

| EAGLE POINT SCHOOL DISTRICT NO. 9  
EAGLE POINT, OREGON

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2023  
WITH  
INDEPENDENT AUDITOR'S REPORT



**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**Eagle Point, Oregon**  
**June 30, 2023**

**BOARD OF EDUCATION**

Matt Stone	Board Chair
Emily McIntire	Board Vice Chair
Randy Wolf	Member
Josh Graves	Member
Chery Stritenberg	Member

All board members and administrative staff receive mail at the address listed below:

Administrative Office  
11 North Royal  
Eagle Point, Oregon 97524

**ADMINISTRATIVE STAFF**

Andrew Kovach	Superintendent
Nick Hogan, CPA	Business Manager



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## | INDEPENDENT AUDITOR'S REPORT



**Oregon Office:**  
841 O'Hare Pkwy., Suite 200, Medford, OR 97504  
Phone: (541) 773-6633 | Fax: (541) 773-1965

**Idaho Office:**  
101 S. 27<sup>th</sup> St., Suite 100, Boise, ID 83702  
Phone: (208) 373-7890 | Fax: (208) 373-7889



## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Eagle Point School District No. 9  
Eagle Point, Oregon

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund and the fiduciary fund of Eagle Point School District No. 9 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the fiduciary fund of the District, as of June 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Change in Accounting Principle**

As described in Note 1 to the financial statements the District has adopted new accounting guidance GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* issued by the Governmental Accounting Standards Board (GASB). Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's 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 auditor's 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 GAAS 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 GAAS 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 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 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, certain pension schedules, certain other post-employment benefit schedules, and the general and major special revenue governmental funds budgetary comparison 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 management's discussion and analysis, pension schedules, and other post-employment benefit schedules 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 management's discussion and analysis, pension schedules, and other post-employment benefit schedules because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The general and major special revenue budgetary comparison information are the responsibility of management and were derived from and relate 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 general and major special revenue governmental funds budgetary comparison information are 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 District's basic financial statements. The other supplementary information 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 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. Such 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. The 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 and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 District's 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 the District's internal control over financial reporting and compliance.

### **Other Reporting Required by *Oregon State Regulation***

In accordance with Oregon State Regulations, we have also issued our report dated December 31, 2023 on our consideration of the District's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing necessary to address the required provisions of ORS, and not to provide an opinion on compliance with such provisions.



Jeny L. Grupe, CPA, Partner  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 31, 2023





## | MANAGEMENT'S DISCUSSION AND ANALYSIS

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2023**

As management of Eagle Point School District No. 9 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the accompanying notes to enhance their understanding of the District's financial performance.

**FINANCIAL HIGHLIGHTS**

- In the **government-wide statements**, the assets of the District exceeded its liabilities at June 30, 2023 by \$25.30 million. Of this amount, \$46.17 million is invested in capital assets, \$581 thousand is restricted for debt service, \$2.07 million is restricted for food service, \$26 thousand is restricted for education grants, and the negative balance of \$22.84 million, is unrestricted. The majority of this unrestricted negative amount is associated with the District's pension and OPEB liability of \$37.99 million.
- In the **government-wide statements**, net position increased by \$4.40 million at June 30, 2023.
- In the **government-wide statements**, capital assets increased by \$1.43 million during the 2023 fiscal year. This is mainly attributed to an increase in various construction projects.
- At the end of the fiscal year, fund balance for all **governmental funds** was \$12.93 million, an increase of \$128 thousand in comparison to the prior year. Approximately \$6.91 million of this overall fund balance is "unassigned" fund balance (see *Note 1* on page 15), available for spending at the District's discretion subject to limitations of school board policies.
- At the end of the fiscal year, fund balance for the **General Fund** was \$6.95 million, down from \$7.52 million in the prior year, a decrease of 7.58%. Fund balance in the General Fund represents about 13.15% of total General Fund revenues, down from 15.68% in the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-wide Financial Statements**

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

**Statement of Net Position.** The *statement of net position* presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

In the government-wide financial statements, the District's activities are shown in one category as *governmental activities*. All of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through Oregon's State School Fund, property taxes, and other intergovernmental revenues.

The government-wide financial statements can be found as listed in the Table of Contents.

## **Fund Financial Statements**

The *fund financial statements* provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be categorized into two categories: governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental *funds* and governmental *activities*.

The District maintains three individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund, all of which are considered to be major funds.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds. The basic fiduciary fund financial statements can be found as listed in the Table of Contents of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the Table of Contents of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This Management's Discussion and Analysis, General Fund and major Special Revenue Fund budgetary comparison information, certain other post employment benefit schedules, and certain pension schedules are considered required supplementary information. The required supplementary information can be found as listed in the Table of Contents of this report.

Other supplementary information is presented on the basic financial statements are not required to be presented but are included for further clarity and understanding. The combining statements referred to earlier in connection with non-major governmental funds are presented as Supplementary Information as listed in the Table of Contents of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Statement of Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$25.3 million at June 30, 2023.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent about 69.63% of total assets. The remaining assets consist mainly of investments, cash, prepaid expenses, and grants, property taxes receivable and OPEB asset.

The District's liabilities include the PERS pension liability and other actuarially determined post-employment benefits of \$37.99 million. Outside of these actuarial disclosure amounts, the largest liability is for the payment of long-term obligations representing 0.19% of the District's total liabilities. Other liabilities consist almost entirely of payables on accounts.

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

### Changes in Net Position Governmental Activities

	June 30, 2023	June 30, 2022	Increase/(Decrease)
Current assets	\$ 19,554,133	\$ 18,883,188	\$ 670,945
Net OPEB asset	581,245	498,957	82,288
Net capital assets	46,165,576	44,740,389	1,425,187
<b>Total assets</b>	<b>66,300,954</b>	<b>64,122,534</b>	<b>2,178,420</b>
Deferred outflow of resources	15,648,920	17,693,071	(2,044,151)
Current liabilities	6,840,209	5,902,159	938,050
Net pension liability & OPEB	37,985,775	30,487,385	7,498,390
Long-term obligations	86,500	694,263	(607,763)
<b>Total liabilities</b>	<b>44,912,484</b>	<b>37,083,807</b>	<b>7,828,677</b>
Deferred inflow of resources	11,733,973	23,827,934	(12,093,961)
<b>Net position:</b>			
Net investment in capital assets	45,459,268	43,442,353	2,016,915
Restricted for education grants	25,599	227,604	(202,005)
Restricted for debt service	581,245	65,678	515,567
Restricted for food service	2,073,617	1,815,840	257,777
Unrestricted	(22,836,312)	(24,647,611)	1,811,299
<b>Total Net Position</b>	<b>\$ 25,303,417</b>	<b>\$ 20,903,864</b>	<b>\$ 4,399,553</b>

**Statement of Activities.** As previously stated, all District activities are governmental in nature. During the 2022-23 fiscal year, the District's net position increased by about \$4.40 million.

**Changes in Statement of Activities**  
**Governmental Activities**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase/(Decrease)</u>
<b>Program Revenues</b>			
Charges for services	\$ 978,150	\$ 669,623	\$ 308,527
Operating grants and contributions	16,059,569	13,682,022	2,377,547
Capital grants and contributions	700,057	1,344,521	(644,464)
<b>General Revenues</b>			
Property taxes	12,660,370	12,088,760	571,610
State school fund	36,669,744	34,581,938	2,087,806
Other state, local, and federal sources	1,416,584	1,114,655	301,929
Earnings on investments	415,213	79,299	335,914
Contributions and Miscellaneous	698,199	857,841	(159,642)
<b>Total Revenues</b>	<u>69,597,886</u>	<u>64,418,659</u>	<u>5,179,227</u>
<b>Expenses</b>			
Instruction	37,665,686	33,523,770	4,141,916
Support services	25,070,583	22,620,456	2,450,127
Community services	2,269,259	2,030,720	238,539
Facilities acquisition	162,192	113,860	48,332
Interest on long-term debt	30,613	26,912	3,701
<b>Total Expenses</b>	<u>65,198,333</u>	<u>58,315,718</u>	<u>6,882,615</u>
<b>Change in Net Position</b>	<u>\$ 4,399,553</u>	<u>\$ 6,102,941</u>	<u>\$ (1,703,388)</u>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS MD&A

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

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

At June 30, 2023, the District's governmental funds reported combined ending fund balances of \$12.93 million, an increase of about \$128 thousand in comparison with the prior year. About \$6.91 million (53.47%) of the ending fund balance constitutes "*unassigned*" ending fund balance (see *Note 1* on page 15), which is available for spending at the District's discretion subject to limitations of school board policies. \$66 thousand is restricted for debt service obligations.

*General Fund:* The General Fund is the chief operating fund of the District. As of June 30, 2023, total fund balance was \$6.95 million, down from \$7.52 million in the prior year. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 13.03% of total General Fund expenditures. The General Fund made transfers during the year of \$126.66 thousand to the Capital Projects Fund to address some of the District's deferred building maintenance needs and capital projects. The District has managed its general operations over the current and prior years to bring expenditure levels more closely in line with projected on-going state and federal resources in an attempt to avoid large fluctuations in fund balance.

*Special Revenue Fund:* The Special Revenue Fund has a total fund balance of \$3.7 million, all of which is designated for the specific purposes of the various federal and state grants and other programs accounted for in this fund.

*Debt Service Fund:* The Debt Service Fund has a total fund balance of \$0. This fund was eliminated during the 2022-23 fiscal year as it is not currently being used.

*Capital Projects Fund:* The Capital Projects Fund has a total fund balance of \$2.3 million, all of which is committed for capital projects. The net decrease in fund balance during the current fiscal year was \$137 thousand.

## BUDGETARY ACTIVITY

During the fiscal year ended June 30, 2023, adopted, final, budgetary activity amounts for the General Fund are as follows:

	<u>Adopted</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>General Fund</b>				
Instruction	\$34,506,458	\$34,506,458	\$32,275,388	\$ 2,231,070
Support Services	19,656,257	21,156,257	20,990,134	166,123
Enterprise and community services	-	-	555	(555)
Facilities Acquisition	-	-	17,300	(17,300)
Contingency	2,500,000	1,000,000	-	1,000,000
Transfer in	-	-	126,657	(126,657)
Transfer out	(25,000)	(25,000)	(126,657)	101,657
<b>Total</b>	<b>\$56,637,715</b>	<b>\$56,637,715</b>	<b>\$53,283,377</b>	<b>\$ 3,354,338</b>

Additional information on the District's budget can be found in the notes to the financial statements.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, and right-of-use assets. As of June 30, 2023, the District had invested about \$46.17 million in capital assets, net of depreciation.

Additional information on the District's capital assets can be found in the notes to the financial statements.

**Long-term debt.** The District has long-term debt in the amounts due of \$706 thousand

Additional information on the District's long-term debt can be found in the notes to the financial statements.

**Leases Payable.** Additional information on the District's leases payable can be found in the notes to the basic financial statements of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The most significant economic factors for the District are student enrollment and the State of Oregon's State School Fund. State School Fund amounts are based primarily on total budgeted State funds and the District's student enrollment. The State School Fund includes a General Purpose Grant, a Transportation Grant, offsets for certain local revenues, and additional funding for certain categories of students including students on IEP's, students in ESL programs, and students in poverty. For the year ended June 30, 2023, the State School Fund provided approximately 70% of the District's total General Fund revenue.

The District will continue to monitor expected revenues and expenditure projections to match expenditure levels to on-going revenues. Cost cutting and savings measures are considered, when necessary, to maintain this commitment. The budgeting process for 2023-24 and future years takes projected funding levels into account when establishing and maintaining staffing levels, programs, and activities for the District. The District believes it is well positioned to operate under the funding level currently approved by the State Legislature for the 2023-24 fiscal year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Business Manager at 11 North Royal Avenue, PO Box 548, Eagle Point, Oregon 97524.



## | BASIC FINANCIAL STATEMENTS





**| GOVERNMENT-WIDE FINANCIAL  
STATEMENTS**

**EAGLE POINT SCHOOL DISTRICT NO. 9  
STATEMENT OF NET POSITION  
JUNE 30, 2023**

	Governmental Activities
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	
<b>ASSETS:</b>	
Cash and investments	\$ 9,198,128
Receivables	10,321,413
Prepaid expenses	34,592
Other post employment benefit (RHIA)	581,245
Capital assets, net	
Land	1,921,184
Construction in progress	3,770,387
Buildings and improvements	36,954,840
Machinery, equipment and vehicles	3,343,559
Intangible assets:	
Right of use assets	133,343
Software subscriptions	42,263
<b>TOTAL ASSETS</b>	<b>66,300,954</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred outflows related to pension (OPERS)	14,977,873
Deferred outflows related to pension (Stipend)	184
Deferred outflows related to other post employment benefits (medical subsidy)	571,255
Deferred outflows related to other post employment benefits (RHIA)	99,608
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>15,648,920</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>81,949,874</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	
<b>LIABILITIES:</b>	
Accounts payable	2,199,800
Accrued payroll liabilities	3,254,004
Accrued interest payable	8,548
Unearned revenue	711,956
Accrued compensated absences payable	46,093
Other post employment benefit obligation (medical subsidy) (due in more than one year)	3,959,236
Early retirement stipend pension plan obligation (due in more than one year)	12,172
Net pension liability (OPERS) (due in more than one year)	34,014,367
Leases and subscriptions payable	
Due within one year	62,195
Due in more than one year	86,500
Loans payable	
Due within one year	557,613
<b>TOTAL LIABILITIES</b>	<b>44,912,484</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred inflows related to pension (OPERS)	10,402,222
Deferred inflows related to pension (Stipend)	238
Deferred inflows related to other post employment benefits (medical subsidy)	1,224,218
Deferred inflows related to other post employment benefits (RHIA)	107,295
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>11,733,973</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>56,646,457</b>
<b>NET POSITION:</b>	
Net investment in capital assets	45,459,268
Restricted for education grants	25,599
Restricted for food service	2,073,617
Restricted for RHIA OPEB	581,245
Unrestricted	(22,836,312)
<b>TOTAL NET POSITION</b>	<b>\$ 25,303,417</b>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

Functions/Programs:	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instruction	\$ 37,665,686	\$ 602,395	\$ 6,948,001	\$ -
Supporting services	25,070,583	375,519	6,191,566	-
Community services	2,269,259	236	2,744,745	-
Facilities acquisition	162,192	-	175,257	700,057
Interest expense	30,613	-	-	-
<b>Total government activities</b>	<b>\$ 65,198,333</b>	<b>\$ 978,150</b>	<b>\$ 16,059,569</b>	<b>\$ 700,057</b>
General revenues:				
Property taxes levied				12,660,370
State school fund - general support				36,669,744
Common school fund				550,982
Federal forest fees				48,662
Unrestricted intermediate sources				816,940
Earnings on investments				415,213
Contributions and donations				39,603
Miscellaneous				649,223
Gain on sale of assets				9,373
<b>Total general revenues</b>				<b>51,860,110</b>
<b>CHANGE IN NET POSITION</b>				<b>4,399,553</b>
<b>NET POSITION - JULY 1, 2022</b>				<b>20,903,864</b>
<b>NET POSITION - JUNE 30, 2023</b>				<b>\$ 25,303,417</b>



## | FUND FINANCIAL STATEMENTS

**EAGLE POINT SCHOOL DISTRICT NO. 9  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
<b>ASSETS:</b>					
Cash and investments	\$ 6,934,961	\$ -	\$ -	\$ 2,263,167	\$ 9,198,128
Receivables	924,666	9,396,747	-	-	10,321,413
Prepays	34,592	-	-	-	34,592
Interfund receivable	2,463,033	-	-	-	2,463,033
<b>TOTAL ASSETS</b>	<b>\$ 10,357,252</b>	<b>\$ 9,396,747</b>	<b>\$ -</b>	<b>\$ 2,263,167</b>	<b>\$ 22,017,166</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 476,432	\$ 1,723,368	\$ -	\$ -	\$ 2,199,800
Interfund payable	-	2,463,033	-	-	2,463,033
Accrued payroll liabilities	2,473,119	780,885	-	-	3,254,004
Unearned revenue	-	711,956	-	-	711,956
<b>TOTAL LIABILITIES</b>	<b>2,949,551</b>	<b>5,679,242</b>	<b>-</b>	<b>-</b>	<b>8,628,793</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - property taxes	460,117	-	-	-	460,117
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>	<b>3,409,668</b>	<b>5,679,242</b>	<b>-</b>	<b>-</b>	<b>9,088,910</b>
<b>Fund Balances:</b>					
Nonspendable					
Prepaid expense	34,592	-	-	-	34,592
Restricted					
Education grants	-	25,599	-	-	25,599
Food service	-	2,073,617	-	-	2,073,617
Committed					
Capital projects	-	-	-	2,263,167	2,263,167
Assigned					
Technology	-	850,195	-	-	850,195
Energy conservation-SB 1149	-	536,608	-	-	536,608
Student body	-	71,964	-	-	71,964
Other student programs	-	159,522	-	-	159,522
Unassigned	6,912,992	-	-	-	6,912,992
<b>TOTAL FUND BALANCES</b>	<b>6,947,584</b>	<b>3,717,505</b>	<b>-</b>	<b>2,263,167</b>	<b>12,928,256</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<b>\$ 10,357,252</b>	<b>\$ 9,396,747</b>	<b>\$ -</b>	<b>\$ 2,263,167</b>	<b>\$ 22,017,166</b>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
JUNE 30, 2023**

<b>TOTAL FUND BALANCES</b>		<b>\$ 12,928,256</b>
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	\$ 82,079,487	
Accumulated depreciation and amortization	<u>(35,913,911)</u>	46,165,576
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
Property taxes		460,117
The other post employment benefit asset (RHIA) is not reported with the governmental funds as it is not available nor payable currently.		581,245
The net deferred outflow/(inflow) associated with the District's pension and other post employment benefits is not recorded in the governmental funds as it is not available payable currently.		3,914,947
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather recognized as an expenditure when due. These liabilities consist of:		
Accrued interest payable	\$ (8,548)	
Leases payable	(148,695)	
Loans payable	(557,613)	
Pension liability (stipend)	(12,172)	
Pension liability (OPERS)	(34,014,367)	
Other post employment obligation benefits (medical subsidy)	(3,959,236)	
Compensated absences payable	<u>(46,093)</u>	<u>(38,746,724)</u>
<b>TOTAL NET POSITION</b>		<b><u>\$ 25,303,417</u></b>

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
<b>REVENUES</b>					
Property taxes and other taxes	\$ 12,636,892	\$ -	\$ -	\$ -	\$ 12,636,892
Intergovernmental	38,588,453	16,497,118	-	-	55,085,571
Charges for services	968,662	9,488	-	-	978,150
Local grants and contributions	3,802	90,103	-	-	93,905
Investment earnings	409,371	1,317	4,525	-	415,213
Miscellaneous	96,600	654,626	-	-	751,226
<b>TOTAL REVENUES</b>	<b>52,703,780</b>	<b>17,252,652</b>	<b>4,525</b>	<b>-</b>	<b>69,960,957</b>
<b>EXPENDITURES</b>					
Current:					
Instruction	32,275,388	5,476,242	-	-	37,751,630
Support services	20,947,547	5,367,862	-	-	26,315,409
Enterprise and community services	555	2,269,880	-	-	2,270,435
Facilities acquisition	17,300	2,615,371	-	263,490	2,896,161
Debt service	60,921	566,272	-	-	627,193
<b>TOTAL EXPENDITURES</b>	<b>53,301,711</b>	<b>16,295,627</b>	<b>-</b>	<b>263,490</b>	<b>69,860,828</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(597,931)</b>	<b>957,025</b>	<b>4,525</b>	<b>(263,490)</b>	<b>100,129</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of assets	9,373	-	-	-	9,373
SBITA financing	18,334	-	-	-	18,334
Transfers in	126,657	-	-	126,657	253,314
Transfer out	(126,657)	(56,454)	(70,203)	-	(253,314)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>27,707</b>	<b>(56,454)</b>	<b>(70,203)</b>	<b>126,657</b>	<b>27,707</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(570,224)</b>	<b>900,571</b>	<b>(65,678)</b>	<b>(136,833)</b>	<b>127,836</b>
<b>FUND BALANCE, JULY 1, 2022</b>	<b>7,517,808</b>	<b>2,816,934</b>	<b>65,678</b>	<b>2,400,000</b>	<b>12,800,420</b>
<b>FUND BALANCE, JUNE 30, 2023</b>	<b>\$ 6,947,584</b>	<b>\$ 3,717,505</b>	<b>\$ -</b>	<b>\$ 2,263,167</b>	<b>\$ 12,928,256</b>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

**NET CHANGE IN FUND BALANCE** \$ 127,836

Amounts reported for governmental activities in the Statement of Activities are different because:

Government funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period:

Expenditures for capital assets	\$ 4,022,643	
Less current year depreciation	<u>(2,597,456)</u>	1,425,187

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

Lease principal paid	\$ 54,632	
Subscription principal paid	6,289	
Loans principal paid	549,141	
Issuance of subscription financing	<u>(18,334)</u>	591,728

In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due. This is the amount by which the interest paid exceeded the interest expense.

Interest paid	\$ 39,032	
Less: Interest expense	<u>(30,613)</u>	8,419

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

Property taxes	\$ 23,478	
Grant receivable - non-current portion	<u>(395,922)</u>	(372,444)

Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expenditure when earned.

(14,881)

The change in the net post employment benefit obligation (OPEB) RHIA is not recognized in the governmental funds

50,760

The change in the net post employment benefit obligation (OPEB) medical subsidy and pension stipend is not recognized in the governmental funds.

130,168

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned (actuarially determined) net of employee contributions is reported as pension expense. (OPERS)

2,452,780

**CHANGE IN NET POSITION** \$ 4,399,553



**EAGLE POINT SCHOOL DISTRICT NO. 9  
STATEMENT OF NET POSITION  
FIDUCIARY FUND  
YEAR ENDED JUNE 30, 2023**

	<b>Private Purpose Trust Fund</b>
<b>ASSETS:</b>	
Cash and investments	<u>\$ 231,938</u>
<b>TOTAL ASSETS</b>	<u>231,938</u>
<b>NET POSITION:</b>	
Held in trust for:	
Scholarships	<u>231,938</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 231,938</u></u>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
 STATEMENT OF CHANGE IN NET POSITION  
 FIDUCIARY FUND  
 FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Private Purpose Trust Fund</b>
<b>ADDITIONS:</b>	
Donations	<u>\$ 178,582</u>
<b>TOTAL ADDITIONS</b>	<u>178,582</u>
<b>DEDUCTIONS:</b>	
Community services	<u>157,789</u>
<b>TOTAL DEDUCTIONS</b>	<u>157,789</u>
<b>CHANGE IN NET POSITION</b>	20,793
<b>NET POSITION, JULY 1, 2022</b>	<u>211,145</u>
<b>NET POSITION, JUNE 30, 2023</b>	<u><u>\$ 231,938</u></u>



**| NOTES TO THE BASIC FINANCIAL  
STATEMENTS**

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies**

**The Reporting Entity**

Eagle Point School District No. 9 (the District), Eagle Point, Oregon, was organized under provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected five-member Board of Education (Board) who approves the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by accounting principles generally accepted in the United States of America (GAAP), all activities of the District have been included in the basic financial statements.

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

The more significant of the District's accounting policies are described below.

**Basis of Presentation**

**Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District. Eliminations have been made to minimize the double counting of internal activities. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Program revenues include: (1) charges to students or others for tuition, fees, rentals, materials, supplies or services provided, (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds.

Net position is reported as restricted when constraints placed on net asset use are either externally restricted, imposed by creditors (such as through grantors, contributors or laws) or through constitutional provisions or enabling resolutions.

**Fund Financial Statements**

The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Fund Financial Statements (continued)**

There are stated minimum criteria for the determination of major funds: percentage of assets, liabilities, revenues or expenditures/expenses among others. The District reports the following major governmental funds:

*General Fund* – This is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund and includes the District's athletic activity and Student Body fundraising activities.

*Special Revenue Fund* – This fund accounts for revenues designated for specific purposes. This fund accounts for the revenues and expenditures related to specific purpose grants and other revenues when required by statute, charter provision, or the terms of the grant.

*Debt Service Fund* – This fund provides for the payment of principal and interest on general obligation bonded debt. Principal revenue source is property taxes.

*Capital Project Fund* - This fund accounts for the acquisition, construction and maintenance of improvements within the District. Principal revenue sources are grants and interfund transfers.

Additionally, the District reports the following fund type:

*Fiduciary Fund* – The private-purpose trust fund is used to account for fund-raising and scholarship resources held by the District in a fiduciary capacity. Disbursements from this fund are made in accordance with the trust and fund-raising agreements.

**Measurement Focus and Basis of Accounting**

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program, it is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under leases are reported as other financing sources.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Cash and Investments**

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less.

The District's investments, authorized under state statute, consist of money market accounts, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The LGIP is stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares. Changes in fair value of investments are recorded as investment earnings.

The Oregon State Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP. The investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895).

**Property Taxes Receivable**

Ad valorem property taxes are levied on all taxable property as of January 1 preceding the beginning of the fiscal year. Property taxes become a lien on July 1 for personal property and real property. Property taxes are levied on July 1. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected property taxes are recorded on the Statement of Net Position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

**Accounts and Other Receivables**

Accounts and other receivables are comprised primarily of charges for service, and claims for reimbursement of costs under various federal and state grant programs. Due to the nature of the receivables and the likelihood of collection, no provision for uncollectible receivables has been made.

**Grants**

Unreimbursed grant 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. Grant monies received prior to the occurrence of qualifying expenditures are recorded as unearned revenue.

**Leases**

Leases are recognized in accordance with GASB Statement No. 87, *Leases*. A lessee is required to recognize a lease payable and an intangible right-to-use lease asset. A lease payable is recognized at the net present value of future lease payments, and is adjusted over time by interest and payments. Future lease payments include fixed payments. The right-to-use asset is initially recorded at the amount of the lease liability plus prepayments less any lease incentives received prior to lease commencement, and is subsequently amortized over the life of the lease.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Leases (continued)**

In the government-wide financial statements, deferred inflows related to leases and any respective right-to-use assets are reported in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources. Under modified accrual accounting, initial recording of new lease agreements are recorded as Support services expense and proceeds from other financing source, and thereafter are recorded as principal and interest payments.

The District has chosen not to implement GASB 87 for the budgetary basis of accounting. For both the budgetary basis of accounting and for leases that do not meet the criteria for valuation under GASB 87, the District will report inflows of cash for lessor leases and outflows of cash for lessee leases.

**Subscription-based Information Technology Arrangements (SBITAs)**

Subscription-based information technology arrangements (SBITAs) are recognized in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement defines a SBITA as a contract that conveys control of the right to use another party's (the SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction.

For financial statements prepared using the economic resources measurement focus, a subscriber is required to recognize a subscription liability and an intangible right-to-use subscription asset at the commencement of the subscription term. The subscription liability is recognized at the net present value of future subscription payments and is adjusted over time by payments and interest. Future subscription payments are discounted using the District's estimated incremental borrowing rate. Future subscription payments include fixed and/or variable payments, based on the contract between the subscriber and vendor. The subscription asset is initially recorded as the sum of the subscription liability, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term, and is subsequently amortized over the life of the subscription. Subscription and capitalizable implementation cost payments made prior to the commencement of the subscription are classified as prepaid assets until the subscription commences; after the subscription commences, the prepaid assets are reclassified as an intangible right-to-use subscription asset.

For financial statements prepared using the current financial resources measurement focus, other financing source and instruction or support services (depending on the nature of the subscription) are reported in the year the subscription asset is initially recognized. The other financing source is reported equal to the net present value of future subscription payments. Expense is reported equal to the sum of the net present value of future subscription payments, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term. Subsequent governmental fund subscription payments are recorded as principal and interest payments.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Subscription-based Information Technology Arrangements (SBITAs) (continued)**

*Key Estimates and Judgments*

Subscription-based IT arrangement accounting includes estimates and judgments for determining the (1) rate used to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses the interest rate stated in the subscription contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the District uses its estimated incremental borrowing rate as the discount rate for the subscriptions.
- The lease term includes the noncancellable period of the subscription, the option renewal periods if government is reasonably expected to exercise, certain periods covered by options to extend or terminate to reflect how long the subscription is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as certain other payments less subscription incentives are included in the measurement of the subscription liability and asset.

The District monitors changes in circumstances that would require a remeasurement or modification of its subscription liabilities. The District will remeasure the subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. The District will also update the discount rate as part of the remeasurement if there is a change in the subscription term and that change is expected to significantly affect the amount of the subscription liability.

The District has chosen not to implement GASB 96 for the budgetary basis of accounting. For both the budgetary basis of accounting and for SBITAs that do not meet the criteria for valuation under GASB 96, the District will report outflows of cash for subscription payments.

**Capital Assets**

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

Buildings and Improvements	10 to 50 years
Machinery/Equipment/Vehicles	3 to 30 years
Right-of-use assets – lease	Depends on life of the lease
Right-of-use assets – SBITA	Depends on life of the subscription

**Pension and Retirement Plan**

Substantially all regular District employees are participants in the State of Oregon Public Employees Retirement System (OPERS). Contributions to OPERS are made on a current basis as required by the plan and are charged as expenditures/expenses as funded.

Additionally, eligible and confidential employees qualify for early retirement stipend benefits which are funded and charged to expenses/expenditures at actuarially determined amounts. Actual contributions are made on a current basis as required by the plan and are charged to the funds as expenditures.



**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Post-Employment Health Care Benefits**

The District's Other Post Employment Health Care Benefits (OPEB) includes a subsidy for group medical insurance premiums. The valuation includes both eligible active employees and retirees. With each valuation, the net OPEB obligation or asset is determined, as well as an annual OPEB cost, which the District records in the government-wide financial statements. Medical premiums are recorded as an expenditure in the Funds as premiums become due.

Additionally, certain District employees are participants in the State of Oregon Public Employees Retirement System (OPERS) – Retirement Health Insurance Account (RHIA). Contributions to OPERS RHIA are made on a current basis as required by the plan and are charged as expenses.

**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 District does not have a policy to pay any amounts when employees separate from service with the District. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two types of deferred outflows, both arise under the full accrual basis of accounting that qualifies for reporting in this category: deferred amounts related to pensions and deferred amounts related to other-postemployment benefits. These amounts are reported in the government-wide statement of net position.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition on net position that applies to a future period and so will not be recognized as an inflow of resources (of revenue) until that time. The District has various types of deferred inflows, one which arises only under the modified accrual basis of accounting (unavailable revenues), and two that are reported under the full accrual basis of accounting (deferred amounts related to pensions and deferred amounts related to other-postemployment benefits). Accordingly, unavailable revenue, is reported only in the governmental funds balance sheet, and deferred amounts related to pensions and other-postemployment benefits, are reported in the government-wide statement of net position.

**Net Position and Fund Balances**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

*Net investment in capital assets* – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Net Position and Fund Balances**

*Restricted net position* – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows or resources related to the restricted assets.

*Unrestricted net position* – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

In the fund financial statements, governmental fund equity is classified in the following categories:

*Non-Spendable* – Includes items not immediately converted to cash, such as prepaid items and inventory.

*Restricted* – Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.

*Committed* – Includes items committed by the District's Board of Directors, by formal board action.

*Assigned* – Includes items assigned for specific uses, authorized by the District's Superintendent and/or Business Manager.

*Unassigned* – This is the residual classification used for those balances not assigned to another category.

The District 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 lastly unassigned fund balance.

**Interfund Transactions**

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses.

**Budget**

A budget is prepared and legally adopted for each governmental fund type and fiduciary fund type on the modified accrual basis of accounting. The budgetary basis of accounting is different than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary and GAAP basis of accounting are that capital outlay and other long-term assets, and debt principal and other long-term liabilities, are included as budgeted expenditures in the governmental fund types. The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations.

Appropriations are established at the major function level (instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, contingency and transfers) for each fund. The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Budget (continued)**

Supplemental budgets less than 10% of a fund’s original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund’s original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers within a fund between the levels of control (major function levels) with Board approval. Appropriations lapse at the end of each fiscal year.

During the fiscal year ended June 30, 2023, the District was in compliance with Local Budget Law, except as follows:

The District exceeded its appropriation authority in the following categories:

General Fund:	
Enterprise and community services	\$ 555
Facilities Acquisition	17,300
Transfer out	101,657
	\$ 119,512
Special Revenue Fund:	
Transfer out	\$ 56,454
Debt Service Fund:	
Transfer out	\$ 70,203

**Use of Estimates**

The preparation of basic financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**Adoption of New GASB Pronouncements**

During the year ended June 30, 2023, the District implemented the following GASB Pronouncements:

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. There is no effect on the District’s financial statements as a result of this Statement.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement’s objective is to address accounting and financial reporting for arrangements in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a capital asset for a period of time in an exchange or exchange-like transaction. There is no effect on the District’s financial statements as a result of this Statement.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Adoption of New GASB Pronouncements (continued)**

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement's objective is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The implementation of this pronouncement had no effect on net position.

**Future GASB Pronouncements**

The following GASB pronouncements have been issued, but are not effective as of June 30, 2023:

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement clarifies the presentation and disclosures requirements for prior period adjustments to beginning net position. This Statement will be effective for the District for fiscal year ending June 30, 2024.

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, this Statement updates recognition and measurement guidelines for compensated absences. This Statement will be effective for the District for fiscal year ending June 30, 2025.

The District will implement new GASB pronouncements no later than the required effective date. The District is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to the District's financial statements

**Note 2 – Cash and Investments**

Cash and investments are comprised of the following as of June 30, 2023

Petty cash	\$	1,103
Carrying amount of demand deposits		2,187,027
Carrying amount of investments		7,241,936
Total cash and investments	\$	9,430,066

Cash and investments are shown on the basic financial statements as:

Statement of Net Position		
Cash and investments	\$	9,198,128
Statement of Fiduciary Net Position		
Cash and investments		231,938
Total cash and investments	\$	9,430,066

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**Note 2 – Cash and Investments (continued)**

*Deposits.* The Governmental Accounting Standards Boards has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the District at June 30, 2023. If bank deposits at year end are not entirely insured or collateralized with securities held by the District or by its agent in the District's name, the District must disclose the custodial credit risk that exists. Deposits with financial institutions are comprised of bank demand deposits. For the fiscal year ended June 30, 2023, the carrying amounts of the District's deposits in various financial institutions were \$2,187,027 and the bank balances were \$2,520,287. All deposits are held in the name of the District. Of the bank balance, \$250,000 is considered to be covered by federal depository insurance. The balance of \$2,270,287 is not covered by FDIC insurance but is considered to be collateralized by the State of Oregon shared liability structure for participating bank depositories in Oregon.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of the quarter-end public fund deposits if they are adequately capitalized, or 110% of the quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of governmental entities.

*Custodial Credit Risk.* Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk.

*Investments.* The District invests funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool. The Oregon Short-term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895).

Local Government Investment Pool (LGIP) is an external investment pool managed by the State Treasurer's office, which allow governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB statement No. 40. The LGIP is not rated.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the District's cash position. Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 194.180. These funds are held in the District's name and are not subject to collateralization requirements or ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

*Credit Risk.* State Statutes authorize the District to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, banker's acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The District has no formal investment policy that further restricts its investment choices.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 2 – Cash and Investments (continued)**

*Concentration of Credit Risk.* The District is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The District has no such investments.

*Interest Rate Risk.* The District has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

*Disclosures about Fair Value of Assets.* Fair value is 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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 - Unadjusted inputs using quoted prices in active markets for identical investments.

Level 2 - Other significant observable inputs other than level 1 prices, including, but are not limited to, quoted prices for similar investments, inputs other than quoted prices that are observable for investments (such as interest rates, prepayment speeds, credit risk, etc.) or other market corroborated inputs.

Level 3 - Significant inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

The following table discloses by level the fair value hierarchy of the District's assets at fair value as of June 30, 2023:

	Totals as of 06/30/23	Level One	Level Two	Level Three	Amortized Cost Measurement Not Measured at Fair Value
Investments Measured at Fair Value:					
Local Government Investment Pool	\$ 7,241,936	\$ -	\$ -	\$ -	\$ 7,241,936
	<u>\$ 7,241,936</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,241,936</u>

**Note 3 – Receivables**

Receivables are comprised of the following as of June 30, 2023:

	Property Taxes	Grants/Other	Total
General Fund	\$ 602,872	\$ 321,794	\$ 924,666
Special Revenue Fund	-	9,396,747	9,396,747
	<u>\$ 602,872</u>	<u>\$ 9,718,541</u>	<u>\$ 10,321,413</u>

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**Note 4 – Capital Assets**

The changes in capital assets for the year ended June 30, 2023 are as follows:

	Balance July 1, 2022	Additions	Transfers/ Deletions	Balance June 30, 2023
Capital assets not being depreciated or amortized:				
Land	\$ 1,921,184	\$ -	\$ -	\$ 1,921,184
Construction-in-Progress	795,329	2,975,058	-	3,770,387
<b>Total capital assets not being depreciated or amortized</b>	<b>2,716,513</b>	<b>2,975,058</b>	<b>-</b>	<b>5,691,571</b>
Capital assets being depreciated or amortized:				
Buildings and Improvements	66,413,425	595,996	-	67,009,421
Machinery/Equipment/Vehicles	8,705,874	376,230	(7,000)	9,075,104
Intangible assets:				
Right of use	228,032	-	-	228,032
Software	-	75,359	-	75,359
<b>Total</b>	<b>75,347,331</b>	<b>1,047,585</b>	<b>(7,000)</b>	<b>76,387,916</b>
Less accumulated depreciation or amortization for:				
Buildings and Improvements	(28,527,528)	(1,527,053)	-	(30,054,581)
Machinery/Equipment/Vehicles	(4,757,274)	(981,271)	7,000	(5,731,545)
Intangible assets:				
Right of use	(38,653)	(56,036)	-	(94,689)
Software	-	(33,096)	-	(33,096)
<b>Total</b>	<b>(33,323,455)</b>	<b>(2,597,456)</b>	<b>7,000</b>	<b>(35,913,911)</b>
<b>Total capital assets, net:</b>				
Land	1,921,184	-	-	1,921,184
Construction-in-Progress	795,329	2,975,058	-	3,770,387
Buildings and Improvements	37,885,897	(931,057)	-	36,954,840
Machinery/Equipment/Vehicles	3,948,600	(605,041)	-	3,343,559
Intangible assets:				
Right of use	189,379	(56,036)	-	133,343
Software	-	42,263	-	42,263
<b>Total</b>	<b>\$ 44,740,389</b>	<b>\$ 1,425,187</b>	<b>\$ -</b>	<b>\$ 46,165,576</b>

Depreciation and amortization expense for the fiscal year was \$2,597,456 and is allocated to the various functions.

Instruction	\$ 1,472,758
Support Services	1,028,593
Community Services	96,105
	<u>\$ 2,597,456</u>

**Right-of-Use Assets**

A lease is defined as a contract that conveys control of the right of use of another entity's nonfinancial asset as specified in a contract for a period of time in an exchange or exchange-like transaction. The District is party to a variety of lease contracts as lessee for which this right-of-use (ROU) has been recognized as an asset on the balance sheet. You can find further information on these transactions in Note 7.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 4 – Capital Assets (continued)**

**Right-of-Use Assets (continued)**

A subscription-based information technology arrangement (SBITA) is defined as a contract that conveys the right to use vendor-provided information technology and associated tangible capital assets for subscription payments without granting governments a perpetual license or title to the IT software and associated tangible capital assets. This recognition is new for the current year under GASB 96. You can find further information on these transactions in Note 7.

Lease and subscription right-of-use activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Deletions / Transfers	Balance June 30, 2023
Leased and subscriptions assets being amortized:				
Machinery/equipment/vehicles	\$ 228,032	\$ -	\$ -	\$ 228,032
Subscriptions	-	75,359	-	75,359
<b>Total leased and subscriptions assets</b>	<b>228,032</b>	<b>75,359</b>	<b>-</b>	<b>303,391</b>
Less accumulated amortization for:				
Machinery/equipment/vehicles	(38,653)	(56,036)	-	(94,689)
Subscriptions	-	(33,096)	-	(33,096)
<b>Total accumulated amortization</b>	<b>(38,653)</b>	<b>(89,132)</b>	<b>-</b>	<b>(127,785)</b>
Total leased and subscription assets, net:				
Machinery/equipment/vehicles	189,379	(56,036)	-	133,343
Subscriptions	-	42,263	-	42,263
<b>Total leased and subscription assets, net</b>	<b>\$ 189,379</b>	<b>\$ (13,773)</b>	<b>\$ -</b>	<b>\$ 175,606</b>

**Note 5 – Deferred Inflow / Unearned Revenue**

Governmental funds, under the modified accrual basis of accounting, accrue revenue for amounts unearned or unavailable. Government-wide reporting uses full accrual accounting and reports only unearned revenue. Unavailable revenue (deferred inflows) result in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Unearned revenue result in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable (deferred inflow) and unearned revenue in the governmental funds consisted of the following:

Fund Type	Property Tax Unavailable	Grants/Other Unearned	Total
General Fund	\$ 460,117	\$ -	\$ 460,117
Special Revenue Fund	-	711,956	711,956
<b>Total</b>	<b>\$ 460,117</b>	<b>\$ 711,956</b>	<b>\$ 1,172,073</b>



**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 6 – Long-Term Obligations**

**Loans Payable**

***iPad Loan Payable***

On April 22, 2021, the District entered into a 3-year loan agreement to finance the purchase of Apple iPads. The annual payment is \$566,296, which includes interest at an implied rate of 1.55%. The amount capitalized for these Apple iPads was \$1,667,809, with accumulated depreciation of \$1,11,1873, and a net book value of \$555,936 as of June 30, 2023. Interest expense in the current year was \$30,613.

The repayment schedule of principal and interest for the loan payable are as follows:

Year Ending	Principal	Interest	Total
2024	\$ 557,613	\$ 8,683	\$ 566,296
	<u>\$ 557,613</u>	<u>\$ 8,683</u>	<u>\$ 566,296</u>

The changes in loans payable for the year ended June 30, 2023 are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
iPad loan payable	\$ 1,106,754	\$ -	\$ 549,141	\$ 557,613	\$ 557,613
Total	<u>\$ 1,106,754</u>	<u>\$ -</u>	<u>\$ 549,141</u>	<u>\$ 557,613</u>	<u>\$ 557,613</u>

**Note 7 – Leases and Subscription-Based Information Technology Arrangements (SBITA)**

The District is involved in various leasing arrangements for equipment. In accordance with GASB Statement No. 87 *Leases*, newly acquired leases during the current fiscal year were analyzed and classified as either qualified or non-qualified leases, for both lessor and lessee positions, and lease receivables and payables were recognized accordingly.

The District is also involved in various subscription-based information technology arrangements (SBITAs) for information technology software and underlying subscription assets which are subscribed mainly from commercial and retail software vendors. With the implementation of GASB Statement No. 96 *Subscription-based Information Technology Arrangements*, effective the fiscal year ended June 30, 2023, all existing and newly acquired subscriptions during the current fiscal year were analyzed and classified as either qualified or non-qualified SBITAs. With this implementation, a subscription payable is recognized.

**Lessee Lease Payables**

The District has entered into several non-cancellable lease agreements for copiers and equipment. During the year ended June 30, 2023, lease principal and interest payments of \$54,632 and \$4,746 were made, respectively.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7 – Leases and Subscription-Based Information Technology Arrangements (SBITA)**

**Lessee Lease Payables (continued)**

Lease payable at June 30, 2023 consisted of the following:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Leases	\$ 191,282	\$ -	\$ 54,632	\$ 136,650	\$ 56,260
Total	<u>\$ 191,282</u>	<u>\$ -</u>	<u>\$ 54,632</u>	<u>\$ 136,650</u>	<u>\$ 56,260</u>

Future annual lease commitment as of June 30, 2023 are as follows:

Year Ending	Principal	Interest	Total
2024	\$ 56,260	\$ 3,118	\$ 59,378
2025	58,622	1,452	60,074
2026	21,768	112	21,880
	<u>\$ 136,650</u>	<u>\$ 4,682</u>	<u>\$ 141,332</u>

**Subscription Payables**

The District has entered into 3 qualified SBITA agreements as the subscriber for software. The subscription liability related to these SBITAs was initially recognized on July 1, 2022, with the adoption of GASB Statement No. 96. All 3 of the SBITAs are related to software. Of these, one had payments included in the measurement of the subscription liability with period ending in 2025. The interest rate utilized for this SBITA was 2.9%. Annual payments for the current year range from \$5,935 to \$6,110.

Subscription payables currently outstanding as of June 30, 2023 are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Subscriptions	\$ -	\$ 18,334	\$ 6,289	\$ 12,045	\$ 5,935
Total	<u>\$ -</u>	<u>\$ 18,334</u>	<u>\$ 6,289</u>	<u>\$ 12,045</u>	<u>\$ 5,935</u>

Future annual subscription commitments as of June 30, 2023 are as follows:

Year Ending June 30th	Principal	Interest	Total
2024	\$ 5,935	\$ 354	\$ 6,289
2025	6,110	180	6,290
Total	<u>\$ 12,045</u>	<u>\$ 534</u>	<u>\$ 12,579</u>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7 – Leases and Subscription-Based Information Technology Arrangements (SBITA)  
(continued)**

**Combined Lease and Subscription Liabilities**

On the face of the financial statements, lease and subscription payables are combined as a single line item.

Lease and subscription payables currently outstanding as of June 30, 2023 are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Leases	\$ 191,282	\$ -	\$ 54,632	\$ 136,650	\$ 56,260
Subscriptions	-	18,334	6,289	12,045	5,935
<b>Total</b>	<b>\$ 191,282</b>	<b>\$ 18,334</b>	<b>\$ 60,921</b>	<b>\$ 148,695</b>	<b>\$ 62,195</b>

**Note 8 – Compensated Absences**

	Balance June 30, 2022	Earned	Used	Balance June 30, 2023	Due Within One Year
Compensated absences	\$ 31,212	\$ 215,495	\$ 200,614	\$ 46,093	\$ 46,093

Compensated absences consist of up to forty hours earned but unused vacation pay.

**Note 9 – Interfund Transactions**

Interfund transfers during the fiscal year ended June 30, 2023, were as follows:

	Transfers	
	In	Out
General Fund	\$ 126,657	\$ 126,657
Special Revenue Fund	-	56,454
Debt Service Fund	-	70,203
Capital Projects Fund	126,657	-
	<b>\$ 253,314</b>	<b>\$ 253,314</b>

The District made a transfer from the General Fund of \$126,657 to the Capital Projects Fund to address some of the District's deferred building maintenance needs and capital projects. The District made a transfer from the Debt Service Fund of \$70,203 and the Special Revenue Fund of \$56,454 to the General Fund to consolidate funds and programs no longer being utilized.

The interfund payable/receivable between the General Fund and Special Revenue Fund is the result of a negative cash balance in the Special Revenue Fund.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans**

**Early Retirement Stipend Pension Plan**

**Plan Description.** The District maintains a single-employer defined benefit pension early retirement supplemental plan for eligible Confidential staff of the District (not administered through a trust). Eligible Confidential employees were hired prior to September 23, 1993 and retired between the ages of 55 and 62. Confidential retirees receive \$250 per month. For all participants, the stipend is paid to the until age 65, death, or upon written retiree request that payments cease, whichever comes first.

**Funding Policy.** The benefits from this program are fully paid by the District and, consequently, no contributions by employees are required. The District funds this benefit as it comes due and there was no amount paid by the District for the benefit for the period ended June 30, 2023. There are no assets accumulated in a trust.

**Employees Covered by Benefit Terms.** At June 30, 2023, the following employees were covered by the stipend benefit terms:

Inactive employees	-
Active plan members	2
	2
	2

**Total Stipend Pension Liability.** The District’s total stipend pension liability of \$12,172 was measured as of June 30, 2023, and was determined by an actuarial valuation date as of July 1, 2022.

**Actuarial Assumptions and Other Inputs.** The total stipend pension liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Input	Assumptions
Actuarial Cost Method	Entry age normal, level percent of salary
Interest Rate Utilized for Discounting	3.75% per year, based on all years discounted at municipal bond rate
General Inflation	2.5% per year
Salary Scale	3.5% per year
Salary Merit Scale	Total payroll increase is overall payroll growth plus merit table
Annual Premium Increase Rate	Between 4.0% and 6.0% annually
Mortality Rates	Pub-2010 employee and retiree
Turnover Rates	As developed for the valuation of benefits under Oregon PERS, depending on YOS
Disability Rates	As developed for the valuation of benefits under Oregon PERS, age dependent
Retirement Rates	As developed for the valuation of benefits under Oregon PERS
Health Care Claim Costs	The age-specific claims costs were developed based on the OEBB health plans’ overall demographics and total premiums
Aging Factors	Aging factors are used to adjust the age 64% per capita claims cost
Plan Enrollment	Current and future retirees are assumed to remain enrolled in the plans in which currently enrolled
Marital Status	70% of future retirees electing coverage are assumed to cover a spouse as well
Coverage of Eligible Children	We have assumed no impact of dependent children on the implicit subsidy
Participation	80% active employees currently enrolled in a medical plan (100%) if eligible for District paid benefits

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**Early Retirement Stipend Pension Plan (continued)**

**Changes in the Stipend Pension Liability**

Stipend Pension Liability at June 30, 2022	\$	11,615
Changes for the year:		
Service cost		208
Interest		414
Differences between expected and actual experience		221
Assumptions or other input		(286)
Benefit payments		-
Stipend Pension Liability at June 30, 2023	\$	12,172

**Deferred Outflows of Resources and Deferred Inflows of Resources.** At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 184	\$ -
Changes of assumptions or other input	-	238
Total	\$ 184	\$ 238

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

Year Ended June 30	Deferred Outflow/(Inflow) of Resources
2024	\$ (11)
2025	(11)
2026	(11)
2027	(11)
2028	(10)
Thereafter	-
Total	\$ (54)

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**Early Retirement Stipend Pension Plan (continued)**

**Sensitivity of the Total Stipend Pension Liability to Changes in the Discount Rate.** The following presents the total stipend pension liability of the District, as well as what the District’s total pension stipend liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

District's Stipend Pension Asset/(Liability)	1% Decrease (2.75%)	Current Discount (3.75%)	1% Increase (4.75%)
Single Employer Stipend	\$ (12,981)	\$ (12,172)	\$ (11,380)

**Stipend Pension Expense.** For the year ended June 30, 2023, the District recognized an increase of stipend pension expense of \$611. The \$611 was treated as an increase of payroll related expense in the Statement of Activities and allocated in Instruction, Supporting Services, and Community Services using allocation percentages of 57%, 39%, and 4% respectively.

**Changes in Assumptions.** A summary of key changes implemented since the July 1, 2020 valuation are noted at the end of the Single-Employer Defined Benefit Health Care Plan (Medical Subsidy) included in Note 11.

**OPERS Plan**

**Plan Description.** Employees are provided pensions as participants under one or more plans currently available through Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit plan administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Service Code Section 401(a).

There are currently two programs within OPERS, with eligibility determined by the date of employment. Those employed prior to August 29, 2003 are OPERS Program members, and benefits are provided based on whether a member qualifies for Tier One or Tier Two described below. Those employed on or after August 29, 2003 are Oregon Public Service Retirement Plan (OPSRP) Program members. OPSRP is a hybrid retirement plan with two components: 1) the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan), and 2) the Individual Account Program (IAP) (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan).

The 1995 Legislature enacted Chapter 654, Section 3, Oregon Laws 1995, which was codified into ORS 238.435. This legislature created a second tier of benefits for those who established membership on or after January 1, 1996. The second tier does not have the Tier One assumed earnings rate guarantee and has a higher normal retirement age of 60, compared to age 58 for Tier One.

The 2003 Legislature enacted House Bill 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists of the Pension Program and the Individual Account Program. Membership includes public employees hired on or after August 29, 2003.

Beginning January 1, 2004, OPERS active Tier One and Tier Two members became members of the Individual Account Program (IAP) of OPSRP. OPERS members retain their existing Regular or Variable (if applicable) accounts, but member contributions are now deposited into the member’s IAP account. Accounts are credited with earnings and losses net of administrative expenses. OPSRP is part of PERS and is administered by the Board. The OPERS Board is directed to adopt any rules necessary to administer OPSRP, and such rules are to be considered part of the plan for IRS purposes.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

***Tier One/Tier Two (Chapter 238)***

**Pension Benefits.** The OPERS retirement allowance is payable monthly for life. Members may select from 13 retirement benefit options that are actuarially equivalent to the base benefit. 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, 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 a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled to.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit was equal to \$210,582 as of January 1, 2022, and it is indexed with inflation every year.

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. General Service employees may retire after reaching age 55. Tier One General Service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The plans are closed to new members hired on or after August 29, 2003.

**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 receives a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- The member was employed by a OPERS employer at the time of death,
- The member died within 120 days after termination of OPERS-covered employment,
- The member died as a result of injury sustained while employed in a OPERS-covered job, or
- The member was on an official leave of absence from a OPERS-covered job at the time of death.

**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 when determining the monthly benefit.

**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 market 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.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

**OPSRP Pension Program (Chapter 238A)**

**Pension Benefits.** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. 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:

*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.

Under Senate Bill 1049, passed during 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit was equal to \$210,582 as of January 1, 2022, and is indexed with inflation every year.

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.

**Death Benefits.** Upon the death of a nonretired 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 or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years of age.

**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.

**Benefit Changes After Retirement.** Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

**Contributions.** OPERS' funding policy provides for periodic member and employer contributions at rates established by the OPERS Board, subject to limits set in statute. The rates established for member and employer contributions were approved based on the recommendation of the System's third-party actuary.

*Member Contributions* - Beginning January 1, 2004, all member contributions, except for contributions by judge members, were placed in the IAP. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary for District employees and are remitted by participating employers.

*Employer Contributions* - OPERS 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. This funding policy applies to the OPERS Defined Benefit Plan and OPEB plans.



**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

Employer contributions during the period July 1, 2021 through June 30, 2023, were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. For the period July 1, 2022 through June 30, 2023, net employer contribution rates were 26.83% for Tier 1/Tier 2 employees and 23.72% for OPSRP General Employees. Employer contributions for the year ended June 30, 2023 were \$6,735,551.

**Pension Plan Annual Comprehensive Financial Report (ACFR).** OPERS prepares their financial statements in accordance with GAAP as set forth in GASB pronouncements that apply to fiduciary funds and enterprise funds. The accrual basis of accounting is used for all funds. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefits and withdrawals are recognized when they are currently due and payable in accordance with the terms of the plans. Investments are recognized at fair value, the amount that could be received to sell an asset or paid to transfer a liability in an orderly transaction in between market participants at the measurement date.

OPERS produces an independently audited ACFR which includes the OPEB plans and can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

**Actuarial Valuation.** The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the entry age normal actuarial cost method. Under this cost method, each active member's entry age present value of projected benefits is allocated over the member's service from the member's date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

**Actuarial Methods and Assumptions Used in Developing Total Pension Liability**

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience study	2020, published July 20, 2021
Actuarial assumptions:	
Actuarial cost method	Entry age normal
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p><b><i>Healthy retirees and beneficiaries:</i></b> Pub-2010 Healthy retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b><i>Active members:</i></b> Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b><i>Disabled retirees:</i></b> Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits 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 methods and assumptions shown above are based on the 2020 Experience Study, which reviewed experience for the four-year period ending on December 31, 2020.

**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 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.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

**Assumed Asset Allocation**

Asset Class	Target Allocation
Cash	0.00%
Debt securities	20.00%
Public equity	30.00%
Private equity	20.00%
Real estate	12.50%
Real assets	7.50%
Diversifying strategies	7.50%
Risk parity	2.50%
Total	100.00%

**Long-Term Expected Rate of Return.** To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June, 2021 the OPERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. 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.

The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at the time based on the OIC long-term target asset allocation. The OIC’s description of each asset was used to map the target allocation to the asset classes shown below:

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global equity	30.62 %	5.85 %
Private equity	25.50 %	7.71 %
Core fixed income	23.75 %	2.73 %
Real estate	12.25 %	5.66 %
Master limited partnerships	0.75 %	5.71 %
Infrastructure	1.50 %	6.26 %
Commodities	0.63 %	3.10 %
Hedge fund of funds - multistrategy	1.25 %	5.11 %
Hedge fund equity - hedge	0.63 %	5.31 %
Hedge fund - macro	5.62 %	5.06 %
US cash	-2.50 %	1.76 %
Total	100.00 %	

Assumed inflation - mean 2.40 %

*Note: Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.*

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

**Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2023, the District reported a net pension liability of \$34,014,367 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022 (measurement date), the District's proportion was approximately 0.22214180 percent.

For the year ended June 30, 2023, the District recognized a reduction in pension expense of \$2,452,780. The \$2,452,780 was treated as a decrease of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services, and Community Services using allocation percentages of 57%, 39% and 4%, respectively.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,651,123	\$ 212,120
Changes of assumptions	5,337,038	48,759
Net difference between projected and actual earnings investments	-	6,081,111
Changes in proportionate share	-	1,745,363
Differences between employer contributions and employer's proportionate share of system contributions	1,254,161	2,314,869
Contributions subsequent to measurement date	6,735,551	-
Total	\$ 14,977,873	\$ 10,402,222

\$6,735,551 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a decrease to the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date) related to pensions will be recognized in pension expense or expense reduction as follows:

Year ended June 30,	Deferred Outflow/(Inflow) of Resources
2024	\$ (479,812)
2025	(1,141,917)
2026	(2,834,076)
2027	2,495,526
2028	(199,621)
Thereafter	-
Total	\$ (2,159,900)

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**OPERS Plan (continued)**

**Sensitivity for the District’s Proportionate Share of the Net Pension Liability to Changes in Discount Rate.** The following presents the District’s proportionate share of the net pension asset (liability) calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is 1-percentage point lower (5.90 percent) or 1-percentage point higher (7.90 percent) than the current rate:

District’s Net Pension Asset/(Liability)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% increase (7.90%)
Defined Benefit Pension Plan	\$ (60,321,537)	\$ (34,014,367)	\$ (11,996,480)

**Changes in Assumptions and Methods.** A summary of key changes implemented since the December 31, 2020 valuation are noted below. Additional detail and list of changes can be found in the 2020 Experience Study for the System, which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2022/Actuarial-Valuation-Results.pdf>

**Assumption Changes**

- There were no changes to actuarial assumptions since the December 31, 2020 actuarial valuation.

**Actuarial Methods**

- There were no changes to actuarial methods since the December 31, 2020 actuarial valuation.

**Plan Changes**

- There were no changes to plan provisions valued since the December 31, 2020 actuarial valuation. The provisions of Senate Bill 111 and House Bill 2906, both enacted in June 2021, were reflected in the December 31, 2020 actuarial valuation

**Defined Contribution Plan – Individual Account Program (IAP)**

**Benefit Terms.** The IAP is an individual account-based program under the OPERS tax-qualified governmental plan as defined under ORS 238A.400. 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. The accounts fall under Internal Revenue Code Section 401(a).

Upon retirement, a member of the 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. When chosen, the distribution option must result in a \$200 minimum distribution amount, or the frequency of the installments will be adjusted reach that minimum.

**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.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 10 – Pension and Retirement Plans (continued)**

**Defined Contribution Plan – Individual Account Program (IAP) (continued)**

**Member Contributions.** Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than \$2,500 per month (increased to \$3,333 per month in 2022) 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

EPSA redirect is only triggered when the member's gross pay in a month exceeds the monthly salary threshold, tied to the annual Consumer Price Index (All Urban Consumers, West Region).

During 2023, the District, as an employee benefit, paid the employee portion of the contribution. Employer contributions for the year ended June 30, 2023 were \$1,539,576, of which \$1,322,936 was deposited into the individual members' accounts.

**Note 11 – Postemployment Benefits Other Than Pensions (OPEB)**

The District has two separate other post-employment benefits (OPEB) plans. The District provides a single employer defined benefit health care plan to staff that were hired before July 1, 2003 and the District contributes to the State of Oregon's PERS cost-sharing multiple employer defined benefit plan.

**Single-Employer Defined Benefit Health Care Plan (Medical Subsidy)**

**Plan Description.** The District maintains a single-employer defined benefit OPEB plan that provides explicit and implicit post-employment healthcare benefits to eligible retirees and their spouses and dependents.

For implicit medical benefits, the District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303, which requires that all eligible retirees are allowed to continue receiving health insurance benefits, at their cost, until age 65 or they become otherwise eligible for Medicare. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. Their requirement to make available to retirees (at the retirees' own cost) access in to the healthcare plan has an implicit cost to the District.

Generally, for explicit medical benefits, the program covers licensed employees who meet Oregon PERS retirement eligibility by receiving benefits from Oregon PERS. For Tier 1 or Tier 2 members they may retire earlier of age 55, or any age with 30 years of service. OPSRP members must be age 55 or older with five years of service. Qualified spouses, domestic partners, and children may qualify for coverage. The coverage is provided until age 65, or up to ten years of payments, or until Medicare eligibility, whichever comes first. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

For fiscal year ended June 30, 2023, District contributions for Licensed retirees are limited to \$940 per month.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 11 – Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Single-Employer Defined Benefit Health Care Plan (Medical Subsidy) (continued)**

**Funding Policy.** The benefits from the single-employer defined benefit OPEB plan are paid by the District based on bargaining agreement language and contributions by employees are also required. The plan is not accounted for in a pension trust fund; therefore, designated funds are not legally restricted to pay future benefits. The benefits from the healthcare plan established in accordance with ORS 243.303 are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan. The estimated amount paid by the District for the benefit for the year ended June 30, 2023 was \$293,668.

**Employees Covered by Benefit Terms.** The explicit benefit for the single-employer defined benefit OPEB plan was ceased to all employees entering employment subsequent to June 30, 2005. As a result, the total plan members receiving the explicit benefit will decrease over time. At June 30, 2023, the following employees were covered by the explicit benefit terms:

Inactive employees or beneficiaries currently receiving benefit	21
Active plan members	497
	518

**Total OPEB Liability.** The District’s total OPEB liability of \$3,959,236 was measured as of June 30, 2023, and was determined by an actuarial valuation date as of July 1, 2022.

**Actuarial Assumptions and Other Inputs.** The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Input	Assumptions
Actuarial Cost Method	Entry age normal, level percent of salary
Interest Rate Utilized for Discounting	3.75% per year, based on all years discounted at municipal bond rate
General Inflation	2.5% per year
Salary Scale	3.5% per year
Salary Merit Scale	Total payroll increase is overall payroll growth plus merit table
Annual Premium Increase Rate	Between 4.0% and 6.0% annually
Mortality Rates	Pub-2010 employee and retiree
Turnover Rates	As developed for the valuation of benefits under Oregon PERS, depending on YOS
Disability Rates	As developed for the valuation of benefits under Oregon PERS, age dependent
Retirement Rates	As developed for the valuation of benefits under Oregon PERS
Health Care Claim Costs	The age-specific claims costs were developed based on the OEBC health plans' overall demographics and total premiums
Aging Factors	Aging factors are used to adjust the age 64% per capita claims cost
Plan Enrollment	Current and future retirees are assumed to remain enrolled in the plans in which currently enrolled
Marital Status	70% of future retirees electing coverage are assumed to cover a spouse as well
Coverage of Eligible Children	We have assumed no impact of dependent children on the implicit subsidy
Participation	80% active employees currently enrolled in a medical plan (100%) if eligible for District paid benefits

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 11 – Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Single-Employer Defined Benefit Health Care Plan (Medical Subsidy) (continued)**

**Changes in the Total OPEB Liability**

OPEB Liability at June 30, 2022	\$3,752,907
Changes for the year:	
Service cost	189,007
Interest	132,828
Differences between expected and actual experience	461,698
Assumptions or other input	(283,536)
Benefit payments	<u>(293,668)</u>
OPEB Liability at June 30, 2023	<u><u>\$3,959,236</u></u>

**OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources.** For the year ended June 30, 2023, the District recognized a reduction in OPEB expense of \$130,779 and reported the following deferred outflows of resources and deferred inflows of resources related to the single employer defined benefit health care plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 403,986	\$ 566,513
Changes of assumptions or other input	<u>167,269</u>	<u>657,705</u>
Total	<u><u>\$ 571,255</u></u>	<u><u>\$ 1,224,218</u></u>

The \$130,779 was treated as a reduction of payroll related expense in the Statement of Activities and allocated in Instruction, Supporting Services, and Community Services using allocation percentages of 57%, 39%, and 4% respectively.

Amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date)
2024	\$ (158,946)
2025	(158,946)
2026	(158,946)
2027	(72,038)
2028	(113,863)
Thereafter	9,776
Total	<u><u>\$ (652,963)</u></u>



**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 11 – Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Single-Employer Defined Benefit Health Care Plan (Medical Subsidy) (continued)**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.** The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

District's OPEB Asset/(Liability)	1% Decrease (2.75%)	Current Discount (3.75%)	1% Increase (4.75%)
Single Employer Defined Benefit Health Care Plan	\$ (4,197,045)	\$ (3,959,236)	\$ (3,733,790)

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.** The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

District's OPEB Asset/(Liability)	1% Decrease 3.00%, trending up to 5.00%, then back down to 3.50%	Current Trend Rate 4.00%, trending up to 6.00%, then back down to 4.50%	1% Increase 5.00%, trending up to 7.0%, then back down to 5.50%
Single Employer Defined Benefit Health Care Plan	\$ (3,650,966)	\$ (3,959,236)	\$ (4,315,305)

**Changes in Assumptions and Methods.** A summary of key changes implemented since the July 1, 2020 valuation as noted below:

- The discount rate, general inflation and payroll growth assumptions were all updated to better reflect current and anticipated experience.
- Premium increase rates were modified to better reflect anticipated experience and current Oregon law.
- Demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS.

**Retirement Health Insurance Account (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 post-employment 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 hired on or after August 29, 2003.

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.

**EAGLE POINT SCHOOL DISTRICT NO. 9**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**Note 11 – Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Retirement Health Insurance Account (RHIA) (continued)**

**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 a OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS. The contribution rates in effect for the fiscal year ended June 30, 2023 for the OPEB program were: Tier1/Tier 2 – 0.05%, and OPSRP general service – 0.00%. The District contributed \$5,498 for the year ended June 30, 2023.

**Pension Plan Annual Comprehensive Financial Report (AFCR).** Oregon PERS produces an independently audited AFCR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2022-Annual-Comprehensive-Financial-Report.pdf>

**Actuarial Valuation.** The actuarial valuation used for RHIA is identical to the actuarial valuation details related to the OPERS Plan disclosed in Note 10 – Pension and Retirement Plans. (excluding the healthcare cost trend rate and a retiree healthcare participation assumption of 27.5% for healthy retirees and 15% for disabled retirees has been used). The actuarial valuation details are the Actuarial Methods and Assumptions, Discount Rate, Assumed Asset Allocation, and the Investment Rate of Return.

**OPEB Liabilities/Assets, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB.** At June 30, 2023, the District reported an asset of \$581,245 for its proportionate share of the net RHIA asset. The net RHIA OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net RHIA OPEB asset was determined by an actuarial valuation as of December 31, 2020. The District's proportion of the RHIA OPEB asset was based on a projection of the District's long-term share of contributions to the RHIA OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022 (measurement date), the District's proportion was approximately 0.16357654 percent.

For the year ended June 30, 2023, the District recognized a reduction of OPEB expense of \$50,760. The \$50,760 was treated as a reduction of payroll related expense in the Statement of Activities and allocated in Instruction, Supporting Services, and Community Services using allocation percentages of 57%, 39%, and 4% respectively.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 11 – Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Retirement Health Insurance Account (RHIA) (continued)**

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred inflows of Resources
Difference between expected and actual experience	\$ -	\$ 15,751
Changes in assumptions	4,551	19,375
Net difference between projected and actual earnings on investment	-	44,327
Changes in proportionate share	89,559	27,842
Contributions subsequent to the measurement date	5,498	-
Total	<u>\$ 99,608</u>	<u>\$ 107,295</u>

\$5,498 reported as deferred outflows of resources related to RHIA OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase to the net OPEB asset in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date) related to RHIA OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Deferred Outflow/(Inflow) of Resources
2024	\$ 36,856
2025	(36,266)
2026	(27,973)
2027	14,198
2028	-
Thereafter	-
Total	<u>\$ (13,185)</u>

**Sensitivity for the District’s Proportionate Share of the Net RHIA OPEB Asset to Changes in Discount Rate.** The following presents the District’s proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net RHIA OPEB asset would be if it were calculated using a discount rate that is 1-percentage point lower (5.90 percent) or 1-percentage point higher (7.90 percent) than the current rate:

District’s Net Pension Asset/(Liability)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Retirement Health Insurance Account	\$ 523,866	\$ 581,245	\$ 630,433

The RHIA OPEB is unaffected by healthcare cost trends due to the benefit being limited to \$60 monthly payments toward Medicare companion insurance premiums.

**Changes in Assumptions.** The changes in assumptions used for RHIA are identical to the changes in assumptions related to the OPERS Plan disclosed in *Note 10 Pension and Retirement Plans*.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 12 – Tax Abatements**

As of June 30, 2023, Jackson County provides tax abatements through various programs.

For the fiscal year ended June 30, 2023, information regarding the District's property tax abatements through Jackson County are as follow:

	Abated Taxes	Percent of Code Area	Reduced Property Taxes
Solar Producer	155,912	40.69%	63,441
Enterprise Zone	42,533	33.17%	14,108
Enterprise Zone	34,594	33.17%	11,475
Total Tax Abatements			\$ 89,024

**Note 13 – Contingencies**

Amounts received or receivable from grantor agencies are subject to compliance audits by grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District, in the regular course of business, may be named as a defendant in various lawsuits. The likely outcome of these lawsuits is not presently determinable.

**Note 14 – Current Vulnerability Due to Certain Concentrations**

The District's operations are concentrated within Jackson County. In addition, substantially all the District's revenues for continuing operations are from federal, state, and local government agencies. In the normal course of operations, the District receives grant funds from various Federal and State agencies.

**Note 15 – Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Worker's compensation insurance is also provided through a commercial carrier. There has been no significant reduction in insurance coverage from the prior year and the District has not been required to pay any settlements in excess of insurance coverage during the past five fiscal years ending June 30, 2023

**Note 16 – Commitments**

The District has various active construction obligations at June 30, 2023. The total project costs of these obligations are as follows:

Project	Contract Amount	Completed to Date	Remaining Commitment
EPHS Ag Sciences Facility	\$ 2,595,557	\$ 994,214	\$ 1,601,343
Table Rock ES 6 classroom addition	2,894,164	1,270,576	1,623,588
Total	\$ 5,489,721	\$ 2,264,790	\$ 3,224,931

**EAGLE POINT SCHOOL DISTRICT NO. 9  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 17 – Related Party**

The District entered into a professional services agreement with Stone Heating and Air and Pressure Point Roofing. Both companies are owned by Matt Stone, a Board Member of Eagle Point School District. Following the District's procurement policy, Stone Heating and Air and Pressure Point Roofing were selected to perform certain services based on providing the lowest bid. Additionally, Mr. Stone is aware of the potential conflict of interest from owning companies that occasionally submit bids for School District maintenance projects and recuses himself from voting in, or participating in board discussions of, any Eagle Point School District projects that either of his companies plan to submit bids for.

Stone Heating and Air was paid \$76,131 for fiscal year ending June 30, 2023 under this service agreement. Pressure Point Roofing was paid \$68,229 for fiscal year ending June 30, 2023 under this service agreement.

**Note 18 – Subsequent Events**

Management of the District has evaluated events and transactions occurring after June 30, 2023 through the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements.



| **REQUIRED SUPPLEMENTARY  
INFORMATION**

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
<b>REVENUES</b>				
Local sources	\$ 13,259,999	\$ 13,259,999	\$ 14,115,327	\$ 855,328
Intermediate sources	900,000	900,000	1,217,621	317,621
State sources	35,931,885	35,931,885	37,322,170	1,390,285
Federal sources	-	-	48,662	48,662
<b>TOTAL REVENUES</b>	<b>50,091,884</b>	<b>50,091,884</b>	<b>52,703,780</b>	<b>2,611,896</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	34,506,458	34,506,458	32,275,388	2,231,070
Support services	19,656,257	21,156,257	20,990,134	166,123
Enterprise and community services	-	-	555	(555)
Facilities acquisition and construction	-	-	17,300	(17,300)
Contingency	2,500,000	1,000,000	-	1,000,000
<b>TOTAL EXPENDITURES</b>	<b>56,662,715</b>	<b>56,662,715</b>	<b>53,283,377</b>	<b>3,379,338</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,570,831)</b>	<b>(6,570,831)</b>	<b>(579,597)</b>	<b>5,991,234</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of asset	-	-	9,373	9,373
Transfers in	-	-	126,657	126,657
Transfers out	(25,000)	(25,000)	(126,657)	(101,657)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>9,373</b>	<b>34,373</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(6,595,831)</b>	<b>(6,595,831)</b>	<b>(570,224)</b>	<b>6,025,607</b>
<b>FUND BALANCE, JULY 1, 2022</b>	<b>9,095,831</b>	<b>9,095,831</b>	<b>7,517,808</b>	<b>(1,578,023)</b>
<b>FUND BALANCE, JUNE 30, 2023</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 6,947,584</b>	<b>\$ 4,447,584</b>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
<b>REVENUES</b>				
Local sources	\$ 1,775,000	\$ 1,775,000	\$ 755,534	\$ (1,019,466)
State sources	14,000,000	14,000,000	7,659,593	(6,340,407)
Federal sources	6,000,000	6,000,000	8,837,525	2,837,525
<b>TOTAL REVENUES</b>	<u>21,775,000</u>	<u>21,775,000</u>	<u>17,252,652</u>	<u>(4,522,348)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	6,000,000	6,000,000	5,476,242	523,758
Support services	6,000,000	6,000,000	5,367,862	632,138
Enterprise and community services	3,000,000	3,000,000	2,269,880	730,120
Debt service	600,000	600,000	566,272	33,728
Facilities acquisition and construction	7,000,000	7,000,000	2,615,371	4,384,629
Contingency	500,000	500,000	-	500,000
<b>TOTAL EXPENDITURES</b>	<u>23,100,000</u>	<u>23,100,000</u>	<u>16,295,627</u>	<u>6,804,373</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(1,325,000)</u>	<u>(1,325,000)</u>	<u>957,025</u>	<u>2,282,025</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	25,000	25,000	-	(25,000)
Transfers out	-	-	(56,454)	(56,454)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>25,000</u>	<u>25,000</u>	<u>(56,454)</u>	<u>(81,454)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>900,571</u>	<u>2,200,571</u>
<b>FUND BALANCE, JULY 1, 2022</b>	<u>1,300,000</u>	<u>1,300,000</u>	<u>2,816,934</u>	<u>1,516,934</u>
<b>FUND BALANCE, JUNE 30, 2023</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,717,505</u>	<u>\$ 3,717,505</u>



EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION  
ASSET/(LIABILITY) AND SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)  
LAST 10 FISCAL YEARS ENDING JUNE 30

**Eagle Point School District 9 Proportionate Share of Net Pension Asset / (Liability) as of the measurement date**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension asset/(liability)	0.2221418%	0.2233143%	0.2258223%	0.2392515%	0.2562540%	0.2580395%	0.2826304%	0.3146406%	0.3324839%	0.3324839%
District's proportion of the net pension asset/(liability)	\$(34,014,367)	\$(26,722,863)	\$(49,282,200)	\$(41,384,773)	\$(38,819,103)	\$(34,783,818)	\$(42,429,378)	\$(18,064,970)	\$ 7,536,461	\$(16,967,140)
District's covered-employee payroll	\$ 26,486,547	\$ 23,217,236	\$ 22,144,396	\$ 21,662,560	\$ 20,519,742	\$ 20,117,641	\$ 17,873,382	\$ 17,165,276	\$ 16,260,148	\$ 16,224,522
District's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	128.42%	115.10%	222.55%	191.04%	189.18%	172.90%	237.39%	105.24%	46.35%	104.56%
Plan fiduciary net position as a percentage of the total pension liability	84.50%	87.57%	75.79%	80.20%	82.10%	83.12%	80.52%	91.88%	103.59%	91.97%

**Eagle Point School District 9 Pension Contributions**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 6,735,551	\$ 6,157,354	\$ 6,225,422	\$ 5,635,735	\$ 4,648,283	\$ 4,306,257	\$ 3,617,164	\$ 3,517,641	\$ 3,550,062	\$ 3,330,146
Contribution in relation to the contractually required	\$(6,735,551)	\$(6,157,354)	\$(6,225,422)	\$(5,635,735)	\$(4,648,283)	\$(4,306,257)	\$(3,617,164)	\$(3,517,641)	\$(3,550,062)	\$(3,330,146)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered - employee payroll	\$ 29,468,807	\$ 26,486,547	\$ 23,217,236	\$ 22,144,396	\$ 21,662,560	\$ 20,519,742	\$ 20,117,641	\$ 17,873,382	\$ 17,165,276	\$ 16,260,148
Contributions as a percentage of covered-employee payroll	22.86%	23.25%	26.81%	25.45%	21.46%	20.99%	17.98%	19.68%	20.68%	20.48%

**Note to schedule:**

"A summary of key changes implemented since the December 31, 2020 valuation are described in Note 10 in the Notes to the Basic Financial Statements. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the system which was published in July 2021, and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>"

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB (RHIA) ASSET/(LIABILITY) AND SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS OPERS RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) LAST 10 FISCAL YEARS ENDING JUNE 30 (For Years Information is Available)

	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB RHIA asset/(liability)	0.16357654%	0.14529877%	0.32266622%	0.18265958%	0.18254002%	0.18246007%
District's proportion of the net OPEB RHIA asset/(liability)	\$ 581,245	\$ 498,957	\$ 657,465	\$ 352,964	\$ 203,764	\$ 76,148
District's covered-employee payroll	\$ 26,486,547	\$ 23,217,236	\$ 22,144,396	\$ 21,662,560	\$ 20,519,742	\$ 20,117,641
District's proportionate share of the net OPEB RHIA asset/(liability) as a percentage of its covered-employee payroll	2.19%	2.15%	2.97%	1.63%	0.99%	0.38%
Plan fiduciary net position as a percentage of the total pension liability	194.60%	183.90%	150.10%	144.40%	123.90%	108.88%

**Eagle Point School District Contributions**

	2023	2022	2021	2020	2019	2018
Contractually required contributions	\$ 5,498	\$ 4,032	\$ 3,888	\$ 23,042	\$ 90,530	\$ 88,386
Contribution in relation to the contractually required	\$ (5,498)	\$ (4,032)	\$ (3,888)	\$ (23,042)	\$ (90,530)	\$ (88,386)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered - employee payroll	\$ 29,468,807	\$ 26,486,547	\$ 23,217,236	\$ 22,144,396	\$ 21,662,560	\$ 20,519,742
Contributions as a percentage of covered-employee payroll	0.02%	0.02%	0.02%	0.10%	0.42%	0.43%

**Note to schedule:**

A summary of assumption changes implemented since the December 31, 2020 valuation are outlined briefly in Note 11 to the financial statements. A comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the system, which was published in July 2021, and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

**Other information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 75 for RHIA during fiscal 2018, as a result, only six years of information is presented.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL PENSION LIABILITY AND RELATED RATIOS  
LAST 10 FISCAL YEARS ENDING JUNE 30 (For Years Information is Available)**

	2023	2022	2021	2020	2019	2018	2017
<b>Total Pension Liability (Stipend):</b>							
Service cost	\$ 208	\$ 280	\$ 543	\$ 402	\$ 518	\$ 505	\$ 505
Interest	414	310	513	1,097	2,170	3,486	5,131
Differences between expected and actual experience	221	-	(5,126)	-	(2,622)	-	-
Changes of assumptions of other inputs	(286)	(1,119)	807	1,021	(3,041)	-	-
Benefit payments	-	(2,729)	(8,250)	(14,164)	(32,692)	(45,978)	(53,070)
<b>Net change in total pension liability (stipend)</b>	<b>557</b>	<b>(3,258)</b>	<b>(11,513)</b>	<b>(11,644)</b>	<b>(35,667)</b>	<b>(41,987)</b>	<b>(47,434)</b>
Total Pension Liability (Stipend) - beginning	\$ 11,615	\$ 14,873	\$ 26,386	\$ 38,030	\$ 73,697	\$ 115,684	\$ 163,118
Total Pension liability (Stipend) - ending	\$ 12,172	\$ 11,615	\$ 14,873	\$ 26,386	\$ 38,030	\$ 73,697	\$ 115,684
Estimated Covered - employee payroll	\$ 105,267	\$ 131,429	\$ 127,601	\$ 117,307	\$ 114,666	\$ 168,679	\$ 164,565
Total pension liability (Stipend) as a percentage of estimated covered - employee payroll	11.56%	8.84%	11.66%	22.49%	33.17%	43.69%	70.30%

**Notes to Schedule:**

**Significant methods and assumptions used in calculating the actuarially determined contributions:**

Significant methods and assumptions used in calculating the actuarially determined contributions are described in Note 10 to the financial statements. No assets are accumulated in a trust to pay related benefits.

**Changes in benefit terms:**

None noted.

**Other information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 73 during fiscal 2017, as a result, only seven years of information are presented.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST 10 FISCAL YEARS ENDING JUNE 30 (For Years Information is Available)**

	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability:</b>							
Service cost	\$ 189,007	\$ 225,064	\$ 270,204	\$ 213,119	\$ 198,715	\$ 193,868	\$ 193,868
Interest	132,828	92,223	110,075	199,017	190,742	188,741	191,985
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	461,698	-	(518,060)	-	(647,260)	-	-
Changes of assumptions of other inputs	(283,536)	(278,121)	(292,835)	334,537	(47,997)	-	-
Benefit payments	(293,668)	(320,031)	(315,247)	(353,044)	(391,851)	(470,222)	(474,481)
<b>Net change in total OPEB liability</b>	<b>206,329</b>	<b>(280,865)</b>	<b>(745,863)</b>	<b>393,629</b>	<b>(697,651)</b>	<b>(87,613)</b>	<b>(88,628)</b>
Total OPEB liability - beginning	\$ 3,752,907	\$ 4,033,772	\$ 4,779,635	\$ 4,386,006	\$ 5,083,657	\$ 5,171,270	\$ 5,259,898
Total OPEB liability - ending	\$ 3,959,236	\$ 3,752,907	\$ 4,033,772	\$ 4,779,635	\$ 4,386,006	\$ 5,083,657	\$ 5,171,270
Estimated Covered - employee payroll	\$ 28,553,672	\$ 26,049,490	\$ 25,290,767	\$ 22,963,222	\$ 22,186,688	\$ 19,335,804	\$ 18,864,199
Total OPEB liability as a percentage of estimated covered - employee payroll	13.87%	14.41%	15.95%	20.81%	19.77%	26.29%	27.41%

**Notes to Schedule:**

**Significant methods and assumptions used in calculating the actuarially determined contributions:**

Significant methods and assumptions used in calculating the actuarially determined contributions are described in Note 11 to the financial statements. No assets are accumulated in a trust to pay related benefits.

**Changes in benefit terms:**

None noted.

**Other information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 75 during fiscal 2017, as a result, only seven years of information are presented.



## | SUPPLEMENTARY INFORMATION

EAGLE POINT SCHOOL DISTRICT NO. 9  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 DEBT SERVICE FUND  
 YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
<b>REVENUES</b>				
Local sources	\$ -	\$ -	\$ 4,525	\$ 4,525
<b>TOTAL REVENUES</b>	-	-	4,525	4,525
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	4,525	4,525
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(70,203)	(70,203)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	-	(70,203)	(70,203)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(65,678)	(65,678)
<b>FUND BALANCE, JULY 1, 2022</b>	-	-	65,678	65,678
<b>FUND BALANCE, JUNE 30, 2023</b>	\$ -	\$ -	\$ -	\$ -

EAGLE POINT SCHOOL DISTRICT NO. 9  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 CAPITAL PROJECTS FUND  
 YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
<b>EXPENDITURES</b>				
Facilities acquisition and construction	\$ 2,000,000	\$ 2,000,000	\$ 263,490	\$ 1,736,510
<b>TOTAL EXPENDITURES</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>263,490</u>	<u>1,736,510</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(263,490)</u>	<u>1,736,510</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	126,657	126,657
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>126,657</u>	<u>126,657</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(136,833)</u>	<u>1,863,167</u>
<b>FUND BALANCE, JULY 1, 2022</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,400,000</u>	<u>400,000</u>
<b>FUND BALANCE, JUNE 30, 2023</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,263,167</u>	<u>\$ 2,263,167</u>

EAGLE POINT SCHOOL DISTRICT NO. 9  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FIDUCIARY FUND  
 YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
<b>REVENUES</b>				
Local sources	\$ 200,000	\$ 200,000	\$ 178,582	\$ (21,418)
<b>TOTAL REVENUES</b>	<u>200,000</u>	<u>200,000</u>	<u>178,582</u>	<u>(21,418)</u>
<b>EXPENDITURES</b>				
Current:				
Enterprise and community services	300,000	300,000	157,789	142,211
<b>TOTAL EXPENDITURES</b>	<u>300,000</u>	<u>300,000</u>	<u>157,789</u>	<u>142,211</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(100,000)</u>	<u>(100,000)</u>	<u>20,793</u>	<u>120,793</u>
<b>FUND BALANCE, JULY 1, 2022</b>	<u>100,000</u>	<u>100,000</u>	<u>211,145</u>	<u>111,145</u>
<b>FUND BALANCE, JUNE 30, 2023</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231,938</u>	<u>\$ 231,938</u>





**| SCHOOL DISTRICT FINANCIAL  
ACCOUNTING SUMMARIES**

**2022-2023 DISTRICT AUDIT REVENUE SUMMARY  
EAGLE POINT SCHOOL DISTRICT 9**

<b>Revenue from Local Sources</b>	<b>Totals</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
1110 Ad Valorem Taxes Levied by District	12,632,434	12,632,434	-	-	-	-	-	-
1120 Local Option Ad Valorem Taxes Levied by District	-	-	-	-	-	-	-	-
1130 Construction Excise Tax	-	-	-	-	-	-	-	-
1190 Penalties and Interest on Taxes	4,458	4,458	-	-	-	-	-	-
1200 Revenue from Local Governmental Units Other Than Districts	-	-	-	-	-	-	-	-
1311 Regular Day School Tuition - From Individuals	-	-	-	-	-	-	-	-
1312 Regular Day School Tuition - Other Dist Within State	-	-	-	-	-	-	-	-
1313 Regular Day School Tuition - Other Districts Outside	-	-	-	-	-	-	-	-
1320 Adult/Continuing Education Tuition	-	-	-	-	-	-	-	-
1330 Summer School Tuition	-	-	-	-	-	-	-	-
1411 Transportation Fees - From Individuals	652	652	-	-	-	-	-	-
1412 Transportation Fees - Other Dist Within State	33,125	33,125	-	-	-	-	-	-
1413 Transportation Fees - Other Districts Outside	-	-	-	-	-	-	-	-
1420 Summer School Transportation Fees	-	-	-	-	-	-	-	-
1500 Earnings on Investments	-	-	-	-	-	-	-	-
1510 Interest Investments	415,213	409,371	1,317	4,525	-	-	-	-
1600 Food Service	-	-	-	-	-	-	-	-
1610 Daily Sales - Reimbursable Programs	9,488	-	9,488	-	-	-	-	-
1630 Special Functions	-	-	-	-	-	-	-	-
1700 Extracurricular Activities	629,904	629,904	-	-	-	-	-	-
1800 Community Services Activities	-	-	-	-	-	-	-	-
1910 Rentals	18,928	18,928	-	-	-	-	-	-
1920 Contributions and Donations From Private Sources	272,487	3,802	90,103	-	-	-	-	178,582
1930 Rental or Lease Payments From Private Contractors	-	-	-	-	-	-	-	-
1940 Services Provided Other Local Education Agencies	1,585	1,585	-	-	-	-	-	-
1950 Textbook Sales and Rentals	-	-	-	-	-	-	-	-
1960 Recovery of Prior Years' Expenditure	-	-	-	-	-	-	-	-
1970 Services Provided Other Funds	-	-	-	-	-	-	-	-
1980 Fees Charged to Grants	284,468	284,468	-	-	-	-	-	-
1990 Miscellaneous	751,226	96,600	654,626	-	-	-	-	-
<b>Total Revenue from Local Sources</b>	<b>15,053,968</b>	<b>14,115,327</b>	<b>755,534</b>	<b>4,525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>178,582</b>
<b>Revenue from Intermediate Sources</b>	<b>Total</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
2101 County School Funds	-	-	-	-	-	-	-	-
2102 General ESD Revenue	400,681	400,681	-	-	-	-	-	-
2103 Excess ESD Local Revenue	-	-	-	-	-	-	-	-
2105 Natural Gas, Oil, and Mineral Receipts	-	-	-	-	-	-	-	-
2110 Intermediate "I" Tax	-	-	-	-	-	-	-	-
2199 Other Intermediate Sources	816,940	816,940	-	-	-	-	-	-
2200 Restricted Revenue	-	-	-	-	-	-	-	-
2800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
2900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from Intermediate Sources</b>	<b>1,217,621</b>	<b>1,217,621</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue from State Sources</b>	<b>Total</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
3101 State School Fund - General Support	36,651,002	36,651,002	-	-	-	-	-	-
3102 State School Fund - School Lunch Match	18,742	-	18,742	-	-	-	-	-
3103 Common School Fund	550,982	550,982	-	-	-	-	-	-
3104 State Managed County Timber	-	-	-	-	-	-	-	-
3106 State School Fund - Accrual	-	-	-	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	-	-	-	-	-	-	-	-
3204 Driver Education	-	-	-	-	-	-	-	-
3222 State School Fund (SSF) Transportation Equipment	-	-	-	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	7,761,037	120,186	7,640,851	-	-	-	-	-
3800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
3900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from State Sources</b>	<b>44,981,763</b>	<b>37,322,170</b>	<b>7,659,593</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue from Federal Sources</b>	<b>Total</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
4100 Unrestricted Revenue Direct From the Federal Government	-	-	-	-	-	-	-	-
4200 Unrestricted Revenue From the Federal Government Through the State	-	-	-	-	-	-	-	-
4201 Transportation Fees for Foster Children	-	-	-	-	-	-	-	-
4202 Medicaid Reimbursement for Eligible K-12 Expenses (Ages 5-21)	-	-	-	-	-	-	-	-
4300 Restricted Revenue From the Federal Government	-	-	-	-	-	-	-	-
4500 Restricted Revenue From the Federal Government Through the State	8,661,354	-	8,661,354	-	-	-	-	-
4501 Medicaid Reimbursement for Eligible Early Intervention (EI) Services (Ages Birth to 3)	-	-	-	-	-	-	-	-
4502 Medicaid Reimbursement for Eligible Early Childhood Special Education (ECSE) Services (Ages 3-5)	-	-	-	-	-	-	-	-
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	-	-	-	-	-	-	-	-
4801 Federal Forest Fees	48,662	48,662	-	-	-	-	-	-
4802 Impact Aid to School Districts for Operation (PL 874)	-	-	-	-	-	-	-	-
4803 Coos Bay Wagon Road Funds	-	-	-	-	-	-	-	-
4899 Other Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
4900 Revenue for/on Behalf of the District	176,171	-	176,171	-	-	-	-	-
<b>Total Revenue from Federal Sources</b>	<b>8,886,187</b>	<b>48,662</b>	<b>8,837,525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue from Other Sources</b>	<b>Total</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
5100 Long Term Debt Financing Sources	-	-	-	-	-	-	-	-
5200 Interfund Transfers	253,314	126,657	-	-	126,657	-	-	-
5300 Sale of or Compensation for Loss of Fixed Assets	9,373	9,373	-	-	-	-	-	-
5400 Resources - Beginning Fund Balance	13,011,565	7,517,808	2,816,934	65,678	2,400,000	-	-	211,145
<b>Total Revenue from Other Sources</b>	<b>13,274,252</b>	<b>7,653,838</b>	<b>2,816,934</b>	<b>65,678</b>	<b>2,526,657</b>	<b>-</b>	<b>-</b>	<b>211,145</b>
<b>Grand Total</b>	<b>83,413,791</b>	<b>60,357,618</b>	<b>20,069,586</b>	<b>70,203</b>	<b>2,526,657</b>	<b>-</b>	<b>-</b>	<b>389,727</b>

**2022-2023 DISTRICT AUDIT EXPENDITURE SUMMARY  
EAGLE POINT SCHOOL DISTRICT 9**

**Fund: 100 General Fund**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1100	Regular Programs	(20)	-	-	(20)	-	-	-	-
1111	Elementary, K-5 or K-6	10,091,832	5,444,413	3,442,296	321,713	883,410	-	-	-
1112	Prior Year's Taxes	93	-	-	93	-	-	-	-
1113	Elementary Extracurricular	14,328	3,003	1,130	6,681	3,514	-	-	-
1121	Middle/Junior High Programs	4,080,700	2,414,238	1,236,230	119,495	310,737	-	-	-
1122	Middle/Junior High School Extracurricular	170,097	103,369	29,596	20,984	16,128	-	20	-
1131	High School Programs	5,371,806	3,109,840	1,675,935	162,631	423,255	-	145	-
1132	High School Extracurricular	1,192,681	458,828	137,041	261,375	327,512	-	7,925	-
1140	Pre-Kindergarten Programs	175,659	105,029	60,939	9,203	488	-	-	-
1210	Programs for the Talented and Gifted	10,047	-	-	6,007	4,040	-	-	-
1220	Restrictive Programs for Students with Disabilities	975,214	547,667	350,527	56,171	20,849	-	-	-
1226	Home Instruction	-	-	-	-	-	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	4,244,507	2,399,632	1,488,080	338,169	18,626	-	-	-
1260	Treatment and Habilitation	62,160	-	-	62,160	-	-	-	-
1271	Remediation	-	-	-	-	-	-	-	-
1272	Title I	-	-	-	-	-	-	-	-
1280	Alternative Education	426,593	215,107	85,985	102,166	23,085	-	250	-
1288	Charter Schools	4,318,526	-	-	4,318,526	-	-	-	-
1291	English Second Language Programs	1,133,223	656,271	376,811	22,648	77,493	-	-	-
1292	Teen Parent Program	-	-	-	-	-	-	-	-
1293	Migrant Education	-	-	-	-	-	-	-	-
1294	Youth Corrections Education	-	-	-	-	-	-	-	-
1299	Other Programs	-	-	-	-	-	-	-	-
1300	Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400	Summer School Programs	7,942	344	131	198	7,269	-	-	-
<b>Total Instruction Expenditures</b>		<b>32,275,388</b>	<b>15,457,741</b>	<b>8,884,701</b>	<b>5,808,200</b>	<b>2,116,406</b>	<b>-</b>	<b>8,340</b>	<b>-</b>
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	1,236,900	641,335	416,335	139,369	39,861	-	-	-
2120	Guidance Services	331,302	203,867	118,908	1,293	7,234	-	-	-
2130	Health Services	107,863	-	-	106,360	1,503	-	-	-
2140	Psychological Services	302,395	160,993	86,786	53,189	1,427	-	-	-
2150	Speech Pathology and Audiology Services	129,693	26,734	15,241	82,559	4,803	-	356	-
2160	Other Student Treatment Services	208,423	-	-	206,803	1,620	-	-	-
2190	Service Direction, Student Support Services	329,602	207,234	121,436	189	98	-	645	-
2210	Improvement of Instruction Services	535,004	340,163	173,113	6,887	14,841	-	-	-
2220	Educational Media Services	563,650	310,682	216,341	7,198	29,429	-	-	-
2230	Assessment & Testing	75,530	-	-	-	75,530	-	-	-
2240	Instructional Staff Development	395,506	196,168	95,319	90,372	12,145	-	1,502	-
2310	Board of Education Services	107,727	-	-	90,677	2,377	-	14,673	-
2320	Executive Administration Services	404,610	242,552	153,114	3,357	2,462	-	3,125	-
2410	Office of the Principal Services	4,092,729	2,541,940	1,442,236	21,205	83,338	-	4,010	-
2490	Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510	Direction of Business Support Services	-	-	-	-	-	-	-	-
2520	Fiscal Services	697,762	397,139	240,570	13,230	32,893	-	13,930	-
2540	Operation and Maintenance of Plant Services	3,510	-	-	-	3,510	-	-	-
2542	Care & Upkeep of Building Services	4,243,870	576,328	349,937	1,704,140	489,282	681,400	442,783	-
2543	Care & Upkeep of Grounds Services	187,236	-	-	111,651	70,397	5,188	-	-
2545	Vehicle Purc./ Maint. Not Bus	51,255	-	-	7,919	43,336	-	-	-
2546	Security Services	72,702	-	-	72,102	600	-	-	-
2549	Other Operations & Maint of Plant Services	1,772,306	1,116,539	604,303	49,568	1,896	-	-	-
2550	Student Transportation Services	2,645,120	1,171,531	632,189	140,168	343,244	269,851	88,137	-
2570	Internal Services	-	-	-	-	-	-	-	-
2610	Direction of Central Support Services	-	-	-	-	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se	-	-	-	-	-	-	-	-
2630	Information Services	180,501	78,240	48,145	48,825	5,291	-	-	-
2640	Staff Services	634,973	279,310	153,067	99,351	99,878	-	3,367	-
2660	Technology Services	1,479,573	485,038	282,685	350,812	358,937	-	2,101	-
2670	Records Management Services	-	-	-	-	-	-	-	-
2680	Interpretation and Translation Services	-	-	-	-	-	-	-	-
2690	Other Support Services - Central	-	-	-	-	-	-	-	-
2700	Supplemental Retirement Program	200,392	-	200,392	-	-	-	-	-
<b>Total Support Services Expenditures</b>		<b>20,990,134</b>	<b>8,975,793</b>	<b>5,350,117</b>	<b>3,407,224</b>	<b>1,725,932</b>	<b>956,439</b>	<b>574,629</b>	<b>-</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	-	-	-	-	-	-	-	-
3200	Other Enterprise Services	-	-	-	-	-	-	-	-
3300	Community Services	555	-	-	-	555	-	-	-
3500	Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>		<b>555</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>555</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	-	-	-	-	-	-	-	-
4120	Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150	Building Acquisition, Construction, and Improvement Services	17,300	-	-	14,305	-	152	2,843	-
4180	Other Capital Items	-	-	-	-	-	-	-	-
4190	Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>		<b>17,300</b>	<b>-</b>	<b>-</b>	<b>14,305</b>	<b>-</b>	<b>152</b>	<b>2,843</b>	<b>-</b>
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	-	-	-	-	-	-	-	-
5200	Transfers of Funds	126,657	-	-	-	-	-	-	126,657
5300	Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400	PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>		<b>126,657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,657</b>
<b>Grand Total</b>		<b>53,410,034</b>	<b>24,433,534</b>	<b>14,234,818</b>	<b>9,229,729</b>	<b>3,842,893</b>	<b>956,591</b>	<b>585,812</b>	<b>126,657</b>

**2022-2023 DISTRICT AUDIT EXPENDITURE SUMMARY  
EAGLE POINT SCHOOL DISTRICT 9**

**Fund: 200 Special Revenue Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1100	Regular Programs	-	-	-	-	-	-	-	-
1111	Elementary, K-5 or K-6	2,377,091	1,414,159	660,897	146,079	155,956	-	-	-
1113	Elementary Extracurricular	-	-	-	-	-	-	-	-
1121	Middle/Junior High Programs	462,584	256,691	126,513	3,939	75,441	-	-	-
1122	Middle/Junior High School Extracurricular	-	-	-	-	-	-	-	-
1131	High School Programs	549,351	138,827	76,023	-	334,501	-	-	-
1132	High School Extracurricular	-	-	-	-	-	-	-	-
1140	Pre-Kindergarten Programs	208,480	120,598	78,931	3,236	5,715	-	-	-
1210	Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220	Restrictive Programs for Students with Disabilities	46,753	25,069	21,084	-	600	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	159,677	51,344	47,861	2,624	52,859	2,298	2,691	-
1260	Treatment and Habilitation	-	-	-	-	-	-	-	-
1271	Remediation	-	-	-	-	-	-	-	-
1272	Title I	353,364	207,620	114,933	8,047	22,764	-	-	-
1280	Alternative Education	5,719	4,175	1,544	-	-	-	-	-
1288	Charter Schools	473,419	-	-	473,419	-	-	-	-
1291	English Second Language Programs	3,371	1,179	444	-	1,748	-	-	-
1292	Teen Parent Program	-	-	-	-	-	-	-	-
1293	Migrant Education	562	111	42	96	313	-	-	-
1294	Youth Corrections Education	-	-	-	-	-	-	-	-
1299	Other Programs	-	-	-	-	-	-	-	-
1300	Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400	Summer School Programs	835,871	486,791	181,443	32,670	104,914	-	30,053	-
<b>Total Instruction Expenditures</b>		<b>5,476,242</b>	<b>2,706,564</b>	<b>1,309,715</b>	<b>670,110</b>	<b>754,811</b>	<b>2,298</b>	<b>32,744</b>	<b>-</b>
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	950,675	512,072	275,965	56,093	51,545	-	55,000	-
2120	Guidance Services	437,677	273,100	140,449	19,904	4,224	-	-	-
2130	Health Services	24,090	578	216	23,296	-	-	-	-
2140	Psychological Services	-	-	-	-	-	-	-	-
2150	Speech Pathology and Audiology Services	709,747	449,522	260,225	-	-	-	-	-
2160	Other Student Treatment Services	-	-	-	-	-	-	-	-
2190	Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210	Improvement of Instruction Services	450,521	184,936	84,518	2,558	15,899	-	162,610	-
2220	Educational Media Services	-	-	-	-	-	-	-	-
2230	Assessment & Testing	-	-	-	-	-	-	-	-
2240	Instructional Staff Development	1,592,981	817,424	432,842	332,923	9,792	-	-	-
2310	Board of Education Services	-	-	-	-	-	-	-	-
2320	Executive Administration Services	-	-	-	-	-	-	-	-
2410	Office of the Principal Services	9,241	-	-	79	9,162	-	-	-
2490	Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510	Direction of Business Support Services	-	-	-	-	-	-	-	-
2520	Fiscal Services	35,153	-	-	-	-	-	35,153	-
2540	Operation and Maintenance of Plant Services	-	-	-	-	-	-	-	-
2542	Care & Upkeep of Building Services	547,554	-	-	21,359	-	526,195	-	-
2546	Non-Consumable Supplies	87,206	-	-	-	87,206	-	-	-
2549	Other Operation & Maintenance	58,282	41,723	16,559	-	-	-	-	-
2550	Student Transportation Services	85,492	61,374	24,118	-	-	-	-	-
2570	Internal Services	-	-	-	-	-	-	-	-
2610	Direction of Central Support Services	-	-	-	-	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-	-
2630	Information Services	140,194	-	-	-	-	140,194	-	-
2640	Staff Services	74,756	-	-	8,933	65,823	-	-	-
2660	Technology Services	164,293	-	-	27,801	136,492	-	-	-
<b>Total Support Services Expenditures</b>		<b>5,367,862</b>	<b>2,340,729</b>	<b>1,234,892</b>	<b>492,946</b>	<b>380,143</b>	<b>666,389</b>	<b>252,763</b>	<b>-</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	2,259,217	-	-	49,599	2,202,830	6,969	(181)	-
3200	Other Enterprise Services	-	-	-	-	-	-	-	-
3300	Community Services	10,663	122	49	-	10,492	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>		<b>2,269,880</b>	<b>122</b>	<b>49</b>	<b>49,599</b>	<b>2,213,322</b>	<b>6,969</b>	<b>(181)</b>	<b>-</b>
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	-	-	-	-	-	-	-	-
4120	Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150	Building Acquisition, Construction, and Improvement Services	2,615,371	-	-	238,561	-	2,243,909	132,900	-
4180	Other Capital Items	-	-	-	-	-	-	-	-
4190	Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>		<b>2,615,371</b>	<b>-</b>	<b>-</b>	<b>238,561</b>	<b>-</b>	<b>2,243,909</b>	<b>132,900</b>	<b>-</b>
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	566,272	-	-	-	-	-	566,272	-
5200	Transfers of Funds	56,454	-	-	-	-	-	-	56,454
5300	Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400	PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>		<b>622,726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>566,272</b>	<b>56,454</b>
<b>Grand Total</b>		<b>16,352,081</b>	<b>5,047,415</b>	<b>2,544,656</b>	<b>1,451,216</b>	<b>3,348,276</b>	<b>2,919,565</b>	<b>984,498</b>	<b>56,454</b>

**2022-2023 DISTRICT AUDIT EXPENDITURE SUMMARY  
EAGLE POINT SCHOOL DISTRICT 9**

**Fund: 300 Debt Service Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	-	-	-	-	-	-	-	-
1113	Elementary Extracurricular	-	-	-	-	-	-	-	-
1121	Middle/Junior High Programs	-	-	-	-	-	-	-	-
1122	Middle/Junior High School Extracurricular	-	-	-	-	-	-	-	-
1131	High School Programs	-	-	-	-	-	-	-	-
1132	High School Extracurricular	-	-	-	-	-	-	-	-
1140	Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210	Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220	Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1260	Treatment and Habilitation	-	-	-	-	-	-	-	-
1271	Remediation	-	-	-	-	-	-	-	-
1272	Title I	-	-	-	-	-	-	-	-
1280	Alternative Education	-	-	-	-	-	-	-	-
1291	English Second Language Programs	-	-	-	-	-	-	-	-
1292	Teen Parent Program	-	-	-	-	-	-	-	-
1293	Migrant Education	-	-	-	-	-	-	-	-
1294	Youth Corrections Education	-	-	-	-	-	-	-	-
1299	Other Programs	-	-	-	-	-	-	-	-
1300	Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400	Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>		-	-	-	-	-	-	-	-
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	-	-	-	-	-	-	-	-
2120	Guidance Services	-	-	-	-	-	-	-	-
2130	Health Services	-	-	-	-	-	-	-	-
2140	Psychological Services	-	-	-	-	-	-	-	-
2150	Speech Pathology and Audiology Services	-	-	-	-	-	-	-	-
2160	Other Student Treatment Services	-	-	-	-	-	-	-	-
2190	Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210	Improvement of Instruction Services	-	-	-	-	-	-	-	-
2220	Educational Media Services	-	-	-	-	-	-	-	-
2230	Assessment & Testing	-	-	-	-	-	-	-	-
2240	Instructional Staff Development	-	-	-	-	-	-	-	-
2310	Board of Education Services	-	-	-	-	-	-	-	-
2320	Executive Administration Services	-	-	-	-	-	-	-	-
2410	Office of the Principal Services	-	-	-	-	-	-	-	-
2490	Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510	Direction of Business Support Services	-	-	-	-	-	-	-	-
2520	Fiscal Services	-	-	-	-	-	-	-	-
2540	Operation and Maintenance of Plant Services	-	-	-	-	-	-	-	-
2550	Student Transportation Services	-	-	-	-	-	-	-	-
2570	Internal Services	-	-	-	-	-	-	-	-
2610	Direction of Central Support Services	-	-	-	-	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Ser	-	-	-	-	-	-	-	-
2630	Information Services	-	-	-	-	-	-	-	-
2640	Staff Services	-	-	-	-	-	-	-	-
2660	Technology Services	-	-	-	-	-	-	-	-
2670	Records Management Services	-	-	-	-	-	-	-	-
2680	Interpretation and Translation Services	-	-	-	-	-	-	-	-
2690	Other Support Services - Central	-	-	-	-	-	-	-	-
2700	Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>		-	-	-	-	-	-	-	-
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	-	-	-	-	-	-	-	-
3200	Other Enterprise Services	-	-	-	-	-	-	-	-
3300	Community Services	-	-	-	-	-	-	-	-
3500	Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>		-	-	-	-	-	-	-	-
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	-	-	-	-	-	-	-	-
4120	Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150	Building Acquisition, Construction, and Improvement Services	-	-	-	-	-	-	-	-
4180	Other Capital Items	-	-	-	-	-	-	-	-
4190	Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>		-	-	-	-	-	-	-	-
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	-	-	-	-	-	-	-	-
5200	Transfers of Funds	70,203	-	-	70,203	-	-	-	-
5300	Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400	PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>		70,203	-	-	70,203	-	-	-	-
<b>Grand Total</b>		70,203	-	-	70,203	-	-	-	-

**2022-2023 DISTRICT AUDIT EXPENDITURE SUMMARY  
EAGLE POINT SCHOOL DISTRICT 9**

**Fund: 400 Capital Projects Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	-	-	-	-	-	-	-	-
1113	Elementary Extracurricular	-	-	-	-	-	-	-	-
1121	Middle/Junior High Programs	-	-	-	-	-	-	-	-
1122	Middle/Junior High School Extracurricular	-	-	-	-	-	-	-	-
1131	High School Programs	-	-	-	-	-	-	-	-
1132	High School Extracurricular	-	-	-	-	-	-	-	-
1140	Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210	Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220	Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1260	Treatment and Habilitation	-	-	-	-	-	-	-	-
1271	Remediation	-	-	-	-	-	-	-	-
1272	Title I	-	-	-	-	-	-	-	-
1280	Alternative Education	-	-	-	-	-	-	-	-
1291	English Second Language Programs	-	-	-	-	-	-	-	-
1292	Teen Parent Program	-	-	-	-	-	-	-	-
1293	Migrant Education	-	-	-	-	-	-	-	-
1294	Youth Corrections Education	-	-	-	-	-	-	-	-
1299	Other Programs	-	-	-	-	-	-	-	-
1300	Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400	Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>		-	-	-	-	-	-	-	-
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	-	-	-	-	-	-	-	-
2120	Guidance Services	-	-	-	-	-	-	-	-
2130	Health Services	-	-	-	-	-	-	-	-
2140	Psychological Services	-	-	-	-	-	-	-	-
2150	Speech Pathology and Audiology Services	-	-	-	-	-	-	-	-
2160	Other Student Treatment Services	-	-	-	-	-	-	-	-
2190	Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210	Improvement of Instruction Services	-	-	-	-	-	-	-	-
2220	Educational Media Services	-	-	-	-	-	-	-	-
2230	Assessment & Testing	-	-	-	-	-	-	-	-
2240	Instructional Staff Development	-	-	-	-	-	-	-	-
2310	Board of Education Services	-	-	-	-	-	-	-	-
2320	Executive Administration Services	-	-	-	-	-	-	-	-
2410	Office of the Principal Services	-	-	-	-	-	-	-	-
2490	Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510	Direction of Business Support Services	-	-	-	-	-	-	-	-
2520	Fiscal Services	-	-	-	-	-	-	-	-
2540	Operation and Maintenance of Plant Services	-	-	-	-	-	-	-	-
2550	Student Transportation Services	-	-	-	-	-	-	-	-
2570	Internal Services	-	-	-	-	-	-	-	-
2610	Direction of Central Support Services	-	-	-	-	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Ser	-	-	-	-	-	-	-	-
2630	Information Services	-	-	-	-	-	-	-	-
2640	Staff Services	-	-	-	-	-	-	-	-
2660	Technology Services	-	-	-	-	-	-	-	-
2670	Records Management Services	-	-	-	-	-	-	-	-
2680	Interpretation and Translation Services	-	-	-	-	-	-	-	-
2690	Other Support Services - Central	-	-	-	-	-	-	-	-
2700	Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>		-	-	-	-	-	-	-	-
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	-	-	-	-	-	-	-	-
3200	Other Enterprise Services	-	-	-	-	-	-	-	-
3300	Community Services	-	-	-	-	-	-	-	-
3500	Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>		-	-	-	-	-	-	-	-
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	-	-	-	-	-	-	-	-
4120	Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150	Building Acquisition, Construction, and Improvement Services	263,490	-	-	263,490	-	-	-	-
4180	Other Capital Items	-	-	-	-	-	-	-	-
4190	Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>		263,490	-	-	263,490	-	-	-	-
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	-	-	-	-	-	-	-	-
5200	Transfers of Funds	-	-	-	-	-	-	-	-
5300	Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400	PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>		-	-	-	-	-	-	-	-
<b>Grand Total</b>		263,490	-	-	263,490	-	-	-	-

**2022-2023 DISTRICT AUDIT EXPENDITURE SUMMARY  
EAGLE POINT SCHOOL DISTRICT 9**

**Fund: 700 Trust and Agency Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	-	-	-	-	-	-	-	-
1113	Elementary Extracurricular	-	-	-	-	-	-	-	-
1121	Middle/Junior High Programs	-	-	-	-	-	-	-	-
1122	Middle/Junior High School Extracurricular	-	-	-	-	-	-	-	-
1131	High School Programs	-	-	-	-	-	-	-	-
1132	High School Extracurricular	-	-	-	-	-	-	-	-
1140	Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210	Programs for the Talented and Gifted	-	-	-	-	-	-	-	-
1220	Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-	-
1260	Treatment and Habilitation	-	-	-	-	-	-	-	-
1271	Remediation	-	-	-	-	-	-	-	-
1272	Title I	-	-	-	-	-	-	-	-
1280	Alternative Education	-	-	-	-	-	-	-	-
1291	English Second Language Programs	-	-	-	-	-	-	-	-
1292	Teen Parent Program	-	-	-	-	-	-	-	-
1293	Migrant Education	-	-	-	-	-	-	-	-
1294	Youth Corrections Education	-	-	-	-	-	-	-	-
1299	Other Programs	-	-	-	-	-	-	-	-
1300	Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400	Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>		-	-	-	-	-	-	-	-
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	-	-	-	-	-	-	-	-
2120	Guidance Services	-	-	-	-	-	-	-	-
2130	Health Services	-	-	-	-	-	-	-	-
2140	Psychological Services	-	-	-	-	-	-	-	-
2150	Speech Pathology and Audiology Services	-	-	-	-	-	-	-	-
2160	Other Student Treatment Services	-	-	-	-	-	-	-	-
2190	Service Direction, Student Support Services	-	-	-	-	-	-	-	-
2210	Improvement of Instruction Services	-	-	-	-	-	-	-	-
2220	Educational Media Services	-	-	-	-	-	-	-	-
2230	Assessment & Testing	-	-	-	-	-	-	-	-
2240	Instructional Staff Development	-	-	-	-	-	-	-	-
2310	Board of Education Services	-	-	-	-	-	-	-	-
2320	Executive Administration Services	-	-	-	-	-	-	-	-
2410	Office of the Principal Services	-	-	-	-	-	-	-	-
2490	Other Support Services - School Administration	-	-	-	-	-	-	-	-
2510	Direction of Business Support Services	-	-	-	-	-	-	-	-
2520	Fiscal Services	-	-	-	-	-	-	-	-
2540	Operation and Maintenance of Plant Services	-	-	-	-	-	-	-	-
2550	Student Transportation Services	-	-	-	-	-	-	-	-
2570	Internal Services	-	-	-	-	-	-	-	-
2610	Direction of Central Support Services	-	-	-	-	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Ser	-	-	-	-	-	-	-	-
2630	Information Services	-	-	-	-	-	-	-	-
2640	Staff Services	-	-	-	-	-	-	-	-
2660	Technology Services	-	-	-	-	-	-	-	-
2670	Records Management Services	-	-	-	-	-	-	-	-
2680	Interpretation and Translation Services	-	-	-	-	-	-	-	-
2690	Other Support Services - Central	-	-	-	-	-	-	-	-
2700	Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>		-	-	-	-	-	-	-	-
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	-	-	-	-	-	-	-	-
3200	Other Enterprise Services	-	-	-	-	-	-	-	-
3300	Community Services	157,789	-	-	157,789	-	-	-	-
3500	Custody and Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Services Expenditures</b>		157,789	-	-	157,789	-	-	-	-
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	-	-	-	-	-	-	-	-
4120	Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150	Building Acquisition, Construction, and Improvement Services	-	-	-	-	-	-	-	-
4180	Other Capital Items	-	-	-	-	-	-	-	-
4190	Other Facilities Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>		-	-	-	-	-	-	-	-
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	-	-	-	-	-	-	-	-
5200	Transfers of Funds	-	-	-	-	-	-	-	-
5300	Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400	PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>		-	-	-	-	-	-	-	-
<b>Grand Total</b>		157,789	-	-	157,789	-	-	-	-

**SUPPLEMENTAL INFORMATION**

School District Business Managers and Auditors:

This page is a required part of your annual audited financial statements. Please make sure it is included.  
 Part A is needed for comoputing Oregon's full allocation for ESSA, Title I & other Federal Funds for Education.

A. <b>Energy Bill for Heating - All Funds</b> Please enter your expenditures for electricity, heating fuel, and water & sewage for these Functions & Objects		Objects 325 & 326 & 327
	Function 2540	<b>\$990,108</b>
	Function 2550	<b>\$9,437</b>

B. <b>Replacement of Equipment - General Fund</b> Include all General Fund expenditures in object 542, except for the following exclusions:	<b>\$0</b>
--	------------

Exclude these Functions

- 1113 Elementary Co-curricular Activities
- 1122 Middle School Co-curricular Activities
- 1132 High School Co-curricular Activities
- 1140 Pre-Kindergarten
- 1300 Continuing Education
- 1400 Summer School
- 2550 Pupil Transportation
- 3100 Food Service
- 3300 Community Services
- 4150 Construction





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



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

Board of Education  
Eagle Point School District No. 9  
Eagle Point, Oregon

We have audited the basic financial statements of Eagle Point School District No. 9 (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 31, 2023. We conducted our audit in accordance with 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.

### Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 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 statement amounts. However, providing an opinion on compliance with those provisions was not the 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 under ORS Chapter 295.
- Indebtedness limitations, restrictions and repayment under ORS 328.245.
- Budgets legally required under ORS Chapter 294.
- Insurance and fidelity under bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds under ORS Chapter 294.
- Public contracts and purchasing under ORS Chapters 279A, 279B, 279C.
- State school fund distribution factors and calculation.

In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administration Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except as disclosed in Note 1 of the financial statements.

## **OAR 162-10-0230 Internal Control**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's 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 were not identified.

### **Restrictions on Use**

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



Jeny L. Grupe CPA, Partner  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 31, 2023



**| ITEMS REQUIRED BY THE  
UNIFORM GUIDANCE**



## **INDEPENDENT AUDITOR'S 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**

Board of Education  
Eagle Point School District No. 9  
Eagle Point, Oregon

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 fiduciary fund of Eagle Point School District No. 9 (the District) as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 31, 2023.

### **Report on Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's 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 may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Jeny Grupe". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jeny L. Grupe, CPA, Partner  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 31, 2023



**Oregon Office:**  
841 O'Hare Pkwy., Suite 200, Medford, OR 97504  
Phone: (541) 773-6633 | Fax: (541) 773-1965

**Idaho Office:**  
101 S. 27<sup>th</sup> St., Suite 100, Boise, ID 83702  
Phone: (208) 373-7890 | Fax: (208) 373-7889



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

Board of Education  
Eagle Point School District No. 9  
Eagle Point, Oregon

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Eagle Point School District No. 9's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

### **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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. 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 controls over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Jeny Grupe". The signature is fluid and cursive, with the first name "Jeny" and last name "Grupe" clearly distinguishable.

Jeny L. Grupe, CPA, Partner  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 31, 2023

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL AL NUMBER</u>	<u>GRANT/CONTRACT NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<b>U.S. Department of Agriculture</b>			
Passed through Oregon Department of Education:			
National School Breakfast	10.553	N/A	\$ 395,046
National School Lunch	10.555	N/A	1,519,227
National School Lunch - Commodities	10.555	N/A	175,397
Summer Food Service Program for Children	10.559	N/A	53,209
Summer Food Service Program - Commodities	10.559	N/A	774
Fresh Fruit and Vegetable Program	10.582	N/A	106,182
Total Child Nutrition Cluster			<u>2,249,835</u>
Child and Adult Care Food Program	10.558	N/A	9,381
Total AL 10.558			<u>9,381</u>
Passed through Southern Oregon Education Service District:			
Schools and Roads - Grants to States	10.665	N/A	48,662
Total Forest Service Schools and Roads Cluster			<u>48,662</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>\$ 2,307,878</u></b>
<b>U.S. Department of Education</b>			
Passed through Oregon Department of Education:			
Title I Grants to Local Educational Agencies	84.010	66961	257,745
Title I Grants to Local Educational Agencies	84.010	72501	1,006,843
Title I Grants to Local Educational Agencies	84.010	72698	30,000
Title I Grants to Local Educational Agencies	84.010	72895	78,515
Title I Grants to Local Educational Agencies	84.010	60377	13,400
Title I Grants to Local Educational Agencies	84.010	67960	161,961
Total AL 84.010			<u>1,548,464</u>
Special Education—Grants to States (IDEA, Part B)	84.027	74007	756,150
Special Education—Grants to States (IDEA, Part B)	84.027	75307	57,848
Total Special Education Cluster (IDEA)			<u>813,998</u>
Passed through Southern Oregon ESD:			
Title I-C Migrant Education	84.011	N/A	126,079
Total AL 84.011			<u>126,079</u>
Passed through Oregon Department of Education:			
English Language Acquisition Grants	84.365	58466	18,119
English Language Acquisition Grants	84.365	67129	34,732
English Language Acquisition Grants	84.365	73087	13,049
Total AL 84.365			<u>65,900</u>
Passed through Oregon Department of Education:			
Supporting Effective Instruction State Grant	84.367	58746	89,690
Supporting Effective Instruction State Grant	84.367	67394	38,405
Supporting Effective Instruction State Grant	84.367	72698	76,203
Total AL 84.367			<u>204,298</u>

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL AL NUMBER</u>	<u>GRANT/CONTRACT NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
Passed through Oregon Department of Education:			
Student Support and Academic Enrichment Grant	84.424	58563	2,902
Student Support and Academic Enrichment Grant	84.424	72895	17,693
Total AL 84.424			<u>20,595</u>
Passed through Oregon Department of Education:			
COVID-19 - Education and Stabilization Fund			
Elementary and Secondary School Emergency Relief Fund	84.425D	65469	1,386,329
COVID-19 - Education and Stabilization Fund			
Elementary and Secondary School Emergency Relief Fund	84.425D	64874	2,548,632
COVID-19 - Education and Stabilization Fund			
American Rescue Plan – Elementary and Secondary School Emergency Relief –Homeless Children and Youth	84.425W	69339	4,338
Total AL 84.425			<u>3,939,299</u>
<b>Total U.S. Department of Education</b>			<b>\$ 6,718,633</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 9,026,511</b>

**EAGLE POINT SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS**  
**Year Ended June 30, 2023**

**NOTE A – BASIS OF PRESENTATION:**

The schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Eagle Point School District No. 9 (the District) under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the 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 of the District, it is not intended to and does not present the financial position, and changes in fund balance of the District.

**NOTE B – 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 allowable or are limited as to reimbursement.

**NOTE C – INDIRECT COST RATE:**

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D – FOOD DISTRIBUTION:**

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed for the year ended June 30, 2023, the District received food commodities totaling \$176,171.

**NOTE E – SUBRECIPIENTS:**

The District did not have any awards that were passed through to subrecipients for the year ended June 30, 2023.

**NOTE F – SCHOOLS AND ROADS – GRANTS TO STATES:**

The District includes Schools and Roads – Grants to States in the schedule due to requirements of the Oregon Department of Education. These expenditures are not subject to the Uniform Guidance audit due to the treatment based on guidance provided by both the Oregon Department of Education and United States Department of Agriculture.

**EAGLE POINT SCHOOL DISTRICT NO. 9  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FISCAL YEAR ENDED JUNE 30, 2023**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

1. The auditor’s report expresses an unmodified opinion on the basic financial statements of Eagle Point School District No. 9.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor’s 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*.
3. No instances of noncompliance material to the financial statements of Eagle Point School District No. 9, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

Federal Awards

4. No significant deficiencies or material weaknesses in internal control over major federal programs were disclosed by the audit.
5. The auditor’s report on compliance for the major federal award programs for Eagle Point School District No. 9, expresses an unmodified opinion on all major federal programs.
6. The audit disclosed no findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs include:

US Department of Agriculture

Child Nutrition Cluster AL # 10.553, 10.555, 10.559, and 10.582

US Department of Education

Education Stabilization Fund AL #84.425

8. The threshold for distinguishing Types A and B Programs was \$750,000.
9. Eagle Point School District No. 9 qualified as a low-risk auditee under the criteria specified in the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None