

**REYNOLDS SCHOOL DISTRICT**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the year ended June 30, 2023



*Multnomah County School District No. 7*  
*Multnomah County, Oregon*

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# **REYNOLDS SCHOOL DISTRICT**

*Multnomah County School District No. 7*

*Multnomah County, Oregon*

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**For the year ended June 30, 2023**

Prepared by:

Financial Services & Pauly, Rogers, and Co., P.C.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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Prepared by:  
Financial Services Staff

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

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MULTNOMAH COUNTY, OREGON  
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MULTNOMAH COUNTY, OREGON  
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**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**INTRODUCTORY SECTION**





Reynolds School District  
Administration Offices  
1204 NE 201<sup>st</sup> Avenue  
Fairview, OR 97024  
503.661.7200 • FAX 503.667.6932

January 24, 2024

To Board of Education and Citizens of the Reynolds School District:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Reynolds School District, Multnomah County School District No. 7 (the District) for the fiscal year ended June 30, 2023. This report is prepared in conformance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

The District's Financial Services Department prepared this report, and management assumes responsibility for the completeness, reliability, and accuracy of all the information presented.

The District's management has established a comprehensive framework that is designed both to protect the assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statement in conformity with generally accepted accounting principles (GAAP) in the United States of America. Since the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

### **Awards**

The District submitted the Annual Comprehensive Financial Report to Government Finance Officers Association (GFOA) and Association of School Business Officials International (ASBO) for submission for the financial rewards. For the 2021–22 Annual Comprehensive Financial Report, the District received the Certificate of Achievement for Excellence in Financial Reporting from Government Finance Officers Association (GFOA) and Association of School Business Officials International (ASBO). The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The District will be submitting the 2022–23 Annual Comprehensive Financial Report to both GFOA and ASBO for consideration of the awards.

### **Independent Audit**

The provisions of Oregon Revised Statutes require an independent audit of the financial records and fiscal affairs of the District. The auditors selected by the Board of Education, Pauly, Rogers and Company, P.C., have completed their audit of the financial statements and, accordingly, have issued an unmodified ("clean") opinion

on the Reynolds School, District's financial statements for the year ended June 30, 2023. The independent auditor's report is in front of the financial section of this report.

The Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 require state and local governments that expend \$750,000 or more in federal assistance in a year have a special form of audit conducted for that year. Reynolds School District has issued a report on these requirements and the requirements of the implementing circular, U.S. Office of Management and Budget's Circular A-133, Audits of State and Local Government. Pauly, Rogers and Company, P.C. has also provided various required reports. These reports are in the Single Audit Section of this report.

## **Management's Discussion and Analysis**

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditor's report.

## **Profile of the District**

### *Mission Statement:*

*We lead with equity to educate and support all students to graduate with skills and confidence to thrive.*

### *Vision:*

*As a community, we prepare lifelong learners to achieve their full potential in a complex and interconnected world.*

Reynolds School District was confirmed in 1954 as a consolidation of the Fairview, Troutdale, and Wilkes elementary school districts. In 1975, Rockwood School District merged with Reynolds.

The District includes 11 elementary schools, three middle schools, one high school, one alternative school, five alternative programs, and four charter schools. Together, the district reflects a diverse geographic region, serving over 9,500 students with various backgrounds and speaking more than 72 languages. The high school consistently ranks as one of the largest, in terms of student population, in the state. Reynolds High School students may also attend the Center for Advanced Learning, a charter school partnership between four neighboring districts (Centennial, Corbett, Gresham-Barlow and Reynolds), where students can choose to focus on health sciences, engineering, or computer science.

The District, a fiscally independent entity, is organized with a seven-member elected Board of Directors and a board appointed budget committee. The School Board sets district policies, employs staff, and dedicates resources. It is the chief governing body and is exclusively responsible for its public policies and accountable for fiscal oversight. The chief administrative officer of the District is the superintendent who is appointed by the Board.

District management includes the Superintendent, Deputy Superintendent, Chief Academic Officer, Chief of Staff, Executive Director of Schools, Executive Director of Human Resources, Chief Financial Officer, Executive

Director of Student & Family Services, Executive Director of Communications & Community Relations, and 70.0 principals, vice-principals, and district administrators. The District's budget has 1,286.15 full-time equivalent (FTE) personnel, including principals, vice-principals, administrators, teachers, supervisors, secretarial staff, bus drivers, maintenance personnel, cafeteria staff, and other support staff.

Under Oregon State law, school districts are independent municipal corporations empowered to provide elementary and secondary educational services for the children residing within their boundaries. The District discharges this responsibility by building, operating and maintaining school facilities, developing, and maintaining approved educational programs and courses of study, including career/technical educational programs, and programs for English language learners and special needs students, and providing for transportation and feeding of students in accordance with District, State, and Federal programs. This report includes all funds of the District.

The average age of all buildings across the District is 34.2 years. The average age of school buildings across the District is 36.6 years.

The District spans from 141<sup>st</sup> Avenue to the Sandy River and from the Columbia River on the North to SE Market Street and SE Stark Street to the South. The District serves Portland, Gresham, Fairview, Wood Village, and Troutdale, and is a mix of urban and rural residential, high-tech manufacturing and farmland.

### **Appropriations and Budgetary Controls**

Under Oregon Revised Statutes (33.710), school districts are municipal corporations empowered to provide elementary and secondary educational services for the children residing within their boundaries. Reynolds School District fulfills this responsibility by building, operating, and maintaining school facilities; developing and maintaining approved educational programs and courses of study; and transporting and feeding students in accordance with District, State and Federal program guidelines. This report includes all funds of the District.

The District is required by the State of Oregon to adopt an annual budget for all funds subject to the requirements of Municipal Audit Law as outlined in the 2017 Oregon Revised Statutes 297.405 to 297.555 and 297.990. The budget for each individual fund is a plan for the financial operations to be conducted during the coming fiscal year and is adopted annually, prior to July 1, by the Board of Education. The level of budgetary control, that is the level at which expenditure cannot legally exceed the appropriated amount, is established by major function category: Instruction, Support Services, Enterprise & Community Services, Facilities Acquisition & Construction, Debt Service, Transfers Out, Contingency and Ending Fund Balance. After adoption, the budget may be amended through procedures specified in State statute and Board policy.

Through the year, cash not required for current operations is invested in the State of Oregon Local Government Investment Pool or other Board approved investment depositories.

### **Factors Affecting Financial Condition**

*Statewide Revenue.* Over the past two decades, several citizen initiatives have changed how Oregon funds public education, starting with Measure 5 in 1990. The property tax limitations enacted under Measure 5 and the later Measures 47 and 50 shifted the primary burden of paying for K–12 education from local property taxpayers to the state General Fund. This shift led the Legislature in 1991 to establish a school funding equalization

formula. That funding formula, largely based on student enrollment numbers and student demographics, determines how much money each school district will receive from the State School Fund to fill the gap between the District’s local revenue (property taxes) and its equalization target under the formula. This shift affected how funds are provided to public schools, making them more dependent on the overall economy of Oregon.

*Job Growth Factor.* Information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the District operates.

The Office of Economic Analysis (OEA), as of November 2023, is predicting a moderate sized recession in Oregon beginning in the second half of 2024. A modestly lower personal income outlook helps feed into the Oregon consumer spending, and associated tax revenues, in the year ahead.

*Oregon Forecast Summary*

	Quarterly					Annual					
	2023:2	2023:3	2023:4	2024:1	2024:2	2022	2023	2024	2025	2026	2027
<b>Personal Income (\$ billions)</b>											
<b>Nominal Personal Income</b>	279.9	284.9	289.0	294.0	298.0	266.6	282.5	299.8	315.3	331.1	347.7
% change	5.8	7.4	5.8	7.1	5.6	2.0	5.9	6.2	5.2	5.0	5.0
<b>Real Personal Income (base year=2012)</b>	220.3	222.7	224.1	226.7	228.3	217.0	221.5	229.1	235.6	242.4	249.5
% change	2.8	4.4	2.5	4.7	2.9	(4.1)	2.0	3.4	2.8	2.9	2.9
<b>Nominal Wages and Salaries</b>	142.2	145.2	147.1	148.9	150.9	136.5	143.7	151.8	159.1	166.8	174.8
% change	5.7	8.6	5.4	5.0	5.3	8.1	5.3	5.6	4.9	4.8	4.8
<b>Other Indicators</b>											
<b>Per Capita Income (\$1,000)</b>	65.2	66.3	67.2	68.2	69.1	62.3	65.7	69.5	72.6	75.7	79.0
% change	5.4	7.0	5.4	6.6	5.1	1.5	5.6	5.7	4.5	4.3	4.3
<b>Average Wage rate (\$1,000)</b>	71.4	72.3	73.0	73.7	74.5	69.5	71.8	74.9	78.1	81.3	84.6
% change	4.7	5.2	4.0	4.2	4.4	4.1	3.3	4.3	4.2	4.1	4.1
<b>Population (Millions)</b>	4.3	4.3	4.3	4.3	4.3	4.28	4.30	4.32	4.34	4.37	4.40
% change	0.4	0.4	0.4	0.4	0.5	0.4	0.3	0.5	0.6	0.7	0.7
<b>Housing Starts (Thousands)</b>	19.3	19.4	19.5	19.8	19.9	19.9	19.3	20.1	21.0	21.1	21.2
% change	6.0	3.2	2.9	4.7	3.5	(1.4)	(3.3)	4.2	4.3	0.5	0.6
<b>Unemployment Rate</b>	3.8	3.5	3.6	3.7	3.8	4.1	3.9	3.9	4.1	4.1	4.1
Point Change	(0.9)	(0.3)	0.1	0.1	0.1	(1.1)	(0.3)	(0.0)	0.2	0.0	0.0

Source: [https://www.oregon.gov/das/oea/Pages/forecastcorev.aspx\\_page\\_45](https://www.oregon.gov/das/oea/Pages/forecastcorev.aspx_page_45)

*K-12 Revenue.* Although Oregon had an improving economy, K–12 funding was far from stable. The 2021–23 Biennium budget from Governor Kate Brown is at \$9.3 billion with a 49/51 split between 2021–22 and 2022–23. The District’s greatest source of revenue comes from the State School Fund and is determined using projected student enrollment in the District and projected transportation expenditures.

The Legislature must deal with the long-term funding of the Public Employees Retirement System (PERS). Senate Bill 1049 was passed in the Spring of 2019 and has changed the current PERS system. Beginning July 2020, a portion of contributors’ 6% is redirected to an Employee Pension Stability Account. Even with this change, the outlook on the PERS system is still not positive. This is not a short-term problem. Funding PERS obligations will affect public agencies and schools for at least the foreseeable future.

The District continues to meet the goal of maintaining 5% ending fund balance per Board Policy DBDB Fund Balance. The District's goal for the coming fiscal year is to spend down fund balances for one-time expenditures such as capital and other non-labor costs. Enrollment continues to decline, as is the trend across the state. The District's decline reflects student transfers to online schools, to other states, and to home schooling. Due to the important relationship between funding and enrollment, the District may be forced to reduce its operating budget while carefully reviewing future projections.

### **Long-Term Financial Planning**

The District maintains 28 facilities totaling 1.4 million square feet. As is true of many school districts in the State of Oregon, funding for capital improvements is limited due to prioritization of limited District resources for direct support of student learning in the classroom. As a result, our facilities, some over 100 years old, are in dire need of improvements and/or replacement to meet current building codes, as well as expansions to serve our existing student population who experience over-crowding due to shortages of classroom and common spaces.

On May 19, 2015, the Reynolds School District successfully passed a \$125 million general obligation bond with the support of the region's devoted citizens. A bond premium was realized during the bond sale that increased the project budget by another \$14 million. A major component of this bond program was to include the construction of three new elementary schools at the existing sites of Fairview Elementary, Troutdale Elementary, and Wilkes Elementary. The bond program also included additions & renovations to be constructed at Reynolds High School.

For schools that were not part of the 2015 G.O. Bonds proceeds, the District will continue to annually increase capital improvements to sites and facilities to maintain District's assets. The most recent Facilities Master Plan was completed in March of 2021.

[Facilities Master Plan - BRIC Architecture, Inc. - March 2021](https://www.reynolds.k12.or.us/facilities) or <https://www.reynolds.k12.or.us/facilities>

### **Acknowledgments**

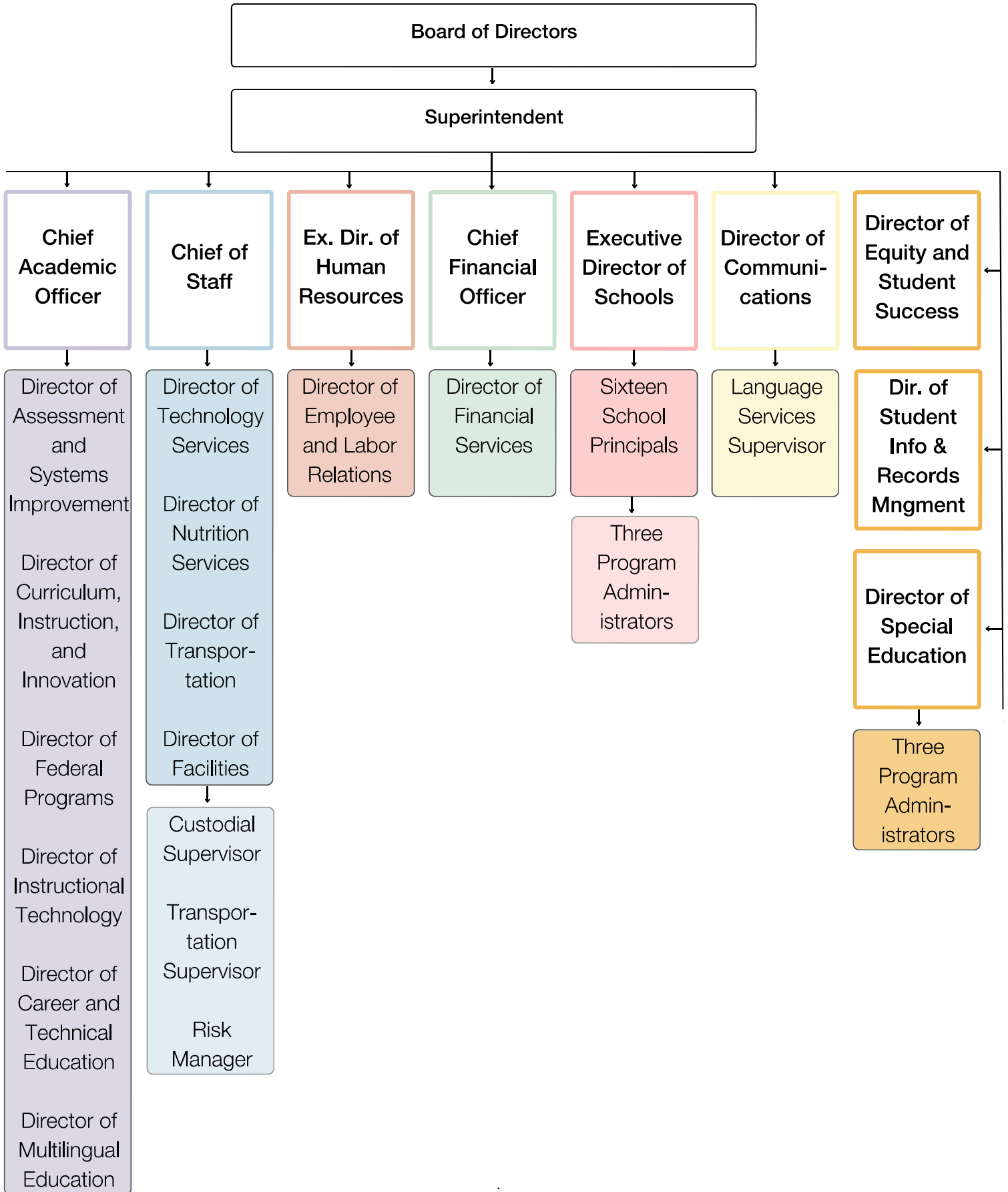
We wish to express our appreciation to the entire Reynolds Finance Department team and staff across departments who assisted in the preparation of this Annual Comprehensive Financial Report. We also wish to extend our appreciation to the members of the Board of Directors, administrators, employees of the District, and citizens for their support and dedication to the financial operations of the District.

Respectfully submitted,

*Holly Langan*

Holly Langan, Executive Director of Financial Services

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
 MULTNOMAH COUNTY, OREGON  
 ORGANIZATIONAL CHART  
 ADMINISTRATORS AS OF JUNE 30, 2023



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**

**MULTNOMAH COUNTY, OREGON**

Reynolds School District No. 7

**School Board Members**

*As of June 30, 2023*

<b>Board Member</b>	<b>Term Expires</b>
Ana Gonzalez Muñoz, Chair	June 30, 2023
Aaron Munoz, Vice Chair	June 30, 2025
Joyce Rosenau	June 30, 2025
Michael Reyes	June 30, 2025
Cayle Tern	June 30, 2025
Yesenia Delgado	June 30, 2025
Francisco Ibarra	June 30, 2025

*Board Members receive email at:*

Reynolds School District No. 7

Attn: Board of Directors

1204 NE 201<sup>st</sup> Ave

Fairview, Or 97024



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Reynolds School District #7  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrill*

Executive Director/CEO





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Reynolds School District 7

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style. Below the signature is a horizontal line.

**John W. Hutchison**  
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style. Below the signature is a horizontal line.

**Siobhán McMahon, CAE**  
Chief Operations Officer/

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**FINANCIAL SECTION**

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**INDEPENDENT AUDITOR'S REPORT**



**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 28, 2023

To the Board of Directors  
Multnomah County School District No. 7 (dba Reynolds School District)  
Multnomah County, Oregon

### **Opinions**

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 7, 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, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 7, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Multnomah County School District No. 7 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 Multnomah County School District No. 7's 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 Multnomah County School District No. 7'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 Multnomah County School District No. 7's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

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

### **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**

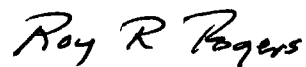
Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, as well as the introductory section and statistical section, as listed in the table of contents, but does not include the basic 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 28, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of 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 28, 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.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023**

As management of Reynolds School District No. 7 (the District), we offer readers of the District’s financial statements this narrative overview and analysis of the financial activities for the fiscal year ending June 30, 2023.

The focus of the Management’s Discussion and Analysis (MD&A) is on current year activities, resulting changes, and currently known facts. The MD&A should be read in conjunction with the District’s financial statements, including the accompanying notes. Additionally, as a required part of the MD&A, comparative information for the current year is presented for financial analysis to enhance the understanding of the District’s financial performance.

### **NEW ACCOUNTING STANDARDS IMPLEMENTED**

During the year, the District implemented Statement No. 96, Subscription-Based Information Technology Arrangements, of the Governmental Accounting Standards Board (GASB).

### **Financial Highlights**

- The government-wide financial statements show the assets and deferred outflows of resources of the District trailed its liabilities and deferred inflows of resources by (\$1.79) million (net position). Last year, the Total Net Position was (\$1.38) million due to the Long-Term Obligations, Net Pension Liability, Net Other Post Employment Benefit Obligation (OPEB), the Pension Related Deferrals for PERS, RHIA, Stipends and Healthcare. The Total Net Position deficit increased during the 2022–23 fiscal year primarily due to a decrease in long-term debt and deferred inflows of resources, coupled with an increase in net investment in capital assets.
- At June 30, 2023, the District’s Total Net Position was (\$1.79) million. This gap between Assets and Liabilities is a decrease from the prior fiscal year when it was (\$1.38) million.
- At June 30, 2023, the District’s governmental funds had a combined ending fund balances of \$32.2 million. This represents a decrease of \$12.4 million from the prior year, a 28% decrease in the District’s financial position.
- At June 30, 2023, the General Fund had a fund balance of \$26.8 million, including a GASB 54 reporting requirement of \$158,252, from the Early Retirement Fund. GASB 54 requires the Early Retirement Fund’s ending fund balance be reported with the General Fund, rather than reporting with Other Government funds.

This Management’s 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 supplementary information in addition to the basic financial statements themselves.



**Government-Wide Financial Statements** are designed to provide readers with a broad overview of the District's finances in a manner similar to private-sector businesses.

- The *Statement of Net Position* presents information on all the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned, but unused, vacation leave).

Both government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). As is typical for a school district, the Reynolds School District has governmental activities, such as regular and special education programs, child nutrition services, transportation, administration, and facilities improvements and construction. These activities are primarily financed through property taxes, Oregon's State School Fund, and other intergovernmental revenues. The District does not have any business-type activities.

The government-wide financial statements can be found on pages 5 and 6 of this report.

**Fund Financial Statements** are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of the District are governmental funds. The School Board sets appropriations within every fund each year (for instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, transfers, contingency, and unappropriated ending fund balance and other GASB 54 classifications) that establish the legal limits for expenditures of the District.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental*

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

The District maintains nine major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The District classifies these nine funds as major funds.

The District adopts an annual appropriated budget for all funds as stated above. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found on pages 7 to 12 of this report.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 13 to 51 of this report.

**Other information** is included on the basic financial statements and accompanying notes. The State of Oregon requires governmental entities to provide financial information prepared in accordance with Oregon's Budgetary Law (Budgetary Basis). The District also includes additional supplemental information to assist the users of the financial statements in gaining an understanding of the District's financial position. Other information (both required and additional) can be found on pages 52 to 68 of this report.

Additionally, the Federal Government and the State of Oregon require Governmental entities to include additional auditor reports and schedules. The 2022–23 Auditors' Comments and Disclosure includes the auditor's report on internal accounting control and other matters. The Grant Compliance review includes a schedule of Federal Awards, on pages 97 and 98, along with reports on internal control, program compliance and schedule of prior and current year audit findings relative to Federal awards. The required auditors' comments, disclosures and grant compliance review information can be found on pages 95 to 106 of this report.

## Government-Wide Financial Analysis

### Net Position

Net position may serve over time as a useful indicator of a government's financial position. The table below condenses the Statement of Net Position shown in the Basic Financial Statements.

Governmental Activities			
	2023	2022	Increase/(Decrease)
<b>Assets</b>			
Current and other Assets	\$ 58,582,974	\$ 68,937,597	\$ (10,354,623)
Net Capital Assets	219,155,948	222,288,624	(3,132,676)
Total Assets	277,738,922	291,226,221	(13,487,299)
<b>Deferred Outflows of Resources</b>			
Pension Related Deferrals	28,920,530	38,329,876	(9,409,346)
Total Assets and Pension Related Deferrals	306,659,452	329,556,097	(22,896,645)
<b>Liabilities</b>			
Current Liabilities	26,179,285	28,984,529	(2,805,244)
Accrued Vacation Payable	228,126	357,026	(128,900)
Long Term Debt	239,629,467	238,821,897	807,570
Total Liabilities	266,036,878	268,163,452	(2,126,574)
<b>Deferred Inflows of Resources</b>			
Pension Related Deferrals	41,388,863	62,775,732	(21,386,869)
Total Liabilities and Pension Related Deferrals	307,425,741	330,939,184	(23,513,443)
<b>Net Position</b>			
Net Investment in Capital Assets	89,747,546	80,309,755	9,437,791
Restricted for OPEB-RHIA Assets	1,768,062	2,028,100	(260,038)
Restricted for Debt Service	4,141,217	6,043,199	(1,901,982)
Restricted for State and Local Programs	505,538	505,538	-
Restricted for Food Service	483,674	-	483,674
Unrestricted	(98,434,674)	(90,269,679)	(8,164,995)
Total Net Position	\$ (1,788,637)	\$ (1,383,087)	\$ (405,550)

**Net investment in capital assets.** As shown in the table above, the District's current net investment in capital assets is \$89.7 million, an increase of \$9.4 million over the prior year. The increase is the result of capital asset additions for building improvements, vehicles, and equipment. The net position component includes land, construction in process, building, improvements, vehicles and equipment, net of depreciation where applicable, and net of the related debt that was incurred to acquire those assets. Information about capital assets and their related debt is available in Note 7 – Capital Assets and Note 9 – Long Term Obligations.

**Restricted net position** decreased by a total of \$1.7 million in 2022–23, primarily due to changes in Debt Service and Food Service.

**Unrestricted net position** has increased by \$8.1 million, from (\$90.3) million to (\$98.4) million. The negative balance in unrestricted net position results from the OPEB reporting requirement and further explanation can be found in Note 12 – Defined Benefit Pension Plan and Note 13 – Other Post Employment Benefit Plan.

Statement of Activities			
	2023	2022	Increase/(Decrease)
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 1,763,053	\$ 1,242,194	\$ 520,859
Operating Grants and Contributions	56,984,350	44,702,866	12,281,484
General Revenues			
Property Taxes	43,244,689	41,686,988	1,557,701
State Support	97,556,829	103,889,737	-6,332,908
Intermediate Sources	1,185,383	1,105,283	80,100
Earnings on Investments	1,447,315	25,961	1,421,354
Miscellaneous	4,998,410	449,492	4,548,918
<b>Total Revenues</b>	<b>207,180,029</b>	<b>193,102,521</b>	<b>14,077,508</b>
<b>Expenses</b>			
Instruction	111,565,668	87,519,316	24,046,352
Support Services	77,661,835	61,009,790	16,652,045
Enterprise and Community Services	7,051,839	6,220,270	831,569
Facilities Acquisition	267,248	981,076	-713,828
Interest on Long-Term Debt	11,038,989	11,270,952	-231,963
<b>Total Expenses</b>	<b>207,585,579</b>	<b>167,001,404</b>	<b>40,584,175</b>
Increase (decrease) in net position	-405,550	26,101,117	-26,506,667
NET POSITION - BEGINNING	-1,383,087	-25,977,946	24,594,859
Prior Period Adjustment	-	-1,506,258	1,506,258
<b>NET POSITION - ENDING</b>	<b>(\$1,788,637)</b>	<b>(\$1,383,087)</b>	<b>(\$405,550)</b>

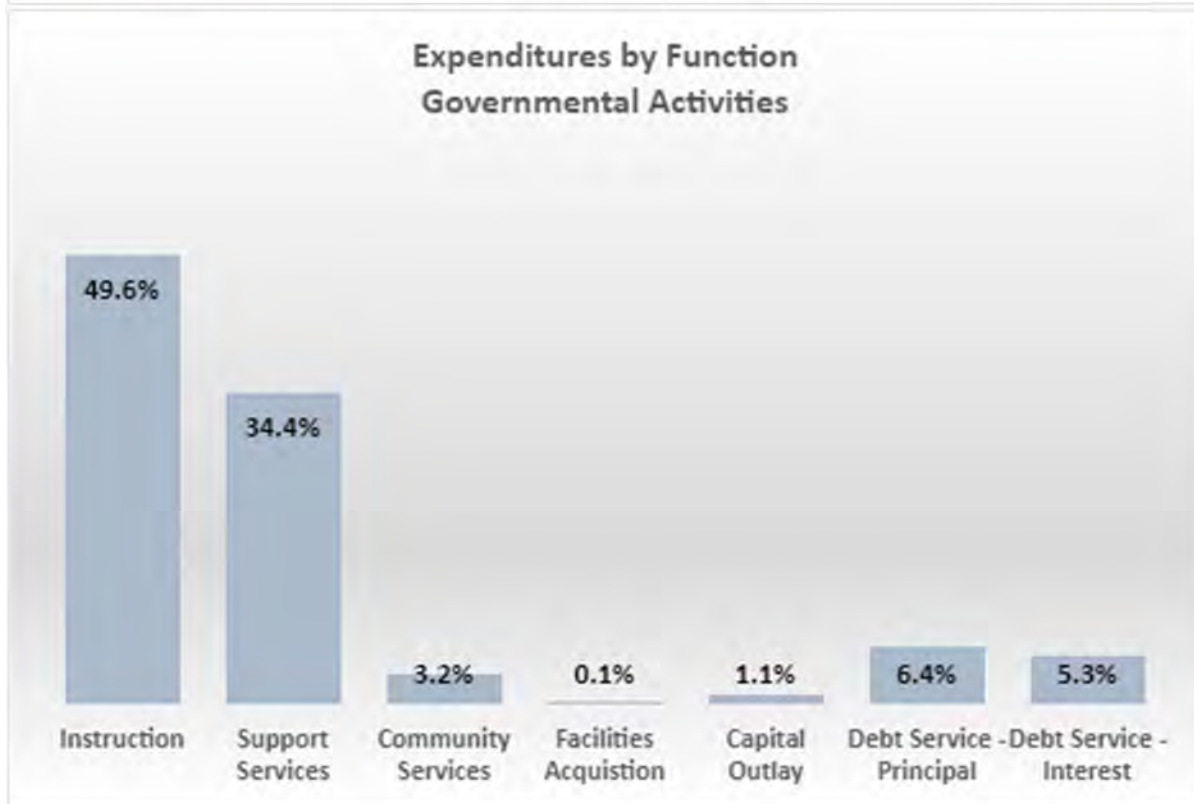
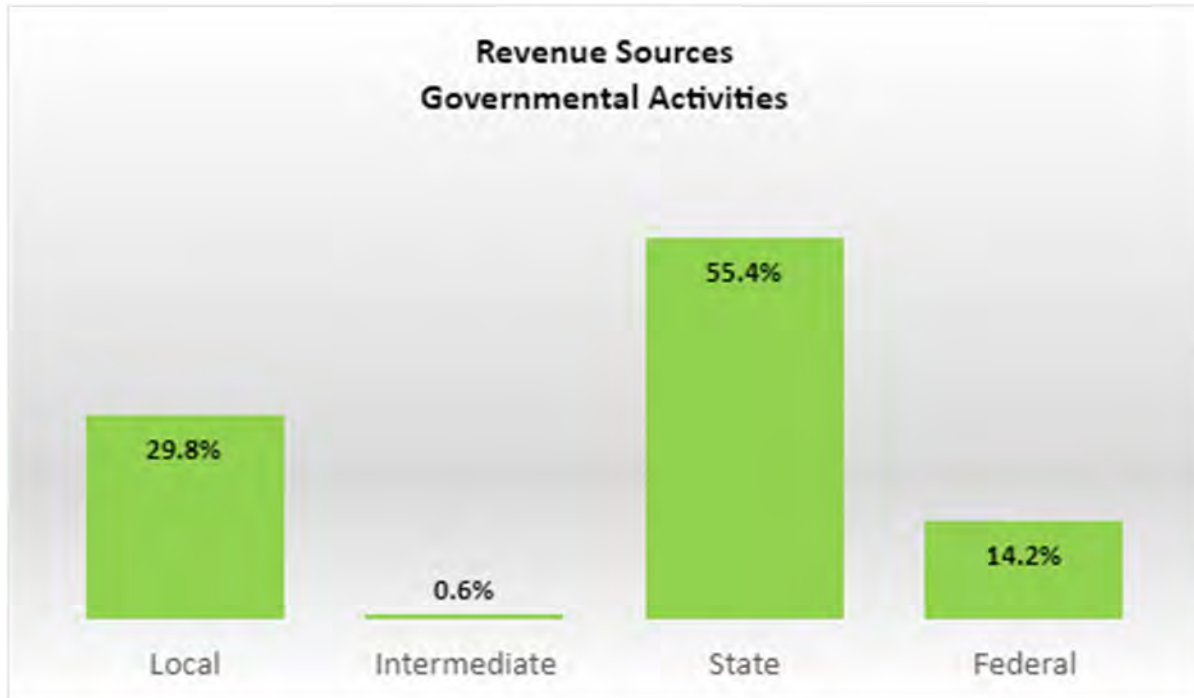
## Revenues

Total revenues increased by \$14.1 million from the prior year, primarily due to an increase in Operating Grants and Contributions.

## General Fund

Property taxes are divided between General Fund tax levies, and Debt Service requirements. The State School Fund (SSF) is the District's largest revenue source. Each Oregon school district receives funding from the state based upon an Average Daily Membership (ADMw) formula, weighted for various demographic considerations. The formula is allocated by multiplying a dollar rate per student established by the legislature every biennium. All General Fund Ad Valorem Taxes, County School Fund, State School Support, Common School

Fund, and Federal Forest Fees are included in the SSF formula. As a safety net, each district may utilize the highest ADMw from the current or most recent fiscal years in the calculation.



## **Financial Analysis of the District's Funds**

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

### **Governmental Funds**

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

As of June 30, 2023, the District's governmental funds reported combined ending fund balances of \$32.2 million.

### **General Fund**

The General Fund is the primary operating fund of the District. As of June 30, 2023, the fund balance was \$26.8 million. This balance includes \$158,252 of the Early Retirement Fund. GASB 54 requires the Early Retirement Fund's ending fund balance be reported with the General Fund, instead of reporting with Other Government Funds.

### **Federal Programs Fund**

Revenues in the Federal Programs Fund increased from \$11.5 million in 2021–22 fiscal year to \$24.5 million in 2022–23 fiscal year, while expenses increased from \$18.4 million to \$25.5 million. The fund began the year with a balance of (\$6.9) million and ended the year with a balance of (\$7.9) million. The deficit balance associated with Federal Programs resulted from a timing issue where federal grant funds were not received within sixty days of the end of the fiscal year, so they could not be recognized as revenue in the fiscal year ended June 30, 2023.

### **State and Local Programs Fund**

Revenues in the State and Local Programs Fund increased from \$16.0 million to \$21.3 million, expenses increased from \$16.7 million to \$20.5 million. The fund began the year with a balance of \$2.7 million and ended the year with a balance of \$3.5 million.

### **Other Governmental Funds (Non-Major Funds)**

Other Governmental Funds consists of Nutrition Services and Self Insurance Funds. These funds have increased in total fund balance from \$866,338 in the 2021–22 fiscal year to \$1.5 million in the 2022–23 fiscal year, primarily due to a transfer to the Nutrition Services Fund.

### **Debt Service Fund**

This fund provided for the payment of principal and interest on long-term general obligation of governmental funds. The revenue source for this fund is the beginning fund balance. Unchanged is the total fund balance of \$1.28 million, due to the retirement of debt.

**PERS Bond Fund**

This fund provides for the payment of principal and interest of PERS UAL pension obligation bond. The revenue sources are charges to other funds. This fund has increased in total fund balance from \$111,883 in 2021–22 fiscal year to \$441,408 in fiscal year 2022–23, primarily due to changes in PERS revenues.

**2015 GO Bond Debt Service Fund**

This fund provides for the payment of principal and interest on long-term general obligation of governmental funds. The revenue sources for this fund are property taxes. This fund has decreased in total fund balance from \$4.65 million in 2021–22 fiscal year to \$2.4 million in fiscal year 2022–23, primarily due to the refinancing.

**Capital Projects Fund**

This fund provides for the payment of principal and interest on the 2010 Full Faith and Credit Refunding Obligation which was refunding with the 2020 Full Faith and Credit Refunding in 2020-21. Revenue sources for this fund are excise tax, interest earnings, sale of assets, transfers from other funds, and loan proceeds. This fund has increased in total fund balance from \$4.0 million in 2021–22 fiscal year to \$4.2 million in 2022–23, primarily due to an increase in excise tax collections.

**Capital Asset and Debt Administration**

**Capital Assets**

The District’s investment in capital assets for its governmental activities as of June 30, 2023 amounts to \$217.5 million net of accumulated depreciation. This investment in capital assets includes land, buildings, equipment, and vehicles.

<b>Capital Assets (Net of Depreciation) includes the following:</b>			
	<b>2023</b>	<b>2022</b>	<b>Increase/(Decrease)</b>
Land	\$ 17,752,046	\$ 17,752,046	\$ -
Construction in Progress	-	-	-
Buildings and Improvements	193,054,667	198,208,759	(5,154,092)
Vehicles and Equipment	6,705,046	5,656,997	1,048,049
	<u>\$ 217,511,759</u>	<u>\$ 221,617,802</u>	<u>\$ (4,106,043)</u>

Additional information on the District’s capital assets can be found in Note 7 Capital Assets on page 24 of this report.

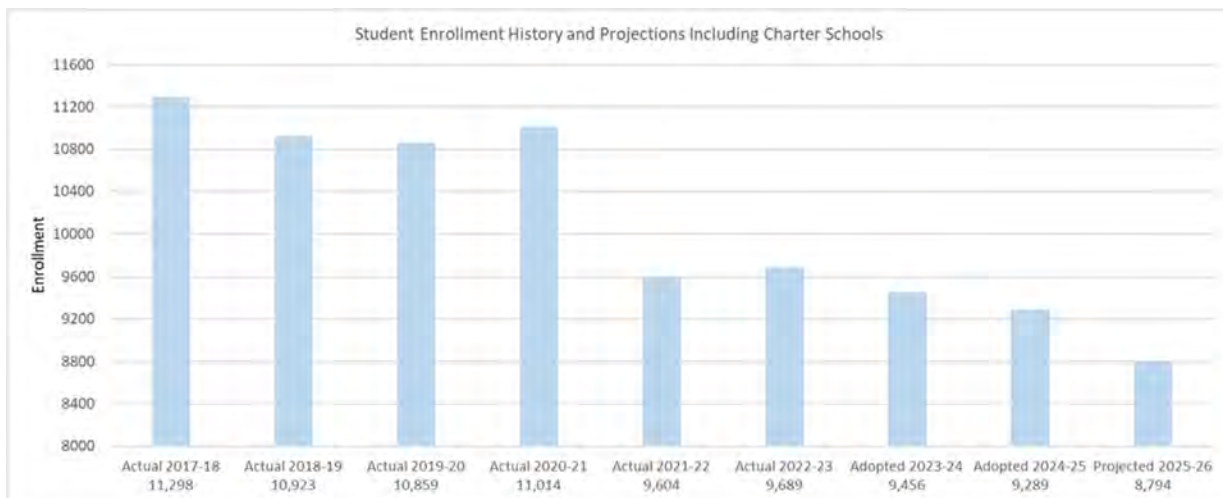
**Long-term debt.** As of June 30, 2023, the District had a total outstanding long-term debt of \$170.3 million consisting of general obligation debt and pension obligation debt, net of unamortized premium/discount. The total long-term debt decreased by \$15.4 million.

Long-Term Debt			
	2023	2022	Increase/(Decrease)
Bonds Payable	\$ 154,373,282	\$ 168,316,725	\$ (13,943,443)
Notes Payable	15,943,480	17,382,370	(1,438,890)
	<u>\$ 170,316,762</u>	<u>\$ 185,699,095</u>	<u>\$ (15,382,333)</u>

Additional information on the District’s long-term debt can be found in Note 9 on pages 25 to 28 of this report.

### Economic Factors and Next Year’s Budgets

- Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income from federal, county, and other sources. The State School Fund formula determines the largest segment of resources. Most funding provided by the State to the District is based on the District’s average daily membership of students.
- Starting in March of 2020, The COVID-19 pandemic began making impacts and creating uncertainty during unprecedented challenges at the local, state, national, and global levels. The District continues to face challenges resulting from the pandemic and its effects on the economy. COVID Stimulus dollars sunset in September 2024 adding to the burden on General Fund dollars.
- Enrollment in our schools is projected to decline for 2023–24. Students have not returned to in-person learning as expected due to the effects of the pandemic. The District expects enrollment to continue to decline in the following years.





- The costs of salaries and related benefits are expected to increase in 2023–24. Cost of living increases range from three to five percent depending on the employee collective bargaining agreements. No change to PERS rates will help offset the increased staffing cost, although PERS rates are expected to increase beginning in 2025 because of lower than anticipated earnings on investments. Utility costs continue to escalate.
- For the fiscal year 2023–24, the primary source of budgeted revenue for all funds are State Sources totaling \$136.0 million or 46% of all sources. Additional budgeted major sources of funding for the District are Local Sources (including property taxes) totaling \$64.6 million or 22% of overall 2023-2024 funding, and Federal Sources of \$37.8 million or 13% of overall 2023–24 funding. The District has budgeted the use of the beginning fund balance, that portion of the budget carried forward from reserves and prior year savings, in the amount of \$52.0 million or 18% of the overall 2023-2024 proposed resources.
- School Board policy mandates that the District budget must, at a minimum, plan for an ending fund balance of five percent of the total adopted revenues. The Board can take formal action to waive or lower the requirement. This reserve is maintained to absorb economic downturns, state revenue-sharing reductions and other revenue shortfalls, and will prudently be used when needed to provide stability of core programs and legally required activities to every child.
- The District has analyzed its financial holdings and does not anticipate any liquidity problems in the next 12 months.
- The District, through prudent fiscal management, maintains a healthy financial position to provide the quality education deserved by every child.

The District’s Budget Committee and School Board considered all of these factors while preparing the District’s budget for the 2023-2024 fiscal year.

### **Requests for Information**

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District’s finances and to demonstrate the District’s accountability. Questions concerning any of the information provided in this report or requests for additional information should be address to the Executive Director of Financial Services at 1204 NE 201<sup>st</sup> Ave, Fairview OR 97024. Electronic copies of this report may be found at the district website:

<https://www.reynolds.k12.or.us/fs/financial-reports>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF NET POSITION**  
**June 30, 2023**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 21,626,926
Receivables:	
Accounts and Grants	32,108,445
Property Taxes	1,125,382
Supply Inventories & Assets Held for Resale	191,086
Other Prepaid Expenses	681,117
Equity in CAL	1,081,956
Total OPEB Asset - RHIA	1,768,062
Capital Assets	
Right-To-Use Asset, Net of Amortization	595,511
SBITA Asset, net of amortization	1,048,678
Capital Assets, Non-Depreciable	17,752,046
Capital Assets, Depreciable, Net	199,759,713
Total Assets	277,738,922
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related Deferrals - PERS	26,184,459
OPEB Related Deferrals - Stipends	501,853
OPEB Related Deferrals - Health Care	1,829,072
OPEB Related Deferrals - RHIA	405,146
Total Deferred Outflows	28,920,530
<b>TOTAL ASSETS AND PENSION RELATED DEFERRALS</b>	<b>306,659,452</b>
<b>LIABILITIES</b>	
Accounts Payable	2,047,835
Retainage Payable	411,430
Accrued Salaries and Benefits	5,279,228
Unearned Revenue	443,924
Accrued Vacation Payable	228,126
Bond & Note Interest Payable	168,594
Noncurrent liabilities:	
Lease Liabilities Due within one year	72,361
Lease Liabilities Due in more than one year	531,931
SBITA Liabilities Due within one year	313,420
SBITA Liabilities Due in more than one year	708,928
Long-Term Obligations Due within one year	17,894,596
Long-Term Obligations Due in more than one year	152,422,166
Proportionate share of Net PERS Pension Liability, due in more than one year	70,392,366
Net Pension OPEB Liability - Stipends, due in more than one year	2,305,271
Net Pension OPEB Liability - Health Care, due in more than one year	13,839,050
Total Liabilities	267,059,226
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Deferrals - PERS	36,770,569
OPEB Related Deferrals - Stipends	248,807
OPEB Related Deferrals - Health Care	4,127,802
OPEB Related Deferrals - RHIA	241,685
Total Deferred Inflows	41,388,863
<b>TOTAL LIABILITIES AND PENSION RELATED DEFERRALS</b>	<b>308,448,089</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	89,747,546
Restricted for OPEB-RHIA Asset	1,768,062
Restricted for Debt Service	4,116,829
Restricted for State & Local Programs	505,538
Restricted for Food Service	483,674
Unrestricted	(98,410,286)
Total Net Position	\$ (1,788,637)

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF ACTIVITIES**  
**For the year ended June 30, 2023**

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Instruction	\$ 111,565,668	\$ 673,443	\$ 32,369,065	\$ (78,523,160)
Support Services	77,661,835	310,472	18,244,933	(59,106,430)
Community Services	7,051,839	779,138	6,370,352	97,651
Facilities Acquisition	267,247	-	-	(267,247)
Interest on Long-Term Debt	11,038,990	-	-	(11,038,990)
<b>Total Governmental Activities</b>	<b>\$ 207,585,579</b>	<b>\$ 1,763,053</b>	<b>\$ 56,984,350</b>	<b>(148,838,176)</b>
<b>General Revenues:</b>				
				31,414,980
				11,829,709
				97,556,829
				1,185,383
				1,447,315
				4,998,410
<b>Total General Revenues</b>				<b>148,432,626</b>
			Change in Net Position	(405,550)
			Net Position - Beginning	(1,383,087)
			Net Position - Ending	<b>\$ (1,788,637)</b>

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**June 30, 2023**

	<b>GENERAL FUND</b>	<b>FEDERAL PROGRAMS FUND</b>	<b>DEBT SERVICE FUND</b>	<b>PERS BOND FUND</b>	<b>2015 GO BOND DEBT SERVICE FUND</b>
<b>ASSETS:</b>					
Cash & Equity in Pooled Cash	\$ 10,082,594	\$ -	\$ 7,252	\$ 337,592	\$ 7,531,094
Receivables:					
Accounts and Grants	1,695,070	26,130,347	-	24,364	31,002
Property Taxes	822,354	-	-	-	303,028
Interfund Receivable	21,093,406	-	1,273,665	79,452	-
Prepaid	681,117	-	-	-	-
Inventory & Property Held for Resale	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 34,374,541</b>	<b>\$ 26,130,347</b>	<b>\$ 1,280,917</b>	<b>\$ 441,408</b>	<b>\$ 7,865,124</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 1,292,487	\$ 526,880	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	5,279,228	-	-	-	-
Retainage Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Interfund Payable	289,931	19,096,735	-	-	5,221,522
<b>Total Liabilities</b>	<b>6,861,646</b>	<b>19,623,615</b>	<b>-</b>	<b>-</b>	<b>5,221,522</b>
<b>Deferred Inflows of Resources:</b>					
Grants	-	14,410,617	-	-	-
Property Taxes	672,794	-	-	-	249,098
<b>Total Deferred Inflows of Resources</b>	<b>672,794</b>	<b>14,410,617</b>	<b>-</b>	<b>-</b>	<b>249,098</b>
<b>Fund Balances (Deficit):</b>					
Nonspendable	681,117	-	-	-	-
Restricted:					
Debt Service	-	-	1,280,917	441,408	2,394,504
State & Local Programs	-	-	-	-	-
Food Service	-	-	-	-	-
Committed:					
Early Retirement	158,252	-	-	-	-
Self Insurance	-	-	-	-	-
State & Local Programs	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	26,000,732	(7,903,885)	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>26,840,101</b>	<b>(7,903,885)</b>	<b>1,280,917</b>	<b>441,408</b>	<b>2,394,504</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 34,374,541</b>	<b>\$ 26,130,347</b>	<b>\$ 1,280,917</b>	<b>\$ 441,408</b>	<b>\$ 7,865,124</b>

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**June 30, 2023**

	<b>2015 GO BONDS PROJECTS FUND</b>	<b>CAPITAL PROJECTS FUND</b>	<b>STATE &amp; LOCAL PROGRAMS FUND</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>ASSETS:</b>					
Cash & Equity in Pooled Cash	\$ 733,600	\$ 2,436,971	\$ 410,468	\$ 87,355	\$ 21,626,926
Receivables:					
Accounts and Grants	-	-	3,894,593	333,069	32,108,445
Property Taxes	-	-	-	-	1,125,382
Interfund Receivable	-	1,726,479	296,368	872,418	25,341,788
Prepaid	-	-	-	-	681,117
Inventory & Property Held for Resale	-	-	-	191,086	191,086
<b>Total Assets</b>	<b>\$ 733,600</b>	<b>\$ 4,163,450</b>	<b>\$ 4,601,429</b>	<b>\$ 1,483,928</b>	<b>\$ 81,074,744</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ 227,680	\$ 788	\$ 2,047,835
Accrued Salaries and Benefits	-	-	-	-	5,279,228
Retainage Payable	-	-	411,430	-	411,430
Unearned Revenues	-	-	443,924	-	443,924
Interfund Payable	733,600	-	-	-	25,341,788
<b>Total Liabilities</b>	<b>733,600</b>	<b>-</b>	<b>1,083,034</b>	<b>788</b>	<b>33,524,205</b>
<b>Deferred Inflows of Resources:</b>					
Grants	-	-	-	-	14,410,617
Property Taxes	-	-	-	-	921,892
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,332,509</b>
<b>Fund Balances (Deficit):</b>					
Nonspendable	-	-	-	191,086	872,203
Restricted:					
Debt Service	-	-	-	-	4,116,829
State & Local Programs	-	-	505,538	-	505,538
Food Service	-	-	-	483,674	483,674
Committed:					
Early Retirement	-	-	-	-	158,252
Self Insurance	-	-	-	808,380	808,380
State & Local Programs	-	-	3,012,857	-	3,012,857
Assigned	-	4,163,450	-	-	4,163,450
Unassigned	-	-	-	-	18,096,847
<b>Total Fund Balances (Deficit)</b>	<b>-</b>	<b>4,163,450</b>	<b>3,518,395</b>	<b>1,483,140</b>	<b>32,218,030</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 733,600</b>	<b>\$ 4,163,450</b>	<b>\$ 4,601,429</b>	<b>\$ 1,483,928</b>	<b>\$ 81,074,744</b>

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

TOTAL FUND BALANCES-GOVERNMENTAL FUNDS	\$	32,218,030
Capital assets are not financial resources and therefore are not reported in the governmental funds.		
Right-to-Use Assets	\$ 2,196,145	
Accumulated Amortization	(551,956)	
Cost	318,402,865	
Accumulated Depreciation	<u>(100,891,106)</u>	219,155,948
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Grant receivables uncollected or collected but not considered available		14,410,617
A portion of the property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		
		921,892
The Net PERS 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.		
		(70,392,366)
The Net RHIA Asset is the difference between the total OPEB liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		1,768,062
The Net OPEB Stipends Obligation is the difference between the total pension stipend liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		(2,305,271)
The OPEB Liability for health care is the difference between the total healthcare benefit liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		(13,839,050)
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.		
Net PERS Pension and OPEB Related Deferrals		
Deferred Outflows - PERS	26,184,459	
Deferred Inflows - PERS	(36,770,569)	
Deferred Outflows - OPEB Stipends	501,853	
Deferred Inflows - OPEB Stipends	(248,807)	
Deferred Outflows - OEPB Health Care	1,829,072	
Deferred Inflows - OPEB Health Care	(4,127,802)	
Deferred Outflows - OPEB RHIA	405,146	
Deferred Inflows - OPEB RHIA	<u>(241,685)</u>	(12,468,333)
Equity interest in the Center for Advanced Learning (CAL) is not reported in the governmental funds:		
		1,081,956
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		
Long term Liabilities:		
Accrued Vacation Payable	(228,126)	
Lease liabilities (right-to-use assets)	(604,292)	
SBITA Liabilities (right-to-use-assets)	(1,022,348)	
Bond & Note Interest Payable	(168,594)	
Debt Obligations	<u>(170,316,762)</u>	<u>(172,340,122)</u>
TOTAL NET POSITION	\$	<u>(1,788,637)</u>

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the year ended June 30, 2023**

	<b>GENERAL FUND</b>	<b>FEDERAL PROGRAMS FUND</b>	<b>DEBT SERVICE FUND</b>	<b>PERS BOND FUND</b>	<b>2015 GO BOND DEBT SERVICE FUND</b>
<b>REVENUES:</b>					
Local Sources	\$ 34,398,017	\$ -	\$ 24	\$ 10,130,015	\$ 12,321,470
Intermediate Sources	744,166	-	-	-	-
State Sources	100,147,223	-	-	-	-
Federal Sources	42,994	24,477,883	-	-	-
Total Revenues	<u>135,332,400</u>	<u>24,477,883</u>	<u>24</u>	<u>10,130,015</u>	<u>12,321,470</u>
<b>EXPENDITURES:</b>					
Current:					
Instruction	86,050,468	16,963,714	-	-	-
Support Services	56,421,239	8,182,888	-	-	-
Community Services	155,961	202,513	-	-	-
Facilities Acquisition	-	-	-	-	-
Capital Outlay	1,297,508	125,414	-	-	-
Debt Service - Principal	200,000	-	-	2,124,478	11,046,397
Debt Service - Interest	-	-	-	7,676,012	3,530,992
Total Expenditures	<u>144,125,176</u>	<u>25,474,529</u>	<u>-</u>	<u>9,800,490</u>	<u>14,577,389</u>
Revenues over (under) expenditures	<u>(8,792,776)</u>	<u>(996,646)</u>	<u>24</u>	<u>329,525</u>	<u>(2,255,919)</u>
<b>Other Financing Sources, (Uses):</b>					
Leases/ Subscription Financing	155,626	-	-	-	-
Transfers In	325,000	-	-	-	-
Transfers Out	<u>(2,702,131)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (Uses)	<u>(2,221,505)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(11,014,281)	(996,646)	24	329,525	(2,255,919)
Fund balance, beginning	<u>37,854,382</u>	<u>(6,907,239)</u>	<u>1,280,893</u>	<u>111,883</u>	<u>4,650,423</u>
Fund balance, ending	<u>\$ 26,840,101</u>	<u>\$ (7,903,885)</u>	<u>\$ 1,280,917</u>	<u>\$ 441,408</u>	<u>\$ 2,394,504</u>

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



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the year ended June 30, 2023**

<b>REVENUES:</b>	<b>2015 GO BOND PROJECTS FUND</b>	<b>CAPITAL PROJECTS FUND</b>	<b>STATE &amp; LOCAL PROGRAMS FUND</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
Local Sources	\$ -	\$ 850,481	\$ 4,738,568	\$ 352,262	\$ 62,790,837
Intermediate Sources	-	-	468,835	-	1,213,001
State Sources	-	-	16,058,073	512,994	116,718,290
Federal Sources	-	-	-	5,416,326	29,937,203
<b>Total Revenues</b>	<b>-</b>	<b>850,481</b>	<b>21,265,476</b>	<b>6,281,582</b>	<b>210,659,331</b>
<b>EXPENDITURES:</b>					
Current:					
Instruction	-	-	7,578,260	-	110,592,442
Support Services	-	-	12,257,742	900	76,862,769
Community Services	-	-	18,248	6,704,361	7,081,083
Facilities Acquisition	-	187,118	25,405	-	212,523
Capital Outlay	-	407,114	607,328	-	2,437,364
Debt Service - Principal	-	885,000	-	-	14,255,875
Debt Service - Interest	-	536,650	-	-	11,743,654
<b>Total Expenditures</b>	<b>-</b>	<b>2,015,882</b>	<b>20,486,983</b>	<b>6,705,261</b>	<b>223,185,710</b>
Revenues over (under) expenditures	-	(1,165,401)	778,493	(423,679)	(12,526,379)
<b>Other Financing Sources, (Uses):</b>					
Leases/ Subscription Financing	-	-	-	-	155,626
Transfers In	-	1,336,650	-	1,040,481	2,702,131
Transfers Out	-	-	-	-	(2,702,131)
<b>Total other financing sources (Uses)</b>	<b>-</b>	<b>1,336,650</b>	<b>-</b>	<b>1,040,481</b>	<b>155,626</b>
Net Change in Fund Balance	-	171,249	778,493	616,802	(12,370,753)
Fund balance, beginning	-	3,992,201	2,739,902	866,338	44,588,783
Fund balance, ending	<u>\$ -</u>	<u>\$ 4,163,450</u>	<u>\$ 3,518,395</u>	<u>\$ 1,483,140</u>	<u>\$ 32,218,030</u>

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

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TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS	\$	(12,370,753)
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Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:

Less current year amortization	\$ (476,645)	
Expenditures for capital assets	2,227,014	
Less current year depreciation	<u>(6,333,057)</u>	(4,582,688)

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 government-wide.

Lease financing		
Principal Payments on SBITA Liabilities	385,224	
Principal Payments on Lease Liabilities	71,396	
Principal Payments on Bond Payables	13,370,874	
Principal Payments on Note Payables	<u>1,170,714</u>	14,998,208

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.

Amortization of bond premiums	711,252	
Amortization of note premiums	268,176	
Accretion of discount on pension obligation bonds	<u>(138,683)</u>	840,745

Prepayments and commencement payments on Lease and Subscription Liabilities are reported in the Governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as amortization expense.

Prepayment on Subscription Liability		42,440
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Net Pension Income/(Expense) - Stipends	63,868
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Net OPEB Income/(Expense) - Health Care	(455,988)
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Net OPEB Income/(Expense) - RHIA	70,819
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In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an expense when due.	24,095
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Grant receivables uncollected or collected but not considered available	7,495,532
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Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied.	54,264
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Changes in equity in the Center for Advanced Learning (CAL) is not reported in the governmental funds:	(41,313)
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The PERS Pension Expense represents the changes in Net Pension Asset (Liability) from year to year due to Changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.	(6,673,679)
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Compensated absences are recognized as expenditure in the governmental funds when they are paid. In the Statement of Activities these liabilities are recognized as an expenditure when earned.	128,900
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(405,550)</u>
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The notes to the basic financial statements are an integral part of this statement

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. THE FINANCIAL REPORTING ENTITY**

Multnomah County School District No. 7 (the District) is a municipal corporation governed by an elected Board of Directors. The Superintendent is approved by the Board. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles in the United States of America, all activities of the District have been included in these basic financial statements. The District does not have any business type activities.

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

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

**B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the District as a whole. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All direct expenses are reported by function in the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The District has a negotiated indirect cost rate with Oregon Department of Education that is applied to grant funds as allowable by the grant, no other de minimus rate is applied. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Net position is reported as restricted when constraints placed on net position use are either externally restricted, imposed by creditors, or through constitutional provisions or enabling resolutions.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION**

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

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension costs, and OPEB obligations are recorded only when payment is due.

Property taxes associated with the current fiscal period, are considered by management to be susceptible to accrual, if received in cash or a County collecting such taxes within 60 days after year-end. All other revenue items are recognized in the accounting period when they become both measurable and available. All other revenue items are considered to be measurable and available only when cash is received.

The following major governmental funds are reported:

GENERAL FUND

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

FEDERAL PROGRAMS FUND

This fund accounts for expenditures of federal grant funds. The principal revenue source is federal grant monies.

DEBT SERVICE FUND

This fund accounts for the payment of principal and interest general obligation bonds. The principal revenue source is fund balance.

PERS BOND FUND

This fund accounts for the payment of principal and interest on pension bonds. The principal revenue source is Services Charged to Other Funds.

2015 GO BOND DEBT SERVICE FUND

This fund accounts for the payment of principal and interest for the two general obligation bonds the District received in 2015 and are to be used to finance several specific capital projects as dictated by the bonds' ballot measure. The principal revenue sources are property taxes and associated interest.

CAPITAL PROJECTS FUND

This fund accounts for major capital outlay expenditures relating to the acquisition, construction and remodeling of facilities. Principal revenue sources include school construction excise tax, sales of property and transfers from other funds.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

STATE AND LOCAL PROGRAMS FUND

This fund accounts for expenditures of state grant funds. The principal revenue source is state grant monies.

Two non-major funds are reported as a combined total on the fund financial statements. These funds are not considered major because of the level of activity within them.

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 five 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 inventories and prepaids.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. Authority to classify portions of ending fund balance as assigned is granted to the Clerk and the Deputy Clerk.
- 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.

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.

The Board of Directors therefore adopted Policy DBDB whereby the Superintendent or designee is directed to manage the adopted budget in such a way as to ensure an ending fund balance of at least 5 percent of total adopted revenues.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Special Revenue Fund Rolled into the General Fund for GASB 54 Purposes

Financial statements must report as Special Revenue funds only those which have a substantial portion of revenue inflows from restricted or committed revenue sources. The Retirement Fund is combined into the General Fund because there are no restricted or committed revenues.

NET POSITION

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

- Net Investment in Capital Assets – consists of all capital assets reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There is net position restricted for grants, debt service, and the OPEB RHIA asset.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

As a general rule the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

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 assets that applies to a future period(s) 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 related deferrals for stipends, OPEB related deferrals for health care and OPEB related deferrals reported for RHIA reported 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, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2023, there were deferred inflows representing PERS pension related deferrals, OPEB related deferrals for stipends, OPEB related deferrals for health care, and OPEB related deferrals for RHIA reported in the statement of net position. The governmental funds balance sheet reports unavailable revenues from two sources – property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

*D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY*

CASH AND INVESTMENTS

For the purpose of the Statement of Net Position and the balance sheet, money in the Oregon State Local Government Investment Pool, savings deposits and demand deposits are considered to be cash and cash equivalents. Investments with a remaining maturity of more than one year at the time of purchase are stated at fair value.

OTHER POST-EMPLOYMENT BENEFITS (HEALTH CARE)

Eligible employees who elect supplemental retirement may be entitled to payment of group medical insurance premiums. The costs of these premiums are recorded as expenditures as due and funded on a current basis.

PROPERTY TAXES

Uncollected real and personal property taxes are reflected on the Statement of Net Position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District. Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

SUPPLY INVENTORIES, ASSETS HELD FOR RESALE, AND OTHER PREPAID ITEMS

District operating supplies, maintenance supplies, and food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Food Service Fund are included in inventories at USDA wholesale value. Inventory is accounted for on the consumption method in the government wide financial statements as well as the governmental fund financial statements. Under the consumption method, inventory is expensed when used. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused donated commodities at the balance sheet date is considered immaterial by management for reporting purposes.

ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal, state and local grants. Amounts due from Federal agencies are considered by management to be fully collectible. An allowance for uncollectible accounts receivable from the public is established when management determines that collection is unlikely to occur. At June 30, 2023 management considers all accounts, including those from the public fully collectible.



MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
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NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

GRANT ACCOUNTING

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

COMPENSATED ABSENCES

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

CAPITAL ASSETS

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

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

LEASE ASSETS (RIGHT-TO-USE ASSETS)

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

LEASE PAYABLE

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

SUBSCRIPTION ASSETS

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

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

*SUBSCRIPTION LIABILITIES*

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

*LONG TERM OBLIGATIONS*

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

*RETIREMENT PLANS*

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

*USE OF ESTIMATES*

The preparation of 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 reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

*E. 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:

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 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.

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law.

The budget process begins early in each fiscal year with the establishment of the budget committee. In the fall, public input is invited as the Board decides the budget priorities for the next year. Recommendations are developed through late winter with the budget committee approving the budget in the spring. Public notices of the budget hearing are published generally in the spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30th.

Expenditures are appropriated at the following levels for each fund: Instruction, Support Services, Enterprise and Community Services, Facilities Acquisition and Construction, Interfund Transactions, Debt Service, and Operating Contingency.

Expenditures cannot legally exceed the above appropriation levels except in the case of grants, which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need that exists which was not determined at the time the budget was adopted. There were no supplemental appropriations during the year. Budget amounts shown in the budgetary financial statements reflect the original and final amended budget. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2023, except for the 2015 Go Bond Debt Service Fund which was over expended by \$4,069,962. This over expenditure is related to bond refunding, and is permissible under ORS 297.338.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 3. BUDGETARY BASIS OF ACCOUNTING**

While the financial position, results of operations, and changes in fund balance/net position are reported on the 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 budgetary basis to provide a meaningful comparison of actual results with the budget. The primary differences between the budgetary basis and GAAP basis are that capital outlay is expensed when purchased, depreciation expense is not recorded, and the full accrual of property taxes, which are not reported as revenue in the governmental funds unless received within 60-days of year end. Inventories of supplies are budgeted as expenditures when purchased, and debt, accrued vacation, pension costs, and OPEB liabilities are expensed as paid instead of when incurred.

**NOTE 4. JOINT VENTURE**

The District has entered into an intergovernmental property agreement to build and operate a Center for Advanced Learning (CAL), a charter school. However, payment and ownership is shared with the following Districts along with their share of ownership: Reynolds School District No. 7, 19.305%; Centennial School District No. 28J, 16.369%; Mt. Hood Community College, 15.058%; and Gresham-Barlow School District No. 10J, 49.268%. The District's equity in CAL at June 30, 2023 was \$1,081,956.

The Center for Advanced Learning issues a publicly available financial report which may be obtained by writing: Administrator, The Center for Advanced Learning, 1484 NW Civic Drive, Gresham, OR 97030.

**NOTE 5. CASH AND INVESTMENTS**

**DEPOSITS**

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2023 was \$7,381,673, of which \$250,000 was insured by FDIC with the remaining amount collateralized by the Oregon Public Funds Collateralization Program (PFCP).

**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, none of the bank balances were exposed to custodial credit risk.

**INVESTMENTS**

The types of investments that may be invested in are restricted by State of Oregon Revised Statutes. Authorized investments include general obligations of the United States government and its agencies, obligations of the States of Oregon, California, Idaho and Washington that have a rating of AA or better, A-1 rated commercial paper and banker's acceptances, corporate bonds rated AA or better, time deposits, repurchase agreements and the Oregon State Treasurer's Local Government Investment Pool.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 5. CASH AND INVESTMENTS - CONTINUED**

*INVESTMENTS (CONTINUED)*

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. 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.

The audited financial reports of the Oregon Short Term Fund can be found here:

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

The Board has established investment policies to approve only certain depositories and investment instruments and has limited investments to those with maturities of no more than 36 months. The District holds investments in Municipal Bonds, US Agency Securities and US Treasuries through an investment account with a depository approved by the Board. The fair value of these securities is determined based on a level 1 classification due to their availability on open markets. At June 30, 2023, the District appeared to be in compliance with all policies regarding depositories, instruments and maturities.

*Interest Rate Risk - Investments*

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

*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.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 5. CASH AND INVESTMENTS - CONTINUED**

*INVESTMENTS (CONTINUED)*

*Concentration of Credit Risk*

At June 30, 2023, 48.75% of total investments were in the State Treasurer’s Investment Pool.

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

Cash and Investments	2023
Deposits with financial institutions	\$ 2,530,533
Oregon Local Government Investment Pool	9,310,093
Other Investments	9,786,300
Total Cash and Investments	\$ 21,626,926

There were the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
Oregon local government investment pool (LGIP)	\$ 9,310,093	\$ 9,310,093	\$ -	\$ -
US Agency Securities	9,786,300	-	9,786,300	-
Total	\$ 19,096,393	\$ 9,310,093	\$ 9,786,300	\$ -

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 6. ARTS TAX**

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

	Arts Tax <u>Revenues</u>	Arts Tax <u>Expenditures</u>	Music FTE <u>Funded</u>	Art FTE <u>Funded</u>	Total <u>FTE</u>
Alder Elementary	\$ 114,898	\$ 114,898	0.67	0.25	0.92
Glenfair Elementary	119,244	119,244	0.67	0.25	0.92
Margaret Scott Elementary	87,055	87,055	0.67	0.25	0.92
Wilkes Elementary	<u>72,079</u>	<u>72,079</u>	<u>0.67</u>	<u>0.25</u>	<u>0.92</u>
	<u>\$ 393,276</u>	<u>\$ 393,276</u>	<u>2.68</u>	<u>1.00</u>	<u>3.68</u>

**NOTE 7. CAPITAL ASSETS**

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

	Balance <u>July 1, 2022</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2023</u>
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Construction in Process	\$ -	\$ -	\$ -	\$ -	\$ -
Land	<u>17,752,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,752,046</u>
Total Capital Assets Not being Depreciated:	<u>17,752,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,752,046</u>
Capital Assets Being Depreciated:					
Buildings and Improvement	280,560,543		357,901	-	280,918,444
Vehicles and Equipment	<u>17,863,262</u>		<u>1,869,113</u>	<u>-</u>	<u>19,732,375</u>
Total Capital Assets Being Depreciated:	<u>298,423,805</u>	<u>-</u>	<u>2,227,014</u>	<u>-</u>	<u>300,650,819</u>
Accumulated Depreciation					
Buildings and Improvement	82,351,784		5,511,993	-	87,863,777
Vehicles and Equipment	<u>12,206,265</u>		<u>821,064</u>	<u>-</u>	<u>13,027,329</u>
Total Accumulated Depreciation	<u>94,558,049</u>	<u>-</u>	<u>6,333,057</u>	<u>-</u>	<u>100,891,106</u>
Total Capital Assets Being Depreciated, Net	<u>203,865,756</u>	<u>-</u>	<u>(4,106,043)</u>	<u>-</u>	<u>199,759,713</u>
Governmental Activities	<u>\$ 221,617,802</u>				<u>\$ 217,511,759</u>

GASB 87 lease assets, GASB 96 SBITA's and the corresponding accumulated amortization are included along with Capital Assets and Net Investment in Capital Assets on the statement of Net Position found on page 5.

Current year depreciation expense is allocated to the functions as follows:

Instruction	\$ 4,830,320
Support Services	1,328,270
Community Services	<u>174,468</u>
	<u>\$ 6,333,057</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 8. INTERFUND TRANSFERS AND INTERFUND RECEIVABLE/PAYABLES**

	Transfers Out	Transfers In
General Fund	\$ 2,702,131	\$ 325,000
Other Governmental Funds	-	1,040,481
Capital Projects Fund	-	1,336,650
	\$ 2,702,131	\$ 2,702,131

During the year ended June 30, 2023, \$2,702,13 was transferred to other funds; of this amount, there was a transfer of \$1,040,481 to the Nutrition Services Fund to match free and reduced meal and free milk programs as required, a transfer of \$1,336,650 to the Capital Projects Fund for payment of Full Faith and Credit debt service requirements, and a transfer of \$325,000 to the Early Retirement Fund for payment of stipends and post-retirement health care benefits as required by collective bargaining agreements.

	Receivable	Payable
General Fund	\$ 21,093,406	\$ 289,931
Federal Program Funds	-	19,096,735
Debt Service Fund	1,273,665	-
2015 GO Bond Debt Fund	-	5,221,522
PERS Bond Fund	79,452	-
Capital Projects Fund	1,726,479	-
State and Local Programs Fund	296,368	-
2015 GO Bond Project Fund	-	733,600
Other Governmental Funds	872,418	-
	\$ 25,341,788	\$ 25,341,788

The internal balances are recorded to show legal and operational commitments between funds.

**NOTE 9. LONG-TERM OBLIGATIONS**

*BONDS PAYABLE*

*General Obligation Bonds*

In August 2015, \$122,945,047 of general obligation bonds were issued to fund the replacement of three elementary school buildings, construction and renovation at Reynolds High School and various renovation, construction and equipment improvements to all schools. Principal and interest payments are made semiannually on June 15 and December 15 with interest rates ranging from 2% to 5%.

*Pension Obligation Bonds*

In April 2003, \$80,978,772 of limited tax pension obligation bonds were issued to finance the unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the UAL and resulted in an estimated present value savings of approximately \$20 million over the life of the bonds. The actual savings realized over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the future required contribution rate.



MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 9. LONG-TERM OBLIGATIONS – CONTINUED**

*Qualified Zone Academy Bonds Series 2016*

\$4,000,000 of Qualified Zone Academy bonds were issued on August 4, 2016. \$3,920,000 in proceeds were received after paying issuance costs, and annual payments totaling \$200,000 will be made through July 1, 2030.

*General Obligation Bond, Series 2020*

On June 11, 2020, \$2,054,952 in Series 2020 General Obligation Bonds were issued to provide resources to finance capital costs on a project including: furnishing, renovating and equipping classroom facilities, and other site improvements. Principal and interest payments are made semiannually on June 15 and December 15 with an interest rate of 2.07%.

*General Obligation Refunding Bond, Series 2022*

In June 2022 the District issued \$3,956,953 in General Obligation Bonds in order to retire Series 2015B General Obligation Bonds due June 15, 2023 with an average coupon rate of 4.48%. Principal and interest payments are made semiannually on December 15 and June 15 with an interest rate of 3.11%. The estimated net present value savings of the advance refunding was \$739,633.

Changes in bonds outstanding are as follows:

<u>Issue Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding June 30, 2022</u>	<u>Adjustments</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2023</u>
<b><u>Bonds Payable</u></b>							
April 21, 2003	1.5-6.27	80,978,772	44,659,477	-	-	2,124,477	42,535,000
August 20, 2015	2.0-5.0	122,945,047	106,070,224	-	-	7,000,000	99,070,224
June 11, 2020	2.07	2,054,952	811,236	-	-	94,284	716,952
June 10, 2022	3.11	3,956,953	3,956,953	-	-	3,952,113	4,840
<b><u>Direct Borrowings</u></b>							
August 4, 2016	N/A	4,000,000	3,000,000	-	-	200,000	2,800,000
Subtotal			158,497,890	-	-	13,370,874	145,127,016
Premium			9,957,518	-	-	711,252	9,246,266
Accretion on pension obligation bonds			(138,683)	-	-	(138,683)	-
Total			<u>\$ 168,316,725</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,943,443</u>	<u>\$ 154,373,282</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 9. LONG-TERM OBLIGATIONS – CONTINUED**

The annual requirements to amortize all bonds outstanding at year end are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Requirements
2023-24	15,781,075	5,471,728	21,252,803
2024-25	17,313,227	4,685,105	21,998,332
2025-26	18,965,261	3,823,016	22,788,277
2026-27	20,787,336	2,820,982	23,608,318
2027-28	15,809,454	1,720,460	17,529,914
2029-33	41,512,870	23,093,531	64,606,401
2034-37	14,957,793	18,657,207	33,615,000
	<u>\$ 145,127,016</u>	<u>\$ 60,272,029</u>	<u>\$ 205,399,045</u>

**NOTES PAYABLE**

**2018 Financing Agreement Notes Payable**

In June 2018 the District entered a \$2,000,000 financing agreement with US Bank National Association to finance capital costs for furnishing, equipping and performing site improvements for the District’s transportation facility. The note is to be paid biannually with the principal of \$285,714 and the first installment of interest due in July and the remainder paid in January, totaling \$2,201,528 with the first payment made in January 2019. The last payment will be made in July 2024.

**Full Faith & Credit Obligations (Bond Anticipation) Notes Payable - Series 2020 – Refunding**

In June 2021, \$15,775,000 in Full Faith and Credit Obligations were issued. \$18,648,339, which includes the premium of \$2,873,339, was deposited into escrow. From the amount deposited, \$1,206,611 was used to finance the purchase of buses and related equipment. \$17,244,344 was used to retire the following securities: Series 2010 Full Faith and Credit Obligations. Principal payments are due annually on June 1, through 2035 with interest rates ranging from 3-4%. The refunded securities were considered defeased on December 23, 2020, the issuance date of the refunding bonds.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 9. LONG-TERM OBLIGATIONS – CONTINUED**

Changes in Full Faith & Credit obligations (BAN) notes payable are as follows:

Name	Interest Rates	Original Issue	Outstanding June 30, 2022	Issued	Matured and Redeemed	Outstanding June 30, 2023
Full Faith and Credit						
Obligation 2020	3-4%	\$ 15,775,000	\$ 14,035,000	\$ -	\$ 885,000	\$ 13,150,000
Financing Agreement	2.5%	2,000,000	857,142	-	285,714	571,428
Sub-Total			14,892,142	-	1,170,714	13,721,428
Premium			2,490,228	-	268,176	2,222,052
Total			<u>\$ 17,382,370</u>	<u>\$ -</u>	<u>\$ 1,438,890</u>	<u>\$ 15,943,480</u>

Following are the annual requirements to amortize all notes payable outstanding at year end:

Fiscal Year Ending June 30,	Principal	Interest	Total Requirements
2023-24	1,210,714	511,964	1,722,678
2024-25	1,245,714	467,821	1,713,535
2025-26	1,000,000	425,850	1,425,850
2026-27	1,040,000	385,850	1,425,850
2027-28	1,080,000	344,250	1,424,250
2029-33	5,670,000	1,053,450	6,723,450
2034-37	2,475,000	111,900	2,586,900
	<u>\$ 13,721,428</u>	<u>\$ 3,301,085</u>	<u>\$ 17,022,513</u>

Total long-term liability activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Adjustments	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	\$ 158,497,890	\$ -	\$ -	\$ 13,370,874	\$ 145,127,016	\$ 15,781,075
Premium	9,957,518	-	-	711,252	9,246,266	711,251
Accretion	(138,683)	-	-	(138,683)	-	-
Total	168,316,725	-	-	13,943,443	154,373,282	16,492,326
Notes Payable	14,892,142	-	-	1,170,714	13,721,428	1,210,714
Premium	2,490,228	-	-	268,176	2,222,052	191,556
Total	17,382,370	-	-	1,438,890	15,943,480	1,402,270
Total long-term debt	<u>\$ 185,699,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,382,333</u>	<u>\$ 170,316,762</u>	<u>\$ 17,894,596</u>

The District has no significant default or termination clauses on any bonds or notes payable and are not subject to any acceleration clauses under GASB 88.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
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**NOTE 10. LEASE LIABILITIES (RIGHT-TO-USE ASSETS)**

In December 2020, the district entered into a 5 year lease agreement with Pacific Automation Inc. to lease copiers. On July 1, 2021 an initial lease liability was recorded of \$687,406. As of June 30, 2023, the value of the lease liability is \$584,550. The District's monthly lease is \$5,100 with payments due quarterly. The lease has an interest rate of 1.53%. The value of the right to use asset as of June 30, 2023 of \$687,406 with accumulated amortization of \$111,472 is included with Equipment on the Lease Class Activities table below.

In June 2021, the district entered into a 3 year lease agreement with Quadient Leasing to lease a mailing and folding machine. On July 1, 2021 an initial lease liability was recorded of \$58,727. As of June 30, 2023, the value of the lease liability is \$19,742. The District's monthly lease is \$1,653 with payments due quarterly. The lease has an interest rate of .85%. The value of the right to use asset as of June 30, 2023 of \$58,727 with accumulated amortization of \$39,150 is included with Equipment on the Lease Class Activities table found below.

	Changes in Lease Liability			Balance June 30, 2023	Due Within One Year
	Balance July 1, 2022	Additions	Reductions		
Equipment	\$ 675,688	\$ -	\$ 71,396	\$ 604,292	\$ 72,361

Fiscal Year	Principal and Interest Requirements to Maturity		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 72,361	\$ 8,667	\$ 81,028
2025	53,430	7,765	61,195
2026	54,253	6,942	61,195
2027	55,089	6,106	61,195
2028	55,938	5,257	61,195
Thereafter	313,221	13,153	326,374
Subtotal	\$ 604,292	\$ 47,890	\$ \$652,182

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
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 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 11. LEASE RIGHT-TO-USE ASSETS**

The right-to-use assets relate to the lease liabilities in Note 10.

Amount of Lease Assets by Major Classes of Underlying Asset			
Asset Class	At June 30, 2023		
	Lease Asset Value	Accumulated Amortization	Net Value
Equipment	\$ 746,133	\$ 150,622	\$ 595,511

GOVERNMENTAL ACTIVITIES LEASED ASSETS				
Description	Balance at July 1, 2022	Additions	Disposals	Balance at June 30, 2023
Equipment	\$ 746,133	\$ -	\$ -	\$ 746,133
Total Leased Assets	746,133	-	-	746,133
Accumulated Amortization				
Equipment	75,311	75,311	-	150,622
Total Accumulated Amortization	75,311	75,311	-	150,622
Total Lease Assets, net	\$ 670,822			\$ 595,511

**NOTE 12 SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) LIABILITY**

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 09/01/2022, Reynolds School District, OR entered into a 36 month subscription for the use of Digital Libraries and Plagiarism Checker. An initial subscription liability was recorded in the amount of \$155,625.87. As of 06/30/2023, the value of the subscription liability is \$102,625.87. Reynolds School District, OR is required to make annual fixed payments of \$53,000.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$155,625.87 with accumulated amortization of \$43,229.41 is included with Software on the Subscription Class activities table found below. Reynolds School District, OR has 2 extension option(s), each for 12 months.

On 07/01/2022, Reynolds School District, OR entered into a 27 month subscription for the use of Turnitin FBS with Integration. An initial subscription liability was recorded in the amount of \$30,538.91. As of 06/30/2023, the value of the subscription liability is \$20,272.47. Reynolds School District, OR is required to make annual fixed payments of \$10,445.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$30,538.91 with accumulated amortization of \$13,261.77 is included with Software on the Subscription Class activities table found below.

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MULTNOMAH COUNTY, OREGON  
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**NOTE 12 SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA)  
LIABILITY (CONTINUED)**

On 07/01/2022, Reynolds School District, OR entered into a 48 month subscription for the use of Ion Wave Technologies - Professional Services. An initial subscription liability was recorded in the amount of \$26,722.55. As of 06/30/2023, the value of the subscription liability is \$20,062.55. Reynolds School District, OR is required to make annual fixed payments of \$6,660.00. The subscription has an interest rate of 2.2750%. The value of the right to use asset as of 06/30/2023 of \$29,222.55 with accumulated amortization of \$7,305.64 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 120 month subscription for the use of Family Portal and Inventory. An initial subscription liability was recorded in the amount of \$291,712.71. As of 06/30/2023, the value of the subscription liability is \$300,085.11. Reynolds School District, OR is required to make annual fixed payments of \$38,410.00. The subscription has an interest rate of 2.9270%. The value of the right to use asset as of 06/30/2023 of \$291,712.71 with accumulated amortization of \$29,171.27 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 84 month subscription for the use of Classroom lessons - CommonLit School Essentials. An initial subscription liability was recorded in the amount of \$329,173.07. As of 06/30/2023, the value of the subscription liability is \$278,978.56. Reynolds School District, OR is required to make annual fixed payments of \$50,925.00. The subscription has an interest rate of 2.6630%. The value of the right to use asset as of 06/30/2023 of \$329,173.07 with accumulated amortization of \$47,024.72 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 13 month subscription for the use of High School - Discovery Education Science Techbook. An initial subscription liability was recorded in the amount of \$37,501.56. As of 06/30/2023, the value of the subscription liability is \$0.00. Reynolds School District, OR is required to make annual fixed payments of \$37,555.00. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$37,501.56 with accumulated amortization of \$34,616.82 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 14 month subscription for the use of Docuware support and software. An initial subscription liability was recorded in the amount of \$16,159.94. As of 06/30/2023, the value of the subscription liability is \$0.00. Reynolds School District, OR is required to make annual fixed payments of \$16,206.00. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$16,159.94 with accumulated amortization of \$13,851.38 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 24 month subscription for the use of Goalbook Toolkit. An initial subscription liability was recorded in the amount of \$106,332.20. As of 06/30/2023, the value of the subscription liability is \$52,633.45. Reynolds School District, OR is required to make annual fixed payments of \$53,698.75. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$106,332.20 with accumulated amortization of \$53,166.10 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 17 month subscription for the use of Naviance Test Prep. An initial subscription liability was recorded in the amount of \$45,674.57. As of 06/30/2023, the value of the subscription liability is \$0.00. Reynolds School District, OR is required to make annual fixed payments of \$46,000.00. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$45,674.57 with accumulated amortization of \$32,240.87 is included with Software on the Subscription Class activities table found below.

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MULTNOMAH COUNTY, OREGON  
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**NOTE 12 SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA)  
LIABILITY (CONTINUED)**

On 07/01/2022, Reynolds School District, OR entered into a 25 month subscription for the use of Unified Talent Perform. An initial subscription liability was recorded in the amount of \$37,990.91. As of 06/30/2023, the value of the subscription liability is \$18,837.92. Reynolds School District, OR is required to make annual fixed payments of \$19,219.20. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$48,590.91 with accumulated amortization of \$23,292.58 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 28 month subscription for the use of Tyler Software. An initial subscription liability was recorded in the amount of \$53,910.44. As of 06/30/2023, the value of the subscription liability is \$27,533.33. Reynolds School District, OR is required to make annual fixed payments of \$26,752.95. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$56,710.44 with accumulated amortization of \$24,189.29 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 41 month subscription for the use of Traversa Electronic Rollout Sheet. An initial subscription liability was recorded in the amount of \$87,218.90. As of 06/30/2023, the value of the subscription liability is \$59,063.13. Reynolds School District, OR is required to make annual fixed payments of \$29,050.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$112,260.15 with accumulated amortization of \$32,356.81 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Reynolds School District, OR entered into a 48 month subscription for the use of Edupoint Subscription. An initial subscription liability was recorded in the amount of \$189,008.86. As of 06/30/2023, the value of the subscription liability is \$142,255.86. Reynolds School District, OR is required to make annual fixed payments of \$46,753.00. The subscription has an interest rate of 2.2750%. The value of the right to use asset as of 06/30/2023 of \$190,508.86 with accumulated amortization of \$47,627.21 is included with Software on the Subscription Class activities table found below.

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MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 12 SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) LIABILITY (CONTINUED)**

Changes in Software Liability					
	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023	Due Within a Year
Software	\$ -	\$ 1,407,572	\$ 385,224	\$ 1,022,348	\$ 313,420
Total	\$ -	\$ 1,407,572	\$ 385,224	\$ 1,022,348	\$ 313,420

Principal and Interest Requirements to Maturity				
Governmental Activities				
Fiscal Year Ending	Software		Total	
June 30.	Principal Payments	Interest Payments	Payments	
2024	\$ 313,420	\$ 25,851	\$ 339,271	
2025	221,172	18,705	239,878	
2026	134,192	13,401	147,593	
2027	79,369	9,966	89,335	
2028	81,568	7,767	89,335	
Thereafter	192,627	11,938	204,565	
Total	\$ 1,022,348	\$ 87,628	\$ 1,109,977	

**NOTE 13 SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSET**

Subscription assets are for the SBITAs in Note 12.

Amount of Subscription Assets by Major Classes of Underlying Asset (Right-to-Use Asset)			
At June 30, 2023			
Asset Class	Subscription Asset Value	Accumulated Amortization	Net Value
Software	\$ 1,450,012	\$ 401,334	\$ 1,048,678
Total	\$ 1,450,012	\$ 401,334	\$ 1,048,678

Changes in Subscription Right-to-Use Asset				
	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Software	\$ -	\$ 1,450,012	\$ -	\$ 1,450,012
Accumulated Amortization				
Software	-	(401,334)	-	(401,334)
Total Software Assets, Net	\$ -	\$ 1,048,678	\$ -	\$ 1,048,678



MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
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NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 14. 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.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
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NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 14. 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 \$6,360,109, excluding amounts to fund employer specific liabilities. In addition approximately \$18,274 in employee contributions were paid or picked up by the District in 2022-2023.

**Pension Asset or Liability** – At June 30, 2023, the District reported a net pension liability of \$70,392,366 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 .46 percent and .43 percent, respectively. Pension income / expense for the year ended June 30, 2023 was \$6,673,679.

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

- (1) Tier 1/Tier 2 – 8.97%
- (2) OPSRP general services – 5.86%

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**NOTE 14. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 3,416,981	\$ 438,980
Changes in assumptions	11,044,943	100,907
Net difference between projected and actual earnings on pension plan investments	-	12,584,793
Net changes in proportionate share	3,814,818	10,324,405
Differences between District contributions and proportionate share of contributions	1,547,608	13,321,484
Subtotal - Amortized Deferrals (below)	19,824,350	36,770,569
District contributions subsequent to measuring date	6,360,109	-
Deferred outflow (inflow) of resources	\$ 26,184,459	\$ 36,770,569

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 \$19,824,350, and deferred inflows of resources, (\$36,770,569), net to (\$16,946,219) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2024	\$ (5,127,908)
2025	(5,890,186)
2026	(9,015,153)
2027	3,706,675
2028	(619,648)
Thereafter	-
Total	\$ (16,946,219)

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>

**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.

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**NOTE 14. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Methods and Assumptions:**

Valuation date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <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.

**Assumed Asset Allocation:**

<b>Asset Class/Strategy</b>	<b>Low Range</b>	<b>High Range</b>	<b>OIC Target</b>
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)

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**NOTE 14. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
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)*

**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	\$ 124,834,772	\$ 70,392,366	\$ 24,826,586

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**NOTE 14. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Changes Subsequent to the Measurement Date**

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

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

**OPSRP Individual Account Program (OPSRP IAP)**

*Plan Description:*

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

*Pension Benefits:*

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

*Death Benefits:*

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

*Contributions:*

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

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**NOTE 14. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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>

**NOTE 15. 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.

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**NOTE 15. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (CONTINUED)**

At June 30, 2023, the District reported a net OPEB asset of \$1,768,062 for its proportionate share of the net OPEB liability. The OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability 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 .50 percent and .59 percent, respectively. OPEB (income) for the year ended June 30, 2023 was (\$70,819).

**Components of OPEB Expense/(Income):**

**Components of OPEB Expense/(Income):**

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (264,719)
Net Amortization of employer-specific deferred amounts from:	
Changes in proportionate share (per paragraph 64 of GASB 75)	208,601
Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
<b>Employer's Total OPEB Expense/(Income)</b>	<u><u>\$ (56,118)</u></u>

**Components of Deferred Outflows/Inflows of Resources:**

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 47,913
Changes in assumptions	13,844	58,935
Net difference between projected and actual earnings on pension plan investments	-	134,837
Net changes in proportionate share	376,571	-
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	390,415	241,685
District contributions subsequent to measuring date	14,731	-
Deferred outflow (inflow) of resources	\$ 405,146	\$ 241,685

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



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**NOTE 15. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (CONTINUED)**

Subtotal amounts related to OPEB as deferred outflows of resources, \$390,415, and deferred inflows of resources, (\$241,685), net to \$148,730 and will be recognized in OPEB income as follows:

Year ending June 30,	Amount
2024	\$ 225,489
2025	(34,855)
2026	(85,089)
2027	43,184
2028	-
Thereafter	-
Total	\$ 148,730

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>

**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.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
 NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 15. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (CONTINUED)**

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.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
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)

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**NOTE 15. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (CONTINUED)**

Sensitivity of the District’s proportionate share of the net OPEB liability (asset) to changes in the discount rate – The following presents the District’s proportionate share of the net OPEB liability (asset), which does not include any assets accumulated in a GASB compliant trust, 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 OPEB liability (asset)	\$ (1,593,523)	\$ (1,768,062)	\$ (1,917,684)

**Changes Subsequent to the Measurement Date**

There are no changes subsequent to the June 30, 2023 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**NOTE 16. OTHER POST EMPLOYMENT BENEFITS**

**POST RETIREMENT HEALTH CARE**

The District, as a result of collective bargaining agreements, offers post-employment health care benefits under a single-employer, defined benefit plan for all employees who have completed a specified number of years of continuous service, are eligible for full OPERS benefits, elect early retirement and were hired prior to July 1, 2006.

For eligible licensed employees the District will provide medical coverage for the lesser of seven years or until eligible for Medicare (age 65). For administrators, managers, supervisor and confidential employees, coverage is until Medicare eligibility date regardless of retirement age, assuming full OPERS coverage. For eligible classified employees with 15 years of service, coverage is provided up to the lesser of five years or until eligible for Medicare (age 65).

The District’s post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. The plan is currently unfunded in accordance with GASB statement 75. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the governmental statements. The activities of the plan are reported in the General Fund.

Annual OPEB Cost and Total OPEB Liability: The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. For detailed information and a table showing the components of the District’s annual OPEB costs and liabilities, see page 54.

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**NOTE 16. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

*Actuarial Methods and Assumptions:* The Total OPEB Liability for the current year was determined as part of the July 1, 2021 actuarial valuation using the entry age normal method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 2.16% compounded annually; (b) no future increase in benefit payable from this program; (c) a general inflation rate of 2.4% per year, and (d) no post-retirement benefit increases and a payroll increase of 3.4%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year. The present value of benefits accrued as of the valuation date is called the accrued liability.

At July 1, 2021, the following employees were covered by the benefit terms:

Active	1,196
Retired Members	66
Spouses of Ineligible Retirees	<u>6</u>
Total	<u><u>1,268</u></u>

*Total OPEB Liability*

The District's total OPEB liability of \$13,839,050 was measured as of June 30, 2023, and was determined by an actuarial valuation as of July 1, 2021.

*Actuarial Assumptions and Other Inputs*

The District's total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

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**NOTE 16. OTHER POST EMPLOYMENT BENEFITS – CONTINUED**

*Actuarial assumptions:*

Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal
Investment Return Assumption (Interest Discount)	The 2.16% investment return assumption is the 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; 55% assumed if only eligible for self-pay insurance.
Medical Care Cost Trend	3.25% in 2021, 5.00% in 2022, 5.25% in 2023, 5.00% in 2024-2025, 4.75% in 2026-2028, 4.50% in 2029-2061, 4.25% in 2062-2067, 4.00% in 2086-2072, and 3.75% from 2073 and thereafter.
Dental premiums annual trend	4.00% per year
Inflation rate	2.4% for all future years
Annual salary rate increases	3.4% for all future years

*Changes in Total OPEB Liability*

Changes of assumptions: Interest Discount, the investment return assumption was decreased from 2.21% to 2.16%.

The following table shows the changes in total OPEB pension liability for the year ending June 30, 2023:

Total OPEB Liability at June 30, 2022	\$ 13,632,467
Changes for the year:	
Service Cost	1,971,427
Interest	328,190
Changes of Benefit Terms	-
Changes from economic/demographic gains or losses	-
Changes of assumptions or other inputs	(1,268,800)
Benefit Payments	(824,234)
Net Changes	<u>206,583</u>
Total OPEB Liability at June 30, 2023	<u>\$ 13,839,050</u>

*Sensitivity of the total OPEB Liability to changes in discount rate:* the following presents the total OPEB liability 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 and lower than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	1.16%	2.16%	3.16%
Total OPEB Liability	\$ 14,767,686	\$ 13,839,050	\$ 12,958,512

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 NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 16. OTHER POST EMPLOYMENT BENEFITS - CONTINUED**

*Sensitivity of the total OPEB Liability to changes in the healthcare cost trend rates:* the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using health care cost trend rates that are 1 percentage point higher and lower than the current healthcare cost trend rates.

	<u>1% Decrease</u>	<u>Current Healthcare Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 12,430,240	\$ 13,839,050	\$ 15,486,483

*OPEB Expense and Deferred Inflows of Resources Related to OPEB:* For the year ended June 30, 2023, the District recognized OPEB expense of \$455,988 in the government wide Statement of Activities. At June 30, 2023, the District reported deferred inflows of resources relating to the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Difference between expected and actual experience	\$ (2,725,824)	\$ -
Changes in assumptions	(1,401,978)	672,423
Subtotal - Amortized Deferrals (below)	(4,127,802)	672,423
Contributions made subsequent to measurement date	-	1,156,649
Deferred outflow (inflow) of resources	<u>\$ (4,127,802)</u>	<u>\$ 1,829,072</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB health care liability.

Subtotal amounts related to OPEB health care as deferred outflows of resources, \$672,423, and deferred inflows of resources, (\$4,127,802), net to (\$3,455,379) and will be recognized in OPEB health care expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (686,980)
2025	(654,173)
2026	(591,470)
2027	(553,393)
2028	(403,916)
Thereafter	<u>(565,447)</u>
Total	<u>\$ (3,455,379)</u>

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**NOTE 16. OTHER POST EMPLOYMENT BENEFITS - CONTINUED**

*EARLY RETIREMENT PLAN - STIPENDS*

The District also operates a single-employer early retirement stipend plan.

At July 1, 2021, the following employees were covered by the benefit terms:

Active	640
Retired Members	37
Spouses of Ineligible Retirees	-
Total	677

The following table shows the changes in total OPEB pension liability for the year ending June 30, 2023:

Total OPEB Pension Liability at June 30, 2022	\$ 2,512,252
Changes for the year:	
Service Cost	186,819
Interest	55,031
Changes of Benefit Terms	-
Changes from economic/demographic gains or losses	-
Changes of assumptions or other inputs	(144,510)
Benefit Payments	(304,321)
Net Changes	(206,981)
Total OPEB Pension Liability at June 30, 2023	\$ 2,305,271

Actuarial Methods and Assumptions: The total pension liability above was determined by an actuarial valuation as of the valuation date calculated based on the discount rate and actuarial assumptions listed below, and was then projected forward/backwards to the measurement date. The unfunded accrued liability is amortized over an open period of 4 years as a percentage of payroll, and is still open.

Valuation Date	July 1, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Investment return assumption (interest)	2.16% per year
Demographic Assumptions	Based on Oregon PERS valuation assumptions as of December 31, 2020
Inflation Rate	2.4% per year
Salary Increases	3.4% per year

Sensitivity Analysis: The following presents the total pension liability of the plan, calculated using the discount rate as of the measurement date, as well as what the plan's total pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	1.16%	2.16%	3.16%
Total Pension Liability	\$ 2,409,796	\$ 2,305,271	\$ 2,201,672

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
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**NOTE 16. OTHER POST EMPLOYMENT BENEFITS - CONTINUED**

**EARLY RETIREMENT PLAN – STIPENDS - CONTINUED**

For the year ended June 30, 2023, the District recognized pension income of \$63,868. At June 30, 2023, the District reported deferred outflows and inflows of resources related to the early retirement plan from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ (69,291)	\$ 81,834
Changes in assumptions	(179,516)	128,398
Subtotal - Amortized Deferrals (below)	(248,807)	210,232
Contributions made subsequent to measurement date	-	291,621
Deferred outflow (inflow) of resources	\$ (248,807)	\$ 501,853

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB stipend liability.

Subtotal amounts related to OPEB health care as deferred outflows of resources, \$210,232, and deferred inflows of resources, (\$248,807), net to (\$38,575) and will be recognized in OPEB health care income as follows:

Year ending June 30,	Amount
2024	\$ (14,097)
2025	(14,093)
2026	(1,466)
2027	1,681
2028	10,556
Thereafter	(21,156)
Total	\$ (38,575)

**NOTE 17. TAX ABATEMENTS**

As of June 30, 2023, the District had material tax abatements through one program: Enterprise Zone.

**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.

For the fiscal year ended June 30, 2023, the District had abated taxes totaling \$1,304,400 under this program.



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**NOTE 18. RISK MANAGEMENT**

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

**NOTE 19. COMMITMENTS AND CONTINGENCIES**

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

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through 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 either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the District's operations cannot be determined.

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's finances is not determinable.

**NOTE 20. PROPERTY TAX LIMITATION**

The voters of the State of Oregon approved ballot measure 5, a constitutional limit on property taxes for schools and nonschool government operations, in November 1990. School operations include community colleges, local school districts, and education service districts.

The limitation provides that property taxes for school operations are limited to \$5.00 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 initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The voters of the State of Oregon passed ballot measure 50 in May 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available to the District for its 1997-98 fiscal year, and thereafter. This reduction was accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the property tax limitations. The measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to the school districts.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 21. DEFICIT FUND BALANCE**

At June 30, 2023, the Federal Programs Fund had a deficit fund balance of \$7,903,885. The District expects this will be made up from grant reimbursement or if necessary a transfer from the General Fund in the next fiscal year.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION**

REYNOLDS SCHOOL DISTRICT  
MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH 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	0.46 %	\$ 70,392,366	\$ 78,758,018	89.4 %	84.5 %
2022	0.43	51,679,503	\$ 69,994,447	73.8	87.6
2021	0.49	107,764,505	68,860,681	156.5	75.8
2020	0.51	87,585,114	65,446,087	133.8	80.2
2019	0.61	91,931,245	63,752,102	144.2	82.1
2018	0.63	85,519,165	63,884,244	133.9	83.1
2017	0.55	82,744,959	64,947,816	127.4	80.5
2016	0.47	26,851,775	61,541,587	43.6	91.9
2015	0.48	(10,827,948)	57,457,850	(18.8)	103.6
2014	0.48	24,377,398	55,916,694	43.6	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	\$ 6,360,109	\$ 6,360,109	\$ -	\$ 92,650,072	6.9 %
2022	14,502,515	14,502,515	-	78,758,018	18.4
2021	17,214,158	17,214,158	-	69,994,447	24.6
2020	16,393,674	16,393,674	-	68,860,681	23.8
2019	14,616,246	14,616,246	-	65,446,087	22.3
2018	13,901,399	13,901,399	-	63,752,102	21.8
2017	9,462,011	9,462,011	-	63,884,244	14.8
2016	8,727,974	8,727,974	-	64,947,816	13.4
2015	5,438,439	5,438,439	-	61,541,587	8.8
2014	5,136,148	5,136,148	-	57,457,850	8.9

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.

REYNOLDS SCHOOL DISTRICT  
MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION  
 June 30, 2023

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB - RHIA ASSET/LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset/ (liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/ (liability) (NOA/(L))	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.498 %	\$ 1,768,062	\$ 78,758,018	2.2 %	194.6 %
2022	0.591	2,028,100	69,994,447	2.9	183.9
2021	1.056	2,151,220	68,860,681	3.1	150.1
2020	0.597	1,153,426	65,446,087	1.8	144.4
2019	0.605	675,690	63,752,102	1.1	124.0
2018	0.625	260,793	63,884,244	0.4	108.9
2017	(0.680)	(184,566)	64,947,816	(0.3)	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.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 14,731	\$ 14,731	\$ -	\$ 92,650,072	0.02 %
2022	12,264	12,264	-	78,758,018	0.02
2021	n/a	n/a	n/a	69,994,447	n/a
2020	n/a	n/a	n/a	68,860,681	n/a
2019	n/a	n/a	n/a	65,446,087	n/a
2018	n/a	n/a	n/a	63,752,102	n/a
2017	n/a	n/a	n/a	63,884,244	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.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
Multnomah County, Oregon

SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS  
 OPEB HEALTH CARE AND PENSION STIPENDS  
 June 30, 2023

**PLAN I (OPEB): (HEALTH CARE)**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered-Employee Payroll	Total OPEB Liability as a % of Covered-Employee Payroll
2023	\$ 13,632,467	\$ 1,971,427	\$ 328,190	\$ -	\$ (1,268,800)	\$ (824,234)	\$ 13,839,050	\$ N/A	N/A
2022	15,167,567	1,948,234	365,180	-	(2,658,361)	(1,190,153)	13,632,467	N/A	N/A
2021	12,959,779	1,710,643	498,282	-	873,970	(875,107)	15,167,567	N/A	N/A
2020	13,434,460	1,341,286	553,418	-	(1,409,171)	(960,214)	12,959,779	N/A	N/A
2019	12,791,606	1,317,100	489,002	-	(256,385)	(906,863)	13,434,460	N/A	N/A
2018	12,936,650	1,363,361	389,515	-	(623,313)	(1,274,607)	12,791,606	N/A	N/A

**PLAN II (PENSION): (STIPENDS)**  
**SCHEDULE OF CHANGES IN TOTAL OPEB PENSION LIABILITY AND RELATED RATIOS**

Year Ended June 30,	Total Pension Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	Total Pension Liability - End of Year	Estimated Covered-Employee Payroll	Total Pension Liability as a % of Covered-Employee Payroll
2023	\$ 2,512,252	\$ 186,819	\$ 55,031	\$ -	\$ (144,510)	\$ (304,321)	\$ 2,305,271	\$ N/A	N/A
2022	2,340,399	189,207	53,832	-	117,378	(188,564)	2,512,252	N/A	N/A
2021	2,155,674	160,869	77,754	-	137,725	(191,623)	2,340,399	N/A	N/A
2020	2,269,973	174,473	90,686	-	(175,267)	(204,191)	2,155,674	N/A	N/A
2019	2,220,351	170,978	82,590	-	(33,776)	(170,170)	2,269,973	N/A	N/A
2018	2,266,585	135,644	66,380	-	(101,044)	(147,214)	2,220,351	N/A	N/A
2017	2,083,076	118,075	82,194	-	116,961	(133,721)	2,266,585	N/A	N/A

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.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**GENERAL FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES:</b>				
Local Sources	\$ 32,332,859	\$ 32,332,859	\$ 34,398,017	\$ 2,065,158
Intermediate Sources	501,800	501,800	744,166	242,366
State Sources	104,355,789	104,355,789	100,147,223	(4,208,566)
Federal Sources	60,000	60,000	42,994	(17,006)
Total Revenue	137,250,448	137,250,448	135,332,400	(1,918,048)
<b>EXPENDITURES:</b>				
Instruction	85,177,363	87,677,363 (1)	86,050,468	1,626,895
Support Services	60,002,351	60,002,351 (1)	57,463,766	2,538,585
Community Services	171,958	171,958 (1)	155,961	15,997
Debt Service	200,000	200,000 (1)	200,000	-
Contingency	14,638,103	12,138,103 (1)	-	12,138,103
Total Expenditures	160,189,775	160,189,775	143,870,195	16,319,580
Excess of Revenues Over (Under) Expenditures	(22,939,327)	(22,939,327)	(8,537,795)	14,401,532
<b>OTHER FINANCING SOURCES (USES)</b>				
Tranfers Out	(2,721,650)	(1,846,250) (1)	(2,702,131)	(855,881)
Total Other Financing Sources (Uses)	(2,721,650)	(1,846,250)	(2,546,505)	(700,255)
Net Change in Fund Balance	(25,660,977)	(24,785,577)	(11,084,300)	13,701,277
Beginning Fund Balance	34,006,549	34,006,549	37,766,149	3,759,600
Ending Fund Balance	\$ 8,345,572	\$ 9,220,972	\$ 26,681,849	\$ 17,460,877
Reconciliation to Governmental Fund Balance as required by GASB 54:				
Ending Fund Balance Retirement Fund			158,252	
			\$ 26,840,101	

(1) Appropriation Level

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**FEDERAL PROGRAMS FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Federal Sources	\$ 34,293,254	\$ 34,293,254	\$ 24,477,883	\$ (9,815,371)
EXPENDITURES:				
Instruction	18,059,113	18,809,113 (1)	16,987,663	1,821,450
Support Services	14,302,668	13,552,668 (1)	8,284,353	5,268,315
Community Services	1,931,473	1,931,473 (1)	202,513	1,728,960
Total Expenditures	<u>34,293,254</u>	<u>34,293,254</u>	<u>25,474,529</u>	<u>8,818,725</u>
Net Change in Fund Balance	-	-	(996,646)	996,646
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>(6,907,239)</u>	<u>(6,907,239)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,903,885)</u>	<u>\$ (7,903,885)</u>

(1) Appropriation Level



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**SUPPLEMENTARY INFORMATION**

## **DEBT SERVICE FUND**

### **General Obligation Bond Fund 300**

Provides for the payment of principal and interest on long-term general obligation debt of governmental funds. Principal revenue source are property taxes.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**DEBT SERVICE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ -	\$ -	\$ 24	\$ 24
Total Revenues	<u>-</u>	<u>-</u>	<u>24</u>	<u>24</u>
Net Change in Fund Balance	-	-	24	24
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>1,280,893</u>	<u>1,280,893</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,280,917</u>	<u>\$ 1,280,917</u>

(1) Appropriation Level

**PERS BOND FUND**

**PERS UAL Fund 350**

Provides for the payment of principal and interest on PERS UAL pension obligation bonds. Revenue source are charged to other funds.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**PERS BOND FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 9,875,489	\$ 9,875,489	\$ 10,130,015	\$ 254,526
Debt Service	9,800,490	9,800,490 (1)	9,800,490	-
Total Expenditures	9,800,490	9,800,490	9,800,490	-
Net Change in Fund Balance	74,999	74,999	329,525	254,526
Beginning Fund Balance	94,536	94,536	111,883	17,347
Ending Fund Balance	<u>\$ 169,535</u>	<u>\$ 169,535</u>	<u>\$ 441,408</u>	<u>\$ 271,873</u>

(1) Appropriation Level

## **2015 GO BOND DEBT FUND**

### **General Obligation Bond Fund 315**

Provides for the payment of principal and interest on long-term general obligation debt of governmental funds. Principal revenue source are property taxes. This fund supports school building improvements.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**2015 GO BOND DEBT SERVICE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 11,990,000	\$ 11,990,000	\$ 12,321,470	\$ 331,470
EXPENDITURES:				
Debt Service	10,507,427	10,507,427 (1)	14,577,389	(4,069,962)
Excess of Revenues Over (Under) Expenditures	1,482,573	1,482,573	(2,255,919)	(3,738,492)
Net Change in Fund Balance	1,482,573	1,482,573	(2,255,919)	(773,346)
Beginning Fund Balance	5,292,948	5,292,948	4,650,423	(642,525)
Ending Fund Balance	<u>\$ 6,775,521</u>	<u>\$ 6,775,521</u>	<u>\$ 2,394,504</u>	<u>\$ (4,381,017)</u>

(1) Appropriation Level

## **CAPITAL PROJECTS FUND**

### **Capital Project Fund 400– Full faith and Credit Refunding Obligation, Series 2010**

Provides for the payment and of interest on the 2010 FFCRO Series. Accounts for activities related to the acquisition, construction and equipping of facilities. Revenue sources are the excise tax, interest earnings on the capital projects fund.



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**CAPITAL PROJECTS FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES:</b>				
Local Sources	\$ 393,000	\$ 393,000	\$ 850,481	\$ 457,481
Total Revenues	<u>393,000</u>	<u>393,000</u>	<u>850,481</u>	<u>457,481</u>
<b>EXPENDITURES:</b>				
Facilities Acquisition and Construction	3,597,784	3,597,784 (1)	594,232	3,003,552
Debt Service	<u>1,421,750</u>	<u>1,421,750 (1)</u>	<u>1,421,650</u>	<u>100</u>
Total Expenditures	<u>5,019,534</u>	<u>5,019,534</u>	<u>2,015,882</u>	<u>3,003,652</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,626,534)</u>	<u>(4,626,534)</u>	<u>(1,165,401)</u>	<u>3,461,133</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	<u>1,336,650</u>	<u>1,336,650</u>	<u>1,336,650</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,336,650</u>	<u>1,336,650</u>	<u>1,336,650</u>	<u>-</u>
Net Change in Fund Balance	(3,289,884)	(3,289,884)	171,249	3,461,133
Beginning Fund Balance	<u>3,289,884</u>	<u>3,289,884</u>	<u>3,992,201</u>	<u>702,317</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,163,450</u>	<u>\$ 4,163,450</u>

(1) Appropriation Level

## STATE AND LOCAL PROGRAMS FUND

### State and Local Programs Funds 251-296

Accounts for revenues and expenditures of grants that are generally restricted for specific education projects. Principal revenue source are state and local grants.

#### **Driver's Education**

Accounts for revenues and expenditures to support the driver's education class at the high school. The principal source of revenue is received from ODOT and class fees.

#### **E-Rate**

Accounts for revenues and expenditures from the Schools and Libraries Program related to telecommunications and internet access.

#### **Energy Efficient Schools - SB 1149**

Accounts for revenues received under the Senate Bill 1149 which introduces competition into the retail electricity market of Oregon's two largest utilities, Portland General Electric and PacifiCorp.

#### **Together We Are Greater Than**

Formerly, the I Have a Dream – 2017 Alder Montessori Fund. The organization had a name change in 2018. Provides funding for Alder Montessori. (Funding no longer received from this award but remains for history purposes.)

#### **Mt Hood Cable Regulatory Commission Grant**

Accounts for revenues and expenditures relating to enhancement of technology projects throughout the district such as communications involving video, data applications. Funding source are through Multnomah County, Comcast, Frontier and Cascade Access. (Funding no longer received from this award but remains for history purposes.)

#### **Other Contracts & Grants**

Accounts for various grants received throughout the district.

#### **Contract Fuel Sales**

Accounts for revenues received from local city governments for fuel provided at an average monthly cost plus an administration fee.

#### **Student Activities**

Accounts for revenues and expenditures of all schools' student body funds. The revenue sources are participation fees, donations and fund-raising activities. Individual accounts are kept at each school; this fund summarizes all activity at year-end.

#### **Non-ASB**

Accounts for revenues and expenditures generated by fees at the school level, including donations, early childhood department, graphics department, etc.

#### **Reynolds Education Foundation**

Accounts for revenues and expenditures received from REF for classroom supplies. (Funding no longer received from this award but remains for history purposes.)

#### **Project Lead the Way**

Accounts for revenues and expenditures received from the State Board of Higher Education on behalf of the Oregon University System for the engineering and technology program. (Funding no longer received from this award but remains for history purposes.)

#### **Four Corners Tuition**

Accounts for revenue and expenditures received from other school districts as tuition payment for students attending Treatment Program. (Funding no longer received from this award but remains for history purposes.)

**Seismic Rehab Grant**

Accounts for revenues and expenditures for reinforcing the structure within RMS to better withstand seismic activity. (Funding no longer received from this award but remains for history purposes.)

**Multnomah County Agreement**

Accounts for revenues and expenditures to be used for attendance TOSA to support attendance work at Glenfair Elementary and Alder Elementary. Funding source through Multnomah County. (Funding no longer received from this award but remains for history purposes.)

**PPS / Columbia Regional Autism**

Accounts for revenues and expenditures for autism services. The primary source of revenue comes from the Columbia Regional Program who receives autism funding from the state.

**MYC Fees for Service**

Accounts for revenue and expenditures related to the Multnomah Youth Cooperative program at Reynolds Learning Academy. The primary source of revenue is local state entities that pay a fee for the services provided by students.

**Outdoor School (Measure 99)**

Accounts for the revenue and expenditures to provide outdoor school.

**CTE Pathways**

Accounts for revenues and expenditures from ODE for incentivization of high school programs to attract and graduate students from traditionally underserved populations through their CTE Programs of Study. In 2016, CTE Pathways funds were awarded to RHS Graphic Arts, Computer Information Systems, and Construction Manufacturing.

**Student Monitoring and Mentorship Grant**

Accounts for the revenues and expenditures for serving at-risk students rising from 8<sup>th</sup> to 9<sup>th</sup> grade. Interventions are instrumental to maintain a smooth path toward students achieving credits to stay on track to graduate. (Funding no longer received from this award but remains for history purposes.)

**Career Education (Measure 98)**

Accounts for revenues and expenditures dedicated to improving graduation rates through Career and Technical Education (CTE).

**PEEK-8 Physical Education Expansion K-8**

Accounts for additional revenues and expenditures allocated to hire licensed physical education teachers to support activities related to meeting the physical education instructional requirements for students as described in OAR 581-020-0250.

**Seismic Rehab Grant 2016-17**

Accounts for the revenues and expenditures related to facility upgrades to meet seismic standards. State of Oregon competitive grant through Oregon Department of Education. (Funding no longer received from this award but remains for history purposes.)

**Closing the Achievement Gap**

Accounts for revenues and expenditures relating to closing the academic achievement gap for African American learners' links between home, school and community and promoting equity for our school toward Oregon Department of Education 40-40-20 goal. (Funding no longer received from this award but remains for history purposes.)

**MYC PIC (Partners in Conservation)**

Accounts for revenues and expenditures from East Metro Soil and Conservation District, to provide funding for service learning projects for students at RLA. (Funding no longer received from this award but remains for history purposes.)

**Educator Effectiveness**

Accounts for the revenues and expenditures related to improving student achievement through effective teachers and leaders, through collaboration with educational partners and stakeholders to create a supportive state policy infrastructure focused on educator effectiveness leading to improved student learning. (Funding no longer received from this award but remains for history purposes.)

**Summative Assessment**

Accounts for revenues and expenditures to successfully transition from the state test (OAKS) to the Smarter Balanced summative assessment system for students in Grades K-9.

**Miller Family Grant**

Accounts for revenues and expenditures to expand teacher training, tutor wages, and technical assistance in order to enhance AVID programming at middle school levels.

**Improvement Planning Grant**

(Funding no longer received from this award but remains for history purposes.)

**Summer Works Grant**

The Youth Work Experience Program allows students with disabilities to learn employability skills and transition seamlessly into competitive employment. Reynolds School District received and implemented the Summer Work experience during the summer of 2017. The Summer Work experience allowed students to gain positive work skills and training in a professional environment which contributed to their successful placement today.

**Youth Transition Program**

Accounts for the revenues and expenditures related to an intergovernmental agreement in association with a youth transition program. The primary source of revenue is State of Oregon Department of Human Services.

**RLA Playground**

Accounts for revenues and expenditures to improve the RLA playground and for enhancing services to the teen parents and children by partnering with Mt. Hood as an Early Childhood Head Start Program. This is a one-time grant from MHCC. (Funding no longer received from this award but remains for history purposes.)

**HB3499 ELD Transformation & Target**

Accounts for revenues and expenditures to improve outcomes for English Language Learners (ELLs). This is an implementation grant. (Funding no longer received from this award but remains for history purposes.)

**MHCC – Early Head Start**

Accounts for revenues and expenditures to support RLA Teen Parent Day Care Center. To be used for facility improvements, staff training requirements, curriculum purchase and furniture replacement. Additionally, a separate reimbursement contract will be specifically dedicated to redesign and improve the outdoor playground space dedicated to the Teen Parent Day Care Center. Funding source through the Department of Health and Human Services for Early Head Start Partnership through MHCC. (Funding no longer received from this award but remains for history purposes.)

**Verizon Innovative Learning**

Accounts for revenues and expenditures as part of a grant awarded to select US middle schools to create innovative learning environments and document the process so others can learn from the experiences of the schools awarded the grant. The grant provides a device for every middle school student and teacher, professional development and coaching to enhance the learning environment.

**School Based Health Center**

Accounts for revenues and expenditures for construction of a school based health center located at Reynolds High School.

**Student Investment Account**

The Student Investment Account (SIA) comes from the Student Success Act. Oregon Governor Kate Brown signed House Bill 3427, the Student Success Act, into law on May 2019. The purpose of the Student Success Act was to correct underinvestment in our schools and our children and includes sweeping provisions for new and improved services for children and families.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**STATE AND LOCAL PROGRAMS FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES:</b>				
Local Sources	\$ 1,839,818	\$ 1,839,818	\$ 4,738,568	\$ 2,898,750
Intermediate Sources	775,898	775,898	468,835	(307,063)
State Sources	<u>22,766,575</u>	<u>22,766,575</u>	<u>16,058,073</u>	<u>(6,708,502)</u>
Total Revenues	<u>25,382,291</u>	<u>25,382,291</u>	<u>21,265,476</u>	<u>(4,116,815)</u>
<b>EXPENDITURES:</b>				
Instruction	6,700,610	9,200,610 (1)	7,673,568	1,527,042
Support Services	12,951,307	12,951,307 (1)	12,763,458	187,849
Community Services	572,022	572,022 (1)	18,248	553,774
Facilities Acquisition and Construction	8,337,398	5,837,398 (1)	31,709	5,805,689
Contingencies	<u>92,319</u>	<u>92,319 (1)</u>	<u>-</u>	<u>92,319</u>
Total Expenditures	<u>28,653,656</u>	<u>28,653,656</u>	<u>20,486,983</u>	<u>8,166,673</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,271,365)</u>	<u>(3,271,365)</u>	<u>778,493</u>	<u>4,049,858</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer Out	<u>(104,000)</u>	<u>(104,000) (1)</u>	<u>-</u>	<u>104,000</u>
Total Other Financing Sources (Uses)	<u>(104,000)</u>	<u>(104,000)</u>	<u>-</u>	<u>104,000</u>
Net Change in Fund Balance	(3,375,365)	(3,375,365)	778,493	4,153,858
Beginning Fund Balance	<u>3,383,275</u>	<u>3,383,275</u>	<u>2,739,902 *</u>	<u>(643,373)</u>
Ending Fund Balance	<u>\$ 7,910</u>	<u>\$ 7,910</u>	<u>\$ 3,518,395</u>	<u>\$ 3,510,485</u>

(1) Appropriation Level

\* Note: State and Local Programs Fund includes Fund 260 which is accounting for the ASB funds within District System.

## **OTHER GOVERNMENTAL FUNDS**

### **Nutrition Service Fund 297**

Accounts for revenues and expenditure for the food dispensing programs. Principal revenue sources are sales of food and subsidies under the National School Lunch and Breakfast Programs received through the State of Oregon, and a transfer from the General Fund for “match”. Fresh Fruit and Vegetable Program: Accounts for revenues and expenditures for a series of grants within Nutrition Services to provide produce for individual schools.

### **Self Insurance Fund 299**

Accounts for costs incurred by the District under its general liability, including but not limited to property liability, Boiler and Machinery/Equipment Breakdown, Crime, Business Auto and Public Entity Liability.

Primary source of revenue are insurance claim payments, rebates and General Fund transfers.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

**June 30, 2023**

	OTHER GOVERNMENTAL FUNDS		
	NUTRITION SERVICE FUND	SELF INSURANCE FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS:</b>			
Cash	\$ 87,355	\$ -	\$ 87,355
Receivables:			
Accounts/Grants	333,069	-	333,069
Inter-Fund Receivable	64,038	808,380	872,418
Inventories	191,086	-	191,086
<b>Total Assets</b>	<b>675,548</b>	<b>808,380</b>	<b>1,483,928</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
Accounts Payable	788	-	788
Inter-Fund Payable	-	-	-
<b>Total Liabilities</b>	<b>788</b>	<b>-</b>	<b>788</b>
<b>Fund Balances:</b>			
Nonspendable	191,086	-	191,086
Committed	-	808,380	808,380
Unassigned	-	-	-
<b>Total Fund Balances</b>	<b>674,760</b>	<b>808,380</b>	<b>1,483,140</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 675,548</b>	<b>\$ 808,380</b>	<b>\$ 1,483,928</b>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

	OTHER GOVERNMENTAL FUNDS		
	NUTRITION SERVICE FUND	SELF INSURANCE FUND	NONMAJOR GOVERNMENTAL FUNDS
REVENUES:			
Local Sources	\$ 327,506	\$ 24,756	\$ 352,262
Intermediate Sources	-	-	-
State Sources	512,994	-	512,994
Federal Sources	5,416,326	-	5,416,326
	6,256,826	24,756	6,281,582
Total Revenues			
EXPENDITURES:			
Support Service	-	900	900
Community Services	6,704,361	-	6,704,361
	6,704,361	900	6,705,261
Total Expenditures			
Excess of Revenues Over (Under)			
Expenditures	(447,535)	23,856	(423,679)
OTHER FINANCING SOURCES (USES):			
Transfers In	1,040,481	-	1,040,481
	1,040,481	-	1,040,481
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	592,946	23,856	616,802
Beginning Fund Balance	81,814	784,524	866,338
Ending Fund Balance	\$ 674,760	\$ 808,380	\$ 1,483,140



**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**NUTRITION SERVICE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES:</b>				
Local Sources	\$ 1,197,856	\$ 1,197,856	\$ 327,506	\$ (870,350)
State Sources	229,458	229,458	512,994	283,536
Federal Sources	<u>7,339,183</u>	<u>7,339,183</u>	<u>5,416,326</u> (2)	<u>(1,922,857)</u>
Total Revenues	<u>8,766,497</u>	<u>8,766,497</u>	<u>6,256,826</u>	<u>(2,509,671)</u>
<b>EXPENDITURES:</b>				
Support Services	-	-	-	-
Enterprise and Community Services	9,326,497	9,326,497	(1) 6,704,361	2,622,136
Contingencies	<u>500,000</u>	<u>500,000</u>	(1) -	<u>500,000</u>
Total Expenditures	<u>9,826,497</u>	<u>9,826,497</u>	<u>6,704,361</u>	<u>3,122,136</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,060,000)</u>	<u>(1,060,000)</u>	<u>(447,535)</u>	<u>612,465</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	<u>1,060,000</u>	<u>1,060,000</u>	<u>1,040,481</u> (2)	<u>(19,519)</u>
Total Other Financing Sources (Uses)	<u>1,060,000</u>	<u>1,060,000</u>	<u>1,040,481</u>	<u>(19,519)</u>
Net Change in Fund Balance	-	-	592,946	592,946
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>81,814</u>	<u>81,814</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 674,760</u>	<u>\$ 674,760</u>

(1) Appropriation Level

(2) Included in this transfer from the General Fund is the required state appropriated general purpose revenues of \$40,481 the District must transfer to the Food Service Fund for National School Lunch Support in order to meet the general cash assistance match for 2022-23.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

**SELF-INSURANCE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 200,000	\$ 200,000	\$ 24,756	\$ (175,244)
EXPENDITURES:				
Support Services	1,094,000	1,094,000 (1)	900	1,093,100
Net Change in Fund Balance	(894,000)	(894,000)	23,856	917,856
Beginning Fund Balance	894,000	894,000	784,524	(109,476)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 808,380</u>	<u>\$ 808,380</u>

(1) Appropriation Level

**RETIREMENT FUND**

**Early Retirement Fund 298**

Accounts for stipends and post-retirement health care benefits as a result of collective bargaining agreements. Principal revenue source is a transfer from the General Fund.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

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

	<u>RETIREMENT FUND</u>			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
Support Services	\$ 325,000	\$ 325,000 (1)	\$ 254,981	\$ 70,019
Total Enterprise and Comm. Services	<u>325,000</u>	<u>325,000</u>	<u>254,981</u>	<u>70,019</u>
Excess of Revenues Over (Under) Expenditures	<u>(325,000)</u>	<u>(325,000)</u>	<u>(254,981)</u>	<u>(70,019)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	70,019	70,019
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>88,233</u>	<u>88,233</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 158,252</u></u>	<u><u>\$ 158,252</u></u>

(1) Appropriation Level

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the year ended June 30, 2023**

**GENERAL FUND**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2022</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2023</u>
Current:						
2022-23	\$ 32,302,877	\$ 848,199	\$ (92,865)	\$ 5,626	\$ 30,916,267	\$ 451,172
Prior Years:						
2021-22	353,959	(1,288)	(48,209)	8,304	153,184	162,158
2020-21	145,960	(389)	10,959	5,670	71,360	91,618
2019-20	86,562	(166)	54,183	10,396	107,513	43,794
2018-19	37,565	(182)	(4,224)	6,170	30,498	9,195
Prior	<u>71,906</u>	<u>(3)</u>	<u>339</u>	<u>1,925</u>	<u>9,756</u>	<u>64,417</u>
Total Prior	<u>695,952</u>	<u>-2,028</u>	<u>13,048</u>	<u>32,465</u>	<u>372,311</u>	<u>371,182</u>
Total All Years	<u>\$ 32,998,829</u>	<u>\$ 846,171</u>	<u>\$ (79,817)</u>	<u>\$ 38,091</u>	<u>\$ 31,288,578</u>	<u>\$ 822,354</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 31,288,578
Accrual of Receivables:	
June 30, 2022	(62,719)
June 30, 2023	149,560
Change from Prior year Unavailable Revenue, see page 12	<u>39,561</u>
Total Revenue	<u>\$ 31,414,980</u>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the year ended June 30, 2023**

**DEBT SERVICE FUNDS**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2022	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2023
Current:						
2022-23	\$ 12,214,165	\$ 320,716	\$ (186,197)	\$ 2,127	\$ 11,650,371	\$ 168,391
Prior Years:						
2021-22	138,829	(505)	(19,330)	3,257	59,995	63,407
2020-21	54,720	(146)	3,707	2,126	26,645	34,167
2019-20	25,903	(50)	15,310	3,111	31,955	12,877
2018-19	15,865	(76)	(2,014)	2,567	12,793	3,830
Prior	23,466	(1)	(291)	846	3,705	20,356
Total Prior	258,783	(778)	(2,618)	11,907	135,093	134,637
Total All Years	<u>\$ 12,472,948</u>	<u>\$ 319,938</u>	<u>\$ (188,815)</u>	<u>\$ 14,034</u>	<u>\$ 11,785,464</u>	<u>\$ 303,028</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 11,785,464
Accrual of Receivables:	
June 30, 2022	(24,388)
June 30, 2023	53,930
Change from Prior year Unavailable Revenue, see page 12	14,703
Total Revenue	<u>\$ 11,829,709</u>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**OTHER INFORMATION**

MULTNOMAH COUNTY, OREGON

OTHER SUPPLEMENTAL INFORMATION  
FORM 3211-C

For The Year Ended June 30, 2023

A. Energy bills for heating - all funds:		<u>Objects 325 and 326</u>
	Function 2545	\$ 2,461,544
	Function 2550	70,369

B. Replacement of equipment - General Fund:			<u>Amount</u>	
Include all General Fund expenditures in Object 542, except for the following exclusions:				
Exclude these functions:				
1113, 1122 & 1132	Co-curricular activities	4150	Construction	\$ -
1140	Pre-kindergarten	2550	Pupil transportation	-
1300	Continuing education	3100	Food service	-
1400	Summer school	3300	Community services	-



**2022-23 DISTRICT AUDIT REVENUE SUMMARY**  
**Multnomah County School District No. 7**

<b>Revenue from Local Sources</b>		<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>
1111	Current Year Taxes	\$30,968,931		\$11,668,319	
1112	Prior Year Taxes	357,414		126,656	
1130	Construction Excise Tax				\$762,308
1190	Tax Penalties & Interest	49,074		20,031	
1400	Transportation Fees	197,533			
1412	Fuel Fees		\$21,951		
1510	Interest On Investments	737,358		752,473	69,144
1610	Food Service Meal Sales		5,313		
1690	Food Services - Other Sales		308,057		
1715	Admissions -Athletic Events	29,928			
1910	Rentals	1,033			
1913	Music Rentals	2,170			
1920	Donations		36,927		
1960	Recovery of Prior Years Expense	331,742	3,189,616		
1970	Services Provided Other Funds			9,773,124	
1980	Fees Charged to Grants	1,214,661			
1990	Miscellaneous	475,875	1,221,677	110,906	19,030
1992	Medicaid	32,298			
1993	Public Purpose Utilities Revenue		307,269		
<b>Total Revenue from Local Sources</b>		<b>\$34,398,017</b>	<b>\$5,090,810</b>	<b>\$22,451,509</b>	<b>\$850,481</b>
<b>Revenue from Intermediate Sources</b>		<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>
2101	County School Fund	\$44,166			
2102	ESD Apportionment	700,000			
2110	City/County Revenue		\$358,087		
2199	Other Intermediate Sources		83,130		
2200	Restricted Revenue		27,618		
<b>Total Revenue from Local Sources</b>		<b>\$744,166</b>	<b>\$468,835</b>		
<b>Revenue from State Sources</b>		<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>
3101	State School Fund - Gen Purpose Grant	\$96,170,190			
3103	Common School Fund	1,386,639			
3199	Other Unrestricted Grants-in-Aid	2,590,394			
3204	Drivers Education		\$48,630		
3299	Other Restricted Grants		16,522,437		
<b>Total Revenue from Local Sources</b>		<b>\$100,147,223</b>	<b>\$16,571,067</b>		
<b>Revenue from Federal Sources</b>		<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>
4100	Unrestricted Revenue Direct from Federal Government		\$594,128		
4300	Restricted Revenue from the Federal Government	\$33,415			
4500	Restricted Revenue from the Federal Government through the State		16,582,695		
4502	Summer Program Waiver		117,516		
4503	National Breakfast Program		1,010,556		
4505	National Lunch Program		3,305,251		
4508	USDA Food Distribution Program		183,657		
4580	Other Restricted Revenue from the Federal Government through the State	9,579	8,100,404		
<b>Total Revenue from Local Sources</b>		<b>\$42,994</b>	<b>\$29,894,209</b>		
<b>Revenue from Other Sources</b>		<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>
5160	Lease Purchase Receipts	155,626			
5200	Interfund Transfers		\$1,365,481		\$1,336,650
5400	Beginning Fund Balance	37,766,149	(3,212,766)	6,043,199	3,992,201
<b>Total Revenue from Local Sources</b>		<b>\$37,921,775</b>	<b>(\$1,847,285)</b>	<b>\$6,043,199</b>	<b>\$5,328,851</b>
<b>Grand Total</b>		<b>\$173,254,175</b>	<b>\$50,177,636</b>	<b>\$28,494,708</b>	<b>\$6,179,332</b>

**2022-23 DISTRICT AUDIT EXPENSE SUMMARY**  
**Multnomah County School District No. 7**  
**General Fund 100 Expenses**

<b>Instruction Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Primary Programs K-5	\$ 27,380,740	\$ 15,724,453	\$ 7,522,866	\$ 388,796	\$ 3,743,476		\$ 1,149	
1121	Middle School Programs	10,216,899	6,560,328	3,076,820	174,432	387,583		17,737	
1122	Middle School Extra-Curricular	18,011	13,030	3,834		1,146			
1131	High School Programs	10,748,273	6,770,811	3,227,701	464,712	279,894		5,154	
1132	High School Athletics	617,041	401,351	84,765	74,515	46,440		9,970	
1133	High School Activities	224,125	90,864	44,801	60,011	27,924		525	
1210	Talented & Gifted	181,318	105,234	46,007	1,799	27,338		940	
1220	Restrictive Programs	4,027,852	1,440,151	653,973	1,929,914	3,815			
1223	Transition Program	526,414	307,629	182,012	31,294	5,479			
1224	Life Skills	1,970,518	1,258,105	641,453	671	70,288			
1225	Out of District Programs	958,497			958,497				
1227	Extended School Year	344,701	884	233	343,584				
1229	Functional Living Skills	1,136,834	740,255	394,019		2,560			
1250	Less Restrictive Programs	6,574,161	4,235,622	2,277,132	314	56,820		4,272	
1251	Less Restrictive - Charter School	255,048	180,016	75,032					
1280	Alternative Ed	1,630,202	1,066,790	515,347		11,255	36,810		
1288	Charter School	13,321,644			13,321,644				
1291	English Language Learners Instruction	5,765,134	3,863,028	1,806,687	73,004	22,414			
1299	Other Programs	153,058	3,360	880	148,818				
<b>Total Instruction Expenditures</b>		<b>\$ 86,050,468</b>	<b>\$ 42,761,912</b>	<b>\$ 20,553,560</b>	<b>\$ 17,983,261</b>	<b>\$ 4,711,989</b>	<b>\$ -</b>	<b>\$ 39,746</b>	<b>\$ -</b>
<b>Support Services Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance / Social Work	\$ 402,436	\$ 272,971	\$ 118,809	\$ 10,098	\$ 558			
2115	Student Safety	1,279,909	636,983	363,537	270,414	8,974			
2120	Guidance Services	2,582,733	1,755,299	825,469		1,965			
2122	Positive Behavior Supports	20,415	2,954	1,215		16,246			
2130	Health Services	278,324	27,223	5,752	244,729	621			
2140	Psychological Services	1,392,292	648,601	291,607	437,185	14,900			
2150	Speech Pathologist	2,149,213	1,461,680	660,029	3,003	23,798		703	
2160	Oth Stndt Treatment	702,377	435,897	211,806	26,815	27,858			
2190	Service Direction	3,394,105	1,949,992	692,621	631,111	120,380			
2210	Improvement of Instructional Services	154,091	80,108	48,751		23,919		1,314	
2211	Teaching & Learning	525,338	353,734	134,841	24,392	8,705		3,667	
2220	Educational Media Services	1,233,808	728,547	404,055		101,207			
2230	Assessment & Testing	235,175	92,936	43,701	1,354	97,184			
2240	Instructional Staff Development	98,404	9,150	2,334	62,510	24,041		369	
2241	Instructional Technology	530,345	346,383	166,061	2,259	15,642			
2310	Board Of Education	381,552	44,977	14,202	278,131	14,893		29,350	
2321	Office Of The Superintendent	968,232	502,067	158,210	238,487	66,278		3,190	
2410	Building Administration	9,263,158	6,044,339	3,080,680	3,867	129,077		5,195	
2490	Oth Sch Admn Supp Svcs	2,250			2,250				
2510	Direction Of Business Sup Srvc	167,598	87,359	47,137	17,181	15,521		400	
2520	Fiscal Services	2,358,714	906,630	339,456	714,212	248,374		150,042	
2528	Risk Management	6,238	30	8	681	519		5,000	
2529	Other Fiscal Services	264,878			109,252		155,626		
2541	Facilities Direction	506,234	288,581	107,274	76,314	34,065			
2542	Custodial Services	7,940,185	3,307,478	1,813,200	1,740,963	1,072,547		5,997	
2543	Grounds Maintenance	373,896	178,935	92,751	72,008	26,127		4,075	
2544	Maintenance Services	444,030	200,257	91,873	91,086		60,815		
2545	Building Fixed Costs	3,356,052			3,223,498			132,554	
2546	Safety Program	106,139	633	169	4,587	100,651		100	
2549	Other Operations & Maintenance	948	496	134		318			
2550	Transportation	8,527,781	3,031,622	1,657,451	1,061,739	713,415	974,731	1,088,823	
2558	Transportation - Special Ed	1,438,417	758,716	496,916	182,786				
2573	Distribution Services	83,519	51,864	31,655					
2574	Print Services	132,645	63,028	35,468		34,149			
2630	Communications	1,118,204	668,930	233,800	72,553	133,054		9,866	
2640	Staff Services	1,725,445	927,905	373,646	284,681	102,853		36,361	
2642	Recruitment Services	70			40	30			
2649	Other Staff Services	469,092		469,092					
2660	Technology Services	2,103,595	942,394	443,211	66,749	542,204	106,337	2,700	
2680	Interpretation & Translation Services	463,755	276,113	134,074	53,569				
2690	Other Support Services - Central	282,173	212,940	69,232					
<b>Total Support Services Expenditures</b>		<b>\$ 57,463,766</b>	<b>\$ 27,297,751</b>	<b>\$ 13,660,227</b>	<b>\$ 10,008,502</b>	<b>\$ 3,720,074</b>	<b>\$ 1,297,508</b>	<b>\$ 1,479,705</b>	<b>\$ -</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3363	Community Partnership	\$ 2,273	\$ 1,799	\$ 474					
3500	Child Care	153,688	100,243	50,687		2,759			
<b>Total Enterprise and Community Services Expenditures</b>		<b>\$ 155,961</b>	<b>\$ 102,042</b>	<b>\$ 51,161</b>	<b>\$ -</b>	<b>\$ 2,759</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Uses Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5110	Long-Term Debt Service	\$ 200,000						\$ 200,000	
5200	Transfer Of Funds	2,702,131							2,702,131
<b>Total Other Uses Expenditures</b>		<b>\$ 2,902,131</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 2,702,131</b>
<b>Grand Total</b>		<b>\$ 146,572,326</b>	<b>\$ 70,161,704</b>	<b>\$ 34,264,947</b>	<b>\$ 27,991,762</b>	<b>\$ 8,434,821</b>	<b>\$ 1,297,508</b>	<b>\$ 1,719,451</b>	<b>\$ 2,702,131</b>

**2022-23 DISTRICT AUDIT EXPENSE SUMMARY**  
**Multnomah County School District No. 7**  
**Special Revenue Fund 200 Expenses**

<b>Instruction Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Primary Programs K-5	\$ 12,747,662	\$ 7,180,517	\$ 2,266,172	\$ 2,836,472	\$ 412,019	\$ 7,239	\$ 45,242	
1113	Elem Extra-Curricular	18,045			1,381	16,664			
1121	Middle School Programs	1,106,450	686,332	303,905	59,372	53,991		2,850	
1122	Middle School Extra-Curricular	50,173				50,173			
1131	High School Programs	2,266,205	1,087,990	490,564	155,641	348,920	95,757	87,333	
1133	High School Activities	321,486			12,625	308,860			
1220	Restrictive Programs	\$ 685,749	\$ 36,433	\$ 16,333	\$ 632,626	\$ 357			
1223	Transition Program	52,592	28,624	8,300	8,355	7,313			
1224	Life Skills	692,473	456,719	235,754					
1229	Functional Living Skills	321,327	200,735	119,465		1,128			
1250	Less Restrictive Programs	749,699	435,668	269,393	37,265	7,374			
1271	Remediation	33,108	24,052	6,753	1,735	312		255	
1272	Title IA/D	1,517,643	240,339	146,798	963,811	159,906	6,789		
1280	Alternative Ed	257,995	70,721	31,885	95,513	50,405	9,472		
1288	Charter School	1,051,573			1,051,573				
1290	Districtwide Reappropriations	47,025			47,025				
1291	English Language Learners Instruction	119,568	64	19	68,645	50,840			
1299	Other Programs	5,000	5,000						
1400	Summer School Programs	2,617,459	1,414,190	342,891	644,138	186,799		29,440	
<b>Total Instruction Expenditures</b>		<b>\$ 24,661,231</b>	<b>\$ 11,867,384</b>	<b>\$ 4,238,230</b>	<b>\$ 6,616,177</b>	<b>\$ 1,655,063</b>	<b>\$ 119,257</b>	<b>\$ 165,121</b>	<b>\$ -</b>
<b>Support Services Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance / Social Work	\$ 1,703,733	\$ 1,139,644	\$ 561,716		\$ 1,475		\$ 897	
2115	Student Safety	13,345	11,561	1,784					
2120	Guidance Services	1,287,500	847,666	438,734		1,100			
2130	Health Services	845,745			845,745				
2150	Speech Pathologist	39,749				39,749			
2160	Oth Stdnt Treatment	2,837				2,837			
2190	Service Direction	1,574,284	976,758	394,808	86,003	53,699	23,875	39,142	
2210	Improvement of Instructional Services	3,560,600	1,999,465	860,300	99,367	48,739		552,729	
2211	Teaching & Learning	2,220,883			29,235	2,184,859	6,789		
2220	Educational Media Services	1,456,011	990,797	460,957	4,256				
2230	Assessment & Testing	(10,116)	(7,259)	(2,858)					
2240	Instructional Staff Development	2,543,550	1,577,453	780,646	161,403	21,320		2,729	
2320	Executive Administration	228				228			
2410	Building Administration	1,769,412	1,251,606	492,690	4,750	20,365			
2490	Oth Sch Admn Supp Svcs	1,409,133	405,955	137,950	14,625			850,603	
2528	Risk Management	111,811	77,753	34,058					
2540	Maintenance & Operations	319,340			252,776	66,564			
2542	Custodial Services	67,709				65,451		2,258	
2544	Maintenance Services	278,916			200,914	6,301	70,801	900	
2546	Safety Program	240,884			240,884				
2550	Transportation	236,286	3,796	1,150	231,341				
2620	Grant Development	1,200				1,200			
2630	Communications	40,800				40,800			
2660	Technology Services	1,296,296	49,641	28,752		711,194	505,716	993	
2680	Interpretation & Translation Service:	38,575	25,232	13,343					
2700	Early Retirement	254,981	253,143	1,838					
<b>Total Support Services Expenditures</b>		<b>\$ 21,303,692</b>	<b>\$ 9,603,211</b>	<b>\$ 4,205,870</b>	<b>\$ 2,171,299</b>	<b>\$ 3,265,881</b>	<b>\$ 607,181</b>	<b>\$ 1,450,251</b>	<b>\$ -</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$ 6,509,489	\$ 2,083,604	\$ 1,373,844	\$ 91,913	\$ 2,912,195		\$ 47,934	
3101	Summer Program Waiver	141,021	88,355	25,793		26,873			
3102	Nutrition Services Grant	2,647	2,109	538					
3103	CACFP - Supper	53,184	41,364	11,785	35				
3320	Community Recreation Services	6,198				6,198			
3390	Oth Community Services	204,452	92,634	46,158	8,355	57,305			
3500	Child Care	8,131	2,189	413		5,529			
<b>Total Enterprise and Community Services Expenditures</b>		<b>\$ 6,925,122</b>	<b>\$ 2,310,255</b>	<b>\$ 1,458,532</b>	<b>\$ 100,303</b>	<b>\$ 3,008,099</b>	<b>\$ -</b>	<b>\$ 47,934</b>	<b>\$ -</b>
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4150	Building Acquisition/Develop	\$ 31,709			\$ 24,540		\$ 6,304	\$ 865	
<b>Total Facilities Acquisition and Construction Expenditures</b>		<b>\$ 31,709</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,540</b>	<b>\$ -</b>	<b>\$ 6,304</b>	<b>\$ 865</b>	<b>\$ -</b>
<b>Grand Total</b>		<b>\$ 52,921,754</b>	<b>\$ 23,780,850</b>	<b>\$ 9,902,632</b>	<b>\$ 8,912,318</b>	<b>\$ 7,929,043</b>	<b>\$ 732,741</b>	<b>\$ 1,664,170</b>	<b>\$ -</b>

**2022-23 DISTRICT AUDIT EXPENSE SUMMARY**  
**Multnomah County School District No. 7**  
**Special Revenue Fund 200 Expenses**

<b>Other Uses Expenditures</b>		<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5110	Long-Term Debt Service	\$ 24,377,879					\$ 24,377,879		
<b>Total Other Uses Expenditures</b>		<b>\$ 24,377,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,377,879</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>		<b>\$ 24,377,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,377,879</b>	<b>\$ -</b>	<b>\$ -</b>

**2022-23 DISTRICT AUDIT EXPENSE SUMMARY**  
**Multnomah County School District No. 7**  
**Capital Projects Fund 400 Expenses**

<b>Facilities Acquisition and Construction Expenditures</b>	<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4150 Building Acquisition/Develop	\$ 594,232			\$ 187,117		\$ 407,114		
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$ 594,232</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 187,117</b>	<b>\$ -</b>	<b>\$ 407,114</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Uses Expenditures</b>	<b>Total</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5110 Long-Term Debt Service	\$ 1,421,650						1,421,650	
<b>Total Other Uses Expenditures</b>	<b>\$ 1,421,650</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,421,650</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 2,015,882</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 187,117</b>	<b>\$ -</b>	<b>\$ 407,114</b>	<b>\$ 1,421,650</b>	<b>\$ -</b>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**STATISTICAL SECTION**

## STATISTICAL SECTION

This part of Multnomah County School District No.7's Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information as it relates to the government's overall financial health.

### Contents

Financial Trends	75-78
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	79-86
These schedules contain information to help the reader assess the government's most significant revenue source, the property tax.	
Debt Capacity	87-88
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	89-90
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	91-94
These Schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON

NET POSITION BY COMPONENT  
 LAST TEN FISCAL YEARS  
 (accrual basis of accounting)

	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>2019-2020</u>
Governmental activities:				
Net investments in capital assets	\$ 89,747,546	\$ 80,309,755	\$ 91,952,961	\$ 72,508,688
Restricted	6,898,491	8,576,837	8,074,208	8,627,760
Unrestricted	<u>(98,505,021)</u>	<u>(90,269,679)</u>	<u>(126,005,115)</u>	<u>(106,484,799)</u>
Total primary government net position	<u>\$ (1,858,984)</u>	<u>\$ (1,383,087)</u>	<u>\$ (25,977,946)</u>	<u>\$ (25,348,351)</u>

	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>
Governmental activities:			
Net investments in capital assets	\$ 64,070,731	\$ 35,148,756	\$ (64,722,847)
Restricted	9,984,575	7,928,217	7,284,100
Unrestricted	<u>(98,643,116)</u>	<u>(67,387,682)</u>	<u>32,478,107</u>
Total primary government net position	<u>\$ (24,587,810)</u>	<u>\$ (24,310,709)</u>	<u>\$ (24,960,640)</u>

	<u>2015-2016*</u>	<u>2014-2015</u>	<u>2013-2014</u>
Governmental activities:			
Net investments in capital assets	\$ (84,665,144)	\$ 44,378,505	\$ 36,972,412
Restricted	5,845,304	4,738,094	3,672,338
Unrestricted	<u>51,109,620</u>	<u>(58,747,877)</u>	<u>(3,522,531)</u>
Total primary government net position	<u>\$ (27,710,220)</u>	<u>\$ (9,631,278)</u>	<u>\$ 37,122,219</u>

Source: Multnomah County School District No.7 Statement of Net Position

\*Note: Restated due to implementation of GASB Statement No.73 in Fiscal Year 2016-2017



**MULTNOMAH COUNTY SCHOOL DISTRICT NO.7**  
**MULTNOMAH COUNTY, OREGON**

**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)

	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
<b>Expenses</b>					
Instruction	\$ 111,565,668	\$ 87,519,316	\$ 93,565,748	\$ 87,064,036	\$ 86,538,680
Support services	77,661,835	61,009,790	57,558,253	56,016,345	54,708,811
Enterprise and community services	7,051,839	6,220,270	6,098,403	6,511,098	8,074,080
Facilities Acquisition	267,247	981,076	-	-	-
Loss on equity interest in CAL		8,078	37,989	37,989	34,356
Gain (Loss) on Sale of Assets	-	-	(215,000)	440,462	2,912,200
Interest on long-term debt	11,038,989	11,270,952	11,438,939	11,205,390	11,083,529
<b>Total primary government expenses</b>	<b>207,585,578</b>	<b>167,009,482</b>	<b>168,484,332</b>	<b>161,275,320</b>	<b>163,351,656</b>
<b>Program revenues</b>					
<b>Governmental activities:</b>					
Charges for services	1,763,053	1,242,194	3,999,412	704,667	325,455
Operating grants and contributions	56,984,350	44,702,866	19,819,696	17,239,689	19,600,230
<b>Total primary government revenues</b>	<b>58,747,403</b>	<b>45,945,060</b>	<b>23,819,108</b>	<b>17,944,356</b>	<b>19,925,685</b>
<b>Net (Expense)/Revenue</b>					
<b>Total primary government net expense</b>	<b>(148,838,175)</b>	<b>(121,064,422)</b>	<b>(144,665,224)</b>	<b>(143,330,964)</b>	<b>(143,425,971)</b>
<b>General revenues and Other Changes in Net Position</b>					
Property taxes	42,954,991	41,686,988	39,451,643	35,266,193	37,465,827
State support	97,556,829	103,889,737	101,426,880	100,194,901	99,169,007
Intermediate sources	1,185,383	1,105,283	1,419,157	3,110,116	972,780
Other federal revenue	-	-	-	53,009	8,567
Miscellaneous	5,217,760	509,492	1,360,421	2,752,740	3,987,267
Investment earnings	1,447,315	(25,961)	377,528	1,193,463	1,545,422
<b>Total primary government</b>	<b>148,362,278</b>	<b>147,165,539</b>	<b>144,035,629</b>	<b>142,570,422</b>	<b>143,148,870</b>
<b>Change in Net Position</b>					
<b>Total primary government</b>	<b>\$ (475,897)</b>	<b>\$ 26,101,117</b>	<b>\$ (629,595)</b>	<b>\$ (760,542)</b>	<b>\$ (277,101)</b>
	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>Expenses</b>					
Instruction	\$ 83,288,226	\$ 68,365,815	\$ 88,048,372	\$ 63,799,909	\$ 70,693,491
Support services	51,500,235	59,636,859	56,341,200	39,052,852	41,624,247
Enterprise and community services	6,419,380	5,508,594	6,946,986	5,145,985	5,993,003
Interest on long-term debt	11,063,373	11,099,218	10,281,714	6,993,654	6,734,328
<b>Total primary government expenses</b>	<b>152,271,214</b>	<b>144,610,486</b>	<b>161,618,272</b>	<b>114,992,400</b>	<b>125,045,069</b>
<b>Program revenues</b>					
<b>Governmental activities:</b>					
Charges for services	374,290	659,163	1,301,487	1,232,868	1,591,846
Operating grants and contributions	17,977,234	15,007,967	16,771,515	14,460,074	13,969,114
<b>Total primary government revenues</b>	<b>18,351,524</b>	<b>15,667,130</b>	<b>18,073,002</b>	<b>15,692,942</b>	<b>15,560,960</b>
<b>Net (Expense)/Revenue</b>					
<b>Total primary government net expense</b>	<b>(133,919,690)</b>	<b>(128,943,356)</b>	<b>(143,545,270)</b>	<b>(99,299,458)</b>	<b>(109,484,109)</b>
<b>General revenues and Other Changes in Net Position</b>					
Property taxes	36,012,407	33,668,002	31,670,746	30,311,983	29,291,925
State support	96,927,194	89,658,290	88,200,553	83,521,907	80,213,848
Intermediate sources	1,804,251	3,253,805	2,802,777	2,183,826	1,344,766
Other federal revenue	1,804	-	-	-	-
Miscellaneous	3,927,917	5,112,839	2,222,488	1,813,136	1,186,346
Investment earnings	-	0	1,061,381	204,198	218,294
<b>Total primary government</b>	<b>138,673,573</b>	<b>131,692,936</b>	<b>125,957,945</b>	<b>118,035,050</b>	<b>112,255,179</b>
<b>Change in Net Position</b>					
<b>Total primary government</b>	<b>\$ 4,753,883</b>	<b>\$ 2,749,580</b>	<b>\$ (17,587,325)</b>	<b>\$ 18,735,592</b>	<b>\$ 2,771,070</b>

Source: Multnomah County School District No.7 Statement of Activities

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (modified accrual basis of accounting)

	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
General Fund (1)					
Nonspendable	\$ 681,117	\$ 808,591	\$ 535,206	\$ 228,351	\$ 4,552
Unassigned	25,993,104	36,957,558	24,119,701	18,730,438	17,827,909
Unreserved			-	-	-
Committed-Early retirement	158,252	88,233	(6,150)	131,981	168,186
Total general fund	<u>26,832,473</u>	<u>37,854,382</u>	<u>24,648,757</u>	<u>19,090,770</u>	<u>18,000,647</u>
All Other Government Funds (1)					
Nonspendable	191,086	414,831	470,690	373,320	319,504
Restricted for:					
Debt service	4,141,217	6,043,199	6,346,512	6,091,874	7,149,466
State & Local Programs	505,538	505,538	485,654	485,654	485,653
Food service			(909,178)	896,806	1,673,766
Committed:					
Self-insurance	808,380	784,524	620,903	410,005	536,264
State & local programs	3,496,531	2,205,439	3,089,287	619,788	3,057,131
Assigned:					
Capital projects (2)	4,163,450	3,992,201	2,599,960	4,265,247	5,674,517
Unassigned:	(7,903,885)	(7,211,331)			
Total all other governmental funds	<u>5,402,317</u>	<u>6,734,401</u>	<u>12,703,828</u>	<u>13,142,694</u>	<u>18,896,301</u>
Total Fund Balance (Deficit)	<u>\$ 32,234,790</u>	<u>\$ 44,588,783</u>	<u>\$ 37,352,585</u>	<u>\$ 32,233,464</u>	<u>\$ 36,896,948</u>
	-				
	2017-2018	2016-2017	2014-2015	2013-2014	2012-2013(1)
General Fund (1)					
Non spendable	\$ 21,191	\$ 16,880	\$ 39,915	\$ 86,957	\$ 323,733
Unassigned	13,599,572	9,476,816	8,698,353	12,151,829	11,226,313
Unreserved	-	-	-	-	-
Committed-Early retirement	175,072	-	282,662	665,660	962,023
Total general fund	<u>13,795,835</u>	<u>9,493,696</u>	<u>9,020,930</u>	<u>12,904,446</u>	<u>12,512,069</u>
All Other Government Funds (1)					
Nonspendable	174,569	0	245,974	242,871	240,372
Restricted for:					
Debt service	4,631,352	3,861,213	3,045,881	2,295,228	1,930,050
Pers bond	85,860	-	-	96,643	96,657
State & local programs		426,170	347,971	481,133	105,573
Food service	3,211,005	2,996,717	2,451,452	1,865,109	1,540,058
Committed:					
Self-insurance	157,908	170,959	(1,122,766)	61,189	797,443
State & local programs				-	-
Assigned:					
Capital projects (2)	33,426,372	123,027,533	135,181,703	686,060	534,346
Planning activities		-	1,913,748	1,005,263	1,413,919
Total all other governmental funds	<u>41,687,066</u>	<u>130,482,592</u>	<u>142,063,963</u>	<u>6,733,496</u>	<u>6,418,047</u>
Total Fund Balance (Deficit)	<u>\$ 55,482,901</u>	<u>\$ 139,976,288</u>	<u>\$ 151,084,893</u>	<u>\$ 19,637,942</u>	<u>\$ 18,930,116</u>

(1) GASB 54 implemented-requiring new fund balance categories. Over time all fund balances will be reported under new GASB 54 fund balance categories.

(2) Assigned/Reserved for capital project fluctuate from years when bonds are sold in anticipation of capital construction to years when capital expenditures are incurred.

Source: Multnomah County School District No.7 Balance Sheet - Governmental Funds

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
CHANGES IN FUND BALANCES - LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
<b>REVENUES:</b>					
Local sources	\$ 62,807,596	\$ 54,142,880	\$ 51,686,713	\$ 48,839,816	\$ 52,840,401
Intermediate sources	1,213,001	1,113,448	1,460,088	3,382,953	2,111,829
State sources	116,718,290	123,552,345	110,068,784	103,726,926	103,417,650
Federal sources	29,937,203	17,670,439	14,159,731	13,392,303	13,806,371
Total Revenues	<u>210,676,090</u>	<u>196,479,112</u>	<u>177,375,316</u>	<u>169,341,998</u>	<u>172,176,251</u>
<b>EXPENDITURES:</b>					
Instruction	110,592,442	91,503,623	89,892,333	87,933,436	84,824,634
Support services	76,862,769	63,687,351	54,911,936	56,239,249	53,348,530
Community services	7,081,083	6,457,849	5,818,021	6,542,551	7,904,523
Facilities acquisition	212,523	981,076	1,916,752	6,045,121	25,460,791
Capital Outlay	2,437,364	3,460,101			
Debt service - Principal	14,255,874	15,518,461	26,928,262	8,312,823	10,503,619
Debt service - Interest	11,743,654	11,515,534	11,652,230	11,487,254	8,721,119
Total Expenditures	<u>223,185,709</u>	<u>193,123,995</u>	<u>191,119,534</u>	<u>176,560,434</u>	<u>190,763,216</u>
Excess of revenues over(under)expenditures	(12,509,619)	3,355,117	(13,744,218)	(7,218,436)	(18,586,965)
<b>Other Financing Sources(uses)</b>					
Sale of assets			215,000	500,000	-
Bond proceeds - Principal		3,956,953	18,648,339	2,054,952	-
Bond Issuance Cost		(75,872)			
Leases/ Subscription Financing	155,626				
Transfer in	2,702,131	1,979,341	3,526,765	1,405,852	1,634,267
Transfer out	(2,702,131)	(1,979,341)	(3,526,765)	(1,405,852)	(1,634,267)
Total other financing sources(uses)	<u>155,626</u>	<u>3,881,081</u>	<u>18,863,339</u>	<u>2,554,952</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (12,353,993)</u>	<u>\$ 7,236,198</u>	<u>\$ 5,119,121</u>	<u>\$ (4,663,484)</u>	<u>\$ (18,586,965)</u>
Expenditures for Capital Assets	\$ 2,227,014	\$ 3,460,939	\$ 4,525,078	\$ 8,150,498	\$ 28,478,652
Debt service as a percentage of noncapital expenditures	11.77%	14.25%	20.68%	11.76%	11.85%
<b>REVENUES:</b>	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Local sources	\$ 48,921,526	\$ 46,622,204	\$ 43,626,462	\$ 39,991,516	\$ 38,530,637
Intermediate sources	3,459,282	4,217,842	3,327,941	2,568,301	1,685,151
State sources	98,828,419	90,498,980	89,503,854	83,521,907	80,213,848
Federal sources	14,138,691	13,496,389	14,940,162	14,460,075	13,969,114
Total Revenues	<u>165,347,918</u>	<u>154,835,415</u>	<u>151,398,419</u>	<u>140,541,799</u>	<u>134,398,750</u>
<b>EXPENDITURES:</b>					
Instruction	81,853,902	79,793,504	79,544,300	76,100,060	69,220,002
Support services	50,613,339	45,786,843	49,048,899	46,931,640	42,520,086
Community services	6,308,833	6,423,478	6,303,944	6,205,011	6,064,330
Facilities acquisition	92,423,904	7,216,535	2,908,147	-	-
Capital outlay		13,979,135	120	395,299	395,077
Debt service - Principal	7,504,054	7,015,603	7,036,611	8,315,101	8,217,897
Debt service - Interest	11,137,272	10,985,034	10,126,070	6,798,487	6,444,915
Total Expenditures	<u>249,841,304</u>	<u>171,200,132</u>	<u>154,968,091</u>	<u>144,745,598</u>	<u>132,862,307</u>
Excess of revenues over(under)expenditures	(84,493,386)	(16,364,717)	(3,569,672)	(3,634,328)	1,536,443
<b>Other Financing Sources(uses)</b>					
Sale of assets	-	6,019	-	-	-
Bond proceeds - Principal	-	2,000,000	122,918,047	-	-
Bond proceeds - Premium		4,000,000	14,963,285	-	-
Transfer in	1,640,038	1,640,038	1,785,538	2,104,038	1,512,000
Transfer out	(1,640,038)	(1,640,038)	(1,785,538)	(2,104,038)	(1,512,000)
Total other financing sources(uses)	<u>12,718,557</u>	<u>6,006,019</u>	<u>137,881,332</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (71,774,829)</u>	<u>\$ (10,358,698)</u>	<u>\$ 134,311,660</u>	<u>\$ (4,203,799)</u>	<u>\$ 1,536,443</u>
Expenditures for Capital Assets	\$ 3,460,939	\$ 3,460,939	\$ 5,385,844	\$ 4,328,311	\$ 1,138,031
Debt service as a percentage of noncapital expenditures	7.57%	10.73%	11.47%	10.76%	11.13%

(1) Revenues are recognized when susceptible to accrual.

(2) Includes state replacement/transportation reimbursement and basic school support.

Source: Multnomah County School District No.7 Statement of Revenues, Expenditures and Changes in Fund Balances

Note: Expenditures for capital assets is from the Reconciliation of the Governmental Funds schedule.

Debt services as a percentage of noncapital expenditures is calculated by dividing Principal and interest by the sum of total expenditures less expenditures for capital assets.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO.7**  
**MULTNOMAH COUNTY, OREGON**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<b>PROPERTY VALUE ASSESSED VALUATION</b>							<b>DIRECT TAX RATE (1)</b>	<b>ASSESSMENT YEAR</b>
<b>FISCAL YEAR</b>	<b>REAL PROPERTY</b>	<b>PERSONAL PROPERTY</b>	<b>PUBLIC UTILITY PROPERTY</b>	<b>MANUFACT ORY</b>	<b>TOTAL</b>			
2022-2023	\$ 7,075,352,670	\$ 472,349,940	\$ 254,059,700	\$ 38,248,170	\$ 7,840,010,480	6.00	2022	
2021-2022	6,745,443,430	423,077,730	259,973,200	37,425,900	7,465,920,260	6.08	2021	
2020-2021	6,447,834,550	400,761,750	253,049,700	35,456,370	7,137,102,370	6.01	2020	
2019-2020	6,144,803,000	381,606,240	203,651,600	34,539,120	6,764,599,960	5.74	2019	
2018-2019	5,885,468,070	389,933,280	197,091,400	34,954,880	6,507,447,630	6.26	2018	
2017-2018	5,626,909,630	393,593,720	235,732,253	32,406,050	6,288,641,653	6.29	2017	
2016-2017	5,421,521,380	363,234,124	191,471,500	35,339,570	6,011,566,574	6.05	2016	
2015-2016	5,241,684,480	346,408,946	147,579,800	30,494,280	5,766,167,506	5.97	2015	
2014-2015	5,124,794,780	336,867,935	143,189,250	26,341,960	5,631,193,925	5.81	2014	
2013-2014	4,843,711,490	287,376,223	136,396,360	26,695,760	5,294,179,833	6.02	2013	

(1) per \$1,000 of assessed value.

Source: <https://www.multco.us/assessment-taxation/reports-and-data>  
 Taxing District Values Report (M50 - Oregon Ballot Measure 50)  
 Reynolds School District  
 Multnomah County email: [dcm.dart.application.support@multco.us](mailto:dcm.dart.application.support@multco.us)

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MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	Total	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
2022-2023	\$ 7,075,352,670	\$ 472,349,940	\$ 254,059,700	\$ 38,248,170	\$ 7,840,010,480	90.25 %	6.02 %	3.24 %	0.49 %
2021-2022	\$ 6,745,443,430	\$ 423,077,730	\$ 259,973,200	\$ 37,425,900	\$ 7,465,920,260	90.35	5.67	3.48	0.50
2020-2021	6,447,834,550	400,761,750	253,049,700	35,456,370	7,137,102,370	90.34	5.62	3.55	0.50
2019-2020	6,144,803,000	381,606,240	203,651,600	34,539,120	6,764,599,960	90.84	5.64	3.01	0.51
2018-2019	5,885,468,070	389,933,280	197,091,400	34,954,880	6,507,447,630	90.44	5.99	3.03	0.54
2017-2018	5,626,909,630	393,593,720	235,732,253	32,406,050	6,288,641,653	89.48	6.26	3.75	0.52
2016-2017	5,421,521,380	363,234,124	191,471,500	35,339,570	6,011,566,574	90.18	6.04	3.19	0.59
2015-2016	5,241,684,480	346,408,946	147,579,800	30,494,280	5,766,167,506	90.90	6.01	2.56	0.53
2014-2015	5,124,794,780	336,867,935	143,189,250	26,341,960	5,631,193,925	91.01	5.98	2.54	0.47
2013-2014	4,843,711,490	287,376,223	136,396,360	26,695,760	5,294,179,833	91.49	5.43	2.58	0.50

(1) per \$1,000 of assessed value.

Source: <https://www.multco.us/assessment-taxation/reports-and-data>  
 Taxing District Values Report (M50 - Oregon Ballot Measure 50)  
 Reynolds School District  
 Multnomah County email: [dcm.dart.application.support@multco.us](mailto:dcm.dart.application.support@multco.us)

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**MULTNOMAH COUNTY SCHOOL DISTRICT NO.7**  
**MULTNOMAH COUNTY, OREGON**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

FISCAL YEAR	PROPERTY VALUE TRUE CASH VALUATION					RATIO OF ASSESSED VALUATION TO TRUE CASH VALUATION
	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	TOTAL	
2022-2023	\$ 13,398,220,550	\$ 503,132,030	\$ 314,062,130	\$ 88,667,340	\$ 14,304,082,050	54.81 %
2021-2022	12,254,158,240	447,841,320	305,299,783	74,814,010	13,082,113,353	57.07
2020-2021	11,177,694,470	432,147,210	290,138,407	68,521,710	11,968,501,797	59.63
2019-2020	10,587,872,190	405,412,040	234,416,421	65,525,850	11,293,226,501	59.90
2018-2019	10,111,730,100	410,098,360	222,800,584	67,442,170	10,812,071,214	60.19
2017-2018	9,012,880,030	405,731,152	266,741,142	57,028,690	9,742,381,014	64.55
2016-2017	7,956,510,240	377,714,504	212,276,505	45,731,770	8,592,233,019	69.97
2015-2016	7,118,441,620	362,161,236	181,401,855	39,130,860	7,701,135,571	74.87
2014-2015	7,778,266,940	367,587,665	162,477,988	34,599,530	8,342,932,123	67.50
2013-2014	7,114,104,950	352,281,346	155,652,905	34,858,930	7,656,898,131	69.14

Source: <https://www.multco.us/assessment-taxation/reports-and-data>  
Taxing District Values Report (M5 - 1990 Oregon Ballot Measure 5)  
Reynolds School District  
Multnomah County email: [dcm.dart.application.support@multco.us](mailto:dcm.dart.application.support@multco.us)

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MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

ASSESSMENT YEAR	FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
2022	2021-2022	93.67 %	3.52 %	2.20 %	0.62 %
2021	2021-2022	93.67	3.42	2.33	0.57
2020	2020-2021	93.39	3.61	2.42	0.57
2019	2019-2020	93.75	3.59	2.08	0.58
2018	2018-2019	93.52	3.79	2.06	0.62
2017	2017-2018	92.51	4.16	2.74	0.59
2016	2016-2017	92.60	4.40	2.47	0.53
2015	2015-2016	92.43	4.70	2.36	0.51
2014	2014-2015	93.23	4.41	1.95	0.41
2013	2013-2014	92.91	4.60	2.03	0.46

Source: <https://www.multco.us/assessment-taxation/reports-and-data>  
 Taxing District Values Report (M5 - 1990 Oregon Ballot Measure 5)  
 Reynolds School District  
 Multnomah County email: [dcm.dart.application.support@multco.us](mailto:dcm.dart.application.support@multco.us)

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MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 LARGEST TAXPAYERS WITHIN DISTRICT  
 CURRENT AND TEN YEARS AGO

	2022-2023		2012-2013	
	ASSESSED VALUATION	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION	ASSESSED VALUATION	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION
<u>PRIVATE ENTERPRISES</u>				
Boeing Company	\$ 463,663,900	5.91	\$ 171,247,570	3.26
FedEx Ground Package System, Inc	117,251,930	1.50	15,069,100	0.29
Albertson's Distribution Center (1)	58,902,910	0.75	44,650,170	0.85
The Boeing Company, Inc.	55,266,280	0.70	28,387,730	0.54
U S National Bank of Oregon	50,317,430	0.64	35,892,530	0.68
Comcast Corporation	48,855,000	0.62	28,940,100	0.55
IP Eat One, LLC	34,275,510	0.44	21,079,320	0.40
US Bancorp	31,120,180	0.40		
Cascade Corporation	30,898,380	0.39	27,185,060	0.52
Western B Northwest Oregon, LLC	30,907,360	0.39	-	0.00
Townsend Farms, Inc	30,314,490	0.39	31,747,960	0.60
Owens Corning Foam	26,357,270	0.34	26,653,380	0.51
<u>PUBLIC UTILITIES</u>				
Portland General Electric Company	106,789,420	1.36	48,732,000	0.93
SUB TOTAL	1,084,920,060		479,584,920	
ALL OTHER TAXPAYERS	6,755,090,420	86.16	4,774,798,593	90.87
TOTAL	\$ 7,840,010,480	100.00%	\$ 5,254,383,513	100.00%

Source: Multnomah County: [dcm.dart.application.support@multco.us](mailto:dcm.dart.application.support@multco.us)

Current year Data available Mid November, if reporting earlier, use prior year

(1) Albertson's Distribution Center Legal Entity/Name changed

2022: at RREEF DPIF 17505 NE San Rafael, LLC 2

013: ABS OR-O DC LLC



MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 LARGEST TAXPAYERS WITHIN MULTNOMAH COUNTY

TAXPAYER	BUSINESS/SERVICE	2023		
		ASSESSED VALUATION (1)	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION	TAX (2)
Portland General Electric Co.	Electrical Utility	\$ 797,053,050	0.83%	\$ 13,684,327
Port of Portland	Airport, Marine, Property Mgmt.	737,510,200	0.77%	16,132,930
PacifiCorp (PP&L)	Electrical Utility	692,992,000	0.72%	12,055,234
Boeing Company	Manufacturing	463,663,900	0.48%	7,427,249
Alaska Airlines Inc.	Airline	371,870,800	0.39%	5,969,490
Lumen Technologies Inc	Telecommunications	328,167,000	0.34%	5,684,621
Weston Investment Co LLC	Real Estate	306,029,830	0.32%	7,301,467
Verizon Communications Inc	Telecommunications	274,503,000	0.28%	4,744,236
Comcast Corporation	Telecommunications	263,963,000	0.27%	4,614,899
Northwest Natural Gas Co	Natural Gas Utility	228,629,970	0.24%	3,961,378
Subtotal - ten of County's largest taxpayers		4,464,382,750	4.63%	81,575,831
All other County's taxpayers		91,881,672,320	95.37%	
Total County		\$ 96,346,055,070	100.00%	

(1) Assessed value does not exclude offsets such as urban renewal and farm tax credits.

(2) Tax amount is the total tax paid by the taxpayer within the boundaries of the District and County, respectively. This amount is distributed to individual local governments by the County. A breakdown of amounts paid to each individual local government is not available.

Source: Multnomah County: [dem.dart.application.support@multco.us](mailto:dem.dart.application.support@multco.us)

Source: <https://www.multco.us/assessment-taxation/reports-and-data> (Total County)

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS

	Dollars per \$1,000 True Cash Value				
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
<b>DIRECT:</b>					
Reynolds School District #7 Permanent Rate	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46
Reynolds School District #7 Bond	1.54	1.62	1.55	1.27	1.80
<b>Weighted Average Direct (1)</b>	<b>6.00</b>	<b>6.08</b>	<b>6.01</b>	<b>5.74</b>	<b>6.26</b>
<b>Overlapping:</b>					
City of Fairview	3.49	3.49	3.49	3.49	3.49
City of Gresham	3.61	3.61	3.61	3.61	3.61
City of Portland	7.31	7.31	7.34	7.24	7.28
City of Troutdale	3.77	3.77	3.77	3.77	3.77
Metro	0.10	0.10	0.10	0.10	0.10
Mt Hood Community College	0.49	0.49	0.47	0.49	0.49
Multnomah County	4.34	4.34	4.34	4.34	4.34
Multnomah ESD	0.46	0.46	0.46	0.46	0.46
Port of Portland	0.07	0.07	0.07	0.07	0.07
Rockwood Water PUD	-	-	-	-	-
	<b>23.63</b>	<b>23.63</b>	<b>23.64</b>	<b>23.56</b>	<b>23.60</b>
<b>Totals*</b>	<b>\$ 29.64</b>	<b>\$ 29.71</b>	<b>\$ 29.66</b>	<b>\$ 29.30</b>	<b>\$ 29.87</b>

	Dollars per \$1,000 True Cash Value				
	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>DIRECT:</b>					
Reynolds School District #7 Permanent Rate	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46
Reynolds School District #7 Bond	1.83	1.59	1.51	1.35	1.56
<b>Weighted Average Direct (1)</b>	<b>6.29</b>	<b>6.05</b>	<b>5.97</b>	<b>5.81</b>	<b>6.02</b>
<b>Overlapping:</b>					
City of Fairview	3.49	3.49	3.49	3.49	3.49
City of Gresham	3.61	3.61	3.61	3.61	3.61
City of Portland	7.23	7.06	4.58	4.58	4.58
City of Troutdale	3.77	3.77	3.77	3.77	3.77
Metro	0.10	0.10	0.10	0.10	0.10
Mt Hood Community College	0.49	0.49	0.49	0.49	0.49
Multnomah County	4.34	4.34	4.34	4.34	4.34
Multnomah ESD	0.46	0.46	0.46	0.46	0.46
Port of Portland	0.07	0.07	0.07	0.07	0.07
Rockwood Water PUD	-	-	-	-	-
	<b>23.55</b>	<b>23.39</b>	<b>20.90</b>	<b>20.90</b>	<b>20.90</b>
<b>Totals*</b>	<b>\$ 29.84</b>	<b>\$ 29.44</b>	<b>\$ 26.87</b>	<b>\$ 26.71</b>	<b>\$ 26.92</b>

\*Numbers in totals do not reflect the actual tax rate for any one property, but are the results of the potential combination of taxing units within District boundaries.

(1) This is a weighted average rate as limited by ballot measure 5. Actual rates may vary by tax codes and lots because of differing compression.

Source: Multnomah County Departments of Assessment and Taxation. <https://multco.us/assessment-taxation/reports-and-data>

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 PROPERTY TAX LEVIES AND COLLECTION (1)  
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR			COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY			TOTAL COLLECTIONS TO DATE	
	GENERAL FUND	DEBT SERVICE FUND	TOTAL	CURRENT YEAR	PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS	AMOUNT	PERCENTAGE OF LEVY
2022-2023	\$ 32,412,391	\$ 12,099,488	\$ 44,511,879	\$ 43,892,397	99 %	\$ 280,444	44,172,841	99 %
2021-2022	\$ 30,834,056	\$ 12,065,758	\$ 42,899,814	\$ 39,042,973	91 %	\$ 2,962,670	42,005,643	98
2020-2021	29,628,174	11,107,556	40,735,730	38,982,796	96	508,028	39,490,824	97
2019-2020	28,244,785	8,295,681	36,540,466	34,828,872	95	509,382	35,338,254	97
2018-2019	27,397,656	11,396,874	38,794,530	37,068,788	96	1,227,794 (2)	38,296,582	99
2017-2018	26,418,350	11,319,952	37,738,302	35,880,974	95	483,816	36,364,790	96
2016-2017	25,270,192	9,346,815	34,617,007	32,934,681	95	505,947	33,440,628	97
2015-2016	24,240,220	8,411,994	32,652,214	31,006,462	95	556,610	31,566,662	97
2014-2015	24,521,780	6,424,434	30,946,214	29,341,706	95	582,181	29,928,351	97
2013-2014	22,161,422	7,843,056	30,004,478	28,383,146	95	641,236	29,024,382	97

Source: Multnomah County Departments of Assessment and Taxation

FYXX-XX AR Tax District Receivable Summary

(1) Tax collections include discounts, interest and other adjustments.

(2) This number includes the COMAST pay off from litigation.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO.7**  
**MULTNOMAH COUNTY, OREGON**  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS

FISCAL YEAR	GENERAL BONDED DEBT OUTSTANDING							RATIO OF NET BONDED DEBT TO ASSESSED	%	RATIO OF NET BONDED DEBT TO TRUE CASH	%
	GENERAL OBLIGATION BONDS	PENSION OBLIGATION BONDS	FULL FAITH & CREDIT OBLIGATION BOND	TOTAL	LESS GO BOND DEBT SERVICE FUND	LESS PERS BOND FUND	NET GENERAL BONDED DEBT				
2023	\$ 99,792,016	\$ 42,535,000	\$ 15,943,480	\$ 158,270,496	\$ 76,792	\$ 441,408	\$ 157,752,296	2.01	%	1.10	%
2022	110,838,413	44,659,477	17,892,142	173,390,032	4,650,423	111,883	168,627,726	2.26		1.41	
2021	128,332,826	46,506,712	19,282,856	194,122,394	6,089,724	119,822	187,912,848	2.63		1.57	
2020	135,560,024	48,500,998	22,908,042	206,969,064	5,911,090	180,783	200,877,191	2.81		1.78	
2019	127,310,047	51,064,881	17,930,000	196,304,928	6,917,468	231,998	189,155,462	2.80		1.67	
2018	132,010,047	53,223,817	18,680,000	203,913,864	4,482,333	149,019	199,282,512	3.06		1.84	
2017	136,300,047	55,395,492	19,400,000	211,095,539	3,739,462	121,751	207,234,326	3.30		2.13	
2016	140,200,047	57,576,475	20,090,000	217,866,522	2,943,206	102,675	214,820,641	3.57		2.50	
2015	21,320,000	59,755,777	20,760,000	101,835,777	2,295,228	96,624	99,443,925	1.72		1.29	
2014	26,685,000	61,933,567	21,410,000	110,028,567	1,930,050	96,657	108,001,860	1.92		1.29	

**Legal Debt Margin Calculation for Fiscal Year 2022-2023:**

Real Market Value	\$ 14,272,323,260
Debt Limit (7.95%) (1)	1,134,649,699
Amount of Debt Applicable to Debt Limit	(117,664,056)
Legal Debt Margin	<u>\$ 1,016,985,643</u>

FISCAL YEAR	TOTAL GENERAL BONDED DEBT TO	TOTAL GENERAL BONDED DEBT PER CAPITA	GENERAL BONDED DEBT PER CAPITA	LEGAL DEBT LIMIT (1)	LEGAL DEBT MARGIN (2)	LEGAL DEBT MARGIN TO DEBT
2023	0.26 % \$	189	\$ 188	\$ 1,040,028,012	\$ 882,275,716	84.83 %
2022	0.29 %	206	201	1,040,028,012	871,446,612	83.79
2021	0.33	233	226	951,495,893	763,780,673	80.27
2020	0.29	208	203	951,495,893	782,914,493	82.28
2019	0.32	237	229	897,811,507	709,898,659	79.07
2018	0.36	255	247	859,559,662	658,682,471	76.63
2017	0.38	243	234	774,519,291	585,363,829	75.58
2016	0.43	251	245	683,082,525	483,800,013	70.83
2015	0.48	261	256	612,240,278	405,005,952	66.15
2014	0.52	271	267	663,263,104	448,442,463	67.61

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements

(1) ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values of all taxable properties within the District bases on the following: (A) For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one of one percent (.0055) of real market value. (B) For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of real market value. Allowable percent of real market value: (A) Kindergarten through eighth grade, 9\*.0055=4.95% (B) Ninth through twelfth grade, 4\*.0075=3.00% or 7.95% of real market value. Real market value data can be found on Table of Assessed Value and Actual Value of Taxable Property

(2) The legal debt margin is the District's available borrowing authority under ORS 328.245 and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit

(3) Demographic and Economic Statistics can be found on Personal Income and Population and Assessed Value and True Cash Value Pages

Sources: U.S. Census Bureau, American Community Survey and Multnomah Counties Department of Assessment and Taxation

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
OVERLAPPING GROSS BONDED DEBT  
June 30, 2023

<b>REYNOLDS SCHOOL DISTRICT</b>			
<b>Real Market Value of Subject Issuer is: \$14,272,323,260 as of 1/1/2021</b>			
Net Property-tax Backed Debt of Subject Issuer is:	\$ 157,601,494	Ratio of Net Property-tax Backed Debt to Real Market Value is:	1.10%
Net Property-tax Backed Debt of Overlapping Issuers is:	\$ 122,920,365	Ratio of Total Net Property-tax Backed Debt to Real Market Value is:	1.97%

OVERLAPPING GOVERNMENT	REAL MARKET VALUATION	GROSS BONDED DEBT (1)	NET DIRECT DEBT (2)	PERCENT WITHIN SCHOOL DISTRICT (3)	OVERLAPPING	
					GROSS BONDED DEBT (1)	NET DIRECT DEBT (2)
City of Fairview	\$ 1,644,528,160	\$ 11,632,607	\$ 6,117,607	100.00%	\$ 11,632,607	\$ 6,117,607
City of Gresham	18,569,924,881	51,432,554	32,697,554	27.95	14,377,611	9,140,372
City of Portland	178,375,112,017	689,700,080	392,915,000	1.86	12,813,938	7,299,968
City of Troutdale	3,175,205,913	8,885,000	8,885,000	97.62	8,673,590	8,673,590
City of Wood Village	741,351,782	2,845,000	2,845,000	100.00	2,845,000	2,845,000
Corbett Water District	674,135,590	331,711	331,711	4.51	14,964	14,964
Metro	423,464,419,407	833,428,920	822,713,920	3.37	28,089,888	27,728,750
Mt. Hood Community College	62,040,437,841	101,213,066	73,420,000	23.00	23,283,965	16,890,198
Multnomah County	208,773,181,763	583,000,736	583,000,736	6.84	39,855,679	39,855,679
Multnomah City RFPD 10	1,397,871,558	881,485	881,485	14.22	125,381	125,381
Multnomah City RFPD 14	812,474,190	4,500,000	4,500,000	3.75	168,642	168,642
Multnomah ESD	211,729,320,095	79,158,416	60,233,416	6.74	5,335,911	4,060,214
Port of Portland	494,610,214,940	39,375,000	-	3.07	1,209,561	-
<b>Overlapping Gross Bonded Debt</b>	<b>1,606,008,178,137</b>	<b>2,406,384,575</b>	<b>1,988,541,429</b>		<b>148,426,737</b>	<b>122,920,365</b>
Reynolds School District	14,272,323,260	157,601,494	157,601,494	100.00	157,601,494	157,601,494
<b>Overlapping Gross Bonded Debt</b>	<b>\$ 1,620,280,501,397</b>	<b>\$ 2,563,986,069</b>	<b>\$ 4,134,684,352</b>		<b>\$ 306,028,231</b>	<b>\$ 280,521,859</b>

Source: Oregon State Treasury  
<http://https://www.oregon.gov/treasury/oregon-bonds/municipal-debt-advisory/Pages/Overlapping-Debt-Request.aspx>

- (1) Gross bonded debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt
- (2) Net direct debt including all tax-supported bonds; self-supporting bonds are excluded
- (3) The percentage of overlapping debt is estimated using taxable assessed property values.

Applicable percentages were estimated by determining the portion of the overlapping district's taxable assessed value that is within the school district's boundaries and dividing it by the overlapping district's total taxable assessed value. These percentages are calculated by the State of Oregon Municipal Debt Advisory Commission.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District.

This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN YEARS

FISCAL YEAR	POPULATION (3)	PERSONAL INCOME (4)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2023	839,455	\$ 59,958,073,375	\$ 71,425 (1)	3.40% (2)
2022	831,446	59,386,030,550	71,425 (1)	3.80 (2)
2021	820,421	59,808,690,900	72,900 (1)	5.70 (2)
2020	811,857	57,792,841,403	71,186 (1)	15.30 (4)
2019	807,555	51,662,523,570	63,974 (1)	3.60 (4)
2018	811,880	46,967,258,000	57,850 (4)	3.80 (4)
2017	808,781	44,261,349,006	54,726 (4)	3.80 (4)
2016	803,741	41,838,737,755	52,055 (4)	4.60 (4)
2015	790,230	40,299,359,310	50,997 (4)	5.10 (4)
2014	778,604	37,338,733,424	47,956 (4)	6.00 (4)

Sources:

- (1) <https://datausa.io/profile/geo/multnomah-county-or>
- (2) <https://fred.stlouisfed.org/series/ORMULTIURN>
- (3) <https://worldpopulationreview.com/us-counties/or/multnomah-county-population>
- (4) U.S Census Bureau, American Community Survey & Proximity One

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 SAMPLE OF PRINCIPAL INDUSTRIES IN SCHOOL DISTRICT (1)  
 CURRENT AND TEN YEARS AGO

Employer	2022			2013		
	Employees	Rank	% of Total City	Employees	Rank	% of Total City
Amazon.com	3,889	1	37.77%			
FedEx Ground (2)	1750	2	17.00%	740	1	14.93%
Walsh Trucking Co., LTD	416	3	4.04%	220	2	4.44%
Wolcott Plumbing	152	4	1.48%			
Tube Specialties	140	5	1.36%	191	3	4.02%
Brand Safeway Services	137	6	1.33%			
Edgefield McMenamins	120	7	1.17%	120	7	2.42%
Travel Centers of America	110	8	1.07%	125	6	2.52%
Home Depot USA, Inc.	104	9	1.01%	162	5	3.27%
Toyo Tanso USA, Inc.	102	10	0.99%	165	4	3.33%
Fujii Farms, Inc.				102	9	3.48%
Albertson's, Inc.				100	10	2.11%
Postal Express				113	8	1.94%
Totals	<u>6,920</u>		<u>67.22%</u>	<u>2,076</u>		<u>42.46%</u>

(1) Information from the City of Troutdale is presented as a sample of the Principal Employers in the District.

The Reynolds School District encompasses multiple cities, in whole and in part.

See Overlapping Gross Bonded Debt Schedule.

Source: City of Troutdale ACFR 2020-21

<https://www.troutdaleoregon.gov/finance/page/city-budgetacfr>

(2) FedEx Ground Package System, Inc.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION - GENERAL FUND - LAST TEN FISCAL YEARS

	2022- 2023	2021- 2022	2020- 2021	2019- 2020	2018- 2019	2017- 2018	2016- 2017	2015- 2016	2014- 2015	2013- 2014
<b>Instruction:</b>										
Primary K-5	211.35	205.66	205.66	220.42	208.53	199.34	208.28	197.70	200.42	187.24
Middle/Junior high programs	84.80	82.80	88.30	85.46	80.13	91.50	88.50	92.00	90.50	94.71
High school programs	88.13	87.50	87.50	85.00	83.50	87.83	90.99	98.99	98.83	96.51
High school programs extracurricular	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Programs for the talented and gifted	1.00	1.00	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Restrictive programs for student with disabilities	16.41	30.00	30.00	31.00	35.88	35.88	35.14	40.50	38.94	35.47
Transition programs	6.06	7.00	7.00	6.00	5.06	5.84	5.84	8.34	10.13	11.71
Life skills	31.59	29.63	30.44	33.25	30.88	30.06	36.34	30.41	30.97	38.36
Functional living skills	17.56	19.22	19.22	16.72	16.28	15.50	13.56	8.59	9.50	8.50
Less restrictive programs for students with disabilities	80.84	72.28	71.96	62.84	57.12	56.31	57.12	57.29	50.86	42.09
Less restrictive charter schools	3.70	3.10	3.10	3.88	3.85	2.70	2.70	3.90	4.20	3.60
Alternative Education	13.60	13.60	13.60	15.35	15.35	15.35	15.85	18.60	18.60	17.75
Reynolds learning academy west	-	-	-	-	-	-	-	-	-	-
English second language programs	45.26	50.76	51.27	50.20	48.15	71.33	78.08	80.18	68.21	53.12
<b>Total Instruction</b>	<b>601.30</b>	<b>603.55</b>	<b>610.05</b>	<b>611.62</b>	<b>586.23</b>	<b>613.14</b>	<b>633.89</b>	<b>638.00</b>	<b>622.66</b>	<b>590.56</b>
<b>Support services</b>										
Attendance and social work services	3.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Student safety	22.84	16.91	16.91	16.16	16.16	16.16	16.16	17.94	15.09	15.20
Guidance services	25.50	25.50	25.50	25.50	25.50	25.50	25.50	27.00	27.00	27.90
Health services	1.00	1.34	1.34	2.16	3.16	3.06	3.25	1.63	0.00	1.90
Psychological services	10.00	11.00	11.00	11.00	10.00	10.00	11.00	9.30	9.30	9.29
Speech pathology and audiology services	17.20	21.25	21.25	20.25	19.25	19.40	21.88	17.54	18.38	17.97
Other student treatment services	5.60	6.20	6.20	7.40	6.60	6.60	6.94	7.00	8.14	7.93
Service direction-Student support services	13.00	11.50	11.75	8.42	8.42	8.42	8.55	7.55	8.75	8.31
Improvement of Instructional Services	1.00	1.50	1.75	-	-	-	-	-	-	-
Teaching and Learning	3.00	3.00	2.75	4.50	4.50	4.50	4.50	4.50	4.75	4.50
Educational media services	14.31	14.03	14.03	14.06	13.69	13.69	13.75	14.25	14.19	14.18
Assessment & testing	2.00	2.00	2.00	2.00	2.50	2.50	1.50	5.00	5.50	3.00
Instructional Staff Development/Technology	3.00	2.00	2.00	1.00	-	-	-	-	-	-
Board of education services	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Office of the Superintendent	1.50	1.50	1.50	1.75	1.75	1.50	1.50	1.50	1.50	1.50
Building Administration	93.57	90.15	90.15	88.98	88.98	93.72	94.70	98.48	96.23	89.08
Direction of business support services	2.00	2.10	2.00	-	-	-	-	-	-	-
Fiscal services	11.00	9.00	9.00	10.40	9.40	10.15	11.40	10.90	10.70	10.40
Operation and maintenance of plant services	-	-	-	-	-	-	-	-	12.20	10.20
Risk Management	-	-	1.00	1.00	1.00	-	-	-	-	-
Facilities Direction	2.10	2.10	2.00	1.89	2.88	3.22	3.07	3.95	-	-
Facilities Upkeep	60.15	53.25	52.75	54.75	52.00	54.10	53.00	53.00	-	-
Grounds maintenance	5.25	5.25	4.25	4.25	4.00	4.00	4.00	5.00	5.00	5.00
Maintenance Services	6.00	6.00	6.00	8.00	-	-	-	-	-	-
Building fixed costs	-	-	-	-	-	-	-	-	-	-
Custodial Services	-	-	-	-	-	-	-	-	43.25	46.00
Safety Program	-	-	-	-	-	-	1.00	1.00	-	-
Transportation	61.55	76.33	61.83	77.73	73.73	76.58	80.65	74.30	86.12	83.55
Transportation-special Ed	20.23	11.12	7.09	10.57	11.51	10.94	12.15	12.35	0.28	0.28
Distributive services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Print, publish, duplication services	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	1.50	1.50
Grant Development	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Communication	5.00	3.00	3.00	2.25	2.25	1.50	1.50	1.50	1.50	1.50
Staff services	9.00	7.00	6.00	6.00	6.00	6.00	6.50	6.50	6.90	6.50
Recruitment Services	-	-	-	-	-	-	0.00	1.50	-	-
Technology services	13.10	12.10	12.00	12.20	11.20	10.20	10.20	9.45	9.70	8.20
Other Support Services	-	-	-	-	-	-	0.25	0.25	-	-
Interpretation & Translation Services	4.63	5.13	5.13	6.00	4.63	-	-	-	-	-
<b>Total Support Services</b>	<b>419.53</b>	<b>406.26</b>	<b>386.18</b>	<b>404.22</b>	<b>385.11</b>	<b>388.25</b>	<b>399.44</b>	<b>397.89</b>	<b>390.98</b>	<b>377.89</b>
<b>Community services</b>										
Custody and care of children services	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00	2.00
<b>Total Community Services</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.00</b>	<b>2.00</b>
<b>Total FTE</b>	<b>1023.33</b>	<b>1012.31</b>	<b>998.73</b>	<b>1018.34</b>	<b>973.84</b>	<b>1003.89</b>	<b>1035.83</b>	<b>1038.39</b>	<b>1015.64</b>	<b>970.45</b>

Source: 2022-23 Reynolds School District Adopted Budget (page 133)

One Full Time Equivalent (FTE) is defined as a regular position scheduled to work eight hours per day



**MULTNOMAH COUNTY SCHOOL DISTRICT NO.7**  
**MULTNOMAH COUNTY, OREGON**

YEAR ENDED JUNE 30, 2023

**LICENSED PROFESSIONAL SALARY PLAN**

<b>LEVEL</b>	<b>BACHELORS</b>	<b>BACHELORS</b>	<b>BACHELORS</b>	<b>BA+60</b>	<b>BA+90</b>	<b>BA+120</b>
		<b>+20</b>	<b>+40</b>	<b>MASTERS</b>	<b>MASTERS</b>	<b>MASTERS</b>
					<b>+24</b>	<b>+45</b>
0	47,504	48,873	49,967	53,107	55,015	56,345
1	49,512	50,979	52,076	55,470	57,406	58,809
2	51,540	53,106	54,218	57,863	59,821	61,298
3	53,662	55,335	56,449	60,369	62,345	63,898
4	55,745	57,513	58,645	62,841	64,820	66,455
5	57,858	59,736	60,867	65,318	67,336	69,052
6	59,975	64,957	63,096	67,813	69,858	71,656
7	62,127	64,222	65,364	70,356	72,421	74,295
8	64,326	66,507	67,660	2,927	75,009	76,971
9	66,403	68,814	69,985	75,525	77,642	79,675
10		70,418	73,545	78,157	80,290	82,418
11			75,257	80,786	82,949	85,152
12				83,494	85,698	87,983
13				85,439	88,549	90,825
14						92,941

**LICENCED STAFF PER LEVEL AND EDUCATION IN FULL-TIME EQUIVALENT EMPLOYEES**

<b>LEVEL</b>	<b>BACHELORS</b>	<b>BACHELORS</b>	<b>BACHELORS</b>	<b>BA+60</b>	<b>BA+90</b>	<b>BA+120</b>	<b>TOTAL</b>
		<b>+20</b>	<b>+40</b>	<b>MASTERS</b>	<b>MASTERS</b>	<b>MASTERS</b>	
					<b>+24</b>	<b>+45</b>	
0	6	2	0	26	0	2	36
1	6	1	3	18.5	0	2	30.5
2	5	2	0	23	1	2	33
3	2	0	0	11	4	4	21
4	2	0	0	19	0	4.6	25.6
5	3	1	0	13	2	2.9	21.9
6	5	0	0	21	0	2	28
7	3	1	0	13.5	2	4	23.5
8	3	2	0	11	9	3	28
9	1	0	0	20	3	2	26
10	0	0	1	7	4	5	17
11	1.6	0	0	10	4	8	23.6
12	0	2	0	10	2	4	18
13	1	0	0	12	11	7	31
14	2	2	3	73	65.5	137.6	283.1
<b>Total</b>	<b>40.6</b>	<b>13</b>	<b>7</b>	<b>288</b>	<b>107.5</b>	<b>190.1</b>	<b>646.2</b>

Source: Reynolds School District Human Resources Department

Sent to Shawnice 8/7/23

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS

FISCAL YEAR	ADMw (1)	STUDENT ENROLLMENT (2)	COST PER PUPIL (3)	LICENSED STAFF	PUPIL-TEACHER RATIO	Number of students graduated (4)	
						Reynolds High School	Reynolds Learning Academy
2022-2023	11,499.87	8,501	\$ 21,438	646.2	13.15	393	40
2021-2022	13,913.29	9,198	17,718	648.2	14.19	446	62
2020-2021	14,240.23	9,340	16,149	647.2	14.43	447	45
2019-2020	13,092.29	9,800	15,996	639.2	15.33	465	68
2018-2019	13,246.23	9,837	17,438	601.3	16.36	450	32
2017-2018	13,646.74	10,104	13,683	617.6	16.59	436	32
2016-2017	14,027.36	10,284	12,123	647.7	15.88	458	63
2015-2016	14,079.67	10,416	9,915	674.1	15.45	484	59
2014-2015	13,689.86	10,648	12,137	659.5	16.15	460	63
2013-2014	13,396.97	10,669	11,042	624.0	17.10	461	62

FISCAL YEAR	NUMBER OF TYPE A LUNCHES SERVED				NUMBER OF BREAKFASTS SERVED		
	PAID	FREE	REDUCED PRICE		PAID	FREE	REDUCED PRICE
2022-2023	-	878,912	-	(5)	-	433,808	-
2021-2022	-	820,869	-	(5)	-	447,749	-
2020-2021	-	287,315	-	(5)	-	282,647	-
2019-2020	99,798	693,389	29,773		32,748	445,102	9,407
2018-2019	120,378	878,563	43,283		42,951	515,536	13,149
2017-2018	79,675	959,572	44,360		12,059	578,691	13,076
2016-2017	57,826	891,329	35,804		10,040	593,551	13,503
2015-2016	70,660	1,074,545	40,851		9,056	611,734	13,297
2014-2015	155,314	997,287	82,964		54,295	536,811	38,012
2013-2014	149,208	988,894	82,264		53,939	526,816	37,933

Sources:

(1) ADMw is from ODE ADMW Breakout report excluding Charter Schools.

<https://www.oregon.gov/ode/schools-and-districts/grants/Pages/School-District-and-ESD-payment-Statements.aspx>

(2) Enrollment is the ODE Student Enrollment Report number, excluding Charter Schools

<https://www.oregon.gov/ode/reports-and-data/students/Pages/Student-Enrollment-Reports.aspx>

(3) Cost per pupil is calculated by the District using total expenditures on the Statement of revenues, expenditures and changes in fund balances, excluding capital outlay and debt services

(4) Graduated Students are not formally available from ODE Graduation Rate Report as Oregon Certificate Awarded until January

<https://www.oregon.gov/ode/reports-and-data/students/Pages/Cohort-Graduation-Rate.aspx>

(5) All meals were free during FY 2020-2023, and due to the pandemic, the numbers were low.

Reynolds School District and Nutrition Service

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7  
MULTNOMAH COUNTY, OREGON  
 CAPITAL ASSET INFORMATION - LAST TEN FISCAL YEARS

	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>
Elementary Schools					
Buildings	11	11	11	11	11
Square Feet	694,429	694,429	694,429	694,429	694,429
Capacity	6,139	6,139	6,139	6,139	6,139
Enrollment	3,897	3,897	4,197	4,647	4,809
Middle Schools					
Buildings	3	3	3	3	3
Square Feet	411,811	411,811	411,811	411,811	411,811
Capacity	2,416	2,416	2,416	2,416	2,416
Enrollment	2,184	2,184	2,312	2,388	2,307
High Schools					
Buildings	2	2	2	2	2
Square Feet	365,416	365,416	365,416	365,416	365,416
Capacity	2,495	2,495	2,495	2,495	2,495
Enrollment	2,775	2,775	2,831	2,765	2,721
Administrative					
Buildings	1	1	1	1	1
Square Feet	12,500	12,500	12,500	12,500	12,500
	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>
Elementary Schools					
Buildings	11	11	11	11	11
Square Feet	599,731	599,731	599,731	599,731	599,731
Capacity	5,599	5,599	5,599	5,599	5,599
Enrollment	4,961	5,131	5,179	5,202	4,670
Middle Schools					
Buildings	3	3	3	3	3
Square Feet	411,811	411,811	411,811	411,811	411,811
Capacity	2,416	2,416	2,416	2,416	2,416
Enrollment	2,244	2,318	2,299	2,448	2,431
High Schools					
Buildings	2	2	2	2	2
Square Feet	334,837	334,837	334,837	334,837	334,837
Capacity	2,495	2,495	2,495	2,495	2,495
Enrollment	3,045	2,910	3,097	3,129	2,938
Administrative					
Buildings	1	1	1	1	1
Square Feet	12,500	12,500	12,500	12,500	12,500

Sources: Reynolds School District Facilities Services Department

Enrollment is the ODE Student Enrollment Report, excluding Charter Schools

<https://www.oregon.gov/ode/reports-and-data/students/Pages/Student-Enrollment-Reports.aspx>

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS**



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December 28, 2023

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of Multnomah County School District No. 7 as of and for the year ended June 30, 2023, and have issued our report thereon dated December 28, 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).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe Multnomah County School District No. 7 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 noted below:

1. Expenditures were within authorized appropriations except as noted on page 20.

**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.

We noted one matter involving the internal control structure and its operation that we consider to be a significant deficiency under standards established by the American Institute of Certified Public Accountants, which are noted in the schedule of findings and questioned cost on pages 104-106.

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*

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

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7**  
**MULTNOMAH COUNTY, OREGON**

**GRANT COMPLIANCE REVIEW**

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
MULTNOMAH COUNTY, OREGON

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

Federal Grantor	Program Title	Pass through Grantor	Activity Listing Number	Pass Through Entity Number	Grant Period	Expenditures	Passed Through to Subrecipients
<b>US Department of Education:</b>							
<b>Title I Grants to Local Educational Agencies</b>							
	Title IA - YR 21-22	Oregon State Department of Education	84.010	67061	7/1/21-9/30/22	1,040,130	-
	Title IA - YR 22-23	Oregon State Department of Education	84.010	72602	7/1/22-9/30/23	3,300,330	-
	ESSA Partnerships CSI & TSI YR 21-22	Oregon State Department of Education	84.010	68007	10/1/21-9/30/23	92,966	-
	ESSA Partnerships CSI & TSI YR 22-23	Oregon State Department of Education	84.010	75168	11/1/22-9/30/24	157,910	-
				<b>Total</b>		<b>4,591,336</b>	<b>-</b>
<b>Special Education - Grants to States</b>							
	IDEA Part B 611 YR 21-22	Oregon State Department of Education	84.027	68719	7/1/21-9/30/23	654,754	-
	IDEA Part B 611 YR 21-22 ARP	Oregon State Department of Education	84.027	68470	7/1/21-9/30/23	71,387	-
	IDEA Part B 611 YR 22-23	Oregon State Department of Education	84.027	74115	7/1/22-9/30/24	1,568,988	-
				<b>Total</b>		<b>2,295,129</b>	<b>-</b>
<b>Special Education - Preschool Grants</b>							
	IDEA Part B 619 YR 21-22	Oregon State Department of Education	84.173	68991	7/1/21-9/30/23	8,410	-
	IDEA Part B 619 YR 21-22 ARP	Oregon State Department of Education	84.173	69235	7/1/21-9/30/23	5,449	-
				<b>Total</b>		<b>13,859</b>	<b>-</b>
				<b>Special Education Cluster (IDEA) Total:</b>		<b>2,308,988</b>	<b>-</b>
<b>English Language Acquisition State Grants</b>							
	Title III English Language Acquisition YR 20-21	Oregon State Department of Education	84.365	58503	7/1/20-9/30/23	156,526	-
	Title III English Language Acquisition YR 21-22	Oregon State Department of Education	84.365	67162	7/1/21-9/30/23	193,741	-
				<b>Total</b>		<b>350,267</b>	<b>-</b>
<b>Improving Teacher Quality State Grants</b>							
	Title IIA Improving Teacher Quality YR 22-23	Oregon State Department of Education	84.367	72799	7/1/22-9/30/23	462,115	-
				<b>Total</b>		<b>462,115</b>	<b>-</b>
<b>Student Support and Academic Enrichment Program</b>							
	TitleIV Student Support and Academic Enrichment	Oregon State Department of Education	84.424	58655	7/1/20-9/30/23	34,075	-
	TitleIV Student Support and Academic Enrichment	Oregon State Department of Education	84.424	72996	7/1/22-9/30/23	326,032	-
				<b>Total</b>		<b>360,107</b>	<b>-</b>
<b>COVID-19 Elementary &amp; Secondary School Emer. Relief</b>							
	COVID-19 - LEA ESSER II	Oregon State Department of Education	84.425 D	64671	3/13/20-9/30/23	2,927,041	-
	COVID-19 - LEA ESSER III	Oregon State Department of Education	84.425 D	64975	3/13/20-9/30/24	13,929,915	896,387
	Jumpstart Kindergarten YR 22-23	Oregon State Department of Education	84.425	74710	5/1/22-9/30/24	60,972	-
	ARP HCY	Oregon State Department of Education	84.425	69393	4/23/21-9/30/24	26,909	-
				<b>Total</b>		<b>16,944,837</b>	<b>896,387</b>
<b>Indian Education - Grants to LEAs</b>							
	Title VI Indian Education YR 22-23	Direct	84.060A	S060A222099	7/1/22-6/30/23	7,395	-
				<b>Total</b>		<b>7,395</b>	<b>-</b>
<b>Total U.S. Department of Education</b>						<b>25,025,045</b>	<b>896,387</b>
<b>Department of Health and Human Services</b>							
<b>Foster Care Title IV E</b>							
	Foster Care Title IV E - Transportation	Oregon State Department of Education	93.658	71736	7/2/21-6/30/23	9,579	-
				<b>Total</b>		<b>9,579</b>	<b>-</b>
<b>Rehabilitation Services – Vocational Rehabilitation</b>							
	RFA 4708 Summer Work	Oregon Department of Human Services	84.126A	176067	5/13/22-2/28/23	45,980	-
	Oregon Youth Transition Programs	Oregon Department of Human Services	84.126A	160745	7/1/2021-6/30/23	209,293	-
				<b>Total</b>		<b>255,273</b>	<b>-</b>
<b>Total Department of Health and Human Services</b>						<b>264,852</b>	<b>-</b>



**US Department of Agriculture:**

**Child Nutrition Cluster**

**School Breakfast Program**

National School Breakfast	Oregon State Department of Education	10.553	N/A	7/1/22-6/30/23	1,010,556	-
				<b>Total</b>	<b>1,010,556</b>	-

**National School Lunch**

USDA Commodities	Oregon State Department of Education	10.555	N/A	7/1/22-6/30/23	581,768	-
National School Lunch Program	Oregon State Department of Education	10.555	N/A	7/1/22-6/30/23	3,305,251	-
NSLP Supply Chain Assistance	Oregon State Department of Education	10.555	N/A	7/1/22-6/30/23	183,457	-
				<b>Total</b>	<b>4,070,476</b>	-

**Summer Food Service Program for Children**

Summer Feeding Program	Oregon State Department of Education	10.559	N/A	7/1/22-6/30/23	115,914	-
Summer Food SVC Reimb GF 22-23				7/1/22-6/30/23	1,602	-
				<b>Total</b>	<b>117,516</b>	-

**Fresh Fruit and Vegetable**

Fresh Fruit and Vegetable Program	Oregon State Department of Education	10.582	61361	10/1/2021-9/30/22	29,454	-
				<b>Total</b>	<b>29,454</b>	-

**Total Child Nutrition Cluster: 5,228,002 -**

**Child Care Food Service**

CNP CACFP CIL-Cash Commodities	Oregon State Department of Education				12,360	-
F2CNP Competitive Reimbursement AY23	Oregon State Department of Education	grant # 74684			40,000	-
Nutrition Programs SSA & GF Grant Payments	Oregon State Department of Education				90,778	-
Nutrition Programs SSA & OF Grant Payments	Oregon State Department of Education				382,216	-
Child and Adult Care Food Program	Oregon State Department of Education	10.558	N/A	7/1/22-6/30/23	171,192	-
				<b>Total</b>	<b>696,546</b>	-

**Total US Department of Agriculture 5,924,548 -**

**US Department of Defense:**

**Promoting K-12 Student Achievement at Military-Connected Schools**

Passed Through Junior Reserve Officers' Training Corp		12.556	N/A	2021-22	33,415	-
				<b>Total</b>	<b>33,415</b>	-

**Total US Department of Defense 33,415 -**

**Total Federal Financial Assistance \$ 31,247,860 \$ 896,387**

Total Federal Awards expended, above	\$ 31,247,860
Accruals/Deferrals	(1,310,657)
Total Federal Revenue Recognized	<u>\$ 29,937,203</u>



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December 28, 2023

To the Board of Directors  
Multnomah County School District No. 7 (dba Reynolds School District)  
Multnomah County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 7 (the District), as of and for the year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 28, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the basic financial statements, we considered the District's 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's 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 entity's 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**

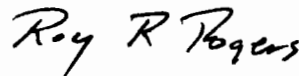
As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

## **Reynold's School District's Response to Findings**

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

## **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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



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December 28, 2023

To the Board of Directors  
Multnomah County School District No. 7 (dba Reynolds School District)  
Multnomah 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 Multnomah County School District No. 7's (the District's) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the 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 Auditor's 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 the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### ***Auditor's 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 the District's 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 the District's 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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

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

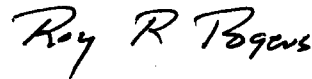
### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

*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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001, to be a significant deficiency.

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.



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

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
FAIRVIEW, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2023

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

Any GAGAS audit findings disclosed that are required to be reported reported in accordance with section 515(d)(2) of the Uniform Guidance?  yes  no

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(s) identified that are not considered to be material weaknesses?  yes  none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of the Uniform Guidance?  yes  no

**IDENTIFICATION OF MAJOR PROGRAMS**

<b><u>AL NUMBER</u></b>	<b><u>NAME OF FEDERAL PROGRAM CLUSTER</u></b>
84.425D, 84.425	ESSER
84.010	Title IA
84.027, 84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and B programs \$937,436

Auditee qualified as low-risk auditee?  yes  no

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
FAIRVIEW, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2023

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**SA-2023-001 – Significant Deficiency**

Federal Award Program – 84.425 Education Stabilization Fund (ESSER)

Criteria - ESSER requires that for minor remodeling, renovation or construction contracts that are over \$2,000 and use laborers and mechanics must meet Davis-Bacon prevailing wage requirements.

Condition: The District did not get certified payrolls for many contractors within the ESSER grant.

Questioned Costs: None.

Cause: The reason for this is that the ESSER requirements are new and many entities did not know the limit for certified payrolls was lowered to \$2,000.

Effect: The effect is it is possible that some contractors did not pay prevailing wage.

Recommendation: We recommend that the District put in place a system where invoices for contractors are not paid until they receive certified payrolls, or some sort of system that ensures compliance.

Management's Response: The District agrees with the finding and is putting a procedure in place to ensure certified payrolls are received on contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Invoices for contractors will not be paid until certified payrolls are received.



MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7  
FAIRVIEW, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2023

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**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES**

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 flows of the entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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