



LINCOLN COUNTY SCHOOL DISTRICT

Dr. Majalise Tolan
Superintendent

District Office | Teaching & Learning Center
1212 NE Fogarty Street, Newport, OR 97365
PO Box 1110, Newport, OR 97365
T 541-265-9211 | F 541-265-3059
www.lincoln.k12.or.us

LINCOLN COUNTY SCHOOL DISTRICT
Board of Directors – Lincoln County School District Business Meeting of the
Board
Tuesday, December 10, 2024 - 6:30 PM
Sam Case Elementary
459 NE 12th St
Newport, OR 97365

Agenda

1. Call to Order & Reading of Land Acknowledgment
2. Roll Call- Establishment of a quorum
3. Introductions
4. Communications
 - a. Written
 - b. From the Audience (This time is reserved for public comment on topics published on the Board's agenda)
 - c. Recognition
 1. Newport High School State Cross Country Champions
 2. Site Council Recognition
 3. Taft 7-12 OSAA Les Schwab Team of the Month - Football
 4. School Board Appreciation Proclamation



LINCOLN COUNTY SCHOOL DISTRICT

Dr. Majalise Tolan
Superintendent

District Office | Teaching & Learning Center
1212 NE Fogarty Street, Newport, OR 97365
PO Box 1110, Newport, OR 97365
T 541-265-9211 | F 541-265-3059
www.lincoln.k12.or.us

WHEREAS, school boards create a vision for what students should know and be able to do;

WHEREAS, school boards establish clear standards for student performance;

WHEREAS, school boards ensure that student assessments are tied to established standards;

WHEREAS, school boards are accountable to the community for operating schools that support student achievement;

WHEREAS, school boards align school district resources to ensure that students meet standards;

WHEREAS, school boards create a climate that supports the philosophy that all children can learn at high levels;

WHEREAS, school boards build collaborative relationships based on trust, teamwork and shared accountability; and

WHEREAS, school boards are committed to continuous education and training on issues related to student achievement;

NOW, THEREFORE, we, hereby declare our appreciation to the members of the Lincoln County School Board and proclaim the month of January to be **School Board Recognition Month**.

We urge all citizens to join us in recognizing the dedication and hard work of local school board members in preparing today's students for tomorrow's world.

Signed: 

Dated: 12/10/2024

- d. LCEA Report
- 5. Consultant Reports/Staff Reports/Student Reports
 - a. Area Report
 - b. Student Report
 - c. Auditor's Annual Financial Report

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024



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



**LINCOLN COUNTY SCHOOL DISTRICT
1212 NE FOGARTY STREET
NEWPORT, OREGON 97365**

**FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024**

Prepared by:

The Business Services Department
Kim Cusick, Business Services Director

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

TABLE OF CONTENTS

PAGE
NUMBER

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	I-VI
FINANCIAL STATEMENTS AND SCHEDULES:	
Basic Financial Statements:	
Government - Wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet- Governmental Funds	6
Statement of Revenues, Expenditures and Changes in Fund	
Balances - Governmental Funds	7
Reconciliation of the Governmental Funds Balance Sheet	
To the Statement of Net Position	8
Reconciliation of the Governmental Funds Statement of Revenues,	
Expenditures and Changes in Fund Balance to the Statement of Activities	9
Proprietary Funds:	
Statement of Proprietary Net Position – Internal Service Fund	10
Statement of Revenues, Expenses and Changes in Proprietary Net Position –	
Internal Service Fund	11
Statement of Cash Flows – Internal Service Fund	12
Notes to Basic Financial Statements	13
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Proportionate Share of the Net Pension Liability and Contributions	44
Schedule of Change in Net OPEB Liability and Related Ratios	45
Schedules of Revenues, Expenditures, and Changes in	
Fund Balances – Actual and Budget:	
Major Funds:	
General Fund	46
Special Funds	47

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

TABLE OF CONTENTS (CONTINUED)

	<u>PAGE NUMBER</u>
SUPPLEMENTARY INFORMATION	
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:	
Self Insurance Fund	48
Debt Service Fund	49
Capital Construction Fund	50
INDEPENDENT AUDITORS’ REPORT REQUIRED BY OREGON STATE REGULATIONS	51
GRANT COMPLIANCE REVIEW:	
Schedule of Expenditures of Federal Awards (supplementary information)	53
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 <i>Government Auditing Standards</i>	55
Independent Auditors’ Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	57
Schedule of Findings and Questioned Costs	59

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

PRINCIPAL OFFICIALS

<u>ZONE</u>	<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
1	Megan Cawley	June 30, 2027
2	Liz Martin – Vice Chair	June 30, 2027
3	Mike Rawles	June 30, 2025
4	Peter Vince – Chair	June 30, 2025
5	Senitila McKinley	June 30, 2025

All board members will receive mail at the following address:

1212 NE Fogarty Street
Newport, Oregon 97365

ADMINISTRATION

Dr. Majalise Tolan, Superintendent
Kim Cusick, Business Services Director



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

December 2, 2024

To the Board of Directors
Lincoln County School District
Lincoln County, Oregon

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lincoln County School 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Lincoln County School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows 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 Lincoln County School 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 financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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.

The budgetary comparison information presented as required supplementary information, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

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

Other Information

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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 2, 2024, 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.



Kenneth Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C.

LINCOLN COUNTY SCHOOL DISTRICT MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)

The discussion and analysis of Lincoln County School District’s financial performance provides an overview of the District’s financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the District’s Financial Statements, which follows this MD&A. Comparative information is provided between the prior fiscal year ended June 30, 2023, and June 30, 2024.

FINANCIAL HIGHLIGHTS

- On June 30, 2024, the District’s assets exceeded its liabilities by \$118,685,787
- The District has \$111,631,551 invested in capital assets, net of depreciation.

OVERVIEW OF THE FINANCIAL STATEMENTS

The School District’s annual report consists of a series of financial statements that show information for the District as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provides information about the activities of the District as a whole and presents a longer-term view of the District’s finances. Our fund financial statements are included later in the financial report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements may also give you some insights into the District’s overall financial health. Fund financial statements report the District’s operations in more detail than the government-wide financial statements by providing information about the District’s most significant fund, the general fund. The remaining statement, the Statement of Fiduciary Net Assets, presents financial information about activities for which the District acts solely as an agent for the benefit of students and parents.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements present information on the District’s finances in a manner similar to private sector businesses. One of the most important questions asked about the District is, “Is the District as a whole better off or worse off financially as a result of the year’s activities?” The Statement of Net Position and Statement of Activities report information on the District as a whole and its activities in a way that helps answer this question. We prepare these statements to include all assets and liabilities, using the modified accrual basis of accounting. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position shows the District’s assets and liabilities, with the difference between the two reported as net assets. All capital assets and long-term liabilities, and general governmental functions, are shown in the Statement of Net Position.

The Statement of Activities shows revenues, expenses and the change in net assets for the District as a whole. Revenue and expenses attributable to specific functions are segregated from general revenues to display the extent to which general revenues support each function.

FUND FINANCIAL STATEMENTS

Governmental funds account for the same functions as reported as governmental activities in the government-wide financial statements. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the “modified accrual” accounting method which measures cash and all other financial assets that can be readily converted to cash. This information is essential for preparation of and compliance with annual budgets. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliations following the government statements. The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

The District maintains one proprietary fund type. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District’s various functions. The District uses the internal service fund for the District’s self-insured medical and dental benefit plans.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets, liabilities and net position were as follows (see next page):

	2024	2023	Difference	%
Assets:				
Current and other assets	\$ 61,038,710	\$ 54,998,236	\$ 6,040,474	11.0%
Capital assets (net)	111,631,551	109,672,744	1,958,807	1.8%
Total assets	<u>172,670,261</u>	<u>164,670,980</u>	<u>7,999,281</u>	<u>4.9%</u>
Deferred Outflows of Resources:				
Pension Related Deferrals:				
Oregon RHIA	\$ 9,780	\$ 172,434	\$ (162,654)	-94.3%
Implicit	107,012	161,929	(54,917)	-33.9%
Oregon PERS	6,207,067	11,526,848	(5,319,781)	-46.2%
Total Deferred Outflows	<u>\$ 6,323,859</u>	<u>\$ 11,861,211</u>	<u>\$ (5,537,352)</u>	<u>-46.7%</u>
Liabilities:				
Current liabilities	5,468,691	5,434,212	\$ 34,479	0.6%
Non-current liabilities	38,731,736	60,783,384	(22,051,648)	-36.3%
Total liabilities	<u>\$ 44,200,427</u>	<u>\$ 66,217,596</u>	<u>\$ (22,017,169)</u>	<u>-33.2%</u>
Deferred Inflows of Resources:				
Lessor - GASB 87	\$ 83,120	\$ 105,998	\$ (22,878)	-21.6%
Pension Related Deferrals:				
Oregon RHIA	26,569	64,406	(37,837)	-58.7%
Implicit	1,323,682	1,676,065	(352,383)	-21.0%
Oregon PERS	13,811,844	10,654,393	3,157,451	29.6%
Total Deferred Inflows	<u>\$ 15,245,215</u>	<u>\$ 12,500,862</u>	<u>\$ 2,744,353</u>	<u>22.0%</u>
Net Position:				
Investment in capital assets, net of related debt	91,405,545	90,676,448	\$ 729,097	0.8%
Restricted For:				
Capital Projects	2,941,182	2,857,988	83,194	2.9%
Grant Programs	3,204,330	2,065,894	1,138,436	55.1%
Food Service	570,079	1,239,253	(669,174)	-54.0%
Student Body	1,202,986	1,242,218	(39,232)	-3.2%
Debt Service	12,971,058	12,041,088	929,970	7.7%
Net Pension Asset - RHIA	486,543	579,196	(92,653)	
Net assets: unrestricted	5,904,064	(12,888,352)	18,792,416	-145.8%
Total Net Position	<u>\$ 118,685,787</u>	<u>\$ 97,813,733</u>	<u>\$ 20,872,054</u>	<u>21.3%</u>

The district has \$61,038,710 in current assets. The increase of \$6,040,474 from the prior year is partially due to the continued expenditure savings realized in the general fund because of the availability of pandemic grant funds. Additionally, many positions remained unfilled for part or all of the year, reducing expenditures and increasing cash balances.

Board policy requires the General Fund ending balance in excess of 7% be transferred to Special Funds as these are a one-time realization of savings that should not be used to fund ongoing commitments. As General Fund expenditures decreased as mentioned above, the excesses were transferred to Special Funds, resulting in higher fund balances in funds such as Building Maintenance, Technology and Curriculum.

The district added \$9,930,218 in building and land improvements, including \$563,356 for completion of the Newport High School grandstands restrooms, concessions, and storage building; \$580,705 wildfire mitigation remodel at the Arcadia campus; completion of a safety vestibule and front office remodel at Crestview Heights Elementary; \$2,353,962 seismic retrofit and office remodel and construction of a safety vestibule at Yaquina View Elementary, as well as the completion of the roughly \$3,500,000 gymnasium. The district also added \$506,880 in equipment and vehicles. As a result of these activities, capital assets, net of depreciation, increased \$1,958,807.

The district sold two general obligation bonds in fiscal year 2002-2003 to pay down the district’s unfunded actuarial liability for PERS. The District received voter approval in May 2011 to sell \$63,000,000 in Capital Construction Bonds. Those bonds were sold in June 2011, realizing a net premium of \$67,624,666 in revenue which was received in July 2011. As current year debt service payments on the bonds increase, the long-term liabilities decrease.

The District’s revenues and expenses for the fiscal years ended June 30, 2023 and June 30, 2024, were as follows:

	2024	2023	Difference	%
Revenues				
Charges for Services	\$ 461,278	\$ 381,671	\$ 79,607	20.9%
Operating Grants	21,747,608	19,648,066	\$ 2,099,542	10.7%
Capital Grants	-	4,918,545	\$ (4,918,545)	-100.0%
General Revenues				
Property Taxes	51,405,604	49,372,023	\$ 2,033,581	4.1%
State Revenue Sharing	22,126,083	21,211,107	\$ 914,976	4.3%
Miscellaneous	3,592,501	9,561,325	\$ (5,968,824)	-62.4%
Total Revenues	99,333,074	105,092,737	(5,759,663)	-5.5%
Expenses				
Instruction	45,472,772	46,354,368	(881,596)	-1.9%
Support Services	34,971,670	34,396,274	575,396	1.7%
Community Services	3,702,636	3,679,532	23,104	0.6%
Interest on Long-Term Debt	2,274,107	4,366,677	(2,092,570)	-47.9%
Total Expenses	86,421,185	88,796,851	(2,375,666)	-2.7%
Change in Net Position	20,872,054	16,295,886	4,576,168	28.1%
Beginning Net Position	97,813,733	81,517,847	16,295,886	20.0%
Ending Net Position	\$ 118,685,787	\$ 97,813,733	\$ 20,872,054	21.3%

Approximately 55.2% of the costs of the District’s activities are paid by property taxes. This percentage is approximately .4% less than the prior year. Expenses decreased 2.7% and property tax revenues increased 5.9%. Approximately 22.1% of revenue comes from the State of Oregon revenue sharing. This is a decrease of 1.8% compared to the prior year, due in part to the increase in local property tax revenue which offsets state revenue. Roughly 25% of the District’s activities continue to be paid for with operating grants.

FUND FINANCIAL ANALYSIS

The focus of the governmental funds statements are to provide information on near-term inflows, outflows and balances of spendable resources. Unreserved fund balance measures the District’s net resources available for appropriation in the next fiscal year. As of June 30, 2024, the total fund balance of the governmental funds was \$47,000,264.

Summary of ending fund balances for the major governmental funds for 2023 and 2024 are as follows:

	ENDING FUND BALANCE		
	2024	2023	Change
General Fund	\$ 16,939,951	\$ 16,084,021	\$ 855,930
Special Revenue Funds	14,148,073	10,506,964	3,641,109
Debt Service Fund	12,971,058	12,041,088	929,970
Capital Construction Fund	2,941,182	2,857,988	83,194
Total	\$ 47,000,264	\$ 41,490,061	\$ 5,510,203

The General Fund ending fund balance increased by \$5,510,203. Board policy requires a minimum of 7% of the General Fund Budget to be retained at the fiscal year end as an ending fund balance in order to cover cash flow requirements from June through November until local tax revenues are received. As the district’s budget increases, the ending fund balance requirement increases proportionately. Additional ending fund balance was realized due to high interest earnings and continued expenditure savings realized in the general fund because of the availability of pandemic grant funds. Additionally, many positions remained unfilled for part or all of the year, reducing expenditures and increasing cash balances. The excess above the 7% required ending fund balance was transferred to Special Funds as required by board policy. This results in lower General Fund cash balances and increase Special Funds cash balances.

Special Revenue Fund ending balances increased as additional grant funds were awarded to the district. The Debt Service Fund balance has increased as a result of continuing to build a reserve balance for the PERS Debt Service Fund to offset future year expenditure increases.

In prior years, the Self-Insurance Fund balance was reported in this section. This fund is now reported as a Proprietary Fund and therefore is not included above with the Governmental Funds.

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Self-Insurance Fund	\$ 4,201,112	\$ 3,307,933	\$893,179

In 2015-16 the District added a Group HRA medical plan in addition to the existing Dental/Vision Self Insured Plans. The purpose of the Group HRA is to provide reimbursement to staff for medical deductible and out of pocket expenses that are equivalent to a \$250 deductible plan with higher medical benefits. The Group HRA is funded by the difference in premium between MODA’s high deductible plan and the District’s medical benefit cap. The Dental/Vision Self Insured Plan ending fund balance increased \$155,083. The Group HRA ending fund balance increased \$738,096, for a net increase of \$893,179.

CAPITAL ASSETS

On June 30, 2024, the District had \$111,631,551 invested in a broad range of capital assets, including land, building, equipment and vehicles. See Note 5 of the District’s Financial Statements following this MD & A for further details on capital assets.

DEBT ADMINISTRATION

As of June 30, 2024, the District had \$35,325,262 in outstanding bonds. The two bond obligations the District incurred in 2002-2003 are the Limited Tax Pension Bonds sold in October 2002 and April 2003. The resources from these bonds allowed the District to pay down the unfunded liability with Oregon Public Employees Retirement System (PERS). As a result of these bonds, for 2023-24 the District received a rate credit (reduction) of (48.24%) and the District's 2023-24 PERS rate was reduced from 27.87% for Tier 1/Tier 2 and 25.03% for OPSRP, to 0%. Although there is excess rate credit, the rate cannot go below 0%. The District repays the bonds from the same money that it would have paid to PERS by charging 13% to salary expenditures and transferring those funds to the PERS debt service fund. The 2002 and 2003 PERS Bonds were reduced by \$,2015,000 and \$2,735,000 respectively, with and outstanding combined value of \$19,585,000.

The 2011 General Obligation Bonds have been reduced by \$4,720,000 from the previous year, with an outstanding value of \$15,000,000. The District had \$135,570 in total lease liabilities and \$533,647 in Subscription liabilities as of June 30, 2024. See Notes 9, 15 and 16 of the District's Financial Statements following this MD & A for further details on long term debt.

THE 2024-25 BUDGET

The budget for 2024-25 has total appropriations of \$172,537,208, compared to the 2023-24 budget of \$161,032,402, a 7.1% net increase of \$11,504,806.

The General Fund budget increased \$4,834,053, including the required 7% unappropriated ending fund balance, contingency funds and transfers to special funds required by board policy. The district has an ample general fund ending balance above the 7% ending fund balance required by board policy due primarily to actual expenditures being reduced by continues availability of grant funds and reduced expenditures due to vacant positions. \$3,750,000 has been retained and budgeted in contingency as a cushion against further enrollment or funding declines. \$4,800,005 has been budgeted as transfers to Special Revenue funds as required by board policy to fund future curriculum, music, and technology, as well as providing for future building maintenance. These funds are transferred to special revenue funds for one-time expenditures because they are one-time revenues and should not be used to fund employee positions that must be sustained in future years by revenue from the State School Fund.

The state's Student Investment Account which is permanently funded by a corporate business tax continues to support \$2,475,041 in positions that could not be sustained in the General Fund.

The Special Revenue Funds budget increased a total of \$1,469,427. A portion of that increase is attributable to new and pending grant awards. The Special Funds budget fluctuates from year to year as the availability of and the need for grants is ever changing. The Self Insurance Funds budget was increased \$592,050. The Capital Construction Funds budget increased \$362,755.

The remaining over-all budget increase includes the Unappropriated Ending Fund Balance for the Debt Service Funds which reflects the annual increases in both the PERS and GO Bond payments and the increase in balances held for future payments on those bonds.

REQUESTS FOR INFORMATION

Our financial report is designed to provide our taxpayers, parents, staff, students, investors and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact Business Services at the Lincoln County School District.

Kim Cusick

Kim Cusick, SFO
Business Services Director Lincoln County School District

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2024

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 49,840,943
Receivables	9,790,962
Prepays	-
OPEB Asset Oregon RHIA	503,332
Capital Assets:	
Lease Assets - net of accumulated amortization	134,547
Subscription Assets, net of accumulated amortization	768,926
Capital assets, not being depreciated	7,263,498
Capital assets, net of depreciation	104,368,053
Total Assets	172,670,261
DEFERRED OUTFLOWS OF RESOURCES:	
Pension related deferrals - Oregon RHIA	9,780
Pension related deferrals - Implicit	107,012
Pension related deferrals - Oregon PERS	6,207,067
Total Deferred Outflows	6,323,859
LIABILITIES:	
Accounts payable	3,097,837
Payroll liabilities	2,370,854
Unearned revenue	862,691
Noncurrent liabilities:	
OPEB Liability Implicit Subsidy	2,737,257
Proportionate Share of Net Pension Liability - Oregon PERS	-
Due within one year	5,822,417
Due in more than one year	30,172,062
Total Liabilities	45,063,118
DEFERRED INFLOWS OF RESOURCES:	
Lessor - GASB 87	83,120
Pension related deferrals - Oregon RHIA	26,569
Pension related deferrals - Implicit	1,323,682
Pension related deferrals - Oregon PERS	13,811,844
Total Deferred Inflows of Resources	15,245,215
NET POSITION:	
Net Investment in Capital Assets	91,405,545
Restricted For:	
Capital Projects	2,941,182
Grant Programs	3,204,330
Food Service	570,079
Student Body	1,202,986
Debt Service	12,971,058
Net Pension Asset - RHIA	486,543
Unrestricted	5,904,064
	118,685,787

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

FUNCTIONS	<u>PROGRAM REVENUES</u>				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Instruction	\$ 45,472,772	\$ 284,396	\$ 10,740,199	\$ -	\$ (34,448,177)
Support Services	34,971,670	-	8,190,263	-	(26,781,407)
Community Services	3,702,636	176,882	2,817,146	-	(708,608)
Interest on Long-Term Debt	<u>2,274,107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,274,107)</u>
Total Primary Government	<u>\$ 86,421,185</u>	<u>\$ 461,278</u>	<u>\$ 21,747,608</u>	<u>\$ -</u>	<u>(64,212,299)</u>

General Revenues	
Property Taxes	51,405,604
State Revenue Sharing	22,126,083
Grants/Contributions Not Restricted to Specific Programs	
State, Intermediate and Local Sources	4,450,448
Federal Sources	317,800
Interest and Investment Earnings	3,191,917
Miscellaneous	<u>3,592,501</u>
Total General Revenues	<u>85,084,353</u>
Changes in Net Position	20,872,054
Net Position - Beginning	<u>97,813,733</u>
Net Position - Ending	<u>\$ 118,685,787</u>

The accompanying notes are an integral part of this statement.

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2024**

	GENERAL FUND	SPECIAL FUNDS	DEBT SERVICE FUND
ASSETS:			
Cash and investments	\$ 15,001,409	\$ 15,221,619	\$ 12,585,364
Receivables:			
Taxes	1,979,786	-	266,253
Accounts	1,383,735	503,730	385,694
Grants	55,679	4,926,868	-
Leases	-	82,111	-
Due from other funds	4,301,981	-	-
Prepaid Expense	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 22,722,590</u>	<u>\$ 20,734,328</u>	<u>\$ 13,237,311</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES:			
Liabilities:			
Due to Other Funds	\$ -	\$ 4,301,981	\$ -
Accounts Payable	962,143	1,336,291	-
Payroll Liabilities	2,138,670	2,172	-
Unearned Revenue	-	862,691	-
DOE - SSFG Payable	702,040	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>3,802,853</u>	<u>6,503,135</u>	<u>-</u>
Deferred Inflows:			
Unavailable revenue:			
Lease Receivable	-	83,120	-
Property Taxes	1,979,786	-	266,253
	<u> </u>	<u> </u>	<u> </u>
Total Deferred Inflows	<u>1,979,786</u>	<u>83,120</u>	<u>266,253</u>
Fund Balances:			
Non-Spendable	-	-	-
Restricted For:			
Capital Projects	-	-	-
Grant Programs	-	3,204,330	-
Food Service	-	570,079	-
Student Body	-	1,202,986	-
Debt Service	-	-	12,971,058
Committed For:			
Building Maintenance	-	2,065,990	-
Curriculum	-	3,615,733	-
Vehicle Replacment	-	103,894	-
Technology	-	3,385,061	-
	<u> </u>	<u> </u>	<u> </u>
Unassigned	16,939,951	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>16,939,951</u>	<u>14,148,073</u>	<u>12,971,058</u>
	<u>\$ 22,722,590</u>	<u>\$ 20,734,328</u>	<u>\$ 13,237,311</u>

The accompanying notes are an integral part of this statement.

CAPITAL CONSTRUCTION FUND		TOTALS
\$ 2,782,713	\$ 45,591,105	
-	2,246,039	
207,106	2,480,265	
-	4,982,547	
-	82,111	
-	4,301,981	
-	-	
<u>\$ 2,989,819</u>	<u>\$ 59,684,048</u>	
\$ -	\$ 4,301,981	
48,637	2,347,071	
-	2,140,842	
-	862,691	
-	702,040	
<u>48,637</u>	<u>10,354,625</u>	
-	-	
-	83,120	
-	2,246,039	
-	2,329,159	
-	-	
2,941,182	2,941,182	
-	3,204,330	
-	570,079	
-	1,202,986	
-	12,971,058	
-	-	
-	2,065,990	
-	3,615,733	
-	103,894	
-	3,385,061	
-	-	
-	16,939,951	
<u>2,941,182</u>	<u>47,000,264</u>	
<u>\$ 2,989,819</u>	<u>\$ 59,684,048</u>	

-
-

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024**

	GENERAL FUND	SPECIAL FUNDS	DEBT SERVICE FUND
REVENUES:			
Taxes	\$ 44,007,704	\$ 2	\$ 6,191,590
Federal grants	482,625	11,161,096	-
State grants	25,152,946	10,595,667	-
Intermediate Sources	563,386	2,800	-
Charges for services	293,233	176,882	4,748,247
Earnings from investments	1,492,868	341,164	1,052,596
Miscellaneous	836,897	2,713,360	-
Total Revenues	72,829,659	24,990,971	11,992,433
EXPENDITURES:			
Current:			
Instruction	38,447,816	9,022,244	-
Support Services	29,300,931	8,484,783	-
Community Services	1,179	3,956,465	-
Facilities Acquisition and Construction	-	584,792	-
Other Uses	-	-	-
Capital Outlay	131,177	3,606,577	-
Debt Service:			
Other General Professional Services	2,400	-	-
Principal	-	-	9,470,000
Interest	-	-	1,592,463
Total Expenditures	67,883,503	25,654,861	11,062,463
Revenues over (under) expenditures	4,946,156	(663,890)	929,970
Other Financing Sources, (Uses):			
Transfers in	-	4,305,000	1,431,650
Transfer out	(4,305,000)	-	(1,431,650)
SBITAs Proceeds	197,856	-	-
Sale of Capital Assets	16,919	-	-
Total other financing sources (uses)	(4,090,225)	4,305,000	-
Net Change in Fund Balance	855,931	3,641,110	929,970
Fund balance, beginning	16,084,020	10,506,963	12,041,088
Fund balance, Ending	\$ 16,939,951	\$ 14,148,073	\$ 12,971,058

CAPITAL CONSTRUCTION FUND		TOTALS
\$ 767,065	\$ 50,966,361	
-	11,643,721	
-	35,748,613	
-	566,186	
-	5,218,362	
130,803	3,017,431	
-	3,550,257	
<u>897,868</u>	<u>110,710,931</u>	
-	47,470,060	
-	37,785,714	
-	3,957,644	
-	584,792	
-	-	
814,674	4,552,428	
-	2,400	
-	9,470,000	
-	1,592,463	
<u>814,674</u>	<u>105,415,501</u>	
83,194	5,295,430	
-	5,736,650	
-	(5,736,650)	
-	197,856	
-	16,919	
<u>-</u>	<u>214,775</u>	
83,194	5,510,205	
<u>2,857,988</u>	<u>41,490,059</u>	
<u>\$ 2,941,182</u>	<u>\$ 47,000,264</u>	

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

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

Total Fund Balances - Governmental Funds	\$	47,000,264
--	----	------------

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The statement of Net Position includes those capital assets among the assets of the District as a whole.

Net Capital Assets		111,631,551
--------------------	--	-------------

Lease assets are reported as an expenditure in governmental funds. The Statement of Net Assets includes those lease assets among the assets of the District as a whole.		134,547
---	--	---------

Subscription assets are reported as an expenditure in governmental funds. The Statement of Net Assets includes those subscription assets among the assets of the District as a whole		768,926
--	--	---------

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.

Long term Liabilities		
Accrued Compensated Absences	\$	(230,012)
OPEB Liability		(3,953,927)
General obligation bonds payable (Net of unamortized premium and discount) and		(35,994,479)
Lease and Subscriptions Payable.		(40,178,418)

The Net Pension Asset (Liability), and deferred inflows and outflows related to the Net Pension Asset is the difference between the total pension liability and assets set aside to pay benefits earned to past and current employees and beneficiaries. This include Oregon PERS and RHIA		(7,118,234)
--	--	-------------

The Net Position of the Internal Service Fund is included in the Government-Wide balance sheet		4,201,112
--	--	-----------

Unavailable revenue related to property taxes and other assets		2,246,039
--	--	-----------

Net Position	\$	<u>118,685,787</u>
--------------	----	--------------------

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN 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 \$ 5,510,205

Repayment of bond principal, premium/discount, compensated absences, is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additions to these items are expensed in the Statement of Activities, but not in the governmental funds. \$10,091,698

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

Capital Asset Additions	5,013,258
Depreciation Expense	(3,054,451)

Internal Service Fund Net Income flows to the Statement of Activities 893,179

Lease assets are reported as an expenditure in governmental funds. The Statement of Net Assets includes those lease assets among the assets of the District as a whole. Net of debt payments and amortization \$51,856

Subscription assets are reported as an expenditure in governmental funds. The Statement of Net Assets includes those subscription assets among the assets of the District as a whole. Net of debt payments and amortization 235,279

The OPEB (implicit) and the changes in deferred inflows and outflows related to the Liability Asset represents the changes in the OPEB Liability from year to year \$185,177

The Pension Expense and the changes in deferred inflows and outflows related to the Net Pension Asset/Liability represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. This includes Oregon PERS and RHIA 1,506,610

Property tax revenue in the Statement of Activities differs from the amount reported in the governmental funds. In the governmental funds, which are on the modified accrual basis, the District recognizes a deferred revenue for all property taxes levied but not received, however in the Statement of Activities, there is no deferred revenue and the full property tax receivable is accrued. \$439,243

\$ 20,872,054

The accompanying notes are an integral part of this statement.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

STATEMENT OF PROPRIETARY NET POSITION
INTERNAL SERVICE FUND
June 30, 2024

	<u>SELF INSURANCE FUND</u>
ASSETS:	
Current assets	
Cash and Investments	\$ 4,249,838
	<hr/>
Total current assets	4,249,838
	<hr/>
Total assets	\$ 4,249,838
	<hr/> <hr/>
LIABILITIES AND NET POSITION:	
LIABILITIES:	
Current Liabilities	
Accounts Payable	\$ 48,726
	<hr/>
Total Current Liabilities	48,726
	<hr/>
Total Liabilities	48,726
	<hr/>
NET POSITION	
Unrestricted	4,201,112
	<hr/>
Total Net Position	4,201,112
	<hr/>
Total Liabilities and Net Position	\$ 4,249,838
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN PROPRIETARY NET POSITION
INTERNAL SERVICE FUND
For the Year Ended June 30, 2024

	SELF INSURANCE FUND
OPERATING REVENUES:	
Services Provided to Other Funds	\$ 1,907,907
Miscellaneous	21,220
Total Operating Revenues	<u>1,929,127</u>
OPERATING EXPENSES:	
Purchased Services	<u>1,210,434</u>
Total Operating Expenses	<u>1,210,434</u>
Income From Operations	718,693
OTHER FINANCING SOURCES, (USES)	
Earnings from Investments	<u>174,486</u>
Total Other Financing Sources, (Uses)	<u>174,486</u>
Change in Net Position	893,179
Net Position, Beginning	<u>3,307,933</u>
Net Position, Ending	<u><u>\$ 4,201,112</u></u>

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
For the Year Ended June 30, 2024

	<u>SELF INSURANCE</u> <u>FUND</u>
Cash Flows From Operating Activities:	
Cash Received from Customers	\$ 1,929,127
Cash Paid to Vendors	<u>(1,211,323)</u>
Net cash provided (used) by operating activities	<u>717,804</u>
Cash Flows From Investing Activities	
Interest Received	174,486
Net increase (decrease) in cash and investments	892,290
Cash and investments, beginning of year	<u>3,357,548</u>
Cash and investments, end of year	<u><u>\$ 4,249,838</u></u>
Reconciliation of Operating Income to	
Net Cash Provided by Operating Activities	
Change in Net Position	\$ 718,693
Adjustments for:	
(Increase) Decrease in Receivables	-
Increase (Decrease) in Payables	(889)
Increase (Decrease) in Estimated Claims	<u>-</u>
Net Cash Provided by Operating Activities	<u><u>\$ 717,804</u></u>

The accompanying notes are an integral part of this statement.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

Lincoln County School district is a municipal corporation governed by an elected board. The accompanying financial statements present the government and any component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The District does not have any component units.

BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statements of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund statement level.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions".

Program Revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest of general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

The accounts of the District 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.

GOVERNMENTAL FUND TYPES

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

Revenues susceptible to accrual are interest, state, county and local shared revenue and federal and state grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The District reports the following major governmental funds:

GENERAL FUND

The General Fund accounts for all financial resources and expenditures of the District, 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.

SPECIAL FUNDS

The Special Funds account for revenues and expenditures related to specific educational and other projects. Principal revenue sources are federal and state grant awards, fundraising, donations, proceeds from the sale of land and/or buildings and earnings from temporary investments.

DEBT SERVICE FUND

The Debt Service Fund accounts for the payment of principal and interest of the District's general obligation bonds and PERS Bonds. The principal resources are property taxes for general obligation bonds and internal charges for PERS Bonds.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL CONSTRUCTION FUND

The Capital Construction Fund accounts for expenditures related to capital projects. Principal resources are bond proceeds and construction excise taxes.

PROPRIETARY FUND TYPE

Proprietary funds are used to account for a government's business-type activities. There are two types of proprietary funds – enterprise funds and internal service funds. Both fund types use the same generally accepted accounting principles (GAAP) as similar to businesses in the private sector. Both enterprise and internal service funds recover the full cost of providing services (including capital costs) through fees and charges on those who use their services. The adopted budget is based on the modified accrual basis. The management of these funds, however, is based on the “bottom line” and whether the expenses are supported by revenue. The District uses “net unrestricted position” to evaluate these funds. This method is similar to working capital and is the result of all transactions that affect unrestricted assets and liabilities. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are internal health insurance charges. Operating expenses for internal service funds include the cost of sales and services, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District reports the following proprietary fund:

SELF INSURANCE FUND

The Self Insurance Fund is an internal service fund that accounts for insurance claims made by employees for various medical costs. The principal resources are internal charges.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the combined balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The governmental funds are maintained using the modified accrual basis of accounting. Revenues are recorded in the accounting period in which they become susceptible to accrual (i.e., measurable and available) and expenditures are recorded at the time the related fund liabilities are incurred, except for:

- 1) Vested compensated absences which are recorded as expenditures to the extent they are expected to be liquidated with expendable available financial resources.
- 2) Post retirement benefits which are recorded when paid.
- 3) Accrued interest and principal on long-term debt which is recorded on its due date.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Significant revenues susceptible to accrual under the modified accrual basis of accounting are as follows:

- 1) Federal and state grants.
- 2) Property taxes received within approximately sixty days of the end of a fiscal year.
- 3) Any local or county shared revenues.

The basis of accounting described above is in accordance with accounting principles generally accepted in the United States of America.

BUDGETS

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles except the property taxes received after year-end not considered budgetary resources in the funds. A budget is not prepared for the agency funds as allowed by Oregon law.

The District begins its budget process early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are generally published in 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 without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund: Instruction, Supporting Services, Enterprise & Community Services, Facilities Acquisition and Construction, Other Uses - Debt Service and Interfund Transfers, 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 which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original budgeted appropriation amounts and a supplemental budget and appropriation transfers. Expenditures of the various funds were within authorized appropriation levels for the year ended June 30, 2024.

PROPERTY TAXES RECEIVABLE

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed to be substantially collectible or recoverable through liens. All property taxes receivable are due from property owners within the District.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES RECEIVABLE (CONTINUED)

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.

GRANTS

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

CAPITAL ASSETS

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. 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

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. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

COMPENSATED ABSENCES

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued in the government-wide statements. A liability is accrued in the governmental funds because the District expects that vacation pay will be liquidated with expendable available resources.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the 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.

LONG-TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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 issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

LEASE RECEIVABLES

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

LEASE ASSETS

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

LEASES PAYABLE

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

SUBSCRIPTION ASSETS

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

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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSCRIPTION LIABILITIES (CONTINUED)

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.

FUND BALANCE

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

- Nonspendable fund balance represents amounts that are not in a spendable form.
- 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. The District has not assigned fund balances.
- 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.

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

NET POSITION

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

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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION (CONTINUED)

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

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

When both restricted and unrestricted net position are available for use, restricted net position is utilized first.

DEFERRED OUTFLOWS/INFLOW OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports revenue in the governmental funds that is not available to pay for current obligations as Deferred Inflows.

FAIR VALUE, INPUTS, 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 up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

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

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

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

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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. BUDGET/GAAP REPORTING DIFFERENCES

While the District reports financial position, results of operations, and changes in fund balance/net position on the basis of accounting principles generally accepted in the United States of America (GAAP), the District's budgetary basis of accounting differs from generally accepted accounting principles, as required by ORS. 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 District's budgetary basis and GAAP basis is the classification of capital outlay and debt service, which for budgetary purposes is reported within the functional categories at the level of appropriation control. In the budgetary statements capital purchases and debt service payments are recognized as expenses whereas in the GAAP statements they are recorded as increases in capital assets and reductions in long term debt. The District also posts the net present value of leased assets to the GAAP funds but not the budgetary funds, this increases other financing sources and capital outlay.

3. CASH AND INVESTMENTS

State statutes govern the District's cash management policies, because the District does not have an official investment policy. Statutes authorize the District to invest in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool. Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Cash and cash equivalents

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

Investments

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2024. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 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.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. CASH AND INVESTMENTS (CONTINUED)

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

Deposits With Financial Institutions:		2024	
Petty Cash	\$	355	
Demand Deposits:			
Checking		12,761,484	
CD's		1,812,277	
Investments		35,266,827	
	\$	49,840,943	

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	More than 18
Oregon Coast Investments	1,812,277	-	1,812,277	-
State Treasurer's Investment Pool	33,454,550	33,454,550	-	-
Total	\$ 35,266,827	\$ 33,454,550	\$ 1,812,277	\$ -

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB.

Credit Risk-Investment

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

Custodial Credit Risk

At year-end, the District's net carrying amount of deposits was \$12,761,484 and the bank balance was \$14,424,443. Of these deposits, \$500,000 was covered by federal depository insurance. The remainder is collateralized by the Oregon Public Funds Collateralization Program (PFCP).

4. ACCOUNTS/GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs. No allowance for doubtful accounts is recorded because all receivables are deemed to be collectable.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2024 are as follows:

	Beginning of Year	Additions	(Deletions)	End Of Year
Fixed Assets				
Land	7,134,280	-	-	7,134,280
Land Improvements	10,944,318	162,773	-	11,107,091
Buildings & Improvements	133,341,348	9,260,565	-	142,601,913
Equipment	7,665,141	506,880	-	8,172,021
CIP	5,046,177	4,890,135	(9,807,094)	129,218
Total	<u>164,131,264</u>	<u>14,820,353</u>	<u>(9,807,094)</u>	<u>169,144,523</u>
Accumulated Depreciation				
Land Improvements	1,019,001	111,688	-	1,130,689
Buildings & Improvements	48,623,978	2,574,147	-	51,198,125
Equipment	4,815,541	368,617	-	5,184,158
Total	<u>54,458,520</u>	<u>3,054,452</u>	<u>-</u>	<u>57,512,972</u>
Total Net Capital Assets	<u>109,672,744</u>			<u>111,631,551</u>

Depreciation was allocated to the functions as follows:

Instruction	\$ 2,290,839
Support Services	610,890
Community Services	<u>152,723</u>
Total	<u>\$ 3,054,452</u>

6. 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.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit.
To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
 - 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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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, 2022 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 \$0, excluding amounts to fund employer specific liabilities. In addition approximately \$2,109,199 in employee contributions were paid or picked up by the District in fiscal 2024. At June 30, 2024, the District reported a net pension liability of \$0 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 date of June 30, 2023 and 2022, the District’s proportion was .000 percent and .068 percent, respectively. Pension expense for the year ended June 30, 2024 was \$17,130,323.

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

- (1) Tier 1/Tier 2 – 0.0%
- (2) OPSRP general services – 0.0%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Net changes in proportionate share	6,207,067	11,467,179
Differences between contributions and proportionate share of contributions	-	2,344,665
Subtotal - Amortized Deferrals (below)	6,207,067	13,811,844
Contributions subsequent to measuring date	-	-
Deferred outflow (inflow) of resources	\$ 6,207,067	\$ 13,811,844

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.

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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Year ending June 30,	Amount
2025	\$ (1,208,653)
2026	(2,160,526)
2027	(1,866,646)
2028	(1,613,362)
2029	(755,590)
Thereafter	-
Total	\$ (7,604,777)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 1, 2024. Oregon PERS produces an independently audited ACFR which can be found at:

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

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
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	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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 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)

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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ -	\$ -	\$ -

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.

Deferred Compensation Plan

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

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

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

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. 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 made optional contributions approximately \$2,109,199 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>

7. POST EMPLOYMENT HEALTH CARE BENEFITS

Post Employment Health Care Benefits

Plan Description

The District administers a single-employer defined benefit healthcare plan that covers both active and retired participants. The plan provides post-retirement healthcare benefits for eligible retirees and their dependents through the District's group health insurance plans. The District's post-retirement plan was established in accordance with Oregon Revised Statutes (ORS) 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees.

Because claim costs are generally higher for retiree groups than for active members, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective. The valuation date was July 1, 2023 and the measurement date was June 30, 2024.

Funding Policy

The District has not established a trust fund to finance the cost of post-employment health care benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the District on a pay-as-you-go basis. There is no obligation on the part of the District to fund these benefits in advance. The District considered the liability to be solely the responsibility of the District as a whole and it is allocated to the governmental statements.

Actuarial Methods and Assumptions

The District engaged an actuary to perform a valuation as of July 1, 2022 using the Entry Age Normal, level percent of salary Actuarial Cost Method. Mortality rates were based on the RP-2000 healthy white collar male and female mortality tables, set back one year for males. Mortality is projected on a generational basis using Scale BB for males and females. Demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of July 1, 2020. Election rate and lapse assumptions are based on experience implied by valuation data for this and other Oregon public employers.

Health Care Cost Trend	Medical and vision:																								
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">Year</td> <td style="text-align: center;">Pre-65 Trend</td> </tr> <tr> <td style="text-align: center;">2021</td> <td style="text-align: center;">3.50%</td> </tr> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">4.00%</td> </tr> <tr> <td style="text-align: center;">2023</td> <td style="text-align: center;">4.50%</td> </tr> <tr> <td style="text-align: center;">2024</td> <td style="text-align: center;">5.00%</td> </tr> <tr> <td style="text-align: center;">2025</td> <td style="text-align: center;">5.50%</td> </tr> <tr> <td style="text-align: center;">2026</td> <td style="text-align: center;">6.00%</td> </tr> <tr> <td style="text-align: center;">2027</td> <td style="text-align: center;">5.90%</td> </tr> <tr> <td style="text-align: center;">2028</td> <td style="text-align: center;">5.80%</td> </tr> <tr> <td style="text-align: center;">2029</td> <td style="text-align: center;">5.70%</td> </tr> <tr> <td style="text-align: center;">2030</td> <td style="text-align: center;">5.60%</td> </tr> <tr> <td style="text-align: center;">2030+</td> <td style="text-align: center;">5.5-4.5%</td> </tr> </table>	Year	Pre-65 Trend	2021	3.50%	2022	4.00%	2023	4.50%	2024	5.00%	2025	5.50%	2026	6.00%	2027	5.90%	2028	5.80%	2029	5.70%	2030	5.60%	2030+	5.5-4.5%
Year	Pre-65 Trend																								
2021	3.50%																								
2022	4.00%																								
2023	4.50%																								
2024	5.00%																								
2025	5.50%																								
2026	6.00%																								
2027	5.90%																								
2028	5.80%																								
2029	5.70%																								
2030	5.60%																								
2030+	5.5-4.5%																								
General Inflation	2.5% per year																								
Annual Pay Increases	3.5% per year																								
Mortality	Pub 2010 employee and retiree tables, sex distinct, projected generationally. Mortality is projected on a generational basis using the Unisex Social Security Date Scale.																								
Disability	Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender, and duration from hire date.																								
Withdrawal	Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender, and duration from hire date.																								
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier/OPSRP, duration of service, and employment classification.																								

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

7. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Changes in the Net OPEB Liability

Total OPEB Liability, beginning of year	\$ 2,624,968
Changes for the year:	
Service cost	230,950
Interest	103,988
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other input	(56,859)
Benefit payments	(165,790)
Balance as of end of Year	\$ 2,737,257

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Trend Rates

The following analysis presents the net OPEB liability using a discount rate of 4%, as well as what the City's net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, a similar sensitivity analysis is presented for the changes in the healthcare trend assumption:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 2,971,210	\$ 2,737,257	\$ 2,520,922
	1% Decrease 3% Graded Up to 5%, then Back Down to 3.5%	Current Trend Rate 4.0% Graded Up to 6%, then Back Down to 4.5%	1% Increase 5% Graded Up to 7%, then Back Down to 5.5%
Total OPEB Liability	\$ 2,366,453	\$ 2,737,257	\$ 3,190,309

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits

The City reports information on deferred outflows and deferred inflows of resources at year end as well as a schedule of amounts of those deferred outflows of resources and deferred inflows of resources that will be recognized in other post-employment benefit expense for the following five years.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,824	\$ 571,942
Changes in assumptions or other input	104,188	751,740
Deferred outflow (inflow) of resources	\$ 107,012	\$ 1,323,682

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

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

<u>Year ending June 30,</u>	<u>Amount</u>
2025	(354,327)
2026	(194,926)
2027	(247,020)
2028	(247,017)
2029	(102,682)
Thereafter	(70,698)
Total	<u>\$ (1,216,670)</u>

8. 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 districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 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 liability/(asset) of (\$503,332) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2023, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(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 liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2023 and 2022, the District's proportion was .14 percent and .13 percent, respectively. OPEB expense for the year ended June 30, 2024 was \$92,168.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (58,255)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	150,423
- 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>\$ 92,168</u>

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 12,636
Changes in assumptions	-	5,427
Net difference between projected and actual earnings on pension plan investments	1,427	-
Net changes in proportionate share	8,353	8,506
Differences between contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	9,780	26,569
Contributions subsequent to measuring date	-	-
Deferred outflow (inflow) of resources	<u>\$ 9,780</u>	<u>\$ 26,569</u>

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

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

Year ending June 30,	Amount
2025	\$ (21,171)
2026	(20,891)
2027	18,601
2028	6,671
2029	-
Thereafter	-
Total	<u>\$ (16,790)</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 1, 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>

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Actuarial Methods and Assumptions:

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

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

Discount Rate:

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

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.

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	\$ (457,530)	\$ (503,332)	\$ (542,630)

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.

9. LONG-TERM OBLIGATIONS

Pension Obligation Bonds

In October 31, 2002 and April 2003, the District issued \$47,951,519 of limited tax pension obligation bonds to finance its 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 District’s UAL and resulted in an estimated present value savings of approximately \$12.3 million over the life of the bonds. The actual savings realized by the District 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 District’s future required contribution rate. The Pension Obligation Bonds bear interest at 2.06% - 6.10% and mature on June 30, 2028.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS (CONTINUED)

Upon the occurrence and continuation of default on the 2002 bonds, the owners of 25% or more of the outstanding principal of the 2002 bonds, or 51% or more of the 2003 bonds then outstanding may take any actions available at law or in equity as may appear necessary or desirable to enforce or to protect any of the rights of the owners of the bonds, whether for the specific enforcement of any covenant or agreement. However, the bonds shall not be subject to acceleration.

General Obligation Bonds

On June 22, 2011, the District signed a purchase agreement to issue \$63,000,000 of General Obligation Bonds. The bonds were issued to pay for new construction and major renovation of District facilities. The bonds bear interest at 3.50-5.00% and mature on June 15, 2026. Included in the issue are \$15,000,000 in Qualified School Construction Bonds, which are part of an expiring federal stimulus program. Through the program, the District benefits because the federal government pays the vast majority of interest on the Qualified School Construction Bonds. All of the interest was initially being paid by the federal government, but starting in 2012-2013 the District has been required to pay minimal amounts of interest due to the federal sequester. The District estimates that it will save nearly \$7,000,000 in interest expense over the life of the bonds.

The payment of the principal and interest on these bonds when due is guaranteed by the full faith and credit of the State of Oregon under the provisions of the Oregon School Bond Guaranty Act – Oregon Revised Statutes (ORS) 328.321 and 328.356. Upon the occurrence and continuation of default on the bonds, the owners of 51% or more of the outstanding principal of the bonds then outstanding may take any actions available at law or in equity as may appear necessary or desirable to enforce or to protect any of the rights of the owners of the bonds, whether for the specific enforcement of any covenant or agreement.

Changes in Long-Term Obligations are as follows:

Issue Date	Interest Rates	Original Issue	Outstanding Beginning of Year	Issued	Matured & Redeemed	Outstanding End of Year	Due in One Year
October 2002	2.06-6.1%	\$ 21,009,781	\$ 10,870,000	\$ -	\$ 2,015,000	\$ 8,855,000	\$ 2,255,000
April 2003	2.06-6.1%	26,941,738	13,465,000	-	2,735,000	10,730,000	3,055,000
August 2011	3.50-5.00%	63,000,000	19,720,000	-	4,720,000	15,000,000	-
			44,055,000	-	9,470,000	34,585,000	5,310,000
Unamortized Premium/ (Discount)			1,406,962	-	666,700	740,262	333,350
Total Bonds Payable			45,461,962	-	10,136,700	35,325,262	5,643,350
Total Lease Liabilities			188,449	-	52,879	135,570	52,728
Total SBITAs Liabilities			500,628	197,856	164,837	533,647	126,339
Total Long-Term Obligations			\$46,151,039	197,856	\$10,354,416	\$35,994,479	\$5,822,417

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS (CONTINUED)

Future maturities of bond principal are as follows:

Fiscal Year Ending June	2002 PERS Bonds		2003 PERS Bonds		2011 GO Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	2,255,000	491,452	3,055,000	609,464	-	716,700
2026	2,510,000	366,300	2,855,000	435,940	15,000,000	716,700
2027	2,790,000	226,995	2,875,000	273,776		
2028	1,300,000	72,150	1,945,000	-	-	-
Total	<u>\$ 8,855,000</u>	<u>\$ 1,156,897</u>	<u>\$ 10,730,000</u>	<u>\$ 1,319,180</u>	<u>\$ 15,000,000</u>	<u>\$ 1,433,400</u>

Changes in compensated absences for the year ended June 30, 2024 was as follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of Year</u>	<u>One Year</u>
Compensated Absences Payable	185,010	230,012	185,010	230,012	230,012
Totals	<u>\$ 185,010</u>	<u>\$ 230,012</u>	<u>\$ 185,010</u>	<u>\$ 230,012</u>	<u>\$ 230,012</u>

10. DEFERRED COMPENSATION

The District has a deferred compensation plan available for its employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one, which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service.

11. RISK MANAGEMENT

The District is self-insured for medical, dental, vision and for certain policy deductible limits on District vehicles, errors and omissions and the first \$1,000 of property/fire losses. The District purchases insurance for worker's compensation, liability claims and all property losses in excess of deductible limits. There were no significant reductions in the District's insurance coverage during the current fiscal year. Settled claims have not exceeded this commercial coverage for any of the past three years.

12. INTERFUND ACTIVITY

Interfund balances and Transfers are used to fund operations between funds. Interfund transfers are clearly segregated and shown on the face of the financial statements.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

13. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon approved ballot Measure 5, a constitutional limit on property taxes for schools and non-school government operations, in November, 1990 (now Article XI, Section 11b). 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 for the 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 is accomplished by rolling assessed property values back to their 1995-96 values less 10%, and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The 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 school districts.

14. COMMITMENTS AND CONTINGENCIES

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

The District is involved in various claims and legal matters relating to its operations which have all been tendered to, and are either being adjusted by the District's liability carrier, or are being defended by attorneys retained by the District's liability carrier.

15. LEASE PAYABLE & RECEIVABLE

LEASE PAYABLE

On 07/01/2021, Lincoln County School District, OR entered into a 43 month lease as Lessee for the use of YVE Postage Machine - Postbase Vision S3. An initial lease liability was recorded in the amount of \$1,240.23. As of 06/30/2024, the value of the lease liability is \$179.00. Lincoln County School District, OR is required to make quarterly fixed payments of \$90.00. The lease has an interest rate of 0.8930%. The Equipment estimated useful life was 43 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$1,240.23 with accumulated amortization of \$1,019 is included with Equipment on the Lease Class activities table found below.

On 02/04/2022, Lincoln County School District, OR entered into a 60 month lease as Lessee for the use of Kyocera Copiers - District Wide. An initial lease liability was recorded in the amount of \$244,384.89. As of 06/30/2024, the value of the lease liability is \$127.980. Lincoln County School District, OR is required to make monthly fixed payments of \$4,193.50. The lease has an interest rate of 1.1770%. The Equipment estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$244,384.89 with accumulated amortization of \$117,712 is included with Equipment on the Lease Class activities table found below.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

15. LEASE PAYABLE & RECEIVABLE (CONTINUED)

On 11/04/2021, Lincoln County School District, OR entered into a 60 month lease as Lessee for the use of TAHS Postage Machine - Sendpro C Series. An initial lease liability was recorded in the amount of \$5,995.25. As of 06/30/2024, the value of the lease liability is \$2,735. Lincoln County School District, OR is required to make quarterly fixed payments of \$308.55. The lease has an interest rate of 1.2250%. The Equipment estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$5,995.25 with accumulated amortization of \$3,187 is included with Equipment on the Lease Class activities table found below.

On 02/25/2022, Lincoln County School District, OR entered into a 58 month lease as Lessee for the use of Kyocera Copier - Compass Online School. An initial lease liability was recorded in the amount of \$7,993.91. As of 06/30/2024, the value of the lease liability is \$4,079. Lincoln County School District, OR is required to make monthly fixed payments of \$143.88. The lease has an interest rate of 1.8250%. The Equipment estimated useful life was 58 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$7,993.91 with accumulated amortization of \$3,887 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Lincoln County School District, OR entered into a 43 month lease as Lessee for the use of SCE Postage Machine - Postbase Vision A5. An initial lease liability was recorded in the amount of \$1,653.63. As of 06/30/2024, the value of the lease liability is \$239. Lincoln County School District, OR is required to make quarterly fixed payments of \$120.00. The lease has an interest rate of 0.8930%. The Equipment estimated useful life was 43 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$1,653.63 with accumulated amortization of \$1,358 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Lincoln County School District, OR entered into a 43 month lease as Lessee for the use of TAES Postage Machine Postbase Vision S3. An initial lease liability was recorded in the amount of \$1,240.23. As of 06/30/2024, the value of the lease liability is \$179. Lincoln County School District, OR is required to make quarterly fixed payments of \$90.00. The lease has an interest rate of 0.8930%. The Equipment estimated useful life was 43 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$1,240.23 with accumulated amortization of \$1,019 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Lincoln County School District, OR entered into a 43 month lease as Lessee for the use of TOHS Postage Machine - Postbase Vision S3. An initial lease liability was recorded in the amount of \$1,240.23. As of 06/30/2024, the value of the lease liability is \$179. Lincoln County School District, OR is required to make quarterly fixed payments of \$90.00. The lease has an interest rate of 0.8930%. The Equipment estimated useful life was 43 months as of the contract commencement. The value of the right to use asset as of 06/30/2024 of \$1,240.23 with accumulated amortization of \$1,019 is included with Equipment on the Lease Class activities table found below.

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 52,730	\$ 1,333	\$ 54,063
2026	52,578	704	53,283
2027	30,263	119	30,382
	<u>\$ 135,571</u>	<u>\$ 2,156</u>	<u>\$ 137,728</u>

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

15. LEASE PAYABLE & RECEIVABLE (CONTINUED)

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Lease Liability					
Equipment					
Kyocera Copier - Compass Online School	\$ 5,715	\$ -	\$ 1,636	\$ 4,079	\$ 1,666
Kyocera Copiers - District Wide	176,486	-	48,506	127,980	49,080
SCE Postage Machine - Postbase Vision A5	714	-	475	239	239
TAES Postage Machine Postbase Vision S3	536	-	356	179	179
TAHS Postage Machine - Sendpro C Series	3,926	-	1,192	2,735	1,206
TOHS Postage Machine - Postbase Vision S3	536	-	356	179	179
YVE Postage Machine - Postbase Vision S3	536	-	356	179	179
Total Equipment Lease Liability	\$ 188,449	\$ -	\$ 52,877	\$ 135,570	\$ 52,728

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Lease Assets				
Equipment				
Kyocera Copier - Compass Online School	\$ 7,994	\$ -	\$ -	\$ 7,994
Kyocera Copiers - District Wide	244,385	-	-	244,385
SCE Postage Machine - Postbase Vision A5	1,654	-	-	1,654
TAES Postage Machine Postbase Vision S3	1,240	-	-	1,240
TAHS Postage Machine - Sendpro C Series	5,995	-	-	5,995
TOHS Postage Machine - Postbase Vision S3	1,240	-	-	1,240
YVE Postage Machine - Postbase Vision S3	1,240	-	-	1,240
Total Equipment Lease Assets	263,748	-	-	263,748
Total Lease Assets	\$ 263,748	\$ -	\$ -	\$ 263,748

Lease Accumulated Amortization				
Equipment				
Kyocera Copier - Compass Online School	\$ 2,233	\$ 1,654	\$ -	\$ 3,887
Kyocera Copiers - District Wide	68,835	48,877	-	117,712
SCE Postage Machine - Postbase Vision A5	905	453	-	1,358
TAES Postage Machine Postbase Vision S3	679	340	-	1,019
TAHS Postage Machine - Sendpro C Series	1,988	1,199	-	3,187
TOHS Postage Machine - Postbase Vision S3	679	340	-	1,019
YVE Postage Machine - Postbase Vision S3	679	340	-	1,019
Total Equipment Lease Accumulated Amortization	75,998	53,203	-	129,201
Total Lease Accumulated Amortization	75,998	53,203	-	129,201
Total Governmental Lease Assets, Net	\$ 187,750	\$ (53,203)	\$ -	\$ 134,547

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

15. LEASE PAYABLE & RECEIVABLE (CONTINUED)

LEASE RECEIVABLE

On 07/01/2021, Lincoln County School District, OR entered into a 95 month lease as Lessor for the use of NHS Land - Sprint Cell Tower. An initial lease receivable was recorded in the amount of \$133,836.69. As of 06/30/2024, the value of the lease receivable is \$82,111. The lessee is required to make annual fixed payments of \$18,250.50. The lease has an interest rate of 0.8930%. The value of the deferred inflow of resources as of 06/30/2024 was \$83,120, and Lincoln County School District, OR recognized lease revenue of \$16,905.69 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On 07/01/2021, Lincoln County School District, OR entered into a 36 month lease as Lessor for the use of LBL Early Intervention Classroom at Taft Elementary. An initial lease receivable was recorded in the amount of \$17,917.91. As of 06/30/2024, the value of the lease receivable is \$0. The lessee is required to make annual fixed payments of \$6,000.00. The lease has an interest rate of 0.7270%. The Buildings estimated useful life was 50 years as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2024 was \$0, and Lincoln County School District, OR recognized lease revenue of \$5,972.64 during the fiscal year. The lessee had a termination period of 1 month as of the lease commencement. Lincoln County School District, OR had a termination period of 1 month as of the lease commencement.

Principal and Interest Expected to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 20,255	\$ 733	\$ 20,988
2026	20,436	552	20,988
2027	20,618	370	20,988
2028	20,802	186	20,988
	<u>\$ 82,111</u>	<u>\$ 1,841</u>	<u>\$ 83,952</u>

GOVERNMENTAL ACTIVITIES:

	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Deferred Inflow of Resources				
Buildings				
LBL Early Intervention Classroom at Taft Elementary	\$ 5,973	\$ -	\$ 5,973	\$ -
Total Building Deferred Inflow of Resources	5,973	-	5,973	-
Land				
NHS Land - Sprint Cell Tower	100,025	-	16,906	83,120
Total Land Deferred Inflow of Resources	100,025	-	16,906	83,120
Total Deferred Inflow of Resources	<u>\$ 105,998</u>	<u>\$ -</u>	<u>\$ 22,879</u>	<u>\$ 83,120</u>

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

16. SUBSCRIPTION PAYABLE

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, Lincoln County School District (Lincoln County), OR had 14 active subscriptions. The subscriptions have payments that range from \$1,750 to \$46,792 and interest rates that range from 0.3210% to 3.2380%. As of 06/30/2024, the total combined value of the subscription liability is \$533,647, and the total combined value of the short-term subscription liability is \$126,339. The combined value of the right to use asset, as of 06/30/2024 of \$1,100,231 with accumulated amortization of \$331,305 is included within the Subscription Class activities table found below. The subscriptions had \$0 of Variable Payments and \$0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year.

Amount of Subscription Assets by Major Classes of Underlying Asset		
	As of Fiscal Year-end	
Asset Class	Subscription Asset Value	Accumulated Amortization
Software	1,100,231	331,305
Total Subscriptions	1,100,231	331,305

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	126,339	14,737	141,076
2026	104,212	11,511	115,724
2027	65,784	8,558	74,342
2028	68,190	6,713	74,903
2029	63,182	4,800	67,981
2030 - 2033	105,940	4,807	110,747
	533,647	51,126	584,773

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

16. SUBSCRIPTIONS PAYABLE (CONTINUED)

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Short-Term Balance as of June 30, 2024
Subscription Liability					
Software					
DebtBook	\$ 23,641	\$ -	\$ 10,941	\$ 12,700	\$ 12,700
Discovery Education	-	-	-	-	-
Ellevation	-	-	-	-	-
Enome - Goalbook	-	67,173	23,027	44,147	21,762
Enterprise Scenario Planning (ESP)	22,651	-	11,307	11,344	11,344
Hudl - NHS	-	27,412	9,400	18,012	8,877
Hudl - TAHS	-	28,204	10,000	18,204	8,972
Remind	-	38,046	38,046	-	-
School Info App - TAHS	3,149	-	1,681	1,468	1,468
Synergy SIS	301,311	-	38,464	262,847	40,877
Synergy SIS Addl Environments	-	37,021	9,000	28,021	6,719
Synergy SIS Distance Learning Portal (DLP)	18,064	-	1,531	16,532	1,638
Synergy SIS MTSS Module	131,574	-	11,202	120,372	11,982
Teaching Channel	-	-	-	-	-
Total Software Subscription Liability	\$ 500,390	\$ 197,856	\$ 164,599	\$ 533,647	\$ 126,339

-

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Subscription Assets				
Software	\$ 902,613	\$ 197,617	\$ -	\$ 1,100,230
Accumulated Amortization				
Software	\$ 132,600	\$ 198,704	\$ -	\$ 331,304
Total Subscription Assets, Net	\$ 770,013	\$ (1,087)	\$ -	\$ 768,926

REQUIRED SUPPLEMENTARY INFORMATION

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - OREGON PERS

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability / (Asset)	(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	0.000 %	\$ -	\$ 33,458,528	0%	81.7 %
2023	0.068	10,398,001	32,097,660	32%	84.5
2022	0.033	4,041,165	28,575,831	14%	87.6
2021	0.072	15,785,496	30,356,658	52%	75.8
2020	0.000	-	27,456,992	0%	80.2
2019	0.050	7,137,649	24,591,791	29%	82.1
2018	0.005	621,590	23,392,566	3%	83.1

SCHEDULE OF CONTRIBUTIONS - OREGON PERS

	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	\$ -	\$ -	\$ -	\$ 39,421,263	- %
2023	-	-	-	33,458,528	-
2022	-	-	-	32,097,660	-
2021	-	-	-	28,575,831	-
2020	-	-	-	30,356,658	-
2019	-	-	-	27,456,992	-
2018	-	-	-	24,591,791	-

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - OREGON RHIA

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability / (Asset)	(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	0.14 %	\$ (503,332)	\$ 33,458,528	-2%	201.6 %
2023	0.13	(471,168)	32,097,660	-1%	194.6
2022	0.14	(511,839)	28,575,831	-2%	183.9
2021	0.42	(869,703)	30,356,658	-3%	150.1
2020	0.25	(474,946)	27,456,992	-2%	144.4
2019	0.23	(256,487)	24,591,791	-1%	124.0
2018	0.22	(92,146)	23,392,566	0%	108.9

SCHEDULE OF CONTRIBUTIONS - OREGON RHIA

	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	\$ -	\$ -	\$ -	\$ 39,421,263	- %
2023	-	-	-	33,458,528	-
2022	3,646	3,646	-	32,097,660	-
2021	4,484	4,484	-	28,575,831	-
2020	30,481	30,481	-	30,356,658	0.001
2019	122,917	122,917	-	27,456,992	0.004
2018	110,695	110,695	-	24,591,791	0.005

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date. These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON**

**SCHEDULE OF CHANGE IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2024**

MEDICAL BENEFIT

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability - beginning	2,624,968	2,887,855	3,056,944	4,036,644	3,609,908	4,635,767	4,873,523	5,291,914
Service cost	230,950	221,248	265,018	278,922	269,490	418,185	265,474	265,474
Interest	103,988	106,391	72,563	94,864	129,876	144,527	140,531	150,228
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected & actual	-	(234,426)	-	(792,246)	-	19,762	-	-
Change of Assumptions and other input	(56,859)	(217,387)	(312,799)	(362,447)	364,658	(1,135,557)	-	-
Benefit Payments	(165,790)	(138,713)	(193,871)	(198,793)	(337,288)	(472,776)	(643,761)	(834,093)
Net change in total OPEB liability	112,289	(262,887)	(169,089)	(979,700)	426,736	(1,025,859)	(237,756)	(418,391)
Total OPEB Liability - end	2,737,257	2,624,968	2,887,855	3,056,944	4,036,644	3,609,908	4,635,767	4,873,523
Fiduciary net position - beginning								
Contributions - Employer	165,790	138,713	193,871	198,793	337,288	472,776	643,761	834,093
Contributions - Employee			-	-	-	-	-	-
Net Investment Income			-	-	-	-	-	-
Benefit payments	(165,790)	(138,713)	(193,871)	(198,793)	(337,288)	(472,776)	(643,761)	(834,093)
Administrative expense			-	-	-	-	-	-
Net change in fiduciary net position	0	-	-	-	-	-	-	-
Fiduciary net position - end of year			-	-	-	-	-	-
Net OPEB Liability - end of year	2,737,257	2,624,968	2,887,855	3,056,944	4,036,644	3,609,908	4,635,767	4,873,523
Fiduciary net position as percentage of the total OPEB liability			0%	0%	0%	0%	0%	0%
Covered Payroll	35,588,808	34,988,608	32,862,524	29,862,649	33,160,978	32,039,592	34,261,846	33,263,928
Net OPEB liability as percentage of covered payroll	8%	8%	9%	9%	12%	11%	14%	15%

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2024

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Revenue From Local Sources:				
Ad Valorem Taxes Levied by District	\$ 42,683,114	\$ 42,683,114	\$ 44,007,704	\$ 1,324,590
Revenue from Other Local Governments	15,000	15,000	13,040	(1,960)
Summer School Tuition		-		-
Earnings from Investments	400,000	400,000	1,492,868	1,092,868
Rentals	10,000	10,000	8,837	(1,163)
Contributions and Donations From Private Sources		-	2,591	2,591
Services Provided Other Local Education Agencies	-	-	284,396	284,396
Recovery of Prior Years' Expenditures	-	-	49,704	49,704
Services to other Funds		-		-
Fees Charged to Grants	550,000	550,000	453,762	(96,238)
Miscellaneous	1,319,218	1,319,218	317,800	(1,001,418)
Total Local Revenue	<u>44,977,332</u>	<u>44,977,332</u>	<u>46,630,702</u>	<u>1,653,370</u>
Revenue From Intermediate Sources:				
County School Fund	300,000	300,000	484,292	184,292
Other Intermediate Sources	-	-	2,623	
Restricted Revenue	195,000	195,000	76,471	(118,529)
Total Intermediate Revenue	<u>495,000</u>	<u>495,000</u>	<u>563,386</u>	<u>68,386</u>
Revenue From State Sources:				
State School Fund- General Support	23,130,549	23,130,549	22,102,165	(1,028,384)
Common School Fund	701,538	701,538	696,414	(5,124)
State Managed County Timber	500,000	500,000	787,657	287,657
Other Grants from State	910,136	910,136	1,566,710	656,574
Total State Revenue	<u>25,242,223</u>	<u>25,242,223</u>	<u>25,152,946</u>	<u>(89,277)</u>
Revenue From Federal Sources:				
State Fiscal Stabilization Funds	-	-		-
Unrestricted Revenue From Fed Gov't Through State		-		-
Restricted Revenue From Fed Gov't Through State	74,000	74,000	157,556	83,556
Federal Forest Fees	-	-	325,069	325,069
Total Federal Revenue	<u>74,000</u>	<u>74,000</u>	<u>482,625</u>	<u>408,625</u>
Total Revenues	<u>70,788,555</u>	<u>70,788,555</u>	<u>72,829,659</u>	<u>2,041,104</u>
EXPENDITURES:				
Instruction	40,551,319	40,551,319 (1)	38,453,668	2,097,651
Support Services	31,258,203	31,258,203 (1)	29,424,256	1,833,947
Enterprise and Community Services	90,843	90,843 (1)	1,179	89,664
Facilities, Acquisition and Construction	5,000	5,000 (1)	2,000	3,000
Debt Service	3,200	3,200 (1)	2,400	800
Contingency	3,750,000	3,750,000 (1)	-	3,750,000
Total Expenditures	<u>75,658,565</u>	<u>75,658,565</u>	<u>67,883,503</u>	<u>7,775,062</u>
Excess of Revenues Over, (Under)				
Expenditures	(4,870,010)	(4,870,010)	4,946,156	9,816,166
Transfers Out	(4,305,000)	(4,305,000) (1)	(4,305,000)	-
SBITAs Proceeds	-	-	197,856	197,856
Sale of Fixed Assets	-	-	16,919	16,919
Total Other Financing Sources, (Uses)	<u>(4,305,000)</u>	<u>(4,305,000)</u>	<u>(4,090,225)</u>	<u>214,775</u>
Net Change in Fund Balance	(9,175,010)	(9,175,010)	855,931	10,030,941
Beginning Fund Balance	14,115,000	14,115,000	16,084,020	1,969,020
Ending Fund Balance	<u>\$ 4,939,990</u>	<u>\$ 4,939,990</u>	<u>\$ 16,939,951</u>	<u>\$ 11,999,961</u>

(1) Appropriation Level

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2024

<u>SPECIAL FUNDS</u>				VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES:				
Revenue From Local Sources:				
Taxes - Prior Year Levies	\$ 3,015	\$ 3,015	\$ 2	\$ (3,013)
Tuition	-	-	-	-
Earnings on Investments	54,688	54,688	341,164	286,476
School Sponsored Activities	1,265,900	1,265,900	1,107,442	(158,458)
Food Service Sales	180,000	180,000	176,882	(3,118)
Private Contributions	230,500	230,500	414,038	183,538
Recovery of Prior Year Expenditures	-	-	956	956
Miscellaneous	744,599	744,599	1,190,924	446,325
Intermediate Sources:				
Restricted Revenue		-	-	-
Unrestricted Revenue		-	2,800	2,800
Revenue From State Sources:				
Basic School Support	25,000	25,000	23,918	(1,082)
Grants-In-Aid	10,631,509	10,631,509	10,571,749	(59,760)
Revenue From Federal Sources:				
Restricted Grants-In-Aid	16,304,399	16,304,399	11,161,096	(5,143,303)
Total Revenues	29,439,610	29,439,610	24,990,971	(4,448,639)
EXPENDITURES:				
Instruction	13,376,322	13,376,322 (1)	9,051,934	4,324,388
Support Services	10,785,262	10,785,262 (1)	8,826,339	1,958,923
Community Services	4,865,611	4,865,611 (1)	4,087,680	777,931
Facilities Acquisition and Construction	5,368,063	5,368,063 (1)	3,688,908	1,679,155
Contingencies	7,871,224	7,871,224 (1)	-	7,871,224
Total Expenditures	42,266,482	42,266,482	25,654,861	16,611,621
Excess of Revenues Over, (Under)				
Expenditures	(12,826,872)	(12,826,872)	(663,890)	12,162,982
Other Financing Sources, (Uses):				
Sale of Capital Assets		-		-
Transfers In	4,305,000	4,305,000	4,305,000	-
Transfers Out		-	-	-
Total Other Financing Sources, (Uses)	4,305,000	4,305,000	4,305,000	-
	(8,521,872)	(8,521,872)	3,641,110	12,162,982
Beginning Fund Balance	8,933,871	8,933,871	10,506,963	1,573,092
Ending Fund Balance	<u>\$ 411,999</u>	<u>\$ 411,999</u>	<u>\$ 14,148,073</u>	<u>\$ 13,736,074</u>

SUPPLEMENTARY INFORMATION

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2024

<u>SELF INSURANCE FUND</u>				VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>(NEGATIVE)</u>
REVENUES:				
From Local Sources:				
Earnings on Investments	\$ 94,600	\$ 94,600	\$ 174,486	\$ 79,886
Services Charged Other Funds	1,720,000	1,720,000	1,907,907	187,907
Miscellaneous	<u>23,000</u>	<u>23,000</u>	<u>21,220</u>	<u>(1,780)</u>
Total Local Revenue	<u>1,837,600</u>	<u>1,837,600</u>	<u>2,103,613</u>	<u>266,013</u>
EXPENDITURES:				
Support Services	1,310,000	1,310,000 (1)	1,210,434	99,566
Contingency	<u>3,862,600</u>	<u>3,862,600 (1)</u>	<u>-</u>	<u>3,862,600</u>
Total Expenditures	<u>5,172,600</u>	<u>5,172,600</u>	<u>1,210,434</u>	<u>3,962,166</u>
Net Change in Fund Balance	(3,335,000)	(3,335,000)	893,179	4,228,179
Beginning Fund Balance	<u>3,335,000</u>	<u>3,335,000</u>	<u>3,307,933</u>	<u>(27,067)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,201,112</u>	<u>\$ 4,201,112</u>

(1) Appropriation Level

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2024

<u>DEBT SERVICE FUND</u>				
	<u>ORIGINAL</u> <u>BUDGET</u>	<u>FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>TO FINAL</u> <u>BUDGET</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
REVENUES:				
Revenue From Local Sources:				
Taxes - Current Year's Levy	\$ 5,835,995	\$ 5,835,995	\$ 6,059,359	\$ 223,364
Taxes - Prior Years' Levies	120,000	120,000	132,231	12,231
Services Provided Other Funds	4,717,765	4,717,765	4,748,247	30,482
Interest Earnings	514,000	514,000	1,052,596	
Revenue From Intermediate Sources:				
Other Intermediate Sources	-	-	-	-
Total Revenues	<u>11,187,760</u>	<u>11,187,760</u>	<u>11,992,433</u>	<u>804,673</u>
EXPENDITURES:				
Debt Service:				
Principal on Bonded Indebtedness	9,470,000	9,470,000	9,470,000	-
Interest on Bonded Indebtedness	1,936,708	1,936,708	1,592,463	344,245
Total Expenditures	<u>11,406,708</u>	<u>11,406,708 (1)</u>	<u>11,062,463</u>	<u>344,245</u>
Excess of Revenues Over, (Under) Expenditures	(218,948)	(218,948)	929,970	1,148,918
Other Financing Sources:				
Transfer Out	(1,431,650)	(1,431,650) (1)	(1,431,650)	-
Transfer In	5	5	1,431,650	1,431,645
Net Change in Fund Balance	(1,650,593)	(1,650,593)	929,970	2,580,563
Beginning Fund Balance	<u>11,917,950</u>	<u>11,917,950</u>	<u>12,041,088</u>	<u>123,138</u>
Ending Fund Balance	<u>\$ 10,267,357</u>	<u>\$ 10,267,357</u>	<u>\$ 12,971,058</u>	<u>\$ 2,703,701</u>

(1) Appropriation Level

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2024

CAPITAL CONSTRUCTION FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES:				
Revenue From Local Sources:				
Taxes	\$ 1,042,969	\$ 1,042,969	\$ 767,065	\$ (275,904)
Earnings on Investments	67,703	67,703	130,803	63,100
Total Revenues	<u>1,110,672</u>	<u>1,110,672</u>	<u>897,868</u>	<u>(212,804)</u>
EXPENDITURES:				
Support Services	459,372	459,372 (1)	-	459,372
Facilities Acquisition and Construction	3,276,018	3,276,018 (1)	814,674	2,461,344
Total Expenditures	<u>3,735,390</u>	<u>3,735,390</u>	<u>814,674</u>	<u>2,920,716</u>
Excess of Revenues Over, (Under) Expenditure	(2,624,718)	(2,624,718)	83,194	2,707,912
Other Financing Sources:				
Transfer In	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balance	(2,624,718)	(2,624,718)	83,194	2,707,912
Beginning Fund Balance	<u>2,624,718</u>	<u>2,624,718</u>	<u>2,857,988</u>	<u>233,270</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,941,182</u>	<u>\$ 2,941,182</u>

(1) Appropriation Level

INDEPENDENT AUDITORS' REPORT REQUIRED
BY OREGON STATE REGULATIONS



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

December 2, 2024

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Lincoln County School District as of and for the year ended June 30, 2024, and have issued our report thereon dated November 29, 2024. 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 Lincoln County School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the Lincoln County School 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

This report is intended solely for the information and use of the Board of Directors, 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, appearing to read "Ken Allen". The signature is fluid and cursive, with a large initial "K" and "A".

Kenneth Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C

GRANT COMPLIANCE REVIEW

LINCOLN COUNTY SCHOOL DISTRICT
 LINCOLN COUNTY, OREGON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2024

Program Title	Pass Through Organization	ALN	Pass Through Entity Number	Period Covered	Expenditures	Passed Through to Subrecipients
US DEPARTMENT OF EDUCATION						
Title I Grants to Local Educational Agencies						
Title IA	OR Department of Education	84.010	72548	7/1/22-9/30/24	469,770	
Title IA	OR Department of Education	84.010	77134	7/1/23-9/30/24	1,515,071	115,262
ESSA District & School Improvement 22-23	OR Department of Education	84.010	75159	7/1/23-9/30/24	64,020	
ESSA District & School Improvement 21-22	OR Department of Education	84.010	67982	10/1/21-9/30/23	34,069	
Total Title I Grants to Local Educational Agencies					<u>2,082,931</u>	<u>115,262</u>
Title I State Agency Program for Neglected and Delinquent Children and Youth						
Title ID - Neglected & Delinquent Children	OR Department of Education	84.013	15618	7/1/21-6/30/23	11,906	-
Total Title I State Agency Program for Neglected and Delinquent Children and Youth					<u>11,906</u>	<u>-</u>
Education Stabilization						
ESSER II Fund - CRRSA	OR Department of Education	84.425	64616	3/13/20-9/30/23	111,988	
ESSER III Fund - ARP	OR Department of Education	84.425	60974	3/13/20-9/30/24	2,865,983	319,102
ESSER II Fund - LTCT	OR Department of Education	84.425	64809	3/1/21-9/30/23	1,029	
ESSER III Fund - LTCT	OR Department of Education	84.425	75900	2/1/22-9/30/24	55,280	
ESSER III Title VI Native Education Investment	OR Department of Education	85.425	80409	2/15/24-9/30/24	38,191	
ARP - Homeless Children and Youth I	OR Department of Education	84.425	69294	4/23/21-9/30/24	56,923	
ARP - Homeless Children and Youth II	OR Department of Education	84.425	69364	4/23/21-9/30/24	97,865	
ARP - Jumpstart Kindergarten 2022-23 Formula	OR Department of Education	84.425	74697	5/1/22-9/30-24	61,482	
Total Education Stabilization					<u>3,288,740</u>	<u>319,102</u>
Supporting Effective Instruction State Grants						
Supporting Effective Instruction State Grants	OR Department of Education	84.367	67441	7/1/21-9/30/23	45,336	
Supporting Effective Instruction State Grants	OR Department of Education	84.367	72745	7/1/22-9/30/24	231,122	
Supporting Effective Instruction State Grants	OR Department of Education	84.367	76710	7/1/23-9/30/24	12,130	3,199
Total Supporting Effective Instruction State Grants					<u>288,588</u>	<u>3,199</u>
English Language Acquisition State Grants						
Title III - English Language Acquisition	OR Department of Education	84.365	76990	7/1/23-9/30/24	2,252	
Title III - English Language Acquisition	OR Department of Education	84.365	67144	7/1/21-9/30/23	17,986	
Title III - English Language Acquisition	OR Department of Education	84.365	73103	7/1/22-9/30/24	10,246	
Total English Language Acquisition State Grants					<u>30,484</u>	<u>-</u>
Student Support and Academic Enrichment						
Title IV-A - SSAE	OR Department of Education	84.424	77134	7/1/23-9/30/24	135,995	
Total Student Support and Academic Enrichment					<u>135,995</u>	<u>-</u>
21st Century Community Learning Centers						
Title IV-B - After School Learning Centers	OR Department of Education	84.287	77613	7/1/23-9/30/24	204,739	
Title IV-B - After School Learning Centers	OR Department of Education	84.287	75200	7/1/22-9/30/23	54,077	
Total 21st Century Community Learning					<u>258,815</u>	<u>-</u>
Rural Education						
Title V-B - Rural and Low Income Schools	OR Department of Education	84.358	60331	7/1/20-9/30/23	17,268	
Total Rural Education					<u>17,268</u>	<u>-</u>
Education for Homeless Children and Youth						
McKinney-Vento Homeless	OR Department of Education	84.196	79859	7/1/23-9/30/24	50,022	
McKinney-Vento Homeless	OR Department of Education	84.196	74845	7/1/22-9/30/24	2,892	
Total Education for Homeless Children and Youth					<u>52,913</u>	<u>-</u>
Special Education Grants to State Cluster						
IDEA Part B Section 611 ARP 21-22	OR Department of Education	84.027	68415	7/1/21-9/30/23	104,463	
IDEA Part B Section 611 20-21 Formula	OR Department of Education	84.027	78000	7/1/23-9/30/25	683,054	
IDEA Part B Section 611 21-22 Formula	OR Department of Education	84.027	74060	7/1/22-9/30/24	532,310	
IDEA Part B Section 611 Extended Assessment	OR Department of Education	84.027	79960	7/1/23-6/30/24	1,099	
IDEA Equipment and Supplies Grant - Discretionary	OR Department of Education	84.027	75338	7/1/21-9/30/23	19,001	
Long Term Care & Trtmt - IDEA Funds	OR Department of Education	84.027	35832	7/1/21-6/30/23	3,194	
Special Education - Preschool Grants - ARP	OR Department of Education	84.173	69189	7/1/21-9/30/23	1,038	
Special Education - Preschool Grants	OR Department of Education	84.173	77815	7/1/23-9/30/25	11,652	
Special Education - Preschool Grants	OR Department of Education	84.173	74247	7/1/22-9/30/24	1,252	
Total Special Education Cluster					<u>1,357,061</u>	<u>-</u>
Rehabilitation Services Vocational Rehabilitation Grants to States						
Youth Transition Program	OR Dept of Human Services	84.126A	160726	7/1/23-6/30/24	65,344	-
Total Rehabilitation Services Vocational Rehabilitation Grants to States					<u>65,344</u>	<u>-</u>
Indian Education Grants to Local Educational Agencies						
Indian Education	US Department of Education	84.060A	S060A220152	7/1/23-6/30/24	121,003	7,000
Total Indian Education Grants to Local Educational Agencies					<u>121,003</u>	<u>7,000</u>
Gaining Early Awareness and Readiness for Undergraduate Programs						
GEAR UP	Oregon State University	84.334	ED185C-J	9/1/22-8/31/24	108,190	
GEAR UP	Oregon State University	84.334	ED185C-I	9/1/22-8/31/23	133,008	
GEAR UP	Oregon State University	84.334	ED185C	9/1/18-8/31/20	6,226	-
Total Gaining Early Awareness and Readiness for Undergraduate Programs					<u>247,424</u>	<u>-</u>
TOTAL US DEPARTMENT OF EDUCATION					<u>7,958,472</u>	<u>444,563</u>

LINCOLN COUNTY SCHOOL DISTRICT
 LINCOLN COUNTY, OREGON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2024

Program Title	Pass Through Organization	ALN	Pass Through Entity Number	Period Covered	Expenditures	Passed Through to Subrecipients
US DEPARTMENT OF AGRICULTURE						
Child Nutrition Cluster						
National School Breakfast Program	OR Department of Education	10.553	2112001	7/1/23-6/30/24	610,387	
National School Lunch Program - Commodities (non-cash)	OR Department of Education	10.555	2112001	7/1/23-6/30/24	147,679	
National School Lunch Program	OR Department of Education	10.555	2112001	7/1/23-6/30/24	1,502,132	
NSLP Supply Chain Assistance	OR Department of Education	10.555	2112001	7/1/23-6/30/24	43,412	
Summer Food Service Program	OR Department of Education	10.559	2112001	7/1/23-6/30/24	19,240	
Summer Food Service Program -Commodities (non-cash)	OR Department of Education	10.559	2112001	7/1/23-6/30/24	87	
CNP SNAP State and Local P-EBT	OR Department of Education	10.649	2112001	6/1/23-9/30/23	3,256	
Total Child Nutrition Cluster					2,326,194	-
Child and Adult Care Food Program	OR Department of Education	10.558	2112001	7/1/22-6/30/23	42,464	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75003	10/1/22-9/30/23	1,241	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75004	10/1/22-9/30/23	1,056	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75005	10/1/22-9/30/23	828	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75007	10/1/22-9/30/23	1,620	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75008	10/1/22-9/30/23	775	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75009	10/1/22-9/30/23	1,238	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75010	10/1/22-9/30/23	32	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75011	10/1/22-9/30/23	208	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	75012	10/1/22-9/30/23	1,426	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78603	10/1/23-9/30/24	13,479	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78604	10/1/23-9/30/24	5,010	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78605	10/1/23-9/30/24	7,380	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78606	10/1/23-9/30/24	11,444	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78607	10/1/23-9/30/24	14,746	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78608	10/1/23-9/30/24	19,561	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78609	10/1/23-9/30/24	9,772	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78610	10/1/23-9/30/24	13,624	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78611	10/1/23-9/30/24	7,080	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78612	10/1/23-9/30/24	5,286	
Fresh Fruits and Vegetable Program	OR Department of Education	10.582	78613	10/1/23-9/30/24	13,907	
					172,177	
TOTAL US DEPARTMENT OF AGRICULTURE					2,498,371	-
US DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Foster Care Title IV-E						
Foster Care Transportation Reimbursement	OR Department of Education	93.658		7/1/22-9/30/24	86,962	
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES					86,962	-
US DEPARTMENT OF HOMELAND SECURITY						
Federal Emergency Management Agency						
Public Assistance Grant	OR Department of Emergency Management	97.036			18,779	
Hazard Mitigation Grant Program	OR Department of Emergency Management	97.039			640,533	
TOTAL US DEPARTMENT OF HOMELAND SECURITY					659,312	-
FEDERAL COMMUNICATIONS COMMISSION						
Emergency Connectivity Fund Program	Federal Communication Commission	32.009	ECF 2023144959		38,113	
Emergency Connectivity Fund Program	Federal Communication Commission	32.009	ECF 2023144959		53,358	
TOTAL FEDERAL COMMUNICATIONS COMMISSION					91,471	-
TOTAL GRANTS EXPENDED OR PASSED THROUGH TO SUBRECIPIENTS					\$ 11,294,588	444,563
School Medicaid Billing	OR Dept of Human Services				24,064	
Schools and Roads - Federal Forest Fees	Lincoln County				325,069	
Total Federal Revenue					\$ 11,643,720	



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

December 2, 2024

To the Board of Directors
Lincoln County School District
Lincoln County, Oregon

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lincoln County School 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 December 2, 2024.

Report on Internal Control over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Kenneth Allen, CPA

Municipal Auditor

PAULY, ROGERS AND CO., P.C.



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

December 2, 2024

To the Board of Directors
Lincoln County School District
Lincoln 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 Lincoln County School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the 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, Lincoln County School 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 Lincoln County School 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.

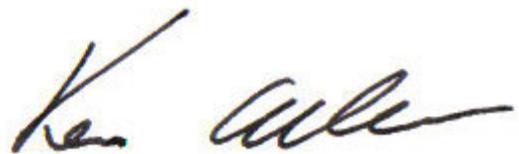
Report on Internal Control over Compliance

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.

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.



Kenneth Allen, CPA
Municipal Auditor
PAULY, ROGERS AND CO., P.C.

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

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

Noncompliance material to financial statements noted? yes no

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

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? yes no

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

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

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

IDENTIFICATION OF MAJOR PROGRAMS

AL NUMBER **NAME OF FEDERAL PROGRAM CLUSTER**

84.425 Education Stabilization Fund

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

Auditee qualified as low-risk auditee? yes no

LINCOLN COUNTY SCHOOL DISTRICT
LINCOLN COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

No findings were noted during the audit for 2023-2024.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS:

No findings were noted during the audit for 2023-2024.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. **BASIS OF PRESENTATION**

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

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

d. Polling Feedback on Potential Bond Priorities

Lincoln County School District Bond

November Survey



**PATINKIN
RESEARCH
STRATEGIES**



- **A survey of 400 likely voters in the Lincoln County School District was conducted by telephone using professional interviewers (n=325) and text to web (n=77). Telephone interviews were conducted via both landline and cell phone. Cell phone interviews represent 73% of the telephone portion of the sample.**
- **The sample was randomly selected from TargetSmart’s enhanced voterfile and quotas and weights were set based on gender, age, educational attainment, race, partisan modeling, and region to reflect a likely May, 2025 electorate.**
- **Interviews were conducted November 18-21, 2024.**
- **The overall credibility interval (the theoretical margin of error for a blended-methodology poll that relies partially on telephone-based probability sampling, and partially on non-probability based online panel sample) is +/-4.9%. The credibility interval for subgroups varies and is larger.**
- **Throughout this report we refer to “younger” and “older” voters. Younger voters are under age 50 and older voters are age 50 and up.**

District demographics:

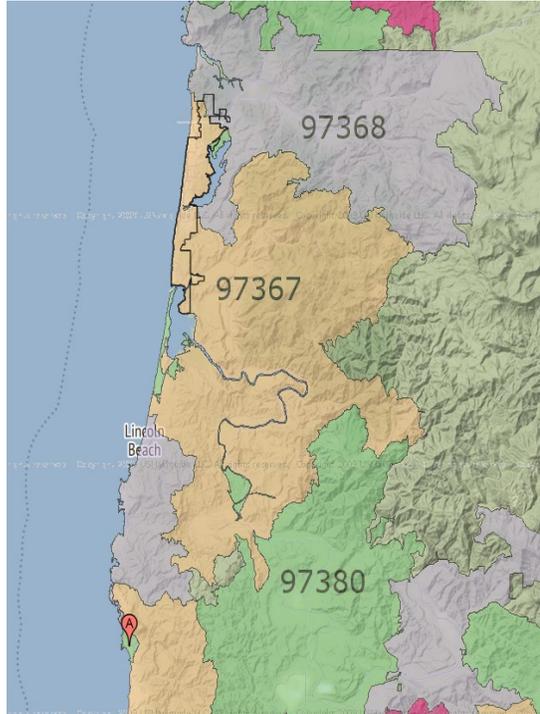


	All Registered Voters	Likely May 2025 Voters
Men	47%	48%
Women	53%	52%
Under age 50	36%	21%
Over age 50	64%	78%
Over age 70	30%	40%
Democrats (reg.)	34%	49%
Independents / NAV	44%	23%
Republicans (reg.)	22%	28%

Regions

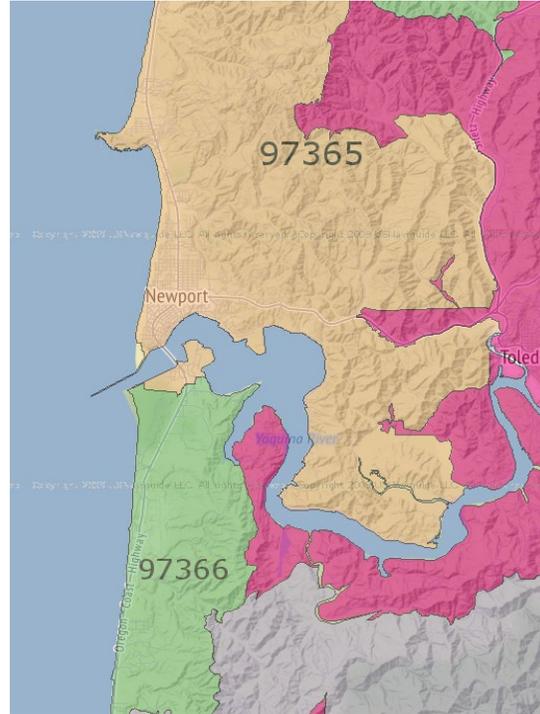


North



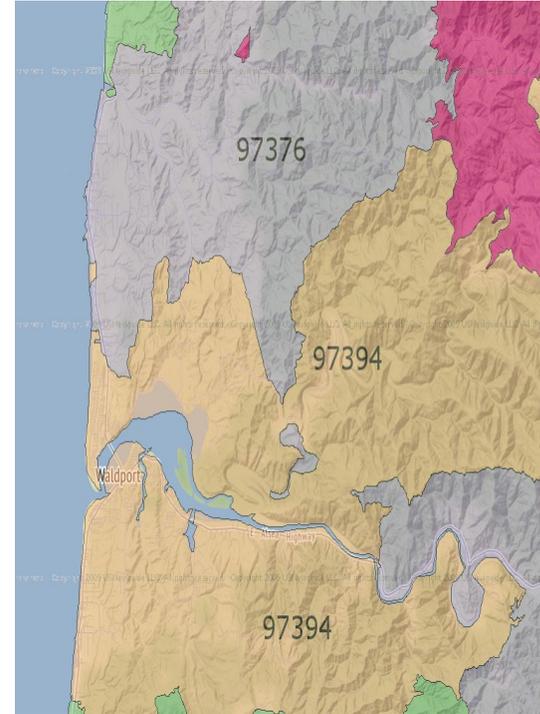
- 97367
- 97368
- 97364
- 97388
- 97341
- 97372

West



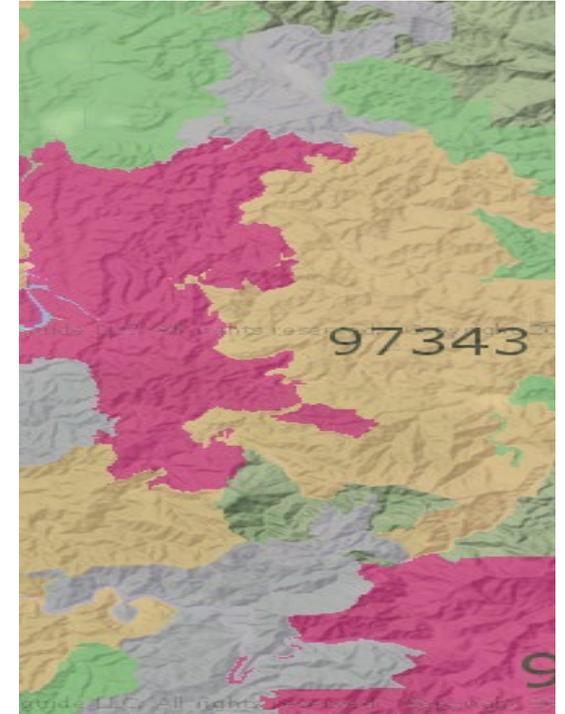
- 97366
- 97369
- 97366

South



- 97394
- 97498
- 97376

East



- 97380
- 97343
- 97391
- 97357
- 97390

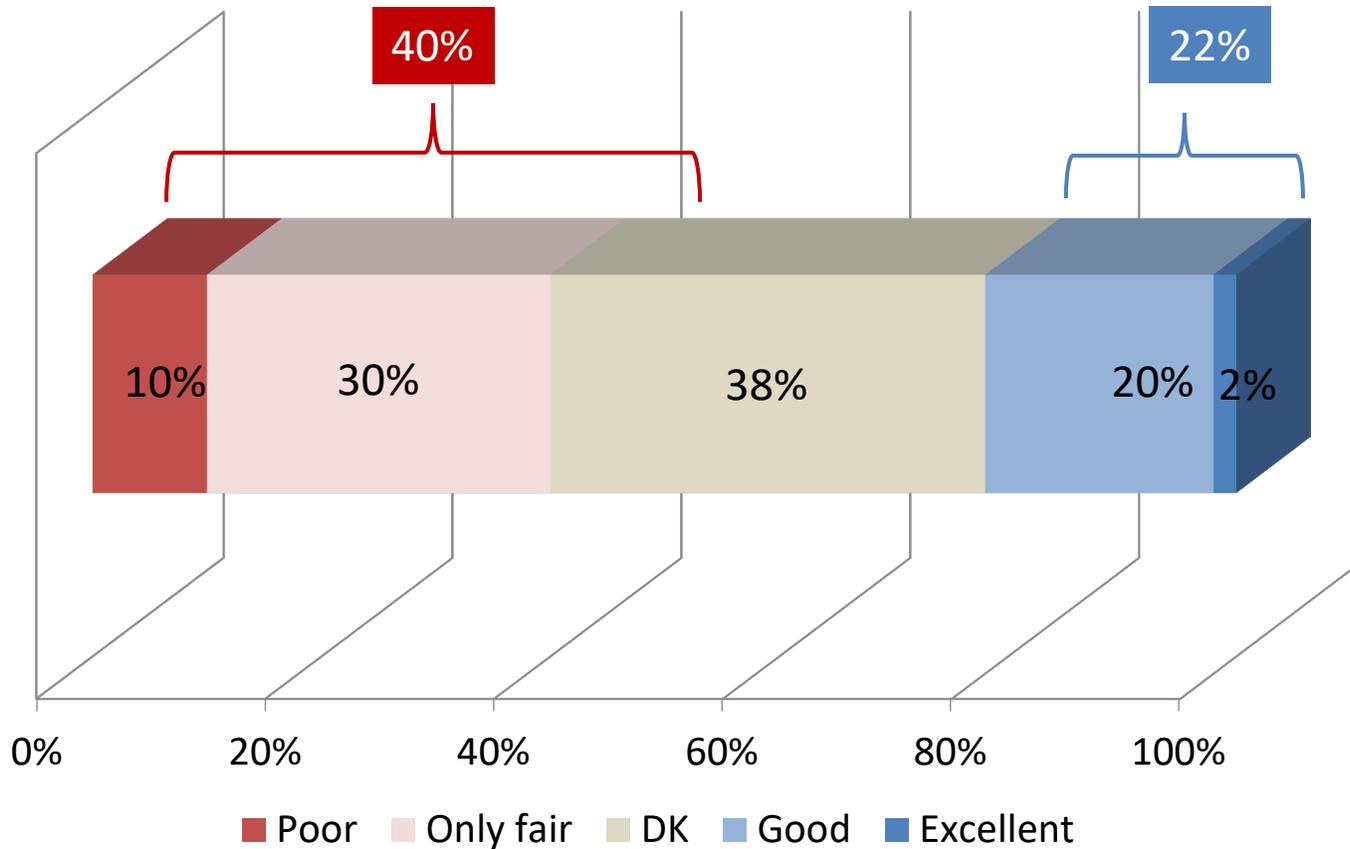


Where We Start

A plurality believe school condition is only fair or worse



Perception of school condition has an extremely heavy impact on vote choice for the bond.

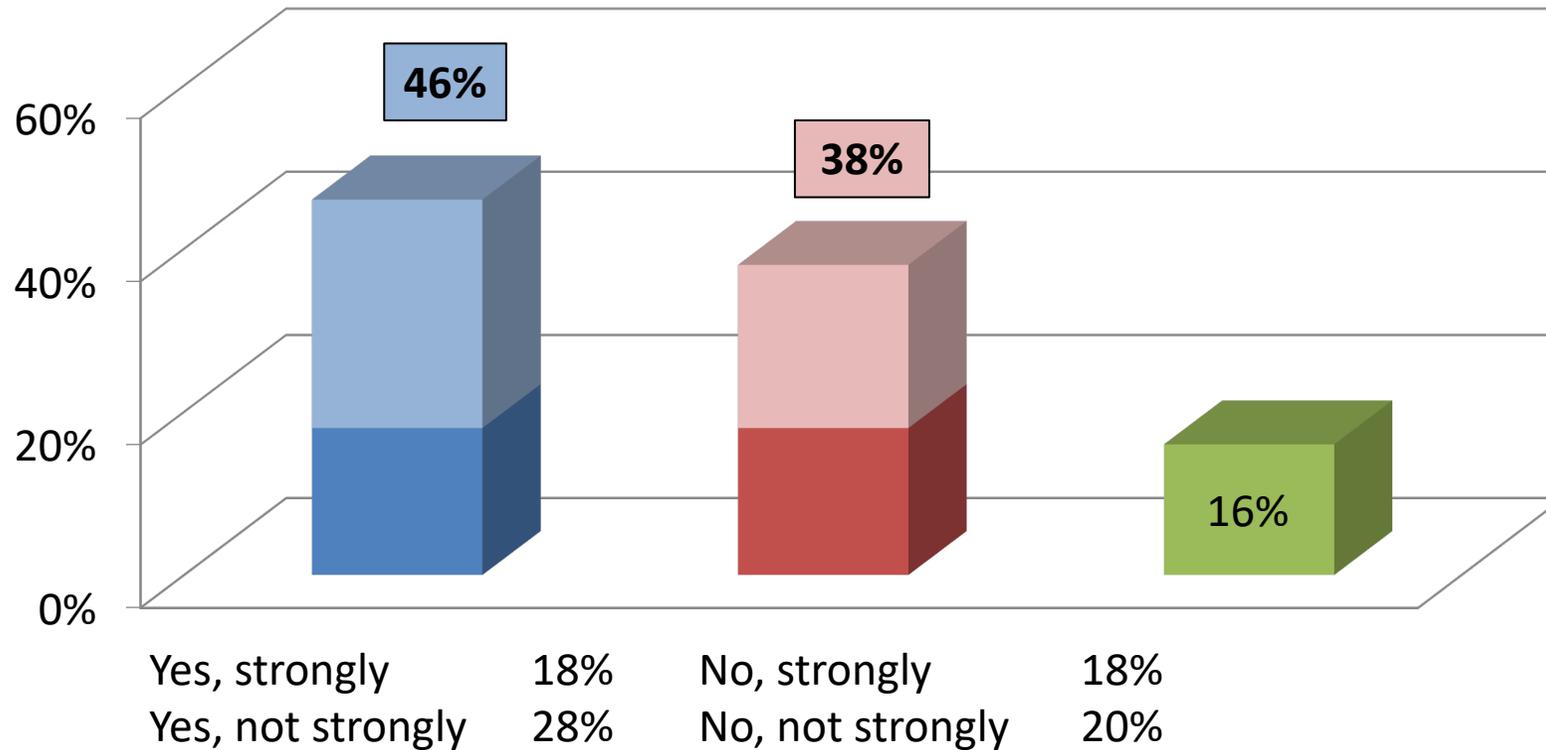


	Positive	Negative	DK/NA
Net Yes	29%	78%	22%
Net No	59%	13%	51%

Do you think the Lincoln County School District's facilities are in ⁸⁷excellent physical condition, good condition, fair condition, or are they in poor physical condition?



**Support for Bond Measure- Initial Ask
May 2025 Electorate**



The Lincoln County School District may place a bond measure on the May 20th, 2025 ballot, which could read:

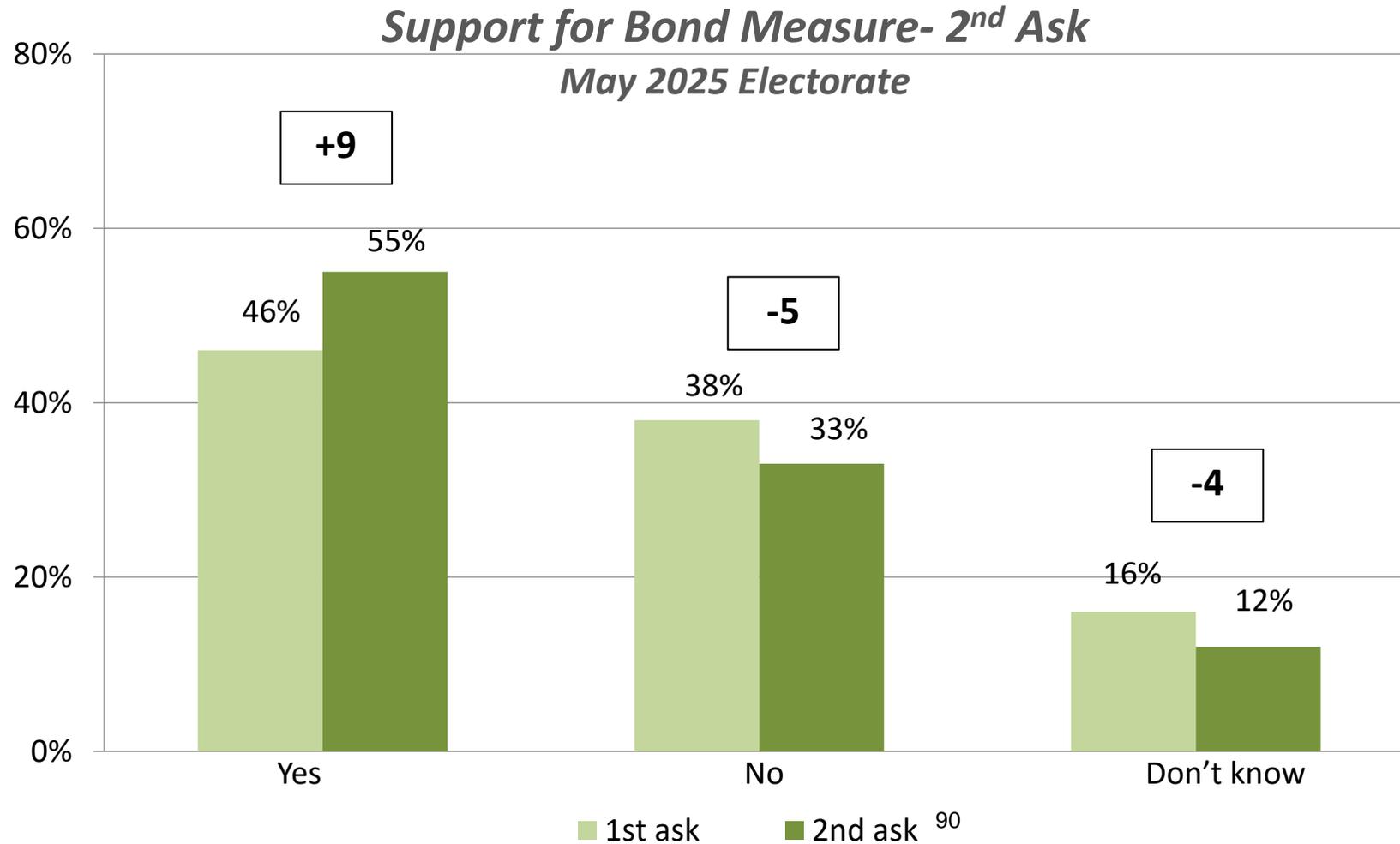
“Bonds to increase safety and security; construct, repair schools, classrooms. Shall District increase safety; construct, repair, update facilities and classrooms; issue \$73 million in bonds; estimated to maintain current tax rate?”

Now, if the election were held today, would you vote “yes” or “no” on this bond measure?



Perceptions of Bond Packages and Projects

Reiterating to voters that this is not a tax increase results in a nine-point jump in the “yes” vote



The bond we just discussed replaces other bonds that are about to expire. As a result, property tax rates for the Lincoln County School District are estimated to continue at the same rate and not increase.

Now, if the election were held today would you vote “yes” or “no” on this bond measure?

Top testing bond projects put the focus on critical repair work, efficiency, and safety oriented items; exception to rule is job training



All of these bond projects are top testing among voters over age 50.

	Favor, strongly	Net Favor
REPAIR: Address failing infrastructure at schools across the district including replacing aging pipes, electrical, and heating and cooling systems like boilers and air conditioning	34%	63%
REPAIR: Conduct critical repair and replacement work on aging roofs, siding, and floor coverings	29%	63%
EFFICIENCY: More efficiently use taxpayer dollars by updating or installing energy efficient lighting, windows and insulation and repairing or replacing aging, inefficient heating systems	29%	63%
SAFETY: Install emergency generators at schools designated as community gathering sites in case of a disaster	33%	62%
JOB TRAINING: Provide dedicated space for career and technical education classrooms and hands-on learning labs at every high school	32%	61%
SAFETY: Remodel school bathrooms to ensure privacy and security for adults and students	27%	61%
SAFETY: Increase safety by improving or replacing aging fire safety systems at every school	28%	60%

Second tier projects test well, focusing on technology, accessibility, safety, and the arts



	Favor, strongly	Net Favor
TECH: Improve student learning by updating classroom technology	30%	59%
REPAIR: Make upgrades to improve A-D-A accessibility – also known as the Americans with Disabilities Act – to ensure that all students, staff, and community members can have equitable access to school grounds, restrooms, locker rooms and facilities	29%	59%
SAFETY: Increase security at every school by enhancing emergency communication and school lockdown systems as well as placing additional security cameras where needed	26%	59%
TECH: Increase protection of technology investments by installing critical technology infrastructure	30%	58%
ARTS: Meet demand for performing arts opportunities by providing school auditorium or performance spaces in all four communities across the county	28%	56%
REPAIR: Improve outdoor spaces by addressing drainage issues so students can use outdoor spaces year-round, adding covered playgrounds, and making them more accessible and inclusive for people with disabilities	24%	56%

Specific sports related projects are the lowest testing items; though both garner majorities in support



No significant regional divides. Older voters especially unwilling to support these projects.

	Favor, strongly	Net Favor
Replace the track at Taft 7 through 12 School and Newport High School	24%	55%
Replace the turf at Newport High School's football field	24%	52%



Messaging the Bond

Safety and security messages tested:



	Very convincing	Net Convincing
[GENERATORS] Our schools are more than just places of learning. This bond will install emergency generators in schools designated as community shelters-ensuring that when disaster strikes, people have a safe place to gather	32%	62%
[FIRE] Lifesaving systems in our schools are in some cases decades old, with aging fire safety systems and alarms requiring repair or replacement. Improving our fire safety systems is a priority that we need to address	32%	60%
[SECURITY] It's our responsibility to do everything we can to help protect students and staff in an emergency. This bond measure helps us do that—funding new security technology, locking systems, and emergency communications to help keep students and staff safe in the case of imminent danger	33%	59%

Fiscal responsibility messages tested:



	Very convincing	Net Convincing
[STATE \$\$\$] Passing this bond is a good bang for our buck. If this bond passes, the district will qualify for a minimum of six million dollars in additional state matching funds that can be used to improve student learning and safety across the district	32%	59%
[ACCOUNTABLE] The bond includes built-in oversight and transparency steps such as independent auditing to make sure our tax dollars are spent wisely and efficiently, and a citizen oversight committee made up of parents, staff, and leaders from across the district helping to plan and then implement the bond	30%	59%
[LOCAL CONTROL] Bond measure funds would be raised locally and could only be spent on improvements to schools within the Lincoln County School District as approved by voters and overseen by our school board.	29%	58%

Educational quality messages tested:



	Very convincing	Net Convincing
[CTE] Studies show that many students go into a trade soon after high school. In order to meet growing demand for career and technical education, this bond will update, expand, and improve job training classrooms and labs for students	31%	61%
[TEACHERS KNOW] Our children’s teachers need our help. Many of our elementary schools are outdated, with technology and wiring that are decades behind and inadequate to the demands of a modern classroom. This bond will ensure our kids have access to up-to-date technology and educations, helping students graduate career or college ready	25%	59%
[AUDITORIUMS] High school and middle school performing arts students, choirs, and bands are performing in gyms or cafeterias in most of our schools. This bond will address this problem, providing needed space for school performing arts programs, after school learning opportunities for kids and adult community programming	27%	58%
[OVERCROWDING] Our elementary schools were designed 60 years ago—which means their classroom spaces and communal areas are completely out-of-date. Most importantly, classroom and communal spaces are too small, resulting in overcrowding that gets in the way of teaching. This bond will address this problem, creating modern, flexible spaces that encourage classroom learning	29%	56%

Repair messages tested:

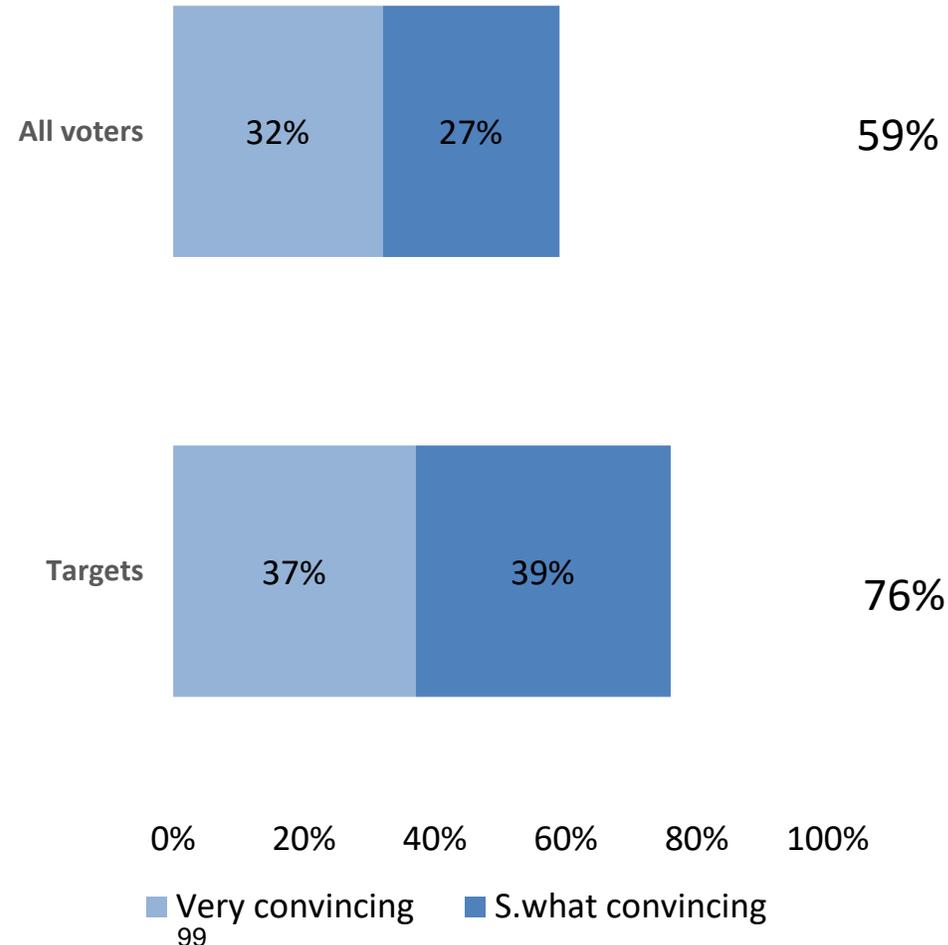


	Very convincing	Net Convincing
[TEACHERS /ENVIRONMENT] This bond will get us back to the basics, repairing aging air filtration and heating systems to make classroom environments more appropriate for teaching and learning	29%	60%
[BASIC REPAIRS] This bond measure will allow the Lincoln County School District to make needed, large-scale repairs and replacements to address safety hazards, accessibility issues and fix failing infrastructure like roofs, siding, floor coverings and H-VAC systems. With these repairs in place, our school buildings will be able to function and educate future generations for decades to come	31%	57%
[TURF FIELDS ELEMENTARIES] This bond will install turf fields at our elementary schools, providing year-round access to youth and adult sports programs	25%	57%
[ACCESS] Our schools are a community resource and everyone – including students, staff, and community members –should have equal access to their facilities. This bond ensures everyone, including students, staff, and community members with disabilities can safely access school facilities	28%	56%
[PLAYGROUNDS] This bond will ensure playgrounds are accessible to every student year-round by replacing bark chips with all-weather surfacing and adding play sheds where students can exercise outdoors in the rainy season	20%	50%

Message Flank #1: Make clear the bond is a renewal, is a good bang for our buck, and will be spent on priority items (learning / safety)



[STATE \$\$\$] Passing this bond is a good bang for our buck. If this bond passes, the district will qualify for a minimum of six million dollars in additional state matching funds that can be used to improve student learning and safety across the district



Note: Messages outlined in blue are drivers of support for the bond.

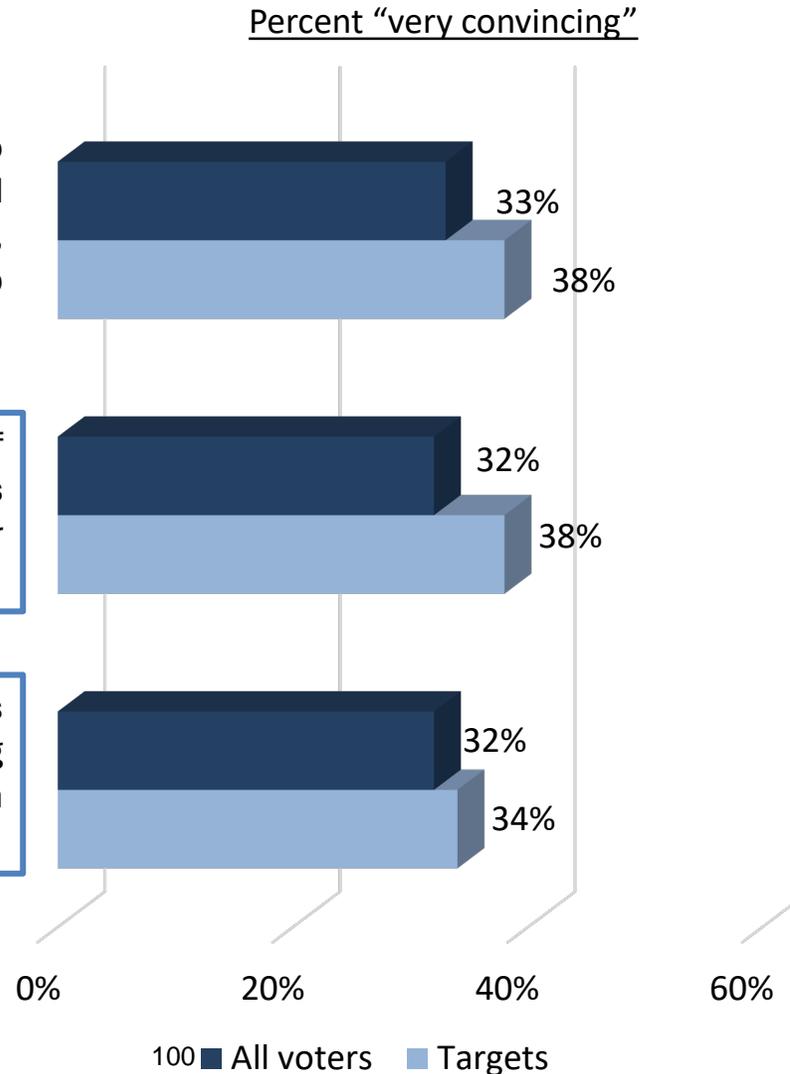
Message Flank #2: the bond increases safety and security not just for students and staff, but for the wider community as well



[SECURITY] It's our responsibility to do everything we can to help protect students and staff in an emergency. This bond measure helps us do that—funding new security technology, locking systems, and emergency communications to help keep students and staff safe in the case of imminent danger

[GENERATORS] Our schools are more than just places of learning. This bond will install emergency generators in schools designated as community shelters—ensuring that when disaster strikes, people have a safe place to gather

[FIRE] Lifesaving systems in our schools are in some cases decades old, with aging fire safety systems and alarms requiring repair or replacement. Improving our fire safety systems is a priority that we need to address



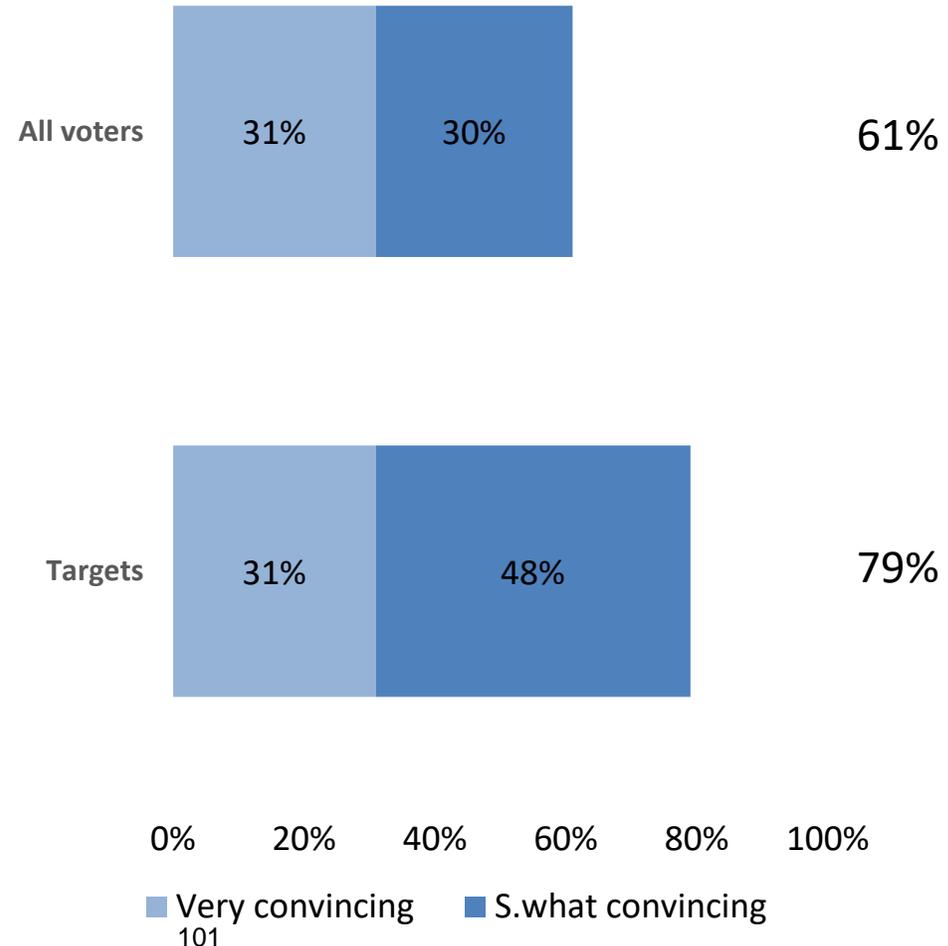
% net convincing	
<u>All voters</u>	<u>Targets</u>
59%	75%
61%	76%
62%	81%

Note: Messages outlined in blue are drivers of support for the bond.

Message Flank #3: the bond improves access to job training opportunities

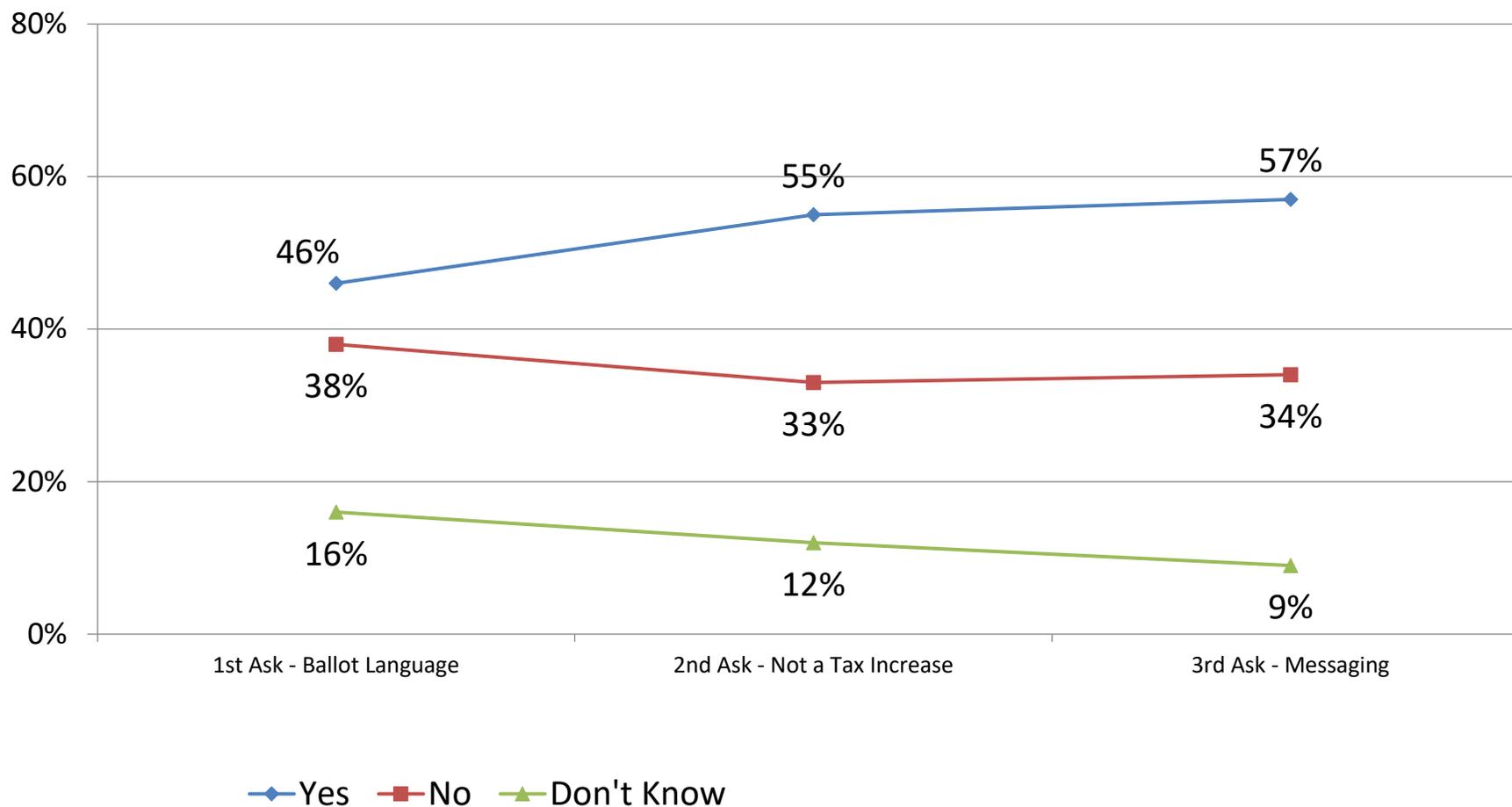


[CTE] Studies show that many students go into a trade soon after high school. In order to meet growing demand for career and technical education, this bond will update, expand, and improve job training classrooms and labs for students



Note: Messages outlined in blue are drivers of support for the bond.

By the end of the survey, support increases by 11-points, opposition drops by four-points



Voters most likely to shift into the "yes" column:

Under 50, no college	+25
Men under age 50	+23
NAV / Inds	+22
Under age 40	+20
Men, college+	+17
South	+17
All voters	+11

102

Having heard this, if the election were held today, would you vote "yes" or "no" on this bond measure?

Key findings:



- **While perceptions of school facilities trend negative, a significant portion of the electorate is either unsure of their condition or has low intensity of feeling. Educating voters about challenges facing LCSD school facilities will be critical, especially since negative perceptions of facilities correlate strongly with willingness to vote “yes.”**
- **Support for the bond starts below a majority. Both the overall level of support and intensity of feeling indicate for a strong education campaign to build to 50+1.**
- **Our message strategy should 1. emphasize accountability, 2. point to security and safety improvements, and 3. inform voters that students will have greater access to CTE opportunities with this bond.**
- **Above all: we need to constantly remind voters that this is a bond rate RENEWAL.**
- **To get above 50+1 on Election Day, a strong education effort inclusive of traditional outreach mediums (mail, digital, door-to-door, text and phone banks, etc.) will be required that communicates the above messages as succinctly as possible.**

e. Financial Report

Lincoln County School District
2024-25 Monthly Comparison - General Fund Projected to Actual
November 2024

REVENUES	Projected**	Actual	Actual Compared to Projected	Comments
LOCAL SOURCES:				
Current year's levy	33,642,293	38,787,420	5,145,126	*
Prior years' taxes	58,092	78,431	20,339	*
Interest on Investments	58,246	80,717	22,472	Varies Monthly by Exp Levels
Fees Charged to Grants	31,358	7,951	(23,406)	
Rentals			-	
Contributions			-	
Other Local Income	87,717	35,110	(52,607)	
INTERMEDIATE SOURCES:				
ESD - Severe Disability Support			-	
County School Fund			-	*
Other, Hvy Eq Rent Tax, etc			-	
STATE SOURCES:				
SSF- Current Year	1,916,805	1,882,116	(34,689)	*
SSF- Prior Year			-	*
Common School Fund			-	*
State Timber	226,341	93,186	(133,155)	*
Unrestricted Grants	648,019		(648,019)	* High Cost Disab Not Rcvd
FEDERAL SOURCES:				
Federal Forest Fees			-	
Foster Care Transport Reimb			-	
OTHER RESOURCES:				
Interfund Transfer			-	
Sale of Assets/Ins Proceeds			-	
Beginning Fund Balance				
Total Monthly Revenue	36,668,871	40,964,932	4,296,061	
EXPENDITURES				
Salaries (100)	2,950,831	3,004,145	53,315	Classified Contract Increase
Employee benefits (200)	1,583,391	1,410,601	(172,789)	
Purchased services (300)	1,481,450	1,002,948	(478,502)	
Supplies (400)	167,031	144,103	(22,928)	
Capital outlay (500)	11,338		(11,338)	
Insurance/Other (600)	23,768	36,643	12,876	
Interfund Transfers (700)			-	
Contingency (800)				
Unappropriated Funds (800)				
Total Monthly Expenditures	6,217,808	5,598,441	(619,367)	

*Indicates SSF formula revenue -- excesses are returned to the State

** Projections based on budget and average % received/expended during same time period over past 8 years

Lincoln County School District
2024-25 General Fund - Purchased Services Monthly Comparison
November 2024

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	YTD Total
Prof Instruction Svcs	1,413	6,627	26,051	42,123	57,061								133,275
Cleaning Services	190,642	191,984	191,835	190,642	194,394								959,497
Repairs & Maint	4,554	4,456	27,865	9,578	10,930								57,383
Rentals	4,846	20,039	22,622	1,599	1,615								50,721
Utilities	30,042	15,424	126,738	106,931	107,144								386,279
Transportation	1,297	11,543	B 194,310	761,602	43,332								1,012,082
Travel	20	6,761	6,609	6,685	6,536								26,611
Telephone		8,210	4,772	14,560	9,674								37,216
Postage	1,695	2,245	3,732	3,565	6,372								17,610
Advertising		20			700								720
Printing & Binding		9,055	7,843	14,818	10,418								42,135
Data Lines		60	127	459	457								1,103
Charter School Pmts	972,459	486,971	486,971	486,971	486,971								2,920,343
Tuition		29,728	29,728	28,769	29,728								117,952
Audit Services													-
Legal Services		165	11,531	7,133	2,218								21,047
Architect/Engr Svcs													-
Neg/Labor Consltg													-
Managemnt Svcs													-
Data/Tech Svcs		75	5,430		1,500								7,005
Election Services													-
Other Gen Prof Svcs	47,176	1,203	7,344	1,404	33,898								91,024
Total	1,254,143	794,565	1,153,508	1,676,837	1,002,948	-	5,882,002						

For Reference Only:

Less Transportation	(1,297)	(11,543)	(194,310)	(761,602)	(43,332)	-	-	-	-	-	-	-	-
Charter Sch Pmts	(972,459)	(486,971)	(486,971)	(486,971)	(486,971)	-	-	-	-	-	-	-	-

Purchased Services	280,387	296,052	472,228	428,264	472,645	-	A						
---------------------------	----------------	----------------	----------------	----------------	----------------	----------	----------	----------	----------	----------	----------	----------	----------

Notes:

A: Removing Transportation & Charter Payments with their irregular payment patterns from the totals smooths the monthly totals for comparison purposes. For Reference Only.

B: July Home To School Invoice, August & September paid in early October

B: October invoice will be paid in early December due to the Thanksgiving holiday

LINCOLN COUNTY SCHOOL DISTRICT

	Budget	Encumb'd	YTD Actual	Remaining
Special Revenues & Grants (200-285 & 900-994)				
Revenues:				
Local	1,120,618		365,872	754,746
Intermediate				
State	3,660,104		85,445	3,574,659
Federal	8,052,219		1,398,977	6,653,242
Fund Tfrs/Asset Sales				
Beg. Fund Balance *	2,000,227		2,540,872	(540,645)
Total Revenues	14,833,168		4,391,165	10,442,003
Expenditures:				
Instruction	6,033,926	2,128,268	2,315,841	1,589,817
Support Services	6,608,041	1,388,447	1,345,940	3,873,654
Enterprise	631,578	181,184	99,270	351,124
Facilities Acq & Const	1,384,860	24,582	715,811	644,467
End Fund Bal/Tfrs	174,763			174,763
Total Expenditures	14,833,168	3,722,480	4,476,863	6,633,825
Fund Balance			(85,697) ***	

Indigenous Peoples (286)				
Revenues:				
Local				
Fund Tfrs/Asset Sales	100,000			100,000
Beg. Fund Balance*	94,975		95,154	(179)
Total Revenues	194,975	0	95,154	99,821
Expenditures:				
Instruction	94,975	5,916	2,959	86,100
Support Services				0
End Fund Balance	100,000			100,000
Total Expenditures	194,975	5,916	2,959	186,100
Fund Balance			92,195	
Less Encumbered			5,916	
Available for Expenditure			86,279	

Musical Instruments (287)				
Revenues:				
Transfers	100,000			
Beg. Fund Balance*	495,640		434,822	60,818
Total Revenues	595,640		434,822	160,818
Expenditures:				
Instruction	355,000		1,166	353,834
Support Services	40,640			40,640
End Fund Balance	200,000	200,000		0
Total Expenditures	595,640	200,000	1,166	394,474
Fund Balance			433,656	
Less Encumbered			200,000	
Available for Expenditure			233,656	

2024-25 SPECIAL REVENUE FUNDS FINANCIAL STATEMENTS as of November 30, 2024 UNAUDITED

	Budget	Encumb'd	YTD Actual	Remaining
Pre-School Promise (288)				
Revenues:				
State	563,400			563,400
Beg. Fund Balance*			0	0
Total Revenues	563,400		0	563,400
Expenditures:				
Instruction	512,010	358,278	127,562	26,170
Support Services	37,069	7,934	9,580	19,555
Enterprise	14,321	9,750	3,251	1,320
Facilities Acq & Const				
End Fund Balance				
Total Expenditures	563,400	375,963	140,392	47,045
Fund Balance			(140,392) ***	

Student Investment Account (289/989)				
Revenues:				
State	5,345,320			5,345,320
Beg. Fund Balance*			0	0
Total Revenues	5,345,320		0	5,345,320
Expenditures:				
Instruction	2,401,025	1,438,341	696,659	266,025
Support Services	2,767,074	2,014,340	778,542	(25,808)
Enterprise	177,221		203,240	(26,019)
Facilities Acq & Const				0
End Fund Balance				
Total Expenditures	5,345,320	3,452,681	1,678,440	214,198
Fund Balance			(1,678,440) ***	

Curriculum (290)				
Revenues:				
Local			76,334	(76,334)
Transfers	2,000,000			2,000,000
Beg. Fund Balance*	3,624,186		3,615,733	8,453
Total Revenues	5,624,186		3,692,067	1,932,119
Expenditures:				
Instruction	281,460	61,965	203,895	15,600
Contingency	5,342,726			5,342,726
End Fund Balance				
Total Expenditures	5,624,186	61,965	203,895	5,358,326
Fund Balance			3,488,172	
Less Encumbered			0	
Available for Expenditure			3,488,172	

	Budget	Encumb'd	YTD Actual	Remaining
Small Schools Grant (291) WHS & Toledo 7-12				
Revenues:				
Local			3,208	(3,208)
State	74,300			74,300
Beg. Fund Balance *	146,069		152,085	(6,016)
Total Revenues	220,369		155,293	65,076
Expenditures:				
Instruction	65,691	3,732	11,140	50,818
Support Services	668	668	3,851	(3,851)
Enterprise				0
Facilities Acq & Const				
End Fund Balance	74,300	74,300		0
Total Expenditures	140,659	78,701	14,991	46,968
Fund Balance			140,302	
Less Encumbered			78,701	
Available for Expenditure			61,601	

High School Success (292)				
Revenues:				
State	1,498,394		53,508	1,444,886
Beg. Fund Balance *			0	0
Total Revenues	1,498,394		53,508	1,444,886
Expenditures:				
Instruction	724,443	468,218	103,937	152,288
Support Services	773,951	225,564	149,962	398,424
End Fund Balance				
Total Expenditures	1,498,394	693,782	253,899	550,712
Fund Balance			(200,391) ***	

Building Maintenance (293)				
Revenues:				
Local	71,022		30,368	40,654
State				
Federal				
Fund Tfrs/Asset Sales	1,300,000			1,300,000
Beg. Fund Balance *	2,225,881		2,065,990	159,891
Total Revenues	3,596,903		2,096,358	1,500,545
Expenditures:				
Instruction	300,000			300,000
Support Services	1,216,500	18	192,106	1,024,376
Enterprise				
Facilities Acq & Const	2,080,403	29,014	743,543	1,307,846
End Fund Bal/Tfrs				
Total Expenditures	3,596,903	29,032	935,649	2,632,223
Fund Balance			1,160,710	
Less Encumbered			29,032	
Available for Expenditure			1,131,678	

* Beginning Fund Balances are Audited

** Fund Balances do NOT include encumbered expenditures

*** Reimbursement Basis Grants, revenue received after funds expended, negative or low fund balance is normal

LINCOLN COUNTY SCHOOL DISTRICT

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Food Services (294)				
Revenues:				
Local	239,500		59,523	179,977
State	35,000			35,000
Federal	3,299,661		333,748	2,965,913
Beg. Fund Balance *	400,000		556,043	(156,043)
Total Revenues	3,974,161		949,314	3,024,847
Expenditures:				
Instruction	116,323	69,602	39,222	7,499
Support Services	34,870	20,932	14,963	(1,026)
Enterprise	3,822,968	2,507,816	978,648	336,504
Facilities Acq & Const			124,111	(124,111)
End Fund Balance				0
Total Expenditures	3,974,161	2,598,351	1,156,944	218,866
Fund Balance			(207,630) ***	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Student Activities (295)				
Revenues:				
Local	1,300,000		620,176	679,824
Beg. Fund Balance *	1,500,000		1,202,434	297,566
Total Revenues	2,800,000		1,822,610	977,390
Expenditures:				
Instruction	1,470,000	66,677	355,885	1,047,438
Support Services	110,000	1,753	4,903	103,344
Enterprise	50,000		8,000	42,000
Contingency	1,170,000			1,170,000
Total Expenditures	2,800,000	68,430	368,788	2,362,782
Fund Balance			1,453,822	
Less Encumbered			68,430	
Available for Expenditure			1,385,392	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Outdoor School for All (296)				
Revenues:				
State	169,958			169,958
Total Revenues	169,958		0	169,958
Expenditures:				
Instruction	158,677		30,345	128,333
Support Services	11,281			11,281
Total Expenditures	169,958	0	30,345	139,614
Fund Balance			(30,345) ***	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
ODE Facilities Grants (297)				
Revenues:				
State Sources				0
Total Revenues	0	0	0	0
Expenditures:				
Support Services	10,000			10,000
Total Expenditures	10,000	0	0	10,000
Fund Balance				

2024-25 SPECIAL REVENUE FUNDS FINANCIAL STATEMENTS as of November 30, 2024 UNAUDITED

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Technology (298)				
Revenues:				
Local	38,015		79,365	(41,350)
Federal				
Transfers	1,300,000			1,300,000
Beg. Fund Balance*	3,310,915		3,385,061	(74,146)
Total Revenues	4,648,930		3,464,426	1,184,504
Expenditures:				
Instruction			8,286	(8,286)
Support Services	539,915	74,163	194,287	271,464
Contingency	500,000			500,000
End Fund Balance	3,609,015			3,609,015
Total Expenditures	4,648,930	74,163	202,574	4,372,193
Fund Balance			3,261,852	
Less Encumbered			74,163	
Available for Expenditure			3,187,689	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Vehicle Replacement (299)				
Revenues:				
Local	52,050		3,702	48,348
Sale of Assets				0
Beg. Fund Balance *	35,455		103,894	(68,439)
Total Revenues	87,505		107,596	(20,091)
Expenditures:				
Support Services	87,505			87,505
End Fund Balance				
Total Expenditures	87,505	0	0	87,505
Fund Balance			107,596	
Less Encumbered			0	
Available for Expenditure			107,596	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
PERS Bonds Debt Service (320)				
Revenues:				
Local	4,963,418		1,561,704	3,401,714
Beg. Fund Balance *	10,190,020		10,155,084	34,936
Total Revenues	15,153,438		11,716,788	3,436,650
Expenditures:				
Debt Service	6,410,917			6,410,917
End Fund Balance	8,742,521	8,742,521		0
Total Expenditures	15,153,438	8,742,521	0	6,410,917
Fund Balance			11,716,788	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
GO Bonds Debt Service (330 & 331)				
Revenues:				
Local	6,489,976		5,593,780	896,196
Transfers	6,515,005			6,515,005
Beg. Fund Balance *	1,350,977		2,815,974	(1,464,997)
Total Revenues	14,355,958		8,409,754	5,946,204
Expenditures:				
Debt Service	378,776			378,776
Transfers	6,515,000			6,515,000
End Fund Balance	7,462,182			7,462,182
Total Expenditures	14,355,958	0	0	14,355,958
Fund Balance			8,409,754	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Capital Construction Fund (405)				
Revenues:				
Local	588,020		324,925	263,095
Beg. Fund Balance *	1,659,350		1,814,942	(155,592)
Total Revenues	2,247,370		2,139,867	107,503
Expenditures:				
Support Services	282,370			
Facilities Acq & Const	1,965,000	31,072	222,388	1,711,540
End Fund Balance				
Total Expenditures	2,247,370	31,072	222,388	1,993,910
Fund Balance			1,917,479	
Less Encumbered			31,072	
Available for Expenditure			1,886,407	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Future Property Purchases Reserve (420)				
Revenues:				
Local			24,738	(24,738)
Fund Tfrs/Asset Sales				
Beg. Fund Balance *	1,125,265		1,126,240	(975)
Total Revenues	1,125,265		1,150,978	(25,713)
Expenditures:				
Facilities Acq & Const	1,125,265			1,125,265
Total Expenditures	1,125,265			1,125,265
Fund Balance			1,150,978	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
Dental/Vision Self Insurance (610)				
Revenues:				
Local	983,456		294,970	688,486
Beg. Fund Balance *	1,212,504		1,333,152	(120,648)
Total Revenues	2,195,960		1,628,122	567,838
Expenditures:				
Support Services	860,518		438,639	421,879
Contingency	1,335,442			1,335,442
Total Expenditures	2,195,960		438,639	1,757,321
Fund Balance			1,189,482	
Less Encumbered			0	
Available for Expenditure			1,189,482	

	<u>Budget</u>	<u>Encumb'd</u>	<u>YTD Actual</u>	<u>Remaining</u>
District Medical Group HRA (620)				
Revenues:				
Local	904,573		334,319	570,254
Beg. Fund Balance	2,664,117		2,867,959	(203,842)
Total Revenues	3,568,690		3,202,278	366,412
Expenditures:				
Support Services	440,000	13,456	223,725	202,819
End Fund Balance	3,128,690			3,128,690
Total Expenditures	3,568,690	13,456	223,725	3,331,509
Fund Balance			2,978,553	
Less Encumbered			13,456	
Available for Expenditure			2,965,097	

* Beginning Fund Balances are Audited

** Fund Balances do NOT include encumbered expenditures

LINCOLN COUNTY SCHOOL DISTRICT
Bills & Claims Over \$25,000 - All Funds
2024-25 Fiscal Year
NOVEMBER 2024

Date	Payee	Description	Amount
11/1/2024	SILETZ VALLEY CHARTER SCHOOL	ESSER III REIMBURSEMENT	\$ 186,603.48
11/1/2024	EDUPOINT EDUCATIONAL SYSTEMS	STUDENT INFORMATION SYSTEM FEES	\$ 42,401.82
11/1/2024	DIGITAL INSURANCE LLC	GROUP HRA SEMI ANNUAL FEE	\$ 31,875.00
11/8/2024	SILETZ VALLEY CHARTER SCHOOL	ESSER III REIMBURSEMENT	\$ 77,344.00
11/8/2024	SODEXO, INC & AFFILIATES (CUST)	MONTHLY CONTRACT SERVICES	\$ 192,332.49
11/8/2024	SODEXO, INC & AFFILIATES (CAFE)	MONTHLY CONTRACT SERVICES	\$ 250,687.40
11/8/2024	SEIDLITZ EDUCATION	PROFESSIONAL DEVELOPMENT - ELL	\$ 64,500.00
11/8/2024	COSA	PROFESSIONAL DEVELOPMENT - LAW CONF	\$ 27,854.00
11/15/2024	EDDYVILLE CHARTER SCHOOL	24-25 SSF PAYMENTS	\$ 230,014.13
11/15/2024	SILETZ VALLEY CHARTER SCHOOL	24-25 SSF PAYMENTS	\$ 223,924.22
11/15/2024	LATHAM CENTERS, INC.	TUITION-SPECIAL ED OUT OF STATE PLACEMENT	\$ 29,727.76
11/22/2024	SILETZ VALLEY CHARTER SCHOOL	23-24 CSI-TSI REIMBURSEMENT	\$ 49,473.64
11/22/2024	SODEXO, INC & AFFILIATES (CAFE)	MONTHLY CONTRACT SERVICES	\$ 333,869.36
11/22/2024	PATINKIN RESEARCH STRATEGIES	BOND POLLING SURVEY SERVICES	\$ 29,130.00

**LINCOLN COUNTY SCHOOL DISTRICT
INVESTMENT REPORT
November 30, 2024**

Oregon State Treasury - Local Government Investment Pool	
Beginning Balance	\$ 21,842,108
Additions	45,856,550
Reductions	4,017,027
Ending Balance	\$ 63,681,631

Oregon State Treasury - Local Government Investment Pool - 2002 PERS Bonds	
Beginning Balance	\$ 1,264,383
Additions	257,558
Reductions	(0)
Ending Balance	\$ 1,521,941

Oregon State Treasury - Local Government Investment Pool - 2003 PERS Bonds	
Beginning Balance	\$ 1,681,438
Additions	341,342
Reductions	0
Ending Balance	\$ 2,022,780

Oregon Coast Bank - Money Market Account	
Beginning Balance	\$ 12,627,338
Additions	4,048,581
Reductions	4,350,000
Ending Balance	\$ 12,325,919

Oregon Coast Bank - 13 Month Time CD (Fund 331 QSCB Sinking Fund)	
3.8% APY	
Beginning Balance	\$ 1,829,407
Additions	-
Reductions	-
Ending Balance	\$ 1,829,407

Monthly Totals	
Beginning Balance	\$ 39,244,674
Additions	\$ 50,504,031
Reductions	\$ 8,367,027
Ending Balance	\$ 81,381,678

<u>Interest Rates</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>
LGIP	5.30%	5.11%	4.99%
Oregon Coast Bank	5.12%	5.12%	5.12%

f. First Student Report (Written)

Talking Points-Please contact me at Darleen.vanriper@firstgroup.com with any comments or questions.

1. First Steps to Electrification

Spring Baker, First Student Associate Project Manager, Fleet Electrification, reached out to LCSD Leadership to begin the process of applying for funding to deploy electric school buses and charging infrastructure. The prospect of becoming part of a movement that provides tremendous benefits for students, communities, and the environment, is exciting.

Here are just a few benefits of using Electric School Buses:

- Can reduce maintenance costs upwards of 30%
- Regenerative braking, which allows for converting heat generated by braking into electricity to recharge batteries,
- Diesel prices are on the rise and electric prices are going down,
- Potential to support grid resiliency through vehicle to grid and vehicle to building technologies,
- Noise reduction creates a safer and more peaceful environment for students to begin and end their school day.

2. Saying (partially) Goobye to a Lincoln City Institution

Kim Bolden has announced her retirement from the Location Assistant Manager position. Her last day in this role will be 12/31/2024. Kim has dedicated decades to the safe transportation of Lincoln County students. She is always willing to help and celebrate the youth AND her colleagues. When I came to Lincoln County, I was thankful to have her to teach me about the many intricacies of LCSD. She will continue as a casual cover driver until the end of this school year. Kim will also be available to help onboard her replacement. We are currently processing & publishing the job opening. I am hoping to be able to promote from within, as our team works well with each other, and we know what makes the wheels on the bus go round and round in Lincoln County.

3. Driver/Candidate Comparison Report (as of 12/04/2024)

	11/7/2024		12/4/2024	
Lincoln County Bus Routes	74	Driver Shortage	78	Driver Shortage
Drivers on hand (LOA excluded)	54	20	60	18
Out of Town Drivers	5	15	3	15
Routes not currently serviced (combos)	16	-1	11	4
Other Considerations:				
Cover Drivers positions not staffed	5	25	5	23
Route Monitor positions not staffed	0		0	
Drivers on LOA/FMLA/WC (Regular & Casual)	3		3	
Casual Drivers with limited availability	5		5	
LCSD & FS Staff Able to Drive	7		7	

Data is subject to frequent changes.

Currently, our pipeline currently includes 6 candidates in Behind-the-Wheel training and 2 in classroom training. Since last month, we tested & hired four CDL drivers (1x north, 1x south, 2x east/west), and two van drivers. We are expecting to test five more CDL drivers in the upcoming week (2x north, 2x east/west). We currently have seven candidates waiting to obtain their learner’s permits. Unfortunately, one driver already announced that he is moving to southern Oregon to take over a congregation as a full-time pastor.

4. Routes are Coming Back!

With the many drivers passing and taking on a route, we were so far able to fill all routes in the south, all combined routes in east/west, and all but three combined routes in the north. The applicant flow is currently higher in the areas south of Lincoln City, but we are slowly gaining ground. By the end of January, we will be able to cover all combined routes and open one or two OLES routes. We already uncombined two routes in the east/west and were able to implement two van routes to help with route lengths and load counts. We have already heard positive comments from parents, and I hope that we can continue with this upward trend to bring back all LCSD routes as quickly as possible. Thank you all for your support.

5. Upcoming Events

- 12/14/2024-Christmas Party Potluck in Toledo 113
- TBD-School Bus Christmas Story Time at the Lincoln City Library
- 12/23/2024-Start of Winter Break

- g. Food Services Report (Written)
 - 1. Nutrition Services Report

THE MONTHLY FEED - DECEMBER 2024

jamie.nicholson@lincoln.k12.or.us
sara.gibson@lincoln.k12.or.us
patty.graves@lincoln.k12.or.us

NUTRITION SERVICES

Lincoln County School District
School Meals • Gardens • Food Pantry



SEAFOOD TO SCHOOL



Our Sodexo partners represented LCSD at the November Pacific Seafood and Tyson Foods Culinary Collaboration. This hands-on workshop allowed Nutrition Services staff from around the state to come together and build new and exciting recipes with the goal of getting more seafood into school meals through USDA Commodities.

“This is a big win for the Seafood to Schools movement.” said CNP Manager Jamie Nicholson. “We want more seafood in our own County, but getting seafood into USDA commodities makes access to seafood obtainable to schools across the US while supporting many of our own local families.”



Congratulations to LCSD Food Service Manager Rebecca Smith who won the Best Apron award!

ANOTHER AUDIT DONE

On 11/19/2024, ODE conducted a surprise review for the after-school CACFP meal program. This program provides a supper meal free of charge to its participants.

These audits typically take 2 full days in the office reviewing paperwork in addition to a meal service observation. Staff was able to produce all required documentation the first day and had ODE back on the road by 2 pm. They returned the following day for the meal observation portion of the audit.

From the ODE Reviewers:

ODE CNP appreciates the quick action and warm welcome of Jamie Nicholson and Patty Graves when ODE CNP staff arrived for this unannounced review. It was due to their diligence in keeping updated records and jumping to action to provide them, that ODE CNP was able to quickly review the sponsor’s CACFP operations.

Way to go team!!

thank you

Sodexo Stop Hunger Foundation for your \$2,500.00 Donation to the Food Pantry!



Bay City Cruisers for your \$4,000.00 Donation to the Food Pantry!

Contact your school office if your family is in need of meal support!

WHAT'S GROWING ON? -LCSD SCHOOL GARDENS-

Winter Work in the Garden Program

Winter is a great time to let the gardens rest while we work on indoor projects. This is the perfect time of the year to get some of our perennial herbs and flowers propagated while staying warm and comfortable. The Future Bound program helped propagate almost 50 herb starts in the classroom. They used the same technology used in professional greenhouses to start cuttings of thyme, sage, rosemary, and lavender. These herbs will be nurtured indoors until spring. The students can take an herb plant home and will share the rest with new and existing school gardens around the district.



Look at those sweet little roots!
The cuttings were started 11/5/2024

The kids did a great job misting the cuttings and monitoring moisture every day. They learned about success rates when propagating and had a 96% success rate. The students were amazed to learn that most 4" herbs retail between \$3.99-\$4.99.

FRESH FRUIT AND VEGETABLE PROGRAM (FFVP)



The Fresh Fruit and Vegetable Program (FFVP) is an important tool in our effort to combat childhood obesity. The program has been successful in introducing elementary school children (K-8) to a variety of produce that they otherwise might not have the opportunity to try.

Some of this month's offerings include: Black Grapes, Snow Peas, Papaya, Pink Lady Apples, Kiwi, Tangerines and Honeydew.

DID YOU KNOW?

Many varieties: There are about 200 different types of tangerines because they can be easily crossed with other citrus fruits



Farm Fresh Friday Spotlight

December 6th:
Scratch-made Tuna Noodle Casserole,
using Oregon Choice Tuna.

December 20th:
Scratch-made Beef Pot Roast
using local beef.

Want to be part of an amazing team?
Go to us.sodexo.com or call (541) 336-2156.



@lcsdschoolgardens



@Lincoln County Oregon School Gardens

NEW

nutrislice

Looking for a way to check what's on the school menu from your phone? Want to see the nutritional value of a menu favorite or check for allergens?

Check out Nutrislice from the App store.
It's free and easy to use!

As we work to fine tune this app experience, please contact Nutrition Services with questions.

h. Custodial Services Report (Written)



SODEXO & LINCOLN COUNTY SCHOOL DISTRICT

END OF THE MONTH REPORT- CUSTODIAL

NOVEMBER 2024

MONTHLY SNAPSHOT

- 3 New Applicants for Operations manager- 4 interviews completed. (Selection soon, hopeful start date into the new year.)
- All custodial leads have reported they have plenty of ice melt to keep staff and students safe.
- Waxie & Filter orders received by end of month. (filter change scheduled for Dec. break)
- Carol Stock, Tech and nursing staff helping to identify historical patterns of absenteeism for increased disinfection efforts. *
- Custodial help at NMS to identify vandalism.
- High School's bleachers being cleaned for upcoming sports
- TOES & District nursing staff helping to communicate increased absences due to illness.*
- .
- .

TEAM MEMBER SPOTLIGHT: SAM CASE TEAM

- Jacque Woodall is the 1st shift lead at Sam Case elementary school. She has been with the company for 22 Years
- Aryanni Santos is our new 2nd shift full time employee. She has been with the company for 1 month.
- Kayla Kinane is our 2nd shift part time employee. She has been with the company for almost 4 years.



CHALLENGES

- Currently have 0 fulltime positions & 3 parttime positions open- Management is helping clean buildings at night to alleviate stress on current employees. We are seeing many more applications come in when compared to September & October.
- Time for extra disinfection without added stress: 3 weeks of school in December (school grades K-8) using electrostatic disinfection. Same solutions we used during Covid cleaning state protocols. *Hopes to shrink the absentee curve based on data from the county*
- Operations Manager vacancy- Hopeful to start new manager the first of the year.

SAFETY

- Injuries/Incidents: 1 for November. YTD 1 (non-work related but recordable) *
- Loss Time: 0
- Safe Schools: 1 new employee to complete.
- 3 Checks for Safety: 1.)- Do I know how to perform the task? 2.) Do I have the correct tools/PPE? 3.) Is my environment safe? (answer No to any of these questions then stop and call a manager!)
- Monthly Safety training; Slips, Trips and Falls. & Inclement weather safety protocols

6. Board Reports
7. Superintendent's Report
 - a. Priority Matrix for Potential Replacement Bond/Long Term Facility Planning
8. Adoption of the Consent Calendar
 - a. Minutes of the Board



LINCOLN COUNTY SCHOOL DISTRICT

Dr. Majalise Tolan
Superintendent

District Office | Teaching & Learning Center
1212 NE Fogarty Street, Newport, OR 97365
PO Box 1110, Newport, OR 97365
T 541-265-9211 | F 541-265-3059
www.lincoln.k12.or.us

Draft Minutes

LINCOLN COUNTY SCHOOL DISTRICT
Board of Directors – Regular
Tuesday, November 12, 2024 - 6:30 PM
Crestview Heights Elementary, 2750 S Crestline Dr, Waldport, OR 97394

6:34 PM

Megan Cawley: Present
Jason Malloy: Present
Liz Martin: Present
Senitila McKinley: Present
Peter Vince: Present

1. Call to Order & Reading of Land Acknowledgment
Board Chair Vince called the meeting to order at 6:34 PM. Each Board Member present read a portion of the LCSD Land Acknowledgment.
2. Roll Call- Establishment of a quorum
See above.
3. Introductions
 - 3.a. Linn Benton Lincoln Educational Service District
Dr. Tolan introduced Nancy Griffith, Assistant Superintendent of the Linn, Benton, Lincoln, Educational Service District, who shared the list of services that LCSD receives from them. Additionally, she reminded the Board that they are looking for a member from Lincoln County to serve on their Budget Committee.
4. Communications
 - 4.a. Written
No written communication.
 - 4.b. From the Audience (This time is reserved for public comment on topics published on the Board's agenda)
No public comment.
 - 4.c. Recognition
 - 4.c.1. Site Council Recognition
Dr. Tolan introduced Board Chair Vince and Board Member McKinley who recognized members of the Crestview Heights and Waldport Middle/High School Site Councils. Chair Vince and Board Member

McKinley presented Site Council members with certificates of appreciation for their service.

4.d. LCEA Report

The Board heard from LCEA President Janice Venture and Vice-President Trevor Stewart. President Venture talked about the new employee training that LCEA is putting on. Vice-President Stewart gave the Educator Shout Outs.

5. Consultant Reports/Staff Reports/Student Reports

5.a. BRIC Long Term Facility Update

The Board heard from BRIC Architecture who presented the long range facility study that they completed for the District. They highlighted things that need updating and commended the District on how well it does in maintaining all of its facilities. This information will be used by The Board in determining if they will seek a replacement bond in the near future.

5.b. Area Report

The Board heard from Crestview Heights Principal Sandi Battles and Assistant Principal Charlette Galen. Ms. Battles shared some facility information, starting with a special thanks to Bobby Forshee, the CVH lead Custodian. She also shared the efforts CVH is making towards building school and community culture through family nights and survey information.

5.c. Student Report

Crestview students submitted a video for the student report.

5.d. Financial Report

5.d.1. Monthly Financial Report

The Board heard the monthly financial report from Business Services Director Kim Cusick which was for the month of October.

5.e. First Student Report (Written)

The Board heard from First Student Area Manager, Darlene Van Riper, who highlighted portions of their written report.

5.f. Food Services Report (Written)

The Board heard from Food Services Manger, Patty Graves, who highlighted portions of their written report which included the 2025 Garlic Festival that LCSD will be hosting next Fall.

5.g. Custodial Services Report (Written)

The Board heard from Sodexo Custodial Supervisor, Greg Rodecker who highlighted portions of their written report. He spoke about new hiring efforts for an operations manager and school level custodians.

6. Board Reports

Board Member McKinley attended OSBA's Color Caucus by zoom and attended the Children's Institute meetings.

Board Vice-Chair Martin attended a Taft 7-12 playoff game.

Board Chair Vince attended the animal shelter groundbreaking, observed Waldport High PLC meeting, attended Indigenous Peoples Day activities,

Equity Team meeting, watched Toledo's Theater program, and continues to work with ASPIRE at Toledo Jr/Sr.

7. Superintendent's Report

Dr. Tolan shared that Toledo Jr/Sr and Waldport High School bands played together at a recent game. She thanked Senator Anderson and Representative Gomberg for attending and participating in the Taft 7-12 football game activities.

8. Adoption of the Consent Calendar

The Chair entertained a motion to approve the consent calendar as published in the November 2024 board agenda. This motion, made by Jason Malloy and seconded by Senitila McKinley, Carried.

Megan Cawley: Yea

Jason Malloy: Yea

Liz Martin: Yea

Senitila McKinley: Yea

Peter Vince: Yea

Yea: 5, Nay: 0

8.a. Minutes of the Board

8.b. Human Resources

8.b.1. Board Personnel Action

8.c. Business Services

8.c.1. 25-26 Budget Calendar - Draft

8.d. Board

8.d.1. Second Read/Adoption - Policy Batch 4

9. Action Items

9.a. Facilities & Maintenance/Transportation/Food Services

9.a.1. Construction Excise Tax Rate

The Chair entertained a motion to increase the construction excise tax as published in the October and November Board packet effective January 1, 2025. This motion, made by Liz Martin and seconded by Megan Cawley, Carried.

Megan Cawley: Yea

Jason Malloy: Yea

Liz Martin: Yea

Senitila McKinley: Yea

Peter Vince: Yea

Yea: 5, Nay: 0

10. Items of Information & Discussion

10.a. Special Programs

10.a.1. Integrated Programs/SIA Annual Report

The Board heard from Assistant Superintendent Susan Van Liew and Business Services Director Kim Cusick on the Integrated Programs

Annual Report. They shared the required reporting questions and the answers to those questions. Additionally, they gave an in depth report on the budget expenditures from the SIA, HSS, CSI-TSI, and Early Literacy. The Board did not have any follow up comments and there was no public comment on the topic.

10.b. Board

10.b.1. Public Comment (This time is reserved for general public comment to the Board)

1. The Board heard from an applicant of new charter school called Career Tech. He reported that Taft students that were formerly Career Tech students were not doing well in the new learning environment. He also invited the Board to reach out to him as an applicant if they have any questions.
2. The Board heard from a staff member/parent/community member that spoke to the Board about the importance of recess in our schools and the lack of it in our LCSD schools. She invited the Board to reach out to her if they had more questions about the research document or her oral presentation. She also asked the Board to consider forming a committee to look into the creation of a recess policy.
3. The Board heard from an OSBA Board of Directors candidate that is running for office. She highlighted for the Board what would make her a good candidate and why they should vote for her to represent them on the OSBA Board.

10.b.2. OSBA Elections.

This was for information only. A vote will take place in December.

10.b.2.i. OSBA Board of Directors

This was for information only. A vote will take place in December.

10.b.2.ii. OSBA Legislative Policy Committee

This was for information only. A vote will take place in December.

10.c. Other

10.c.1. Meeting Takeaways

Board Member Malloy - Thanked Ms. Battles for her school report and the collaboration with Waldport High School students in their Buddy program.

Board Member McKinley - Thanked Site Council members for attending the meeting and for all the work they do in that volunteer position.

Board Member Cawley - Thanked Ms. Battles for sharing about the Buddy program between Crestview and Waldport High.

Board Vice-Chair Martin - Thanked the staff that were all in attendance at the meeting.

Board Chair Vince - Appreciated the in depth report from BRIC architecture and his general appreciation for all of the work towards the potential replacement bond.

10.c.2. Reminders/Announcements

11/13: YV Parents and Pancakes 7:30 a.m.
11/15: NHS Booster Auction TBA
11/21: NMS Breakfast of Champions Awards 7:15 a.m., Taft Ele
Literacy Bingo 5:00 p.m., TJSH Band Concert 7:00 p.m.
11/22: Toledo Ele Turkey BINGO 5:00

11/26: Board Work Session 5:00 at TLC

12/10: Board Meeting 5:00 Sam Case

10.d. Adjournment

With no further business, the meeting was adjourned at 8:41 PM

8:41 PM

DRAFT

- b. Human Resources
 - 1. Board Personnel Action

Board Agenda — December 10, 2024 — Personnel Action

Classified Hire (s):

Sammy Moreno	Student Support Facilitator/Taft 7-12
Elizabeth Remund	Info & Records III-Educational Tutor/Waldport High
Rachel Craven	Volunteer Coordinator/TLC
Kim Lobdell	Special Education Teaching Asst II/Taft Elem
Amara Talbot	Early Childhood TA/Newport High
Maritza Alejo Lira	Bilingual Customer Service Coordinator/Taft 7-12
Haley Rogers	Special Education Teaching Asst II/Oceanlake

Coach Hire (s):

Seth McRae	JV Boys Basketball/Toledo Jr-Sr High
Quin Lewis	Girls Wrestling/Toledo Jr-Sr High
Amanda Gustafson	Cheer/Taft 7-12
Jaime Smith	Softball/Waldport High

Resignation(s):

Courtney Neumeyer	21 st Century Program Coordinator Compass Center	Resignation 10/31/2022 – 12/11/2024
Kevin Martin	Grounds III Facilities & Maintenance	Retirement 6/18/2018 – 12/31/2024
Fletcher Scott	Speech Language Pathologist Toledo HS/East Area	Retirement 8/13/2024 – 12/2/2024
Lauren Pearson	Grade 1 Teacher Oceanlake	Resignation 8/12/2024 – 1/16/2025

Tanja Leskauskas	Special Education Teaching Asst Oceanlake	Resignation 10/7/2024 – 11/14/2024
------------------	--	---------------------------------------

Jason Smith	Grade 4 Teacher Toledo Elementary	Resignation 8/26/2022 – 12/20/2024
-------------	--------------------------------------	---------------------------------------

Retirement and Rehire(s):

Kathy Beyer	Assistant Principal Newport High School	Retirement 7/1/2022 – 12/31/2024
-------------	--	-------------------------------------

9. Action Items
 - a. Board
 1. OSBA Elections.
 - i. OSBA Board of Directors

OSBA Board of Directors CANDIDATE QUESTIONNAIRE

Name: _____

Date: _____

Address: _____

City/Zip: _____

Business phone: _____

Residence phone: _____

Cell phone: _____

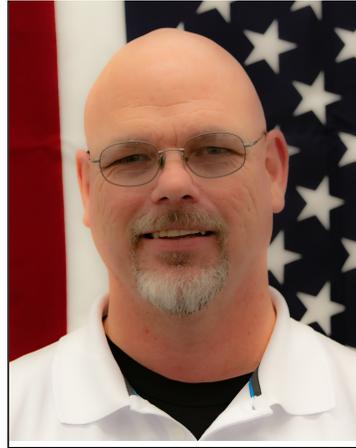
E-mail: _____

District/ESD/CC: _____

Term expires: _____ Years on board: _____

Region: _____

Position #: _____



I certify that if elected I will faithfully serve as a member of the OSBA Board of Directors. My nomination form has been submitted to OSBA (or is attached to this document) as evidence.

Name

Date

Be brief; please limit your responses to 50 words per question.

1. Describe in your own words the mission and goals of OSBA.

2. What do you want to accomplish by serving on the OSBA board of directors?

3. What leadership skills do you believe you bring to the board of directors? Give an example of a situation in which you demonstrated these skills.

OSBA Board of Directors

CANDIDATE PERSONAL/PROFESSIONAL RESUME

Work or service performed for OSBA or local district (include committee name and if you were chair):

Other education board positions held/dates:

Occupation (Include at least the past five years):

Employers:

Dates:

Schools attended (Include official name of school, where and when):

High school:

College:

Degrees earned:

Education honors and/or awards:

Other applicable training or education:

Activities, other state and local community services:

Hobbies/special interests:

Business/professional/civic group memberships; offices held and dates:

Additional comments:

OSBA Board of Directors CANDIDATE QUESTIONNAIRE

Name: _____

Date: _____

Address: _____

City/Zip: _____

Business phone: _____

Residence phone: _____

Cell phone: _____

E-mail: _____

District/ESD/CC: _____

Term expires: _____ Years on board: _____

Region: _____

Position #: _____



I certify that if elected I will faithfully serve as a member of the OSBA Board of Directors. My nomination form has been submitted to OSBA (or is attached to this document) as evidence.

Name

Date

Be brief; please limit your responses to 50 words per question.

1. Describe in your own words the mission and goals of OSBA.

2. What do you want to accomplish by serving on the OSBA board of directors?

3. What leadership skills do you believe you bring to the board of directors? Give an example of a situation in which you demonstrated these skills.

OSBA Board of Directors

CANDIDATE PERSONAL/PROFESSIONAL RESUME

Work or service performed for OSBA or local district (include committee name and if you were chair):

Other education board positions held/dates:

Occupation (Include at least the past five years):

Employers:

Dates:

Schools attended (Include official name of school, where and when):

High school:

College:

Degrees earned:

Education honors and/or awards:

Other applicable training or education:

Activities, other state and local community services:

Hobbies/special interests:

Business/professional/civic group memberships; offices held and dates:

Additional comments:

ii. OSBA Legislative Policy Committee

OSBA Legislative Policy Committee CANDIDATE QUESTIONNAIRE

Name: Jason E. Curtis Date: 9/26/24
 Address: 809 Washburn St.
 City/Zip: Brownsville, OR 97327
 Business phone: (541) 619-5340
 Residence phone: Same
 Cell phone: Same
 E-mail: jason.curtis@centrallinn.k12.or.us
 District/ESD/CC: Central Linn School District #552
 Term expires: 6/30/27 Years on board: 2
 Region: Linn Benton Lincoln ESD Position #: 10



I certify that if elected I will faithfully serve as a member of the OSBA Legislative Policy Committee. My nomination form has been submitted to OSBA (or is attached to this document) as evidence.

Jason E. Curtis 9/26/24
 Name Date

Be brief; please limit your responses to 50 words per question.

1. What do you want to accomplish by serving on the Legislative Policy Committee (LPC)?
 I want give a voice to smaller rural districts in the larger conversation with regards to policy creation in Salem.

2. What leadership skills do you bring to the LPC? Give an example of a situation in which you demonstrated these skills.
 My leadership style is to include all voices in the process. I was instrumental in the creation of our current policy committee itself along with the guidelines of operation. This committee has allowed for student, teacher, and community voices to engage in policy creation in our district.

3. What do you see as the two most challenging legislative issues faced by OSBA?
 I see getting truly representative data into the decision making process, along with achieving full understanding in Salem of the issues directly affecting school districts in Oregon as two prominent challenges faced by the OSBA.

4. What do you see as the two most challenging legislative issues faced by your region?
 I see unfunded policy requirements and under funding in general as the two most challenging legislative issues in our region. Laying off staff, cutting back on necessary programs, and ultimately spending large amounts of administrative time on requirements not directly benefitting student outcomes make running a small district more difficult.

5. What is your plan for communicating with boards in your region about legislative issues?
 My plan would be to send out monthly e-mail to boards in our region keeping them up to date with legislative issues and seeking their input/questions.

Email to OSBAelections@osba.org, or mail to: Oregon School Boards Association, 1201 Court St NE, #400, Salem, OR 97301
 Materials submitted by the candidate on this form may be subject to a public information request under ORS Chapter 192.

OSBA Legislative Policy Committee CANDIDATE PERSONAL/PROFESSIONAL RESUME

Work or service performed for OSBA or local district (include committee name and if you were chair):

I proposed and assisted with the creation of our district policy committee creation as well as serving on the committee. I also serve on the budget committee for our district.

Other education board positions held/dates:

No other educational board positions other than current Zone 5 position for CLSD

Occupation (Include at least the past five years):

Employers:		Dates:
Sand Ridge Charter School	Full Time Teacher	2001-2003
Curtis Excavation, LLC	Owner	2003-Present

Schools attended (Include official name of school, where and when):

High school: Lebanon Union High School, Lebanon OR, 1993-1997

College: Oregon State University, Corvallis OR, 1997-2001

Degrees earned: BS in Elementary Education

Education honors and/or awards:

National Honor Society Member

Other applicable training or education:

N/A

Activities, other state and local community services:

Brownsville Rural Fire Dept. Volunteer (Current), Brownsville Recreation Center Volunteer Coach (Current), AYSO Soccer Volunteer Coach/Ref. (Past)

Hobbies/special interests:

Attending my children's sporting events, motocross racing, reading (primarily non-fiction), community events

Business/professional/civic group memberships; offices held and dates:

Sharing Hands, Board Member 2014-2018
Brownsville Fire Association, Secretary, VP, President 2013-Present
Brownsville Chamber of Commerce, Member 2015-Present

Additional comments:

Thank you for your consideration!

Email to OSBAelections@osba.org, or mail to: Oregon School Boards Association, 1201 Court St NE, #400, Salem, OR 97301
Materials submitted by the candidate on this form may be subject to a public information request under ORS Chapter 192.

OSBA Legislative Policy Committee CANDIDATE QUESTIONNAIRE

Name: Soren Rounds

Date: 9/18/27

Address: 15213 Lobster Valley Road

City/Zip: Alsea 97324

Business phone: _____

Residence phone: 541-486-4101

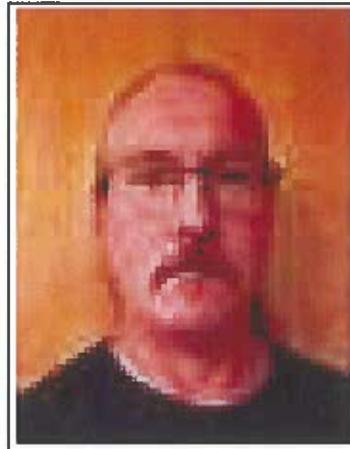
Cell phone: 541-510-8758

E-mail: Soren.rounds@alsea.k12.or.us

District/ESD/CC: Alsea 7J

Term expires: 2027 Years on board: 1.5

Region: Linn Benton Lincoln 10



Position #: 10

I certify that if elected I will faithfully serve as a member of the OSBA Legislative Policy Committee. My nomination form has been submitted to OSBA (or is attached to this document) as evidence.

Soren Rounds

9/18/24

Name

Date

Be brief; please limit your responses to 50 words per question.

1. What do you want to accomplish by serving on the Legislative Policy Committee (LPC)?

I would like to advance the interests of primary and secondary education in Oregon.

2. What leadership skills do you bring to the LPC? Give an example of a situation in which you demonstrated these skills.

In my role as director of pharmacy for a local hospital, managing all pharmacy personnel, operations, and policy development, I strived to utilize inclusion. During that time I oversaw the implementation of a new electronic medical record system which was viewed with much skepticism by most employees. Building the drug library, order sets, and protocols took a year of work. In order to reduce pessimism I included every pharmacy employee rotating them in and out of the build team. This resulted in near-universal ownership and acceptance.

3. What do you see as the two most challenging legislative issues faced by OSBA?

Equalizing financial support with needs and expectations is probably the biggest challenge. Less of a problem but also significantly important is ensuring the educating people remains the goal of the educational system, resisting "culture war" related policy.

4. What do you see as the two most challenging legislative issues faced by your region?

Obtaining adequate financial support is the latest challenge in my region, as it likely is everywhere. Resisting the addition of added reporting requirements is important particularly for small districts of which there are many in region 10.

5. What is your plan for communicating with boards in your region about legislative issues?

I hope to actively solicit questions and make myself generally available for discussion once boards are familiar with my position and contact in formation.

OSBA Legislative Policy Committee

CANDIDATE PERSONAL/PROFESSIONAL RESUME

Work or service performed for OSBA or local district (include committee name and if you were chair):

Board vice-chair, 2023-present

Member, superintendent search committee, 2022-23

Other education board positions held/dates:

Occupation (Include at least the past five years):

Employers:

Pharmacist, Peacehealth Riverbend Hospital

Dates:

2008-2017

Pharmacy Director, McKenzie-Willamette Medical Center

2007-2008

Schools attended (Include official name of school, where and when):

High school: Alsea High School, Alsea Oregon, 1989-1992

College: Lane Community College 1993-1995; University of Oregon 1998-2000; Oregon State University 2000-2004

Degrees earned: Associate of Applied Science, Automotive Technology; Bachelor of Science, General Science; Doctor of Pharmacy

Education honors and/or awards:

Other applicable training or education:

Activities, other state and local community services:

Cascade Medical Team Foundation, past board member 2010-2015

Cascade Medical Team Guatemala mission pharmacy leader, 2007-2015

Friends of the Corvallis-Benton County Public Library current board member and active volunteer

Hobbies/special interests:

Gardening, reading, automotive repair and restoration

Business/professional/civic group memberships; offices held and dates:

Additional comments:

I am not completely certain of the activities performed by the ideal LPC member, but I hope to learn how to best advance the interests of education in Oregon through advocacy in the community, to organizations, and to governing bodies. I am currently retired and have time to dedicate to this purpose.

Email to OSBAelections@osba.org, or mail to: Oregon School Boards Association, 1201 Court St NE, #400, Salem, OR 97301

Materials submitted by the candidate on this form may be subject to a public information request under ORS Chapter 192.

- iii. OSBA Resolutions
 - 1. Resolution 1 to Amend the OSBA Dues Schedule



Resolution to Amend the OSBA Dues Schedule

WHEREAS, the Oregon School Boards Association (OSBA) dues revenue as a percentage of OSBA's total revenues is declining. OSBA's dues revenue as a percentage of OSBA's operating costs to support the services OSBA provides to members is also declining;

WHEREAS, the percentage of dues revenue as a proportion of total association revenue has fallen 19.1 percent since the 1996-97 fiscal year to 6.4 percent of total association revenue. If dues do not increase, this percentage of total association revenue will continue to decline;

WHEREAS, the OSBA dues schedule has not increased since the 1998-99 fiscal year;

WHEREAS, OSBA retained The Coraggio Group to do an in-depth analysis of the value of the programs and services OSBA offers to its members and develop a 3-5 year sustainable business plan with member engagement;

WHEREAS, based on the survey data obtained by The Coraggio Group, OSBA members overwhelmingly agree that they receive great service for what they currently pay. Current annual member dues are as low as \$250. Given the costs associated with providing no cost or highly subsidized services available to members, \$250 is very low in comparison.

WHEREAS, The Coraggio Group in collaboration with OSBA staff, has recommended a phased increase in the dues schedule. This approach aims to provide financial stability for the organization and align the dues with other state associations, thereby enabling the association to continue offering its high-quality programs and services.

WHEREAS, the proposed dues increase, which was reviewed by the OSBA Finance Committee, and approved by the OSBA Board of Directors on June 15, 2024, supports the recommendation to amend the OSBA Dues Schedule.

THEREFORE, BE IT RESOLVED in recognition of the current financial situation of Oregon districts and the need for an OSBA dues adjustment, the OSBA Board of Directors recommends that the dues schedule be amended in a manner so that OSBA member school districts and education service districts (ESDs) paying more than \$1,500 annually will experience a dues increase of 15% annually for five consecutive years beginning in the 2025-2026 fiscal year. Beginning in the 2030-31 fiscal year, the dues will increase annually as a percentage in alignment with the Consumer Price Index;

THEREFORE, BE IT FURTHER RESOLVED, the OSBA Board of Directors recommends a membership dues floor be established at \$1,500 and a maximum dues rate of \$25,000 per fiscal year. For OSBA member school districts, ESDs, and community colleges who are below this floor, dues will increase \$250 per year until the floor is reached. For school districts and ESDs that reach the floor before the 2030-31 fiscal year, dues will increase by 15% per year until the 2030-31 fiscal year. Beginning in the 2030-31 fiscal year, dues for all school districts, ESDs, and community colleges will increase annually as a percentage in alignment with the Consumer Price Index.

BE IT FURTHER RESOLVED by the OSBA Board of Directors that the proposed amendments to the OSBA Dues Schedule be submitted to the membership for consideration during the 2024 OSBA election; and

BE IT FURTHER RESOLVED by the OSBA Board of Directors that the proposed amendments to the OSBA Dues Schedule and a copy of this resolution be forwarded to all OSBA member boards in accordance with the OSBA Board of Directors' adopted elections calendar.

DISTRICT	24-25 DUES	25-26 DUES	26-27 DUES	27-28 DUES	28-29 DUES	29-30 DUES	30-31 DUES**
District Member 01 (under 100)*	\$ 250.25	\$ 500.25	\$ 750.25	\$ 1,000.25	\$ 1,250.25	\$ 1,500.00	\$ 1,560.00
District Member 02 (100-249)*	\$ 541.25	\$ 791.25	\$ 1,041.25	\$ 1,291.25	\$ 1,541.25	\$ 1,772.44	\$ 1,843.34
District Member 03 (250-499)*	\$ 778.00	\$ 1,028.00	\$ 1,278.00	\$ 1,528.00	\$ 1,757.20	\$ 2,020.78	\$ 2,101.61
District Member 04 (500-999)	\$ 1,420.50	\$ 1,633.58	\$ 1,878.61	\$ 2,160.40	\$ 2,484.46	\$ 2,857.13	\$ 2,971.42
District Member 05 (1000-1999)	\$ 2,503.00	\$ 2,878.45	\$ 3,310.22	\$ 3,806.75	\$ 4,377.76	\$ 5,034.43	\$ 5,235.80
District Member 06 (2000-2499)	\$ 3,450.00	\$ 3,967.50	\$ 4,562.63	\$ 5,247.02	\$ 6,034.07	\$ 6,939.18	\$ 7,216.75
District Member 07 (2500-3999)	\$ 5,952.75	\$ 6,845.66	\$ 7,872.51	\$ 9,053.39	\$ 10,411.40	\$ 11,973.11	\$ 12,452.03
District Member 08 (4000-4999)	\$ 7,035.00	\$ 8,090.25	\$ 9,303.79	\$ 10,699.36	\$ 12,304.26	\$ 14,149.90	\$ 14,715.89
District Member 09 (5000-9999)	\$ 8,658.25	\$ 9,956.99	\$ 11,450.54	\$ 13,168.12	\$ 15,143.33	\$ 17,414.83	\$ 18,111.43
District Member 10 (10000-25000)	\$ 10,823.00	\$ 12,446.45	\$ 14,313.42	\$ 16,460.43	\$ 18,929.49	\$ 21,768.92	\$ 22,639.68
District Member 11 (over 25000)***	\$ 18,940.00	\$ 21,781.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 26,000.00
						\$	-
ESD Membership Dues 01 (under 1000)*	\$ 473.75	\$ 723.75	\$ 973.75	\$ 1,223.75	\$ 1,473.75	\$ 1,694.81	\$ 1,762.61
ESD Membership Dues 02 (1000-2500)*	\$ 710.50	\$ 960.50	\$ 1,210.50	\$ 1,460.50	\$ 1,679.58	\$ 1,931.51	\$ 2,008.77
ESD Membership Dues 03 (2500-5000)*	\$ 947.00	\$ 1,197.00	\$ 1,447.00	\$ 1,664.05	\$ 1,913.66	\$ 2,200.71	\$ 2,288.73
ESD Membership Dues 04 (5000-7500)*	\$ 1,082.50	\$ 1,332.50	\$ 1,582.50	\$ 1,819.88	\$ 2,092.86	\$ 2,406.78	\$ 2,503.06
ESD Membership Dues 05 (7500-10000)	\$ 1,556.00	\$ 1,789.40	\$ 2,057.81	\$ 2,366.48	\$ 2,721.45	\$ 3,129.67	\$ 3,254.86
ESD Membership Dues 06 (10000-15000)	\$ 2,029.50	\$ 2,333.93	\$ 2,684.01	\$ 3,086.62	\$ 3,549.61	\$ 4,082.05	\$ 4,245.33
ESD Membership Dues 07 (15000-25000)	\$ 2,367.75	\$ 2,722.91	\$ 3,131.35	\$ 3,601.05	\$ 4,141.21	\$ 4,762.39	\$ 4,952.89
ESD Membership Dues 08 (25000-50000)	\$ 3,111.75	\$ 3,578.51	\$ 4,115.29	\$ 4,732.58	\$ 5,442.47	\$ 6,258.84	\$ 6,509.19
ESD Membership Dues 09 (above 50000)	\$ 4,667.50	\$ 5,367.63	\$ 6,172.77	\$ 7,098.68	\$ 8,163.49	\$ 9,388.01	\$ 9,763.53
State Board of Education	\$ 67.75	\$ 77.91	\$ 89.60	\$ 103.04	\$ 118.50	\$ 136.27	\$ 141.72
Community College Association****	\$ 4,601.00	\$ 8,851.00	\$ 13,101.00	\$ 17,351.00	\$ 21,601.00	\$ 25,500.00	\$ 26,520.00

*Add \$250 annually until floor is reached, then increase 15% through year 5

**Reflects an estimated CPI increase of 4%

*** \$25,000 cap prior to CPI

****Reflects an increase of \$250 per year, per community college (17) annually until the community colleges reach the \$1,500 floor amount per college. (\$25,500)

2. Resolution 2 to Amend Oregon School Boards Association's Bylaws Relating to Composition of the Board of Directors



Resolution to Amend Oregon School Boards Association's Bylaws Relating to Composition of the Board of Directors

WHEREAS, the Oregon School Boards Association (OSBA) was formed in 1946 as a volunteer association of locally elected public school boards and transitioned to a nonprofit public benefit corporation under Oregon Revised Statute Chapter 65 as of July 1, 2018;

WHEREAS, the Oregon LGBTQIA2S+ School Board Members Advisory Committee has been operating as an OSBA board appointed advisory committee since September 22, 2023; has a record of regular meetings; has draft bylaws; has identified goals that align with the mission, vision and goals of OSBA; has draft action plans; and a draft budget;

WHEREAS, the Oregon LGBTQIA2S+ School Board Members Advisory Committee is ready to elect officers and their Leadership Assembly;

WHEREAS, the Oregon LGBTQIA2S+ School Board Members Advisory Committee has articulated its mission as follows: "To promote quality education for all students with an emphasis on the unique needs of LGBTQIA2S+ students, staff and board members.";

WHEREAS, OSBA's Board of Directors recognizes the importance of the Oregon LGBTQIA2S+ School Board Members Advisory Committee's mission and goals; and

WHEREAS, the Oregon LGBTQIA2S+ School Board Members Advisory Committee has respectfully requested that the Board of Directors submit a resolution to the membership creating the Oregon School Board Members PRIDE Caucus (OSBM PRIDE) and designate a seat on the OSBA Board of Directors and Legislative Policy Committee.

THEREFORE, BE IT RESOLVED by the OSBA Board of Directors that the proposed bylaws amendment designating an Oregon School Board Members PRIDE Caucus representative as a voting member of the OSBA Board of Directors and Legislative Policy Committee be submitted to the membership for consideration during the 2024 OSBA election; and

BE IT FURTHER RESOLVED that the draft bylaws and a copy of this resolution be forwarded to all association member boards in accordance with OSBA's adopted elections calendar.

Submitted by: OSBA Board of Directors

BYLAWS

OREGON SCHOOL BOARD MEMBERS PRIDE CAUCUS
OF THE OREGON SCHOOL BOARDS ASSOCIATION

DRAFT

Contents

ARTICLE 1. 3

CHARTER. 3

ARTICLE 2. 3

NAME, MISSION AND GOALS. 3

ARTICLE 3. 4

MEMBERSHIP. 4

ARTICLE 4. 4

BUDGET. 4

ARTICLE 5. 4

MEETINGS. 4

ARTICLE 6. 5

CAUCUS LEADERSHIP COUNCIL. 5

ARTICLE 7. 6

EXECUTIVE COMMITTEE. 6

ARTICLE 8. 7

COMMITTEES. 7

ARTICLE 9. 7

SEAT ON THE OSBA'S BOARD OF DIRECTORS. 7

GENERAL PROVISIONS. 7

ARTICLE 1

CHARTER

The Oregon School Boards Association (the “OSBA”) exists solely to perform essential governmental functions and all its income must accrue to the State of Oregon or its political subdivisions as required under IRC Section 115. OSBA’s mission is to improve student success and education equity through advocacy, leadership and service to Oregon public school boards.

OSBA is aware and acknowledges that diversity is a core value of OSBA. OSBA desires to identify areas of concern and causation, convene a caucus of stakeholders, and create a plan to better promote and support the success of students, school staff and school board members who identify as part of the LGBTQIA2S+ communities.

To this end, The OSBA Board of Directors has formally recognized the Oregon School Board Members PRIDE Caucus (the “Caucus”) to serve as a resource and provide guidance and leadership for these initiatives to the OSBA Board of Directors.

The activities of the Caucus shall align with OSBA bylaws as well as complement, not duplicate, OSBA’s efforts on behalf of all local governing boards.

ARTICLE 2

NAME, MISSION AND GOALS

2.1 Name. This organization shall be known as the Oregon School Board Members PRIDE Caucus (OSBM PRIDE) of the Oregon School Boards Association (OSBA).

2.2 Mission. To promote quality education for all students with an emphasis on the unique needs of LGBTQIA2S+ students, staff and board members.

2.3 Goals.

2.3.1 The implementation of ODE’s “Oregon LGBTQ2SIA+ Student Success Plan.”

2.3.2 Promoting positive and effective relationships among LGBTQIA2S+ school board members, their communities, political leaders, partner organizations and OSBA.

2.3.3 Building and increasing capacity of LGBTQIA2S+ school board members and support a pipeline for LGBTQIA2S+ people to run for school board seats.

2.3.4 Serving as a resource.

2.3.5 Developing, promoting, and advancing legislation to improve educational opportunities and outcomes for LGBTQIA2S+ students, staff and families.

2.3.6 Equipping and advancing LGBTQIA2S+ board members to serve in the general OSBA leadership.

2.3.7 Building capacity of the general board membership in understanding the issues of LGBTQIA2S+ people and inclusion.

ARTICLE 3

MEMBERSHIP

3.1 Qualification. All members must support the purposes and goals of the Caucus as set forth in Article 2.

3.2 Members. The Caucus members may include any elected or appointed member of any public board of education in Oregon who are active members in good standing with the Oregon School Boards Association and identify as a member of the LGBTQIA2S+ communities. Caucus members may participate in all discussions, vote, and serve as an officer of the Caucus. Members must attend the meeting in person, via telephone, or via virtual meeting platform (e.g., Zoom) to vote. Voting by proxy shall not be permitted.

3.3 Attendees. The Caucus may, in its discretion, invite to participate in any meeting or event any other individuals who support the purpose and goals of the Caucus as set forth in Article 2.

3.4 Membership List. The Membership list shall be maintained by the Secretary.

ARTICLE 4

BUDGET

4.1 Budget. The Caucus shall submit an annual budget request as outlined under the OSBA budget process, including approval by the OSBA Board of Directors. The request shall set forth the areas of concern, recommended actions, and annual goals.

ARTICLE 5

MEETINGS

5.1 Annual Meetings. An annual meeting of the Caucus shall be in conjunction with the OSBA Annual Convention at which time the Caucus shall elect officers and shall conduct other business as may properly be brought before the meeting of the Caucus.

5.2 Regular and Special Meetings.

5.2.1 Regular Meetings. The Caucus shall meet as often as required to achieve the goals outlined in its annual Work Plan. These meetings shall be scheduled for the year at the Annual Meeting.

5.2.2 Special Meetings. Special meetings of the members for any purpose may be called, either in writing or by e-mail, by the President or by a majority of the Executive Committee. Such a request shall state the purpose or purposes of the proposed meeting.

5.2.3 Place of Meetings. Regular and special meetings of the Caucus shall be held at any location within Oregon, by virtual meeting platform, or a combination of the two, as designated by the President or the Executive Committee.

5.3 Notice.

5.3.1 Notice of every annual meeting of members, stating the time and place thereof, will be provided with an agenda no less than 15 days prior to such meeting.

5.3.2 Notice of every regular or special meeting of members, stating the time and place thereof, shall be provided with an agenda no less than 10 days prior to such meeting.

5.4 Quorum. Except as otherwise provided by law, the presence at any meeting of a majority of the Executive Committee shall constitute a quorum.

5.5 Organization. The President may determine in their sole discretion whether any meeting of the Caucus shall be held in accordance with Robert's Rules of Order.

5.6 Records. The President shall see that all correspondence, minutes, agendas, and Charter be sent to and kept on file with OSBA.

5.7 OSBA Staff Liaison. The Executive Director of OSBA shall designate a staff member to serve as a liaison representative to the Caucus. The designee shall not have voting rights.

5.8 Compliance with Open Meetings Laws. The Caucus shall comply with the open meetings law requirements of ORS chapter 192 at every convening of its membership in which a quorum is required in order to make a decision or to deliberate toward a decision on any matter.

ARTICLE 6

CAUCUS LEADERSHIP COUNCIL

6.1 Composition. The Leadership Council of the Caucus shall include the President(s), Vice President, Secretary, Treasurer, Regional Directors and two Members of the Caucus.

6.2 Term. Leadership Council members shall serve a two-year term. The President may only serve one consecutive term. The Vice President, Secretary, Treasurer, Regional Members, and Members-at Large may serve any number of consecutive terms. Each officer shall hold office until the term has expired or until a successor has been duly elected and qualified for the position, or until the officer can no longer hold the position because they no longer qualify to be a member of the Caucus as defined in Article 3 above, or because of removal or death.

6.3 Nomination and Election

6.3.1 Nomination. Leadership Council members may be nominated by either the nominating committee or a caucus member at the annual meeting.

6.3.2 Election. The members shall elect the Leadership Council by majority vote at the annual meeting in even numbered years.

6.4 Designations

6.4.1 President. The President shall preside at all meetings of the Caucus and the Executive Committee. The President shall appoint all standing and special committees and shall be an ex-officio member of all committees, except the nominating committee, with voting power. The President shall sign all official reports of the Caucus. Two persons may share the position of President, or one person may serve as President and another as Vice President.

6.4.2 Vice President. In the absence of the President, the Vice President shall have and perform all the powers and duties of the President.

6.4.3 Immediate Past President. The Immediate Past President shall advise and counsel with other officers. The Immediate Past President chairs the officer succession planning process. The past president serves for two calendar years.

6.4.4 Secretary. The Secretary shall keep the minutes and records, maintain a roster of the current membership, and shall see that all notices are duly given in accordance with the provisions of law and this Charter, and such other duties as from time to time may be assigned by the Executive Committee.

6.4.5 Treasurer. The Treasurer shall have the responsibility for receiving and disbursing all funds related to the Caucus in coordination with the OSBA liaison. The Treasurer shall report regularly to the Executive Committee, shall prepare a written yearly financial

report to be distributed to the members at each annual meeting, and shall perform other duties assigned by the Executive Committee.

6.4.6 Regional Caucus Directors. There shall be one Regional Director for each congressional district apportioned to Oregon for election at the Oregon general election held in the year of the Caucus' annual meeting. (For reference, there shall be six Regional Directors starting in 2025.) The Regional Directors shall live in the region which they represent. The Regional Directors shall report issues from their region to the Caucus and shall perform other duties assigned by the Executive Committee. The regions shall be based on Oregon's congressional districts.

Future positions:

6.4.7 At-Large Members. There shall be two At-Large Directors.

6.5 Resignation. A Leadership Council member may resign by filing a written resignation with the President or Secretary of the Caucus or the President of OSBA.

6.6 Vacancies. Any vacancy in any office may be appointed for the unexpired portion of the term by a majority of the officers at the next regular or special meeting.

6.7 Removal. Any member of the Caucus who misses more than two meetings out of any four consecutive meetings, unless they are excused by the board for a valid reason, may have their office vacated by action of the board.

ARTICLE 7

EXECUTIVE COMMITTEE

7.1 Composition. There shall be an Executive Committee made up of the President(s), Vice President, Immediate Past President, Secretary, and Treasurer.

7.2 Responsibilities. The Executive Committee shall have the following responsibilities and powers:

- (a) To respond to any inquiry or question from OSBA.
- (b) To act on behalf of the Caucus when deemed necessary by the President.
- (c) To review plans and programs to be presented to the Caucus at its meetings.
- (d) To give direction to the OSBA liaison on legislative action to come before the state legislature on which there is no formal Caucus policy or resolution.

(e) The Executive Committee shall act as the Nominating Committee and nominate a candidate for each office of the Caucus. A nominating committee report will be included in the notice of the annual meeting of the membership.

7.3 Ratification. Any actions by the President shall be reported to the Executive Committee as soon as the action has taken place. All actions of the Executive Committee shall be subject to ratification by the Caucus at the next meeting of the members.

7.4 Administration. The Executive Committee may use the guidance of Robert's Rules of Order for all procedures. The Executive Committee shall keep regular minutes of its proceedings and all actions by the Executive Committee shall be reported promptly to the membership. Such actions shall be subject to review by the membership, provided that no rights of third parties shall be affected by such review.

ARTICLE 8

COMMITTEES

The President or Executive Committee may establish committees of two or more members to serve at the discretion of the President or the Executive Committee. These committees may consist of such persons and perform such duties as the President designates from time to time. The committees may not act on behalf of the Caucus but may make recommendations to the Caucus for approval. The Chair of any such committee shall be a member of the Executive Committee.

ARTICLE 9

SEAT ON THE OSBA'S BOARD OF DIRECTORS

The Caucus shall appoint one officer from the Leadership Council to serve as liaison to the OSBA Board of Directors and to be a member of the OSBA Board of Directors. The appointee must be an elected or appointed member of any public board of education in Oregon and an active member in good standing with the Association.

ARTICLE 10

GENERAL PROVISIONS

10.1 Amendment of Bylaws

10.1.1 Bylaws may be altered, amended, or replaced by the members of Caucus as approved by voting members at the annual meeting by a majority vote.

10.1.2 Notice of proposed bylaws changes shall be in the annual meeting agenda and sent to all members 15 days prior to the annual meeting.

10.1.3 Omissions from this Charter shall be governed by Robert's Rules of Order when they do not conflict with the Charter.

10.2 Seat on OSBA'S Legislative Policy Committee (LPC)

10.2.1 The Caucus shall appoint one caucus member to serve as liaison to the OSBA Legislative Policy committee and to be a member of the LPC. The appointee must be an elected or appointed member of any public board of education in Oregon who is an active member in good standing with the Association.

The foregoing charter was adopted by the active membership of OSBM PRIDE on August 10, 2024.

3. Resolution 3 to Amend the OSBA 2023 Bylaws



Resolution to Amend the OSBA 2023 Bylaws

WHEREAS, the Oregon School Boards Association (OSBA) was formed in 1946 as a volunteer association of locally elected public school boards;

WHEREAS, in 2017, through a vote of the OSBA membership, OSBA was incorporated under ORS chapter 65 as a public benefit non-profit corporation and the OSBA bylaws replaced the OSBA constitution;

WHEREAS, in 2018, through a vote of the OSBA membership, the OSBA bylaws were amended to expand the OSBA board of directors and legislative policy committee with representatives from the Oregon school board members of color caucus;

WHEREAS, in 2023, through a vote of the OSBA membership, the OSBA bylaws were amended to expand the OSBA board of directors and legislative policy committee with representatives from the Oregon rural school board members caucus and additional revisions to the bylaws;

WHEREAS, in 2024, the OSBA board of directors reviewed the OSBA bylaws and proposes to amend the OSBA bylaws as reflected in the attached draft OSBA bylaws with changes highlighted in the attached draft OSBA bylaws crosswalk document; and

WHEREAS, the substantive changes to the draft OSBA bylaws are the following:

- Allowing caucuses to have an additional director on the OSBA board of directors in the circumstance where the OSBA president or immediate president is a director from a caucus. This revision is intended to provide the same opportunity for representation for caucuses as is currently provided to regionally elected directors.
- Clarify that OSBA board of directors must comply with the Oregon government ethics laws with respect to conflicts-of-interest.
- Require OSBA caucuses to submit an annual year end fiscal report to the OSBA board of directors.
- Create officer eligibility criteria that requires candidates for officer positions and directors in officer positions to be voting members of the OSBA board of directors.
- Expand the OSBA board of directors and legislative policy committee with representatives from the Oregon school board members PRIDE caucus.
- Edits to grammar, punctuation, and language for readability.

THEREFORE, BE IT RESOLVED by the OSBA board of directors that the proposed draft OSBA bylaws be submitted to the membership for consideration during the 2024 OSBA election; and

BE IT FURTHER RESOLVED that the proposed draft OSBA bylaws, the draft OSBA bylaws crosswalk document and a copy of this resolution be forwarded to all OSBA member boards in accordance with the OSBA board of directors' adopted elections calendar.

Submitted by: OSBA Board of Directors



BYLAWS

As Amended by the Membership: December 2023

Proposed Edits: September 14, 2024

SECTION 1 PURPOSE

The Oregon School Boards Association (the “Association” or “OSBA”) exists solely to perform essential governmental functions and all of its income accrues to the State of Oregon or its political subdivisions as required under IRC Section 115. In particular, the Association’s mission and purpose are as follows:

- A. To work for the general advancement and improvement of the education of all public school children of the State of Oregon.
- B. To gather and disseminate information pertinent to the successful operation of public schools.
- C. To work for the most efficient and effective organization of public schools of this state. “Public schools” include local school districts, education service districts, the State Board of Education, and community colleges classified as a political subdivision.
- D. To work for adequate and dependable financial support for the public schools of this state.
- E. To study all legislation which affects the public schools of Oregon and to support and work for that which appears to be desirable and to keep members informed thereof. To propose and work for the enactment of proper educational legislation.
- F. To encourage the establishment and maintenance of best practices and high standards in the conduct and operation of the public school educational system.
- G. To study and interpret educational programs and to relate them to the needs of pupils.
- H. To promote public understanding of the role of school boards and school board members in the improvement of education.
- I. To conduct seminars, conferences, and research projects in the various aspects of education for the benefit of members.
- J. To endeavor to implement the policies, beliefs, and resolutions of the Association members and board of directors.
- K. To do such other things as the member boards or board of directors may deem appropriate for the accomplishment of these and other purposes which tend to improve public education.
- L. To enter into such cooperative agreement with members for the pooling of resources and the provision of services as may result in the more efficient utilization of district resources and accrue to their financial advantage.

SECTION 2 MEMBERS

2.1 Admission. All members must qualify as (1) a “political subdivision” as defined under Treas Reg § 1.103-1(b) and Revenue Ruling 78-276, 1978-2 CB 256 and (2) as one of the following:

- 2.1.1 ~~Local~~ School District as defined under ORS Chapter 332;
- 2.1.2 Education Service District as defined under ORS Chapter 334;
- 2.1.3 Community College District as defined under ORS Chapter 341;
- 2.1.4 State Board of Education as defined under ORS Chapter 326; and

2.1.5 Any other governmental educational organization qualifying as a political subdivision, as approved by resolution of the board of directors.

2.2 Dues. Annual dues shall be set by majority vote of the members and shall be based on resident Average Daily Membership (ADMr) as of December 31 of the preceding year as reported to the Oregon Department of Education. Dues shall be payable on July 1 of each year and shall become delinquent on September 1 of each year. Member status shall automatically terminate for members failing to pay dues by September 1 unless an extension is requested and granted by the board of directors.

2.3 Reserved Powers of the Members. The following corporate actions require the consent and approval of the members:

2.3.1 Election and removal of directors except as set forth in Section 3.8;

2.3.2 Election and removal of the Legislative Policy Committee (“LPC”) members except as set forth in Section 4.1.3(g);

2.3.3 Approval of resolutions to effectuate any of the following:

(a) Adoption, amendment, or restatement of the articles of incorporation or bylaws;

(b) Modification to the region descriptions set forth in Section 2.6.1; and ~~the~~

(c) Dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Association’s assets.

2.4 Voting Power.

2.4.1 Election of Directors and LPC Members. For the purposes of nominating and electing directors and LPC members, each member shall have one vote.

2.4.2 Resolution. For the purposes of approving a resolution, each member shall have one vote on all resolutions except as follows:

(a) K-12 Local Districts with an ADMr between 15,600 and 23,400 shall have two votes.

(b) K-12 Local Districts with an ADMr between 23,400.1 and 31,200 shall have three votes.

(c) K-12 Local Districts with an ADMr between 31,200.1 and 39,000 shall have four votes.

(d) K-12 Local Districts with an ADMr of 39,000.1 or more shall have five votes.

2.5 Process of Approval of Member Resolutions.

2.5.1 Generally, members shall approve resolutions annually by ballot vote. Members or the board of directors may submit a resolution for member approval. Such resolutions shall be submitted to the board of directors no later than September 30~~th~~. The board of directors shall distribute all timely submitted resolutions, together with an official ballot, to the members no later than October 15. Members shall vote by ballot submitted to the board of directors no later than December 15.

2.5.2 ~~The board of directors may call a special meeting of the members under Section 2.9, as necessary.~~

2.6 Regional Election of Directors and LPC Members.

2.6.1 Regional Voting. For the purposes of nominating and electing the board of directors and LPC members, the Association members shall be organized into and represented by region:

- (a) Eastern Region includes all of the members located in the counties of Baker, Grant, Malheur, Union, Wallowa, and Wheeler.
- (b) Gorge Region includes all of the members located in the counties of Gilliam, Morrow, Sherman, Umatilla, and Wasco.
- (c) Central Region includes all of the members located in the counties of Crook, Deschutes, and Jefferson.
- (d) Southeast Region includes all of the members located in the counties of Harney, Klamath, and Lake.
- (e) Southern Region includes all of the members located in the counties of Jackson and Josephine.
- (f) Lane Region includes all of the members located in the county of Lane.
- (g) Clackamas Region includes all of the members located in the counties of Clackamas and Hood River.
- (h) Douglas/South Coast Region includes all of the members located in the counties of Coos, Curry, and Douglas.
- (i) Linn, Benton, Lincoln Region includes all of the members located in the counties of Benton, Lincoln, and Linn.
- (j) Marion Region includes all of the members located in the county of Marion.
- (k) Yamhill, Polk Region includes all of the members located in the counties of Polk and Yamhill.
- (l) North Coast Region includes all of the members located in the counties of Clatsop, Columbia, and Tillamook.
- (m) Washington Region includes all of the members located in the county of Washington.
- (n) Multnomah Region includes all of the members located in the county of Multnomah.

2.6.2 Members shall be assigned to the region in which their main administrative office is located. If a member's district boundaries span more than one region, the member board must declare which region it intends to vote and shall vote only in that region.

2.6.23 Regional elections shall be determined ~~taken~~ by a majority of votes cast by members within of the members within the region.

- 2.7 Modification of Regions.** A formal review of the regional organizations described in Section 2.6.1 shall be conducted by the board of directors at least every three years commencing with 2017. Any recommended changes to the regional organization shall be submitted to the members in the form of a resolution in accordance with the provisions of Section 2. ~~445~~.
- 2.8 Annual Meetings.** An annual meeting of members shall be held in November of each year unless a different date or time is fixed by the board of directors and stated in the notice of the meeting. Failure to hold an annual meeting on the stated date shall not affect the validity of any corporate action. At the annual meeting, the president and secretary-treasurer of the board of directors, and any other officer or person whom the president may designate, shall report on the state of the Association, the its activities, and its financial condition ~~of the Association~~.
- 2.9 Special Meetings.** A special meeting of members shall be held upon the call of the president or 25 percent of the board of directors. All members shall be officially notified of a special meeting by written notice, mailed via U.S. mail or electronic mail, to all members at least 15 days prior to the date of the meeting. Such notice shall include a description of all agenda items and any matters to be voted upon by the members, the place and time of the meeting, and instructions describing the method by which members can participate by telephone or video. Notice shall also comply with all procedures and include any information as required by ORS Chapter 192.
- 2.10 Telephonic/Video Meetings.** The board of directors may permit any member to participate in any annual or special meeting of the membership, or conduct the meetings through, the use of any means of communication by which all persons participating may simultaneously hear each other during the meeting. A member participating in the meeting by this means is deemed to be present ~~in person~~ at the meeting.
- 2.11 Place of Meetings.** Meetings of the members shall be held at any place, in or out of Oregon, designated by the board of directors. If a meeting place is not designated by the board of directors, the meeting shall be held at the Association's principal office.
- 2.12 Action by Written Ballot.** Any action required of the members will be taken by written ballot, and the Association will deliver a written ballot to every member entitled to vote on the matter. Once delivered, a written ballot may not be revoked.
- 2.13 Quorum.** A quorum of the members shall consist of a majority of members in good standing at the time the ballots are to be returned to the association.
- 2. ~~13-114~~ Approval:** With the exception of approving amendments to the Association's bylaws, which is as outlined in Section 7.1 ~~of these bylaws~~, and with the exception of regional elections outlined in 2.6.3, approval by written ballot is effective when at the end of the voting period when:
- (a) The number of votes cast by ballot equals or exceeds a quorum of the members; and
 - (b) The number of approvals equals or exceeds a majority of the number of returned ballots.

SECTION 3 DIRECTORS

- 3.1 Powers.** Except as provided under Section 2. ~~23~~, all corporate powers shall be exercised by or under the authority of ~~and the affairs of, are managed under the direction of~~ the board of

directors. The board of directors shall adopt policies defining specific obligations of the board of directors.

3.2 Qualifications. Directors must serve on the board of a member of the Association throughout the duration of their term, with the exception of the director serving as past president.

3.3 Number. The board of directors shall consist of not fewer than three nor more than 25 persons. The number of directors may be fixed or changed periodically, within the minimum⁷ and maximum² by the members.

3.4 Term. Directors shall take office on January 1 and shall serve for a term of two calendar years or until their successors are elected and qualified. Terms shall be staggered as per the election calendar.

3.4.1 Directors who took office prior to January 1, 2018, and are re-elected may serve for any number of terms as long as they continuously remain members of the board of directors.

3.4.2 Directors taking office on or after January 1, 2018, may serve five consecutive two-year terms and, if eligible, may rerun after a two-year hiatus.

3.4.3 If a director serving as immediate past president requires additional time beyond the term limits outlined above, the term limits will be held in abeyance to allow the director to complete their term as immediate past president.

3.5 Composition. The board of directors will be comprised of up to ~~23~~²² regionally elected directors, one designated director as defined in the bylaws of the Oregon School Board Members of Color Caucus, ~~and~~ one designated director as defined in the bylaws of the Oregon Rural School Boards Members Caucus, ~~and one designated director as defined in the bylaws of the Oregon school board members PRIDE caucus~~ and ~~ex-officio nonvoting members advisors as delineated in Section 3.5.4.~~

3.5.1 Regional Elected Directors. Each region, as described under Section 2.6.1, shall elect one director except as follows:

(a) Clackamas Region shall elect two directors;

(b) Marion Region shall elect two directors;

(c) Washington Region shall elect three directors; and

(d) Multnomah Region shall elect three directors.

(e) ~~Provided, however, that i~~ If the president or immediate past president of the board of directors is a representative director from a region that elects only one director, that region shall elect an additional director or directors to serve for the duration of the president and/or the immediate past president's term.

3.5.2 Regional Election.

(a) The nomination and election of directors shall be in accordance with the elections calendar annually adopted by the board. The board of directors shall distribute notice of position vacancies, candidate information packets, and official nomination forms to all incumbent directors and members in electing regions.

(b) Each regional candidate for a director position shall be nominated by a member within the region by means of a nomination form. ~~The board of directors shall distribute notice of position vacancies, candidate information packets, and official nomination forms to all incumbent directors and members in electing regions.~~ To nominate a director candidate, one or more of the members in the region must timely submit to the board of directors a formal resolution or motion of the member and the completed nomination form(s). Nominations in regions where there is more than one open director position shall indicate the numbered position for which the nomination is being submitted.

(c) Each member in a region shall have one vote in the regional elections for the board of directors. The director candidate receiving a majority of the votes ~~cast by the~~ members within the region shall be elected.

~~(a)~~(d) In cases where there are more than two candidates nominated for any position, and none receives a majority of the votes cast, a second regional ballot shall be required between the two candidates receiving the highest number of votes; the one receiving a majority of the votes is elected.

3.5.3 ~~Designated-Caucus~~ Representatives. In accordance with their bylaws, caucuses of OSBA shall appoint a representative of the Caucus to serve as a director of the Association. The representative must be an elected or appointed member of any public board of education in Oregon ~~who that~~ is an active member in good standing with the Association. All Association bylaws and policies shall apply to the designated representative serving as the Caucus' director of the Association.

If the president or immediate past president of the board of directors is a representative director from a caucus, then the caucus shall elect an additional director to serve for the duration of the president and/or the immediate past president's term.

3.5.4 Ex-Officio. The following individuals or their designee may serve as ex-officio, nonvoting, advisors to the board of directors:

- (a) Any director of the National School Boards Association elected from Oregon;
- (b) ~~Any officer of the National School Boards Association, National School Boards Advocacy Committee, or an officer of the NSBA Pacific Region.~~
- (c) ~~The immediate past president of the Oregon Association of School Executives;~~
- (d) The ~~immediate past president~~ Executive Director of the Confederation Coalition of School Administrators;
- (e) The ~~board section president~~ Chair-Elect of the Oregon Association of Education Service Districts;
- (f) The board ~~section~~ president of the Oregon Community College Association;
- (g) The chair of the State Board of Education; and
- (h) Any other person ~~as that~~ the board of directors may appoint.

Ex-officio advisors do not attend executive sessions of the board of directors unless they hold a separate position that entitles them to attend executive session, or they are invited to attend by the board of directors.

Ex officio advisors are not eligible for travel reimbursement from OSBA unless they hold a separate position for which travel reimbursement is provided.

3.6 Vacancies. In the event that any director position, other than the president or immediate past president serving as a second director for a region as set out in Section 3.5.1(e), is vacant during the term of office, the remaining directors may appoint an interim director from the same region to serve until December 31 of the same year.

If the board of directors cannot recruit a candidate from the region, they may appoint a person from a contiguous region to serve as director representing the open region. An individual appointed as a director from a contiguous region is not eligible to serve as an officer of the board.

All appointed interim directors must run for regional election during the next election cycle following appointment in order to be eligible to continue service on the board of directors past December 31 of the election year. The members shall elect, using the procedures in Section 3.5.2, an interim director to serve from January 1 of the next year until the end of the remaining term.

If there is a vacancy in an OSBA caucus-designated director position, then the caucus shall, as set forth in Section 3.5.3, appoint a new caucus representative to serve the remaining term.

3.7 Resignation. A director may resign at any time by delivering written notice to the president or the secretary. A resignation is effective when notice is effective under ORS 65.034 unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board of directors.

3.8 Removal. A director may be removed for cause by vote of two-thirds majority of the directors. A director may be removed with or without cause by a majority vote of the members who elected the director. The board may provide guidance or adopt and amend policies regarding what types of actions the board considers to be sufficient cause for removal.

3.9 Regular Meetings. An annual meeting of the board of directors shall be held immediately after, and at the same place as, the annual meeting of members. The board of directors may schedule additional regular meetings to occur during a calendar year. ~~If the time and place of any other directors' meeting is regularly scheduled by the board of directors, the meeting is a regular meeting.~~ All other meetings are special meetings.

3.10 Special Meetings. A special meeting of the board of directors may be called by the president or the president-elect or 20 percent of the board of directors. All directors shall be officially notified of a special meeting by written notice delivered personally, by telephone, or electronic mail at least 48 hours prior to the date of the meeting. Such notice shall include a description of all agenda items and any matters to be voted upon by the directors, the place and time of the meeting, and instructions describing the method by which directors can participate by telephone or video. No matter may be considered at a special meeting other than the matter(s) specified in the notice.

3.11 Place of Meetings. The board of directors may hold annual, regular, or special meetings at any location in the State of Oregon.

3.12 Telephonic/Video Meetings. The board of directors may conduct meetings through the use of any means of communication by which all persons participating may simultaneously hear each other during the meeting. A director participating in the meeting by this means is deemed to be present at the meeting.

3.1013 Notice of Meetings. All ~~members~~ directors shall be officially notified of a special meeting by written notice delivered personally, by telephone or electronic mail to all directors at least 48 hours prior to the date of the meeting. Such notice shall include a description of all agenda items and any matters to be voted upon by the directors, the place and time of the meeting, and instructions describing the method by which directors can participate by telephone or video. Notice of meetings shall ~~also~~ comply with all procedures and include any information as required by ORS Chapter 192.

3.1114 Waiver of Notice. A director may at any time waive any notice required by these bylaws. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director, at the beginning of the meeting or promptly upon the director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. Except as provided in the preceding sentence, any waiver must be in writing, must be signed by the director entitled to the notice, must specify the meeting for which the notice is waived, and must be filed with the minutes or the corporate records.

3.1215 Quorum. A quorum of the board of directors shall consist of a majority of the number of directors in office at the time the meeting begins.

3.1316 Voting. If a quorum is present when a vote is taken, the affirmative vote of a majority of the directors present when the action is taken is the act of the board of directors except to the extent that the articles of incorporation, these bylaws, or applicable law require the vote of a greater number of directors.

3.1417 Presumption of Assent. A director who is present at a meeting of the board of directors when corporate action is taken is deemed to have assented to the action taken unless:

- (a) The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting the business at the meeting; and
- (b) The director's dissent from the action taken is entered in the minutes of the meeting.

3.1518 Compensation. Directors and members of committees may receive reimbursement of such expenses as may be determined by resolution or policy of the board of directors to be just and reasonable. Directors shall not otherwise be compensated for service in their capacity as directors.

3.1619 Director Conflict of Interest. The Association shall maintain a Conflict of Interest policy, the terms of which comply with ORS 65.361 and ORS Chapter 244. The board of directors shall annually review and notify ~~its members and~~ the directors of the current Conflict of Interest policy. ~~Each director shall annually complete and return a Conflict of Interest statement.~~

SECTION 4 COMMITTEES AND CAUCUSES

4.1 **Standing Committees.** The board of directors shall maintain the standing committees described below:

4.1.1 Executive Committee. The executive committee shall consist of the five officers of the board of directors: the president as chairman ~~and as an ex-officio voting member pursuant to section 5.5.1 of the Bylaws~~, the president-elect, the vice president, the secretary-treasurer, and the immediate past president. The executive committee ~~may act, pursuant to its delegation delegated of authority to such committee by the board of directors, act~~ in place and instead of the board of directors between board meetings on all matters except those specifically reserved to the board under the terms of the bylaws. Actions of the executive committee shall be reported to the board ~~of directors by mail, email, on a timeframe consistent with the seriousness and urgency of the matter and within two weeks if practicable. Additionally, executive committee actions will be reported or~~ at the next regular board meeting.

4.1.2 Finance Committee. The finance committee shall be appointed by the president and shall be composed of members from Oregon public school districts, education service districts, and community colleges with boards that meet all criteria to be Association voting members. The members shall include, but are not limited to, the President as an ex-officio voting member pursuant to section 5.5.1 of the Bylaws, the Association secretary/treasurer and vice president, one ~~Association board director trustee~~ from the PACE board, one district business official, and one at-large board member.

~~Finance committee members serve for a term of two (2) years unless they are appointed to replace a member who left the committee before finishing their two-year term, in which case the member will serve the remainder of the two-year term. The trustee from the PACE board is recommended by the PACE Board of trustees, appointed by the President, subject to approval by the Board, and will serve a two-year term, with no term limits. The district business official and the at-large board member will be recommended by OSBA staff, appointed by the President, subject to approval by the Board, will serve two-year terms, with no term limits, and staggered start dates starting in January.~~

The finance committee shall operate within the corporation's investment guidelines and the Finance Committee ~~e~~Operating gGuidelines.

4.1.3 Legislative Policy Committee. The board of directors shall maintain a Legislative Policy Committee ("LPC").

(a) Purpose. The LPC shall develop legislative policies which are recommended to and approved by the members as a resolution proposed by the board of directors and voted on by the membership in accordance with Section 2.4 and 2.5. The LPC also advises the executive director and staff during legislative sessions.

(b) Composition. The LPC shall be composed of the voting members of the board of directors, the President as an ex-officio voting member pursuant to section 5.5.1 of the Bylaws, ~~and the~~ regional representatives elected under the procedures defined in Section 4.1.3(c) and (d), ~~and~~ one designated voting member as defined in the bylaws of the Oregon School Board Members of Color Caucus, ~~and~~ one designated

voting member as defined in the bylaws of the Oregon Rural School Boards Members Caucus, and one designated voting member as defined in the bylaws of the Oregon school board members PRIDE caucus. All committee members must be elected or appointed directors of a member as defined in Section 2.1. The vice president of the board of directors shall chair the LPC.

~~(b)~~(c) Qualifications. LPC representatives must serve on the board of a member of the Association throughout the duration of their term.

~~(c)~~(d) Nomination. The board of directors shall cause the nomination form to be distributed to all members in eligible regions. A member may To nominate a candidate to the LPC, and shall do so one or more of the members in the region must timely submit to the board of directors by a formal resolution or motion of the member and timely submission of the nomination form(s) to the office of the Association and the completed nomination form(s). Nominations in regions where there is more than one representative position shall indicate the numbered position for which the nomination is being submitted. The Nominations and election of the LPC representatives will be closed by a date identified in shall be in accordance with the elections calendar adopted by the board.

~~(d)~~(e) Election. Each LPC member shall be elected by majority of member boards of a region. Each member in a region shall have one vote in the regional elections for the LPC representative. The LPC representative candidate receiving a majority of the votes cast by the members within the region shall be elected. Each region shall elect the number of LPC members as described in Section 3.5, without regard to Section 3.5.1 ~~(de)~~. Such elections shall be held using the procedures described in Section 3.5.2.

(f) Term. Each committee member shall take office on January 1 in even numbered years and serve for a term of two (2) years.

~~(e)~~(g) Vacancies. In the event that there is a vacancy on the LPC, the board of directors may appoint an interim LPC member from the same region to fill the unexpired term of office. If the board of directors cannot recruit an LPC member from the region, they may appoint a person from a contiguous region to serve to represent the open region to fill the unexpired term of office.

~~4.1.4 PACE Trustees. The board of directors shall appoint the trustees of the OSBA Property and Casualty Coverage for Education Trust ("PACE"). As per the PACE Restated Trust Agreement, the PACE trustees shall nominate trustee candidate(s) to the OSBA board of directors. If the list of candidates is not acceptable by the board of directors, the PACE trustees will continue to submit nominated candidate(s) for consideration until accepted by the board of directors.~~

~~PACE trustees taking office on or after January 1, 2023, may serve three consecutive three year terms and, if eligible, may return after a one year hiatus.~~

4.2 Other Board Committees. The board of directors may create one or more committees of the board of directors and appoint directors and representatives of members to serve on such committee. The creation of a committee and the appointment of directors and member representatives to the committee must be approved by a majority of all directors in office when the action is taken. The provisions of these bylaws governing meetings, action without meetings,

notice and waiver of notice, and quorum and voting requirements of the board of directors shall apply to committees and their members as well. Committees of the board of directors may, to the extent specified by the board of directors, exercise the authority of the board of directors; ~~z~~ provided, ~~however,~~ that no committee of the board of directors may:

- (a) Authorize distributions, provided that this restriction does not apply to payment of value for property received or services performed or payment of benefits in furtherance of the Association's purposes;
- (b) Approve or recommend dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Association's assets;
- (c) Elect, appoint, or remove directors or fill vacancies on the board or on any of its committees; or
- (d) Adopt, amend, or repeal the articles of incorporation or bylaws.

4.3 Advisory Committees. The board of directors may create one or more other committees. Members of these committees need not be members or directors, but at least one director shall serve on each such committee. These committees shall have no power to act on behalf of, or to exercise the authority of, the board of directors, but may make recommendations to the board of directors.

4.4 Caucuses. Caucuses shall exist to enhance the work of the Association by addressing the unique needs of member districts. ~~Caucuses shall:~~

4.4.1 ~~Caucuses shall~~ Clearly articulate the vision, mission, ~~z~~ and goals of the Caucus.

4.4.2 ~~Caucuses shall~~ Adopt bylaws for operating, programming, ~~z~~ and governing within the context of the Association bylaws described herein.

4.4.3 ~~Caucuses shall~~ Comply with Association policies and guidelines.

4.4.4 Caucuses shall be added or eliminated to this provision through the bylaw's amendment process described in Section 8.1~~these bylaws~~.

4.4.5 Caucuses shall submit at an end of fiscal year report to the Board of Directors that includes the following:

4.4.5.1 The caucus is meeting regularly;

4.4.5.2 An accounting of the prior year's budget allocation;

4.4.5.3 Identified officers and current bylaws;

4.4.5.4 A summary of the Caucus current goals, the prior year's Caucus activities that support those goals, and how the Caucus goals align with the mission, vision, and goals of OSBA.

The end of fiscal year report will be submitted at the first regularly scheduled board of directors meeting following the end of the fiscal year.

4.4.~~5~~6 The Oregon School Board Members of Color Caucus was established by a vote of the membership in 2018.

~~4.4.57~~ ~~With the adoption of this section, t~~The Oregon Rural School Boards Members Caucus ~~is~~
~~was~~ established by a vote of the membership in 2023.

~~[4.4.8 The Oregon school board members PRIDE caucus was established by a vote of the
membership in 2024.]~~

4.5 Administration. Each committee and caucus shall prepare minutes of each of its meetings, and such minutes shall be kept on file at the Association’s principal office and made available on request to any member of the board of directors. Each committee and caucus shall also report on its activities at the regular meetings of the board of directors. Each committee and caucus shall comply with the public meetings laws requirements under ORS Chapter 192.

SECTION 5 OFFICERS OF THE BOARD OF DIRECTORS

5.1 Eligibility. Effective January 1, 2026, to hold an officer position on the Board of Directors other than the immediate past president, candidates and officers must be a voting member of the OSBA Board of Directors.

~~5.12~~ **Appointment.** The board of directors shall elect officers by majority vote ~~at least 10 days~~ prior to the November member meeting. In cases where there are more than two candidates nominated for any position, and none receives a majority of the votes, a second ballot shall be required between the two candidates receiving the highest number of votes. The one receiving a majority of the votes is elected.

~~5.23~~ **Designation.** The officers of the Association shall be a president, president-elect, past president, vice president, a secretary-treasurer, and such other officers as the board of directors may appoint.

~~5.34~~ ~~Compensation and~~ **Term of Office.** Officer terms are one calendar year. No officer, except the secretary-treasurer, shall serve two consecutive terms in the same office, unless the director ~~completed~~completes ~~athe~~ term ~~for~~of another officer who was unable to complete ~~atheir~~ term, and is then voted into the same position the following year. The secretary-treasurer may serve up to two consecutive one-year terms.

5.5 Compensation

~~Directors and members of committees~~Officers may receive reimbursement of such expenses as may be determined by resolution of the board of directors to be just and reasonable. ~~Directors~~
~~Officers~~ shall not otherwise be compensated for service in their capacity as ~~directors~~officers.

5.46 Removal and Resignation. Any officer may be removed, either with or without cause, at any time by action of the board of directors. An officer may resign at any time by delivering notice to the board of directors, the president, or the secretary-treasurer. A resignation is effective when the notice is effective under ORS 65.034 unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Association accepts the later effective date, the board of directors may fill the pending vacancy before the effective date if the board of directors provides that the successor does not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board of directors. No removal or resignation shall prejudice the rights of any party under a contract of employment.

5.57 Officers. The officers of the Association are as follows:

- 5.57.1 President: The president shall preside at all member meetings of the Association and of the board of directors; shall appoint; any committees positions not otherwise designated in these bylaws or OSBA adopted policy, subject to the approval of the board of directors; shall call all regular and special meetings as provided herein; shall be an ex-officio voting member of all committees established under sections 4.1 and 4.2 of these bylaws. The president shall automatically serve as immediate past president for the following term. The president serves for a term of one calendar year.
- 5.57.2 President-elect: In the absence of the president, the president-elect shall assume the powers and duties of the president, and when a vacancy occurs in the office of president, shall serve in that capacity for the remainder of the term. The president-elect shall automatically serve as president for the following term, even if required to fill an uncompleted term as president. In addition, the president-elect shall assume duties related to the oversight of Association member elections and resolutions processes and such other administrative duties as are assigned by the president. The president-elect serves for a term of one calendar year.
- 5.57.3 Vice president: In the absence of the president-elect, the vice president shall assume the powers and duties of the president-elect. The vice president shall also serve as the chair of the LPC. The vice president serves for one calendar year.
- 5.57.4 Secretary-treasurer: The secretary-treasurer shall be responsible for keeping ~~in a suitable minute book~~ accurate minutes of all board of director meetings in electronic format in accordance with OSBA's record retention schedule; shall carry on official correspondence of the Association; shall arrange for proper banking facilities; ~~and~~ shall receive, account for, and disburse funds in a businesslike manner as provided for by the board of directors; shall see that the minutes of the previous meetings are ~~read~~ approved by the board of directors; and shall give an itemized and detailed report of the financial condition of the Association at each annual meeting and at such other times as may be required by the board of directors. Such duties of the secretary-treasurer as may be specified by the board of directors may be delegated to the executive director or a designated member of the staff. The secretary-treasurer serves for a term of one calendar year.
- 5.57.5 Immediate past president: The immediate past president shall advise and counsel ~~with~~ other officers. The immediate past president chairs the officer succession planning process. The past president serves for one calendar year.
- ~~5.57.6 Assistants: The board of directors may appoint or authorize the appointment of an assistant to the secretary treasurer. Such assistant may exercise the powers of the secretary treasurer, as the case may be, and shall perform such duties as are prescribed by the board of directors.~~

SECTION 6 NONDISCRIMINATION

The Association shall not discriminate in providing services, hiring employees, or otherwise, upon the basis of gender identity, race, creed, marital status, sex, sexual orientation, religion, color, age, disability, or national origin.

SECTION 7 OSBA PROPERTY AND CASUALTY FOR EDUCATION TRUST

PACE Trustees. The board of directors shall appoint the trustees of the OSBA Property and Casualty Coverage for Education Trust ("PACE") as provided in As per the PACE Restated Trust Agreement, the PACE trustees shall nominate trustee candidate(s) to the OSBA board of directors. If the list of candidates is not acceptable by the board of directors, the PACE trustees will continue to submit nominated candidate(s) for consideration until accepted by the board of directors.

It is the policy of OSBA with respect to PACE trustees taking office on or after January 1, 2023, that such trustees will be appointed to no more than may serve three consecutive three-year terms and, if eligible, may return after a one-year hiatus.

SECTION ~~7~~8 GENERAL PROVISIONS

~~7~~8.1 Amendment of Bylaws.

~~7~~8.1.1 Amendments to the bylaws may be initiated by the board of directors or submitted by a member to the board of directors.

~~7~~8.1.2 The board of directors shall provide written notice to the members containing a statement that the members will be asked to approve the amendment and a copy of the proposed amended bylaws.

~~7~~8.1.3 Action by Written Ballot: The Association will deliver a written ballot to every member entitled to vote on the matter. The ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action and specify a reasonable time by which a ballot must be received by the Association in order to be counted. Once delivered, a ballot may not be revoked.

~~7~~8.1.4 Approval: Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds a quorum of the members, and the number of approvals equals or exceeds two-thirds majority of the number of the returned ballots.

~~7~~8.1.5 Quorum: A quorum of the members shall consist of a majority of members in good standing at the time the ballots are to be returned to the Association.

~~7~~8.1.6 Whenever an amendment or new bylaw is adopted, it shall be ~~copied in the minute book~~saved in electronic format in accordance with OSBA's record retention schedule with the original bylaws in the appropriate place. If any bylaw is repealed, the fact of repeal and the date on which the repeal occurred shall be stated in such book and place.

~~7~~8.2 **Inspection of Books and Records.** All books, records, and accounts of the Association shall be open to inspection by the directors in the manner and to the extent required by law.

- 78.3 Checks, Drafts, Etc.** All checks, drafts, and other orders for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the Association shall be signed or endorsed by such person or persons and in such manner as shall be determined by resolution of the board of directors.
- 78.4 Deposits.** All funds of the Association not otherwise employed shall be deposited to the credit of the Association in those banks, trust companies, or other depositories as the board of directors or officers of the Association designated by the board of directors select, or be invested as authorized by the board of directors.
- 78.5 Loans or Guarantees.** The Association shall not borrow money and no evidence of indebtedness shall be issued in its name unless authorized by the board of directors. This authority may be general or confined to specific instances. Except as explicitly permitted by ORS 65.364, the Association shall not make a loan, guarantee an obligation, or modify a pre-existing loan or guarantee to or for the benefit of a director or officer of the Association.
- 78.6 Execution of Documents.** The board of directors may, except as otherwise provided in these bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the board of directors, no officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.
- 78.7 Insurance.** The Association may purchase and maintain insurance on behalf of an individual against liability asserted against or incurred by the individual who is or was a director, officer, employee, or agent of the Association, or who, while a director, officer, employee, or agent of the Association, is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise; provided, however, that the Association may not purchase or maintain such insurance to indemnify any director, officer, or agent of the Association in connection with any proceeding charging improper personal benefit to the director, officer, or agent in which the director, officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the director, officer, or agent.
- 78.8 Fiscal Year.** The fiscal year of the Association shall begin on the first day of July and end on the last day of June in each year.
- 78.9 Severability.** A determination that any provision of these bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these bylaws.

* * * * *

The foregoing bylaws were approved by the membership of the Oregon School Boards Association on December 15, 2023. The original bylaws were duly adopted by the Board of Directors of OSBA on September 15, 2017, and approved by the membership on December 15, 2017.

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
1	The Oregon School Boards Association (the “Association” or “OSBA”) exists solely to perform essential governmental functions and all of its income accrues to the State of Oregon or its political subdivisions as required under IRC Section 115.	Non-substantive change. The “Association” and “OSBA” are used interchangeably throughout the document. Clarifying that the “Association” and “OSBA” are interchangeable and have the same meaning.
2.1.1	Local School District as defined under ORS Chapter 332;	Non-substantive change. Delete the word “local” to conform with ORS 332 as the statute refers to “School District” not “Local School District.”
2.3.1	Election and removal of directors except as set forth in Section 3.8;	Non-substantive change. Added cross reference to related Section 3.8.
2.3.2	Election and removal of the Legislative Policy Committee (“LPC”) members except as set forth in Section 4.1.3(g);	Non-substantive change. Added cross reference to related Section 4.1.3(g).
2.3.3(b)	(b) Modification to the region descriptions set forth in Section 2.6.1; and the	Non-substantive change. Remove unnecessary word.
2.5.1	Such resolutions shall be submitted to the board of directors no later than September 30 th .	Non-substantive change. Remove unnecessary letters.
2.5.2	The board of directors may call a special meeting of members under Section 2.9, as necessary.	Non-substantive change. Deleted since it is duplicative with Section 2.9.
2.6.1(g)	(g) Clackamas Region includes all of the members located in the county ies of Clackamas and Hood River.	Non-substantive change. Correct spelling error.
2.6. 2 3	Regional elections shall be taken determined by a majority of votes cast by members within the members within the region.	Non-substantive change. Word clean up for readability.
2.7	Any recommended changes to the regional organization shall be submitted to the members in the form of a resolution in accordance with the provisions of Section 2. 4 5 .	Non-substantive change. Insert correct section citation.
2.8	Annual Meetings. An annual meeting of members shall be held in November of each year unless a different date or time is fixed by the board of directors and stated in the notice of the meeting. Failure to hold an annual meeting on the stated date shall not affect the validity of any corporate action. At the annual meeting, the president and secretary-treasurer of the board of directors; and any other officer or person whom the president may designate, shall report on the state of the Association, the its activities, and its financial condition of the Association.	Non-substantive change. Word clean up for readability.

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
2.10	Telephonic/Video Meetings. The board of directors may permit any member to participate in any annual or special meeting of the membership , or conduct the meetings through; the use of any means of communication by which all persons participating may simultaneously hear each other during the meeting. A member participating in the meeting by this means is deemed to be present in person at the meeting.	Non-substantive change. Specify meetings “of the membership” since this section falls under the “Section 2 Membership” section and add a similar provision under “Section 3 Directors” titled “3.12 Telephonic/Video Meetings” that allows the board of directors to conduct meetings by telephone and video means in accordance with ORS 192.670.
2.11	Place of Meetings. Meetings of the members shall be held at any place, in or out of Oregon, designated by the board of directors. If a meeting place is not designated by the board of directors, the meeting shall be held at the Association’s principal office.	Non-substantive change. OSBA board meetings must take place in Oregon in accordance with ORS 192.630 (4)(a).
2.13.1 2.14	Approval: With the exception of approving amendments to the Association’s bylaws, which is as outlined in Section 7.1 of these bylaws , and with the exception of regional elections outlined in 2.6.3 , approval by written ballot is effective when at the end of the voting period when:	Non-substantive change. Word clean up for readability. Also added reference to related provision 2.6.3.
3.1	Powers. Except as provided under Section 2.2 3 , all corporate powers shall be exercised by or under the authority of and the affairs of, are managed under the direction of the board of directors.	Non-substantive change. Word clean up for readability.
3.5	Composition. The board of directors will be comprised of up to 23 22 regionally elected directors, one designated director as defined in the bylaws of the Oregon School Board Members of Color Caucus, one designated director as defined in the bylaws of the Oregon Rural School Boards Members Caucus, and one designated director as defined in the bylaws of the Oregon school board members PRIDE caucus and ex-officio nonvoting members advisors as delineated in Section 3.5.4.	<p>Non-substantive change. Change 23 to 22 as there are 22 regionally elected directors set forth in section 2.6.1 not 23, plus one director from the Color Caucus and one director from the Rural Caucus, for a total of 23 directors. There are 20 board positions. If the criteria listed in 3.5.1(e) is met, 22 regionally elected directors may be allowed.</p> <p>Non-substantive change. Amend “ex-officio member” to “ex-officio advisor” to make the language consistent with 3.5.4 that refers to ex-officio “advisors.”</p> <p>Substantive change. Add a designated director from the PRIDE caucus to the OSBA board of directors.</p> <p>Non-substantive change. Delete Ex-officio advisors since they do not fall under the definition of board of directors and are described in 3.9.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
3.5.1(e)	<p>Provided, however, that if the president or immediate past president of the board of directors is a representative director from a region that elects only one director, that region shall elect an additional director or directors to serve for the duration of the president and/or the immediate past president’s term.</p>	Non-substantive change. Word clean up for readability.
3.5.2	<p>Regional Election.</p> <p>(a)The nomination and election of directors shall be in accordance with the elections calendar annually adopted by the board. The board of directors shall distribute notice of position vacancies, candidate information packets, and official nomination forms to all incumbent directors and members in electing regions.</p> <p>(b)Each regional candidate for a director position shall be nominated by a member within the region by means of a nomination form. The board of directors shall distribute notice of position vacancies, candidate information packets, and official nomination forms to all incumbent directors and members in electing regions. To nominate a director candidate, one or more of the members in the region must timely submit to the board of directors a formal resolution or motion of the member and the completed nomination form(s). Nominations in regions where there is more than one open director position shall indicate the numbered position for which the nomination is being submitted.</p> <p>(c) Each member in a region shall have one vote in the regional elections for the board of directors. The director candidate receiving a majority of the votes of cast by the members within the region shall be elected.</p> <p>(a)(d)In cases where there are more than two candidates nominated for any position, and none receives a majority of the votes cast, a second regional ballot shall be required between the two candidates receiving the highest number of votes; the one receiving a majority of the votes is elected.</p>	<p>Non-substantive change. Language moved to (a) from (b) because it makes more sense in (a).</p> <p>Non-substantive change. Word clean up in sections (c) and (d)for readability.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
3.5.3	<p>Designated Caucus Representatives. In accordance with their bylaws, caucuses of OSBA shall appoint a representative of the Caucus to serve as a director of the Association. The representative must be an elected or appointed member of any public board of education in Oregon who that is an active member in good standing with the Association. All Association bylaws and policies shall apply to the designated representative serving as the Caucus' director of the Association.</p> <p>If the president or immediate past president of the board of directors is a representative director from a caucus, then the caucus shall elect an additional director to serve for the duration of the president and/or the immediate past president's term.</p>	<p>Substantive change. If the president or immediate past president of the board is a representative director from a caucus that elects only one director, that caucus shall elect an additional director to serve for the duration of the president and/or immediate past president's term. This would provide a caucus with the same opportunity as provided to regionally elected directors in section 3.5.1(e).</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
3.5.4	<p>Ex-Officio. The following individuals or their designee may serve as ex-officio, nonvoting, advisors to the board of directors:</p> <p>(a) Any director of the National School Boards Association elected from Oregon;</p> <p>(b) Any officer of the National School Boards Association, National School Boards Advocacy Committee, or an officer of the NSBA Pacific Region.</p> <p>(c) The immediate past president of the Oregon Association of School Executives;</p> <p>(d) The immediate past president Executive Director of the Confederation Coalition of School Administrators;</p> <p>(e) The board section president Chair-Elect of the Oregon Association of Education Service Districts;</p> <p>(f) The board section president of the Oregon Community College Association;</p> <p>(g) The chair of the State Board of Education; and</p> <p>(h) Any other person as that the board of directors may appoint.</p> <p>Ex-officio advisors do not attend executive sessions of the board of directors unless they hold a separate position that entitles them to attend executive session or they are invited to attend by the board of directors.</p> <p>Ex officio advisors are not eligible for travel reimbursement from OSBA unless they hold a separate position for which travel reimbursement is provided.</p>	<p>Non-substantive change in (b), (c), (d), (e) and (h) for readability and to reflect the titles of the positions actually serving as ex-officio advisors.</p> <p>Non-substantive change under (h). Clarifying that ex-officio advisors only attend executive sessions of the board unless they hold a separate position that entitles them to attend executive session or they are invited to attend by the board of directors.</p> <p>Substantive change under (h). Providing that ex-officio advisors are not eligible for travel reimbursement from OSBA unless they hold a separate position for which travel reimbursement is provided.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
3.6	<p>Vacancies. In the event that any director position, other than the president or immediate past president serving as a second director for a region as set out in Section 3.5.1(e), is vacant during the term of office, the remaining directors may appoint an interim director from the same region to serve until December 31 of the same year.</p> <p>If the board of directors cannot recruit a candidate from the region, they may appoint a person from a contiguous region to serve as director representing the open region. An individual appointed as a director from a contiguous region is not eligible to serve as an officer of the board.</p> <p>All appointed interim directors must run for regional election during the next election cycle following appointment in order to be eligible to continue service on the board of directors past December 31 of the election year. The members shall elect, using the procedures in Section 3.5.2, an interim director to serve from January 1 of the next year until the end of the remaining term.</p>	<p>Non-substantive change. Add that all appointed interim directors must run for election during the next “election cycle following appointment” because earlier in section 3.6 it says the director is appointed to serve until December 31.</p> <p>Non-substantive change. Add language for clarification - Added “president” to first paragraph in addition to the immediate past president and clarify that the board will fill any vacancies by appointment except in the situation where the president or past president have a second person from their region on the board pursuant to Section 3.5.1(e). Non-substantive change. Add clarifying language to the third paragraph to indicate that appointed directors who wish to continue past December 31 must run for election.</p>
3.9	<p>Regular Meetings. An annual meeting of the board of directors shall be held immediately after, and at the same place as, the annual meeting of members. The board of directors may schedule additional regular meetings to occur during a calendar year. If the time and place of any other director’ meeting is regularly scheduled by the board of directors, the meeting is a regular meeting. All other meetings are special meetings.</p>	<p>Non-substantive change. Create separate provisions (3.9 and 3.10) for regular meetings and special meetings since there are different requirements for the two different meeting types.</p> <p>Non-substantive change. Add language making it clear that the board can set a schedule regular board meetings in addition to the annual meeting.</p>
3.10	<p>Special Meetings. A special meeting of the board of directors may be called by the president or the president-elect or 20 percent of the board of directors. All directors shall be officially notified of a special meeting by written notice delivered personally, by telephone, or electronic mail at least 48 hours prior to the date of the meeting. Such notice shall include a description of all agenda items and any matters to be voted upon by the directors, the place and time of the meeting, and instructions describing the method by which directors can participate by telephone or video. No matter may be considered at a special meeting other than the matter(s) specified in the notice.</p>	<p>Non-substantive change. Create a new paragraph discussing special meetings separate from regular meetings. Add language regarding special meetings for clarity. Added language comes from the old section 3.10, newly 3.13.</p> <p>Non-substantive change. Add language to clarify that topics cannot be added to special meetings other than the topics noticed.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
3.11	Place of Meetings. The board of directors may hold annual, regular, or special meetings at any location in the State of Oregon.	Non-substantive change. Create a new paragraph titled “Place of Meetings” to specify that OSBA board meetings must take place in Oregon in accordance with ORS 192.630 (4)(a).
3.12	Telephonic/Video Meetings. The board of directors may conduct meetings through the use of any means of communication by which all persons participating may simultaneously hear each other during the meeting. A director participating in the meeting by this means is deemed to be present at the meeting.	Non-substantive change. Create a new paragraph titled “Telephonic/Video Meetings” that matches section 2.10 meetings of the membership and complies with ORS 192.670.
3.10 3.13	Notice of Meetings. All members directors shall be officially notified of a special meeting by written notice delivered personally, by telephone or electronic mail to all directors at least 48 hours prior to the date of the meeting. Such notice shall include a description of all agenda items and any matters to be voted upon by the directors, the place and time of the meeting, and instructions describing the method by which directors can participate by telephone or video. Notice of meetings shall also comply with all procedures and include any information as required by ORS Chapter 192.	Non-substantive change. Replace “members” with “directors” because it appears to be a typo if you keep reading the sentence.
3.16 3.19	Director Conflict of Interest. The Association shall maintain a Conflict of Interest policy, the terms of which comply with ORS 65.361 and ORS Chapter 244. The board of directors shall annually review and notify its members and the directors of the current Conflict of Interest policy. Each director shall annually complete and return a Conflict of Interest Statement.	Substantive change. Remove requirement that the members be notified annually of the conflict-of-interest policy since it is not legally required and OSBA members should be independently aware of Oregon conflict of interest law. Also remove requirement that OSBA board of directors to complete and return a conflict of interest statement since that is not legally required and OSBA board directors have independent responsibility for declaring potential and actual conflicts.

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
4.1.1	<p>Executive Committee. The executive committee shall consist of the five officers of the board of directors: the president as chairman and as an ex-officio voting member pursuant to section 5.5.1 of the Bylaws, the president-elect, the vice president, the secretary-treasurer, and the immediate past president. The executive committee may act, pursuant to delegation of is delegated authority to such committee by the board of directors; act in place and instead of the board of directors between board meetings on all matters except those specifically reserved to the board under the terms of the bylaws. Actions of the executive committee shall be reported to the board of directors by mail, email, or on a timeframe consistent with the seriousness and urgency of the matter and within two weeks if practicable. Additionally, executive committee actions will be reported at the next regular board meeting.</p>	<p>Non-substantive change. Add that President is an ex-officio voting member pursuant to 5.5.1 of the Bylaws.</p> <p>Non-substantive change. Clarify language so that it is clear the executive committee can act on behalf of the board, when necessary, between board meetings. This amendment aligns with previous interpretation of this provision.</p> <p>Non-substantive change. Requires executive committee to report to the board on a timeframe consistent with the materiality and urgency of the matter and within two weeks if practicable. Additionally requires the executive committee to report their actions at the next regular board meeting.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
4.1.2	<p>Finance Committee. The finance committee shall be appointed by the president and shall be composed of members from Oregon public school districts, education service districts, and community colleges with boards that meet all criteria to be Association voting members. The members shall include, but are not limited to, the President as an ex-officio voting member pursuant to section 5.5.1 of the Bylaws, the Association secretary/treasurer and vice president, one Association board director trustee from the PACE board, one district business official, and one at-large board member.</p> <p>Finance committee members serve for a term of two (2) years unless they are appointed to replace a member who left the committee before finishing their two-year term, in which case the member will serve the remainder of the two-year term. The trustee from the PACE board is recommended by the PACE Board of trustees, appointed by the President, subject to approval by the Board, and will serve a two-year term, with no term limits. The district business official and the at-large board member will be recommended by OSBA staff, appointed by the President, subject to approval by the Board, will serve two-year terms, with no term limits, and staggered start dates starting in January.</p> <p>The finance committee shall operate within the corporation’s investment guidelines and the Finance Committee oOperating gGuidelines.</p>	<p>Non-substantive change. Add that President is an ex-officio voting member pursuant to 5.5.1 of the Bylaws.</p> <p>Non-substantive change. Clarify language regarding who has a two-year term because President and Secretary/Treasurer will only have one year term in alignment with their positions on the board.</p> <p>Non-substantive change. Clarify that a trustee from the PACE board serves on the finance committee. Existing language is confusing.</p>
4.1.3(b)	<p>Composition. The LPC shall be composed of the voting members of the board of directors and the, the President as an ex-officio voting member pursuant to section 5.5.1 of the Bylaws, regional representatives elected under the procedures defined in Section 4.1.3(c) and (e), and one designated voting member as defined in the bylaws of the Oregon School Board Members of Color Caucus, and one designated voting member as defined in the bylaws of the Oregon Rural School Board Members Caucus, and one designated voting member as defined in the bylaws of the Oregon school board members PRIDE caucus. All committee members must be elected or appointed directors of a member as defined in Section 2.1. The vice president of the board of directors shall chair the LPC.</p>	<p>Non-substantive change. Create separate section for “Composition” for ease of reading. Add that President is an ex-officio voting member pursuant to 5.5.1 of the Bylaws.</p> <p>Substantive change. Add a designated voting member from the Oregon school board members PRIDE caucus.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
4.1.3(c)	Qualifications. LPC representatives must serve on the board of a member of the Association throughout the duration of their term.	Non-substantive change. Create section for “Qualifications” for ease of reading. Make it clear that an LPC representative must be on a member school board in order to serve as an elected representative of the LPC.
4.1.3(d)	Nomination. The board of directors shall cause the nomination form to be distributed to all members in eligible regions. A member may To nominate a candidate to the LPC and shall do so by, one or more of the members in the region must timely submit to the board of directors a formal resolution or motion of the member and timely submission of the nomination form(s) to the office of the Association and the completed nomination form(s). Nominations in regions where there is more than one representative position shall indicate the numbered position for which the nomination is being submitted. The N nominations will be closed by a date identified in and election of the LPC representatives shall be in accordance with the elections calendar adopted by the board.	Non-substantive change. Create section for “Nomination” for ease of reading. Other changes for ease of reading.
4.1.3(e)	Election. Each LPC member shall be elected by majority of member board of a region. Each member in a region shall have one vote in the regional elections for the LPC representative. The LPC candidate receiving a majority of the votes cast by the members within the region shall be elected. Each region shall elect the number of LPC members as described in Section 3.5, without regard to Section 3.5.1(e). Such elections shall be held using the procedures described in Section 3.5.2.	Non-substantive change. Create section for “Election” for ease of reading. Other changes for ease of reading.
4.1.4	PACE Trustees: The board of directors shall appoint the trustees of the OSBA Property and Casualty Coverage for Education Trust (“PACE”). As per the PACE Restated Trust Agreement, the PACE trustees shall nominate trustee candidate(s) to the OSBA board of directors. If the list of candidates is not acceptable by the board of directors, the PACE trustees will continue to submit nominated candidate(s) for consideration until accepted by the board of directors. (a) PACE trustees taking office on or after January 1, 2023, may serve three consecutive three-year terms and, if eligible, may return after a one-year hiatus.	Housekeeping. Move PACE to its own section (new section 7) since PACE is a trust with its own trust governing document and is not appropriately placed under the “Committee” heading.
4.4.4	Caucuses shall be added or eliminated to this provision through the bylaw’s ¹⁸⁵ amendment process described in these bylaws Section 8.1.	Non-substantive change. Identifies the bylaws section that addresses adding and eliminating caucuses for clarity.

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
4.4.5	<p>Caucuses shall submit an end of fiscal year report to the Board of Directors that includes the following:</p> <p>4.4.5.1 The caucus is meeting regularly;</p> <p>4.4.5.2 An accounting of the prior year’s budget allocation;</p> <p>4.4.5.3 Identified officers and current bylaws;</p> <p>4.4.5.4 A summary of the Caucus current goals, the prior year’s Caucus activities that support those goals, and how the Caucus goals align with the mission, vision, and goals of OSBA.</p> <p>The end of fiscal year report will be submitted at the first regularly scheduled board of directors meeting following the end of the fiscal year.</p>	<p>Substantive change. Added new section outlining an annual report that must be submitted by each caucus to the full board for accountability purposes. The report contents for this new annual report came from the OSBA board adopted guideline titled "Adding or Eliminating a Caucus."</p>
4.4.57	<p>With the adoption of this section, the The Oregon Rural School Board Members Caucus is was established by a vote of the membership in 2023.</p>	<p>Non-substantive change. Added historical details to match language about the color caucus in section 4.4.56.</p>
4.4.8	<p>The Oregon school board members PRIDE caucus was established by a vote of the membership in 2024.</p>	<p>Substantive change. Changes bylaws to establish the PRIDE caucus.</p>
5.1	<p>Eligibility. Effective January 1, 2026, to hold an officer position on the Board of Directors other than the immediate past president, candidates and officers must be a voting member of the OSBA Board of Directors.</p>	<p>Substantive change. Under the current version of the OSBA bylaws, anyone is eligible to serve as an OSBA officer, there are currently no qualification criteria. This section would require a candidate for an officer position and OSBA directors in officer positions to be a voting member of the OSBA board in order to serve in an officer position.</p>
5.12	<p>Appointment. The board of directors shall elect officers by majority vote at least 10 days prior to the November member meeting.</p>	<p>Substantive change. Remove 10 day requirement because it is unnecessary.</p>
5.34	<p>Compensation and Term of Office. Officer terms are one calendar year. No officer, except the secretary-treasurer, shall serve two consecutive terms in the same office, unless the director completed a completes the term for of another officer who was unable to complete at their term, and is then voted into the same position the following year. The secretary-treasurer may serve up to two consecutive one-year terms.</p>	<p>Non-substantive change. Move “Compensation” to its own section separate from “Term of Office” for ease of reading.</p>
5.5	<p>Compensation. Directors and members of committees Officers may receive reimbursement of such expenses as may be determined by resolution of the board of directors to be just and reasonable. Directors Officers shall not otherwise be compensated for service in their capacity as directors officers.</p>	<p>Non-substantive change. Create stand-alone section for “Compensation,” for ease of reading. Also specify that this provision applies to officers not other board directors as this is in the “Officer” section. Board of Directors reimbursement is found in 3.15 (new 3.18) so nothing is being eliminated, this is just section cleanup.</p>

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
5.57.1	President: The president shall preside at all member meetings of the Association and of the board of directors; shall appoint; any committees-positions in accordance with these bylaws and OSBA board adopted policy, subject to the approval of the board of directors; shall call all regular and special meetings as provided herein; shall be an ex-officio voting member of all committees established under sections 4.1 and 4.2 of these bylaws.	Non-substantive change. Language clean up for readability. Added references to related bylaws provisions
5.57.4	Secretary-treasurer: The secretary-treasurer shall be responsible for keeping in a suitable minute book accurate minutes of all board of director meetings in electronic format in accordance with OSBA's record retention schedule; shall carry on official correspondence of the Association; shall arrange for proper banking facilities; and shall receive, account for, and disburse funds in a businesslike manner as provided for by the board of directors; shall see that the minutes of the previous meetings are read approved by the board of directors; and shall give an itemized and detailed report of the financial condition of the Association at each annual meeting and at such other times as may be required by the board of directors.	Non-substantive change. Delete reference to a “minute book” as OSBA does not keep a “minute book” and it is not legally required, update language to reflect what OSBA is doing to comply with the record retention law.
5.5.6	Assistants: The board of directors may appoint or authorize the appointment of an assistant to the secretary-treasurer. Such assistant may exercise the powers of the secretary-treasurer, as the case may be, and shall perform such duties as are prescribed by the board of directors.	Non-substantive change. The assistant to the secretary-treasurer is not an OSBA officer so should not be listed as such. Bylaws section 5.5.4 already authorizes the secretary-treasurer to delegate to the executive director or other designated staff member.
6	The Association shall not discriminate in providing services, hiring employees, or otherwise, upon the basis of gender identity, race, creed, marital status, sex, sexual orientation, religion, color, age, disability, or national origin.	Non-substantive change. Add “gender identity” and “sex” in accordance with ORS 659A.403.

2024 OSBA Proposed Bylaw Amendments Summary

New language is in red; deleted language is struck.

Edits solely to punctuation, numbering, or document references have not all been included.

Section	Proposed Language	What changed?
7	<p>PACE Trustees: The board of directors shall appoint the trustees of the OSBA Property and Casualty Coverage for Education Trust (“PACE”). As per as provided in the PACE Restated Trust Agreement, the PACE trustees shall nominate trustee candidate(s) to the OSBA board of directors. If the list of candidates is not acceptable by the board of directors, the PACE trustees will continue to submit nominated candidate(s) for consideration until accepted by the board of directors.</p> <p>(a) It is the policy of OSBA with respect to PACE trustees taking office on or after January 1, 2023, may serve that such trustees will be appointed to no more than three consecutive three-year terms and, if eligible, may return after a one-year hiatus.</p>	<p>Housekeeping. Moved PACE from 4.1.4 under the committee heading to this new section 7 since PACE is a trust not an OSBA committee.</p>
78.1.6	<p>Whenever an amendment or new bylaw is adopted, it shall be copied in the minute book saved in electronic format in accordance with OSBA’s record retention schedule with the original bylaws in the appropriate place. If any bylaw is repealed, the fact of repeal and the date on which the repeal occurred shall be stated in such book and place.</p>	<p>Non-substantive change. Delete reference to a “minute book” as OSBA does not keep a “minute book” and it is not legally required, update language to reflect what OSBA is doing to comply with the record retention law.</p>

2. Career Tech Charter School

OSBA Public Charter School Review Rubric – Revised Application

Applicant: Lincoln City Career Tech High School Date: December 10, 2024

Background

Oregon’s Public Charter School Law was enacted in May 1999. It provides an opportunity for teachers, parents, and community members to “create new, innovative, more flexible ways of educating all children within the public school system.” ORS 338.015.

Review Process Components

The review process considers information required by ORSs 338.045 and 338.055 and District Policy LBE and LBE-AR and includes the following components:

1. A review of the proposal by the consultant. This review will consist of:
 - An overall analysis with general impressions of the application.
 - A determination of whether each component of the applicant meets criteria, based on a two-point rubric of Meets or Does Not Meet.
 - Information gathered from the public hearing will be included in the final report.
 - o **1 = Meets:** The application addresses the section criteria with responses that adequately demonstrate the applicant’s ability to successfully start and operate a charter school. Applicant demonstrates a clear understanding of the requirements of charter schools, as per relevant Oregon Revised Statutes and Oregon Administrative Rules and Dayton Board policy regarding charter schools. Applicant addresses the topic with specific evidence that shows thorough preparation and presents a clear, realistic picture of how the school intends to operate. Very little additional information or data is necessary.
 - o **0 = Does Not Meet:** The application does not address the section criteria in adequate detail and/or the responses demonstrate the applicant’s inability to successfully start and operate a charter school. The applicant provides insufficient data and/or information to support assertions in the proposal or uses flawed or misleading data and/or information. The applicant demonstrates a lack of knowledge of the requirements of charter schools, as per relevant Oregon Revised Statutes and Oregon Administrative Rules and/or lack of preparedness to open and operate a charter school. The applicant’s responses raise substantial concerns about the applicant’s ability to implement an effective educational, financial, and/or organizational plan.

The final recommendation to the district to either approve or reject the proposal will be based on information gathered throughout the review process.

Overall Recommendation Summary for Revised Charter Application

OVERALL RECOMMENDATION

- APPROVE
- DENY

SUMMARY COMMENTS:

The initial charter application met several criteria, but did not meet criteria in four areas (ORS 338.055(3)):

1. *The demonstrated financial stability of the public charter school, including the demonstrated ability of the school to have a sound financial management system that is in place at the time the school begins operating and that meets the requirements of ORS 338.095 (1);*
2. *The adequacy of the information provided as required by ORS 338.045 (2) and (3);*
3. *Whether there are arrangements for any necessary special education and related services for children with disabilities pursuant to ORS 338.165;*
4. *The prior history, if any, of the applicant in operating a public charter school or in providing educational services.*

On November 15, 2024, the applicant submitted a revised proposal to address the areas that did not meet criteria, as described above. This review will address only those areas that did not meet criteria, noting that all other areas were determined to have met criteria. The revised application did not meet criteria in the following three areas:

1. *The demonstrated financial stability of the public charter school, including the demonstrated ability of the school to have a sound financial management system that is in place at the time the school begins operating and that meets the requirements of ORS 338.095 (1);*
2. *The adequacy of the information provided as required by ORS 338.045 (2) and (3);*
3. *The prior history, if any, of the applicant in operating a public charter school or in providing educational services.*

Alignment of recommendation to criteria in ORS 338.055

Financial Stability (ORS 338.055(3)(b))

The demonstrated financial stability of the public charter school, including the demonstrated ability of the school to have a sound financial management system that is in place at the time the school begins operating and that meets the requirements of ORS 338.095 (1);

ORIGINAL APPLICATION:

PERS is budgeted at 6%. This is the employee contribution amount, not the employer contribution amount.

At the public hearing, the applicant was asked why PERS was budgeted at 6%. The applicant indicated that it knew this was a low amount but hoped to raise it in subsequent years. The applicant did not demonstrate understanding that the required employer rate is different than the employee-paid rate, despite being given the opportunity in the process to submit a revised budget.

The applicant is subject to the general service employer rates as follows:

- PERS employer T1/T2 rate : 27.87%
- PERS employer OPSRP (eligible after 8/03): 25.03%

Since it is not possible to know which employees would be eligible for which rates, using an average rate of 26.45%, less the 6% employee contribution they budgeted, their PERS employer expenses would be \$48,458 in addition to what has been budgeted.

This is based on the assumption that the employee's contribution will be paid by the employee. If the applicant intends to pick this up, this total would be \$62, 676.

The municipal audit is budgeted at \$500. This cost is typically \$8,000-\$10,000 for a charter school. It is unclear

why this amount was budgeted.

At the public hearing the charter school was asked how it came to estimate the cost of the municipal audit to be \$500. It noted that the number came from Cascade Pacific who has someone who can do it for that cost, and that the applicant thought that the audit itself would be included in the administration fee. In reviewing the Fiscal Administration Agreement submitted in the proposal, conducting an audit was not listed as one of the fiscal administrator responsibilities. In fact, the Fiscal Administration Agreement stated that the charter school would be responsible to “prepare and file its own annual reports required by the State and Federal governments...and to keep adequate financial records and maintain proper oversight and control over its financial activities”. As stated, it should be noted that the typical cost of a charter school audit is between \$8,000-\$10,000.

The budget currently reflects less than \$2,000 net revenue at 38 students. If costs were adjusted to reflect accurate amounts for PERS (and likely audit costs), the school would be operating at a loss. If enrollment were slightly less than anticipated, the school would be operating at a loss.

Additionally, the applicant submitted an MOU agreement between the applicant and the Community Services Consortium (CSC) for subleasing space to house the school (this space is owned by the City of Lincoln City and the primary lease is through CSC). This MOU is set to expire on June 30, 2025, and was submitted unsigned and in draft form. The district received information in mid-September that the applicant and CSC agreed to part ways with respect to the facility sublease, as, according to the CSC lease agreement, CSC is ending their lease with the City on October 31, 2024. There is no information from any party that indicates a new lease is being negotiated with the City of Lincoln City to provide this space to the applicant, and no information from the applicant that alternative space is being pursued.

- MET
 NOT MET

REVISED APPLICATION:

Title I funding is included as a revenue source in the revised budget at \$20,000 for the years 2025-2026 and beyond. The district does not provide high schools with Title I funding, so this should not have been an included source of revenue.

While the percentages used for calculating staff benefits such as unemployment, FICA, and worker's comp appear correct, some of the calculations are incorrect. For example, the applicant lists spring 2025 unemployment costs at \$8,267.19. The correct calculation would be $\$101,410.10 \times 9 = \$9,126.91$. OPSRP for spring 2025 at the rate they used (25.03%) was calculated at \$20,866.86. This calculation should have been $\$101,410.10 \times 25.03\% = \$25,382.95$. The calculations for the next three budget cycles were also erroneous.

In short, expenses for spring 2025 appear to be \$5,375.81 higher than calculated in the budget.

Additionally, PERS released new rates effective on July 1, 2025. The applicant's rate would be 25.62% for both 2025-26 and 2026-27, which would increase expenses for those years. Even at the old rate, the PERS expense listed for the 2025-26 year is calculated erroneously, as it is listed as \$39,483.74. The calculation should have been $\$191,000.97 \times 25.03\% = \$47,807.54$. However, with the increase to the PERS rate, the actual calculation would be $\$191,000.97 \times 25.62\% = \$48,934.45$.

To summarize:

What can be calculated with the numbers provided, acknowledging errors in calculations as described above:

	Spring 2025	Year 2025-26	Year 2026-27
Revenue (38 students)	\$202,274.00	\$454,548.00	\$515,840.00
Expenditures	\$206,513.04	\$386,063.79	\$523,463.59
Net	(\$4,239.04)	\$68,484.21	(\$7,623.59)

- Note: This assumes no increase in phone, internet, vehicle insurance, property/casualty insurance, liability/educator coverage, cybersecurity protection, or audit costs between 2025-26 and 2026-27. It accounts for the fact that Title I funding is not passed through to high schools by the district. It accounts for the increase in the PERS rate starting in 2025-26. It accounts for the errors in calculations for unemployment and PERS in spring 2025.

These calculations do not account for unknown but important variables such as a low and undocumented estimate for property/casualty insurance or cybersecurity protection, janitorial and

garbage expenses not being included, and an office staff position being removed in the 2026-27 school year.

Janitorial and garbage services are not listed as expenses and are not listed as being included in the rent. Only electric, gas, and water are listed as included.

Many items under administrative costs are not increased in each year of the budget after spring 2025. Of particular note are vehicle insurance costs, property/casualty insurance, and liability/educator coverage, which are static for three years running.

PACE insurance is the property and casualty insurance provider for most districts and charter schools in Oregon. Even though the applicant may not necessarily choose PACE as an insurance provider, PACE ran an analysis of the costs of property and general liability insurance for existing charter schools with PACE coverage with a range of 31-59 students. The range was \$8,500-\$11,000 per year. Prices increase each year and both PACE and the district recommend that each year of the budget should assume a 15-20% increase in insurance costs. The assumption of a total of \$6,000 for property/casualty and liability/educator coverage for three years running appears to be too low of an assumption.

The office position is not included in the budget for school years 2026-27 and 2027-38. It is unclear if these duties will be covered by another position.

In the revised application, the applicant included a lease between the City of Lincoln City and the Community Services Consortium—Career Tech School which expired on June 30, 2023. The applicant clarified that this lease has been extended month-to-month and the Community Services Consortium intends to vacate the premises in December. This will require the applicant to negotiate its own lease with the City if it wishes to keep that space. The applicant indicated in several emails dated 11/25/2024 that the City was willing to work with the applicant to negotiate a lease for space and that they had been in discussions with the City. An email from the City Manager's Executive Assistant dated 11/25/2024 stated, "Career Tech (separate organization) is seeking to establish their own lease with the City and there has been no new lease negotiations between the City and new Career Tech organization to this point."

Finally, the applicant does not have nonprofit status, which is required to operate a charter school in Oregon. The revised application does not address this. When asked in a follow up email to provide documentation about the status of the 501(c)3 status, the applicant provided articles of incorporation and responded: “[a]rticles of incorporation are being filed today (11/25) and our 501(c)3 status should be finalized in the coming weeks.” The date of 11/25/2024 was the date that the follow-up answers were due to the reviewer, so this had not been done prior to being questioned about the status.

Articles of incorporation are filed with the Oregon Secretary of State to organize as a corporation as a first step. Once that is granted, the applicant may apply for 501(c)3 status with the IRS. Since the articles of incorporation were included as what was filed, it appears that the applicant was applying for corporation status with Oregon on 11/25/2024. According to the IRS website, once corporation status is granted, a charter school would fill out a 1023 series form. There are two 1023 series forms: 1023 and 1023-EZ. The IRS website notes the following timelines for processing applications (as of 12/2/2024):

- **For form 1023-EZ:** Currently reviewing applications submitted prior to November 8, 2024. Typical time for determination is 22 days, and 80% of determinations are made within this timeline. However, if more information is needed, it may take up to 120 days. If the application was submitted after November 8, 2024, the application has not yet been assigned and no status can be provided.
- **For form 1023:** Currently reviewing applications submitted on or before April 4, 2024. Typical time for determination is 191 days and 80% of determinations are made within this timeframe. If the application was submitted after April 4, 2024, the application has not yet been assigned and no status can be provided.

According to the IRS website, schools are not eligible to complete the 1023-EZ form and must use form 1023.

- MET
 NOT MET

Adequacy of information (ORS 338.055(3)(e))

The adequacy of the information provided as required by ORS 338.045 (2) and (3);

ORIGINAL APPLICATION

Major elements of the application that did not meet criteria are:

- Budget and financial planning
- Arrangements for students who qualify for special education services
- The description of the admissions policies and application procedures (see comments in the document)
- The prior history of the applicant in operating a public charter school

- MET
 NOT MET

REVISED APPLICATION

- Budget and financial planning (described above - not met)
- Arrangements for students who qualify for special education services (met)
- The description of the admissions policies and application procedures (not met)
 - The revised application states that a formal interview is conducted as part of the application process and entry tests are taken. While the school is not prohibited from conducting informational interviews, the applicant should be advised that there can be no barriers to access to the program or admission criteria such as placement tests, interviews, or other pre-enrollment processes. The only criteria for enrollment of students in a public charter school is age, grade, space available, and resident district (if students from the sponsoring district fill all slots). The revised charter application describes the lottery process as one in which all students are entered into a lottery if there are more applicants than slots. There is no indication that students living

within the district boundary would have priority over nonresident students as per ORS 338.125(2)(a).

- The prior history of the applicant in operating a public charter school (not met)
- A description of the proposed staff members and required qualifications of teachers at the public charter school. (not met)
 - During the course of the application process and the revision of the application, teacher qualifications were discussed. On 4/24/24, the superintendent of Lincoln County School District met with the applicant. Among the subjects discussed was teacher licensure, and the fact that 50% or more teachers needed to be licensed by TSPC.
 - On 10/8/2024, the recommendation to deny the application was submitted by the reviewer to the district. In the recommendation, the following was noted about teacher licensure: “While this meets criteria, the applicant notes in its budget document that the “majority of staff members (3/5) will be spending time outside of the classroom pursuing certification/licensure”. The charter school is required to have at least 50% of its administrative and teaching FTE fully licensed by TSPC, while the other 50% can be registered, as per ORS 338.135(7)(c). This demonstrates an inconsistency with the section of the application that says “[a]t least one half of the total full-time equivalent teaching and administrative staff of CTCS will be licensed by TSPC.” If approved, the applicant should demonstrate before opening school that it meets the requirements of ORS 338.135(7)(c).”
 - In the resubmitted application, the budget lists four individuals assigned to teach, but only by first name. in a follow up email on 11/20/24, the reviewer requested documentation that teachers were properly licensed to teach as required by ORS 338.135(7)(c). The applicant responded with all four individuals’ first and last names and stated: “[a]ll proposed teachers are currently registered as charter school teachers via TSPC.” The applicant noted that it was possible that two of the teachers (the primary applicants) may be qualified for restricted or limited teaching licenses, but this will rely on approval from the district. Those teachers are not currently licensed.

- MET
 NOT MET

Special education (ORS 338.055(3)(g))

Whether there are arrangements for any necessary special education and related services for children with disabilities pursuant to ORS 338.165;

ORIGINAL APPLICATION

The section on special education lacks detail and does not convey understanding of the charter school's responsibility to provide an integrated general education setting supportive of a student's IEP, even though the district directly serves the student's IEP.

The application states that the district provides services, the students are involved in meetings, and the charter school writes and implements 504 plans. The application does not cover its involvement in IEP meetings, the coordination between charter school staff and district staff, accommodations made in a general ed setting, or the charter school's role in identification of students with disabilities.

At the hearing, the charter school was asked to demonstrate its understanding of its responsibilities with respect to students qualifying for special education services. The applicant stated that it had a multi-tiered level of support for students and would rely on placement tests and teacher input. The applicant noted that, in its past experience, it has not had to initiate an IEP, but it was committed to responding to each family's needs. While this did provide more information, there was no additional detail about coordination with the district or its responsibility for accommodations made for students in the general education setting. The applicant did not indicate in the application or at the hearing its responsibilities with respect to initial identification of students with disabilities.

REVISED APPLICATION

This section includes greater detail about the applicant’s responsibilities to coordinate with the district and provide students qualifying for special education services with a high-quality integrated education in the general education setting.

- MET
 NOT MET

Prior history (ORS 338.055(3)(i))

The prior history, if any, of the applicant in operating a public charter school or in providing educational services.

ORIGINAL APPLICATION

The applicants were responsible for building level administration of Career Tech (CSC) from 2022-2024. That charter school closed last year. There were concerns by the district about the school’s management and building level administration, as deadlines for deliverables in the contract were often missed, and the district reports that not all teachers were always properly credentialed for teaching CTE, nor were teachers always properly credentialed for the requirement that 50% of teachers need to hold full teaching licenses through TSPC.

- MET
 NOT MET

REVISED APPLICATION

The conditions in the original application remain the same in the revised application.

- MET
- NOT MET

Narrative Questions	0	1	Comments (including references from the application)
1. The identification of the applicant.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2. The name of the proposed charter school.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
3. A description of the philosophy and mission of the public charter school.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4. A description of the curriculum of the public charter school.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>The application lists APEX Learning to provide online options and supplemental material for teachers in live, in-person classes. It is unclear whether any other curriculum will be used.</p> <p>CTE is “expected to return in the next three years” (Appendix A, p.15).</p>
5. A description of the expected results of the curriculum and the verified methods of measuring and reporting results that will allow comparisons with public schools.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6. The governance structure of the public charter school	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Traditional board and advisory board were described, though it was unclear who the advisory board would advise or where it would fall in the hierarchy. This was made clear in the hearing.
7. The projected enrollment, including the ages or grades to be served.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8. The target population of students the public charter school will be designed to serve	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. A description of any distinctive learning or teaching techniques to be used in the public charter school.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The application lists project-based learning and self-paced, teacher supported online curriculum
10. The legal address, facilities, and physical location of the public charter school, if known	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

<p>11. A description of admission policies and application procedures.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/></p>	<p>The application states that “[e]ighty percent of the enrollment slots at Career Tech will be reserved for residents of Lincoln County. Twenty percent of enrollment will be available to students from surrounding counties.”</p> <p>ORS 338.125(2)(a) states: “All students who reside in the school district in which the public charter school is located are eligible for enrollment in the public charter school if space is available.”</p> <p>No student from the resident district could be denied admission based on these criteria.</p> <hr/> <p>REVISED APPLICATION: The revised application states that a formal interview is conducted as part of the application process and entry tests are taken. While the school is not prohibited from conducting informational interviews, the applicant should be advised that there can be no barriers to access to the program or admission criteria such as placement tests, interviews, or other pre-enrollment processes. The only criteria for enrollment of students in a public charter school is age, grade, space available, and resident district (if students from the sponsoring district fill all slots).</p> <p>The revised charter application describes the lottery process as one in which <u>all</u> students are entered into a lottery if there are more applicants than slots. There is no indication that students living within the district boundary would have priority over nonresident students as</p>
--	--	---------------------------------	---

			per ORS 338.125(2)(a).
12. The statutes and rules that shall apply to the public charter school.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
13. The proposed budget and financial plan for the public charter school, including evidence that the proposed budget and financial plan are financially sound.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The budget does not appear to be financially sound and does not demonstrate that the applicant understands all its required expenditures.</p> <p>PERS is budgeted at 6%. This is the employee contribution amount, not the employer contribution amount, which is generally somewhere between 20-25%. If the school had the same rate as the district of 25%, the Jan-June budget line item would be almost \$28,000.</p> <p>***At the public hearing, the applicant was asked why PERS was budgeted at 6%. The applicant indicated that it knew this was a low amount but hoped to raise it in subsequent years. The applicant did not demonstrate understanding that the required employer rate is different than the employee-paid rate, despite being given the opportunity in the process to submit a revised budget.</p> <p>The applicant is subject to the general service employer rates as follows:</p> <ul style="list-style-type: none"> • PERS employer T1/T2 rate : 27.87% • PERS employer OPSRP (eligible after 8/03): 25.03% <p>Since it is not possible to know which employees would be eligible for which rates, using an average rate of 26.45%, less the 6% employee</p>

			<p>contribution they budgeted, their PERS employer expenses would be \$48,458 in addition to what has been budgeted.</p> <p>This is based on the assumption that the employee’s contribution will be paid by the employee. If the applicant intends to pick this up, this total would be \$62, 676.</p> <hr/> <p>The municipal audit is budgeted at \$500. This cost is typically \$8,000-\$10,000 for a charter school. It is unclear why this amount was budgeted.</p> <p>***At the public hearing the charter school was asked how it came to estimate the cost of the municipal audit to be \$500. It noted that the number came from Cascade Pacific who has someone who can do it for that cost, and that the applicant thought that the audit itself would be included in the administration fee. In reviewing the Fiscal Administration Agreement submitted in the proposal, conducting an audit was not listed as one of the fiscal administrator responsibilities. In fact, the Fiscal Administration Agreement stated that the charter school would be responsible to “prepare and file its own annual reports required by the State and Federal governments...and to keep adequate financial records and maintain proper oversight and control over its financial activities”. It should be noted that the typical cost of a charter school audit is between \$8,000-\$10,000.</p>
--	--	--	--

			<p>It is unclear if the van (which was presumably owned by the former charter school) was allowed to remain with the new charter school by the State Board of Education (should the application be approved), given that all assets of a closed charter school must be given to the SBE at the time of closure, per ORS 338.105(6)(a).</p> <p>*** At the public hearing, the applicant noted that it submitted a waiver to ODE to transfer the van as property to the new charter school. It provided a copy of this letter to the board.</p> <hr/> <p>REVISED APPLICATION: See notes in executive summary at the beginning of the report</p>
<p>14. A description of the financial management system for the public charter school, an explanation of how the financial management system will meet the requirements of ORS 338.095 (1) and a plan for having the financial management system in place at the time the school begins operating</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<p>15. The standards for behavior and the procedures for discipline, suspension, or expulsion of students.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<p>16. The proposed school calendar, including the length of the school day and school year.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<p>17. A description of the proposed staff members and required qualifications of teachers at the public charter school.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>While this meets criteria, the applicant notes in its budget document that the “majority of staff members (3/5) will be spending time outside of the classroom pursuing certification/licensure”. The charter school is required to have at least</p>

			<p>50% of its administrative and teaching FTE fully licensed by TSPC, while the other 50% can be registered, as per ORS 338.135(7)(c).</p> <p>This demonstrates an inconsistency with the section of the application that says “[a]t least one half of the total full-time equivalent teaching and administrative staff of CTCS will be licensed by TSPC.” If approved, the applicant should demonstrate before opening school that it meets the requirements of ORS 338.135(7)(c).</p> <hr/> <p>REVISED APPLICATION: In the resubmitted application, the budget lists four individuals assigned to teach, but only by first name. in a follow up email on 11/20/24, the reviewer requested documentation that teachers were properly licensed to teach as required by ORS 338.135(7)(c). The applicant responded with all four individuals’ first and last names and stated: “[a]ll proposed teachers are currently registered as charter school teachers via TSPC.” The applicant noted that it was possible that two of the teachers (the primary applicants) may be qualified for restricted or limited teaching licenses, but this will rely on approval from the district. Those teachers are not currently licensed.</p>
<p>18. The date upon which the public charter school would begin operating.</p>	<p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p>	

<p>19. The arrangements for any necessary special education and related services provided pursuant to ORS 338.165 for children with disabilities who may attend the public charter school</p>	<p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p>	<p>This section lacks detail and does not convey understanding of the charter school’s responsibility to provide an integrated general education setting supportive of a student’s IEP, even though the district directly serves the student’s IEP.</p> <p>The application states that the district provides services, the students are involved in meetings, and the charter school writes and implements 504 plans. The application does not cover IEP meetings, the coordination between charter school staff and district staff, accommodations made in a general ed setting, or the charter school’s role in identification of students with disabilities.</p> <p>***At the hearing, the charter school was asked to demonstrate its understanding of its responsibilities with respect to students qualifying for special education services. The applicant stated that it had a multi-tiered level of support for students and would rely on placement tests and teacher input. The applicant noted that, in its past experience, it has not had to initiate an IEP, but it was committed to responding to each family’s need. While this did provide more information, there was no additional detail about coordination with the district or its responsibility for accommodations made for students in the general education settings.</p> <hr/> <p>REVISED APPLICATION: More details were provided in this section that conveyed the applicant’s understanding of its duties and</p>
---	---------------------------------	--	--

			responsibilities to coordinate with the district and provide students qualifying for special education services with a high-quality integrated education in the general education setting.
20. Information on the manner in which community groups may be involved in the planning and development process of the public charter school.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
21. The term of the charter.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The application says this will be negotiated with the district. The applicant has indicated a January, 2025 start date.
22. The plan for performance bonding or insuring the public charter school, including buildings and liabilities.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
23. A proposed plan for the placement of public charter school teachers, other employees, and students upon termination or nonrenewal of the charter.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
24. The manner in which the public charter school program review and fiscal audit will be conducted.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
25. Each member of the proposed public charter school's governing body must provide an acknowledgment of understanding related to the standards of conduct and the liabilities of a director of a nonprofit organization, as those standards and liabilities are described in ORS chapter 65, if the public charter school is organized as required by ORS 338.035 (2)(a)(B) and (C)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

10. Items of Information & Discussion

a. Board

1. Public Comment (This time is reserved for general public comment to the Board)

b. Other

1. Meeting Takeaways
2. Reminders/Announcements

c. Adjournment

Board Goals 2024-2029

GOAL ONE: Lincoln County School District will establish and meet high expectations for student achievement.

GOAL TWO: Lincoln County School District will create equitable, diverse, inclusive, and accessible learning environments across the district within a framework of excellence in education.

GOAL THREE: LCSD will provide for the long term health and welfare of our facilities and finances, focusing on accessibility, technological innovation, and purposeful utilization.

GOAL FOUR: Lincoln County School District will strengthen community relationships through communication and engagement with staff, students, families, and community partners.

Lincoln County School District Equity Team Land Acknowledgement Statement

We ask that you take a moment to stop what you are doing, to listen to these words as we recognize the land that we currently inhabit. No matter where each of us is physically located in Lincoln County, we must understand that we are on traditional homelands and unceded territories of indigenous peoples. Where we live in Lincoln County, these are the ancestral homelands for the Confederated Tribes of Siletz Indians.

Lincoln County School District acknowledges the Confederated Tribes of Siletz Indians that consists of over 30 bands originating from Northern California to Southern Washington. The Confederated Tribes of Siletz Indians currently occupy and manage a mere fraction of their original 1855 1.1 million-acre Siletz coastal reservation that covered land in what is now Tillamook, Lincoln, Benton, Marion, and Coos Counties. We must remember the people of the Confederated Tribes of Siletz Indians are and will forever be the first stewards of this land, water, and fish.

We acknowledge and recognize the continued sovereignty of the Confederated Tribes of Siletz Indians and honor their ancestral homelands. We are committed to bringing awareness to their history and the existence of the Confederated Tribes of Siletz Indians since time immemorial.

NON-DISCRIMINATION: Lincoln County Schools do not discriminate nor tolerate discrimination on the basis of an individual's race, color, religion, sex, sexual orientation, national origin, disability, gender identity, marital status or age or because of the race, color, religion, sex, sexual orientation, national origin, disability, gender identity, marital status or age of any other persons with whom the individual associates.