\$ 261,951	\$ 746,431

Annual Debt Service Requirements to Maturity:

Fiscal Year Ending June 30,	Limited Tax Pension Bond		Full Faith & Credit Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 680,000	\$ 205,021	\$ 42,077	\$ 20,990	\$ 722,077	\$ 226,011
2025	750,000	166,825	43,520	19,547	793,520	186,372
2026	830,000	124,698	45,013	18,054	875,013	142,752
2027	910,000	78,076	46,557	16,510	956,557	94,587
2028	480,000	26,963	48,154	14,913	528,154	41,876
2029-2033	-	-	266,708	48,629	266,708	48,629
2034-2035	-	-	119,929	6,205	119,929	6,205
	\$ 3,650,000	\$ 601,583	\$ 611,958	\$ 144,848	\$ 4,261,958	\$ 746,431

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:

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

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.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
- Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$3,253,797, excluding amounts to fund employer specific liabilities. In addition, approximately \$802,615 in employee contributions were paid or picked up by the District in fiscal 2022-2023.

Pension Asset or Liability – At June 30, 2023, the District reported a net pension liability of \$13,519,153 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 dates of June 30, 2022 and 2021, the District's proportion was .088 percent and .086 percent, respectively. Pension income for the year ended June 30, 2023 was \$500,731.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The rates in effect for the year ended June 30, 2023 were:

- (1) Tier 1/Tier 2 – 19.40%
- (2) OPSRP general services – 16.29%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 656,246	\$ 84,308
Changes in assumptions	2,121,228	19,380
Net difference between projected and actual earnings on pension plan investments	-	2,416,963
Net changes in proportionate share	906,292	248,052
Differences between District contributions and proportionate share of contributions	117,940	1,317,976
Subtotal - Amortized Deferrals (below)	3,801,706	4,086,679
District contributions subsequent to measuring date	3,253,797	-
Deferred outflow (inflow) of resources	\$ 7,055,503	\$ 4,086,679

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.

Subtotal amounts related to pension as deferred outflows of resources \$3,801,706, and deferred inflows of resources, (\$4,086,679), net to (\$284,973) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2024	\$ 35,008
2025	(310,752)
2026	(997,421)
2027	1,057,110
2028	(68,918)
Thereafter	-
Total	\$ (284,973)

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/ACFR/2022-Annual-Comprehensive-Financial-Report.pdf>

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

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

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	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)

Long-Term Expected Rate of Return:

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

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

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2022 and 2021 was 6.90 percent, for both years, 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%)
District's proportionate share of the net pension liability	\$ 23,975,048	\$ 13,519,153	\$ 4,768,051

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.

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.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Benefits:

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

Death Benefits:

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

Contributions:

Employees of the District pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2023.

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>

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. OTHER POST-EMPLOYMENT BENEFIT PLAN (RHIA)

Plan Description:

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

Funding Policy:

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 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 are included with PERS and equaled the required contributions for the year.

At June 30, 2023, the District reported a net OPEB asset of \$276,898 for its proportionate share of the net OPEB asset. The OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB 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 asset is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2022 and 2021, the District's proportion was .078 percent and .076 percent, respectively. OPEB income for the year ended June 30, 2023 was \$33,768.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (41,458)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	9,605
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	\$ (31,853)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 7,504
Changes in assumptions	2,168	9,230
Net difference between projected and actual earnings on pension plan investments	-	21,117
Net changes in proportionate share	21,616	2,231
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized deferrals (below)	23,784	40,082
District contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	\$ 23,784	\$ 40,082

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

Subtotal amounts related to OPEB as deferred outflows of resources, \$23,784, and deferred inflows of resources, (\$40,082), net to (\$16,298) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2024	\$ 3,864
2025	(13,599)
2026	(13,326)
2027	6,763
2028	-
Thereafter	-
Total	\$ (16,298)

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>

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. OTHER POST-EMPLOYMENT 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 and June 30, 2021 was 6.90 percent for both years. 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 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.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net OPEB asset	\$ 249,564	\$ 276,898	\$ 300,331

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.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFITS

Plan 1 Description (Health Insurance)

A single-employer retiree benefit plan is operated that provides postemployment health, dental vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. The collective bargaining agreements with regular classified and licensed employees include incentives for personnel who have been employed for a minimum of 18 years and retire between the ages of 55 and 65. The District provides up to \$150 per month for four years, to a maximum of \$7,200, to each early retiree for medical, dental, and vision insurance. Benefits are not provided beyond age 65 and no benefits are provided for any retiree whose employment began after October 31, 1999. Managerial and confidential employees age 55 years old with 18 years of service or 58 years old with 12 years of service are eligible to receive the same benefits, subject to the same limitations. As of the actuarial valuation performed June 30, 2022, there were 15 former employees receiving benefits under the plan. Details of the contributions and liability can be found on page 42 of the financial report.

The post-retirement healthcare plan was 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 implicit employer contribution.

An irrevocable trust has not been established (or equivalent arrangement) to account for the plan.

At June 30, 2023 the following employees were covered by the benefit terms:

Actives	230
Retirees	<u>15</u>
Total Included in Valuation	245

Actuarial Assumptions

The District's total Health Insurance liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Investment return assumption (interest discount)	The 3.54% discount rate assumption is used in the June 30, 2022 rate in the 20-year General Obligation Municipal Bond Index published by Bond Buyer
Plan Participation	100% assumed will elect coverage at retirement if eligible for District paid insurance, 25% assumed if only eligible for self-pay insurance
Medical premium annual trend rate	3.4% in all future years
Dental premium annual trend rate	3.40%
Vision premiums annual trend rate	3.40%
Inflation Rate	2.5% in all future years
Annual salary rate increases	3.5% in all future years
Health care premium	
Beginning in 2018, a 40% excise tax will be imposed under the Affordable Care Act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regard to the OPEB plan.	

Sensitivity Rates

The following presents the total OPEB liability and Health Care Cost Trend Rates of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate 1 percentage point higher or lower than current rates:

Discount Rate Sensitivity Analysis

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability on June 30, 2023	\$ 326,254	\$ 303,559	\$ 282,579

Health Care Trend Sensitivity Analysis

	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB Liability on June 30, 2023	\$ 271,000	\$ 303,559	\$ 342,902

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Other Post-employment benefits Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits

For the year ended June 30, 2023, the District recognized Other Post-Employment Benefit income for health insurance of \$22,043.

At June 30, 2023, the District reported deferred outflows and deferred inflows of resources, related to Other Postemployment benefits for health insurance from the following sources:

<u>Deferral Source</u>	<u>Deferred outflow of resources</u>	<u>Deferred inflows of resources</u>
Diference between expected & actual experience	\$ 31,598	\$ 7,855
Changes of assumptions or other inputs	-	59,422
Totals	<u>\$ 31,598</u>	<u>\$ 67,277</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ending June 30, 2023. Subtotal amounts reported as deferred outflows \$31,598, and deferred inflows of resources (\$67,277), related to Other Post-employment benefits net to (\$35,679), and will be recognized in Other Post-employment benefit income as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (3,489)
2025	(3,489)
2026	(3,489)
2027	(3,489)
2028	(3,489)
Thereafter	<u>(18,234)</u>
Total	<u>\$ (35,679)</u>

Plan 2 Description (Stipends)

A single-employer retiree benefit plan is operated that provides postemployment health, dental vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. The collective bargaining agreements with regular classified and licensed employees include incentives for personnel who have been employed for a minimum of 18 years and retire between the ages of 55 and 65. The District provides up to \$150 per month for four years, to a maximum of \$7,200, to each early retiree for medical, dental, and vision insurance. Benefits are not provided beyond age 65 and no benefits are provided for any retiree whose employment began after October 31, 1999. Managerial and confidential employees age 55 years old with 18 years of service or 58 years old with 12 years of service are eligible to receive the same benefits, subject to the same limitations. As of the actuarial valuation performed June 30, 2022, there were 15 former employees receiving benefits under the plan. Details of the contributions and liability can be found on page 46 of the financial report.

An irrevocable trust has not been established (or equivalent arrangement) to account for the plan.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The District's total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Investment return assumption (interest discount)	The 3.54% discount rate assumption is used in the June 30, 2020 rate in the 22-year General Obligation Municipal Bond Index published by Bond Buyer
Plan Participation	100% assumed will elect coverage at retirement if eligible for District paid insurance, 35% assumed if only eligible for self-pay insurance
Inflation Rate	2.5% in all future years
Annual salary rate increases	3.5% in all future years
Health care premium	
Beginning in 2018, a 40% excise tax will be imposed under the Affordable Care Act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regard to the OPEB plan.	

Sensitivity Rates

The following presents the total Stipends Pension Liability, as well as what the District's total Stipend Pension liability would be if it were calculated using a discount rate 1 percentage point higher or lower than current rates:

Discount Rate Sensitivity Analysis

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability on June 30, 2023	\$ 32,655	\$ 31,583	\$ 30,641

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Inflows of Resources

For the year ended June 30, 2023, the District recognized Other Post-Employment Benefit income for stipends of \$7,540.

At June 30, 2023, the District reported deferred outflows and deferred inflows of resources, related to Other Postemployment benefits for stipends from the following sources:

Deferral Source	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
2022-23 Experience (Gain) Loss	\$ 2,053	\$ -	\$ 2,053
2022-23 Change in Assumptions (Gain) Loss	227	(421)	(194)
Totals	\$ 2,280	\$ (421)	\$ 1,859

Amounts reported as deferred outflows of resources \$2,280 and deferred inflows of resources (\$421) net to \$1,859 and will be recognized in OPEB expense as follows:

Fiscal Year Ending:	Deferred Outflow / (Inflow) Recognized in Pension Expense
2024	\$ 1,587
2025	272
Total	\$ 1,859

Additional information on the changes in OPEB liabilities can be found on pages 45-46 of the financial report.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

12. INTERFUND TRANSFERS & INTERFUND RECEIVABLE/PAYABLE

Interfund transfers are comprised of the following at June 30, 2023:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 459,000
Special Revenue Fund	159,185	-
Capital Projects Fund	299,815	-
	<u>\$ 459,000</u>	<u>\$ 459,000</u>

Interfund receivable/payables are comprised of the following at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 5,215,173	\$ -
Special Revenue Fund	-	5,215,173
	<u>\$ 5,215,173</u>	<u>\$ 5,215,173</u>

Transfers were made to fund operations, and the interfund receivable/payables are used as a pooling of cash between various funds.

13. PROPERTY TAX LIMITATIONS

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

The State voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

14. COMMITMENTS AND CONTINGENCIES

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

There is participation in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2023 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although such amounts, if any, are expected by management to be immaterial.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact on the District financials is not determinable.

15. SUBSCRIPTIONS PAYABLE

For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 02/03/2023, the District entered into a 36 month subscription for the use of Freshworks. An initial subscription liability was recorded in the amount of \$42,174. As of 06/30/2023, the value of the subscription liability is \$31,191. The District is required to make annual fixed payments of \$10,983. The subscription has an interest rate of 2.7960%. The value of the right to use asset as of 06/30/2023 of \$42,174 with accumulated amortization of \$5,779 is included with Software on the Subscription Class activities table found below.

Principal and Interest Requirements to Maturity:

<u>Fiscal</u> <u>year</u>	<u>Principal</u> <u>Payments</u>	<u>Interest</u> <u>Payments</u>	<u>Total</u> <u>Payments</u>
2024	10,113	870	10,983
2025	10,394	589	10,983
2026	10,684	299	10,983

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

15. SUBSCRIPTIONS PAYABLE (CONTINUED)

	<u>Original Amount</u>	<u>Balance as of July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of June 30, 2023</u>
SBITA Asset					
Software					
Freshworks	\$42,174	\$ -	\$ 42,174	\$ -	\$ 42,174
Total Software-Based IT Arrangement Assets	<u>42,174</u>	<u>-</u>	<u>42,174</u>	<u>-</u>	<u>42,174</u>
Accumulated Amortization	-	-	5,779	-	5,779
Total SBITA Assets, Net of Amortization	<u>\$42,174</u>	<u>\$ -</u>	<u>\$ 36,395</u>	<u>\$ -</u>	<u>\$ 36,395</u>

	<u>Original Amount</u>	<u>Balances as of July 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances as of June 30, 2023</u>
SBITA Liability					
Software					
Freshworks	\$42,174	\$ -	\$ 42,174	\$ 10,983	\$ 31,191
Total Software-Based IT Arrangement Liabilities	<u>42,174</u>	<u>-</u>	<u>42,174</u>	<u>10,983</u>	<u>31,191</u>
Total Liability	<u>\$42,174</u>	<u>\$ -</u>	<u>\$ 42,174</u>	<u>\$ 10,983</u>	<u>\$ 31,191</u>

16. TAX ABATEMENTS

As of June 30, 2023, the District had tax abatements through three programs: Enterprise Zone, Housing for Low Income Rental, Transit Oriented Development - Eugene, that impacted their levied taxes and require disclosure under GASB 77.

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.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

16. TAX ABATEMENTS (CONTINUED)

Housing for Low Income Rental (ORS 307.515 to 307.535):

- The Low Income Rental Housing exemption is available for qualifying properties which, if occupied, need to be occupied solely by low income persons, and the required rent payment reflects the full value of the property tax exemption. The housing units on the property have to be constructed after the local governing body adopted the provisions of ORS 307.515 to 307.523 .

A person that has only a leasehold interest in property is deemed to be a purchaser of that property if the person is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in this activity on that property or the rent payable has been established to reflect the savings resulting from the exemption.

Transit Oriented Development – Eugene (ORS 307.600 to 307.637):

- This law is in the public's interest to stimulate the construction of transit supportive multiple-unit housing in the core areas of Oregon's urban centers to improve the balance between the residential and commercial nature of those areas, and to ensure full-time use of the areas as places where citizens of the community have an opportunity to live as well as work.

In any District, or in any county with a population of over 300,000, the exemption shall apply only to multiple-unit housing preserved, established, constructed, added to or converted on land within an area designated under ORS 307.606 (Exemption limited to tax levy of District or county that adopts ORS 307.600 to 307.637) (2) or within a designated urban renewal or redevelopment area formed pursuant to ORS chapter 457. This program exempts property taxes for a period of 10 years which doesn't include the land in the exemption.

For the fiscal year ended June 30, 2023, the District had abated property taxes totaling \$124,952 under these programs.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN OPEB LIABILITY AND EMPLOYER CONTRIBUTIONS
June 30, 2023

**HEALTH INSURANCE BENEFIT (OPEB):
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Experience (Gain)/Loss	Changes of Assumptions	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2023	\$ 322,113	\$ 19,201	\$ 10,548	\$ -	\$ -	\$ (48,303)	\$ 303,559	\$ 12,513,708	2.43%
2022	381,248	18,552	7,924	(9,367)	(30,822)	(45,422)	322,113	12,090,539	2.66%
2021	398,242	21,064	8,289	-	-	(46,347)	381,248	10,087,350	3.78%
2020	424,489	20,352	8,802	47,398	(50,360)	(52,439)	398,242	9,746,232	4.09%
2019	438,364	18,643	16,025	-	-	(48,543)	424,489	8,318,930	5.10%
2018	439,504	18,013	16,322	-	-	(35,475)	438,364	8,037,614	5.45%
2017	N/A	-	-	-	-	-	439,500	7,765,811	5.20%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Payroll	(b/c) Contributions as a Percentage of Payroll
2023	\$ 26,260	\$ N/A	\$ N/A	\$ 12,513,708	N/A
2022	22,987	N/A	N/A	12,090,539	N/A
2021	29,106	N/A	N/A	10,087,350	N/A
2020	28,907	N/A	N/A	9,746,232	N/A
2019	34,668	N/A	N/A	8,318,930	N/A
2018	34,335	N/A	N/A	8,037,614	N/A
2017	N/A	N/A	N/A	7,765,811	N/A

The above table presents the most recent actuarial valuations for the District's OPEB Health Insurance and it provides information that approximates the funding progress of the plan.

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

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN PENSION LIABILITY AND EMPLOYER CONTRIBUTIONS
June 30, 2023

STIPENDS (OPEB):

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Experience (Gain)/Loss	Changes of Assumptions	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2023	\$ 43,334	\$ 588	\$ 1,293	\$ -	\$ -	\$ (13,632)	\$ 31,583	\$ 455,629	6.9%
2022	58,164	640	1,088	2,183	(891)	(17,850)	43,334	498,055	8.7%
2021	76,617	957	1,463	-	-	(20,873)	58,164	699,962	8.3%
2020	73,697	925	1,436	14,672	3,287	(17,400)	76,617	676,292	11.3%
2019	81,165	1,420	2,913	-	-	(11,801)	73,697	1,230,876	6.0%
2018	101,847	1,372	3,718	(16,596)	2,374	(11,550)	81,165	1,189,252	6.8%
2017	-	-	-	-	-	-	101,847	1,149,056	8.9%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Payroll	(b/c) Contributions as a Percentage of Payroll
2023	\$ 6,092	\$ N/A	\$ N/A	\$ 455,629	N/A
2022	3,463	N/A	N/A	498,055	N/A
2021	3,815	N/A	N/A	699,962	N/A
2020	3,756	N/A	N/A	676,292	N/A
2019	1,550	N/A	N/A	1,230,876	N/A
2018	2,307	N/A	N/A	1,189,252	N/A
2017	-	N/A	N/A	1,149,056	N/A

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

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

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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2023

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.088 %	\$ 13,519,153	\$ 13,105,812	103.2 %	84.5 %
2022	0.086	10,278,431	11,711,634	87.8	87.6
2021	0.081	17,663,661	8,931,397	197.8	75.8
2020	0.085	14,682,968	8,779,590	167.2	80.2
2019	0.084	12,659,739	8,597,211	147.3	82.1
2018	0.082	11,038,816	8,288,687	133.2	83.1
2017	0.085	12,789,725	7,232,198	176.8	80.5
2016	0.091	5,230,660	6,983,550	74.9	91.9
2015	0.157	(3,553,841)	6,318,280	(56.2)	103.6
2014	0.157	8,000,906	9,076,084	88.2	92.0

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

These schedules are presented to illustrate the requirements to show information for 10 years.

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	\$ 3,253,797	\$ 3,253,797	\$ -	\$ 15,319,962	21.2 %
2022	2,901,005	2,901,005	-	13,105,812	22.1
2021	2,833,434	2,833,434	-	11,711,634	24.2
2020	2,619,869	2,619,869	-	8,931,397	29.3
2019	2,058,026	2,058,026	-	8,779,590	23.4
2018	2,021,818	2,021,818	-	8,597,211	23.5
2017	1,611,618	1,611,618	-	8,288,687	19.4
2016	1,495,096	1,495,096	-	7,232,198	20.7
2015	1,057,777	1,057,777	-	6,983,550	15.1
2014	988,356	988,356	-	6,318,280	15.6

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

These schedules are presented to illustrate the requirements to show information for 10 years.

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset (NOA)	(b) Employer's proportionate share of the net OPEB asset (NOA)	(c) Employer's covered payroll	(b/c) NOA as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2023	0.07793 %	\$ 276,898	\$ 13,105,812	2.11 %	194.6 %
2022	0.07646	262,568	11,711,634	2.24	183.9
2021	0.11927	243,027	8,931,397	2.72	150.1
2020	0.07824	151,195	8,779,590	1.72	144.4
2019	0.07935	88,573	8,597,211	1.03	124.0
2018	0.07666	31,995	8,288,687	0.39	108.9
2017	0.07429	(20,175)	7,232,198	(0.28)	90.0

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

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

Amounts for covered payroll (c) use the prior year's data to match the measurement date used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percent of covered payroll
2023	\$ N/A	\$ N/A	\$ N/A	\$ 15,319,962	N/A %
2022	N/A	N/A	N/A	13,105,812	N/A
2021	N/A	N/A	N/A	11,711,634	N/A
2020	N/A	N/A	N/A	8,931,397	N/A
2019	N/A	N/A	N/A	8,779,590	N/A
2018	N/A	N/A	N/A	8,597,211	N/A
2017	N/A	N/A	N/A	8,288,687	N/A

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

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

Statutorily required contributions prior to 2020 are included within PERS contributions (See p. 47)

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>GENERAL FUND</u>			VARIANCE TO FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Local Sources	\$ 10,034,000	\$ 11,014,000	\$ 11,319,810	\$ 305,810
State Sources	15,445,800	15,475,800	15,516,867 (2)	41,067
Total Revenues	<u>25,479,800</u>	<u>26,489,800</u>	<u>26,836,677</u>	<u>346,877</u>
EXPENDITURES				
Instruction	10,318,887	11,708,887 (1)	11,753,937	(45,050)
Support Services	9,497,109	11,332,109 (1)	11,018,202	313,907
Contingency	3,408,651	2,002,651 (1)	-	2,002,651
Total Expenditures	<u>23,224,647</u>	<u>25,043,647</u>	<u>22,772,139</u>	<u>2,271,508</u>
Excess of Revenues Over, (Under) Expenditures	2,255,153	1,446,153	4,064,538	2,618,385
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(459,000)	(459,000) (1)	(459,000)	-
Apportionment of Funds	<u>(5,726,153)</u>	<u>(4,917,153) (1)</u>	<u>(4,755,555)</u>	<u>161,598</u>
Total Other Financing Sources, (Uses)	<u>(6,185,153)</u>	<u>(5,376,153)</u>	<u>(5,214,555)</u>	<u>161,598</u>
Net Change in Fund Balance	(3,930,000)	(3,930,000)	(1,150,017)	2,779,983
Beginning Fund Balance	<u>4,530,000</u>	<u>4,530,000</u>	<u>4,396,659</u>	<u>(133,341)</u>
Ending Fund Balance	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 3,246,642</u>	<u>\$ 2,646,642</u>

(1) Appropriation level

(2) Included in this is the required state revenue match of \$208 the District must recognize for National School Lunch Support in order to meet the general cash assistance match.

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

<u>SPECIAL REVENUE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 2,469,874	\$ 2,869,874	\$ 3,147,701	\$ 277,827
State Sources	25,733,300	28,265,300	26,238,534	(2,026,766)
Federal Sources	<u>8,195,000</u>	<u>8,679,000</u>	<u>7,673,042</u>	<u>(1,005,958)</u>
Total Revenues	<u>36,398,174</u>	<u>39,814,174</u>	<u>37,059,277</u>	<u>(2,754,897)</u>
EXPENDITURES				
Instruction	3,614,284	3,614,284 (1)	3,097,158	517,126
Support Services	13,243,713	15,959,713 (1)	14,434,480	1,525,233
Enterprise and Community Services	<u>65,500</u>	<u>65,500 (1)</u>	<u>63,455</u>	<u>2,045</u>
Total Expenditures	<u>16,923,497</u>	<u>19,639,497</u>	<u>17,595,093</u>	<u>2,044,404</u>
Excess of Revenues Over, (Under) Expenditures	19,474,677	20,174,677	19,464,184	(710,493)
OTHER FINANCING SOURCES, (USES)				
Transfers In	174,000	174,000	159,185	(14,815)
Apportionment of Funds	<u>(20,508,000)</u>	<u>(21,208,000) (1)</u>	<u>(19,386,155)</u>	<u>1,821,845</u>
Total Other Financing Sources, (Uses)	<u>(20,334,000)</u>	<u>(21,034,000)</u>	<u>(19,226,970)</u>	<u>1,807,030</u>
Net Change in Fund Balance	(859,323)	(859,323)	237,214	1,096,537
Beginning Fund Balance	<u>859,323</u>	<u>859,323</u>	<u>928,864</u>	<u>69,541</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,166,078</u>	<u>\$ 1,166,078</u>

(1) Appropriation Level

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

<u>DEBT SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 835,040	\$ 835,040	\$ 837,705	\$ 2,665
Total Revenues	<u>835,040</u>	<u>835,040</u>	<u>837,705</u>	<u>2,665</u>
EXPENDITURES				
Support Services	40	40 (1)	1	39
Debt Service	<u>855,000</u>	<u>855,000 (1)</u>	<u>854,565</u>	<u>435</u>
Total Expenditures	<u>855,040</u>	<u>855,040</u>	<u>854,566</u>	<u>474</u>
Net Change in Fund Balance	(20,000)	(20,000)	(16,861)	3,139
Beginning Fund Balance	<u>20,000</u>	<u>20,000</u>	<u>75,581</u>	<u>55,581</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,720</u>	<u>\$ 58,720</u>

(1) Appropriation Level

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

<u>CAPITAL PROJECTS FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
EXPENDITURES				
Support Services	341,925	341,925	(1) 153,711	188,214
Debt Service	63,075	63,075	(1) 63,067	8
Total Expenditures	<u>405,000</u>	<u>405,000</u>	<u>216,778</u>	<u>188,222</u>
Excess of Revenues Over, (Under) Expenditures	(405,000)	(405,000)	(216,778)	188,222
OTHER FINANCING SOURCES, (USES)				
Transfers In	285,000	285,000	299,815	14,815
Total Other Financing Sources, (Uses)	<u>285,000</u>	<u>285,000</u>	<u>299,815</u>	<u>14,815</u>
Net Change in Fund Balance	(120,000)	(120,000)	83,037	203,037
Beginning Fund Balance	<u>120,000</u>	<u>120,000</u>	<u>161,258</u>	<u>41,258</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 244,295</u>	<u>\$ 244,295</u>

(1) Appropriation Level

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023**

<u>INTERNAL SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 262,600	\$ 262,600	\$ 294,659	\$ 32,059
EXPENDITURES				
Support Services	798,600	798,600 (1)	360,656	437,944
Total Expenditures	798,600	798,600	360,656	437,944
Excess of Revenues Over, (Under) Expenditures	(536,000)	(536,000)	(65,997)	470,003
OTHER FINANCING SOURCES, (USES)				
Sale of Capital Asset	-	-	4,092	4,092
Total Other Financing Sources, (Uses)	-	-	4,092	4,092
Net Change in Fund Balance	(536,000)	(536,000)	(61,905)	474,095
Beginning Fund Balance	536,000	536,000	479,979	(56,021)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418,074</u>	<u>\$ 418,074</u>

(1) Appropriation Level

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

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

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED AT 7/1/22	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/23
GENERAL FUND:						
CURRENT:						
2022-23	\$ 8,655,348	\$ 231,555	\$ (11,217)	\$ 2,079	\$ 8,272,805	\$ 141,850
PRIOR YEARS:						
2021-22	142,895	828	(9,256)	4,094	77,178	59,727
2020-21	74,934	886	(6,882)	3,706	37,913	32,959
2019-20	47,989	844	(7,309)	4,402	32,403	11,835
2018-19	12,248	(66)	(5,119)	2,375	4,475	5,095
Prior	32,170	(6)	(2,777)	2,024	2,530	28,893
Total Prior	310,236	2,486	(31,343)	16,601	154,499	138,509
Total General Fund	\$ 8,965,584	\$ 234,041	\$ (42,560)	\$ 18,680	\$ 8,427,304	\$ 280,359

RECONCILIATION OF REVENUE:

	GENERAL FUND
Cash Collections by County Treasurer Above	\$ 8,427,304
Accrual of Receivables:	
June 30, 2022	(32,943)
June 30, 2023	17,646
Change between current and prior Unavailable Revenue, see pg 9	(14,580)
Payments in Lieu of Taxes	7,017
Total Revenue	\$ 8,404,444

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

OTHER INFORMATION

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**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

**SCHEDULE OF BOND AND INTEREST TRANSACTIONS AND BALANCES
For the Year Ended June 30, 2023**

DATE OF ISSUE	MATURED BONDS & COUPONS OUTSTANDING 7/1/2022	BONDS & COUPONS MATURING DURING THE YEAR	BONDS REDEEMED AND COUPONS PAID DURING THE YEAR	MATURED BONDS & COUPONS OUTSTANDING 6/30/2023
October 31, 2007	\$ -	\$ 854,565	\$ 854,565	\$ -
January 22, 2020	-	63,067	63,067	-
Total	<u>\$ -</u>	<u>\$ 917,632</u>	<u>\$ 917,632</u>	<u>\$ -</u>

**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

**SCHEDULE OF BOND REDEMPTION AND INTEREST REQUIREMENTS
June 30, 2023**

SERIES 2007

YEAR	PRINCIPAL	INTEREST	INTEREST RATES
	Due 6/1	Due 12/30 & 6/30	
2024	\$ 680,000	\$ 205,021	5.62%
2025	750,000	166,825	5.62%
2026	830,000	124,698	5.62%
2027	910,000	78,076	5.62%
2028	480,000	26,963	5.62%
TOTALS	\$ 3,650,000	\$ 601,583	

SERIES 2020

YEAR	PRINCIPAL	INTEREST	INTEREST RATES
	Due 1/22	Due 1/22	
2024	42,077	20,990	3.43%
2025	43,520	19,547	3.43%
2026	45,013	18,054	3.43%
2027	46,557	16,510	3.43%
2028	48,154	14,913	3.43%
2029-2033	266,708	48,629	3.43%
2034-35	119,929	6,205	3.43%
TOTALS	\$ 611,958	\$ 144,848	

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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December 19, 2023

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of Lane Education Service District as of and for the year ended June 30, 2023, and have issued our report thereon dated December 19, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

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

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

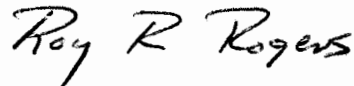
In connection with our testing nothing came to our attention that caused us to believe Lane Education Service District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative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

- Expenditures of various funds were within authorized appropriations, except as noted on page 20 of the financial report.

OAR 162-10-0230 Internal Control

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

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



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

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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**LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON**

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

Agency/Program Title	Pass Through Organization	Federal AL Number	Pass Through Entity#	Expenditures	Passed Through to Sub Recipients
U.S. Department of Education					
Title I-C - Migrant Education	Oregon Dept of Education	84.011	73278	519,978	-
Title I-C - Migrant Education	Oregon Dept of Education	84.011	68123	568,751	-
Title I-C - Migrant Education/Summer	Oregon Dept of Education	84.011	70941	306,477	-
Title I-C - Migrant Education/Preschool	Oregon Dept of Education	84.011	68134	32,023	-
Title I-C - Migrant Education/Preschool	Oregon Dept of Education	84.011	73260	45,211	-
Title I-C - Migrant Education/Summer	Oregon Dept of Education	84.011	75615	93,266	-
Binational Teacher Exchange Program	Oregon Dept of Education	84.011A	32625	42,191	-
				<u>1,607,897</u>	-
EI-ECSE	Oregon Dept of Education	84.027	11116-A9	1,070,103	1,069,614
Regional Inclusive Services	Oregon Dept of Education	84.027	11047-A5	919,744	-
Juvenile Detention	Oregon Dept of Education	84.027	15596-A1	720	-
EI-ECSE	Oregon Dept of Education	84.173	11116-A9	208,146	208,051
Regional Inclusive Services	Oregon Dept of Education	84.173	11047-A5	5,365	-
	Total IDEA Cluster			<u>2,204,077</u>	<u>1,277,665</u>
Perkins Basic	Lane Community College	84.048	LCC1	27,377	-
Perkins Basic	Oregon Dept of Education	84.048	72335	537,162	370,211
Perkins Basic	Oregon Dept of Education	84.048	66146	21,134	10,507
Perkins Reserve Fund	Oregon Dept of Education	84.048	75131	327,489	-
Perkins Reserve Fund	Oregon Dept of Education	84.048	66184	88,799	-
Perkins YCEP/JDEP Network	Oregon Dept of Education	84.048	75139	68,670	63,000
				<u>1,070,631</u>	<u>443,718</u>
Oregon Pathways/STEM Apprenticeships	Oregon Dept of Education	84.051	52039	41,024	-
EI-ECSE	Oregon Dept of Education	84.181	11116-A9	403,607	403,422
Title III - ELA	Oregon Dept of Education	84.365	67113	62,994	-
Title III - ELA	Oregon Dept of Education	84.365	58515	17,844	-
Title III - ELA	Oregon Dept of Education	84.365	73071	10,241	-
				<u>91,078</u>	-
ESSER I	Oregon Dept of Education	84.425	58428	85,635	85,635
ESSER II	Oregon Dept of Education	84.425	65028	1,023,023	-
ESSER II	Oregon Dept of Education	84.425	64782	21,348	-
ESSER II	Oregon Dept of Education	84.425	64794	26,713	-
			Total ESSER	<u>1,156,720</u>	<u>85,635</u>
School Safety & Prevention	Oregon Dept of Education	84.425	75261	71,495	-
Social Emotional Learning	Oregon Dept of Education	84.425	70960	49,353	-
GEER Computer Science	Oregon Dept of Education	84.425	75478	365,258	-
ESD Technical Assistance	Oregon Dept of Education	84.425	73298	6,397	-
ESD Technical Assistance - GEER I	Oregon Dept of Education	84.425	74363	30,000	-
Youth Transition Program	Oregon Dept of Human Services	84.126A	160724-2	531,228	285,813
	Total U.S. Department of Education			<u>7,628,764</u>	<u>2,496,253</u>
U.S. Department of Justice					
School Violence Prevention	U.S. Department of Justice	16.710	04202	4,160	-
	Total U.S. Department of Justice			<u>4,160</u>	-
U.S. Department of Agriculture					
NSLP - Breakfast	Oregon Dept of Education	10.553	2012007	12,583	-
NSLP - Lunch	Oregon Dept of Education	10.555	2012007	27,535	-
	Total U.S. Department of Agriculture			<u>40,118</u>	-
			SEFA Total	<u>7,673,042</u>	<u>2,496,253</u>

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PAULY, ROGERS AND CO., P.C.
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December 19, 2023

To the Board of Directors
Lane Education Service District
Lane County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, business-type activities, and each major fund of Lane Education Service District (the District) 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 December 19, 2023.

Report on Internal Control over Financial Reporting

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

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

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

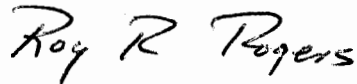
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a large, prominent "R" and "R".

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



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December 19, 2023

To the Board of Directors
Lane Education Service District
Lane County, Oregon

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lane Education Service District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 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, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

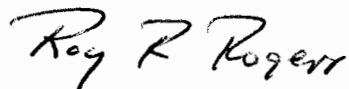
Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a large, prominent "R" at the beginning.

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

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LANE EDUCATION SERVICE DISTRICT
LANE 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(ies) identified that are not considered to be material weaknesses Yes None reported

Noncompliance material to financial statements noted? Yes No

Any GAGAS audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? Yes No

FEDERAL AWARDS

Internal control over Major Programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) 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

<u>AL NUMBER(S):</u>	<u>NAME OF FEDERAL PROGRAM:</u>
84.425	ESSER
84.011, 84.011A	Title IC (Migrant Education)

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

Auditee qualified as low-risk auditee? Yes No

LANE EDUCATION SERVICE DISTRICT
LANE COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

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 represents adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance, due to the fact that they already have a negotiated indirect cost rate with the Oregon Department of Education, and therefore are not allowed to use the de minimis rate.



LANE EDUCATION SERVICE DISTRICT

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Eugene, OR 97402

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EQUITY COMMITMENT LEADERSHIP COLLABORATION INTEGRITY

Prepared for: Lane ESD Board of Directors
Prepared by: Olivia Meyers Buch, Executive Director of Business Services
Meeting Date: April 2, 2024

Financial Report - Fiscal Year Ended June 30, 2023

State law requires that an independent audit be made of all district funds within six months following the close of the fiscal year. Pauly, Rogers & Co., P.C., the district's independent external auditors, reviewed the district's financial statements for the fiscal year ended June 30, 2023, and issued an unmodified ("clean") opinion, meaning that the auditors believe that the financial statements fairly present the financial position of the district at June 30, 2023.

Designed to meet the needs of a broad spectrum of financial statement readers, the Financial Report is divided into major sections. The report starts with the Independent Auditor's Report (beginning on page 1) which reports the district has fairly presented the financial information and has been issued an unmodified "clean" opinion, followed by Management's Discussion and Analysis (beginning on page 1), which provides an overview and analysis to accompany the basic financial statements.

The **Basic Financial Statements** (beginning on page 4) along with the notes to the statements (beginning on page 13) are key for the report. Two main types of financial statements are presented: government-wide financial statements and fund financial statements. Each type of statement provides the reader with different information.

The *Government-Wide Financial Statements* (beginning on page 4) are designed to provide a broad overview of the district's finances in a manner similar to the private sector but are less helpful in planning and managing the district's finances as they include significant amounts of non-spendable assets and liabilities required to meet financial reporting requirements for this type of presentation.

Governments tend to raise resources when the liabilities are expected to be paid rather than when incurred. Most governments normally do not have sufficient current resources on hand to cover long-term liabilities. Therefore, the *Fund Financial Statements* (beginning on page 6) are often more useful in reviewing the current state of

district finances as they focus on near-term inflows and outflows of available resources as well as the balance of available resources at the end of the fiscal year.

Required Supplementary Information (beginning on page 45) and other **Supplementary Information** (beginning on page 51) present various schedules along with individual financial statements for all governmental funds and internal service funds, and information on property tax collections. **Other Information** (beginning on page 55) includes debt requirements.

The **Reports on Legal and Other Regulatory Requirements** section contains the independent auditor's report required by Oregon State Regulations (page 57). The auditors review the district's compliance with certain provisions of laws, regulations, contracts and grants. Nothing came to the auditors' attention to believe the district was not in substantial compliance.

The *Grant Compliance Review* includes reports from the independent auditor regarding compliance requirements with government auditing standards and of the U.S. Office of Management and Budget Uniform Guidance Compliance Supplement for major federal programs. A summary of the auditor's results can be found on the Schedule of Findings and Questioned Costs (page 65). The report states that nothing came to their attention that caused them to believe the district was not in compliance.

Please contact me with questions or if you would like additional information.

Response Summary:

Grant Report

Q2. Has this proposal been discussed and supported by your department's executive director?

- Yes

Q4. Details

Project Name	Summer Learning Grant
Department Submitting Proposal	Migrant Education
Person Submitting Proposal	Ana Quintero-Arias
Potential Funder (please include link to RFP if available)	https://www.oregon.gov/ode/schools-and-districts/grants/Pages/Summer%20Learning/State-Summer-Learning-Grants.aspx
Requested Funding Amount	60,000
Person who will manage grant if funded	Ana Quintero-Arias

Q5. Grant Period

Length of grant	summer 2024
Anticipated start date (mm/dd/yyyy)	07/08/2024
Anticipated end date (mm/dd/yyyy)	11/15/2024

Q9. Is a match required from Lane ESD or participating districts (direct funds, FTE, services)?

- No

Q10. Does the grant require any commitment from the ESD or districts beyond the term of the grant?

- No

Q13. Does the grant require a 501(c)3 to apply?

- No

Q46. Does the grant require "reporting" and/or updates?

- Yes

Q47. What kind of reporting is being asked for?

student demographics, program attendance, length of program, additional activities provided, staffing levels, partnership information, assessment data, perception survey, qualitative data

Q48. Who will be doing the ongoing reporting (programmatic and fiscal responsibilities) within your department?

Program coordinator, program assistant, data specialist, administrator

Q24. Have you discussed the data collection and reporting needs with your data coordinator?

- Yes

Q50. With which data coordinator did you speak?

- Coordinator X

Q51. When did you speak with your data coordinator about this project?

April 4

Q52. How often will you need their support for reporting, exports, and imports?

Regularly throughout the year

Q17. Please, provide a brief overview of the grant, including the purpose and intended outcomes.

HB 4082 provides \$30 million for Summer Learning Grants to school districts, charter schools, and ESDs for the summer of 2024. These grant funds are to be focused on serving historically underserved students for applicants with pre-existing plans for summer programming while prioritizing collaboration with community partners and tribal nations. HB 4082 also supports a plan for the future by creating a study that provides recommendations for a sustainable state-funded summer learning plan, ensuring equitable access and funding mechanisms, proposing outcome metrics, streamlining grant administration, incentivizing partnerships, and establishing best practices.

Q18. Describe how this proposal supports the equity vision and mission of Lane ESD.

Vision: Building a beloved community of learners.

Mission: Collaborating to empower all learners with justice- centered opportunities, equitable leadership, and a passion for lifelong learning.

The Migrant Ed vision and mission are in complete alignment with the broader Lane ESD mission and vision as well as with the 5 Board goals. We make our programmatic decisions based on equity and access for those within our program. We work alongside districts and community partners to interrupt inequitable practices and policies. We engage in continued professional goals to ensure best practice when serving our families. We include youth and family voice in our programming decisions. In particular, our summer program is specifically designed for our Migrant students based on their input. Finally, we authentically engage with our community and continually find opportunities for both students and their families to gain leadership opportunities within and outside of our program.

Q19. Indicate which of Lane ESD's Equity Goals this proposal will directly address.

- 1. All decisions and actions will reflect the guiding principles and affirmations in our Equity Lens document.
- 2. Lane ESD staff along with community partners will be equity leaders trained to dismantle systems of oppression through interrupting inequitable policies and practices by providing culturally specific curriculum that reflects the histories of our students.
- 3. All ESD staff and educators we serve will be provided the equity tools and training needed to inspire student learning, so all youth thrive.
- 4. Youth, from all backgrounds, will have access to highly engaging and culturally relevant learning opportunities connected to our communities and delivered by diverse, qualified, and passionate educators.
- 5. While amplifying youth voice, we will build trusted and inclusive relationships with our families and elevate the engagement of community partners that lead to improved equitable student outcomes.

Q20. Describe how the voices of diverse members of the community have been part of the design and implementation process of this proposal.

Throughout the year, we hold parent meetings where we debrief our previous summer experiences, ask for input for the following year, and create opportunities for parent engagement during the summer.

Q21. How will this proposal dismantle systems of racism and oppression that might exist?

In the words of Jim Cummings, "To reject a child's language in school is to reject a child."

This program is designed to meet the specific and unique needs of migrant children and their families. The overwhelming feedback of our summer program is that our program is vital to the identity of the students and that learning is engaging and impactful. Some of the direct program components that have resulted from past parent feedback are as follows. First, every classroom has a multilingual educator. Students are able to communicate in their chosen language, hear their name spoken correctly, and know their families can communicate with teachers as well. Students have pride in speaking their chosen language. The program and its staff encourages multilingualism. Some students come to summer school being primarily English speakers and experience the acceptance and value of being multilingual. Second, we annually bring teachers from Mexico to provide authentic, engaging, beautiful, culturally celebratory lessons and activities to ensure students have opportunities to value and respect Latin cultures. Students learn that they come from greatness! Students float with pride because their language, skin color, whole person is celebrated. Students experience teachers who are authentically themselves and deliver lessons that encourage students to do the same. Through this, a different kind of instructional relationship with students is developed. Third, our Mercado (end-of-summer showcase/celebration) allows families, component district staff, and various stakeholders to learn about the work the students did through a student led process. Students also learn songs and dances that celebrate their culture and perform for their families and peers.

Q22. Who might this proposal impact positively and who might it negatively impact?

Our Migrant Ed students, families, and their home districts. I cannot identify who it might impact negatively besides those who are not able to attend.

Q23. How will you ensure that equitable outcomes are achieved and what data will be collected to measure success?

We have always gathered academic data from our students. Teachers are required to submit their assessment tool and results at the end of each summer school.

Q29. Will the purchase of computers, software, or other equipment be required for staff hired or assigned to the grant?

- No

Q31. What use of facilities are anticipated (workspace, training space, meeting space)? If applicable, please include use during weekends and break periods.

Nothing beyond what is regularly being used.

Q32. What other internal supports at Lane ESD will you need for the project to succeed?

SI support for professional development.

Q36. Does the project involve research that requires the human subjects' releases?

- No

By clicking the arrow you will be submitting the form.

Please ensure you have completed all sections before moving forward.

Embedded Data:

N/A



Unified Basketball Game Nights



This year Unified Basketball Game Nights will take place at the four high schools! The teams will consist of **athletes** (students experiencing intellectual and developmental disabilities), and **partners** (students in general/neurotypical development), to create a genuine inclusion opportunity for ALL players on the team to play together.

North Eugene High School vs. Churchill High School
Tuesday, February 20th 5:30-6:30pm
@ North Eugene High School

South Eugene High School vs. Sheldon High School
Thursday, February 29th 5:30-6:30pm
@ South Eugene High School

Sheldon High School vs. North Eugene High School
Friday, March 8th 6:00-7:00 pm
@ Sheldon High School

Churchill High School vs. South Eugene High School
Thursday, April 11th 6:30-7:30pm
@ Churchill High School

Unified Basketball Team Coaches:

CHS: Alia Burkholder

SEHS: Michelle Dunn

SHS: Hank Benz

NEHS: Steve Humble

Play Unified!



SCAN ME

THIS IS A FREE EVENT!



Special Olympics
**Unified Champion
Schools**