

Reynolds School District

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2024



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REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Prepared by:

Financial Services Staff

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BOARD OF DIRECTORS AS OF JUNE 30, 2024

BOARD OF DIRECTORS

TERM EXPIRES

Ana Gonzalez Muñoz, Chair	June 30, 2027
Aaron Muñoz, Vice Chair	June 30, 2025
Joyce Rosenau	June 30, 2025
Michael Reyes	June 30, 2025
Cayle Tern	June 30, 2025
Patty Carrera	June 30, 2027
Francisco Ibarra	June 30, 2027

Board Members receive mail at:
Superintendent
Attn: Board of Directors
Administrative Office
1204 N.E. 201st Avenue
Fairview, Oregon 97024

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MULTNOMAH COUNTY, OREGON
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MULTNOMAH COUNTY, OREGON

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REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

INTRODUCTORY SECTION



**Reynolds School District
Administration Offices**
1204 NE 201st Avenue
Fairview, OR 97024
(503) 661-7200 • fax (503) 667-6932

January 31, 2025

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, 2024. 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.

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, 2024. The independent auditors' 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, Chief Academic Officer, Chief Operating Officer, Executive Director of Human Resources, Executive Director of Financial Services, Director of Communications, and 84.0 principals, vice-principals, and district administrators. The District's budget has 1,381.94 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 35.2 years. The average age of school buildings across the District is 37.6 years.

The District spans from 141st 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 2024, is predicting the national economy will experience a post-pandemic “soft-landing” (i.e. economic normalization that avoids lapsing into a recession). As a result, the State of Oregon similarly faces improving economic prospects heading into the 2025-27 biennium. Recession risks have diminished appreciably as moderating price pressures have given policy makers that opportunity to begin lowering interest rates.

Oregon Forecast Summary

	Quarterly						Annual				
	2024:3	2024:4	2025:1	2025:2	2025:3	2025:4	2023	2024	2025	2026	2027
Personal Income (\$ billions)											
Nominal Personal Income	303.9	307.4	311.8	316.1	320.5	324.7	287.2	302.4	318.3	336.1	354.1
% change	3.8	4.6	5.8	5.7	5.6	5.4	5.7	5.3	5.3	5.6	5.4
Real Personal Income (base year=2017)	245.8	247.5	249.9	252.0	254.0	255.8	238.3	245.0	253.0	260.8	269.4
% change	2.5	2.9	3.9	3.4	3.2	2.9	1.8	2.8	3.2	3.1	3.3
Nominal Wages and Salaries	149.8	151.7	153.6	155.6	157.5	159.4	142.4	148.9	156.5	164.4	172.3
% change	3.9	5.4	4.9	5.2	5.0	5.0	4.8	4.6	5.1	5.0	4.8
Other Indicators											
Per Capita Income (\$1,000)	70.4	71.1	72.0	72.9	73.8	74.7	66.8	70.1	73.4	77.0	80.7
% change	3.3	4.1	5.1	5.1	5.1	4.8	5.0	4.9	4.7	5.0	4.8
Average Wage rate (\$1,000)	74.7	75.4	76.1	76.8	77.6	78.4	71.2	74.3	77.2	80.4	83.7
% change	3.8	3.5	3.7	4.1	4.1	4.1	2.7	4.3	3.9	4.1	4.2
Population (Millions)	4.3	4.3	4.3	4.3	4.3	4.3	4.30	4.31	4.34	4.36	4.39
% change	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.4	0.6	0.6	0.6
Housing Starts (Thousands)	14.6	15.1	15.4	15.6	16.0	16.8	18.1	14.4	16.0	18.3	19.5
% change	18.6	15.0	7.1	7.5	10.1	20.6	(9.3)	(20.5)	10.7	14.7	6.4
Unemployment Rate	4.2	4.2	4.2	4.2	4.3	4.3	3.7	4.2	4.2	4.3	4.4
Point Change	(0.0)	0.0	0.0	0.0	0.0	0.0	(0.2)	0.5	0.0	0.1	0.1

Source:

K-12 Revenue. Although Oregon had an improving economy, K–12 funding was far from stable. The 2023–25 Biennium budget from Governor Kate Brown is at \$10.2 billion with a 49/51 split between 2022–23 and 2023–24. 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 and PERS rates are expected to increase substantially in the next biennium. 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. Enrollment has stabilized, as is the trend across the state. The District’s prior year enrollment decline reflected student transfers to online schools, to other states, and to home schooling. Due to the important relationship between funding and enrollment, the District continues to monitor enrollment 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 or <https://www.reynolds.k12.or.us/facilities>

Acknowledgments

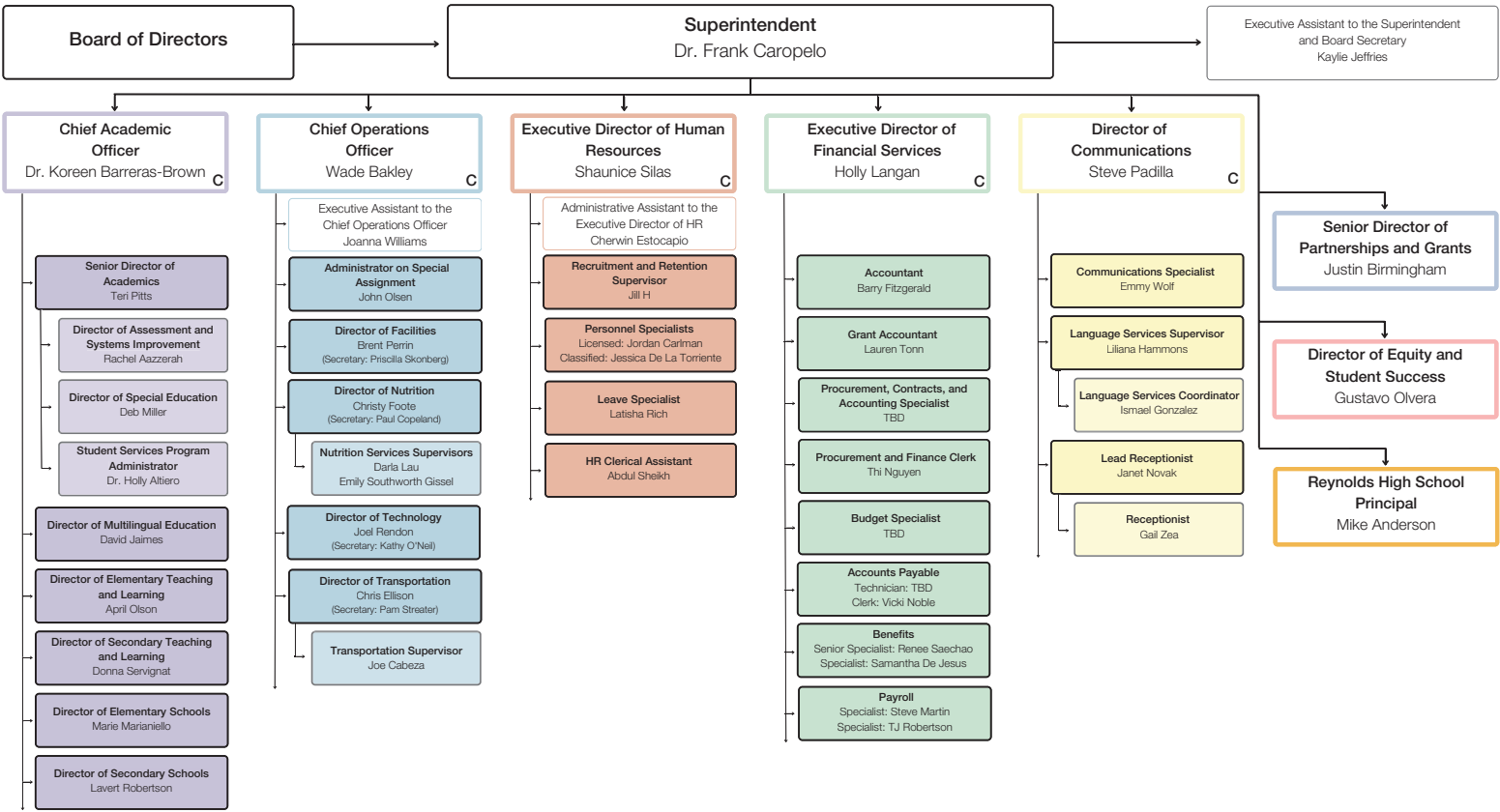
We wish to express our appreciation to the entire Reynolds Finance Department team and staff across departments who assisted in the preparation of this Annual Comprehensive Financial Report. We also wish to extend our appreciation to the members of the Board of Directors, administrators, employees of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

Reynolds School District Organizational Chart



REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

FINANCIAL SECTION

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

INDEPENDENT AUDITOR'S REPORT



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

January 31, 2025

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Reynolds School District No. 7 (the District), as of and for the year ended June 30, 2024, 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 and each major fund of the District as of June 30, 2024, and the respective changes in financial position thereof 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 controls. 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 the District's system of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's system of internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain 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 budgetary comparison information, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, except for budgetary statements included in the 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 and the list of board members before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated January 31, 2025 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 these 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 January 31, 2025, 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.

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

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

REYNOLDS 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, 2024

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, 2024.

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.

Financial Highlights

- The government-wide financial statements show the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$5.88 million (net position). Last year, the Total Net Position was (\$1.79) 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 increased during the 2023–24 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, 2024, the District's Total Net Position was \$5.88 million. This gap between Assets and Liabilities is an increase from the prior fiscal year when it was (\$1.79) million.
- At June 30, 2024, the District's governmental funds had a combined ending fund balances of \$37.8 million. This represents an increase of \$5.6 million from the prior year, a 17% increase in the District's financial position.
- At June 30, 2024, the General Fund had a fund balance of \$21 million, including a GASB 54 reporting requirement of \$370,090, 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 1 and 2 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 1 to 8 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 9 to 50 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 68 to 73 of this report.

Additionally, the Federal Government and the State of Oregon require Governmental entities to include additional auditor reports and schedules. The 2023–24 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 page 97, 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 97 to 105 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		
	2024	2023	Increase/Decrease
Assets			
Current and other Assets	\$ 55,217,231	\$ 58,582,974	\$ (3,365,743)
Net Capital Assets	216,512,682	219,155,948	(2,643,266)
Total Assets	271,729,913	277,738,922	(6,009,009)
Deferred Outflows of Resources			
Pension Related Deferrals	22,500,714	28,920,530	(6,419,816)
Total Assets and Pension Related Deferrals	294,230,627	306,659,452	(12,428,825)
Liabilities			
Current Liabilities	32,415,842	26,492,705 *	5,923,137
Accrued Vacation Payable	217,851	228,126	(10,275)
Long Term Debt and Lease Liabilities	222,159,716	240,338,395 *	(18,178,679)
Total Liabilities	254,793,409	267,059,226	(12,265,817)
Deferred Inflows of Resources			
Pension Related Deferrals	33,560,748	41,388,863	(7,828,115)
Total Liabilities and Pension Related Deferrals	288,354,157	308,448,089	(20,093,932)
Net Position			
Net Investment in Capital Assets	97,377,373	89,747,546	7,629,827
Restricted for OPEB-RHIA Assets	2,737,226	1,768,062	969,164
Restricted for Debt Service	5,614,646	4,116,829 *	1,497,817
Restricted for State and Local Programs	-	505,538	(505,538)
Restricted for Food Service	150,990	483,674	(332,684)
Unrestricted	(100,003,765)	(98,410,286) *	(1,593,479)
Total Net Position	\$ 5,876,470	\$ (1,788,637)	\$ 7,665,107

*2023 MD&A corrected to agree with the Statement of Activities

Net investment in capital assets. As shown in the table above, the District's current net investment in capital assets is \$97.4 million, an increase of \$7.6 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 increased by a total of \$1.7 million in 2023–24, primarily due to changes in Debt Service and OPEB-RHIA Assets.

Unrestricted net position has increased by \$1.6 million, from (\$98.4) million to (\$100) 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.

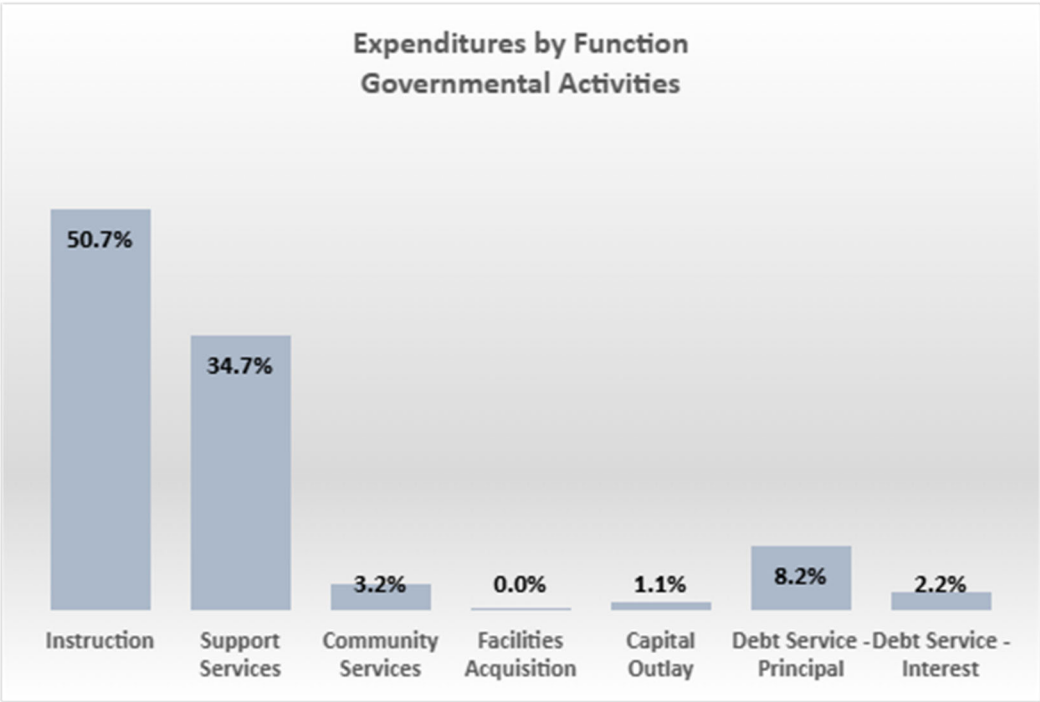
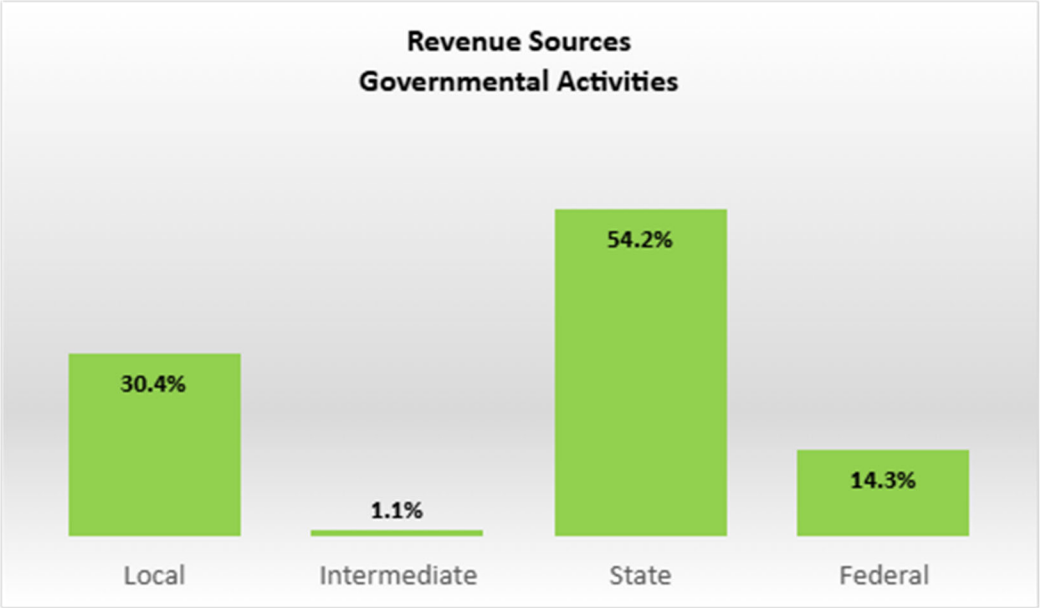
Statement of Activities			
	2024	2023	Increase/Decrease
Revenues			
Program Revenues			
Charges for Services	\$ 1,572,559	\$ 1,763,053	\$ (190,494)
Operating Grants and Contributions	37,261,494	56,984,350	(19,722,856)
General Revenues			
Property Taxes	44,333,997	43,244,689	1,089,308
State Support	104,944,772	97,556,829	7,387,943
Intermediate Sources	2,102,706	1,185,383	917,323
Earnings on Investments	2,345,113	1,447,315	897,798
Miscellaneous	7,381,234	4,998,410	2,382,824
Total Revenues	199,941,875	207,180,029	(7,238,154)
Expenses			
Instruction	105,520,780	111,565,668	(6,044,888)
Support Services	74,817,812	77,661,835	(2,844,023)
Enterprise and Community Services	6,696,482	7,051,839	(355,357)
Facilities Acquisition	-	267,248	(267,248)
Interest on Long-Term Debt	5,241,694	11,038,989	(5,797,295)
Total Expenses	192,276,768	207,585,579	(15,308,811)
Increase (decrease) in net position	7,665,107	(405,550)	8,070,657
NET POSITION - BEGINNING	(1,788,637)	(1,383,087)	(405,550)
Prior Period Adjustment	-	-	-
NET POSITION - ENDING	\$ 5,876,470	\$ (1,788,637)	\$ 7,665,107

Revenues

Total revenues decreased by \$7.2 million from the prior year, primarily due to a decrease 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, 2024, the District's governmental funds reported combined ending fund balances of \$37.8 million.

General Fund

The General Fund is the primary operating fund of the District. As of June 30, 2024, the fund balance was \$21.0 million. This balance includes \$370,090 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 \$24.5 million in 2022–23 fiscal year to \$37.3 million in 2023–24 fiscal year, while expenses increased from \$25.5 million to \$26.0 million. The fund began the year with a balance of (\$7.9) million and ended the year with a balance of \$380,000.

State and Local Programs Fund

Revenues in the State and Local Programs Fund decreased from \$21.3 million to \$17.7 million, expenses decreased from \$20.5 million to \$17.0 million. The fund began the year with a balance of \$3.5 million and ended the year with a balance of \$4.2 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 \$1.5 million in the 2022–23 fiscal year to \$2.2 million in the 2023–24 fiscal year, primarily due to an increase in revenue of \$884,000.

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. The total fund balance was \$1.29 million for the fiscal year 2023-24, an increase of \$6,380.

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 \$441,408 in 2022–23 fiscal year to \$578,421 in fiscal year 2023–24, 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 increased in total fund balance from \$2.4 million in 2022–23 fiscal year to \$3.7 million in fiscal year 2023–24, primarily due to less expenditures than the prior year.

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 \$4.2 million in 2022–23 fiscal year to \$4.5 million in 2023–24, 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, 2024 amounts to \$215.2 million net of accumulated depreciation. This investment in capital assets includes land, buildings, equipment, and vehicles.

Capital Assets (Net of Depreciation) includes the following:

	2024	2023	Increase/Decrease
Land	17,752,046	17,752,046	-
Buildings and Improvements	187,659,557	193,054,667	(5,395,110)
Vehicles and Equipment	9,761,044	6,705,046	3,055,998
	<u>215,172,647</u>	<u>217,511,759</u>	<u>(2,339,112)</u>

Additional information on the District's capital assets can be found in Note 7 Capital Assets on page 21 of this report.

Long-term debt. As of June 30, 2024, the District had a total outstanding long-term debt of \$152.5 million consisting of general obligation debt and pension obligation debt, net of unamortized premium/discount. The total long-term debt decreased by \$17.8 million.

Long-Term Debt

	2024	2023	Increase/Decrease
Bonds Payable	137,880,955	154,373,282	(16,492,327)
Notes Payable	14,617,830	15,943,480	(1,325,650)
	<u>152,498,785</u>	<u>170,316,762</u>	<u>(17,817,977)</u>

Additional information on the District's long-term debt can be found in Note 9 on pages 23 to 26 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 be relatively flat for 2024–25. Enrollment for the District as of October 1, 2023, was 9,613 students, a decline of 1,685 from a pre-

pandemic high of 11,298 from 2017-18. Students have not returned to in-person learning as expected due to the effects of the pandemic.

- The costs of salaries and related benefits are expected to increase in 2024–25. Cost of living increases range from four to seven 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 2024–25, the primary resources of budgeted revenue for all funds is \$243,111,860. General Fund resources are budgeted at \$162,883,907, Special Revenue Fund resources are \$47,484,598, Debt Services Fund resources are \$26,940,000 and Capital Project Funds are budgeted at \$5,803,355.
- 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 2024-2025 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 201st 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>

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities
ASSETS	
Cash and Investments	\$ 36,715,174
Receivables:	
Accounts and Grants	12,264,140
Lease	240,318
Property Taxes	1,306,384
Supply Inventories & Assets Held for Resale	247,892
Other Prepaid Expenses	634,037
Equity in CAL	1,072,060
Total OPEB Asset - RHIA	2,737,226
Capital Assets	
Right-To-Use Asset, Net of Amortization	520,199
SBITA Asset, net of amortization	819,836
Capital Assets, Non-Depreciable	17,752,046
Capital Assets, Depreciable, Net	197,420,601
Total Assets	<u>271,729,913</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Deferrals - PERS	20,955,261
OPEB Related Deferrals - Stipends	281,977
OPEB Related Deferrals - Health Care	1,205,769
OPEB Related Deferrals - RHIA	57,707
Total Deferred Outflows	<u>22,500,714</u>
TOTAL ASSETS AND PENSION RELATED DEFERRALS	<u>294,230,627</u>
LIABILITIES	
Accounts Payable	3,204,462
Accrued Salaries and Benefits	8,538,742
Accrued Vacation Payable	217,851
Bond & Note Interest Payable	149,484
Net Pension OPEB Liability - Health Care, due in one year	677,395
Noncurrent liabilities:	
Lease Liabilities Due within one year	53,430
Lease Liabilities Due in more than one year	478,501
SBITA Liabilities Due within one year	330,580
SBITA Liabilities Due in more than one year	440,261
Long-Term Obligations Due within one year	19,461,749
Long-Term Obligations Due in more than one year	133,037,036
Proportionate share of Net PERS Pension Liability, due in more than one year	77,140,995
Net Pension OPEB Liability - Stipends, due in more than one year	1,735,416
Net Pension OPEB Liability - Health Care, due in more than one year	9,327,507
Total Liabilities	<u>254,793,409</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Related Deferrals - PERS	24,504,034
OPEB Related Deferrals - Stipends	650,357
OPEB Related Deferrals - Health Care	7,636,817
OPEB Related Deferrals - RHIA	535,565
Deferred Inflow - Lease	233,975
Total Deferred Inflows	<u>33,560,748</u>
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	<u>288,354,157</u>
NET POSITION	
Net Investment in Capital Assets	97,377,373
Restricted for OPEB-RHIA Asset	2,737,226
Restricted for Debt Service	5,614,646
Restricted for Food Service	150,990
Unrestricted	(100,003,765)
Total Net Position	<u>\$ 5,876,470</u>

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

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the year ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Instruction	\$ 106,824,895	\$ 529,997	\$ 17,980,108	\$ (88,314,790)
Support Services	73,451,327	357,123	12,850,678	(60,243,526)
Community Services	6,765,065	685,439	6,430,708	351,082
Facilities Acquisition	-	-	-	-
Unallocated Depreciation	-	-	-	-
Interest on Long-Term Debt	5,235,481	-	-	(5,235,481)
Total Governmental Activities	<u>\$ 192,276,768</u>	<u>\$ 1,572,559</u>	<u>\$ 37,261,494</u>	<u>(153,442,715)</u>

General Revenues:

Property Taxes Levied for General Purposes	32,430,006
Property Taxes Levied for Debt Service	11,903,991
State Support	104,944,772
Intermediate Sources	2,102,706
Earnings on investments	2,345,113
Miscellaneous local revenues	7,381,234

Total General Revenues	<u>161,107,822</u>
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Change in Net Position	7,665,107
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Net Position - Beginning	(1,788,637)
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Net Position - Ending	<u>\$ 5,876,470</u>
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The notes to the basic financial statements are an integral part of this statement

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2024

	GENERAL FUND	FEDERAL PROGRAMS FUND	DEBT SERVICE FUND	PERS BOND FUND	2015 GO BOND DEBT SERVICE FUND
ASSETS:					
Cash & Equity in Pooled Cash	\$ 30,028,748	\$ -	\$ 7,617	\$ 283,291	\$ 4,699,066
Receivables:					
Accounts and Grants	1,218,687	8,102,792	-	34,701	38,209
Property Taxes	958,407	-	-	-	347,977
Lease	240,318	-	-	-	-
Interfund Receivable	370,090	-	1,279,680	260,429	-
Prepaid	634,037	-	-	-	-
Inventory & Property Held for Resale	-	-	-	-	-
Total Assets	\$ 33,450,287	\$ 8,102,792	\$ 1,287,297	\$ 578,421	\$ 5,085,252
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 2,091,951	\$ 488,055	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	8,538,742	-	-	-	-
Retainage Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Interfund Payable	835,319	7,234,316	-	-	1,060,085
Total Liabilities	11,466,012	7,722,371	-	-	1,060,085
Deferred Inflows of Resources:					
Grants	-	-	-	-	-
Lease	233,975	-	-	-	-
Property Taxes	761,879	-	-	-	276,239
Total Deferred Inflows of Resources	995,854	-	-	-	276,239
Fund Balances (Deficit):					
Nonspendable	634,037	-	-	-	-
Restricted:					
Debt Service	-	-	1,287,297	578,421	3,748,928
State & Local Programs	-	-	-	-	-
Federal Programs	-	-	-	-	-
Food Service	-	-	-	-	-
Committed:					
Early Retirement	370,090	-	-	-	-
Self Insurance	-	-	-	-	-
State & Local Programs	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	19,984,294	380,421	-	-	-
Total Fund Balances (Deficit)	20,988,421	380,421	1,287,297	578,421	3,748,928
Total Liabilities and Fund Balances	\$ 33,450,287	\$ 8,102,792	\$ 1,287,297	\$ 578,421	\$ 5,085,252

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

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2024

	CAPITAL PROJECTS FUND	STATE & LOCAL PROGRAMS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:				
Cash & Equity in Pooled Cash	\$ 1,105,182	\$ 499,851	\$ 91,419	\$ 36,715,174
Receivables:				
Accounts and Grants	-	1,860,711	1,009,040	12,264,140
Property Taxes	-	-	-	1,306,384
Lease	-	-	-	240,318
Interfund Receivable	3,355,567	2,947,846	1,784,005	9,997,617
Prepaid	-	-	-	634,037
Inventory & Property Held for Resale	-	-	247,892	247,892
Total Assets	\$ 4,460,749	\$ 5,308,408	\$ 3,132,356	\$ 61,405,562
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 3,752	\$ 539,132	\$ 81,572	\$ 3,204,462
Accrued Salaries and Benefits	-	-	-	8,538,742
Unearned Revenues	-	579,411	-	579,411
Interfund Payable	-	-	867,897	9,997,617
Total Liabilities	3,752	1,118,543	949,469	22,320,232
Deferred Inflows of Resources:				
Grants	-	-	-	-
Lease	-	-	-	233,975
Property Taxes	-	-	-	1,038,118
Total Deferred Inflows of Resources	-	-	-	1,272,093
Fund Balances (Deficit):				
Nonspendable	-	-	247,892	881,929
Restricted:				
Debt Service	-	-	-	5,614,646
Food Service	-	-	150,990	150,990
Committed:				
Early Retirement	-	-	-	370,090
Self Insurance	-	-	1,784,005	1,784,005
State & Local Programs	-	4,189,865	-	4,189,865
Assigned	4,456,997	-	-	4,456,997
Unassigned	-	-	-	20,364,715
Total Fund Balances (Deficit)	4,456,997	4,189,865	2,182,887	- 37,813,237
Total Liabilities and Fund Balances	\$ 4,460,749	\$ 5,308,408	\$ 3,132,356	\$ 61,405,562

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

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2024

TOTAL FUND BALANCES-GOVERNMENTAL FUNDS		\$	37,813,237
Capital assets are not financial resources and therefore are not reported in the governmental funds.			
Right-to-Use Assets	\$	2,104,847	
Accumulated Amortization		(764,812)	
Cost		322,995,181	
Accumulated Depreciation		<u>(107,822,534)</u>	216,512,682
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			579,411
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			1,038,118
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			(77,140,995)
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.			2,737,226
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			(1,735,416)
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			(10,004,902)
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			
Net PERS Pension and OPEB Related			
Deferrals			
Deferred Outflows - PERS		20,955,261	
Deferred Inflows - PERS		(24,504,034)	
Deferred Outflows - OPEB Stipends		281,977	
Deferred Inflows - OPEB Stipends		(650,357)	
Deferred Outflows - OEPB Health Care		1,205,769	
Deferred Inflows - OPEB Health Care		(7,636,817)	
Deferred Outflows - OPEB RHIA		57,707	
Deferred Inflows - OPEB RHIA		<u>(535,565)</u>	(10,826,059)
Equity interest in the Center for Advanced Learning (CAL) is not reported in the governmental funds:			1,072,060
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		(217,851)	
Lease liabilities (right-to-use assets)		(531,931)	
SBITA Liabilities (right-to-use-assets)		(770,841)	
Bond & Note Interest Payable		(149,484)	
Debt Obligations		<u>(152,498,785)</u>	<u>(154,168,892)</u>
TOTAL NET POSITION		\$	<u>5,876,470</u>

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

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2024

	GENERAL FUND	FEDERAL PROGRAMS FUND	DEBT SERVICE FUND	PERS BOND FUND	2015 GO BOND DEBT SERVICE FUND
REVENUES:					
Local Sources	\$ 35,483,131	\$ 7,853,968	\$ 6,380	\$ 10,412,503	\$ 12,131,718
Intermediate Sources	2,036,593	-	-	-	-
State Sources	105,211,315	-	-	-	-
Federal Sources	288,395	26,416,571	-	-	-
Total Revenues	<u>143,019,434</u>	<u>34,270,539</u>	<u>6,380</u>	<u>10,412,503</u>	<u>12,131,718</u>
EXPENDITURES:					
Current:					
Instruction	88,574,030	15,360,530	-	-	-
Support Services	57,437,514	8,945,026	-	-	-
Community Services	100,362	420,346	-	-	-
Facilities Acquisition	-	-	-	-	-
Capital Outlay	1,161,753	1,260,331	-	-	-
Debt Service - Principal	200,000	-	-	9,070,245	7,716,075
Debt Service - Interest	-	-	-	1,205,245	3,061,219
Total Expenditures	<u>147,473,659</u>	<u>25,986,233</u>	<u>-</u>	<u>10,275,490</u>	<u>10,777,294</u>
Revenues over (under) expenditures	<u>(4,454,225)</u>	<u>8,284,306</u>	<u>6,380</u>	<u>137,013</u>	<u>1,354,424</u>
Other Financing Sources, (Uses):					
Transfers In	-	-	-	-	-
Transfers Out, Net	<u>(1,397,455)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (Uses)	<u>(1,397,455)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(5,851,680)	8,284,306	6,380	137,013	1,354,424
Fund balance, beginning	<u>26,840,101</u>	<u>(7,903,885)</u>	<u>1,280,917</u>	<u>441,408</u>	<u>2,394,504</u>
Fund balance, ending	<u>\$ 20,988,421</u>	<u>\$ 380,421</u>	<u>\$ 1,287,297</u>	<u>\$ 578,421</u>	<u>\$ 3,748,928</u>

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

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2024

	CAPITAL PROJECTS FUND	STATE & LOCAL PROGRAMS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Local Sources	\$ 377,465	\$ 1,060,242	\$ 1,108,880	\$ 68,434,287
Intermediate Sources	-	427,187	-	2,463,780
State Sources	-	16,206,495	481,634	121,899,444
Federal Sources	-	-	5,575,190	32,280,156
Total Revenues	377,465	17,693,924	7,165,704	225,077,667
EXPENDITURES:				
Current:				
Instruction	-	7,275,298	-	111,209,858
Support Services	-	9,666,790	48,087	76,097,417
Community Services	-	65,582	6,464,075	7,050,365
Facilities Acquisition	8,918	3,584	-	12,502
Capital Outlay	-	11,200	-	2,433,284
Debt Service - Principal	925,000	-	-	17,911,320
Debt Service - Interest	501,250	-	-	4,767,714
Total Expenditures	1,435,168	17,022,454	6,512,162	219,482,460
Revenues over (under) expenditures	(1,057,703)	671,470	653,542	5,595,207
Other Financing Sources, (Uses):				
Transfers In	1,351,250	-	46,205	1,397,455
Transfers Out	-	-	-	(1,397,455)
Total other financing sources (Uses)	1,351,250	-	46,205	-
Net Change in Fund Balance	293,547	671,470	699,747	5,595,207
Fund balance, beginning	4,163,450	3,518,395	1,483,140	32,218,030
Fund balance, ending	\$ 4,456,997	\$ 4,189,865	\$ 2,182,887	\$ 37,813,237

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

REYNOLDS 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, 2024

TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS	\$	5,595,207
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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 depreciation exceeded capital outlay in the current period:

Less current year amortization	\$ (477,252)	
Expenditures for capital assets	4,592,316	
Less current year depreciation	<u>(6,931,428)</u>	(2,816,364)

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.

Principal Payments on SBITA Liabilities	423,987	
Principal Payments on Lease Liabilities	72,361	
Principal Payments on Bond Payables	15,781,075	
Principal Payments on Note Payables	<u>1,210,714</u>	17,488,137

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	<u>114,936</u>	826,188

Net Pension Income/(Expense) - Stipends	(51,571)
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Net OPEB Income/(Expense) - Health Care	(298,170)
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Net OPEB Income/(Expense) - RHIA	327,845
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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.	19,728
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the	
Grant receivables uncollected or collected but not considered available	(13,831,206)

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.

Change in General Fund	89,085	
Change in Debt Service Fund	<u>27,141</u>	116,226

Changes in equity in the Center for Advanced Learning (CAL) is not reported in the governmental funds:	(9,896)
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The PERS Pension Income (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	288,708
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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	10,275
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>7,665,107</u>
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The notes to the basic financial statements are an integral part of this statement

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

Reynolds 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.

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

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.

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.

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

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.

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

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, 2024, 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, 2024, there were deferred inflows representing GASB 87 Lessor, 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.

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

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, 2024, management considers all accounts, including those from the public, fully collectible.

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

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.

LEASE RECEIVABLE

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

SUBSCRIPTION ASSETS

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the Subscription-Based Information Technology Arrangement (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.

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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:

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.

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

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, 2024.

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

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, 2024 was \$1,072,060.

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.

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

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, 2024 was \$7,758,738, 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, 2024, 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.

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, 2024, the fair value of the position in the **LGIP is 100.39%** 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.

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

NOTE 5. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

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. At June 30, 2024, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in these instruments. Oregon revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2024, investments appeared to be in compliance with all percentage restrictions.

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.

Concentration of Credit Risk

Cash and Investments at June 30, 2024 (recorded at fair value) consisted of:

Cash and Investments	<u>2024</u>
Deposits with financial institutions	\$ 6,920,791
Oregon Local Government Investment Pool	29,794,383
Total Cash and Investments	<u>\$ 36,715,174</u>

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)	\$ 29,794,383	\$ 29,794,383	\$ -	\$ -
Total	<u>\$ 29,794,383</u>	<u>\$ 29,794,383</u>	<u>\$ -</u>	<u>\$ -</u>

REYNOLDS 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, 2024 are as follows:

	Arts Tax Revenues	Arts Tax Expenditures	Music FTE Funded	Art FTE Funded	Total FTE
Alder Elementary	\$ 84,590	\$ 84,590	0.67	0.25	0.92
Glenfair Elementary	109,058	109,058	0.67	0.25	0.92
Margaret Scott Elementary	103,214	103,214	0.67	0.25	0.92
Wilkes Elementary	53,484	53,484	0.67	0.25	0.92
	<u>\$ 350,346</u>	<u>\$ 350,346</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, 2024 occurred as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 17,752,046	\$ -	\$ -	\$ 17,752,046
Total Capital Assets Not being Depreciated:	<u>17,752,046</u>	<u>-</u>	<u>-</u>	<u>17,752,046</u>
Capital Assets Being Depreciated:				
Buildings and Improvement	280,918,444	78,607	-	280,997,051
Vehicles and Equipment	19,732,375	4,513,709	-	24,246,084
Total Capital Assets Being Depreciated:	<u>300,650,819</u>	<u>4,592,316</u>	<u>-</u>	<u>305,243,135</u>
Accumulated Depreciation				
Buildings and Improvement	87,863,777	5,473,717	-	93,337,494
Vehicles and Equipment	13,027,329	1,457,711	-	14,485,040
Total Accumulated Depreciation	<u>100,891,106</u>	<u>6,931,428</u>	<u>-</u>	<u>107,822,534</u>
Total Capital Assets Being Depreciated, Net	<u>199,759,713</u>	<u>(2,339,112)</u>	<u>-</u>	<u>197,420,601</u>
Governmental Activities	<u>\$ 217,511,759</u>			<u>\$ 215,172,647</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 1.

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

Instruction	\$ 3,940,465
Support Services	2,738,660
Community Services	<u>252,303</u>
	<u>\$ 6,931,428</u>

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

NOTE 8. INTERFUND TRANSFERS AND INTERFUND RECEIVABLE/PAYABLES

Transfers were made to fund operations. The internal balances are recorded to show legal and operational commitments between funds.

	<u>Transfers Out, Net</u>	<u>Transfers In</u>
General Fund	\$ 1,397,455	\$ -
Other Governmental Funds	-	46,205
Capital Projects Fund	-	1,351,250
	<u>\$ 1,397,455</u>	<u>\$ 1,397,455</u>

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 370,090	\$ 835,319
Federal Program Funds	-	7,234,316
Debt Service Fund	1,279,680	-
2015 GO Bond Debt Fund	-	1,060,085
PERS Bond Fund	260,429	-
Capital Projects Fund	3,355,567	-
State and Local Programs Fund	2,947,846	-
Other Governmental Funds	1,784,005	867,897
	<u>\$ 9,997,617</u>	<u>\$ 9,997,617</u>

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

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.

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. As of June 30, 2024 the bond has been fully repaid.

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

Changes in bonds outstanding are as follows:

<u>Issue Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding June 30, 2023</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2024</u>
<u>Bonds Payable</u>						
April 21, 2003	1.5-6.27	\$ 80,978,772	\$ 42,535,000	\$ -	\$ 7,865,000	\$ 34,670,000
August 20, 2015	2.0-5.0	122,945,047	99,070,224	-	7,615,000	91,455,224
June 11, 2020	2.07	2,054,952	716,952	-	96,235	620,717
June 10, 2022	3.11	3,956,953	4,840	-	4,840	-
<u>Direct Borrowings</u>						
August 4, 2016	N/A	4,000,000	2,800,000	-	200,000	2,600,000
Subtotal			145,127,016	-	15,781,075	129,345,941
Premium			9,246,266	-	711,252	8,535,014
Total			<u>\$ 154,373,282</u>	<u>\$ -</u>	<u>\$ 16,492,327</u>	<u>\$ 137,880,955</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2025	\$ 17,313,227	\$ 4,685,105	\$ 21,998,332
2026	18,965,261	3,823,016	22,788,277
2027	20,787,336	2,820,982	23,608,318
2028	15,809,454	1,720,460	17,529,914
2029	11,461,616	907,960	12,369,576
2030-2034	36,378,268	29,703,557	66,081,825
2035-2038	8,630,779	11,139,220	19,769,999
	<u>\$ 129,345,941</u>	<u>\$ 54,800,300</u>	<u>\$ 184,146,241</u>

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

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.

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

Name	Interest Rates	Original Issue	Outstanding June 30, 2023	Issued	Matured and Redeemed	Outstanding June 30, 2024
Full Faith and Credit Obligation	3-4%	\$15,775,000	\$ 13,150,000	\$ -	\$ 925,000	\$ 12,225,000
Financing Agreement	2.5%	2,000,000	571,428	-	285,714	285,714
Sub-Total			13,721,428	-	1,210,714	12,510,714
Premium			2,222,052	-	114,936	2,107,116
Total			\$ 15,943,480	\$ -	\$ 1,325,650	\$ 14,617,830

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

Fiscal Year Ending June 30,	Principal	Interest	Total Requirements
2025	\$ 1,245,714	\$ 467,821	\$ 1,713,535
2026	1,000,000	425,850	1,425,850
2027	1,040,000	385,850	1,425,850
2028	1,080,000	344,250	1,424,250
2029	1,125,000	301,050	1,426,050
2030-2034	5,765,000	826,650	6,591,650
2035-2038	1,255,000	37,650	1,292,650
	<u>\$12,510,714</u>	<u>\$ 2,789,121</u>	<u>\$ 15,299,835</u>

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

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

Total long-term liability activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable	\$ 145,127,016	\$ -	\$ 15,781,075	\$ 129,345,941	\$ 17,313,227
Premium	9,246,266	-	711,252	8,535,014	711,252
Total	154,373,282	-	16,492,327	137,880,955	18,024,479
Notes Payable	13,721,428	-	1,210,714	12,510,714	1,245,714
Premium	2,222,052	-	114,936	2,107,116	191,556
Total	15,943,480	-	1,325,650	14,617,830	1,437,270
Total long-term debt	<u>\$ 170,316,762</u>	<u>\$ -</u>	<u>\$ 17,817,977</u>	<u>\$ 152,498,785</u>	<u>\$ 19,461,749</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.

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

NOTE 10. LEASE RECEIVABLES AND DEFERRED INFLOWS

For the year ended 6/30/2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 06/30/2024 the District had 2 active leases. The leases have receipts that range from \$15,500 to \$60,000 and interest rates that range from 2.6560% to 2.7190%. As of 06/30/2024, the total combined value of the lease receivable is \$240,318, the total combined value of the short-term lease receivable is \$71,477, and the combined value of the deferred inflow of resources is \$233,975.

	Balance Beginning of Year	Additions	Less Rent Received	Balance End Of Year	Current Lease Receivable Asset	Long-Term Receivable Asset
Lease Receivable						
Land						
McMenamins	\$ -	\$ 81,375	\$ (13,723)	\$ 67,652	\$ 15,477	\$ 52,175
Building						
HOLLA	-	227,577	(54,911)	\$ 172,666	56,000	116,666
Total	<u>\$ -</u>	<u>\$ 308,952</u>	<u>\$ (68,634)</u>	<u>\$ 240,318</u>	<u>\$ 71,477</u>	<u>\$ 168,841</u>

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

	Balance Beginning of Year	Additions	Less Deferred Revenue Recognized	Balance End Of Year	Current Deferred Lease Revenue	Long-Term Deferred Lease Revenue
Deferred Lease Revenue						
Land						
McMenamins	\$ -	\$ 81,375	\$ (18,083)	\$ 63,292	\$ 18,083	\$ 45,209
Building						
HOLLA	-	227,577	(56,894)	\$ 170,683	56,894	113,789
Total	<u>\$ -</u>	<u>\$ 308,952</u>	<u>\$ (74,977)</u>	<u>\$ 233,975</u>	<u>\$ 74,977</u>	<u>\$ 158,998</u>

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

NOTE 11. LEASE LIABILITIES (RIGHT-TO-USE ASSETS)

As of 06/30/2024 the District had 2 active leases. The leases have payments that range from \$19,833 to \$61,195 and interest rates that range from 0.8500% to 1.5300%. As of 06/30/2024, the total combined value of the lease liability is \$531,931, the total combined value of the short-term lease liability is \$53,430. The combined value of the right to use asset, as of 06/30/2024 of \$687,406 with accumulated amortization of \$167,207 is included within the note disclosure charts below.

	Changes in Lease Liability				
	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Equipment	\$ 604,292	\$ -	\$ 72,361	\$ 531,931	\$ 53,430

<u>Principal and Interest Requirements to Maturity</u>			
	<u>Governmental Activities</u>		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
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
2029	56,800	4,395	61,195
Thereafter	<u>256,421</u>	<u>8,758</u>	<u>265,179</u>
Subtotal	<u>\$ 531,931</u>	<u>\$ 39,223</u>	<u>\$ 571,154</u>

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

NOTE 12. LEASE RIGHT-TO-USE ASSETS

The right-to-use assets relate to the lease liabilities in Note 11.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	At June 30, 2024		
	Lease Asset Value	Accumulated Amortization	Net Value
Equipment	\$ 687,406	\$ 167,207	\$ 520,199

GOVERNMENTAL ACTIVITIES LEASED ASSETS

Description	Balance at July 1, 2023	Additions	Disposals	Balance at June 30, 2024
Equipment	\$ 746,133	\$ -	\$ (58,727)	\$ 687,406
Total Leased Assets	746,133	-	(58,727)	687,406
Accumulated Amortization				
Equipment	150,622	75,312	(58,727)	167,207
Total Accumulated Amortization	150,622	75,312	(58,727)	167,207
Total Lease Assets, net	\$ 595,511			\$ 520,199

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

NOTE 13. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) LIABILITY

For the year ended 6/30/2024, 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.

As of 06/30/2024 the District had 16 active subscriptions. The subscriptions have payments that range from \$6,825 to \$58,786 and interest rates that range from 0.0000% to 2.9270%. As of 06/30/2024, the total combined value of the subscription liability is \$770,841, and the total combined value of the short-term subscription liability is \$330,580. The combined value of the right to use asset, as of 06/30/2024 of \$1,417,441 with accumulated amortization of \$597,605 is included within the Subscription Class activities table found below.

Changes in Software Liability

	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Due Within a Year
Software	\$ 1,022,348	\$ 172,480	\$ 423,987	\$ 770,841	\$ 330,580
Total	<u>\$ 1,022,348</u>	<u>\$ 172,480</u>	<u>\$ 423,987</u>	<u>\$ 770,841</u>	<u>\$ 330,580</u>

Principal and Interest Requirements to Maturity

Fiscal Year Ending June 30.	Governmental Activities		
	Software		Total
	Principal Payments	Interest Payments	Payments
2025	\$ 330,580	\$ 12,434	\$ 343,014
2026	189,409	8,320	197,729
2027	74,580	6,105	80,685
2028	33,250	5,160	38,410
2029	34,224	4,186	38,410
Thereafter	108,798	6,430	115,228
Total	<u>\$ 770,841</u>	<u>\$ 42,635</u>	<u>\$ 813,476</u>

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

NOTE 14. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSET

Subscription assets are for the SBITAs in Note 13.

Amount of Subscription Assets by Major Classes of Underlying Asset (Right-to-Use Asset)

Asset Class	At June 30, 2024		
	Subscription Asset Value	Accumulated Amortization	Net Value
Software	\$ 1,417,441	\$ 597,605	\$ 819,836
Total	<u>\$ 1,417,441</u>	<u>\$ 597,605</u>	<u>\$ 819,836</u>

Changes in Subscription Right-to-Use Asset

	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Software	<u>\$ 1,450,012</u>	<u>\$ 173,098</u>	<u>\$ (205,669)</u>	<u>\$ 1,417,441</u>
Accumulated Amortization				
Software	401,334	401,940	(205,669)	597,605
Total Software Assets, Net	<u>\$ 1,048,678</u>	<u>\$ (228,842)</u>	<u>\$ -</u>	<u>\$ 819,836</u>

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

NOTE 15. 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/2023-ACFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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

NOTE 15. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
 - i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
 - 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, 2021 actuarial valuation, which became effective July 1, 2023. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2024 were \$5,718,524, excluding amounts to fund employer specific liabilities. In addition, approximately \$14,454 in employee contributions were paid or picked up by the District in 2023-2024.

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

NOTE 15. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2024, the District reported a net pension liability of \$77,140,995 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2021. 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, 2023 and 2022, the District's proportion was 0.41 percent and 0.46 percent, respectively. Pension income for the year ended June 30, 2024 was \$288,708.

The rates in effect for the year ended June 30, 2024 were:

- (1) Tier 1/Tier 2 – 8.43%
- (2) OPSRP general services – 5.59%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 3,772,430	\$ 305,871
Changes in assumptions	6,852,750	51,094
Net difference between projected and actual earnings on pension plan investments	1,386,540	-
Net changes in proportionate share	2,967,081	11,486,346
Differences between District contributions and proportionate share of contributions	257,936	12,660,723
Subtotal - Amortized Deferrals (below)	15,236,737	24,504,034
District contributions subsequent to measuring date	5,718,524	-
Deferred outflow (inflow) of resources	\$ 20,955,261	\$ 24,504,034

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, 2025.

Subtotal amounts related to pension as deferred outflows of resources \$15,236,737, and deferred inflows of resources, (\$24,504,034), net to (\$9,267,297) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2025	\$ (4,999,996)
2026	(7,701,549)
2027	3,865,433
2028	161,725
2029	(592,910)
Thereafter	-
Total	\$ (9,267,297)

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, 2024. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf>

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

NOTE 15. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2023 through June 30, 2025, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

Valuation date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Fair value
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<p><u>Healthy retirees and beneficiaries:</u> 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.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> 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.</p>

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.

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

NOTE 15. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	9.0%	16.5%	12.5%
Private Equity	17.5%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2023 PERS ACFR; p. 125)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund of Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2023 PERS ACFR; p. 92)

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

NOTE 15. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2023 and 2022 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	\$ 127,422,399	\$ 77,140,995	\$ 35,060,788

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, 2023, 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.

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

NOTE 15. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Benefits:

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

Death Benefits:

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

Contributions:

Employees of the District pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2024.

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>

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

NOTE 16. 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, 2024. 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.

At June 30, 2024, the District reported a net OPEB asset of \$2,737,226 for its proportionate share of the net OPEB asset. The OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB asset is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2023 and 2022, the District's proportion was 0.75 percent and 0.50 percent, respectively. OPEB income for the year ended June 30, 2024 was \$327,845.

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

NOTE 16. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (CONTINUED)

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (316,806)
Net Amortization of employer-specific deferred amounts from:	
Changes in proportionate share (per paragraph 64 of GASB 75)	(7,069)
Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (323,875)</u>

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 68,719
Changes in assumptions	-	29,514
Net difference between projected and actual earnings on pension plan investments	7,763	-
Net changes in proportionate share	47,231	437,332
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	<u>54,994</u>	<u>535,565</u>
District contributions subsequent to measuring date	<u>2,713</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 57,707</u>	<u>\$ 535,565</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB asset in the fiscal year ended June 30, 2025.

Subtotal amounts related to OPEB as deferred outflows of resources, \$54,994, and deferred inflows of resources, (\$535,565), net to (\$480,571) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2025	\$ (414,152)
2026	(203,856)
2027	101,158
2028	36,279
2029	-
Thereafter	-
Total	<u>\$ (480,571)</u>

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, 2023. That independently audited report was dated February 2, 2024 and can be found at:

<https://www.oregon.gov/pers/emp/Documents/GASB/2023/Oregon%20Public%20Employees%20Retirement%20System%20-%20GASB%2075%20RHIA%20-%20YE%206.30.2023%20-%20SECURED.pdf>

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

NOTE 16. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (CONTINUED)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
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	<p><u>Healthy retirees and beneficiaries:</u> 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.</p> <p><u>Active members:</u> Pub-2010 employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> 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.</p>

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, 2023 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

NOTE 16. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) (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 January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2023 PERS ACFR; p. 92)

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

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
District's proportionate share of the net OPEB liability (asset)	\$ (2,488,144)	\$ (2,737,226)	\$ (2,950,937)

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.

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

NOTE 17. 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 53.

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

NOTE 17. 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, 2023 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 3.65% 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, 2023, the following employees were covered by the benefit terms:

Active	1,266
Retired Members	50
Spouses of Ineligible Retirees	4
Total	<u>1,320</u>

Total OPEB Liability

The District's total OPEB liability of \$10,004,902 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions and Other Inputs

The District's total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

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

NOTE 17. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Actuarial assumptions:

Valuation Date	July 1, 2023
Actuarial Cost Method	Entry Age Normal
Investment Return Assumption (Interest Discount)	The 3.65% 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	3.50% in 2023, 5.75% in 2024-2025, 5.50% in 2026, 5.25% in 2027, 5.00% in 2028, 4.75% in 2029-2030, 4.50% in 2031, 4.25% in 2032-2065, 4.00% in 2066-2071 and 3.75% from 2072 and thereafter.
Dental premiums annual trend rate	1.75% for 2023, 3.50% for 2024, 4.00% per year until 2073, then 3.75% thereafter.
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 increased from 2.16% to 3.65%.

The following table shows the changes in total OPEB pension liability for the year ending June 30, 2024:

Total OPEB Liability at June 30, 2023	\$ 13,839,050
Changes for the year:	
Service Cost	1,768,571
Interest	532,215
Changes of Benefit Terms	-
Changes from economic/demographic gains or losses	(3,377,739)
Changes of assumptions or other inputs	(1,600,546)
Benefit Payments	(1,156,649)
Net Changes	<u>(3,834,148)</u>
Total OPEB Liability at June 30, 2024	<u>\$ 10,004,902</u>

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

NOTE 17. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Total OPEB Liability	\$ 10,640,389	\$ 10,004,902	\$ 9,390,772

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.

	1% Decrease	Current Healthcare Trend Rates	1% Increase
Total OPEB Liability	\$ 8,850,624	\$ 10,004,902	\$ 11,346,886

OPEB Expense and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2024, the District recognized OPEB expense of \$298,170 in the government wide Statement of Activities. At June 30, 2024, the District reported deferred inflows of resources relating to the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ (5,131,169)	\$ -
Changes in assumptions	(2,505,648)	528,374
Subtotal - Amortized Deferrals (below)	(7,636,817)	528,374
Contributions made subsequent to measurement date	-	677,395
Deferred outflow (inflow) of resources	<u>\$ (7,636,817)</u>	<u>\$ 1,205,769</u>

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

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

NOTE 17. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Subtotal amounts related to OPEB health care as deferred outflows of resources, \$528,374, and deferred inflows of resources, (\$7,636,817), net to (\$7,108,443) and will be recognized in OPEB health care expense as follows:

Year ending June 30,	Amount
2025	\$ (1,292,414)
2026	(1,229,711)
2027	(1,191,634)
2028	(1,042,157)
2029	(1,073,557)
Thereafter	(1,278,970)
Total	<u><u>\$ (7,108,443)</u></u>

EARLY RETIREMENT PLAN - STIPENDS

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

At July 1, 2023, the following employees were covered by the benefit terms:

Active	672
Retired Members	10
Spouses of Ineligible Retirees	-
Total	<u><u>682</u></u>

The following table shows the changes in total OPEB pension liability for the year ending June 30, 2024:

Total OPEB Pension Liability at June 30, 2023	\$ 2,305,271
Changes for the year:	
Service Cost	166,886
Interest	82,398
Changes of Benefit Terms	-
Changes from economic/demographic gains or losses	(477,756)
Changes of assumptions or other inputs	(49,762)
Benefit Payments	<u>(291,621)</u>
Net Changes	<u>(569,855)</u>
Total OPEB Pension Liability at June 30, 2024	<u><u>\$ 1,735,416</u></u>

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.

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

NOTE 17. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

EARLY RETIREMENT PLAN – STIPENDS - CONTINUED

Valuation Date	July 1, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Investment return assumption (interest)	3.65% per year
Demographic Assumptions	Based on Oregon PERS valuation assumptions as of December 31, 2022
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	1% Increase
	2.65%	Discount Rate 3.65%	4.65%
Total Pension Liability	\$ 1,813,549	\$ 1,735,416	\$ 1,656,156

For the year ended June 30, 2024, the District recognized pension expense of \$51,571. At June 30, 2024, 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	\$ (466,612)	\$ 67,221
Changes in assumptions	(183,745)	98,771
Subtotal - Amortized Deferrals (below)	(650,357)	165,992
Contributions made subsequent to measurement date	-	115,985
Deferred outflow (inflow) of resources	<u>\$ (650,357)</u>	<u>\$ 281,977</u>

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

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

NOTE 17. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

EARLY RETIREMENT PLAN – STIPENDS - CONTINUED

Subtotal amounts related to OPEB health care as deferred outflows of resources, \$165,992, and deferred inflows of resources, (\$650,357), net to (\$484,365) and will be recognized in OPEB health care income as follows:

Year ending June 30,	Amount
2025	\$ (81,724)
2026	(69,097)
2027	(65,950)
2028	(57,075)
2029	(77,375)
Thereafter	(133,144)
Total	<u>\$ (484,365)</u>

Tax Sheltered Annuity

The District also offers its employees a tax-sheltered annuity program established pursuant to Sections 403(b) and 457(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employees up to the amounts specified in the Code.

Contributions are required from the District for a portion of participating employees. As of the years ended June 30, 2024 and 2023, 477 and 471 employees participated in the plan and District contributions were \$445,046 and \$489,035 respectively.

NOTE 18. TAX ABATEMENTS

As of June 30, 2024, 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, 2024, the District had abated taxes totaling \$1,087,342 under this program.

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

NOTE 19. 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 20. 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 21. 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.

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2024

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
2024	0.46 %	\$ 77,140,995	\$ 92,650,072	83.3 %	81.7 %
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

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
2024	\$ 5,718,524	\$ 5,718,524	\$ -	\$ 92,438,535	6.2 %
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

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 NO. 7
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2024

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
2024	0.748 %	\$ 2,737,226	\$ 92,650,072	3.0 %	201.6 %
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

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
2024	\$ 2,713	2,713	\$ -	\$ 92,438,535	0.00 %
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.

REYNOLDS SCHOOL DISTRICT NO. 7
Multnomah County, Oregon

SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
OPEB HEALTH CARE AND PENSION STIPENDS
June 30, 2024

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
2024	\$ 13,839,050	\$ 1,768,571	\$ 532,215	\$ -	\$ (4,978,285)	\$ (1,156,649)	\$ 10,004,902	\$ N/A	N/A
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
2024	\$ 2,305,271	\$ 166,886	\$ 82,398	\$ -	\$ (527,518)	\$ (291,621)	\$ 1,735,416	\$ N/A	N/A
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.

REYNOLDS 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, 2024

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 39,044,854	\$ 39,044,854	\$ 35,483,131	\$ (3,561,723)
Intermediate Sources	2,100,727	2,100,727	2,036,593	(64,134)
State Sources	111,653,836	111,653,836	105,211,315	(6,442,521)
Federal Sources	60,000	60,000	288,395	228,395
Total Revenue	<u>152,859,417</u>	<u>152,859,417</u>	<u>143,019,434</u>	<u>(9,839,983)</u>
EXPENDITURES:				
Instruction	90,515,987	93,015,987 (1)	88,580,155	4,435,832
Support Services	62,861,781	62,861,781 (1)	58,374,980	4,486,801
Community Services	165,059	165,059 (1)	100,362	64,697
Debt Service	200,000	200,000 (1)	200,000	-
Contingency	29,070,656	26,570,656 (1)	-	26,570,656
Total Expenditures	<u>182,813,483</u>	<u>182,813,483</u>	<u>147,255,497</u>	<u>35,557,986</u>
Excess of Revenues Over (Under) Expenditures	<u>(29,954,066)</u>	<u>(29,954,066)</u>	<u>(4,236,063)</u>	<u>25,718,003</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,846,250)</u>	<u>(1,846,250) (1)</u>	<u>(1,827,455)</u>	<u>18,795</u>
Total Other Financing Sources (Uses)	<u>(1,846,250)</u>	<u>(1,846,250)</u>	<u>(1,827,455)</u>	<u>18,795</u>
Net Change in Fund Balance	(31,800,316)	(31,800,316)	(6,063,518)	25,736,798
Beginning Fund Balance	<u>41,519,249</u>	<u>41,519,249</u>	<u>26,681,849</u>	<u>(14,837,400)</u>
Ending Fund Balance	<u>\$ 9,718,933</u>	<u>\$ 9,718,933</u>	<u>\$ 20,618,331</u>	<u>\$ 10,899,398</u>
Reconciliation to Governmental Fund Balance as required by GASB 54:			370,090	
Ending Fund Balance Retirement Fund			<u>\$ 20,988,421</u>	

(1) Appropriation Level

REYNOLDS 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, 2024

<u>FEDERAL PROGRAMS FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ -	\$ -	\$ 7,853,968	\$ 7,853,968
Federal Sources	30,353,610	30,353,610	26,416,571	(3,937,039)
Total Revenues	30,353,610	30,353,610	34,270,539	3,916,929
EXPENDITURES:				
Instruction	5,945,011	16,445,011 (1)	15,374,209	1,070,802
Support Services	11,424,315	12,774,315 (1)	10,174,775	2,599,540
Community Services	684,284	934,284 (1)	437,249	497,035
Facilities Acquisition and Construction	12,300,000	200,000 (1)	-	200,000
Total Expenditures	30,353,610	30,353,610	25,986,233	4,367,377
Net Change in Fund Balance	-	-	8,284,306	(8,284,306)
Beginning Fund Balance	-	-	(7,903,885)	(7,903,885)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,421</u>	<u>\$ 380,421</u>
(1) Appropriation Level				

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

SUPPLEMENTARY INFORMATION

REYNOLDS 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, 2024

DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,380</u>	<u>\$ 6,380</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>6,380</u>	<u>6,380</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>6,380</u>	<u>6,380</u>
Beginning Fund Balance	<u>1,280,893</u>	<u>1,280,893</u>	<u>1,280,917</u>	<u>24</u>
Ending Fund Balance	<u><u>\$ 1,280,893</u></u>	<u><u>\$ 1,280,893</u></u>	<u><u>\$ 1,287,297</u></u>	<u><u>\$ 6,404</u></u>

REYNOLDS 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, 2024

	<u>PERS BOND FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	<u>\$ 10,350,490</u>	<u>\$ 10,350,490</u>	<u>\$ 10,412,503</u>	<u>\$ 62,013</u>
Total Revenues	<u>10,350,490</u>	<u>10,350,490</u>	<u>10,412,503</u>	<u>62,013</u>
EXPENDITURES:				
Debt Service	<u>10,275,490</u>	<u>10,275,490 (1)</u>	<u>10,275,490</u>	<u>-</u>
Total Expenditures	<u>10,275,490</u>	<u>10,275,490</u>	<u>10,275,490</u>	<u>-</u>
Net Change in Fund Balance	75,000	75,000	137,013	62,013
Beginning Fund Balance	<u>100,000</u>	<u>100,000</u>	<u>441,408</u>	<u>341,408</u>
Ending Fund Balance	<u><u>\$ 175,000</u></u>	<u><u>\$ 175,000</u></u>	<u><u>\$ 578,421</u></u>	<u><u>\$ 403,421</u></u>

(1) Appropriation Level

REYNOLDS 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, 2024

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	<u>\$ 11,620,001</u>	<u>\$ 11,620,001</u>	<u>\$ 12,131,718</u>	<u>\$ 511,717</u>
Total Revenues	<u>11,620,001</u>	<u>11,620,001</u>	<u>12,131,718</u>	<u>511,717</u>
EXPENDITURES:				
Debt Service	<u>10,777,314</u>	<u>10,777,314 (1)</u>	<u>10,777,294</u>	<u>20</u>
Total Expenditures	<u>10,777,314</u>	<u>10,777,314</u>	<u>10,777,294</u>	<u>20</u>
Net Change in Fund Balance	<u>842,687</u>	<u>842,687</u>	<u>1,354,424</u>	<u>2,197,111</u>
Beginning Fund Balance	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,394,504</u>	<u>194,504</u>
Ending Fund Balance	<u><u>\$ 3,042,687</u></u>	<u><u>\$ 3,042,687</u></u>	<u><u>\$ 3,748,928</u></u>	<u><u>\$ 706,241</u></u>

(1) Appropriation Level

REYNOLDS 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, 2024

CAPITAL PROJECTS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 518,000	\$ 518,000	\$ 377,465	\$ (140,535)
Total Revenues	<u>518,000</u>	<u>518,000</u>	<u>377,465</u>	<u>(140,535)</u>
EXPENDITURES:				
Support Services	200,000	200,000 (1)	-	200,000
Facilities Acquisition and Construction	2,897,784	2,897,784 (1)	8,918	2,888,866
Debt Service	<u>1,426,350</u>	<u>1,426,350 (1)</u>	<u>1,426,250</u>	<u>100</u>
Total Expenditures	<u>4,524,134</u>	<u>4,524,134</u>	<u>1,435,168</u>	<u>2,888,966</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,006,134)</u>	<u>(4,006,134)</u>	<u>(1,057,703)</u>	<u>2,948,431</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>1,351,250</u>	<u>1,351,250</u>	<u>1,351,250</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,351,250</u>	<u>1,351,250</u>	<u>1,351,250</u>	<u>-</u>
Net Change in Fund Balance	(2,654,884)	(2,654,884)	293,547	2,948,431
Beginning Fund Balance	<u>2,654,884</u>	<u>2,654,884</u>	<u>4,163,450</u>	<u>1,508,566</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,456,997</u>	<u>\$ 4,456,997</u>

(1) Appropriation Level

REYNOLDS 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, 2024

STATE AND LOCAL PROGRAMS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	\$ 1,835,891	\$ 1,835,891	\$ 1,060,242	\$ (775,649)
Intermediate Sources	585,559	585,559	427,187	(158,372)
State Sources	<u>24,092,219</u>	<u>24,092,219</u>	<u>16,206,495</u>	<u>(7,885,724)</u>
Total Revenues	<u>26,513,669</u>	<u>26,513,669</u>	<u>17,693,924</u>	<u>(8,819,745)</u>
EXPENDITURES:				
Instruction	7,766,984	10,266,984 (1)	7,286,498	2,980,486
Support Services	13,459,574	13,459,574 (1)	9,666,790	3,792,784
Community Services	246,179	246,179 (1)	65,582	180,597
Facilities Acquisition and Construction	8,176,638	5,676,638 (1)	3,584	5,673,054
Contingencies	<u>82,311</u>	<u>82,311 (1)</u>	<u>-</u>	<u>82,311</u>
Total Expenditures	<u>29,731,686</u>	<u>29,731,686</u>	<u>17,022,454</u>	<u>12,709,232</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,218,017)</u>	<u>(3,218,017)</u>	<u>671,470</u>	<u>3,889,487</u>
OTHER FINANCING SOURCES (USES):				
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	(3,322,017)	(3,322,017)	671,470	3,993,487
Beginning Fund Balance	<u>3,329,927</u>	<u>3,329,927</u>	<u>3,518,395 *</u>	<u>188,468</u>
Ending Fund Balance	<u>\$ 7,910</u>	<u>\$ 7,910</u>	<u>\$ 4,189,865</u>	<u>\$ 4,181,955</u>

(1) Appropriation Level

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

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

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024**

	OTHER GOVERNMENTAL FUNDS		
	NUTRITION SERVICE FUND	SELF INSURANCE FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS:			
Cash	\$ 91,419	\$ -	\$ 91,419
Receivables:			
Accounts/Grants	1,009,040	-	1,009,040
Inter-Fund Receivable	-	1,784,005	1,784,005
Inventories	247,892	-	247,892
Total Assets	<u>1,348,351</u>	<u>1,784,005</u>	<u>3,132,356</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts Payable	81,572	-	81,572
Inter-Fund Payable	867,897	-	867,897
Total Liabilities	<u>949,469</u>	<u>-</u>	<u>949,469</u>
Fund Balances:			
Nonspendable	247,892	-	247,892
Restricted	150,990	-	150,990
Committed	-	1,784,005	1,784,005
Total Fund Balances	<u>398,882</u>	<u>1,784,005</u>	<u>2,182,887</u>
Total Liabilities and Fund Balances	<u>\$ 1,348,351</u>	<u>\$ 1,784,005</u>	<u>\$ 3,132,356</u>

REYNOLDS 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, 2024

	OTHER GOVERNMENTAL FUNDS		
	NUTRITION SERVICE FUND	SELF INSURANCE FUND	NONMAJOR GOVERNMENTAL FUNDS
REVENUES:			
Local Sources	\$ 85,168	\$ 1,023,712	\$ 1,108,880
Intermediate Sources	-	-	-
State Sources	481,634	-	481,634
Federal Sources	5,575,190	-	5,575,190
Total Revenues	6,141,992	1,023,712	7,165,704
EXPENDITURES:			
Support Service	-	48,087	48,087
Community Services	6,464,075	-	6,464,075
Total Expenditures	6,464,075	48,087	6,512,162
Excess of Revenues Over (Under) Expenditures	(322,083)	975,625	653,542
OTHER FINANCING SOURCES (USES):			
Transfers In	46,205	-	46,205
Total Other Financing Sources (Uses)	46,205	-	46,205
Net Change in Fund Balance	(275,878)	975,625	699,747
Beginning Fund Balance	674,760	808,380	1,483,140
Ending Fund Balance	\$ 398,882	\$ 1,784,005	\$ 2,182,887

REYNOLDS 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, 2024

<u>NUTRITION SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 1,031,695	\$ 1,031,695	\$ 85,168	\$ (946,527)
State Sources	229,458	229,458	481,634	252,176
Federal Sources	<u>7,339,183</u>	<u>7,339,183</u>	<u>5,575,190</u> (2)	<u>(1,763,993)</u>
Total Revenues	<u>8,600,336</u>	<u>8,600,336</u>	<u>6,141,992</u>	<u>(2,458,344)</u>
EXPENDITURES:				
Enterprise and Community Services	<u>8,665,336</u>	<u>8,665,336</u> (1)	<u>6,464,075</u>	<u>2,201,261</u>
Total Expenditures	<u>8,665,336</u>	<u>8,665,336</u>	<u>6,464,075</u>	<u>2,201,261</u>
Excess of Revenues Over (Under) Expenditures	<u>(65,000)</u>	<u>(65,000)</u>	<u>(322,083)</u>	<u>(257,083)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>65,000</u>	<u>65,000</u>	<u>46,205</u> (2)	<u>(18,795)</u>
Total Other Financing Sources (Uses)	<u>65,000</u>	<u>65,000</u>	<u>46,205</u>	<u>(18,795)</u>
Net Change in Fund Balance	-	-	(275,878)	(275,878)
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>674,760</u>	<u>674,760</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,882</u>	<u>\$ 398,882</u>

(1) Appropriation Level

(2) Included in this transfer from the General Fund is the required state appropriated general purpose revenues of \$46,205 the District must transfer to the Food Service Fund for National School Lunch Support in order to meet the general cash assistance match for 2023-24.

REYNOLDS 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, 2024

SELF-INSURANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	\$ 200,000	\$ 200,000	\$ 1,023,712	\$ 823,712
EXPENDITURES:				
Support Services	1,094,000	1,094,000 (1)	48,087	1,045,913
Net Change in Fund Balance	(894,000)	(894,000)	975,625	1,869,625
Beginning Fund Balance	894,000	894,000	808,380	(85,620)
Ending Fund Balance	\$ -	\$ -	\$ 1,784,005	\$ 1,784,005

(1) Appropriation Level

REYNOLDS 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, 2024

	<u>RETIREMENT FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
EXPENDITURES:				
Support Services	\$ 430,000	\$ 430,000 (1)	\$ 218,162	\$ 211,838
Total Expenditures	<u>430,000</u>	<u>430,000</u>	<u>218,162</u>	<u>211,838</u>
Excess of Revenues Over (Under) Expenditures	<u>(430,000)</u>	<u>(430,000)</u>	<u>(218,162)</u>	<u>(211,838)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>430,000</u>	<u>430,000</u>	<u>430,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>430,000</u>	<u>430,000</u>	<u>430,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	211,838	211,838
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>158,252</u>	<u>158,252</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 370,090</u>	<u>\$ 370,090</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.

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the year ended June 30, 2024**

<u>GENERAL FUND</u>						
TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2023	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2024
Current:						
2023-24	\$ 33,380,436	\$ 867,901	\$ (75,134)	\$ 3,532	\$ 31,910,128	\$ 530,805
Prior Years:						
2022-23	449,566	(1,255)	(39,079)	7,254	213,557	205,439
2021-22	162,043	(110)	(7,696)	8,179	64,603	98,033
2020-21	91,524	(76)	(1,800)	9,560	50,859	48,501
2019-20	43,466	(2)	1,250	8,402	39,652	13,468
Prior	73,201	(1)	170	3,943	15,154	62,161
Total Prior	819,800	(1,444)	(47,155)	37,338	383,825	427,602
Total All Years	<u>\$ 34,200,236</u>	<u>\$ 866,457</u>	<u>\$ (122,289)</u>	<u>\$ 40,870</u>	<u>\$ 32,293,953</u>	<u>\$ 958,407</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 32,293,953
Accrual of Receivables:	
June 30, 2023	(149,560)
June 30, 2024	196,528
Change from Prior year Unavailable Revenue, see page 8	89,085
Total Revenue	<u>\$ 32,430,006</u>

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the year ended June 30, 2024**

<u>DEBT SERVICE FUNDS</u>						
TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2023	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2024
Current:						
2023-24	\$ 12,344,750	\$ 320,967	\$ (117,465)	\$ 1,306	\$ 11,716,610	\$ 191,014
Prior Years:						
2022-23	169,987	(474)	(15,986)	2,743	80,476	76,742
2021-22	63,556	(43)	(3,129)	3,208	25,302	38,376
2020-21	34,312	(28)	(832)	3,584	18,991	18,101
2019-20	13,223	(1)	5	2,514	11,785	3,958
Prior	23,256	-	721	1,687	5,878	19,786
Total Prior	304,334	(546)	(19,221)	13,736	142,432	156,963
Total All Years	\$ 12,649,084	\$ 320,421	\$ (136,686)	\$ 15,042	\$ 11,859,042	\$ 347,977

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 11,859,042
Accrual of Receivables:	
June 30, 2023	(53,930)
June 30, 2024	71,738
Change from Prior year Unavailable Revenue, see page 8	27,141
Total Revenue	\$ 11,903,991

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

OTHER INFORMATION

REYNOLDS SCHOOL DISTRICT NO. 7

OTHER SUPPLEMENTAL INFORMATION

FORM 3211-C

For The Year Ended June 30, 2024

A. Energy bills for heating - all funds:				<u>Objects 325, 326, and 327</u>	
			Function 2545	\$	2,298,683
			Function 2550		63,998
B. Replacement of equipment - General Fund:					
Include all General Fund expenditures in Object 542, except for the following exclusions:				<u>Amount</u>	
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		-

AUDIT REVENUE SUMMARY
Reynolds School District

Revenue from Local Sources	Fund 100	Fund 200	Fund 300	Fund 400
1111 Current Year Taxes	\$ 32,041,801	\$ -	\$11,763,998	\$ -
1112 Prior Year Taxes	299,120	-	112,852	-
1130 Construction Excise Tax	-	-	-	344,616
1190 Tax Penalties & Interest	93,438	-	33,892	-
1400 Transportation Fees	227,531	-	-	-
1412 Transportation Fees from Districts In State	-	25,428	-	-
1510 Interest On Investments	1,540,562	-	788,463	32,849
1610 Food Service Meal Sales	-	3,906	-	-
1620 Non Reimbursable Food Sales	-	28,356	-	-
1690 Food Services - Other Sales	-	48,713	-	-
1715 Admissions Athletic Events	16,944	-	-	-
1740 Athletics User Fees	27,545	-	-	-
1910 Rentals	3,790	-	-	-
1913 Music Rentals	150	-	-	-
1915 Building Lease Payments	71,621	-	-	-
1920 Donations	-	78,764	-	-
1960 Recovery of Prior Year Expense	(436,961)	7,666,764	-	-
1970 Services Provided Other Funds	-	-	9,851,397	-
1980 Fees Charged To Grants	1,292,040	-	-	-
1990 Miscellaneous Revenue	190,118	1,890,120	-	-
1991 Medicaid Administrative Claiming MAC	104,104	-	-	-
1992 Medicaid Claiming	11,328	-	-	-
1993 SB1149 Public Purpose Charge - Utility	-	281,039	-	-
Total Revenue from Local Sources	\$35,483,131	\$10,023,090	\$22,550,602	\$377,465
Revenue from Intermediate Sources	Fund 100	Fund 200	Fund 300	Fund 400
2101 County School Funds	\$ 36,596	\$ -	\$ -	\$ -
2102 General ESD Revenue	1,999,997	-	-	-
2199 Other Intermediate Sources	-	66,112	-	-
2201 Portland ArtsTax Grant	-	361,075	-	-
Total Revenue from Intermediate Sources	\$2,036,593	\$427,187	\$0	\$0
Revenue from State Sources	Fund 100	Fund 200	Fund 300	Fund 400
3101 State School Fund - General Support	\$102,950,821	\$ -	\$ -	\$ -
3103 Common School Fund	1,404,428	-	-	-
3199 Other Unrestricted Grants-in-Aid	856,066	-	-	-
3203 MYC Fee For Service	-	10,113	-	-
3204 Driver Education	-	53,875	-	-
3299 Other Restricted Grants-in-Aid	-	16,624,141	-	-
Total Revenue from State Sources	\$105,211,315	\$16,688,129	\$0	\$0
Revenue from Federal Sources	Fund 100	Fund 200	Fund 300	Fund 400
4100 Unrestricted Revenue Direct From the Federal Government	\$ -	\$ 346,892	\$ -	\$ -
4110 FEMA Grants	240,652	-	-	-
4300 Restricted Revenue From the Federal Government	47,743	-	-	-
4500 Restricted Revenue From the Federal Government Through the State	-	16,436,363	-	-
4502 Medicaid Reimbursement for Eligible Early Childhood Special Education (ECSE) Services (Ages 3-5)	-	100,958	-	-
4503 National School Breakfast	-	1,249,175	-	-
4505 National School Lunch	-	3,511,657	-	-
4506 Child and Adult Care Program	-	104,270	-	-
4508 USDA Food Distribution Program	-	82,185	-	-
4509 Fresh Fruit and Vegetables	-	46,875	-	-
4510 P-EBT Administrative Costs	-	6,180	-	-
4580 Foster Care Transportation Grant	-	10,086,524	-	-
4810 Deferred Inflow of Resources	-	20,682	-	-
Total Revenue from Federal Sources	\$288,395	\$31,991,761	\$0	\$0
Revenue from Other Sources	Fund 100	Fund 200	Fund 300	Fund 400
5200 Interfund Transfers	\$ -	\$ 476,205	\$ -	\$1,351,250
5400 Resources - Beginning Fund Balance	26,681,849	(2,744,097)	4,116,827	4,163,450
Total Revenue from Other Sources	\$26,681,849	-\$2,267,892	\$4,116,827	\$5,514,700
Grand Total	\$169,701,283	\$56,862,275	\$26,667,429	\$5,892,165

DISTRICT AUDIT EXPENDITURE SUMMARY
Reynolds School District

Fund: 100 General Fund

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Primary Programs K-5	\$ 25,120,435	\$ 17,174,015	\$ 7,632,511	\$ 23,376	\$ 290,092	-	\$ 441	-
1121	Middle School Programs	11,285,720	7,175,789	3,459,258	29,027	599,984	-	21,662	-
1122	Middle School Extra-Curricular	198,133	158,464	39,177	203	289	-	-	-
1131	High School Programs	11,892,951	7,464,931	3,555,904	539,429	326,157	-	6,530	-
1132	High School Athletics	603,548	363,078	79,580	90,724	59,963	6,125	4,078	-
1133	High School Activities	207,514	87,768	23,024	57,935	38,787	-	-	-
1210	Talented & Gifted	177,498	111,007	48,769	2,562	14,330	-	830	-
1220	Restrictive Programs	4,402,283	1,364,490	661,432	2,376,016	345	-	-	-
1223	Transition Program	513,621	316,919	190,000	5,306	1,396	-	-	-
1224	Life Skills	2,300,592	1,415,780	850,375	-	34,437	-	-	-
1225	Out of District Programs	1,046,022	-	-	1,046,022	-	-	-	-
1227	Extended School Year	253,460	-	-	253,460	-	-	-	-
1229	Functional Living Skills	1,310,423	780,734	475,134	52,470	2,085	-	-	-
1250	Less Restrictive Programs	7,043,652	4,515,397	2,489,265	2,300	36,690	-	-	-
1251	Less Restrictive - Charter School	541,293	371,798	169,495	-	-	-	-	-
1280	Alternative Ed	1,641,520	1,088,156	523,844	4,602	24,918	-	-	-
1288	Charter School	13,017,100	-	-	13,017,100	-	-	-	-
1291	English Language Learners Instruction	7,024,390	4,751,168	2,238,237	4,341	30,644	-	-	-
Total Instruction Expenditures		\$ 88,580,155	\$ 47,139,494	\$ 22,436,005	\$ 17,504,873	\$ 1,460,117	\$ 6,125	\$ 33,541	\$ -
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$50,729	\$23,015	\$10,254	\$17,460	\$0	\$0	\$0	\$0
2115	Student Safety	1,271,711	610,026	371,837	289,848	-	-	-	-
2120	Guidance Services	2,885,062	1,954,186	930,876	-	-	-	-	-
2122	Positive Behavior Supports	4,955	614	166	-	4,175	-	-	-
2130	Health Services	300,378	34,182	28,237	237,959	-	-	-	-
2140	Psychological Services	1,543,282	716,933	362,959	455,980	7,410	-	-	-
2150	Speech Pathology and Audiology Services	2,282,391	1,371,047	612,157	286,591	11,140	-	1,456	-
2160	Other Student Treatment Services	731,548	486,753	236,155	2,268	6,372	-	-	-
2190	Service Direction, Student Support Services	3,010,237	1,805,938	710,881	377,000	116,418	-	-	-
2210	Improvement of Instruction Services	118,002	80,906	35,952	170	724	-	250	-
2211	Teaching & Learning	935,688	635,196	261,565	34,265	4,662	-	-	-
2219	Other Imp Of Instruction	911	-	-	911	-	-	-	-
2220	Educational Media Services	1,379,368	822,170	503,805	-	53,393	-	-	-
2230	Assessment & Testing	130,442	76,666	44,094	-	9,682	-	-	-
2240	Instructional Staff Development	236,810	80,586	28,061	53,456	74,667	-	40	-
2241	Instructional Technology	335,408	223,519	103,704	1,233	1,815	5,137	-	-
2310	Board of Education Services	252,703	49,519	18,190	146,008	24,859	-	14,127	-
2321	Office Of The Superintendent	687,218	304,287	123,146	73,079	151,242	-	35,464	-
2410	Office of the Principal Services	9,722,841	6,504,012	3,146,581	7,045	58,992	-	6,211	-
2510	Direction of Business Support Services	407,796	194,536	107,042	52,647	53,183	-	388	-
2520	Fiscal Services	2,021,686	852,381	457,991	260,499	192,763	-	258,052	-
2528	Risk Management	58,562	33,515	11,749	18,887	1,541	-	(7,130)	-
2529	Other Fiscal Services	153,592	-	-	153,592	-	-	-	-
2541	Facilities Direction	440,264	245,094	101,893	83,634	9,643	-	-	-
2542	Custodial Services	8,779,001	3,300,966	1,976,109	2,698,307	795,036	-	8,583	-
2543	Grounds Maintenance	430,242	247,092	133,362	17,986	31,802	-	-	-
2544	Maintenance Services	702,684	349,538	194,107	50,684	-	108,355	-	-
2545	Building Fixed Costs	3,315,649	-	-	3,122,486	-	-	193,163	-
2546	Safety Program	7,782	2,818	714	-	4,250	-	-	-
2549	Other Operations & Maintenance	87,819	2,374	687	84,758	-	-	-	-
2550	Student Transportation Services	8,670,531	3,398,647	1,872,347	520,690	653,541	1,042,136	1,183,170	-
2558	Transportation - Special Ed	1,509,972	893,479	557,834	58,659	-	-	-	-
2572	Purchasing Services	17,336	-	-	-	17,336	-	-	-
2573	Distribution Services	71,844	48,111	23,733	-	-	-	-	-
2574	Print Services	109,282	70,616	38,617	49	-	-	-	-
2630	Information Services	554,527	316,517	144,074	32,016	58,895	-	3,025	-
2640	Staff Services	1,628,491	925,517	444,299	84,507	114,507	-	59,661	-
2642	Recruitment Services	28,411	-	-	27,961	-	-	1,450	-
2649	Other Staff Services	686,938	-	686,600	338	-	-	-	-
2660	Technology Services	2,038,222	1,028,756	539,402	27,740	440,180	-	2,144	-
2680	Interpretation and Translation Services	584,867	349,719	185,944	49,224	-	-	-	-
2690	Other Support Services - Central	188,778	127,985	60,793	-	-	-	-	-
Total Support Services Expenditures		\$58,374,980	\$28,167,216	\$15,065,917	\$9,327,937	\$2,898,228	\$1,155,628	\$1,760,054	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3500	Custody and Care of Children Services	\$ 100,362	\$ 55,621	\$ 42,481	\$ -	\$ 2,260	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures		\$ 100,362	\$ 55,621	\$ 42,481	\$ -	\$ 2,260	\$ -	\$ -	\$ -
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5110	Long-term Debt Service	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -
5200	Transfers of Funds	1,827,455	-	-	-	-	-	-	1,827,455
Total Other Uses Expenditures		\$ 2,027,455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,827,455
Grand Total		\$149,082,952	\$75,362,331	\$37,544,403	\$26,832,810	\$4,360,605	\$1,161,753	\$1,993,595	\$1,827,455

DISTRICT AUDIT EXPENDITURE SUMMARY
Reynolds School District

Fund: 200 Special Revenue Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$ 9,965,125	\$ 3,030,666	\$ 1,646,755	\$ 3,662,471	\$ 1,610,604	\$ 13,679	\$ 950	\$ -
1113	Elementary Extracurricular	62,944	1,851	495	33,153	27,445	-	-	-
1121	Middle/Junior High Programs	969,071	537,721	260,174	60,827	110,349	-	-	-
1122	Middle/Junior High School Extracurricular	84,816	-	-	26,512	58,304	-	-	-
1131	High School Programs	1,390,290	635,474	250,390	157,849	328,099	11,200	7,278	-
1132	High School Extracurricular	18,120	-	-	18,120	-	-	-	-
1133	High School Activities	296,963	-	-	320	296,663	-	-	-
1210	Programs for the Talented and Gifted	2,411	-	-	-	2,411	-	-	-
1220	Restrictive Programs for Students with Disabilities	461,377	71,324	48,048	337,905	4,100	-	-	-
1223	Transition Program	34,306	17,655	5,170	6,729	4,752	-	-	-
1224	Life Skills	519,336	298,332	187,445	-	33,559	-	-	-
1227	Extended School Year	2,813	2,247	566	-	-	-	-	-
1229	Functional Living Skills	216,349	121,897	94,452	-	-	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	942,656	596,076	298,623	39,391	1,324	-	7,242	-
1271	Remediation	19,786	6,254	1,649	9,000	2,500	-	383	-
1272	Title I/A/D	3,883,745	1,812,721	1,003,522	951,490	116,012	-	-	-
1273	Extended Day	2,849	-	-	-	2,849	-	-	-
1280	Alternative Education	204,643	102,314	47,968	18,099	33,869	-	2,393	-
1288	Charter School	1,113,135	-	-	1,113,135	-	-	-	-
1291	English Second Language Programs	488,364	122,196	52,055	-	314,113	-	-	-
1299	Other Programs	801	509	117	-	175	-	-	-
1400	Summer School Programs	1,980,787	1,181,191	288,612	356,985	140,062	-	13,937	-
Total Instruction Expenditures		\$ 22,660,707	\$ 8,538,428	\$ 4,186,041	\$ 6,791,986	\$ 3,087,190	\$ 24,879	\$ 32,183	\$ -
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$ 2,405,366	\$ 1,579,430	\$ 813,172	\$ 3,003	\$ 4,921	\$ -	\$ 4,840	\$ -
2115	Student Safety	128,324	88,261	40,063	-	-	-	-	-
2119	Homeless	465	-	-	-	465	-	-	-
2120	Guidance Services	1,564,140	1,038,400	510,040	15,700	-	-	-	-
2122	Positive Behavior Supports	322,428	185,235	74,533	6,297	49,524	6,839	-	-
2130	Health Services	901,649	-	-	901,649	-	-	-	-
2140	Psychological Services	5,610	4,434	1,176	-	-	-	-	-
2150	Speech Pathology and Audiology Services	147,559	98,768	42,776	-	6,015	-	-	-
2160	Other Student Treatment Services	168	-	-	-	168	-	-	-
2190	Service Direction, Student Support Services	1,411,341	813,253	346,588	-	176,527	-	74,973	-
2210	Improvement of Instruction Services	1,966,890	948,022	419,242	64,118	190,614	-	344,894	-
2211	Teaching & Learning	11,229	2,463	672	-	8,094	-	-	-
2219	Other Imp Of Instruction	2,072	-	-	2,072	-	-	-	-
2220	Educational Media Services	1,409,870	966,878	442,992	-	-	-	-	-
2230	Assessment & Testing	97,423	-	-	-	97,423	-	-	-
2240	Instructional Staff Development	3,348,222	2,003,335	875,961	435,040	33,886	-	-	-
2241	Instructional Technology	1,377,745	-	-	-	1,377,745	-	-	-
2320	Executive Administration Services	265	-	-	-	265	-	-	-
2321	Office of the Superintendent	8,049	-	-	-	8,049	-	-	-
2410	Office of the Principal Services	1,962,409	1,418,676	542,062	-	1,671	-	-	-
2490	Other Support Services - School Administration	1,110,002	184,062	87,538	-	-	-	838,402	-
2520	Fiscal Services	478	-	-	-	478	-	-	-
2528	Risk Management	3,098	-	3,098	-	-	-	-	-
2540	Operation and Maintenance of Plant Services	7,562	-	-	7,562	-	-	-	-
2542	Custodial Services	1,014,794	-	-	-	12,804	1,001,990	-	-
2544	Maintenance Services	138,206	-	-	23,760	-	111,066	3,380	-
2545	Building Fixed Costs	12,943	-	-	12,943	-	-	-	-
2546	Safety Program	4,860	-	-	4,860	-	-	-	-
2550	Student Transportation Services	300,570	125,419	36,664	28,634	-	109,853	-	-
2630	Information Services	22,952	-	-	-	22,952	-	-	-
2660	Technology Services	202,966	-	2,829	-	200,137	-	-	-
2700	Supplemental Retirement Program	218,161	202,395	15,766	-	-	-	-	-
Total Support Services Expenditures		\$ 20,107,816	\$ 9,659,031	\$ 4,255,172	\$ 1,505,638	\$ 2,191,738	\$ 1,229,748	\$ 1,266,489	\$ -
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$ 6,314,781	\$ 2,128,946	\$ 1,464,231	\$ 107,814	\$ 2,564,965	\$ -	\$ 48,825	\$ -
3101	Summer Program	114,242	36,382	10,373	-	67,487	-	-	-
3102	Fresh Fruit and Vegetables Grant	6,860	5,352	1,508	-	-	-	-	-
3103	CACFP - Supper	66,126	51,247	14,873	6	-	-	-	-
3300	Community Services	613	-	-	-	613	-	-	-
3390	Oth Community Services	398,703	210,241	102,289	10,285	58,985	16,903	-	-
3500	Custody and Care of Children Services	65,581	37,973	23,602	-	4,006	-	-	-
Total Enterprise and Community Services Expenditures		\$ 6,966,906	\$ 2,470,141	\$ 1,616,876	\$ 118,105	\$ 2,696,056	\$ 16,903	\$ 48,825	\$ -
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4150	Building Acquisition, Construction, and Improvement Services	\$ 3,584	\$ -	\$ -	\$ 3,584	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures		\$ 3,584	\$ -	\$ -	\$ 3,584	\$ -	\$ -	\$ -	\$ -
Grand Total		49,739,013	20,667,600	10,058,089	8,419,313	7,974,984	1,271,530	1,347,497	-

DISTRICT AUDIT EXPENDITURE SUMMARY
Reynolds School District

Fund: 300 Debt Service Funds

Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$21,052,783	\$0	\$0	\$0	\$0	\$0	\$21,052,783	\$0
Total Other Uses Expenditures		\$21,052,783	\$0	\$0	\$0	\$0	\$0	\$21,052,783	\$0
Grand Total		\$21,052,783	\$0	\$0	\$0	\$0	\$0	\$21,052,783	\$0

DISTRICT AUDIT EXPENDITURE SUMMARY
Reynolds School District

Fund: 400 Capital Projects Funds

Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4150	Building Acquisition, Construction, and Improvement Services	\$8,918	\$0	\$0	\$8,918	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$8,918	\$0	\$0	\$8,918	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$1,426,250	\$0	\$0	\$0	\$0	\$0	\$1,426,250	\$0
Total Other Uses Expenditures		\$1,426,250	\$0	\$0	\$0	\$0	\$0	\$1,426,250	\$0
Grand Total		\$1,435,168	\$0	\$0	\$8,918	\$0	\$0	\$1,426,250	\$0

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

STATISTICAL SECTION

STATISTICAL SECTION

This part of Reynolds 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	74-77
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	78-86
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.

REYNOLDS SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON

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

	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>
Governmental activities:				
Net investments in capital assets	\$ 97,377,373	\$ 89,747,546	\$ 80,309,755	\$ 91,952,961
Restricted	8,502,862	6,874,103	8,576,837	8,074,208
Unrestricted	<u>(100,003,765)</u>	<u>(98,410,286)</u>	<u>(90,269,679)</u>	<u>(126,005,115)</u>
Total primary government net position	<u>\$ 5,876,470</u>	<u>\$ (1,788,637)</u>	<u>\$ (1,383,087)</u>	<u>\$ (25,977,946)</u>

	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>
Governmental activities:			
Net investments in capital assets	\$ 72,508,688	\$ 64,070,731	\$ 35,148,756
Restricted	8,627,760	9,984,575	7,928,217
Unrestricted	<u>(106,484,799)</u>	<u>(98,643,116)</u>	<u>(67,387,682)</u>
Total primary government net position	<u>\$ (25,348,351)</u>	<u>\$ (24,587,810)</u>	<u>\$ (24,310,709)</u>

	<u>2016-2017</u>	<u>2015-2016*</u>	<u>2014-2015</u>
Governmental activities:			
Net investments in capital assets	\$ (64,722,847)	\$ (84,665,144)	\$ 44,378,505
Restricted	7,284,100	5,845,304	4,738,094
Unrestricted	<u>32,478,107</u>	<u>51,109,620</u>	<u>(58,747,877)</u>
Total primary government net position	<u>\$ (24,960,640)</u>	<u>\$ (27,710,220)</u>	<u>\$ (9,631,278)</u>

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

REYNOLDS SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON

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

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Expenses					
Instruction	\$ 106,824,895	\$ 111,565,668	\$ 87,519,316	\$ 93,565,748	\$ 87,064,036
Support services	73,451,327	77,661,835	61,009,790	57,558,253	56,016,345
Enterprise and community services	6,765,065	7,051,839	6,220,270	6,098,403	6,511,098
Facilities acquisition	-	267,247	981,076	-	-
Loss on equity interest in CAL	-	-	8,078	37,989	37,989
Gain (Loss) on sale of assets	-	-	-	(215,000)	440,462
Interest on long-term debt	5,235,481	11,038,989	11,270,952	11,438,939	11,205,390
Total primary government expenses	192,276,768	207,585,578	167,009,482	168,484,332	161,275,320
Program revenues					
Governmental activities:					
Charges for services	1,572,559	1,763,053	1,242,194	3,999,412	704,667
Operating grants and contributions	37,261,494	56,984,350	44,702,866	19,819,696	17,239,689
Total primary government revenues	38,834,053	58,747,403	45,945,060	23,819,108	17,944,356
Net (Expense)/Revenue					
Total primary government net expense	(153,442,715)	(148,838,175)	(121,064,422)	(144,665,224)	(143,330,964)
General revenues and Other Changes in Net Position					
Property taxes	44,333,997	42,954,991	41,686,988	39,451,643	35,266,193
State support	104,944,772	97,556,829	103,889,737	101,426,880	100,194,901
Intermediate sources	2,102,706	1,185,383	1,105,283	1,419,157	3,110,116
Other federal revenue	-	-	-	-	53,009
Miscellaneous	7,381,234	5,217,760	509,492	1,360,421	2,752,740
Investment earnings	2,345,113	1,447,315	(25,961)	377,528	1,193,463
Total primary government	161,107,822	148,362,278	147,165,539	144,035,629	142,570,422
Change in Net Position					
Total primary government	\$ 7,665,107	\$ (475,897)	\$ 26,101,117	\$ (629,595)	\$ (760,542)
	2018-2019	2017-2018	2016-2017	2015-2016*	2014-2015
Expenses					
Instruction	\$ 86,538,680	\$ 83,288,226	\$ 68,365,815	\$ 88,048,372	\$ 63,799,909
Support services	54,708,811	51,500,235	59,636,859	56,341,200	39,052,852
Enterprise and community services	8,074,080	6,419,380	5,508,594	6,946,986	5,145,985
Loss on equity interest in CAL	34,356	-	-	-	-
Gain (Loss) on Sale of Assets	2,912,200	-	-	-	-
Interest on long-term debt	11,083,529	11,063,373	11,099,218	10,281,714	6,993,654
Total primary government expenses	163,351,656	152,271,214	144,610,486	161,618,272	114,992,400
Program revenues					
Governmental activities:					
Charges for services	325,455	374,290	659,163	1,301,487	1,232,868
Operating grants and contributions	19,600,230	17,977,234	15,007,967	16,771,515	14,460,074
Total primary government revenues	19,925,685	18,351,524	15,667,130	18,073,002	15,692,942
Net (Expense)/Revenue					
Total primary government net expense	(143,425,971)	(133,919,690)	(128,943,356)	(143,545,270)	(99,299,458)
General revenues and Other Changes in Net Position					
Property taxes	37,465,827	36,012,407	33,668,002	31,670,746	30,311,983
State support	99,169,007	96,927,194	89,658,290	88,200,553	83,521,907
Intermediate sources	972,780	1,804,251	3,253,805	2,802,777	2,183,826
Other federal revenue	8,567	1,804	-	-	-
Miscellaneous	3,987,267	3,927,917	5,112,839	2,222,488	1,813,136
Investment earnings	1,545,422	-	-	1,061,381	204,198
Total primary government	143,148,870	138,673,573	131,692,936	125,957,945	118,035,050
Change in Net Position					
Total primary government	\$ (277,101)	\$ 4,753,883	\$ 2,749,580	\$ (17,587,325)	\$ 18,735,592

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

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
General Fund					
Nonspendable	\$ 634,037	\$ 681,117	\$ 808,591	\$ 535,206	\$ 228,351
Unassigned	19,984,294	25,993,104	36,957,558	24,119,701	18,730,438
Committed - early retirement	370,090	158,252	88,233	(6,150)	131,981
Total general fund	<u>20,988,421</u>	<u>26,832,473</u>	<u>37,854,382</u>	<u>24,648,757</u>	<u>19,090,770</u>
All Other Government Funds					
Nonspendable	247,892	191,086	414,831	470,690	373,320
Restricted for:					
Debt service	5,614,646	4,141,217	6,043,199	6,346,512	6,091,874
State & Local Programs	-	505,538	505,538	485,654	485,654
Food service	150,990	-	-	(909,178)	896,806
Committed:					
Self-insurance	1,784,005	808,380	784,524	620,903	410,005
State & local programs	4,189,865	3,496,531	2,205,439	3,089,287	619,788
Assigned:					
Capital projects (1)	4,456,997	4,163,450	3,992,201	2,599,960	4,265,247
Planning activities	-	-	-	-	-
Unassigned	380,421	(7,903,885)	(7,211,331)	-	-
Total all other governmental funds	<u>16,824,816</u>	<u>5,402,317</u>	<u>6,734,401</u>	<u>12,703,828</u>	<u>13,142,694</u>
Total Fund Balance	<u>\$ 37,813,237</u>	<u>\$ 32,234,790</u>	<u>\$ 44,588,783</u>	<u>\$ 37,352,585</u>	<u>\$ 32,233,464</u>
	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
General Fund					
Non spendable	\$ 4,552	\$ 21,191	\$ 16,880	\$ 39,915	\$ 86,957
Unassigned	17,827,909	13,599,572	9,476,816	8,698,353	12,151,829
Committed-Early retirement	168,186	175,072	-	282,662	665,660
Total general fund	<u>18,000,647</u>	<u>13,795,835</u>	<u>9,493,696</u>	<u>9,020,930</u>	<u>12,904,446</u>
All Other Government Funds					
Nonspendable	319,504	174,569	-	245,974	242,871
Restricted for:					
Debt service	7,149,466	4,631,352	3,861,213	3,045,881	2,295,228
Pers bond	485,653	85,860	-	-	96,643
State & local programs	-	-	426,170	347,971	481,133
Food service	1,673,766	3,211,005	2,996,717	2,451,452	1,865,109
Committed:					
Self-insurance	536,264	157,908	170,959	(1,122,766)	61,189
State & local programs	3,057,131	-	-	-	-
Assigned:					
Capital projects (1)	5,674,517	33,426,372	123,027,533	135,181,703	686,060
Planning activities	-	-	-	1,913,748	1,005,263
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>18,896,301</u>	<u>41,687,066</u>	<u>130,482,592</u>	<u>142,063,963</u>	<u>6,733,496</u>
Total Fund Balance	<u>\$ 36,896,948</u>	<u>\$ 55,482,901</u>	<u>\$ 139,976,288</u>	<u>\$ 151,084,893</u>	<u>\$ 19,637,942</u>

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

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

REVENUES:	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Local sources	\$ 68,434,287	\$ 62,807,596	\$ 54,142,880	\$ 51,686,713	\$ 48,839,816
Intermediate sources	2,463,780	1,213,001	1,113,448	1,460,088	3,382,953
State sources	121,899,444	116,718,290	123,552,345	110,068,784	103,726,926
Federal sources	32,280,156	29,937,203	17,670,439	14,159,731	13,392,303
Total Revenues	225,077,667	210,676,090	196,479,112	177,375,316	169,341,998
EXPENDITURES:					
Instruction	111,209,858	110,592,442	91,532,548	89,892,333	87,933,436
Support services	76,097,417	76,862,769	63,705,586	54,911,936	56,239,249
Community services	7,050,365	7,081,083	6,457,011	5,818,021	6,542,551
Facilities acquisition	12,502	212,523	965,133	1,916,752	6,045,121
Capital outlay	2,433,284	2,437,364	3,460,939	-	-
Debt service - Principal	17,911,320	14,255,874	15,518,461	26,928,262	8,312,823
Debt service - Interest	4,767,714	11,743,654	11,515,534	11,652,230	11,487,254
Total Expenditures	219,482,460	223,185,709	193,155,212	191,119,534	176,560,434
Excess of revenues over (under) expenditures	5,595,207	(12,509,619)	3,323,900	(13,744,218)	(7,218,436)
Other Financing Sources (uses)					
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	1,397,455	2,702,131	1,928,489	3,526,765	1,405,852
Transfer out	(1,397,455)	(2,702,131)	(1,928,489)	(3,526,765)	(1,405,852)
Total other financing sources (uses)	-	155,626	3,881,081	18,863,339	2,554,952
Net Change in Fund Balance	\$ 5,595,207	\$ (12,353,993)	\$ 7,204,981	\$ 5,119,121	\$ (4,663,484)
Expenditures for Capital Assets	\$ 2,433,284	\$ 2,227,014	\$ 3,454,239	\$ 4,525,078	\$ 8,150,498
Debt service as a percentage of noncapital expenditures (3)	10.45%	11.77%	14.25%	20.68%	11.76%
REVENUES:	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
Local sources	\$ 52,840,401	\$ 48,921,526	\$ 46,622,204	\$ 43,626,462	\$ 39,991,516
Intermediate sources	2,111,829	3,459,282	4,217,842	3,327,941	2,568,301
State sources	103,417,650	98,828,419	90,498,980	89,503,854	83,521,907
Federal sources	13,806,371	14,138,691	13,496,389	14,940,162	14,460,075
Total Revenues	172,176,251	165,347,918	154,835,415	151,398,419	140,541,799
EXPENDITURES:					
Instruction	84,824,634	81,853,902	79,793,504	79,544,300	76,100,060
Support services	53,348,530	50,613,339	45,786,843	49,048,899	46,931,640
Community services	7,904,523	6,308,833	6,423,478	6,303,944	6,205,011
Facilities acquisition	25,460,791	92,423,904	7,216,535	2,908,147	-
Capital outlay	-	-	13,979,135	120	395,299
Debt service - Principal	10,503,619	7,504,054	7,015,603	7,036,611	8,315,101
Debt service - Interest	8,721,119	11,137,272	10,985,034	10,126,070	6,798,487
Total Expenditures	190,763,216	249,841,304	171,200,132	154,968,091	144,745,598
Excess of revenues over (under) expenditures	(18,586,965)	(84,493,386)	(16,364,717)	(3,569,672)	(3,634,328)
Other Financing Sources (uses)					
Sale of assets	-	-	6,019	-	-
Bond proceeds - Principal	-	-	2,000,000	122,918,047	-
Bond Issuance Cost	-	-	-	-	-
Bond proceeds - Premium	-	-	4,000,000	14,963,285	-
Transfer in	1,634,267	1,640,038	1,640,038	1,785,538	2,104,038
Transfer out	(1,634,267)	(1,640,038)	(1,640,038)	(1,785,538)	(2,104,038)
Total other financing sources (uses)	-	-	6,006,019	137,881,332	-
Net Change in Fund Balance	\$ (18,586,965)	\$ (84,493,386)	\$ (10,358,698)	\$ 134,311,660	\$ (4,203,799)
Expenditures for Capital Assets	\$ 28,478,652	\$ 3,460,939	\$ 3,460,939	\$ 5,385,844	\$ 4,328,311
Debt service as a percentage of noncapital expenditures (3)	11.85%	7.57%	10.73%	11.47%	10.76%

(1) Revenues are recognized when measurable and available.

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

(3) 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.

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

PROPERTY VALUE ASSESSED VALUATION									
FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY		TOTAL	TOTAL DIRECT TAX RATE (1)	ASSESSMENT YEAR
2023-2024	\$	7,411,793,480	\$ 527,664,740	\$ 275,613,860	\$	8,267,820	\$ 8,223,339,900	5.93 %	2023
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

(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

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

FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	TOTAL	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
2023-2024	\$ 7,411,793,480	\$ 527,664,740	\$ 275,613,860	\$ 8,267,820	\$ 8,223,339,900	90.13 %	6.42 %	3.35 %	0.10 %
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

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

PROPERTY VALUE TRUE CASH VALUATION						RATIO OF ASSESSED VALUATION TO TRUE CASH VALUATION	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	TOTAL					
2023-2024	\$ 14,263,426,780	\$ 560,682,360	\$ 356,564,642	\$ 112,576,160	\$ 15,293,249,942	53.77 %	93.27 %	3.67 %	2.33 %	0.74 %
2022-2023	13,398,220,550	503,132,030	314,062,130	88,667,340	14,304,082,050	54.81	93.67	3.52	2.20	0.62
2021-2022	12,254,158,240	447,841,320	305,299,783	74,814,010	13,082,113,353	57.07	93.67	3.42	2.33	0.57
2020-2021	11,177,694,470	432,147,210	290,138,407	68,521,710	11,968,501,797	59.63	93.39	3.61	2.42	0.57
2019-2020	10,587,872,190	405,412,040	234,416,421	65,525,850	11,293,226,501	59.90	93.75	3.59	2.08	0.58
2018-2019	10,111,730,100	410,098,360	222,800,584	67,442,170	10,812,071,214	60.19	93.52	3.79	2.06	0.62
2017-2018	9,012,880,030	405,731,152	266,741,142	57,028,690	9,742,381,014	64.55	92.51	4.16	2.74	0.59
2016-2017	7,956,510,240	377,714,504	212,276,505	45,731,770	8,592,233,019	69.97	92.60	4.40	2.47	0.53
2015-2016	7,118,441,620	362,161,236	181,401,855	39,130,860	7,701,135,571	74.87	92.43	4.70	2.36	0.51
2014-2015	7,778,266,940	367,587,665	162,477,988	34,599,530	8,342,932,123	67.50	93.23	4.41	1.95	0.41

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

REYNOLDS SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (CONTINUED)
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	
2023-2024	\$ 14,263,426,780	\$ 560,682,360	\$ 356,564,642	\$ 112,576,160	\$ 15,293,249,942	53.77 %
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

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

REYNOLDS SCHOOL DISTRICT NO.7

MULTNOMAH COUNTY, OREGON

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (CONTINUED)
LAST TEN FISCAL YEARS

ASSESSMENT YEAR	FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
2023	2023-2024	93.27 %	3.67 %	2.33 %	0.74 %
2022	2022-2023	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

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

	2023-2024		2013-2014	
PRIVATE ENTERPRISES	ASSESSED VALUATION	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION	ASSESSED VALUATION	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION
Boeing Company	\$ 545,127,670	6.95%	\$ 213,072,820	28.11%
FedEx	121,424,680	1.55	28,829,160	3.80
Amazon.Com Services, Inc.	112,278,300	1.43	-	0.00
RREEF CPIF 17505 Ne San Rafael LLC	62,490,080	0.80	-	0.00
Comcast Corporation	59,242,330	0.76	32,935,100	4.35
U S National Bank of Oregon	53,381,750	0.68	39,789,060	5.25
Townsend Farms, Inc	38,254,070	0.49	32,232,110	4.25
Troutdale Associates LLC	37,663,000	0.48	-	0.00
Blue Lake Corporate Park LLC	36,739,430	0.47	-	0.00
IP Eat One, LLC	33,696,990	0.43	21,115,590	2.79
Western B Northwest Oregon, LLC	32,789,580	0.42	-	0.00
Teeny Foods Corp	32,219,610	0.41	-	0.00
<u>PUBLIC UTILITIES</u>				
Portland General Electric Company	109,904,990	1.40	47,753,000	6.30
SUB TOTAL	1,275,212,480		415,726,840	
ALL OTHER TAXPAYERS	6,564,798,000	83.73	342,270,450	45.15
TOTAL	<u>\$ 7,840,010,480</u>	<u>100.00%</u>	<u>\$ 757,997,290</u>	<u>100.00%</u>

Source: Multnomah County: dcm.dart.application.support@multco.us

(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

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

		2024		
TAXPAYER	BUSINESS/SERVICE	ASSESSED VALUATION (1)	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED	TAX (2)
			VALUATION	
Portland General Electric Co.	Electrical Utility	\$ 886,258,490	0.88%	\$ 16,411,544
PacifiCorp (PP&L)	Electrical Utility	809,105,810	0.81%	15,207,730
Port of Portland	Airport, Marine, Property Mgmt.	806,552,630	0.81%	20,979,204
Boeing Company	Manufacturing	552,333,660	0.55%	9,359,215
Comcast Corporation	Telecommunications	365,000,360	0.36%	8,302,346
Alaska Airlines Inc.	Airline	362,298,200	0.36%	6,169,178
Weston Investment Co LLC	Real Estate	359,265,090	0.36%	8,829,656
Fred Meyer Stores Inc.	Retail	243,150,830	0.24%	5,144,553
Northwest Natural Gas Co	Natural Gas Utility	223,996,950	0.22%	4,171,106
Kaiser Foundation	Healthcare	215,530,800	0.22%	4,685,662
Subtotal - ten of County's largest taxpayers		4,823,492,820	4.81%	99,260,193
All other County's taxpayers		95,359,216,350	95.19%	
Total County		<u>\$ 100,182,709,170</u>	<u>100.00%</u>	

(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: dcm.dart.application.support@multco.us

Source: <https://www.multco.us/assessment-taxation/reports-and-data> (Total County, district code 170H)

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

	Dollars per \$1,000 True Cash Value				
	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
DIRECT:					
Reynolds School District #7 Permanent Rate	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46
Reynolds School District #7 Bond	1.47	1.54	1.62	1.55	1.27
Weighted Average Direct (1)	5.93	6.00	6.08	6.01	5.74
Overlapping:					
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	7.22	7.31	7.31	7.34	7.24
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	0.47	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	-	-	-	-	-
	23.54	23.63	23.63	23.64	23.56
Totals*	\$ 29.48	\$ 29.64	\$ 29.71	\$ 29.66	\$ 29.30

	Dollars per \$1,000 True Cash Value				
	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
DIRECT:					
Reynolds School District #7 Permanent Rate	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46
Reynolds School District #7 Bond	1.80	1.83	1.59	1.51	1.35
Weighted Average Direct (1)	6.26	6.29	6.05	5.97	5.81
Overlapping:					
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	7.28	7.31	7.06	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	-	-	-	-	-
	23.60	23.62	23.39	20.90	20.90
Totals*	\$ 29.87	\$ 29.91	\$ 29.44	\$ 26.87	\$ 26.71

*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>
SAL4A - Line 18

REYNOLDS 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		COLLECTIONS IN SUBSEQUENT YEARS (3)	TOTAL COLLECTIONS TO DATE	
	GENERAL FUND	DEBT SERVICE FUND	TOTAL	CURRENT YEAR	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2024	\$ 32,293,953	\$ 11,859,042	\$ 44,152,995	\$ 43,626,738	98.81 %	-	\$ 43,626,738	98.81 %
2023	32,412,391	12,099,488	44,511,879	43,892,397	98.61	414,632	44,307,029	99.54
2022	30,834,056	12,065,758	42,899,814	39,042,973	91.01	3,758,767	42,801,740	99.77
2021	29,628,174	11,107,556	40,735,730	38,982,796	95.70	1,704,447	40,687,243	99.88
2020	28,244,785	8,295,681	36,540,466	34,828,872	95.32	1,698,175	36,527,047	99.96
2019	27,397,656	11,396,874	38,794,530	37,068,788	95.55	1,721,182 (2)	38,789,970	99.99
2018	26,418,350	11,319,952	37,738,302	35,880,974	95.08	1,854,234	37,735,208	99.99
2017	25,270,192	9,346,815	34,617,007	32,934,681	95.14	1,680,154	34,614,835	99.99
2016	24,240,220	8,411,994	32,652,214	31,006,462	94.96	1,644,194	32,650,656	100.00
2015	24,521,780	6,424,434	30,946,214	29,341,706	94.82	1,603,423	30,945,129	100.00

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 COMCAST pay off from litigation.

(3) Collections in subsequent years includes current year revenue received for taxes levied in prior years.

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

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

GENERAL BONDED DEBT OUTSTANDING

FISCAL YEAR	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	RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUATION (3)	RATIO OF NET GENERAL BONDED DEBT TO TRUE CASH VALUE (3)
2024	\$ 92,075,941	\$ 34,670,000	\$ 15,110,714	\$ 141,856,655	\$ 5,036,225	\$ 578,421	136,242,009	1.66 %	0.89 %
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	17,821,429	173,319,319	4,626,036	111,883	168,581,400	2.26	1.29
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

Legal Debt Margin Calculation for Fiscal Year 2023-2024:

Real Market Value	\$ 15,239,668,432
Debt Limit (7.95%) (1)	1,211,553,640
Amount of Debt Applicable to Debt Limit	(136,242,009)
Legal Debt Margin	<u>\$ 1,075,311,631</u>

FISCAL YEAR	RATIO OF TOTAL GENERAL BONDED DEBT TO PERSONAL INCOME (3)	TOTAL GENERAL BONDED DEBT PER CAPITA	NET GENERAL BONDED DEBT PER CAPITA	LEGAL DEBT LIMIT (1)	LEGAL DEBT MARGIN (2)	RATIO OF LEGAL DEBT MARGIN TO DEBT LIMIT
2024	0.24 %	180	173	\$ 1,211,553,640	\$ 1,075,311,631	88.75 %
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

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 Page:

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

REYNOLDS SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
OVERLAPPING GROSS BONDED DEBT
June 30, 2024

REYNOLDS SCHOOL DISTRICT			
Real Market Value of Subject Issuer is: \$15,239,668,432 as of 1/1/2023			
Net Property-tax Backed Debt of Subject Issuer is:	\$ 146,835,941	Ratio of Net Property-tax Backed Debt to Real Market Value is:	0.96%
Net Property-tax Backed Debt of Overlapping Issuers is:	\$ 111,482,445	Ratio of Total Net Property-tax Backed Debt to Real Market Value is:	1.70%

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	\$ 1,784,737,323	\$ 10,990,720	\$ 5,675,720	\$ 1	\$ 10,990,720	\$ 5,675,720
City of Gresham	\$ 19,491,935,013	\$ 42,630,378	\$ 26,350,378	\$ 29	\$ 12,269,321	\$ 7,583,823
City of Portland	\$ 178,615,274,418	\$ 711,814,756	\$ 401,515,000	\$ 2	\$ 13,868,287	\$ 7,822,717
City of Troutdale	\$ 3,391,308,333	\$ 3,515,000	\$ 3,515,000	\$ 98	\$ 3,433,680	\$ 3,433,680
City of Wood Village	\$ 780,578,305	\$ 2,375,000	\$ 2,375,000	\$ 100	\$ 2,375,000	\$ 2,375,000
Corbett Water District	\$ 686,046,732	\$ 204,863	\$ 204,863	\$ 4	\$ 9,019	\$ 9,019
Metro	\$ 436,418,925,503	\$ 774,190,443	\$ 765,485,443	\$ 3	\$ 27,034,730	\$ 26,730,752
Mt. Hood Community College	\$ 64,553,946,332	\$ 96,230,000	\$ 69,765,000	\$ 24	\$ 22,717,593	\$ 16,469,842
Multnomah County	\$ 210,405,126,184	\$ 509,757,429	\$ 509,757,429	\$ 7	\$ 36,921,731	\$ 36,921,731
Multnomah City RFPD 10	\$ 1,371,768,309	\$ 381,421	\$ 381,421	\$ 14	\$ 54,371	\$ 54,371
Multnomah City RFPD 14	\$ 831,980,424	\$ 4,445,000	\$ 4,445,000	\$ 4	\$ 161,602	\$ 161,602
Multnomah ESD	\$ 213,405,004,045	\$ 75,677,417	\$ 59,432,417	\$ 7	\$ 5,404,276	\$ 4,244,188
Port of Portland	479,861,013,594	32,210,000	-	3.18	1,022,957	-
Overlapping Gross Bonded Debt	1,611,597,644,515	2,264,422,427	1,848,902,671		136,263,287	111,482,445
 Reynolds School District	 15,239,668,432	 147,121,656	 146,835,941	 100.00	 147,121,656	 146,835,941
Overlapping Gross Bonded Debt	\$ 1,626,837,312,947	\$ 2,411,544,083	\$ 3,844,641,283		\$ 283,384,943	\$ 258,318,386

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.

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

FISCAL YEAR	POPULATION		PERSONAL INCOME (4)		PER CAPITA PERSONAL INCOME		UNEMPLOYMENT RATE	
2024	789,698	(6)	\$ 59,836,996,856	\$	75,772	(5)	3.90%	(2)
2023	839,455	(3)	59,958,073,375		71,425	(1)	3.40	(2)
2022	831,446	(3)	59,386,030,550		71,425	(1)	3.80	(2)
2021	820,421	(3)	59,808,690,900		72,900	(1)	5.70	(2)
2020	811,857	(3)	57,792,841,403		71,186	(1)	15.30	(4)
2019	807,555	(3)	51,662,523,570		63,974	(1)	3.60	(4)
2018	811,880	(3)	46,967,258,000		57,850	(4)	3.80	(4)
2017	808,781	(3)	44,261,349,006		54,726	(4)	3.80	(4)
2016	803,741	(3)	41,838,737,755		52,055	(4)	4.60	(4)
2015	790,230	(3)	40,299,359,310		50,997	(4)	5.10	(4)

Sources:

- (1) <https://datausa.io/profile/geo/multnomah-county-or>
- (2) <https://fred.stlouisfed.org/series/ORMULT1URN>
- (3) <https://worldpopulationreview.com/us-counties/or/multnomah-county-population>
- (4) U.S Census Bureau, American Community Survey & Proximity One
- (5) Bureau of Economic Analysis U.S. Department of Commerce annual per capita personal income data
- (6) <https://censusreporter.org/profiles/05000US41051-multnomah-county-or/>

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

Employer	2023 (3)			2014		
	Employees	Rank	% of Total City	Employees	Rank	% of Total City
Amazon.com	2,538	1	28.00%			
FedEx Ground (2)	1750	2	19.31%	740	1	15.47%
Walsh Trucking Co., LTD	416	3	4.59%	220	2	4.60%
Tube Specialties	140	4	1.54%	191	3	3.99%
Brand Safeway Services	137	5	1.51%	90	10	1.88%
Travel Centers of America	125	6	1.38%	125	6	2.61%
Edgefield McMenamins	120	7	1.32%	120	7	2.51%
Wolcott Plumbing	113	8	1.25%			
Home Depot USA, Inc.	105	9	1.16%	168	5	3.51%
Toyo Tanso USA, Inc.	102	10	1.13%	134	4	2.80%
Fujii Farms, Inc.				102	9	2.13%
Postal Express				113	8	2.36%
Totals	5,546		61.19%	2,003		41.86%

(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 2022-23

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

(2) FedEx Ground Package System, Inc.

(3) Due to the availability of information available as of the date of the report, prior year totals are included for comparison

REYNOLDS SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION - GENERAL FUND - LAST TEN FISCAL YEARS

	2023- 2024	2022- 2023	2021- 2022	2020- 2021	2019- 2020	2018- 2019	2017- 2018	2016- 2017	2015- 2016	2014- 2015
Instruction:										
Primary K-5	229.26	211.35	205.66	205.66	220.42	208.53	199.34	208.28	197.70	200.42
Middle/Junior high programs	99.47	84.80	82.80	88.30	85.46	80.13	91.50	88.50	92.00	90.50
High school programs	91.33	88.13	87.50	87.50	85.00	83.50	87.83	90.99	98.99	98.83
High school programs extracurricular	2.00	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	1.00	0.50	0.50	0.50	0.50	0.50	0.50
Restrictive programs for student with disabilities	20.19	16.41	30.00	30.00	31.00	35.88	35.88	35.14	40.50	38.94
Transition programs	6.56	6.06	7.00	7.00	6.00	5.06	5.84	5.84	8.34	10.13
Life skills	31.28	31.59	29.63	30.44	33.25	30.88	30.06	36.34	30.41	30.97
Functional living skills	20.44	17.56	19.22	19.22	16.72	16.28	15.50	13.56	8.59	9.50
Less restrictive programs for students with disabilities	95.49	80.84	72.28	71.96	62.84	57.12	56.31	57.12	57.29	50.86
Less restrictive charter schools	3.70	3.70	3.10	3.10	3.88	3.85	2.70	2.70	3.90	4.20
Alternative Education	14.85	13.60	13.60	13.60	15.35	15.35	15.35	15.85	18.60	18.60
Reynolds learning academy west	-	-	-	-	-	-	-	-	-	-
English second language programs	64.95	45.26	50.76	51.27	50.20	48.15	71.33	78.08	80.18	68.21
Total Instruction	680.53	601.30	603.55	610.05	611.62	586.23	613.14	633.89	638.00	622.66
Support services										
Attendance and social work services	3.00	3.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Student safety	24.84	22.84	16.91	16.91	16.16	16.16	16.16	16.16	17.94	15.09
Guidance services	25.00	25.50	25.50	25.50	25.50	25.50	25.50	25.50	27.00	27.00
Health services	1.38	1.00	1.34	1.34	2.16	3.16	3.06	3.25	1.63	0.00
Psychological services	10.50	10.00	11.00	11.00	11.00	10.00	10.00	11.00	9.30	9.30
Speech pathology and audiology services	20.60	17.20	21.25	21.25	20.25	19.25	19.40	21.88	17.54	18.38
Other student treatment services	6.20	5.60	6.20	6.20	7.40	6.60	6.60	6.94	7.00	8.14
Service direction-Student support services	9.00	13.00	11.50	11.75	8.42	8.42	8.42	8.55	7.55	8.75
Improvement of Instructional Services	-	1.00	1.50	1.75	-	-	-	-	-	-
Teaching and Learning	5.00	3.00	3.00	2.75	4.50	4.50	4.50	4.50	4.50	4.75
Educational media services	17.31	14.31	14.03	14.03	14.06	13.69	13.69	13.75	14.25	14.19
Assessment & testing	1.00	2.00	2.00	2.00	2.00	2.50	2.50	1.50	5.00	5.50
Instructional Staff Development/Technology	15.67	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	1.50	1.75	1.75	1.50	1.50	1.50	1.50
Building Administration	100.16	93.57	90.15	90.15	88.98	88.98	93.72	94.70	98.48	96.23
Direction of business support services	0.00	2.00	2.10	2.00	-	-	-	-	-	-
Fiscal services	15.00	11.00	9.00	9.00	10.40	9.40	10.15	11.40	10.90	10.70
Operation and maintenance of plant services	-	-	-	-	-	-	-	-	-	12.20
Risk Management	1.00	-	-	1.00	1.00	1.00	-	-	-	-
Facilities Direction	3.00	2.10	2.10	2.00	1.89	2.88	3.22	3.07	3.95	-
Facilities Upkeep	0.00	60.15	53.25	52.75	54.75	52.00	54.10	53.00	53.00	-
Grounds maintenance	5.25	5.25	5.25	4.25	4.25	4.00	4.00	4.00	5.00	5.00
Maintenance Services	7.00	6.00	6.00	6.00	8.00	-	-	-	-	-
Building fixed costs	-	-	-	-	-	-	-	-	-	-
Custodial Services	61.05	-	-	-	-	-	-	-	-	43.25
Safety Program	-	-	-	-	-	-	-	1.00	1.00	-
Transportation	49.10	61.55	76.33	61.83	77.73	73.73	76.58	80.65	74.30	86.12
Transportation-special Ed	20.31	20.23	11.12	7.09	10.57	11.51	10.94	12.15	12.35	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	1.00	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	7.00	5.00	3.00	3.00	2.25	2.25	1.50	1.50	1.50	1.50
Staff services	8.00	9.00	7.00	6.00	6.00	6.00	6.00	6.50	6.50	6.90
Recruitment Services	-	-	-	-	-	-	-	0.00	1.50	-
Technology services	13.00	13.10	12.10	12.00	12.20	11.20	10.20	10.20	9.45	9.70
Other Support Services	8.00	-	-	-	-	-	-	0.25	0.25	-
Interpretation & Translation Services	5.63	4.63	5.13	5.13	6.00	4.63	-	-	-	-
Total Support Services	447.00	419.53	406.26	386.18	404.22	385.11	388.25	399.44	397.89	390.98
Community services										
Custody and care of children services	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00
Total Community Services	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00
Total FTE	1130.03	1023.33	1012.31	998.73	1018.34	973.84	1003.89	1035.83	1038.39	1015.64

Source: 2023-24 Reynolds School District Adopted Budget (page 94)

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

REYNOLDS SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON

YEAR ENDED JUNE 30, 2024

LICENSED PROFESSIONAL SALARY PLAN

		BACHELORS	BACHELORS+4	BA+60	BA+90	BA+120
LEVEL	BACHELORS	+20	0	MASTERS	MASTERS+2	MASTERS+4
					4	5
0	48,929	50,339	51,466	54,700	56,666	58,035
1	50,997	52,509	53,638	57,134	59,128	60,573
2	53,086	54,699	55,845	59,599	61,616	63,136
3	55,272	56,995	58,143	62,180	64,216	65,815
4	57,418	59,238	60,405	64,706	66,765	68,448
5	59,593	61,528	62,693	67,278	69,356	71,123
6	61,775	63,816	64,988	69,848	71,954	73,806
7	63,991	66,149	67,325	72,467	74,593	76,523
8	66,256	68,502	69,689	75,115	77,259	79,280
9	68,395	70,878	72,084	77,791	79,971	82,066
10		72,530	75,752	80,502	82,699	84,891
11			77,515	83,210	85,437	87,707
12				85,999	88,269	90,623
13				88,002	91,205	93,550
14						95,729

LICENSED STAFF PER LEVEL AND EDUCATION IN FULL-TIME EQUIVALENT EMPLOYEES

		BACHELORS	BACHELORS+4	BA+60	BA+90	BA+120	
LEVEL	BACHELORS	+20	0	MASTERS	MASTERS+2	MASTERS+4	TOTAL
					4	5	
0	18	0	4.8	15.5	0	1	39.3
1	16	1	1	23	2	1.6	44.6
2	11	3	1	34.5	3	2.5	55
3	8	0	2	17.67	3	2	32.67
4	10	1	0	18	3	3	35
5	3	1	0	13	5	3	25
6	3	1	1	14	1	5	25
7	3	2	0	11	0	4.2	20.2
8	3	0	0	12	4	4	23
9	2	1	0	15	3	4	25
10	2	2	0	9	7	8	28
11	2	0	1	12	5	2	22
12	0	0	0	7	4	7	18
13	1.6	0	0	13	8	8	30.6
14	2	3	4	72.5	60	164.3	305.8
Total	84.6	15	14.8	287.17	108	219.6	729.17

Source: Reynolds School District Human Resources Department

REYNOLDS 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
2023-2024	11,226.26	8,377	\$ 23,203	729.2	11.49	402	43
2022-2023	11,499.87	8,704	22,375	646.2	13.47	393	40
2021-2022	13,913.29	8,856	18,367	648.2	13.66	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	16.36	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

FISCAL YEAR	NUMBER OF TYPE A LUNCHES SERVED				NUMBER OF BREAKFASTS SERVED		
	PAID	FREE	REDUCED PRICE		PAID	FREE	REDUCED PRICE
2023-2024	-	926,855	-		-	511,693	-
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

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

REYNOLDS SCHOOL DISTRICT NO.7

MULTNOMAH COUNTY, OREGON

CAPITAL ASSET INFORMATION - LAST TEN FISCAL YEARS

	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>2019-2020</u>
Elementary Schools					
Buildings	11	11	11	11	11
Square Feet	694,429	694,429	694,429	694,429	694,429
Capacity	5,859	6,139	6,139	6,139	6,139
Enrollment	3,854	3,907	3,897	4,197	4,647
Middle Schools					
Buildings	3	3	3	3	3
Square Feet	397,862	411,811	411,811	411,811	411,811
Capacity	2,416	2,416	2,416	2,416	2,416
Enrollment	1,949	2,053	2,184	2,312	2,388
High Schools					
Buildings	2	2	2	2	2
Square Feet	341,543	365,416	365,416	365,416	365,416
Capacity	2,495	2,495	2,495	2,495	2,495
Enrollment	2,574	2,677	2,775	2,831	2,765
Administrative					
Buildings	1	1	1	1	1
Square Feet	12,500	12,500	12,500	12,500	12,500
	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>
Elementary Schools					
Buildings	11	11	11	11	11
Square Feet	694,429	599,731	599,731	599,731	599,731
Capacity	6,139	5,599	5,599	5,599	5,599
Enrollment	4,809	4,961	5,131	5,179	5,202
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	2,307	2,244	2,318	2,299	2,448
High Schools					
Buildings	2	2	2	2	2
Square Feet	365,416	334,837	334,837	334,837	334,837
Capacity	2,495	2,495	2,495	2,495	2,495
Enrollment	2,721	3,045	2,910	3,097	3,129
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 (Fall Membership Report), excluding Charter Schools

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

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

**INDEPENDENT AUDITOR'S REPORT
REQUIRED BY
OREGON STATE REGULATIONS**



PAULY, ROGERS, AND CO., P.C.
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January 31, 2025

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of Reynolds School District No. 7 (the District) as of and for the year ended June 30, 2024, and have issued our report thereon dated January 31, 2025. 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 the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the 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 a 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 is noted in the schedule of findings and questioned costs on page 103 of the report.

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.

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

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

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024**

Federal Grantor	Program Title	Pass through Grantor	AL Number	Pass Through Entity Number	Grant Period	Expenditures	Passed Through to Subrecipients
<u>US Department of Education:</u>							
	Title IA - YR 21-22	Oregon State Department of Education	84.010	67061	7/1/21-9/30/23	12,434	NA
	Title IA - YR 22-23	Oregon State Department of Education	84.010	72602	7/1/22-9/30/23	914,401	23,624
	Title IA - YR 23-24	Oregon State Department of Education	84.010	76567	7/1/23-9/30/24	3,466,623	235,593
	ESSA Partnerships CSI & TSI YR 21-22	Oregon State Department of Education	84.010	68007	10/1/21-9/30/23	227,128	NA
	ESSA Partnerships CSI & TSI YR 22-23	Oregon State Department of Education	84.010	75168	11/1/22-9/30/24	933,862	NA
						5,554,448	259,217
	IDEA Part B 611 YR 22-23	Oregon State Department of Education	84.027	74115	7/1/22-9/30/24	215,487	NA
	IDEA Part B 611 YR 21-22 ARP	Oregon State Department of Education	84.027	68470	7/1/21-9/30/23	241,305	NA
	IDEA Part B 611 YR 23-24	Oregon State Department of Education	84.027	78051	7/1/22-9/30/25	1,673,293	NA
	IDEA 611 Oregon Extended Assessment 23-24	Oregon State Department of Education	84.027	79986	7/1/23-6/30/24	2,198	NA
						2,132,283	-
	IDEA Part B 619 YR 21-22	Oregon State Department of Education	84.173	68991	7/1/21-9/30/23	1,856	NA
	IDEA Part B 619 YR 21-22 ARP	Oregon State Department of Education	84.173	69235	7/1/21-9/30/23	3,298	NA
	IDEA Part B 619 YR 22-23	Oregon State Department of Education	84.173	74293	7/1/22-9/30/24	10,711	NA
						15,865	-
				Special Education Cluster (IDEA) Total:		2,148,148	-
	Title III English Language Acquisition YR 21-22	Oregon State Department of Education	84.365	67162	7/1/21-9/30/24	20,701	NA
	Title III English Language Acquisition YR 22-23	Oregon State Department of Education	84.365	73121	7/1/22-9/30/24	389,006	NA
	Title III English Language Acquisition YR 23-24	Oregon State Department of Education	84.365	77009	7/1/23-9/30/24	219,214	NA
						628,921	-
	Title IIA Improving Teacher Quality YR 22-23	Oregon State Department of Education	84.367	72799	7/1/22-9/30/23	101,339	NA
	Title IIA Improving Teacher Quality YR 23-24	Oregon State Department of Education	84.367	76764	7/1/23-9/30/24	401,962	NA
						503,301	-
	TitleIV Student Support and Academic Enrichment	Oregon State Department of Education	84.424	77183	7/1/23-9/30/24	300,150	NA
	COVID-19 - LEA ESSER III	Oregon State Department of Education	84.425 D	64975	3/13/20-9/30/24	15,568,472	1,064,182
	Jumpstart Kindergarten YR 22-23	Oregon State Department of Education	84.425 D	74710	5/1/22-9/30/24	257,028	30,215
	ARP HCY	Oregon State Department of Education	84.425 D	69393	4/23/21-9/30/24	138,171	NA
	Bilingual Educator Pathways	Oregon State Department of Education	84.425 D	75960	3/1/23-9/30/24	169,988	NA
	21st CCLC Cohort 5, YR 1 23-24	Oregon State Department of Education	84.425 D	77617	7/1/23-9/30/24	102,030	NA
						16,235,689	1,094,397
	Title VI Indian Education YR 22-23	Direct	84.060A	S060A232099	7/1/23-6/30/24	14,677	NA
	RFA 4708 Summer Work	Oregon Department of Human Services	84.126A	176067	5/13/23-2/29/24	54,180	NA
	Oregon Youth Transition Programs	Oregon Department of Human Services	84.126A	160745	7/1/2021-6/30/23	221,357	NA
						275,537	-
<u>Department of Health and Human Services</u>							
	Foster Care Title IV E - Transportation	Oregon State Department of Education	93.658	81343	7/1/23-9/30/24	-	NA
<u>US Department of Agriculture:</u>							
	National School Breakfast	Oregon State Department of Education	10.553	N/A	7/1/23-6/30/24	1,249,175	NA
	USDA Commodities	Oregon State Department of Education	10.555	N/A	7/1/23-6/30/24	334,504	NA
	National School Lunch Program	Oregon State Department of Education	10.555	N/A	7/1/23-6/30/24	3,511,657	NA
	NSLP Supply Chain Assistance	Oregon State Department of Education	10.555	N/A	7/1/23-6/30/24	82,185	NA
						3,928,346	-
	Summer Feeding Program	Oregon State Department of Education	10.559	N/A	7/1/23-6/30/24	99,752	NA
	Summer Food SVC Reimb GF 23-24	Oregon State Department of Education			7/1/23-6/30/24	1,206	
						100,958	-
	Fresh Fruit and Vegetable Program	Oregon State Department of Education	10.582	61361	10/1/2021-9/30/22	46,875	NA
				Total Child Nutrition Cluster:		5,325,354	
	CNP CACFP CIL-Cash Commodities	Oregon State Department of Education	10.558	N/A	7/1/23-6/30/24	12,388	NA
	Child and Adult Care Food Program	Oregon State Department of Education	10.558	N/A	7/1/23-6/30/24	178,467	NA
						190,855	-
	Snap State and Local	Oregon State Department of Education	10.649	N/A	7/1/22-6/30/23	6,180	NA
	Local Food for Schools	Oregon State Department of Education	10.185	76217	3/1/23-8/31/24	52,800	NA
<u>US Department of Defense:</u>							
	Passed Through Junior Reserve Officers' Training Corp	US Department of Defense	12.556	N/A	2023-24	47,743	NA
	Total Federal Financial Assistance					\$ 31,283,803	\$ 1,353,614
				Total Federal Awards expended, above		\$ 31,283,803	
				Accruals/Deferrals		996,353	
				Total Federal Revenue Recognized		\$ 32,280,156	



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January 31, 2025

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Reynolds School District No. 7 (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated January 31, 2025.

Report on Internal Control over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

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 identified deficiencies in internal control that we consider to be significant deficiencies noted as FS-2024-001 and FS-2024-002 in the following schedule. However, material weaknesses or additional significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

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

Entity's Response to Findings

The entity's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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

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



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January 31, 2025

To the Board of Directors
Reynolds School District No. 7
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 Reynolds School District No. 7 (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2024. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

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

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

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

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

SECTION I – SUMMARY OF AUDITORS' RESULTS

Basic Financial Statements

Type of Auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses ☒ Yes ☐ None reported

Noncompliance material to basic financial statements noted? ☐ Yes ☒ No

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

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses ☐ Yes ☒ None reported

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

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

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

IDENTIFICATION OF MAJOR PROGRAMS

AL Number(s):

84.425D

Name of Federal Program:

COVID-19, ESSER II

Dollar threshold used to distinguish between type A and type B programs: \$ 938,514

Auditee qualified as low-risk auditee? _____ Yes x No

SECTION II – FINANCIAL STATEMENT FINDINGS

FS – 2024 – 001

Condition: During our review of the District's working trial balance, we noted the District submitted several working trial balances during the audit. The District made material adjustments for the District throughout the audit process based on items we noted and pointed out to the District that need to be corrected. We do not believe that the District would have caught the errors on their own. The District should be able to produce accurate working trial balance financial information independently of the auditor. Auditors are not allowed to be part of the District's internal control process or approval process. Complete, accurate financial information is the sole responsibility of management and not the auditors.

Criteria: Maintenance of the working trial balance is an area of key management responsibility of the District

Effect: Without adequate and timely reconciliation and review, the possibility of a material misstatement of the financial statements exists.

Cause: Higher than usual activity and staff turnover created inadequate resources necessary to ensure that proper documentation was present

Recommendations: We recommend that the District ensures adequate staffing are available to ensure the trial balance is completed accurately and in a timely manner.

Views of Responsible Officials: The District continues to improve financial reporting controls and has continued to implement additional control practices to ensure the trial balance is adequately maintained and reconciled.

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

FS – 2024 – 002

Condition: During our testing of cash, we found that all bank reconciliations tested were not reviewed timely (within 30 days after month end). Additionally, we found instances where the bank reconciliations were not prepared timely.

Criteria: Bank account reconciliations should be prepared and reviewed timely.

Effect: Without adequate and timely reconciliation and review, the possibility of a material misstatement of the financial statements exists.

Cause: Staff turnover created inadequate resources necessary to ensure that timely preparation and review of account was done.

Recommendations: We recommend that the District ensures adequate staffing are available to complete timely preparation and review of bank reconciliations.

Views of Responsible Officials: The District will continue to review their processes to ensure that bank reconciliations are prepared and reviewed timely and the process is documented.

REYNOLDS SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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