

Nestucca Valley School District

Nestucca High School Cafeteria

34995 Parkway Drive ♦ Cloverdale, Oregon 97112 ♦ (503) 392-3194

Board of Director's Meeting

February 12, 2024

6:00 pm - Public Session

Join Zoom Meeting

<https://us02web.zoom.us/j/82555678607?pwd=UU9hZHfhZWZwb2k0MDhiNGk1SWY5dz09>

Meeting ID: 825 5567 8607

Passcode: 421516

AGENDA

The Nestucca Valley School Board encourages public input. Persons wishing to address the Board on school related issues, are invited to do so, either when the item is presented on the agenda, or under the "Public Comments" section. In the interest of time and order, presentations from the public are limited to three (3) minutes per person, and the total time for individual agenda items shall not exceed twenty (20) minutes. An individual speaker's allotted time may not be increased by a donation of time from members of the public in attendance. If you wish to speak under Public Comments, please complete a Public Comment Form and turn it in to the Assistant to the Superintendent. The Board requests complaints or charges against an employee be held in Executive Session. Individuals who require disability-related accommodations or modifications to participate in the Board meeting should contact the Superintendent in writing prior to the meeting.

1.0 OPENING OF PUBLIC SESSION— VIA ZOOM—6:00 pm

1.1 Public Session Call To Order

1.2 Flag Salute

1.3 Attendance:

___ Joseph Boyd, Chair

___ Diane Boisa

___ Irene Barajas

___ Wally Nelson Vice Chair

___ Misty Wharton, Superintendent

___ Ken Richwine, High School Principal

___ Megan Kellow, Special Programs Administrator

___ Chad Holloway, Administrator of Facilities and Alternative Education

___ Kristina Albin, Nestucca K8 Principal

Approval of Agenda –February 12, 2024

Recommendation: Approval of Agenda

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

2.0 COMMUNITY/SCHOOL PRESENTATIONS/SPECIAL REPORTS

Pauly, Rogers and Co., P.C. to report on the 2022-2023 Nestucca Valley School District Annual Audit- Brad Turano (Attachment 2.1)

Student Academic Data- Heidi Schultz, Assistant Principal K8

School District and Community Thank You – Jim Oeder, Nestucca Rural Fire & Rescue – Fire Chief

3.0 PUBLIC COMMENT

***Opportunity for Citizens to address items not on the Agenda. Persons wishing to address the Board on any school related issue not listed elsewhere on the agenda are invited to do so now. Board Members are limited, but not required, to give a brief response to public statements or questions regarding non-agenda items.*

4.0 CONSENT AGENDA—consolidated motion

***The purpose of the Consent Agenda is to expedite action on routine agenda items. These items will be acted upon with one motion, second and approval of the Board, unless a member of the board or public wishes to pull the item for individual discussion and action. All matters listed under Consent Agenda are those on which the board has previously deliberated or can be classified as routine items of business. **There will be no separate discussion of these items prior to the vote by the Board unless members of the Board, staff, or public request specific items to be discussed or pulled from the Consent Agenda.** Members of the public who wish to speak on an item must first fill out a public comment card.*

4.1 Board Minutes from January 8 2024 (Attachment 4.1)

4.2 Board Minutes from January 10, 2024 Special Workshop (Attachment 4.2)

4.3 January 2024 Financial Report (Attachment 4.3)

4.4 Ratification of Employment (Attachment 4.4)

4.5 Policy EFAA-AR – Reimbursable Meals Programs (Attachment 4.5)

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.0 ACTION /DISCUSSION

5.1 Recommendation: Approve: Nominations for vacant Board Member position

Explanatory Statement: Interviews of the applicants for the Nestucca Valley School Board occurred on February 8, 2024. The interviews were conducted by the sitting NVSD Board members. A copy of the questions can be found attached to this packet. (Attachment 5.1)

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

OATH OF OFFICE for newly appointed board member

5.2 Recommendation: Approve- Oregon Department of Education’s Early Literacy Grant Application (Attachment 5.2)

Explanatory Statement: The district qualifies for approximately \$90,000 over the next two years to invest in early literacy. NVSD will be spending the grant money on literacy coaching.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.3 Recommendation: Approve- The 2023-2025 SIA Grant Agreement (Attachment 5.3)

Explanatory Statement: Nestucca Valley School Districts Integrated Guidance Plan was presented and approved at the December 2023 meeting. Board approval of the SIA Grant Agreement is needed for ODE to release the funds. This process must occur once every biennium.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.4 Recommendation: Approve – The SIA Annual Report (Attachment 5.4)

Explanatory Statement: Board approval of the SIA Annual Report is required in order for ODE to release grant funds.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.5 Recommendation: Approve- Resolution #2401, for the 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan (Attachment 5.5)

Explanatory Statement: The Department of Homeland Security's Federal Emergency Agency (FEMA) requires formal adoption of the mitigation plan, before approval of eligibility for certain federal pre and post disaster mitigation funds.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.6 Recommendation: Approve- Moving the March Board meeting to the second Monday of the month, March 11, 2024

Explanatory Statement: The March Board Meeting needs to be moved to the second Monday of the month in order to comply with state statute requiring licensed staff contract renewals be completed each year by March 15th.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.7 Recommendation: Approve- Amending the district calendar to an early release on April 25, 2024 and changing April 26, 2024 to a professional development day.

Explanatory Statement: This will allow staff the ability to participate in working on the Strategic Plan.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.8 Recommendation: Approve- For the 2024-2025 school year, the Nestucca Valley School District will be a closed district, granting ten out-of-district transfer spots.

Explanatory Statement: This has been our past practice for the last eight years and serves our district well.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.9 Recommendation: Approve -A Budget Committee Member for Position # 1.

Applications were submitted by six people seeking appointment to the budget committee.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.10 Recommendation: Approve - A Budget Committee Member for Position # 2

Applications were submitted by six people seeking appointment to the budget committee.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.11 Recommendation: Approve – A Budget Committee Member for Position # 3

Applications were submitted by six people seeking appointment to the budget committee.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.12 Recommendation: Approve – A Budget Committee Member for Position # 5

Applications were submitted by six people seeking appointment to the budget committee.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

6 INFORMATION/ DIRECTOR QUESTIONS

6.1 Administrator Reports (Attachment 6.1)

6.2 Board of Directors Updates

7 FURTHER BUSINESS

8 ADJOURNMENT

Any documents that are public records and are provided attachments to public session items on this agenda are accessible to the public on the District's Website, with the exception of documents provided at the time of the meeting. Documents that are public records, and are provided at the time of the meeting to a majority of the Board regarding a public session item, will be made available for public inspection upon request to the Superintendent's Assistant.

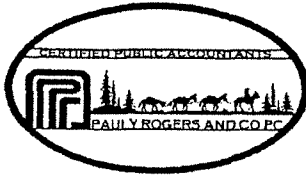
NESTUCCA VALLEY SCHOOL DISTRICT NO.101J
TILLAMOOK COUNTY, OREGON

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2023



12700 SW 72nd Ave.
Tigard, OR 97223



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12700 SW 72nd Ave. ♦ Tigard, OR 97223
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December 4, 2023

To the Board of Directors
Nestucca Valley School District
Tillamook County, Oregon

We have audited the basic financial statements of the governmental activities and each major fund of Nestucca Valley School District (the District) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

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

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

Our Responsibility under U.S. Generally Accepted Auditing Standards

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

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

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

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

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

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

Results of Audit

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

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022, except for the implementation of GASB Statement No. 87 *Leases*. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the basic financial statements Management’s estimates of receivables, PERS pension liabilities and deferrals, OPEB Health Insurance and RHIA liabilities/assets and deferrals, capital asset depreciation, and the fair market value of investments, which are based on estimated collectability of receivables, actuarial assumptions, useful lives of assets, and active market values or significant observable inputs. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

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

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

Other Matters – Future Accounting and Auditing Issues

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

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

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

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

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

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

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting

estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

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

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

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

GASB 101 – COMPENSATED ABSENCES

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

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

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

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

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

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

Best Practices – Not Significant Deficiencies

1. Fidelity Insurance Coverage (Employee Honesty)

In reviewing fidelity insurance coverage we noticed that the District often carries cash and investment balances in excess of the insurance coverage amount. We recommend that the Board examine this exposure risk and make a determination as to the amount of insurance coverage they feel is prudent in regard to their oversight.

2. 403(b) Compliance Requirements

The Internal Revenue Service (IRS) has published 403(b) regulations providing guidance on several administrative compliance requirements. A third party has been contracted with to outsource compliance with these requirements. Noncompliance subjects the District to potential penalties and fines. Since the third party provider does not provide the District with a SSAE 16 service provider report or internal control report covering their operations, we recommend that the District monitor current practices to determine compliance with accountability requirements for the Section 403(b) plan and consider the sufficiency of documentation received from the third party vendor to reduce the District risks in this area. The District should also consider being named as an additional insured on the vendors' insurance policies.

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



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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101J
TILLAMOOK COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



12700 SW 72nd Ave.
Tigard, OR 97223

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2023

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

BOARD OF DIRECTORS

BOARD OF DIRECTORS

TERM EXPIRES

Joseph Boyd, Chair

June 30, 2025

Wally Nelson, Vice Chair

June 30, 2027

Diane Boisa

June 30, 2027

Irene Barajas

June 30, 2025

All board members will receive mail at the following address:

36925 Hwy. 101 S.
Cloverdale, Oregon 97112

ADMINISTRATION

Misty Wharton, Superintendent (Registered Agent)

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

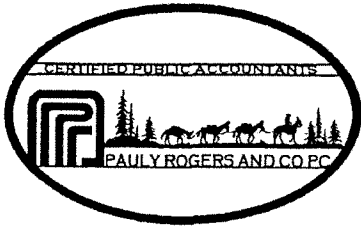
TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Independent Auditor's Report	<i>i</i>
REQUIRED SUPPLEMENTARY INFORMATION:	
Management's Discussion and Analysis	I
BASIC FINANCIAL STATEMENTS:	
Government - Wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet- Governmental Funds	3
Reconciliation of the Governmental Funds	
Balance Sheet to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund	
Balances - Governmental Funds	5
Reconciliation of the Governmental Funds Statements of Revenues,	
Expenditures and Changes in Fund Balance to the Statement of Activities	6
Notes to Basic Financial Statements	7
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of the Proportionate Share of the Net Pension Liability (PERS)	39
Schedule of Contributions (PERS)	39
Schedule of the Proportionate Share of the Net Pension Liability (RHIA)	40
Schedule of Contributions (RHIA)	40
Schedule of Funding Progress (OPEB) – Health Insurance	41
Schedule of Employer Contributions (OPEB) – Health Insurance	41
Statements of Revenues, Expenditures, and Changes in Fund Balance -	
Budget and Actual:	
General Fund	42
Special Revenue Fund	43

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

TABLE OF CONTENTS (CONTINUED)

	<u>PAGE NUMBER</u>
SUPPLEMENTARY INFORMATION:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Debt Service Fund	44
Capital Projects Fund	45
Schedule of Property Tax Transactions and Balances of Taxes Uncollected – General Fund	46
Schedule of Property Tax Transactions and Balances of Taxes Uncollected – Debt Service Fund	47
Schedule of Expenditures of Federal Awards	48
OTHER INFORMATION:	
Schedules Required by the Oregon Department of Education Revenue Summary – All Funds	49
Expenditure by Function/Object:	
General Fund	50
Special Revenue Funds	51
Debt Service Funds	52
Capital Projects Fund	53
Supplemental Information – As Required by the Oregon Department of Education Form 3211-C	54
Continuing Disclosure Information: Annual Operating Data	55
REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS:	
Independent Auditor’s Report Required by Oregon State Regulations	58
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 <i>Government Auditing Standards</i>	60
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	62
Schedule of Findings and Questioned Costs	65



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December 4, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Nestucca Valley School District No. 101
Cloverdale, Oregon

Opinion

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Nestucca Valley School District No. 101 (the District) as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Nestucca Valley School District No. 101 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

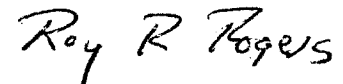
Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 4, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 4, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

As management of Nestucca Valley School District No. 101 (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.

FINANCIAL HIGHLIGHTS

- In the government-wide financial statements, assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2023 by \$10,012,278. Of this amount, \$15,939,519 represents investment in capital assets, net of related debt, \$1,821,665 is restricted for debt service, capital projects, OPEB asset, grants and student activities, and the deficit of \$7,748,906 is unrestricted.
- The District's total net position increased by \$498,268 for the year ended June 30, 2023.
- As of June 30, 2023, the District's governmental funds reported combined ending fund balances of \$2,656,712, a decrease of \$5,057,590 in comparison with the prior year. Approximately 33.0 percent of this total amount, \$876,882 is unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable or restricted: \$1,190,569 for use on capital projects, \$305,106 for debt service, \$184,638 for grants and student activities and \$99,517 for prepaids and inventory.
- At June 30, 2023, the General Fund had an unassigned fund balance of \$967,992 or 11.5 percent of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The 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.

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:

The *Statement of Net Position* presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

In the government-wide financial statements, the District's activities are shown in one category:

Governmental activities. 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 property taxes, state timber revenues and other intergovernmental revenues.

The government-wide financial statements can be found on pages 1 and 2 of this report.

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 and objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are reported as governmental 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 the near-term inflows and outflows of available resources, as well as on balances of available resources at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Position and Activities.

The basic governmental fund financial statements can be found on pages 3 and 4 of this report.

Notes to the basic 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 basic financial statements can be found on pages 7 – 37 of this report.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* consisting of schedules detailing ten years of pension (assets) liabilities, pension contributions, other post employment benefits (OPEB) and budget to actual presentations for required major funds. Required supplementary information can be found on pages 38 - 42 of this report.

Supplementary Information presented on pages 43 – 47, includes the budgetary comparisons for the nonmajor funds and schedules of property tax transactions and balances and the schedule of expenditures of federal awards, *Other Information* including schedules and supplemental information required by the Oregon Department of Education and continuing disclosure information can be found on pages 48 – 56.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position, over time, may serve as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$10,012,278 as of June 30, 2023. During the 2022-23 fiscal year, the District's total Net Position increased by \$498,268 as compared to the previous year's net position.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent about 90 percent of total assets of governmental activities compared to about 81 percent the previous year. Other assets consist of investments, cash and receivables of property taxes and grants.

The District's largest liability (95 percent) is for the repayment of general obligation and limited tax pension obligation bonds and its proportionate share of the net pension liability. Other liabilities, representing about 5 percent of the District's total liabilities, consist principally of payables on accounts, salaries and benefits as well as leases and subscription-based information technology arrangements.

The District's net position includes \$15,939,519 which reflects its investment in capital assets (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, since capital assets themselves cannot be used to liquidate these liabilities. In addition, \$1,821,665 of the District's net position is restricted for debt service, net OPEB asset – RHIA, capital projects, grants and student activities. The remaining balance in net position, a negative \$7,748,906 is unrestricted.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101			
NET POSITION			
	Governmental Activities		
	June 30, 2023	June 30, 2022	Increase (Decrease)
ASSETS			
Current and Other Assets	\$ 5,524,970	\$ 10,729,837	\$ (5,204,867)
Capital Assets, net of depreciation	51,134,212	44,766,254	6,367,958
Total Assets	<u>56,659,182</u>	<u>55,496,091</u>	<u>1,163,091</u>
DEFERRED OUTFLOWS OF RESOURCES			
Net Pension Related Deferred Outflows	2,243,034	2,617,614	(374,580)
OPEB Related Deferred Outflows - Health Ins	28,122	19,710	8,412
OPEB Related Deferred Outflows - RHIA	16,415	38,529	(22,114)
Deferred charge on refunding	382,251	458,702	(76,451)
LIABILITIES			
Current Liabilities	2,466,248	2,742,085	(275,837)
Long-Term Obligations	45,181,606	43,099,646	2,081,960
Total Liabilities	<u>47,647,854</u>	<u>45,841,731</u>	<u>1,806,123</u>
DEFERRED INFLOWS OF RESOURCES			
Pension Related Deferred Inflows	1,494,573	3,113,760	(1,619,187)
OPEB Related Deferred Inflows - Health Ins	123,999	129,926	(5,927)
OPEB Related Deferred Inflows - RHIA	50,300	28,850	21,450
NET POSITION			
Net Investment in Capital Assets	15,939,519	9,571,561	6,367,958
Restricted for Debt Service	305,106	350,854	(45,748)
Restricted for Grants & Student Activities	184,638	364,752	(180,114)
Restricted for Capital Projects	1,190,569	5,241,399	(4,050,830)
Restricted for Net OPEB asset - RHIA	141,352	66,774	74,578
Unrestricted	(7,748,906)	(6,078,961)	(1,669,945)
Restatement of Beginning of Year		(2,369)	2,369
Total Net Position	<u>\$ 10,012,278</u>	<u>\$ 9,514,010</u>	<u>\$ 498,268</u>

Governmental activities. Revenues decreased by \$149,518 in 2022-23 compared to the previous year primarily due to a decrease in investment income as well as a reduction in timber revenue.

Expenditure decreases are primarily attributed to the capital construction projects winding down.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

The key elements of the change in the District's net position for the years ended June 30, 2022 and June 30, 2023 are as follows:

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101			
CHANGES IN NET POSITION			
Year Ended June 30,			
	Governmental Activities		Increase
	2023	2022	(Decrease)
REVENUES			
Program Revenues			
Charges for Services	\$ 19,485	\$ 104,725	\$ (85,240)
Operating Grants and Contributions	3,922,817	2,285,947	1,636,870
Capital Grants and Contributions	120,540	-	120,540
General Revenues			
Property Taxes Levied for:			
General Purposes	7,015,204	6,650,579	364,625
Debt Service	2,123,753	2,060,453	63,300
Earnings on Investments	233,978	(37,509)	271,487
Gain/(Loss) on Sale of Assets	-	500	(500)
Other Local Sources	433,859	421,019	12,840
Intermediate Sources	-	570,887	(570,887)
State Sources	873,871	2,836,424	(1,962,553)
Total Revenues	14,743,507	14,893,025	(149,518)
EXPENSES			
Instruction	5,456,813	5,546,421	(89,608)
Support services	5,215,218	5,836,216	(620,998)
Enterprise and community services	1,007,532	1,044,097	(36,565)
Facilities Acquisition and Construction	603,167	65,727	537,440
Transits	431,580	-	431,580
Interest on long-term debt	1,530,929	1,428,801	102,128
Total expenses	14,245,239	13,921,262	323,977
Increase in Net Assets	498,268	971,763	(473,495)
Net Position, July 1	9,516,379	8,544,616	971,763
Net Position, June 30	<u>\$ 10,014,647</u>	<u>\$ 9,516,379</u>	<u>\$ 498,268</u>

FUND FINANCIAL ANALYSIS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unassigned fund balance may serve as a useful measure of a

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

government's net resources available for spending at the end of the fiscal year.

To further enhance this analysis, the District implemented GASB Statement No. 54 for fiscal year ended June 30, 2011. This GASB reporting requirement requires an analysis and breakdown of ending fund balance for governmental fund types between five new fund balance categories. For more information on the details behind each fund balance category see Note 1 beginning on page 7 of this report.

At June 30, 2023, the District's governmental funds reported combined ending fund balances of \$2,656,712, a decrease of \$5,057,590 in comparison with the prior year. Of this amount, \$1,779,830 (about 67 percent) of the ending fund balances constitutes nonspendable or restricted ending fund balance, which are amounts that are either not expendable (such as inventory or prepaid expenses) or are legally restricted by outside parties for a specific purpose (such as bonded debt). The remaining \$876,882 (33 percent) of the ending fund balances is unassigned and available for spending at the District's discretion.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2023 the fund balance was \$967,992. Of this amount \$876,882 of the ending fund balance is unassigned, the remaining \$91,110 is nonspendable. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The fund balance represents about 11.5 percent of total General Fund expenditures. The total fund balance decreased by \$782,016 from the prior year, mainly due to lower than anticipated timber revenue and increased expenditure costs due to inflation.

Special Revenue. The Special Revenue Fund accounts for revenue and expenditures of grants restricted for specific educational projects as well as internal funds segregated by the Board for the food service program, student activities, and other activities. Grant revenues are primarily from Federal sources. As of June 30, 2023 the fund balance was \$193,045. Of this amount \$184,638 is restricted, the remaining is nonspendable. The fund balance decreased \$178,966 from the prior year.

Debt Service. The Debt Service Fund has a total fund balance of \$305,106 all of which is restricted for the payment of debt service. The fund balance decreased by \$45,748.

Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$1,190,569, all of which is dedicated for ongoing capital projects. All of the Capital Projects fund balance is restricted for capital improvements and repairs.

CAPITAL ASSETS

The District's investment in capital assets includes land, buildings and building improvements, vehicles and equipment. As of June 30, 2023 the District had invested \$51,134,212 in capital assets, net of depreciation. As shown on the following table, total capital

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

assets net of depreciation increased overall by \$6,367,958, due to completion of construction offset by regular depreciation of assets.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101 CAPITAL ASSETS (net of depreciation)			
	Governmental Activities		Increase (Decrease)
	June 30, 2023	June 30, 2022	
Land	\$ 114,403	\$ 114,403	\$ -
Construction in Progress	4,009,563	4,577,521	(567,958)
Building and Equipment, net of depreciation	47,010,246	40,074,330	6,935,916
Total Capital Assets, net of depreciation	\$ 51,134,212	\$ 44,766,254	\$ 6,367,958

Long-Term Debt. At the end of the current fiscal year, the District had \$30,822,776 in bonded debt outstanding. This is a decrease of \$1,085,000 from prior year, as the District continued to make payments on outstanding general obligation and limited tax pension obligation bonds. Refer to the footnotes to the basic financial statements for detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most important economic factor affecting the District is the stability of the property tax base. As a district that receives little support through the State School Fund, the District's primary source of revenue is restricted by the statutory limits set out by Measures 5 and 50. As market values on real property continue to recover, continued growth of the tax base is anticipated.

Unassigned Ending Fund balance in the General Fund represents 10.5 percent of expenditures for the 2022-23 school year, which provides a contingency in the event of unexpected reductions in revenue or increases in expenditures. The District plans to increase this amount over time. During the 2022-23 fiscal year, the district will continue to engage in strategic planning, in order to ensure sustainability of programs and services for students.

Personnel expenses make up over 73 percent of the program costs for the instruction, support and administrative functions. While the District has been able to hold salary costs steady in recent years, associated payroll costs continue to increase. For example, health insurance costs are expected to increase. The premiums for District health insurance plans have increased over the years, consistent with state and national trends, and this trend will likely continue.

Employer rates for the Public Employees Retirement System (PERS) for the 2023-2025 biennium have increased (from 18.42% to 20.14% for Tier 1 and Tier 2 and from 15.31% to 17.3% for OPSRP employees.)

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

The pandemic will have a lasting impact upon practices in the day-to-day operations of the school district. Post pandemic needs will continue to be identified in the 2023-2024 school year, but for budgeting purposes, the following areas were considered: alternative education options, technology needs for students, increased building maintenance, social/emotional learning, health, and summer school.

The District's Budget Committee and School Board have considered all these factors while preparing the 2023-24 budget.

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 Misty Wharton, Superintendent at PO Box 99, Cloverdale, Oregon, 97112.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and Investments	\$ 4,113,153
Taxes Receivables	325,850
Other Receivables	783,079
Prepaid Expenses	91,110
Right-to-use-asset, net of amortization	59,960
SBITA Asset, net of amortization	2,059
Net OPEB Asset - RHIA	141,352
Supply Inventory	8,407
Capital Assets:	
Land	4,123,966
Buildings and Equipment, net of depreciation	<u>47,010,246</u>
Total Assets	<u>56,659,182</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Deferred Outflows - PERS	2,243,034
OPEB Related Deferred Outflows - Health Insurance	28,122
OPEB Related Deferred Outflows - RHIA	16,415
Deferred charge on refunding	<u>382,251</u>
Total Deferred Outflows of Resources	<u>2,669,822</u>
Total Assets and Deferred Outflows	<u>59,329,004</u>
LIABILITIES	
Accounts Payable	384,287
Accrued Payroll Liabilities	686,115
Accrued Interest Payable	56,190
Current Lease Liability	12,109
Current SBITA Liability	476
Tax Anticipation Note Payable	1,300,000
Unavailable revenue	2,553
Accrued Compensated Absences	24,518
Long-term Obligations:	
Long-Term Lease Liability	51,027
Long-Term SBITA Liability	1,583
Proportionate Share of Net Pension Liability - PERS	4,660,933
OPEB Liability - Health Insurance	255,102
Due within one year	1,990,212
Due in more than one year	<u>38,222,668</u>
Total Liabilities	<u>47,647,773</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Related Deferred Inflows - PERS	1,494,573
OPEB Related Deferred Inflows - Health Insurance	123,999
OPEB Related Deferred Inflows - RHIA	<u>50,300</u>
Total Deferred Inflows of Resources	<u>1,668,872</u>
Total Liabilities and Deferred Inflows	<u>49,316,645</u>
NET POSITION	
Net Investment in Capital Assets	15,752,811
Restricted for Net OPEB Asset - RHIA	141,352
Restricted for Debt service	305,106
Restricted for Special Revenue	184,638
Restricted for Capital Projects	1,190,569
Unrestricted	<u>(7,562,117)</u>
Total Net Position	<u>\$ 10,012,359</u>

See accompanying notes to basic financial statements.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023**

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Instruction	\$ 5,456,813	\$ 10,628	\$ 1,727,469	\$ -	\$ (3,718,716)
Support Services	5,215,218	1,353	1,241,949	-	(3,971,916)
Enterprise and Community Services	1,007,532	7,503	953,400	-	(46,629)
Facilities Acquisition and Construction	603,167	-	-	120,540	(482,627)
Transits	431,580	-	-	-	(431,580)
Interest on Long-Term Obligations	1,530,929	-	-	-	(1,530,929)
Total Governmental Activities	\$ 14,245,239	\$ 19,484	\$ 3,922,818	\$ 120,540	(10,182,397)
General Revenues					
Property Taxes Levied for:					
General purposes					7,015,204
Debt service					2,123,753
Earnings on Investments					233,978
Other Local Sources					433,853
State Sources					873,871
Total General Revenues					10,680,665
Changes in Net Position					498,268
Net Position - Beginning as Restated					9,514,091
Net Position - Ending					\$ 10,012,359

See accompanying notes to basic financial statements.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

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

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS					
Deposits and Investments	\$ 4,024,629	\$ -	\$ 17,728	\$ 70,796	\$ 4,113,153
Property Taxes Receivable	244,825	-	81,025	-	325,850
Other Accounts Receivable	155,164	614,315	13,600	-	783,079
Prepaid Expense	91,110	-	-	-	91,110
Supply Inventory	-	8,407	-	-	8,407
Due from Other Funds	-	-	265,802	1,473,307	1,739,109
Total Assets	\$ 4,515,728	\$ 622,722	\$ 378,155	\$ 1,544,103	\$ 7,060,708
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 22,769	\$ 7,984	\$ -	\$ 353,534	\$ 384,287
Payroll Liabilities	686,115	-	-	-	686,115
Unearned Revenue	-	2,553	-	-	2,553
Short Term Debt Note	1,300,000	-	-	-	1,300,000
Due to Other Funds	1,319,969	419,140	-	-	1,739,109
Total Liabilities	3,328,853	429,677	-	353,534	4,112,064
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	218,883	-	73,049	-	291,932
Fund Balances:					
Nonspendable	91,110	8,407	-	-	99,517
Restricted for:					
Debt Service	-	-	305,106	-	305,106
Grants and Student Activity	-	184,638	-	-	184,638
Capital Projects	-	-	-	1,190,569	1,190,569
Unassigned	876,882	-	-	-	876,882
Total Fund Balances	967,992	193,045	305,106	1,190,569	2,656,712
Total Liabilities, Deferred Inflows of	\$ 4,515,728	\$ 622,722	\$ 378,155	\$ 1,544,103	\$ 7,060,708

See accompanying notes to basic financial statements.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

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

Total Fund Balances - Governmental Funds	\$	2,656,712
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Capital Asscts, net		51,134,212
A portion of the District's property taxes are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the governmental funds.		
Unavailable property taxes		291,932
The unamortized issuance costs and issue premium for bonds are not available to pay for current period expenditures and therefore are not reported in the governmental funds		
Unamortized original issue premium		(3,039,238)
Deferred Outflows - deferred charges on GO Bond refundings		382,251
The PERS Net Pension Asset (Liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		(4,660,933)
Deferred Inflows and Outflows of resources related to the pension plan and OPEB include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.		
Deferred Outflows - PERS	\$	2,243,034
OPEB Deferred Outflows - Health Insurance		28,122
OPEB Deferred Outflows - RHIA		16,415
Deferred Inflows - PERS		(1,494,573)
OPEB Deferred Inflows - Health Insurance		(123,999)
OPEB Deferred Inflows - RHIA		(50,300)
		618,699
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.		
Right-to-use, Net		62,019
Long term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.		
Long Term Obligations		
General Obligation Bonds	\$	(29,667,776)
PERS UAL Bond		(1,155,000)
Full Faith and Credit Obligation		(6,341,000)
Loan Payable		(9,866)
OPEB Liability - Health Insurance		(255,102)
Lease Payable		(63,136)
SBITA Payable		(2,059)
OPEB Asset (Liability) - RHIA		141,352
Accrued Interest Payable		(56,190)
Accrued Vacation Payable		(24,518)
		(37,433,295)
Net Position		\$ 10,012,359

See accompanying notes to basic financial statements.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

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

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES					
Local Sources	\$ 7,253,720	\$ 271,902	\$ 2,435,354	\$ 166,830	\$ 10,127,806
Intermediate Sources	610,745	-	-	-	610,745
State Sources	899,442	1,754,806	-	-	2,654,248
Federal Sources	-	1,343,334	-	-	1,343,334
Total Revenues	8,763,907	3,370,042	2,435,354	166,830	14,736,133
EXPENDITURES					
Current:					
Instruction	4,056,674	1,314,678	-	-	5,371,352
Support Services	4,168,646	908,836	-	72,971	5,150,453
Enterprise & Community Services	-	976,771	-	-	976,771
Facilities Acquisition and Construction	-	115,241	-	7,394,689	7,509,930
Transits	-	431,580	-	-	431,580
Debt Service	130,735	-	2,922,902	-	3,053,637
Total Expenditures	8,356,055	3,747,106	2,922,902	7,467,660	22,493,723
Excess of Revenues Over (Under) Expenditures	407,852	(377,064)	(487,548)	(7,300,830)	(7,757,590)
OTHER FINANCING SOURCES (USES)					
Bond Proceeds	-	-	-	2,700,000	2,700,000
Transfers In	-	198,068	441,800	550,000	1,189,868
Transfers Out	(1,189,868)	-	-	-	(1,189,868)
Total Other Financing Sources (Uses)	(1,189,868)	198,068	441,800	3,250,000	2,700,000
Net Change in Fund Balance	(782,016)	(178,996)	(45,748)	(4,050,830)	(5,057,590)
	1,750,008	372,041	350,854	5,241,399	7,714,302
Ending Fund Balance	\$ 967,992	\$ 193,045	\$ 305,106	\$ 1,190,569	\$ 2,656,712

See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

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

Net change in fund balances - total governmental funds \$ (5,057,590)

Amounts reported for government-wide statements in the Statement of Activities are different because of the following:

Governmental funds report capital outlays as expenditures while government-wide statements report depreciation expense to allocate those expenditures over the life of the assets. The difference between these two amounts is:

Capital asset additions, net of adjustments	\$ 6,906,763	
Depreciation expense, net of adjustments	<u>(538,805)</u>	6,367,958

Some expenses reported in the statements do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

(Increase) Decrease in accrued compensated absences	\$ (5,993)	
(Increase) in accrued interest payable	<u>3,167</u>	(2,826)

The PERS Pension Income (Expense) represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.

210,593

OPEB Income (Expense) - Health Insurance		(6,037)
OPEB Income (Expense) - RHIA		31,014

Repayment of long term & short term obligations is an expenditure in the governmental funds, but the repayment reduces debt obligations in the government-wide statements.

Payments of Long Term Debt		1,507,333
Issuance of Bond Debt		(2,700,000)

Governmental funds report the total costs of bond issuance as a current year expenditure in the year in which the bonds are issued while the government-wide statements amortize them over the life of the bond.

Amortization of deferred outflows	\$ (76,451)	
Amortization of original issue premium (net)	<u>217,788</u>	141,337

Payment on Lease and Subscription Liability (right-to-use-assets)		12,208
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Amortization Expense increases the expenses on the Statement of Activities.

Amortization Expense (right-to-use-assets)		<u>(13,096)</u>
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Change in net position of governmental activities		<u>\$ 498,268</u>
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See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

Nestucca Valley School District No. 101 (the District) is a municipal corporation governed by an elected board authorized to transact all business on the District's behalf. The District is a primary government exercising financial accountability for all public education within its boundaries. The Board approves administrative officials. The daily functioning is under supervision of the Superintendent. As required by generally accepted accounting principles, all activities have been included in the basic financial statements.

The basic financial statements include all funds and account groups. The District is not financially accountable for any other governmental entity. Financial accountability is determined in accordance with criteria set forth in GAAP and Governmental Accounting Standards Board (GASB) Statement No. 61. Financial accountability is based primarily on the authority to appoint voting majority of an organization's governing board, ability to impose its will on that organization, the potential for that organization to provide specific financial benefits or impose specific financial burdens and that organization's fiscal dependency. There are no component units.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statements of Activities display information about the reporting government as a whole.

Government-wide basic 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, certain programs are funded 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.

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained are consistent with legal and managerial requirements.

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable” and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period which is 60 days. 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, pension costs, OPEB expenses, 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 financed purchases are reported as other financing sources.

The following major governmental funds are reported:

GENERAL FUND

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

SPECIAL REVENUE FUND

This fund consists of all special revenue funds established to account for revenues and expenditures related to grants, student activities and other special revenues.

DEBT SERVICE FUND

This fund accounts for the property tax revenues related to debt service and makes the debt service payments on the general obligation bonds.

CAPITAL PROJECTS FUND

This fund accounts for all financial resources and expenditures that are used to fund capital projects.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles except that property taxes received after year-end are not considered budgetary resources in the funds, inventory is expensed when purchased, capital outlay is reported as an expenditure rather than capitalized, depreciation and amortization are not recorded and debt, pension benefits, OPEB benefits, and vacation pay are expensed when paid instead of when incurred.

The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through early spring with the budget committee approving the budget in late spring. Public notices of the budget hearing are generally published in spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund: Instruction, Support Services, Enterprise & Community Services, Facilities Acquisition and Construction, Other Uses - Debt Service and Interfund Transfers, and Operating Contingency.

Expenditures cannot legally exceed the adopted appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to unforeseen circumstances which could not be determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements include the original budget amounts and appropriation transfers approved by the Board. Appropriations lapse at the end of each fiscal year.

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2023, except for in the General Fund, Debt Service expenditures were over-expended by \$13,335.

CASH AND CASH EQUIVALENTS

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

FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

PROPERTY TAXES RECEIVABLE

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

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. No allowance for uncollectible accounts has been recorded because all receivables are considered by management to be collectible.

GRANTS

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUPPLY INVENTORIES

School food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Special Revenue Fund are included in inventories at USDA wholesale value. Supplies are accounted for based on the purchase method. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused donated commodities at balance sheet date is considered immaterial by management for reporting purposes.

CAPITAL ASSETS

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

Building and improvements	50 to 100 years
Equipment	5 to 30 years
Buses and Vehicles	5 to 20 years

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The District has four items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A Deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Additionally, Pension and Health Insurance OPEB Related Deferrals related to the pension plan and retiree health insurance subsidies include differences between expected and actual experience, changes of assumptions, differences between projections and actual earnings, and contributions subsequent to the measurement date. At June 30, 2022, there were deferred outflows representing PERS pension, OPEB-RHIA, and OPEB-Health Insurance related deferrals reported in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has four types of items that qualify for reporting in this category. The first item, unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At June 30, 2022, there were also deferred inflows representing PERS pension, OPEB-RHIA, and OPEB-Health Insurance related deferrals reported in the Statement of Net Position.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

Full-time employees are permitted to accumulate unused sick leave at the rate of twelve days per year over the working careers. The District does not compensate the employees for unused accumulations upon termination of employment. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service.

It is the policy to permit employees to accumulate earned but unused vacation. All unused vacation pay is accrued, if material, when earned in the government-wide financial statements.

RETIREMENT PLANS

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

USE OF ESTIMATES

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

LONG-TERM OBLIGATIONS

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

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

RIGHT-TO-USE ASSETS

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASE LIABILITY

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

NET POSITION

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

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

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There is net position restricted for net OPEB asset-RHIA, debt service, grants and student activities, and capital projects.

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

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

FUND BALANCE

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

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND BALANCE (CONTINUED)

- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

There are no committed or assigned balances at June 30, 2023.

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 unassigned.

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. The total bank balance per the bank statements on June 30, 2023 was \$3,507,685 of which \$250,000 was covered by federal depository insurance and the balance was collateralized by the Oregon Public Funds Collateralization Program (PFCP). Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

INVESTMENTS

State statutes governing cash management are followed. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

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

Deposits with Financial Institutions:	
Demand Deposits	\$ 3,308,314
LGIP	804,839
Total	\$ 4,113,153

There were the following investments at June 30, 2023:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
State Treasurer's Investment Pool	\$ 804,839	\$ 804,839	\$ -	\$ -
Total	\$ 804,839	\$ 804,839	\$ -	\$ -

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2023. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it materially approximates fair value.

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

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

Credit Risk – Deposits

In the case of deposits, there is a risk that in the event of a bank failure, deposits may not be returned. The District does not have a deposit policy for custodial credit risk. As of June 30, 2023, none of the bank balance was exposed to custodial credit risk.

Interest Rate Risk

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

Credit Risk – Investments

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

Concentration of Credit Risk

At June 30, 2023, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. ACCOUNTS/GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs. Property taxes are levied and become a lien on all taxable property as of July 1. Taxes unpaid and outstanding on May 16 are considered delinquent. No allowance for uncollectible accounts has been recorded because all receivables are considered by management to be collectible.

4. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	Balance July 1, 2022	Adjustments	Additions	Deletions	Balance June 30, 2023
Capital assets not being depreciated:					
Land	\$ 114,403	\$ -	\$ -	\$ -	\$ 114,403
Construction in Progress	4,577,521	(4,577,521)	4,009,563	-	4,009,563
Total capital assets not being depreciated	4,691,924	(4,577,521)	4,009,563	-	4,123,966
Capital assets being depreciated:					
Buildings and Improvements	39,713,555	4,577,521	2,658,450	-	46,949,526
Buses and Vehicles	1,588,637	-	-	-	1,588,637
Equipment	1,884,910	-	183,272	-	2,068,182
Leased Equipment (intangible)	-	-	55,478	-	55,478
Total capital assets being depreciated	43,187,102	4,577,521	2,897,200	-	50,661,823
Less total accumulated depreciation for:					
Buildings and Improvements	2,381,054	-	427,288	-	2,808,342
Buses and Vehicles	526,036	-	16,280	-	542,316
Equipment	205,682	-	81,368	-	287,050
Less total accumulated amortization for:					
Leased Equipment (intangible)	-	-	13,869	-	13,869
Total accumulated depreciation & amortization	3,112,772	-	538,805	-	3,651,577
Total capital assets being depreciated, net	40,074,330	-	-	-	47,010,246
Total Capital Assets, Net	<u>\$ 44,766,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 51,134,212</u>

Depreciation and amortization expense for the year was charged to the following programs:

Program:	
Instruction	\$ 277,709
Support Services	220,016
Enterprise and Community Services	41,080
	<u>\$ 538,805</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN

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

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

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

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
 - i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
 - Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
 - General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
 - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$942,234, excluding amounts to fund employer specific liabilities. No employee contributions were paid or picked up by the District in 2022-2023.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2023, the District reported a net pension liability of \$4,660,933 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2022 and 2021, the District’s proportion was .030 percent and .030 percent, respectively. Pension expense for the year ended June 30, 2023 was \$541,014.

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

- (1) Tier 1/Tier 2 – 18.42%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 226,251	\$ 29,066
Changes in assumptions	731,326	6,681
Net difference between projected and actual earnings on pension plan investments	-	833,285
Net changes in proportionate share	290,646	214,638
Differences between District contributions and proportionate share of contributions	52,577	410,903
Subtotal - Amortized Deferrals (below)	1,300,800	1,494,573
District contributions subsequent to measurement date	942,234	-
Deferred outflow (inflow) of resources	\$ 2,243,034	\$ 1,494,573

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

Subtotal amounts related to pension as deferred outflows of resources \$1,300,800, and deferred inflows of resources, (\$1,494,573), net to (\$193,773) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2024	\$ (65,832)
2025	(124,645)
2026	(334,628)
2027	362,105
2028	(30,773)
Thereafter	-
Total	\$ (193,773)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

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

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2022 PERS ACFR; p. 104)

Long-Term Expected Rate of Return:

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

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

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2022 and 2021 was 6.90 percent, for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ 8,265,762	\$ 4,660,933	\$ 1,643,858

Changes Subsequent to the Measurement Date

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

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

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Benefits:

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

Death Benefits:

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

Contributions:

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

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)

Plan Description:

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

Funding Policy:

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA are included with PERS and equaled the required contributions for the year.

At June 30, 2023, the District reported a net OPEB liability of (\$141,352) for its proportionate share of the net OPEB liability. The OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2022 and 2021, the District's proportion was .040 percent and .019 percent, respectively. OPEB income for the year ended June 30, 2023 was \$30,038.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$	(21,164)
Net amortization of employer-specific deferred amounts from:		
- Changes in proportionate share (per paragraph 64 of GASB 75)		(8,874)
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)		-
Employer's Total OPEB Expense/(Income)	\$	(30,038)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 3,831
Changes in assumptions	1,107	4,712
Net difference between projected and actual earnings on pension plan investments	-	10,780
Net changes in proportionate share	15,308	30,977
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized deferrals (below)	16,415	50,300
District contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	\$ 16,415	\$ 50,300

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

Subtotal amounts related to OPEB as deferred outflows of resources, \$16,415, and deferred inflows of resources, (\$50,300), net to (\$33,885) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2024	\$ (13,646)
2025	(16,889)
2026	(6,803)
2027	3,453
2028	-
Thereafter	-
Total	\$ (33,885)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the year ended June 30, 2022. That independently audited report was dated February 2, 2023 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/GASB-75-RHIA-2022.pdf>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

Actuarial Methods and Assumptions:

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

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

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 and June 30, 2021 was 6.90 percent for both years. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net OPEB asset	\$ (127,398)	\$ (141,352)	\$ (153,314)

Changes Subsequent to the Measurement Date

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) –HEALTH BENEFITS (CONTINUED)

Changes in Total OPEB Liability:

Total OPEB Liability at June 30, 2022		\$	234,726
Changes for the year:			
Service Cost			46,146
Interest			5,979
Changes of Benefit Terms			-
Differences between expected and actual experience			-
Changes of assumptions or other inputs			(23,572)
Benefit Payments			(8,177)
			20,376
Net Changes			20,376
Total OPEB Liability at June 30, 2023		\$	255,102

Sensitivity of the total OPEB Liability to changes in discount rate: the following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

Discount Rate Sensitivity:

	1% Decrease	Current Discount Rate	1% Increase
<u>Discount rate:</u>			
Total OPEB Liability, as of June 30, 2023	\$ 271,848	\$ 255,102	\$ 239,344
<u>Trend rate:</u>			
Total OPEB Liability, as of June 30, 2023	\$ 230,060	\$ 255,102	\$ 284,610

Schedule of Deferred Inflows and Outflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ (90,407)
Changes of assumptions or inputs	9,357	(33,592)
Subtotal	9,357	(123,999)
Benefits Payments subsequent to measurement date	18,765	-
Total as of June 30, 2023	\$ 28,122	\$ (123,999)

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) –HEALTH BENEFITS (CONTINUED)

Subtotal amounts related to OPEB deferred outflows of resources, \$28,122, and deferred inflows of resources, (\$123,999), net to (\$114,642) and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (25,827)
2025	(25,326)
2026	(25,326)
2027	(15,097)
2028	(12,237)
Thereafter	(10,829)
Total	\$ (114,642)

Actuarial calculations of the OPEB plan reflect a long-term perspective and actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

8. SHORT TERM OBLIGATIONS

The following table illustrates changes in short term debt for the fiscal year ended June 30, 2023:

	<u>Interest Rates</u>	<u>Original Issue Date</u>	<u>Balance 7/1/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2023</u>
Tax Revenue Anticipated Note	2.74%	6/16/2022	\$ 1,015,000	\$ -	\$ 1,015,000	\$ -
Tax Revenue Anticipated Note	4.71%	6/28/2023	-	1,300,000	-	1,300,000
Total Short-term Liabilities			\$ 1,015,000	\$ 1,300,000	\$ 1,015,000	\$ 1,300,000

In the current fiscal year, the district issued a six-month Tax Anticipation Note to adjust for the timing of property tax receipts. The proceeds were used to cover expenses from the date of issuance until the November 2023 tax turnover. The debt is set to be fully paid off in December 2023.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS

The following table shows changes in general obligation bonds, limited tax bonds, financed purchases, loan payable, and other long-term debt for the fiscal year ended June 30, 2023:

	Outstanding July 1, 2022	Issued	Matured and Redeemed	Outstanding June 30, 2023	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 30,562,776	\$ -	\$ 895,000	\$ 29,667,776	\$ 1,035,000
PERS/UAL Bond	1,345,000	-	190,000	1,155,000	215,000
Direct Borrowing:					
Financed Purchases	50,176	-	50,176	-	-
Full Faith & Credit Obligations	4,000,000	2,700,000	359,000	6,341,000	512,557
Loan Payable	23,023	-	13,157	9,866	9,867
Total Principal	35,980,975	2,700,000	1,507,333	37,173,642	1,772,424
Premiums Related to Bonds:					
Unamortized Bond Premiums	3,257,026	-	217,788	3,039,238	217,788
Total Long-Term Debt	\$ 39,238,001	\$ 2,700,000	\$ 1,725,121	\$ 40,212,880	\$ 1,990,212
Loss on Refunding	\$ 458,702	-	\$ 76,451	\$ 382,251	\$ 76,451

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The outstanding general obligation bonds were issued to provide funds for the acquisition and construction of school facilities. There is an issuance from 2012 (originally \$9,700,000) with remaining payments through 2028 at between 3.00-4.00% interest. There is an issuance from 2018 of \$25,697,776 with payments through 2039 at between 4.00-5.00% interest.

Limited pension bonds are direct obligations and pledge the full faith and credit of the District. The outstanding pension were issued to provide funds for the payment of the unfunded pension liability. The original amount of \$2,365,000 has payments remaining through 2028 at between 5.423-5.528% interest.

On April 7, 2022, the District issued a Full Faith and Credit obligation payable over 10 years at a rate of interest of 1.80%, for an original issue amount of \$4,000,000.

Financed purchases are for the acquisition of capital assets, including two buses and food service equipment. Each purchase is executed as a separate finance agreement, distinct from other Property Schedules. All financed purchases will be paid in full by 2023. Default in payment can result in additional charges.

The loan payable was a direct borrowing from Tillamook PUD for the improvement of lighting for a District facility, and is payable over 5 years at 5.00% interest. If the District defaults on any payment, the lender may accelerate the remaining unpaid balance. In addition, the improvements in which the loan was issued for can be recalled by lender if the District defaults on payments.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS (CONTINUED)

Future maturities of unmatured principal and interest for fiscal years ending June 30 are as follows:

Bonds Payable			Full Faith and Credit Loan		
Fiscal Year Ended	Principal	Interest	Fiscal Year Ended	Principal	Interest
2024	\$ 1,250,000	\$ 1,305,348	2024	\$ 512,557	\$ 186,108
2025	1,370,000	1,260,113	2025	516,452	172,918
2026	1,500,000	1,207,346	2026	529,737	159,528
2027	1,640,000	1,149,047	2027	543,319	145,708
2028	1,600,000	1,084,689	2028	557,210	131,445
2029-2033	9,495,000	4,254,000	2029-2033	2,572,338	430,389
2034-2038	10,990,000	1,427,500	2034-2038	866,631	129,718
2039	2,927,776	3,802,224	2039	242,756	5,717
	<u>\$ 30,772,776</u>	<u>\$ 15,490,267</u>		<u>\$ 6,341,000</u>	<u>\$ 1,361,531</u>

Loans Payable			Totals		
Fiscal Year Ended	Principal	Interest	Fiscal Year Ended	Principal	Interest
2024	\$ 9,866	\$ 1,304	2024	\$ 1,772,423	\$ 1,492,760
2025	-	-	2025	1,886,452	1,433,031
2026	-	-	2026	2,029,737	1,366,874
2027	-	-	2027	2,183,319	1,294,755
2028	-	-	2028	2,157,210	1,216,134
2029-2033	-	-	2029-2033	12,067,338	4,684,389
2034-2038	-	-	2034-2038	11,856,631	1,557,218
2039	-	-	2039	3,170,532	3,807,941
	<u>\$ 9,866</u>	<u>\$ 1,304</u>		<u>\$37,123,642</u>	<u>\$16,853,102</u>

Advance Refunding

The District issued \$9,700,000 in general obligation refunding bonds with interest rates ranging from 3.0% to 4.0%. The proceeds were used to advance refund \$9,005,000 of outstanding Series 2005 general obligation bonds which had interest rates ranging from 3.25% to 5.00%. The net proceeds of \$10,357,923 (including a \$657,923 premium and after payment of \$53,350 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2012 general obligation bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The District advance refunded the Series 2005 general obligation bonds to reduce its total debt service payments over 16 years by \$720,886. The economic loss on refunding was \$1,242,324, and is being amortized over the life of the new bonds. At June 30, 2023, \$382,251 remains to be amortized.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. LEASE LIABILITIES

On 07/01/2021, The District entered into a 51 month lease as Lessee for the use of US Bank Equipment - Kyocera Copiers. An initial lease liability was recorded in the amount of \$46,658. As of 06/30/2024, the value of the lease liability is \$14,322. The District is required to make quarterly fixed payments of \$2,940. The lease has an interest rate of 3.5000%. The Equipment estimated useful life was 48 months as of the contract commencement.

On 07/01/2021, the District entered into a 300 month lease as Lessee for the use of Joe Sigman Tower Site. An initial lease liability was recorded in the amount of \$40,067. As of 06/30/2024, the value of the lease liability is \$36,786. The District is required to make monthly fixed payments of \$200. The lease has an interest rate of 3.5000%. The Land estimated useful life was 48 months as of the contract commencement.

Changes in Lease Liability					
	Balance at July 1, 2022	Adjustments	Additions	Reductions	Balance at June 30, 2023
Equipment	\$ -	\$ 36,003	\$ -	\$ 10,639	\$ 25,364
Building	-	38,826	-	1,054	37,772
Total	\$ -	\$ 74,829	\$ -	\$ 11,693	\$ 63,136

Principal and Interest Requirements to Maturity				
Governmental Activities				
Year Ending June 30,	Equipment			Total Payments
	Principal Payments	Interest Payments	Total Payments	
2024	\$ 12,109	\$ 2,051	\$ 14,160	\$ 14,160
2025	12,538	1,623	14,161	14,161
2026	4,111	1,255	5,366	5,366
2027	1,212	1,188	2,400	2,400
2028	1,255	1,145	2,400	2,400
Thereafter	31,911	11,183	43,094	43,094
	\$ 63,136	\$ 18,445	\$ 81,581	\$ 81,581

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. RIGHT TO USE ASSETS

Right to use assets are for the leases in Note 10.

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

	At June 30, 2023			
Asset Class	Lease Asset Value	Adjustments	Amortization	Net Value
Equipment	\$ 46,658	\$ 10,978	\$ 10,978	\$ 24,702
Building	38,464	1,603	1,603	35,258
Total	\$ 85,122	\$ 12,581	\$ 12,581	\$ 59,960

Changes in Right-to-Use Asset

	Balance at July 1, 2022	Adjustments	Additions	Reductions	Balance at June 30, 2023
Building	\$ -	\$ 85,122	\$ -	\$ -	\$ 85,122
Accumulated Amortization Building	-	12,581	12,581	-	25,162
Total Lease Assets, Net	\$ -	\$ 12,581	\$ 12,581	\$ -	\$ 59,960

12. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims have not exceeded this commercial coverage in the past three fiscal years.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

13. COMMITMENTS AND CONTINGENCIES

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

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

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders.

There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact on the District's finances is not determinable.

14. PROPERTY TAX LIMITATION

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

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

15. TAX ABATEMENTS

As of June 30, 2023, the District potentially had tax abatements through various state allowed programs that impacted levied taxes. Based on the information available from the county as of the date of issuance of these basic financial statements, there were no material abatements disclosed by the county for the year ended June 30, 2023 for any program covered under GASB 77.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

16. INTERFUND TRANSFERS AND DUE TO/DUE FROM

Operating transfers between funds were made to fund various programs and activities as follows:

	Transfers Out	Transfers In
General Fund	\$ 1,189,868	\$ -
Special Revenue Fund	-	198,068
Debt Service Fund	-	441,800
Capital Projects Fund	-	550,000
	\$ 1,189,868	\$ 1,189,868

The internal transfers are budgeted and recorded to show legal and operational commitments between funds such as cost sharing.

The composition of the interfund balances is as follows:

	Due From	Due To
General Fund	\$ -	\$ 1,319,969
Special Revenue Fund	-	419,140
Debt Service Fund	265,802	-
Capital Projects Fund	1,473,307	-
	\$ 1,739,109	\$ 1,739,109

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

17. SUBSCRIPTIONS PAYABLE

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

On 07/01/2022, the District entered into a 60 month subscription for the use of OneRoster Canvas. An initial subscription liability was recorded in the amount of \$2,574. As of 06/30/2023, the value of the subscription liability is \$2,059. The District is required to make annual fixed payments of \$515. The subscription has an interest rate of 2.5360%. The value of the right to use asset as of 06/30/2023 of \$2,574 with accumulated amortization of \$515 is included with Software on the Subscription Class activities table found below.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

17. SUBSCRIPTIONS PAYABLE (CONTINUED)

Principal and Interest Requirements to Maturity

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 476	\$ 52	\$ 528
2025	501	40	541
2026	528	27	555
2027	555	14	569

Changes in Subscription Right-to-use Asset

	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Subscription Assets				
Software				
OneRoster Canvas	\$ 2,574	\$ -	\$ -	\$ 2,574
Total Software Subscription Assets	2,574	-	-	2,574
Total Subscription Assets	2,574	-	-	2,574
Subscription Accumulated Amortization				
Software				
OneRoster Canvas	-	(515)	-	(515)
Total Software Subscription Accumulated Amortization	-	(515)	-	(515)
Total Subscription Accumulated Amortization	-	(515)	-	(515)
Total Subscription Assets, Net	\$ 2,574	\$ (515)	\$ -	\$ 2,059

Changes in SBITA Liability

	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Subscription Liability				
Software				
OneRoster Canvas	\$ 2,574	\$ -	\$ 515	\$ 2,059
Total Software Subscription Liability	2,574	-	515	2,059
Total Subscription Liability	\$ 2,574	\$ -	\$ 515	\$ 2,059

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

18. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was recorded to adjust the previously reported prior year net position to record the changes in lease liability and right to use asset for GASB 87, Leases. See Note 10.

Lease ROU	\$	85,122
Accumulated Amortization		<u>(12,581)</u>
		72,541
Lease Liability		(74,829)
Prior Period Adjustment	<u>\$</u>	<u>(2,288)</u>
Net Position - Beginning as previously reported	\$	9,516,379
Prior Period Adjustment		<u>(2,288)</u>
Net Position - Beginning as restated	<u>\$</u>	<u>9,514,091</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.030 %	\$ 4,660,933	\$ 5,220,714	89.3 %	84.5 %
2022	0.030	3,626,919	4,164,197	87.1	87.6
2021	0.028	6,063,785	3,846,104	157.7	75.8
2020	0.030	5,189,223	3,597,668	144.2	80.2
2019	0.033	4,925,005	3,505,231	140.5	82.1
2018	0.034	4,627,276	3,476,966	133.1	83.1
2017	0.037	5,600,204	3,984,277	140.6	80.5
2016	0.044	2,519,749	3,477,707	72.5	91.9
2015	0.038	(854,562)	3,396,583	(25.2)	103.6
2014	0.038	1,923,910	3,070,026	62.7	92.0

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

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

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 1,222,593	\$ 1,222,593	\$ -	\$ 5,527,806	22.1 %
2022	943,260	943,260	-	5,220,714	18.1 %
2021	1,068,779	1,068,779	-	4,164,197	25.7
2020	980,849	980,849	-	3,846,104	25.5
2019	931,096	931,096	-	3,597,668	25.9
2018	707,438	707,438	-	3,505,231	20.2
2017	546,804	546,804	-	3,476,966	15.7
2016	395,648	395,648	-	3,984,277	9.9
2015	417,655	417,655	-	3,477,707	12.0
2014	437,359	437,359	-	3,396,583	12.9

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

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

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET/(LIABILITY) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset/(liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/(liability)(NOA/(L))	(c) Employer's covered payroll	(b/c) NOA/(L) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.040 %	\$ 141,352	\$ 5,220,714	2.71 %	194.6 %
2022	0.019	66,774	4,164,197	1.60	183.9
2021	0.050	101,392	3,846,104	2.64	150.1
2020	0.029	55,626	3,597,668	1.55	144.4
2019	0.030	33,882	3,505,231	0.97	124.0
2018	0.029	12,063	3,476,966	0.35	108.9
2017	0.032	(8,655)	3,984,277	(0.22)	90.0

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

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

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

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ N/A	\$ N/A	\$ N/A	\$ 5,527,806	N/A %
2022	N/A	N/A	N/A	5,220,714	N/A
2021	N/A	N/A	N/A	4,164,197	N/A
2020	N/A	N/A	N/A	3,846,104	N/A
2019	N/A	N/A	N/A	3,597,668	N/A
2018	N/A	N/A	N/A	3,505,231	N/A
2017	N/A	N/A	N/A	3,476,966	N/A

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

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

All statutorily required contributions were made and are included within PERS contributions (See p. 34)

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS

June 30, 2023

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

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2023	\$ 234,726	\$ 46,146	\$ 5,979	\$ -	\$ (23,572)	\$ (8,177)	\$ 255,102	\$ N/A	N/A %
2022	285,949	37,514	6,915	-	(74,385)	(21,267)	234,726	N/A	N/A
2021	238,660	32,264	9,306	-	15,885	(10,166)	285,949	N/A	N/A
2020	324,808	44,431	13,571	-	(106,667)	(37,483)	238,660	N/A	N/A
2019	309,246	43,336	12,000	-	(4,666)	(35,108)	324,808	N/A	N/A
2018	300,333	44,133	9,341	-	(10,884)	(33,677)	309,246	N/A	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Payroll	(b/c) Contributions as a Percentage of Payroll
2023	\$ 46,146	\$ -	\$ N/A	\$ N/A	N/A %
2022	37,514	-	N/A	N/A	N/A
2021	32,264	-	N/A	N/A	N/A
2020	44,431	-	N/A	N/A	N/A
2019	43,336	-	N/A	N/A	N/A
2018	44,133	-	N/A	N/A	N/A

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

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

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

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

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

<u>GENERAL FUND</u>				VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
REVENUES				
Local Sources	\$ 6,786,000	\$ 6,786,000	\$ 7,253,720	\$ 467,720
Intermediate Sources	500,000	500,000	610,745	110,745
State Sources	640,000	640,000	899,442	259,442
Total Revenue	<u>7,926,000</u>	<u>7,926,000</u>	<u>8,763,907</u>	<u>837,907</u>
EXPENDITURES				
Instruction	4,114,969	4,174,969 (1)	4,056,674	118,295
Support Services	3,953,631	4,213,631 (1)	4,168,646	44,985
Debt Service	117,400	117,400 (1)	130,735	(13,335)
Contingency	320,000	- (1)	-	-
Total Expenditures	<u>8,506,000</u>	<u>8,506,000</u>	<u>8,356,055</u>	<u>149,945</u>
Excess of Revenues Over (Under) Expenditures	(580,000)	(580,000)	407,852	987,852
OTHER FINANCING SOURCES (USES)				
Transfer Out	(1,420,000)	(1,420,000) (1)	(1,189,868)	230,132
Total Other Financing Sources (Uses)	<u>(1,420,000)</u>	<u>(1,420,000)</u>	<u>(1,189,868)</u>	<u>230,132</u>
Net Change in Fund Balance	(2,000,000)	(2,000,000)	(782,016)	1,217,984
Beginning Fund Balance	2,300,000	2,300,000	1,750,008	(549,992)
Ending Fund Balance	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 967,992</u>	<u>\$ 667,992</u>

(1) Appropriation Level

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

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

<u>SPECIAL REVENUE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 460,000	\$ 460,000	\$ 271,902	\$ (188,098)
State Sources	2,027,500	2,027,500	1,754,806	(272,694)
Federal Sources	1,342,500	1,342,500	1,343,334	834
Total Revenue	<u>3,830,000</u>	<u>3,830,000</u>	<u>3,370,042</u>	<u>(459,958)</u>
EXPENDITURES				
Instruction	1,696,770	1,496,770	1,314,678	182,092
Support Services	1,102,730	1,102,730	908,836	193,894
Enterprise and Community Services	1,170,500	1,170,500	976,771	193,729
Facilities Acquisition and Construction	-	200,000	115,241	84,759
Transits	730,000	730,000	431,580	298,420
Total Expenditures	<u>4,700,000</u>	<u>4,700,000</u>	<u>3,747,106</u>	<u>952,894</u>
Excess of Revenues Over (Under) Expenditures	(870,000)	(870,000)	(377,064)	492,936
OTHER FINANCING SOURCES (USES)				
Transfer In	270,000	270,000	198,068	(71,932)
Total Other Financing Sources (Uses)	<u>270,000</u>	<u>270,000</u>	<u>198,068</u>	<u>(71,932)</u>
Net Change in Fund Balance	(600,000)	(600,000)	(178,996)	421,004
Beginning Fund Balance	<u>600,000</u>	<u>600,000</u>	<u>372,041</u>	<u>(227,959)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,045</u>	<u>\$ 193,045</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

SUPPLEMENTARY INFORMATION

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

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

<u>DEBT SERVICE FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Local Sources	\$ 2,817,750	\$ 2,817,750	\$ 2,435,354	\$ (382,396)
Total Revenue	<u>2,817,750</u>	<u>2,817,750</u>	<u>2,435,354</u>	<u>(382,396)</u>
EXPENDITURES				
Long-term Debt Service	<u>2,982,750</u>	<u>2,982,750</u>	<u>2,922,902</u>	<u>59,848</u>
Excess of Revenues Over (Under) Expenditures	(165,000)	(165,000)	(487,548)	(442,244)
OTHER FINANCING SOURCES (USES)				
Transfer In	<u>-</u>	<u>-</u>	<u>441,800</u>	<u>441,800</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>441,800</u>	<u>441,800</u>
Net Change in Fund Balance	(165,000)	(165,000)	(45,748)	119,252
Beginning Fund Balance	<u>165,000</u>	<u>165,000</u>	<u>350,854</u>	<u>185,854</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 305,106</u></u>	<u><u>\$ 305,106</u></u>

(1) Appropriation Level

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

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

<u>CAPITAL PROJECTS FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Local Sources	\$ 10,000	\$ 10,000	\$ 166,830	\$ 156,830
Total Revenue	<u>10,000</u>	<u>10,000</u>	<u>166,830</u>	<u>156,830</u>
EXPENDITURES				
Support Services	400,000	400,000	72,971	327,029
Facilities Acquisition and Construction	<u>8,660,000</u>	<u>8,660,000</u>	<u>7,394,689</u>	<u>1,265,311</u>
Total Expenditures	<u>9,060,000</u>	<u>9,060,000</u>	<u>7,467,660</u>	<u>1,592,340</u>
Excess of Revenues Over (Under) Expenditures:	(9,050,000)	(9,050,000)	(7,300,830)	1,749,170
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	2,700,000	2,700,000
Transfer In	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>550,000</u>	<u>550,000</u>	<u>3,250,000</u>	<u>2,700,000</u>
Net Change in Fund Balance	(8,500,000)	(8,500,000)	(4,050,830)	4,449,170
Beginning Fund Balance	<u>8,500,000</u>	<u>8,500,000</u>	<u>5,241,399</u>	<u>(3,258,601)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,190,569</u>	<u>\$ 1,190,569</u>

(1) Appropriation Level

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK, OREGON

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

<u>GENERAL FUND</u>						
TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED JUNE 30, 2022	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED JUNE 30, 2023
Current:						
2022-23	\$ 7,177,871	\$ 184,356	\$ (5,488)	\$ 3,371	\$ 6,858,040	\$ 133,359
Prior Years:						
2021-22	129,538	(57)	(8,094)	5,819	72,831	54,489
2020-21	56,366	(64)	(7,311)	5,509	25,941	28,687
2019-20	27,496	(59)	(7,522)	5,156	14,686	10,503
2018-19	8,286	(71)	(4,762)	2,188	3,684	2,099
Prior	14,170	-	1,875	855	808	16,093
Total Prior	235,856	(251)	(25,814)	19,527	117,950	111,871
Total	<u>\$ 7,413,727</u>	<u>\$ 184,105</u>	<u>\$ (31,302)</u>	<u>\$ 22,898</u>	<u>\$ 6,975,990</u>	<u>\$ 244,825</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	\$ 6,975,990
Accrual of Receivables:	
June 30, 2022	(16,638)
June 30, 2023	30,921
Taxes in Lieu	24,931
Total Revenue	<u>\$ 7,015,204</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK, OREGON

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

DEBT SERVICE FUND

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED JUNE 30, 2022	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED JUNE 30, 2023
Current:						
2022-23	\$ 2,173,965	\$ 55,834	\$ (1,664)	\$ 1,021	\$ 2,077,104	\$ 40,384
Prior Years:						
2021-22	40,036	(18)	(2,503)	1,799	22,506	16,843
2020-21	19,416	(20)	(3,620)	1,775	8,356	9,235
2019-20	9,266	(20)	(2,389)	1,776	5,059	3,615
2018-19	1,215	(24)	(30)	737	1,240	706
Prior	9,589	-	(7,334)	122	115	2,262
Total Prior	79,522	(82)	(15,876)	6,209	37,276	32,661
Total	\$ 2,253,487	\$ 55,752	\$ (17,540)	\$ 7,230	\$ 2,114,380	\$ 81,025

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	\$ 2,114,380
Accrual of Receivables:	
June 30, 2022	(5,131)
June 30, 2023	10,372
Taxes in Lieu	4,132
Total Revenue	\$ 2,123,753

NESTUCCA VALLEY SCHOOL DISTRICT NO.101
TILLAMOOK COUNTY, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As required by Oregon Department of Education
For the Year Ended June 30, 2023

Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal AL Number	Pass Through Number	Grant Period	Expenditures	Pass Through to Sub-Recipients
U.S. Department of Education						
Rural Education Achievement Program	USDOE	84.358A	S358A202785	2020-2021	\$ 5,161	-
Rural Education Achievement Program	USDOE	84.358A	S358A213543	2021-2022	28,869	-
Total Rural Education Achievement Program					<u>34,030</u>	<u>-</u>
Title I Grants to Local Educational Agencies	ODE	84.010	72566	2022-2023	109,496	-
Title I Part A Program	ODE	84.010	75162	2022-2023	52,446	-
Total Title I, Part A					<u>161,942</u>	<u>-</u>
Special Education Cluster						
Special Education Grants to States	ODE	84.027	74076	2022-2023	106,312	-
Total Special Education Grants to States CFDA					<u>106,312</u>	<u>-</u>
Special Education Preschool Grants						
Special Education Preschool Grants	ODE	84.173	74260	2022-2023	802	-
Total Special Education Preschool Grants					<u>802</u>	<u>-</u>
Total, Special Education Cluster					<u>107,114</u>	<u>-</u>
Career and Technical Education - Basic						
Total Career and Technical Education	CCC	84.048	n/a	2022-2023	8,742	-
					<u>8,742</u>	<u>-</u>
Title IIA - Improving Teacher Quality State Grants						
Total IIA Improving Teacher Quality State Grants	ODE	84.367	72763	2022-2023	17,095	-
					<u>17,095</u>	<u>-</u>
Twenty-First Century Community Learning Centers						
Twenty-First Century Community Learning Centers	ODE	84.287	68796	2018-2023	90,162	-
Twenty-First Century Community Learning Centers	ODE	84.287	75203	2018-2023	287,353	-
Total Twenty-First Century Community Learning					<u>377,515</u>	<u>-</u>
COVID-19 - Education Stabilization Fund						
Total COVID-19 - Education Stabilization Fund	ODE	84.425A	64939	2022-2023	167,604	-
					<u>167,604</u>	<u>-</u>
Total, U.S. Department of Education					<u>874,042</u>	<u>-</u>
U.S. Department of Health and Human Services						
Vocational Rehabilitation Grants to States	Tillamook SD	84.126	N/A	2021-2023	45,518	-
Total, U.S. Dept. of Health and Human Svcs.					<u>45,518</u>	<u>-</u>
U.S. Department of Agriculture						
Child Nutrition Cluster						
School Breakfast Program	ODE	10.553	N/A	2022-2023	68,948	-
National School Lunch Program	ODE	10.555	N/A	2022-2023	197,205	-
National School Lunch Program	ODE	10.555	N/A	2022-2023	13,401	-
Summer Food Service Program	ODE	10.559	N/A	2022-2023	4,699	-
National School Lunch Program Commodities	ODE	10.555	N/A	2022-2023	27,151	-
Total Summer Food Service Program					<u>311,404</u>	<u>-</u>
Total, Child Nutrition Cluster					<u>311,404</u>	<u>-</u>
Child and Adult Food Care Program						
Child and Adult Food Care Program	ODE	10.558	N/A	2022-2023	88,559	-
Total Child and Adult Food Care Program					<u>88,559</u>	<u>-</u>
Total, U.S. Department of Agriculture					<u>399,963</u>	<u>-</u>
Total, Federal Awards					<u>\$ 1,319,523</u>	<u>-</u>
Reconciliation of Revenue:						
Total Federal Expenditures Above					\$ 1,319,523	
Accruals / Deferrals					23,811	
Federal Revenue on the Statement of Revenues, Expenditures, and Changes in Fund Balance					<u>\$ 1,343,334</u>	

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

OTHER INFORMATION

Nestucca Valley School District No. 101

Tillamook County, Oregon

**REVENUE SUMMARY - ALL FUNDS
YEAR ENDED JUNE 30, 2023**

Revenue from Local Sources	Fund 100	Fund 200	Fund 300	Fund 400	TOTAL
1111 Taxes - current year's levy	\$ 6,875,176	\$ -	\$ 2,082,181	\$ -	\$ 8,957,357
1112 Taxes - prior year's levies	130,709	-	41,425	-	172,134
1113 Taxes - county tax sales for back taxes	8,797	-	-	-	8,797
1114 Taxes - payments in lieu of taxes	1,459	-	-	-	1,459
1130 Construction excise tax	-	148,867	-	-	148,867
1190 Penalties and interest on taxes	696	-	147	-	843
1510 Earnings on investments	152,073	-	35,613	46,290	233,976
1600 Food Service	-	6,680	-	-	6,680
1700 Extracurricular Activities	3,314	84,664	-	-	87,978
1910 Rentals	400	-	-	-	400
1920 Contributions and donations from private sources	9,850	31,123	-	-	40,973
1960 Recovery of prior year expenditures	48,871	-	-	120,540	169,411
1970 Services Provided to other Funds	-	-	275,988	-	275,988
1990 Miscellaneous	3,678	570	-	-	4,248
1991 E-rate	18,698	-	-	-	18,698
Total Revenue from Local Sources	7,253,721	271,904	2,435,355	166,830	10,127,806
Revenue from Intermediate Sources					
2101 County school funds	534,716	-	-	-	534,716
2102 General Education Service Funds	75,000	-	-	-	75,000
2199 Other intermediate sources	1,029	-	-	-	1,029
Total Revenue from Intermediate Sources	610,745	-	-	-	610,745
Revenue from State Sources					
3103 Common school fund	59,002	-	-	-	59,002
3104 State managed county timber	803,000	-	-	-	803,000
3199 Other unrestricted sources	28,800	-	-	-	28,800
3299 Other restricted grants-in-aid	8,639	1,754,806	-	-	1,763,445
Total Revenue from State Sources	899,441	1,754,805	-	-	2,654,248
Revenue from Federal Sources					
4500 Restricted Rev Fed Gov through State	-	1,316,182	-	-	1,316,182
4900 USDA Donated Commodities	-	27,151	-	-	27,151
Total Revenue from Federal Sources	-	1,343,333	-	-	1,343,334
Revenue from Other Sources					
5110 Bond Proceeds	-	-	-	2,700,000	2,700,000
5200 Interfund Transfers	-	198,068	441,800	550,000	1,189,868
5400 Resources - Beginning Fund Balance	1,750,008	372,041	350,854	5,241,399	7,714,302
Total Revenue from Other Sources	1,750,008	570,109	792,654	8,491,399	11,604,170
Total	\$ 10,513,915	\$ 3,940,151	\$ 3,228,009	\$ 8,658,229	\$ 26,340,303

Nestucca Valley School District No. 101
Tillamook County, Oregon

**GENERAL FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023**

Fund: 100 General Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Instruction Expenditures								
1111 Primary, K-3	\$ 687,797	\$ 427,697	\$ 8,000	\$ 14,460	\$ -	\$ -	\$ -	\$ 1,137,954
1121 Middle/Junior high school programs	302,153	181,128	1,089	14,104	-	600	-	499,074
1122 Middle/Junior high school extracurricular	666	210	3,811	264	-	6,586	-	11,537
1131 High school programs	684,407	422,324	4,422	33,822	-	1,450	-	1,146,425
1132 High school extracurricular	192,486	51,190	16,383	16,745	8,142	39,244	-	324,190
1220 Restrictive programs for student with disabilities	1,913	306	-	144	-	-	-	2,363
1250 Less restrictive programs for student with disabilities	381,858	304,606	686	1,217	-	18,289	-	706,656
1260 Treatment and Habilitation	-	-	1,430	-	-	-	-	1,430
1280 Alternative education	32,396	16,503	28,974	171	-	-	-	78,044
Total Instruction Expenditures	2,363,014	1,468,668	64,987	85,694	8,142	66,169	-	4,056,674
Support Services Expenditures								
2110 Attendance Services	50,551	35,194	2,725	8,145	-	-	-	96,615
2120 Guidance services	4,498	25	-	1,560	-	-	-	6,083
2130 Health services	57,101	20,532	249	1,498	-	-	-	79,380
2190 Service direction, student support services	128,839	76,593	-	1,399	-	645	-	207,476
2210 Improvement of Instruction Services	-	-	4,710	-	-	-	-	4,710
2220 Educational media services	34,836	31,535	9,981	8,476	-	-	-	84,828
2230 Assessment testing	-	-	-	980	-	-	-	980
2240 Instructional staff development	701	24,098	1,169	-	-	-	-	25,968
2310 Board of education services	20,000	1,758	125,244	7,776	-	273,568	-	428,346
2320 Executive administration services	236,851	123,672	17,606	30,984	-	2,506	-	411,619
2410 Office of the principal services	279,918	180,057	5,613	19,750	-	6,026	-	491,364
2520 Fiscal services	70,433	43,423	77,945	29,267	-	21,500	-	242,568
2540 Operation and maintenance of plant services	328,786	155,979	434,037	101,926	-	3,908	-	1,024,636
2550 Student transportation services	268,694	218,269	9,905	74,098	-	1,806	-	572,772
2570 Internal services	-	-	11,893	-	-	-	-	11,893
2640 Staff services	56,939	35,021	8,508	110	-	4,864	-	105,442
2660 Technology services	176,385	103,561	65,796	11,549	-	150	-	357,441
2700 Supplemental Retirement Programs	-	16,525	-	-	-	-	-	16,525
Total Support Services Expenditures	1,714,532	1,066,242	775,381	297,518	-	314,973	-	4,168,646
5100 Debt Service	-	-	50,000	-	-	80,735	-	130,735
5200 Transfers of Funds	-	-	-	-	-	-	1,189,868	1,189,868
Total Other Uses Expenditures	-	-	50,000	-	-	80,735	1,189,868	1,320,603
Total 100 General Fund	\$ 4,077,546	\$ 2,534,910	\$ 890,368	\$ 383,212	\$ 8,142	\$ 461,877	\$ 1,189,868	\$ 9,545,923

Nestucca Valley School District No. 101
Tillamook County, Oregon

**SPECIAL REVENUE FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023**

Fund: 200 Special Revenue Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Instruction Expenditures								
1111 Elementary programs	\$ 9,496	\$ 4,105	\$ -	\$ 4,003	\$ -	\$ -	\$ -	\$ 17,604
1113 Elementary extracurricular	-	-	-	4,086	-	-	-	4,086
1121 Middle/Junior high school programs	128,414	70,223	-	2,310	-	-	-	200,947
1122 Middle/Junior high school extracurricular	-	-	-	2,492	-	-	-	2,492
1131 High School Programs	100,336	53,305	-	9,942	-	-	-	163,583
1132 High school extracurricular	-	-	1,150	86,041	86,112	-	-	173,303
1140 Pre-kindergarten programs	69,949	33,395	-	-	-	-	-	103,344
1250 Less restrictive programs for student with disabilities	100,642	85,976	4,139	4,184	6,157	-	-	201,098
1271 Remediation	11,011	3,739	-	-	-	-	-	14,750
1280 Alternative education	144,883	58,054	21,209	17,227	-	-	-	241,373
1291 English Second Language	53	17	-	-	-	-	-	70
1400 Summer school program	45,179	11,234	-	2,309	-	-	-	58,722
Total Instruction Expenditures	701,204	362,113	26,498	132,594	92,269	-	-	1,314,678
Support Services Expenditures								
2113 Social Work Services	24,607	16,753	-	-	-	-	-	41,360
2115 Student Safety	-	-	-	-	16,960	-	-	16,960
2120 Guidance Services	250,835	163,596	-	-	-	-	-	414,431
2130 Health Services	5,161	-	-	-	-	-	-	5,161
2220 Educational Media Services	-	-	-	95,796	-	-	-	95,796
2240 Instructional Staff Development	-	-	10,750	-	-	-	-	10,750
2320 Executive Admin Services	7,005	1,626	-	-	-	-	-	8,631
2540 Operation and maintenance of plant services	58,878	40,921	106,594	10,138	65,902	5,667	-	288,100
2550 Student Transportation Services	2,718	872	-	-	-	-	-	3,590
2640 Staff Services	4,172	763	-	-	-	-	-	4,935
2660 Technology Services	-	-	-	19,123	-	-	-	19,123
Total Support Services Expenditures	353,376	224,531	117,344	125,057	82,862	5,667	-	908,836
Enterprise and Community Services								
3100 Food services	144,063	125,140	4,269	290,276	-	1,574	-	565,322
3300 Community Services	216,326	167,237	19,512	8,074	-	300	-	411,449
Total Enterprise and Community Services	360,389	292,377	23,781	298,350	-	1,874	-	976,771
4110 Service Area Direction	-	-	2,385	-	-	-	-	2,385
4120 Land Acquisition	-	-	-	-	20,000	-	-	20,000
4150 Building acquisition, construction and improvement	-	-	-	-	92,856	-	-	92,856
Total Facilities and Construction Expenditures	-	-	2,385	-	112,856	-	-	115,241
Other Uses Expenditures								
5300 Apportionment of funds	-	-	-	-	-	-	431,580	431,580
Total Other Uses Expenditures	-	-	-	-	-	-	431,580	431,580
Total 200 Special Revenue Fund	\$ 1,414,969	\$ 879,021	\$ 170,008	\$ 556,001	\$ 287,987	\$ 7,541	\$ 431,580	\$ 3,747,106

Nestucca Valley School District No. 101
 Tillamook County, Oregon

**DEBT SERVICE FUND
 EXPENDITURE SUMMARY
 YEAR ENDED JUNE 30, 2023**

Fund: 300 Debt Service

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Other Uses Expenditures								
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,922,902	\$ -	\$ 2,922,902
Total Other Uses Expenditures	-	-	-	-	-	2,922,902	-	2,922,902
Total 300 Debt Service Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,922,902	\$ -	\$ 2,922,902

Nestucca Valley School District No. 101

Tillamook County, Oregon

**CAPITAL PROJECTS FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023**

Fund: 400 Capital Projects Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Support Services Expenditures								
2520 Fiscal Services	\$ -	\$ -	\$ 71,000	\$ -	\$ -	\$ -	\$ -	\$ 71,000
2540 Operation and Maintenance of Plant Services	-	-	-	1,971	-	-	-	1,971
Total Support Services Expenditures	-	-	71,000	1,971	-	-	-	72,971
Facilities Acquisition and Construction Expenditures								
4110 Service area direction	-	-	814,993	-	-	-	-	814,993
4150 Building Acquisition, Construction and Improvement Services	-	-	14,251	7,452	4,051,925	2,836	-	4,076,464
4190 Other Facilities Construction Services	-	-	-	-	2,503,231	-	-	2,503,231
Total Facilities Acquisition and Construction Expenditures	-	-	829,244	7,452	6,555,156	2,836	-	7,394,688
Total 400 Capital Projects Fund	\$ -	\$ -	\$ 900,244	\$ 9,423	\$ 6,555,156	\$ 2,836	\$ -	\$ 7,467,660

**NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON**

**SUPPLEMENTAL INFORMATION
As Required by The Oregon Department of Education - Form 3211-C
For the Year Ended June 30, 2023**

A.	Energy bills for heating - all funds:		<u>Objects 325 and 326 & *327</u>
		Function 2540	\$ 194,115
		Function 2550	954
B.	Replacement of equipment - General Fund:		
	Include all General Fund expenditures in Object 542, except for the following exclusions:		<u>Amount</u>
	Exclude these functions:		
	1113, 1122 & 1132 Co-curricular activities 4150 Construction		\$ -
	1140 Pre-kindergarten 2550 Pupil transportation		
	1300 Continuing education 3100 Food service		
	1400 Summer school 3300 Community services		

**Object code 327 (water and sewage) has been added to Part A to be included in the Function 2540 and 2550 totals.*

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
ANNUAL OPERATING DATA
 Ending June 30, 2023

General Obligation Bond Debt Capacity - Fiscal Year 2023

Real Market Value (Fiscal Year 2023)	\$	2,717,467,561
Debt Capacity		
General Obligation Debt Capacity (7.95% of Real Market Value)		216,038,671
Less: Outstanding Debt Subject to Limit		(29,617,776)
Remaining General Obligation Debt Capacity		186,420,895
Percent of Capacity Issued		13.71%

Taxable Property Values

Fiscal Year	M5 Real Market Value	Total Assessed Value	Urban Renewal Excess	Net Assessed Value
2023	\$ 2,717,467,561	\$ 1,481,473,860	\$ -	\$ 1,481,473,860
2022	2,017,508,008	1,404,035,411	-	1,404,035,411
2021	1,801,902,993	1,349,831,512	-	1,349,831,512
2020	1,698,038,639	1,300,464,370	-	1,300,464,370
2019	1,584,619,533	1,244,866,272	-	1,244,866,272
2018	1,475,900,612	1,188,920,506	-	1,188,920,506
2017	1,411,024,911	1,149,867,434	-	1,149,867,434
2016	1,429,413,711	1,115,303,684	-	1,115,303,684
2015	1,359,450,275	1,078,038,802	-	1,078,038,802
2014	1,324,270,053	1,057,426,721	-	1,057,426,721
2013	1,327,316,755	1,031,259,139	-	1,031,259,139

Representative Levy Rate

Fiscal Year	Permanent Rate	Bond Levy	Total
2023	\$ 4.8580	\$ 1.4681	\$ 6.3261
2022	4.8580	1.4956	6.3536
2021	4.8580	1.5557	6.4137
2020	4.8580	1.6309	6.4889
2019	4.8580	1.6234	6.4814
2018	4.8580	0.7056	5.5636
2017	4.8580	0.7200	5.5780

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
ANNUAL OPERATING DATA
 Ending June 30, 2023

Historical Average Daily Membership⁽¹⁾	
2023	730.0
2022	680.2
2021	661.9
2020	676.8
2019	684.7
2018	669.8
2017	680.5

(1) Weighted Average Daily Membership is the enrollment figure, adjusted for part time students and students with special needs, that is used to allocate revenue appropriated

Major Taxpayers - Fiscal Year 2022-23

Tillamook County

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Tillamook County Creamery Associa	Dairy Products	\$ 1,098,347	\$ 114,343,244	1.89%
Tillamook PUD	Electrical Utility	1,046,180	95,483,000	1.58%
Stimson Lumber Company	Wood Products	927,632	82,450,528	1.37%
Lumen Technologies Inc.	Telecommunications	362,160	33,840,000	0.56%
Store Capital Acquisitions LLC	Commerical Property	282,106	24,192,950	0.40%
Charter Communications	Telecommunications	271,862	24,063,000	0.40%
Hampton Lumber Mills Co	Wood Products	257,758	21,681,950	0.36%
Fred Meyer Stores Inc.	Grocery	226,624	19,059,900	0.32%
Pelican Brewing Company	Brewery	216,106	17,570,700	0.29%
Kiwanda Lodge LLC	Lodging	145,100	11,862,740	0.20%
Subtotal - ten of County's largest taxpayers			330,204,768	5.47%
All other County's taxpayers			5,706,351,104	94.53%
Total County			\$ 6,036,555,872	100.00%

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
ANNUAL OPERATING DATA
 Ending June 30, 2023

Major Taxpayers - Fiscal Year 2022-23

Nestucca Valley School District

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Tillamook PUD	Electrical Utility	\$ 169,539	\$ 15,269,000	1.03%
Kiwanda Lodge LLC	Lodging	145,100	11,862,740	0.80%
Edge Cable Holdings USA, LLC	Telecommunications	139,550	12,430,750	0.84%
Stimson Lumber Company	Wood Products	136,703	11,056,384	0.75%
Lumen Technologies Inc	Telecommunications	120,556	10,597,000	0.72%
Kiwanda Properties LLC	Property Management	109,764	8,953,210	0.60%
L & C Tree Farms, LLC	Timberland	89,938	7,241,009	0.49%
Sahhali South LLC	Residential Development	72,441	6,049,150	0.41%
Weyerhaeuser Timber Holdings, Inc.	Timberland	62,181	4,878,351	0.33%
Hart's Camp, LLC	RV Park	50,201	4,082,260	0.28%
Subtotal - ten of District's largest taxpayers			92,419,854	6.24%
All other District's taxpayers			1,389,054,006	93.76%
Total District			\$ 1,481,473,860	100.00%

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS



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December 4, 2023

Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of Nestucca Valley School District No. 101 for the year ended June 30, 2023, and have issued our report thereon dated December 4, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

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

OAR 162-10-0230 Internal Control

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

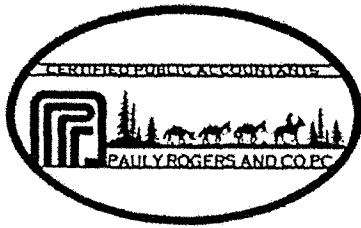
This report is intended solely for the information and use of the Board of Directors, Management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Roy R Rogers

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

GRANT COMPLIANCE REVIEW



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December 4, 2023

To the Board of Directors
Nestucca Valley School District No. 101
Tillamook County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities and each major fund of the Nestucca Valley School District No. 101 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 4, 2023.

Report on Internal Control over Financial Reporting

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

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

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

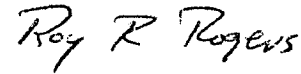
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

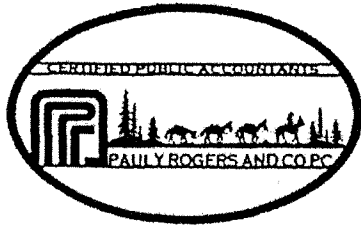
As part of obtaining reasonable assurance about whether the basic financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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



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



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December 4, 2023

To the Board of Directors
Nestucca Valley School District No. 101
Tillamook County, Oregon

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Nestucca Valley School District No. 101's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

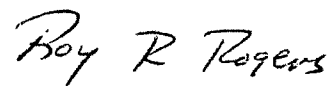
Report on Internal Control over Compliance

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

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

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

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

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

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

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

yes no

Significant deficiency(s) identified that are not considered to be material weaknesses?

yes none reported

Noncompliance material to financial statements noted?

yes no

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 515(d)(2) of the Uniform Guidance?

yes no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?

yes no

Significant deficiency(s) identified that are not considered to be material weaknesses?

yes none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of the Uniform Guidance?

yes no

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

IDENTIFICATION OF MAJOR PROGRAMS

<u>AL NUMBER</u>	<u>NAME OF FEDERAL PROGRAM CLUSTER</u>
84.425A	COVID-19 Education Stabilization Fund

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

Auditee qualified as low-risk auditee? yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Board of Director’s Meeting

Minutes- January 8, 2024

OPENING OF PUBLIC SESSION

The meeting was called to order by Board Chair Boyd at 6:01 pm. Board Chair Boyd led the Pledge of Allegiance.

Attendance:

- X - Joseph Boyd-Board Chair- Present
- X - Wally Neson-Vice Chair-Present
- X - Diane Boisa-Present
- X - Irene Barajas-Present
- X - Misty Wharton, Superintendent-Present
- X - Ken Richwine, High School Principal Present
- X - Megan Kellow, Special Programs Administrator Present
- X - Chad Holloway, District Facilities and Alternative Education Administrator-Not Present
- X - Kristina Albin, K8 Principal-Present

Patrons, Students and Staff: Alicia Olson, Heidi Schultz, Mary Lussier, Steve Lussier, Miyles Dodson, Meesha Pena, April Bailey, Kayla Cole, Chloe Love, Rachel Gregory, Abby Love, Lauren Olson, Greg Woods, Sherry Hartford

Zoom: Kaelin Longanecker, Jessica Elder, Breanne Kennedy Andescavage, Macie Best, Cindy Marshall, Tera VanDyke, Trever Madison, Gianella’s, Julie, Peter Deam, Dave Seals, Bobbie Stirling, Sharman, Liz Steinmetz, Travis, Robin Richwine, Tim Hirsch, Sydney, Rachel Cardwell, Carolyn Hill, Stormee, Melanie, Natasha Durgan, Adam, Mary, Ursula McVittie, Dia

Approval of Agenda – January 8, 2024

MOTION: Diane Boisa 2nd: Wally Nelson AYES: 4 NOES: 0 ABSTAIN: 0

COMMUNITY/SCHOOL PRESENTATIONS

Board of Director's Appreciation

Superintendent Wharton shared that January is School Board appreciation month. We have a video to show you that was made by Peter Deam and his middle school media class at the K8. Administration and staff worked to put together the packages and cards in front of you, which is only a small token of thanks for everything you do. Mrs. Wharton said I don't think anyone realizes just how much time you dedicate outside of the school board meetings to the business of the school. As a parent of a child in the district, she wanted to express her thanks for all that they do.

Diane Boisa asked that administration please share with the kids, how wonderful the thank you cards are and how much they appreciate it!

School Board Appreciation video shared, made by the K8 Media Production class.

PUBLIC COMMENT

April Bailey wanted to thank the board for posting the budget committee positions on the district's website, which allows for more transparency in the community. Mrs. Bailey wished to discuss the Integrated Guidance Plan that was recently adopted. This plan had several things that were identified, such as social-emotional learning. With recent test scores being low, Mrs. Bailey feels the district should shift their attention to test scores and away from things such as social and emotional well-being.

Lauren Olson had some concerns about the bus accident. It is difficult getting notifications to check your email while you are driving. She inquired how the wrong bus colors got communicated out and what exactly happened with the bus because she was hearing different things. Lauren wished to also mention the wi-fi policy and if it being off during the day, will last the whole school year? In her opinion, it is a problem with discipline and having control over a classroom. She feels it is difficult not being able to communicate with your student during the day and heard that students may not be able to work on their homework during the day without wi-fi.

Mrs. Wharton said she can answer the questions regarding the bus accident. Every emergency is chaotic and she apologized for the wrong bus colors going out. She checked three times to confirm bus colors before it was communicated out. Bus colors were communicated to her incorrectly and they sent an updated Blackboard message as soon as they realized the error. Tomorrow we will have an

administrative debriefing on the incident. Mrs. Wharton said she cannot say exactly what happened as there is an active investigation. There is mandatory drug testing and ODE will get involved. All of the kids walked off the bus on their own. We will review all of this as an administrative team in our debriefing and alter practices as needed. As far as wi-fi goes, we just started instituting that at the K8 as well because of issues with Tiktok.

Mr. Richwine said he realizes it is inconvenient for parents and staff to have the wi-fi off during the day. He wishes there was a solution so that students could work on homework during advisory period, but we just don't have a fix for that yet. As far as cell phones in the classroom, when you have 25 kids in a class, even with rules in place, cell phones are still being used. Without the wi-fi, it is not an issue. Mr. Richwine said some of the students have said they kind of like it being off because it takes away the option for that distraction.

Mrs. Wharton said we appreciate the feedback, this is a new process and we are still figuring it out. Cell phones are very disruptive in the learning environment and if students would just follow the rules, we would not have to enforce this. Lauren said she understands, she just feels it is a result of teachers not having control of their classrooms. Mrs. Albin said it goes beyond having control of a classroom. She feels most teachers do have control of their classroom. Even with a cell phone policy, signed contracts, processes in place to keep phones put away (pouches on the classroom door for students to put their phone in during class) and consequences for having them out, they still get on them.

CONSENT AGENDA—consolidated motion

- Board Minutes from December 11, 2023
- December 2023 Financial Report
- Ratification of Employment
- Quarterly Statement of Assurance

MOTION: Wally Nelson 2nd: Diane Boisa AYES: 4 NOES: 0 ABSTAIN: 0

ACTION DISCUSSION

Recommendation: Approve – The Nestucca Valley School District Budget Calendar for the 2024/2025 School Year.

Mrs. Wharton explained this is the annual budget calendar that follows previous years. We will have to post it in the Headlight Herald legally. We are currently advertising for budget committee member's. The application process closes on the 10th and we have had three people apply so far. Once approved, we will post a notice in March and start meetings in April.

MOTION: Wally Nelson 2nd: Irene Barajas AYES: 4 NOES: 0 ABSTAIN

Recommendation: Approve – 2024/2025 NWRES D Local Service Plan

This is our annual process of agreeing to participate in the NWRES D Local Service Plan. The Superintendents convene with the Superintendent of NWRES D and talk about the needs of all of our school districts. Rural school districts get resources that we could not get on our own, such as an autism specialist that consults with us. We contract with them for our business office and grant applications. For the last two years, we have been fortunate enough to have our own speech therapist, but continue to use their team for other specialists.

MOTION: Irene Barajas 2nd: Wally Nelson AYES: 4 NOES: 0 ABSTAIN: 0

INFORMATION/DIRECTOR QUESTIONS

Superintendent Wharton said that all administrative reports are in the packet. They are a little short due to winter break and the team only being back for a few days.

There were no updates from the Board of Director's.

The Board will convene again on Wednesday for a special meeting, where they will go into executive session to complete Mrs. Wharton's evaluation with Mr. Hanline. Mrs. Barajas will need to attend virtually.

We are starting to look at the school calendar in preparation for working on the Strategic Plan this spring. Mrs. Wharton has been working with Willamette University on the Conversation Project, to come and engage the community in different conversations about the needs of the school district. We are looking at an April date for the Strategic Plan. Because we do not have enough subs to free up all the needed teachers for this, Mrs. Wharton will work with both unions to propose a couple changes to the calendar at the end of April. This will likely be an early release on a Thursday, with a Friday off as professional development to free up staff to work on the Strategic Plan. The first day will be staff and community, the second day will be staff only, and the third day (Saturday) will be just the Board.

First reading of policy EFAA, which is an administrative rule. This is us starting the process of the first reading, second reading and/or adoption. This is one the food service went through because it needed to be updated to be compliant with the state of Oregon. This is the first reading, so if you go through

there and have any questions on anything, we would pull it out as an action item, not a consent agenda item. If you go through and have no questions, then we can pass on the consent agenda as the second reading. We will start digging in and working on all the policies that are required first and get those updated.

Mrs. Wharton said they are in the process of getting out the notice of the Board vacancy. Similar to last time, we will have the application process open for three weeks and then the Board will conduct interviews.

A letter will go out tomorrow regarding the bus accident. All students walked off the bus and we were very cautious. There were a few students who went to urgent care to get checked out, with a couple going to Tillamook and Lincoln City ER. Thankfully, all injuries were minor.

The Board thanked everyone for the gifts and wanted to make sure that the kids were thanked. Mrs. Albin said she would be sure to tell the kids how much they appreciated everything.

FURTHER BUSINESS

No further business.

ADJOURNMENT

The meeting was adjourned by Board Chair Boyd at 6:27 pm.

Special Board of Director's Meeting

Minutes- January 10, 2024

OPENING BUSINESS

The meeting was called to order by Board Chair Boyd at 5:00 pm.

Attendance:

- X - Joseph Boyd-Board Chair- Present
- X - Wally Neson-Vice Chair-Present
- X - Diane Boisa-Present
- X - Irene Barajas-Present-via Zoom
- X - Misty Wharton, Superintendent-Present
- X - Ken Richwine, High School Principal-Not Present
- X - Megan Kellow, Special Programs Administrator-Not Present
- X - Chad Holloway, District Facilities and Alternative Education Administrator-Not Present
- X - Kristina Albin, K8 Principal-Not Present

Patrons, Students and Staff via Zoom: Katy, 503-812-6581

EXECUTIVE SESSION

Convene to Executive Session Pursuant to:

(ORS 192.660(2)(i) To Review and evaluate the employment related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request and open hearing.

At 5:02 pm, Mr. Boyd, Mr. Nelson and Ms. Boisa, convened in the High School conference room, where Mrs. Barajas joined them via Zoom for Executive Session.

The Board returned to Public Session at 5:40 pm.

FURTHER BUSINESS

No further business.

ADJOURNMENT

The meeting was adjourned by Board Chair Boyd at 5:40 pm.

**Nestucca Valley School District
Financial Report
2023-2024**

For Period Ending January 31, 2024

General Fund - Revenue & Expenditures by Object Code

	Budget	Actual	Encumbrances	Variance
Revenue:				
1111 Current Taxes	\$ 6,767,100	\$ 6,534,955	\$ -	\$ (232,145)
1112 Prior Taxes	150,000	65,570	-	(84,430)
1190 Interest on Taxes	1,000	6,029	-	5,029
1510 Interest	45,000	78,632	-	33,632
1920 Contributions & Donations	10,000	3,950	-	(6,050)
1960 Recovery of Expenditures	20,000	77,479	-	57,479
1990 Miscellaneous Revenue	25,000	2,049	-	(22,951)
1991 E-Rate Reimbursement	-	18,220	-	18,220
Total Local Revenue	7,018,100	6,786,884	-	(231,216)
2101 County School Fund	460,000	322,765	-	(137,235)
2102 General Education Service District	75,000	-	-	(75,000)
2199 Other Intermediate Sources	-	905	-	905
Total Intermediate Revenue	535,000	323,670	-	(211,330)
3101 State School Fund Grant	-	144,583	-	144,583
3103 Common School Fund	45,000	-	-	(45,000)
3104 State Timber Revenue	350,000	367,859	-	17,859
3199 Unrestricted Revenue	30,000	-	-	(30,000)
Total State Revenue	425,000	512,442	-	87,442
4300/4500 Federal Revenue	-	-	-	-
4801 Federal Forest Fees	-	-	-	-
Total Federal Revenue	-	-	-	-
5200 Interfund	140,000	-	-	(140,000)
5300 Other Sources	-	400	-	400
5400 Beginning Fund Balance *	500,000	967,992	-	467,992
Total Other Sources	640,000	968,392	-	328,392
Total Revenues	\$ 8,618,100	\$ 8,591,388	\$ -	\$ (26,712)
Expenditures:				
100 - Salaries	\$ 3,776,080	\$ 2,074,874	\$ 2,005,534	\$ (304,328)
200 - Benefits	2,558,846	1,360,113	1,368,304	(169,571)
300 - Purchased Services	752,750	429,067	309,790	13,893
400 - Supplies & Materials	322,724	232,473	136,852	(46,601)
600 - Other Objects	424,750	422,153	13,199	(10,602)
700 - Transfers	492,000	-	492,000	-
800 - Operating Contingency	180,950	-	-	180,950
800 - Unappropriated EFB	110,000	-	-	110,000
Total Expenditures	\$ 8,618,100	\$ 4,518,680	\$ 4,325,679	\$ (226,259)

*Pending audit completion

**Nestucca Valley School District
Financial Report
2023-2024**

For Period Ending January 31, 2024

Special Revenue Funds - Revenue & Expenditures by Object Code

			Encumbrances	Variance
Revenue:				
Local Revenue	\$ 325,000	\$ 122,303	\$ -	\$ (202,697)
State Revenue	1,926,173	159,648	-	(1,766,525)
Federal Revenue	1,208,228	222,109	-	(986,119)
Interfund Transfers	50,000	-	-	(50,000)
Sale of Fixed Assets	-	20,000	-	20,000
Beginning Fund Balance *	365,000	193,045	-	(171,955)
Total Revenues	\$ 3,874,401	\$ 717,105	\$ -	\$ (3,157,296)
Expenditures:				
100 - Salaries	\$ 1,056,108	\$ 535,728	\$ 539,111	\$ (18,731)
200 - Benefits	792,479	355,890	415,796	20,793
300 - Purchased Services	371,525	80,904	18,102	272,519
400 - Supplies & Materials	757,289	306,249	135,971	315,069
500 & 600 - Capital & Other Objects	27,000	64,292	22,120	(59,412)
700 - Transits	870,000	149,330	465,365	255,305
Total Expenditures	\$ 3,874,401	\$ 1,492,393	\$ 1,596,465	\$ 785,543

*Pending audit completion

**Nestucca Valley School District
Financial Report
2023-2024**

For Period Ending January 31, 2024

General Fund - Revenue & Expenditures by Function Code

	Budget	Actual	Encumbrances	% Remaining	Variance
Revenue:					
Local Revenue	\$ 7,018,100	\$ 6,786,884	\$ -	3.29%	\$ (231,216)
Intermediate Revenue	535,000	323,670	-	39.50%	(211,330)
State Revenue	425,000	512,442	-	-20.57%	87,442
Transfers	-	400	-	0.00%	400
Beginning Fund Balance *	640,000	967,992	-	-51.25%	327,992
Total Revenues	\$ 8,618,100	\$ 8,591,388	\$ -	0.31%	\$ (26,712)
Expenditures:					
1000- Instruction	\$ 3,794,752	\$ 1,906,104	\$ 2,111,246	-5.87%	\$ (222,598)
2000- Support Services	3,969,898	2,570,800	1,695,431	-7.46%	(296,333)
3000- Community Services	-	34,328	24,518	-100.00%	(58,846)
5100- Debt Service	70,500	7,448	2,483	85.91%	60,569
5200- Transfers	492,000	-	492,001	0.00%	(1)
6100- Operating Contingency	180,950	-	-	100.00%	180,950
7000- Unappropriated EFB	110,000	-	-	100.00%	110,000
Total Expenditures	\$ 8,618,100	\$ 4,518,680	\$ 4,325,679	-2.63%	\$ (226,259)

*Pending audit completion

For Period Ending January 31, 2024

Special Revenue Funds - Revenue & Expenditures by Function Code

	Budget	Actual	Encumbrances	% Remaining	Variance
Revenue:					
Local Revenue	\$ 325,000	\$ 122,303	\$ -	62.37%	\$ (202,697)
State Revenue	1,926,173	159,648	-	91.71%	(1,766,525)
Federal Revenue	1,208,228	222,109	-	81.62%	(986,119)
Interfund Transfers	50,000	-	-	100.00%	(50,000)
Sale of Fixed Assets	-	20,000	-	0.00%	20,000
Beginning Fund Balance *	365,000	193,045	-	47.11%	(171,955)
Total Revenues	\$ 3,874,401	\$ 717,105	\$ -	81.49%	\$ (3,157,296)
Expenditures:					
1000- Instruction	\$ 1,247,598	\$ 610,008	\$ 436,149	16.15%	\$ 201,441
2000- Support Services	811,180	352,655	309,083	18.42%	149,442
3000- Community Services	945,623	327,295	364,759	26.82%	253,569
4000- Facilities Acquisition & Const	-	53,105	21,110	0.00%	(74,215)
5300- Transits	870,000	149,330	465,365	0.00%	255,305
Total Expenditures	\$ 3,874,401	\$ 1,492,393	\$ 1,596,466	20.28%	\$ 785,542

*Pending audit completion

Nestucca Valley School District 101J

Code: EFAA-AR
 Board Set To Adopt: 1/8/2024
 Revised/Readopted: 6/17/13, 4/08/19; 11/18/19

Reimbursable Meals Programs

(National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, and Summer Food Service Program)

The district's nutrition and food services will be operated in accordance with the following requirements:

Meal Pricing Procedures

1. The district will implement claiming alternative Community Eligibility at the following schools under its jurisdiction: Nestucca K8 and Nestucca High School.

Application Procedures

1. Households receiving SNAP or Temporary Assistance to Needy Families (TANF) benefits as identified by Oregon Department of Education (ODE), will be automatically eligible for free meals, for the students listed on the official document. Districts must access this document at least three times per year.
2. Students receiving support through the migrant education program, Runaway and Homeless Youth Act, McKinney-Vento Homeless Assistance Act, federal Head Start and state-funded prekindergarten programs, with income eligibility criteria identical or more stringent than federal Head Start, or are in state or court placement foster care, will be automatically eligible for free meals for the students listed on the official documents.
3. Households that submit a confidential application will be notified of their student's eligibility for free or reduced-price meals. Households that are denied free or reduced-price benefits will be notified in writing using the ODE template letter distributed to the district annually.
4. On a case-by-case basis when a student is known to be eligible for free or reduced-price meal benefits, and the household fails to submit a confidential application, the superintendent or designee may complete an application for the student documenting how they know the household income qualifies the student for free or reduced-price meal benefits. Parents of a student approved for free or reduced-price benefits, when application is made for the student by a school official, will be notified of the decision and given the opportunity to decline benefits.
5. Students who do not qualify for free or reduced-price meals are eligible to participate in the National School Lunch Program (NSLP) and School Breakfast Program (SBP) and will be charged "paid" prices set by the district. "Paid" category students will be treated equally to students receiving free or reduced-price benefits in every aspect of the district's NSLP, and SBP, Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP).

6. The district has established a fair hearing process under which a household can appeal a decision with respect to the household's application for benefits or any subsequent reduction or termination of benefits.
7. In the event of major employers contemplating large layoffs in the attendance area of the district, the district will provide confidential applications and eligibility criteria for free and reduced-price meals to the employer for distribution to affected employees.

Financial Management of the Nonprofit School Food Service

1. The district will maintain a nonprofit school nutrition and food service operation.
2. Revenues earned by the school nutrition and food services will be used only for the operation or improvement of NSLP, SBP, CACFP and SFSP.
3. Lunch and breakfast meals served to teachers, administrators, custodians and other adults not directly involved with the operation of the district's nutrition and food services will be priced to cover all direct and indirect cost of preparing and serving the meal.¹
4. District nutrition and food services revenues will not be used to purchase land or buildings.
5. The district will limit its nutrition and food services net cash resources to an amount that does not exceed three months average expenditures.
6. The district will maintain effective control and accountability for, and adequately safeguard, all nutrition and food services' cash, real and personal property, equipment and other assets, and ensure they are used solely for nutrition and food services purposes.
7. The district will meet the requirements for allowable NSLP, SBP, CACFP and SFSP costs as described in 2 C.F.R. 200.
8. In purchasing nutrition and food services goods or services, the district will not accept proposals or bids from any party that has developed or drafted specifications, requirements, statements of work, invitations for bids, requests for proposals, contract terms and conditions or other documents for proposals used to conduct the procurement.
9. All procurement transactions for nutrition and food services goods and services will be conducted according to state, federal and district procurement standards using the applicable cost thresholds.
10. In the operation of its nutrition and food services program, the district will purchase food products where at least 50 percent of the ingredients are produced or processed in the United States, whenever possible.

Civil Rights and Confidentiality Procedures

¹ For meals with portion sizes equivalent to student meals, the adult meal price will be no less than the amount of reimbursement for a free-eligible meal, plus the value of commodity foods used in the meal preparation.

1. The district will not discriminate against any student because of their eligibility for free or reduced-price meals.
2. The district will not discriminate against any student or any nutrition and food services employee because of race, color, national origin, marital status, sex, sexual orientation, parental status, religion, age or disability.
3. The district will assure that all students and nutrition and food services employees are not subject to different treatment, disparate impact or a hostile environment.
4. Established district procedures will be followed for receiving and processing civil rights complaints related to applications for NSLP, SBP, CACFP and SFSP benefits and services, and employment practices with regard to the operation of its NSLP, SBP, CACFP and SFSP. The district will forward any civil rights complaint regarding the district's nutrition and food services to ODE's director of Child Nutrition Programs within three days of receiving the complaint.
5. The district will make written or oral translations of all nutrition and food services materials available to all households who do not read or speak English.
6. The district will maintain strict confidentiality of all information obtained through a confidential application for free and reduced-price meals or direct certification, including students' eligibility for free or reduced-price meals and all household information. The district's NSLP, SBP, CACFP and SFSP operators are not required to release any information from a student's confidential application for free or reduced-price meals. No information may be released from a student's eligibility information without first obtaining written permission from the student's parent or legal guardian/adult household member signing the application, except as follows:
 - a. An individual student's name and eligibility status may be released without written consent only to persons who operate or administer federal education programs; persons who operate or administer state education or state health programs at the state level; persons evaluating state, education assessment; or persons who operate or administer any other NSLP, SBP, SMP, CACFP, SFSP or SNAP;
 - b. Any other confidential information contained in the confidential application for free and reduced-price meals or free milk (e.g., family income, address, etc.) may be released without written consent only to persons who operate or administer the NSLP, SBP, SMP, CACFP, SFSP and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC); the Comptroller General of the United States for audit purposes; and federal, state or local law enforcement officials investigating alleged violation of any of the programs listed above.

Nutrition and Menu Planning

1. Meals and afterschool snacks served for reimbursement will meet the nutrition standards established by the U.S. Department of Agriculture (USDA) and Oregon Smart Snacks Standards.
2. Meals served for reimbursement will meet at least the minimum NSLP, SBP, CACFP and SFSP requirements for food items and quantities.
3. Meals served for reimbursement will:

- a. Meet all calorie range requirements by grade level;
 - b. Meet the maximum standards set for saturated fat;
 - c. Meet the maximum standards set for sodium by grade level; and
 - d. Meet the requirement for zero grams of trans fats.
4. The district will use the offer versus serve option when serving NSLP lunches to senior high school students. High school students must take at least three of five different food items including one-half cup of fruit or vegetable offered in program lunches.
 5. The district will use the offer versus serve option when serving program breakfasts to senior high school students. High school students must take at least three of four food items, including one-half cup of fruit or vegetable offered in program breakfasts.
 6. The district will use the offer versus serve option when serving program lunches to students below senior high school grades. Students below high school grades will be required to take three of the five food items, including one-half cup of fruit or vegetable offered in program lunches.
 7. The district will use the offer versus serve option when serving program breakfasts to students below senior high school grades. Students below high school grades will be required to take three of the four food items, including one-half cup of fruit offered in program breakfasts.
 8. A copy of the Board minutes adopting the offer versus serve policy for students below high school grades for program lunches and/or for all students in the district for program breakfasts, as applicable, will be made available upon request.

Use and Control of Commodity Foods

1. The district will accept and use commodity foods in as large a quantity as may be efficiently utilized in the NSLP, SBP and SFSP.
2. The district will maintain necessary safeguards to prevent theft or spoilage of commodity foods.
3. The value of commodity foods used for any food production other than NSLP, SBP, SFSP or afterschool snacks shall be replaced in the food service inventory.

Accuracy of Reimbursement Claims

1. The district will claim reimbursement only for reimbursable meals served to eligible children.
2. All meals claimed for reimbursement will be counted at each dining site at a “point of service” where it can be accurately determined that the meal meets NSLP, SBP, CACFP and SFSP requirements for reimbursement.
3. The person responsible for determining if the meals are reimbursable will be trained to recognize a reimbursable meal.
4. The district official signing the claim for reimbursement will review and analyze monthly meal counts to ensure accuracy of the claim, before submitting the claim to ODE.

5. Annually, by November 15, the district will verify a random sample of applications according to NSLP verification requirements. Instructions for completing the verification process will be sent by ODE to the district in October each year.

Food Safety and Sanitation Inspections

1. The district will maintain necessary facilities for storing, preparing and serving food and milk.
2. Semiannually, the district will schedule food safety inspections with the county Environmental Health Department for each school or dining site under its jurisdiction.
3. The district will maintain health standards in compliance with all applicable state food safety regulations at each school or dining site under its jurisdiction.

General USDA NSLP/SBP/SMP Requirements

1. The district will ensure that no student is denied a meal as a disciplinary action.
2. Breakfast will be served in the morning hours, at or near the beginning of the student's school day.
3. Lunch will be served between the hours of 10 a.m. and 2 p.m.
4. The district will provide substitute foods for students with a disability² that restricts their diet when supported by a written statement from a state-licensed health care professional, who is authorized to write medical prescriptions. Substitutions will be provided only when a medical statement from the licensed health care professional is on file at the school. The medical statement must state the nature of the child's impairment so its effect on the student's diet is understood, and what must be done to accommodate the impairment. The district will not charge more than the price of the school meal, as determined by the child's eligibility status, for meals with the accommodation.
5. The district will control the sale of competitive foods.
6. The district will ensure that potable drinking water will be available to students, free of charge for consumption in the place where meals are served during meal service.
7. The district will notify all households and appropriate staff of its meal charge requirements³ at the beginning of each school year, upon enrollment of a student or the transfer of a student. The meal charging requirements will be made available in the information on free and reduced-priced meals.

Regardless of the ability to pay, a student shall be provided a reimbursable meal upon request. Parents or guardians may provide written permission to the district to withhold a meal from a student. After five meal charges the district will attempt to certify the student for free or reduced-price meals. At least two attempts to contact the student's parent or guardian for completing a meal

² To comply with Section 504 as it relates to a student's severe food allergy, such as milk, gluten, nut or soy, and including but not limited to diabetes, colitis, etc.

³ Federal law requires the district to publish meal charging requirements. The district's charging requirements must identify how and when the information about account balances is communicated to staff, students and parents, and what collection methods will be used on delinquent balances.

application will be made by the district, including offering assistance filling out the application, if appropriate. Communications regarding student charges will be directed to parents or guardians, only.

The sale of foods in competition with the district's lunch (NSLP) or breakfast (SBP) programs will be allowed in dining sites during lunch and breakfast periods with Board approval only when all income from the food sales accrues to the benefit of the district's nutrition and food services or accrues to a school or student organization approved by the Board. A copy of the Board minutes approving and defining competitive food sales will be made available upon request.

8. Students will not be charged for second servings of meals or portions of meals served.

Record Keeping

The following documents will be maintained by the district for three years after the current school year or longer, in the event of an unresolved audit(s), until the audit(s) has been completed:

1. All currently approved and denied confidential applications for free and reduced-price meals, all current direct certification documents, eligibility verification documents and school membership or enrollment lists;
2. Financial records that account for all revenues and expenditures of the district's nonprofit nutrition and food services programs, including procurement documents;
3. Records (i.e., recipes, ingredient lists and nutrition fact labels or product specifications) that document the compliance with nutrition standards for all program and competitive foods available for sale to students at a school campus;
4. Documents of participation data (i.e. meal counts) from each school in the district to support claims for reimbursement;
5. Production and menu records;
6. Records to document compliance with Paid Lunch Equity;
7. Records to document compliance with Revenue from Nonprogram Foods; and
8. Internal program monitoring documents for NSLP, SBP, CACFP and SFSP.

Financial Management of the CACFP

Fiscal Integrity of CACFP Program Funds:

Nestucca Valley School District has created specific accounts for revenue from all Child Nutrition Programs (NSLP/SBP, CACFP and SFSP). Once the Food Service Specialist completes monthly claims for reimbursable meals in CNP Web, claim receipts are forwarded to

NWRESD Fiscal Staff and stored digitally on the secure district network. In instances when the Food Service Specialist is unable to submit the claim reimbursements, the Food Service Coordinator will submit claims for the district.

When reimbursement claims are paid to the district NWRESD Fiscal Staff are responsible for ensuring that they are deposited into the accounts specified exclusively for those funds, hence ensuring that CACFP revenue is easily identified and trackable.

Nestucca Valley School District limits CACFP expenses to food costs. Expenses will be charged monthly and a summary sheet of revenue and expenses will be sent to the Food Service Coordinator by the Fiscal Staff once expenses are charge to the CACFP account. These reports will be reviewed by the Food Service Coordinator and any issues they observe will be discussed with the Fiscal Staff to ensure proper maintenance. CACFP monthly revenue and expense summaries will be stored digitally on the secure district network.

Accountability of CACFP Expenses:

To ensure compliance with authorized use of CACFP revenue, NVSD will only allow food costs to be charged to CACFP funds. Charges will be made on a monthly basis once reimbursable meal claims have been submitted and approved by ODE CNP.

NVSD will use the meal count equivalency allocation method to identify monthly food costs to be charged as CACFP expenses. Each month, the total number of CACFP and NSLP/SBP meals served will be tabulated. For example, in October 2023 a total of 15,418 meals were served. We then identify the number of meals served within the respective programs. In our example, NSLP/SBP served 12,067 and CACFP served 3,351. CACFP meals divided by the total meals served gives us the percentage of meals served in the CACFP Program. We will utilize this percentage to identify the percentage of food costs that are to be allocated to the CACFP program. In our example, we have $3,351/15,418=0.217$ or 21.7%. So in the example 21.7% of the month's food costs will be charged to the CACFP Program.

CACFP Program Fund Usage:

To ensure compliance with authorized use of CACFP revenue, NVSD will only allow food costs to be charged to CACFP funds.

NWRESD Fiscal Staff will review the CACFP fund balance monthly to ensure an excessive balance (CACFP balance exceeds three months expenses) does not exist. This monitoring will occur in tandem when monthly food cost charges are pulled from CACFP revenue. Should an excessive balance be discovered, NWRESD Fiscal Staff will notify the NVSD Food Service Specialist who will notify their CNP Child Nutrition Specialist. In instances when the Food Service Specialist is unable to notify our Child Nutrition Specialist of an excessive balance, the Nestucca Valley Fiscal Administrative Assistant will contact ODE CNP staff.

Charges will be made on a monthly basis once the claim has been submitted by the Food Service Specialist, approved by ODE CNP and revenue is received by NWRESD Fiscal Staff.

Safeguards in Place to Prevent Improper Financial Activities:

The Food Service Specialist submits claims via CNPWeb monthly. Once submitted the CACFP Claim receipt is emailed to the Food Service Coordinator, District Superintendent and the NWRESD staff responsible for receiving this revenue. The monthly claim receipts are also stored on the district drive, in a folder used exclusively by food service staff. The same process will be used in cases of claim revision submissions and fiscal assessment issuances.

CACFP Regulatory Limits on Administrative Costs:

NVSD will not charge the CACFP Program for any administrative costs. This control will allow NVSD to ensure administrative costs are at 0% of the reimbursement and thus will not exceed the allowed 15% reimbursements. Because no administrative costs will be charged to the program, the district will not track CACFP administrative costs. These costs will be paid from other revenue or the district general fund.

- I. Welcome, thank you for applying for the vacant position on the Nestucca Valley Board of Board of Directors. Please share with the Board your background and how your life, education, and professional experience will benefit the Board, students, staff, parents and the community?
- II. In your opinion, what is the role of a school board member?
- III. Please share with the Board why you are interested in this position?
- IV. Will you represent the best interests of ALL students in the district?
- V. As a board member, you will be expected to maintain confidentiality. If you find you have a conflict of interest concerning any district operation, how would you share this conflict?
- VI. Will you follow and uphold all State Laws and School District Policy?
- VII. As a Board member you will be attending monthly meetings, special workshops and occasional trainings. You will also be required to stay up to date on email correspondence and efficiently communicate with the Superintendent and other Board members. Are you willing and able to dedicate the time needed to be an effective Board member?

Do you have any questions for the Board?

Thank you for submitting your entry. A copy is included below for your records.

2023-25 Oregon Early Literacy Grant Application

Grantee Name Nestucca Valley SD 101J

- PRT1. What evidence do you have regarding Student Belonging indicators being embedded in your early literacy program?** This school year, Nestucca Valley implemented HMH's Into Reading and as a district we have focused heavily on our multilingual inclusion to best serve our students. Within ELL, we have implemented small groups for reading, focused on meeting each student where they are at and tailoring curriculum and methods accordingly, and evaluating our assessments and utilizing multiple assessment methods as fit. Due to our wide range of learners, some assessments are given via paper assessment and some are computer based. We highly value that each student not only feels that they belong, but that their learning styles are included and valued. Additionally, we are flexible with reading practices to accommodate students' needs. For example, we have assessed that we have a lot of low readers in third grade. As a result, we implemented normalized read-alouds to the entire class, small groups/hands on lessons/practice in k-2, rich vocabulary focuses, and the integration of additional practice for phonics and phonemic awareness (aligned with
- PRT2. What evidence do you have regarding Family and Community Partnership indicators being embedded in your early literacy program?** Family and community partnerships are integral to Nestucca Valley's values and practices. We regularly send out newsletters, send home reading logs, and commit to school/family partnerships building through parent access to assessments in ParentVUE, Family Literacy Nights, and reading readiness education. This school year, our ELC classroom, which was historically offsite, is now within our elementary school building. This allows us to provide families with accessible connections to books, engagement, and materials/activities to extend learning into the home. All of these educational practices are anchored in the Science of Reading, including the strategies outlined in our monthly newsletters. With this work, the district has embedded not only shared relationships, but shared vocabulary; knowledge; and strategies to provide a holistic, well-rounded EL readiness framework that bridges the classroom with home learning and practice.
- PRT3. What evidence do you have regarding Oral Language as a Root of Literacy Development indicators being embedded in your early literacy program?** Nestucca Valley embeds oral language throughout our EL program within curriculum, assessment practices, instructional practices, and professional development. The district utilizes Heggerty's Phonemic Awareness Tool, and our k-3 classes have implemented a phonemic awareness diagnostic assessment. This diagnostic assessment is aligned across grades to track language development. Additionally, we use MAP for benchmarking, including MAP Reading Fluency. As a district, we have a substantial Latine student population, and consequently have several students who speak in their home language and are learning English in the classroom. To best support the oral development of these students, we have hired a new ELL assistant to work directly with these students to identify and accommodate their learning needs to ensure all students are receiving the same groundwork for literacy. All students, including those who are multilingual, are guided in our program in oral language development to help solidify the building block for written language later on in their development. Our program assesses our students in key child development areas in tandem with literacy milestones, and our work ensures these practices and assessments are tailored and inclusive for each student, including our multilingual learners. Lastly, in addition to Heggerty's tools, we also utilize HMH's Into Reading curriculum, which is aligned to the Science of Reading.
- PRT4. What evidence do you have regarding Reading Models Based in Research indicators being embedded in your early literacy program?** As a district, we understand that the Science of Reading is a knowledge base. Therefore, in addition to our curriculum and materials, we prioritize adding extra support for background knowledge and vocabulary building. We've implemented a 90 minute core reading block for most grades, as well as an additional 25 minute k-5 reading intervention block. This intervention block intermixes learners, and all curriculum is aligned (HMH Into Reading). To best support our students, we also value continuous professional development for our educators. With our curriculum adoption, we've integrated pacing guides and MAPs. Additionally, we have a strong partnership with NWRES D, and rely heavily on their professional development (Science of Reading, the Science of Teaching, and Data-Based Decision Making). Within these trainings, educators learn best practices for curriculum utilization, explicit instruction strategies, formative assessment strategies, and more.
- PRT5. What evidence do you have regarding Foundational Skills indicators being embedded in your early literacy program?** While foundational skills are built into our curriculum, we also utilize Heggerty's Phonemic Awareness and Phonic Screen to diagnostically assess and to drive instruction and intervention. Therefore, our program centers phonics, vocabulary, language development and fluency to guide students toward reading comprehension. Additionally, our aforementioned 90 minute reading block and 25 minute intervention block allow us to diagnose and prescribe while also working on honing those foundational skills consistently.
- PRT6. What evidence do you have regarding Writing, Reading, Comprehension, Vocabulary, & Background Knowledge indicators being embedded in your early literacy program?** Writing, Reading, Comprehension, Vocabulary, and Background Knowledge indicators are embedded in our HMH Into Reading tools. The vocabulary from HMH is rich and our teachers work to tie that vocabulary consistently into lessons, while also implementing pre-teaching vocab lessons to really target that growth. These pre-teaching vocab lessons are particularly centered within our reading intervention groups. Typically, these reading intervention groups have higher numbers of ELL students and therefore educators must identify and adapt to include the needs of students with a wide range of background knowledge and language development. Additionally, our programs uses vocab work with morphology in the upper grades so that students learn how to break down words into chunks and understand word backgrounds. Within our Early Learning classrooms, we've also decorated the space with many pictures and labels for k-1 students, both English native and multilingual, to better develop language.
- PRT7. What evidence do you have regarding Core Instruction and Assessment indicators being embedded in your early literacy program?** Our instructional materials meet the ODE criterion for adoption. As a district, we regularly hold data team meetings (Pre-K monthly; k-2 weekly; 3-5 weekly, Middle weekly) to establish good system for intervention and ensure our instructional practices are aligned to avoid curricular chaos.
- PRT8. What evidence do you have regarding Reaching All Learners indicators being embedded in your early literacy program?** To ensure we reach all learners, Nestucca Valley utilizes a variety of indicators. These indicators include: evidence-based tools, our 25 minute intervention block, and equity work/PD for diverse outreach. The latter, our equity work for diverse outreach is currently in the development and growth stage. We are pursuing additional grants to grow our multicultural/diverse books collection, and we are also developing Cultural Nights to offer our families, in addition to our Family Nights. The district utilizes Portico, an online leadership equity PD tool, to create our mission and drive the future practices for our schools. Additionally, we also work with university partners to translate materials and provide interpreters for family nights and conferences. Our assessment through MAPS are also available in Spanish. Therefore, our multilingual students can be assessed directly in their home language. Frequently, our district partners with NWRES D for Science of Learning PD. In the future, we would love to partner with NWRES D on further professional development for our staff on vocab commonalities across cultures.

APT1. Professional Development and Coaching

Due to our allocation, Nestucca Valley intends to use all of our funds for staff development and coaching. Our goal is to enroll all of our teachers into the Letters for Literacy Cohort. Additionally, we would like to utilize funding for intervention training. Many of our staff are not familiar with the MTSS or RTI processes. So, we would love to do PD around those areas so that our entire team is aligned. Our district would also love to fund more IAs for intervention for low reading scorers, systems training, and Science of Reading training. Additionally, we would love to provide some tandem PD for parents to learn these concepts alongside educators to provide more holistic reading readiness supports that are standardized between the classroom and home.

APT2. Extended Learning

Since we have a robust CCLC afterschool program, Extended Learning is heavily integrated in our district. Consequently, we are collaborating with CCLC staff on reading logs, extended work from the classroom into reading and study hour, an integration of their Scholastic Storyworks texts, and the utilization of their High Schoolers for 1:1/small group tutoring. Our CCLC program ensures our Extended Learning is anchored in the same curriculum of the school day and builds on those skills. Additionally, we run a summer school as well as a transitional program for those students moving from pre-k to kindergarten. While we do not have the funds to further supply this area due to our allocation amount, if we did, we would utilize the funds to grow this program in terms of transportation and staffing cost support.

APT3. High-Dosage Tutoring

While we do not currently have the funds for this area, if we did, we would use the dollars to provide services to our highest needs students. Once ODE decides upon allowable providers, we would investigate which qualified tutors would best fit our students' needs. We are currently aware of a great tutor out of Tillamook who provides support for dyslexic learners. As a district, we have quite a few dyslexic students who need tailored support to thrive. When we can identify specific needs, we can then align with individualized programs and fully tailor our inclusion, accessibility, and intervention practices.

APT4. Student Growth Assessment

Currently as a district we have a solid student growth assessment system. We utilize the MAP, Heggerty Phonic/PA Screeners and Phonological Awareness Screening Test (PAST), which we use in cooperation with our screener for the characteristics of dyslexia. While we don't currently have the money to allocate for this area due to our focus on staff PD, if we did, we would utilize it to grow our dyslexia-focused student growth assessments. Currently, we are piloting Lexia's Foundational Skills. If this pilot proves successful, we could utilize funds to continue this or expand to a fully suite, depending on needs.

APT5. What communication strategies will be used to engage with other school districts?

Roundtable Discussion, Email

APT6. What communication strategies will be used to engage with elementary schools of the school district?

Survey, Focus Group, Community Group Meeting, Website, Email, Social Media, School Board Meeting, Open House Night

APT7. What communication strategies will be used to engage with families of the school district?

Survey, Focus Group, Community Group Meeting, Website, Email, Social Media, School Board Meeting, Open House Night

APT8. What communication strategies will be used to engage with members of the school district community?

Survey, Focus Group, Community Group Meeting, Website, Email, Social Media, School Board Meeting

APT9. Name the fund source(s) for the 25% match.

NVSD General Fund 100

APT10. If applicable, a fund source is named for the 4th and/or 5th grade match.

APT11. Please do your best to mark which of the following categories best describe how you are using your matching funds. (check all that apply)

Other purposes (short answer, please describe in next question)

APT11b. If you selected "Other Purposes" in question APT11, please describe here

FTE salary

APT12. Name your fiscal agent for this grant agreement.

Nestucca Valley SD 101J

By checking the following box, the applicant agrees that they have reviewed their early literacy program to identify areas of alignment with Oregon's Early Literacy Framework: A Strong Foundation for Readers and Writers

align with the definitions included in the Early Literacy Success Initiative

By checking the following box, the applicant agrees that they have reviewed the reporting requirements in Section 6 (2) of the Early Literacy Success Initiative and included in the Early Literacy Success School District Grants Application Guidance.

By checking the following box, the applicant agrees that they use literacy assessments, tools, curricula and digital resources that are reflected in the inventory and that they are based on research-aligned literacy strategies and are formative, diagnostic and culturally responsive; and if not, have indicated planned changes to ensure this requirement is met.

By checking the following box, the applicant agrees that they will provide professional development and coaching in research-aligned literacy strategies to teachers and administrators in early elementary grades to improve early literacy instruction; and if not, have provided a rationale and description of how they will plan to do so in the future.

By checking the following box, the applicant agrees that they will provide extended learning programs that use research-aligned literacy strategies to students in early elementary grades by licensed teachers or by qualified tutors; and if not, have provided a rationale and description of how they will plan to do so in the future.

By checking the following box, the applicant agrees that they will provide high-dosage tutoring to students in early elementary grades that integrates reading and writing and that is delivered by a qualified tutor using developmentally appropriate practices; and if not, have provided a rationale and description of how they will plan to do so in the future.


By checking the

applicant agrees that they have a student growth assessment (or have described that they will obtain one) that produces data that can be disaggregated by student groups who have historically experienced academic disparities (as defined in the Early Literacy Success Initiative).

By checking the following box, the applicant agrees to comply with all applicable state and federal civil rights laws, to the effect that no person shall be excluded from participation in, be denied benefits of, or otherwise be subject to discrimination under any program or activity on the basis of race, color, national origin, sex, sexual orientation, marital status, gender identity, religion, age, or disability.

Name of person submitting form	Heidi Schultz
Email of Person Submitting Form	heidis@nestucca.k12.or.us
Role of Person Submitting the Form	Assistant Principal
Reporting and Application Dashboard Contact People	mistyw@nestucca.k12.or.us

File Attachments

 NV EL Grant Step 3_Literacy Inventory and Budget.xlsm (92k)

STATE OF OREGON GRANT AGREEMENT

“Student Success Act – Student Investment Account”

Grant No. 34435

This Grant Agreement (“Grant”) is between the State of Oregon acting by and through its Department of Education (“Agency”) and Nestucca Valley SD 101J (“Grantee”), each a “Party” and, together, the “Parties”.

SECTION 1: AUTHORITY

Pursuant to the “Student Success Act”, codified at 2019 Oregon Laws Chapter 122 and as amended from time to time (the “Act”). ORS 327.175 Student Investment Account (4) Moneys in the Student Investment Account are continuously appropriated to the Department of Education for the purposes of distributing grants under ORS 327.195.

SECTION 2: PURPOSE

The purpose of this grant is to provide funding to assist in meeting students’ mental or behavioral health needs, and increasing academic achievement and reducing academic disparities for students from racial or ethnic groups that have historically experienced academic disparities, students with disabilities, English language learners, economically disadvantaged students, students who are homeless, and students who are foster children.

SECTION 3: EFFECTIVE DATE AND DURATION

When all Parties have executed this Grant, and all necessary approvals have been obtained (“Executed Date”), this Grant is effective and has a Grant funding start date as of July 1, 2023 (“Effective Date”), and, unless extended or terminated earlier in accordance with its terms, will expire on September 30, 2024.

SECTION 4: GRANT MANAGERS

4.1 Agency’s Grant Manager is:

Cassie Medina
Office of Education Innovation & Improvement
255 Capitol St NE
Salem, OR 97310-0203
cassie.medina@ode.oregon.gov

4.2 Grantee’s Grant Manager is:

Misty Wharton
Nestucca Valley SD 101J
2001 SW Nye Ave
Pendleton, OR 97801-4416

4.3 A Party may designate a new Grant Manager by written notice to the other Party.

SECTION 5: PROJECT ACTIVITIES

Grantee must perform the project activities set forth in Exhibit A (the “Project”), attached hereto and incorporated in this Grant by this reference, for the period beginning on the Effective Date and ending on the expiration date set forth in Section 3 (the “Performance Period”).

SECTION 6: GRANT FUNDS

In accordance with the terms and conditions of this Grant, Agency will provide Grantee up to \$589,167.86 (“Grant Funds”) for the Project. Agency will pay the Grant Funds from monies available in the Student Investment Account (“Funding Source”). A reduction in the monies in the Funding Source may result in a decrease in Grant Funds available to Agency.

SECTION 7: DISBURSEMENT GENERALLY

7.1 Disbursement.

- 7.1.1 Subject to the availability of sufficient moneys in and from the Funding Source based on Agency’s reasonable projections of moneys accruing to the Funding Source, Agency will disburse Grant Funds to Grantee for the allowable Project activities described in Exhibit A that are undertaken during the Performance Period.
- 7.1.2 Grantee must provide to Agency any information or detail regarding the expenditure of Grant Funds required under Exhibit A prior to disbursement or as Agency may request.
- 7.1.3 Agency will only disburse Grant Funds to Grantee for activities completed or materials produced, that, if required by Exhibit A, are approved by Agency. If Agency determines any completed Project activities or materials produced are not acceptable and any deficiencies are the responsibility of Grantee, Agency will prepare a detailed written description of the deficiencies within 15 days of receipt of the materials or performance of the activity, and will deliver such notice to Grantee. Grantee must correct any deficiencies at no additional cost to Agency within 15 days. Grantee may resubmit a request for disbursement that includes evidence satisfactory to Agency demonstrating

deficiencies were corrected.

- 7.2 Conditions Precedent to Disbursement.** Agency’s obligation to disburse Grant Funds to Grantee under this Grant is subject to satisfaction of each of the following conditions precedent:
- 7.2.1** Agency has received sufficient funding, appropriations, expenditure limitation, allotments or other necessary expenditure authorizations to allow Agency, in the exercise of its reasonable administrative discretion, to make the disbursement from the Funding Source;
 - 7.2.2** No default as described in Section 15 has occurred; and
 - 7.2.3** Grantee’s representations and warranties set forth in Section 8 are true and correct on the date of disbursement(s) with the same effect as though made on the date of disbursement.
- 7.3 No Duplicate Payment.** Grantee may use other funds in addition to the Grant Funds to complete the Project; provided, however, the Grantee may not credit or pay any Grant Funds for Project costs that are paid for with other funds and would result in duplicate funding.
- 7.4 Suspension of Funding and Project.** Agency may by written notice to Grantee, temporarily cease funding and require Grantee to stop all, or any part, of the Project dependent upon Grant Funds for a period of up to 180 days after the date of the notice, if Agency has or reasonably projects that it will have insufficient funds from the Funding Source to disburse the full amount of the Grant Funds. Upon receipt of the notice, Grantee must immediately cease all Project activities dependent on Grant Funds, or if that is impossible, must take all necessary steps to minimize the Project activities allocable to Grant Funds.

If Agency subsequently projects that it will have sufficient funds, Agency will notify Grantee that it may resume activities. If sufficient funds do not become available, Grantee and Agency will work together to amend this Grant to revise the amount of Grant Funds and Project activities to reflect the available funds. If sufficient funding does not become available or an amendment is not agreed to within a period of 180 days after issuance of the notice, Agency will either (i) cancel or modify its cessation order by a supplemental written notice or (ii) terminate this Grant as permitted by either the termination at Agency’s discretion or for cause provisions of this Grant.

SECTION 8: REPRESENTATIONS AND WARRANTIES

- 8.1 Organization/Authority.** Grantee represents and warrants to Agency that:
- 8.1.1** Grantee is a District duly organized and validly existing;
 - 8.1.2** Grantee has all necessary rights, powers and authority under any organizational documents and under Oregon Law to (i) execute this Grant, (ii) incur and perform its obligations under this Grant, and (iii) receive financing, including the Grant Funds, for the Project;
 - 8.1.3** This Grant has been duly executed by Grantee and when executed by Agency, constitutes a legal, valid and binding obligation of Grantee enforceable in accordance with its terms;
 - 8.1.4** If applicable and necessary, the execution and delivery of this Grant by Grantee has been authorized by an ordinance, order or resolution of its governing body, or voter approval, that was adopted in accordance with applicable law and requirements for filing public notices and holding public meetings; and
 - 8.1.5** There is no proceeding pending or threatened against Grantee before any court or governmental authority that if adversely determined would materially adversely affect the Project or the ability of Grantee to carry out the Project.
- 8.2 False Claims Act.** Grantee acknowledges the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any “claim” (as defined by ORS 180.750) made by (or caused by) Grantee that pertains to this Grant or to the Project. Grantee certifies that no claim described in the previous sentence is or will be a “false claim” (as defined by ORS 180.750) or an act prohibited by ORS 180.755. Grantee further acknowledges in addition to the remedies under Section 16, if it makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against the Grantee.
- 8.3 No limitation.** The representations and warranties set forth in this Section are in addition to, and not in lieu of, any other representations or warranties provided by Grantee.

SECTION 9: OWNERSHIP

- 9.1 Intellectual Property Definitions.** As used in this Section and elsewhere in this Grant, the following terms have the meanings set forth below:
- “Third Party Intellectual Property” means any intellectual property owned by parties other than Grantee or Agency.

“Work Product” means every invention, discovery, work of authorship, trade secret or other tangible or intangible item Grantee is required to create or deliver as part of the Project, and all intellectual property rights therein.

- 9.2 Grantee Ownership.** Grantee must deliver copies of all Work Product as directed in Exhibit A. Grantee retains ownership of all Work Product, and grants Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, to reproduce, to prepare derivative works based upon, to distribute, to perform and to display the Work Product, to authorize others to do the same on Agency’s behalf, and to sublicense the Work Product to other entities without restriction.
- 9.3 Third Party Ownership.** If the Work Product created by Grantee under this Grant is a derivative work based on Third Party Intellectual Property, or is a compilation that includes Third Party Intellectual Property, Grantee must secure an irrevocable, non-exclusive, perpetual, royalty-free license allowing Agency and other entities the same rights listed above for the pre-existing element of the Third party Intellectual Property employed in the Work Product. If state or federal law requires that Agency or Grantee grant to the United States a license to any intellectual property in the Work Product, or if state or federal law requires Agency or the United States to own the intellectual property in the Work Product, then Grantee must execute such further documents and instruments as Agency may reasonably request in order to make any such grant or to assign ownership in such intellectual property to the United States or Agency.
- 9.4 Real Property.** If the Project includes the acquisition, construction, remodel or repair of real property or improvements to real property, Grantee may not sell, transfer, encumber, lease or otherwise dispose of any real property or improvements to real property paid for with Grant Funds for a period of six (6) years after the Effective Date of this Grant without the prior written consent of the Agency.

SECTION 10: CONFIDENTIAL INFORMATION

- 10.1 Confidential Information Definition.** Grantee acknowledges it and its employees or agents may, in the course of performing its responsibilities, be exposed to or acquire information that is: (i) confidential to Agency or Project participants or (ii) the disclosure of which is restricted under federal or state law, including without limitation: (a) personal information, as that term is used in ORS 646A.602(12), (b) social security numbers, and (c) information protected by the federal Family Educational Rights and Privacy Act under 20 USC § 1232g (items (i) and (ii) separately and collectively “Confidential Information”).
- 10.2 Nondisclosure.** Grantee agrees to hold Confidential Information as required by any applicable law and in all cases in strict confidence, using at least the same degree of care Grantee uses in maintaining the confidentiality of its own confidential information. Grantee may not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties, or use Confidential Information except as is allowed by law and for the Project activities and Grantee must advise each of its employees and agents of these restrictions. Grantee must assist Agency in identifying and

preventing any unauthorized use or disclosure of Confidential Information. Grantee must advise Agency immediately if Grantee learns or has reason to believe any Confidential Information has been, or may be, used or disclosed in violation of the restrictions in this Section. Grantee must, at its expense, cooperate with Agency in seeking injunctive or other equitable relief, in the name of Agency or Grantee, to stop or prevent any use or disclosure of Confidential Information. At Agency's request, Grantee must return or destroy any Confidential Information. If Agency requests Grantee to destroy any Confidential Information, Grantee must provide Agency with written assurance indicating how, when and what information was destroyed.

- 10.3 Identity Protection Law.** Grantee must have and maintain a formal written information security program that provides safeguards to protect Confidential Information from loss, theft, and disclosure to unauthorized persons, as required by the Oregon Consumer Information Protection Act, ORS 646A.600-628. If Grantee or its agents discover or are notified of a potential or actual "Breach of Security", as defined by ORS 646A.602(1)(a), or a failure to comply with the requirements of ORS 646A.600-628, (collectively, "Breach") with respect to Confidential Information, Grantee must promptly but in any event within one calendar day (i) notify the Agency Grant Manager of such Breach and (ii) if the applicable Confidential Information was in the possession of Grantee or its agents at the time of such Breach, Grantee must (a) investigate and remedy the technical causes and technical effects of the Breach and (b) provide Agency with a written root cause analysis of the Breach and the specific steps Grantee will take to prevent the recurrence of the Breach or to ensure the potential Breach will not recur. For the avoidance of doubt, if Agency determines notice is required of any such Breach to any individual(s) or entity(ies), Agency will have sole control over the timing, content, and method of such notice, subject to Grantee's obligations under applicable law.
- 10.4 Subgrants/Contracts.** Grantee must require any subgrantees, contractors or subcontractors under this Grant who are exposed to or acquire Confidential Information to treat and maintain such information in the same manner as is required of Grantee under subsections 10.1 and 10.2 of this Section.
- 10.5 Background Check.** If requested by Agency and permitted by law, Grantee's employees, agents, contractors, subcontractors, and volunteers that perform Project activities must agree to submit to a criminal background check prior to performance of any Project activities or receipt of Confidential Information. Background checks will be performed at Grantee's expense. Based on the results of the background check, Grantee or Agency may refuse or limit (i) the participation of any Grantee employee, agent, contractor, subgrantee, or volunteer, in Project activities or (ii) access to Agency Personal Information or Grantee premises.

SECTION 11: INDEMNITY/LIABILITY

- 11.1 Indemnity.** Grantee must defend, save, hold harmless, and indemnify the State of Oregon and Agency and their officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature whatsoever, including attorneys' fees, resulting from, arising out of, or relating to the activities of Grantee or its officers, employees, subgrantees, contractors, subcontractors, or agents under this Grant (each of the foregoing individually or collectively a "Claim" for purposes of this Section)..
- 11.2 Defense.** Grantee may have control of the defense and settlement of any Claim subject to this Section. But neither Grantee nor any attorney engaged by Grantee may defend the Claim in the name of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without first receiving from the Attorney General, in a form and manner determined appropriate by the Attorney General, authority to act as legal counsel for the State of Oregon. Nor may Grantee settle any Claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event the State of Oregon determines Grantee is prohibited from defending the State of Oregon, or is not adequately defending the State of Oregon's interests, or an important governmental principle is at issue and the State of Oregon desires to assume its own defense. Grantee may not use any Grant Funds to reimburse itself for the defense of or settlement of any Claim.
- 11.3 Limitation.** Except as provided in this Section, neither Party will be liable for incidental, consequential, or other direct damages arising out of or related to this Grant, regardless of whether the damages or other liability is based in contract, tort (including negligence), strict liability, product liability or otherwise. Neither Party will be liable for any damages of any sort arising solely from the termination of this Grant in accordance with its terms.

SECTION 12: INSURANCE

- 12.1 Private Insurance.** If Grantee is a private entity, or if any contractors, subcontractors, or subgrantees used to carry out the Project are private entities, Grantee and any private contractors, subcontractors or subgrantees must obtain and maintain insurance covering Agency in the types and amounts indicated in Exhibit C.
- 12.2 Public Body Insurance.** If Grantee is a "public body" as defined in ORS 30.260, Grantee agrees to insure any obligations that may arise for Grantee under this Grant, including any indemnity obligations, through (i) the purchase of insurance as indicated in Exhibit C or (ii) the use of self-insurance or assessments paid under ORS 30.282 that is substantially similar to the types and amounts of insurance coverage indicated on Exhibit C, or (iii) a combination of any or all of the foregoing.
- 12.3 Real Property.** If the Project includes the construction, remodel or repair of real property or improvements to real property, Grantee must insure the real property and improvements against liability and risk of direct physical loss, damage or destruction at

least to the extent that similar insurance is customarily carried by entities constructing, operating and maintaining similar property or facilities.

SECTION 13: GOVERNING LAW, JURISDICTION

This Grant is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively “Claim”) between Agency or any other agency or department of the State of Oregon, or both, and Grantee that arises from or relates to this Grant must be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event may this Section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, to or from any Claim or from the jurisdiction of any court. GRANTEE, BY EXECUTION OF THIS GRANT, HEREBY CONSENTS TO THE PERSONAL JURISDICTION OF SUCH COURTS.

SECTION 14: ALTERNATIVE DISPUTE RESOLUTION

The Parties should attempt in good faith to resolve any dispute arising out of this Grant. This may be done at any management level, including at a level higher than persons directly responsible for administration of the Grant. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. Each Party will bear its own costs incurred for any mediation or non-binding arbitration.

SECTION 15: DEFAULT

- 15.1 Grantee.** Grantee will be in default under this Grant upon the occurrence of any of the following events:
- 15.1.1** Grantee fails to use the Grant Funds for the intended purpose described in Exhibit A or otherwise fails to perform, observe or discharge any of its covenants, agreements or obligations under this Grant;
 - 15.1.2** Any representation, warranty or statement made by Grantee in this Grant or in any documents or reports relied upon by Agency to measure the Project, the expenditure of Grant Funds or the performance by Grantee is untrue in any material respect when made; or
 - 15.1.3** A petition, proceeding or case is filed by or against Grantee under any federal or state bankruptcy, insolvency, receivership or other law relating to reorganization, liquidation, dissolution, winding-up or adjustment of debts; in the case of a petition filed

against Grantee, Grantee acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal; or Grantee becomes insolvent or admits its inability to pay its debts as they become due, or Grantee makes an assignment for the benefit of its creditors.

- 15.2 Agency.** Agency will be in default under this Grant if, after 15 days written notice specifying the nature of the default, Agency fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Grant; provided, however, Agency will not be in default if Agency fails to disburse Grant Funds because there is insufficient expenditure authority for, or moneys available from, the Funding Source.

SECTION 16: REMEDIES

- 16.1 Agency Remedies.** In the event Grantee is in default under Section 15.1, Agency may, at its option, pursue any or all of the remedies available to it under this Grant and at law or in equity, including, but not limited to: (i) termination of this Grant under Section 18.2, (ii) reducing or withholding payment for Project activities or materials that are deficient or Grantee has failed to complete by any scheduled deadlines, (iii) requiring Grantee to complete, at Grantee's expense, additional activities necessary to satisfy its obligations or meet performance standards under this Grant, (iv) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, (v) exercise of its right of recovery of overpayments under Section 17 of this Grant or setoff, or both, or (vi) declaring Grantee ineligible for the receipt of future awards from Agency. These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.
- 16.2 Grantee Remedies.** In the event Agency is in default under Section 15.2 and whether or not Grantee elects to terminate this Grant, Grantee's sole monetary remedy will be, within any limits set forth in this Grant, reimbursement of Project activities completed and accepted by Agency and authorized expenses incurred, less any claims Agency has against Grantee. In no event will Agency be liable to Grantee for any expenses related to termination of this Grant or for anticipated profits.

SECTION 17: WITHHOLDING FUNDS, RECOVERY

Agency may withhold from disbursements of Grant Funds due to Grantee, or Grantee must return to Agency within 30 days of Agency's written demand:

- 17.1** Any Grant Funds paid to Grantee under this Grant, or payments made under any other agreement between Agency and Grantee, that exceed the amount to which Grantee is entitled;
- 17.2** Any Grant Funds received by Grantee that remain unexpended or contractually committed for payment of the Project at the end of the Performance Period;

- 17.3 Any Grant Funds determined by Agency to be spent for purposes other than allowable Project activities; or
- 17.4 Any Grant Funds requested by Grantee as payment for deficient activities or materials.

SECTION 18: TERMINATION

18.1 Mutual. This Grant may be terminated at any time by mutual written consent of the Parties.

18.2 By Agency. Agency may terminate this Grant as follows:

18.2.1 At Agency’s discretion, upon 30 days advance written notice to Grantee;

18.2.2 Immediately upon written notice to Grantee, if Agency fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in Agency’s reasonable administrative discretion, to perform its obligations under this Grant;

18.2.3 Immediately upon written notice to Grantee, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that Agency’s performance under this Grant is prohibited or Agency is prohibited from funding the Grant from the Funding Source; or

18.2.4 Immediately upon written notice to Grantee, if Grantee is in default under this Grant and such default remains uncured 15 days after written notice thereof to Grantee.

18.3 By Grantee. Grantee may terminate this Grant as follows:

18.3.1 If Grantee is a governmental entity, immediately upon written notice to Agency, if Grantee fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to perform its obligations under this Grant.

18.3.2 If Grantee is a governmental entity, immediately upon written notice to Agency, if applicable laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project activities contemplated under this Grant are prohibited by law or Grantee is prohibited from paying for the Project from the Grant Funds or other planned Project funding; or

18.3.3 Immediately upon written notice to Agency, if Agency is in default under this Grant and such default remains uncured 15 days after written notice thereof to Agency.

18.4 Cease Activities. Upon receiving a notice of termination of this Grant, Grantee must immediately cease all activities under this Grant, unless Agency expressly directs otherwise in such notice. Upon termination, Grantee must deliver to Agency all materials or other property that are or would be required to be provided to Agency under this Grant or that are needed to complete the Project activities that would have been performed by Grantee.

SECTION 19: MISCELLANEOUS

- 19.1 Conflict of Interest.** Grantee by signature to this Grant declares and certifies the award of this Grant and the Project activities to be funded by this Grant, create no potential or actual conflict of interest, as defined by ORS Chapter 244, for a director, officer or employee of Grantee.
- 19.2 Nonappropriation.** Agency's obligation to pay any amounts and otherwise perform its duties under this Grant is conditioned upon Agency receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its obligations under this Grant. Nothing in this Grant may be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of Agency.
- 19.3 Amendments.** The terms of this Grant may not be altered, modified, supplemented or otherwise amended, except by written agreement of the Parties.
- 19.4 Notice.** Except as otherwise expressly provided in this Grant, any notices to be given under this Grant must be given in writing by email, personal delivery, or postage prepaid mail, to a Party's Grant Manager at the physical address or email address set forth in this Grant, or to such other addresses as either Party may indicate pursuant to this Section. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system.
- 19.5 Survival.** All rights and obligations of the Parties under this Grant will cease upon termination of this Grant, other than the rights and obligations arising under Sections 11, 13, 14, 16, 17 and subsection 19.5 hereof and those rights and obligations that by their express terms survive termination of this Grant; provided, however, termination of this Grant will not prejudice any rights or obligations accrued to the Parties under this Grant prior to termination.
- 19.6 Severability.** The Parties agree if any term or provision of this Grant is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Grant did not contain the particular term or provision held to be invalid.
- 19.7 Counterparts.** This Grant may be executed in several counterparts, all of which when taken together constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Grant so executed constitutes an original.
- 19.8 Compliance with Law.** In connection with their activities under this Grant, the Parties must comply with all applicable federal, state and local laws.

- 19.9 Intended Beneficiaries.** Agency and Grantee are the only parties to this Grant and are the only parties entitled to enforce its terms. Nothing in this Grant provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Grant.
- 19.10 Assignment and Successors.** Grantee may not assign or transfer its interest in this Grant without the prior written consent of Agency and any attempt by Grantee to assign or transfer its interest in this Grant without such consent will be void and of no force or effect. Agency's consent to Grantee's assignment or transfer of its interest in this Grant will not relieve Grantee of any of its duties or obligations under this Grant. The provisions of this Grant will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.
- 19.11 Contracts and Subgrants.** Grantee may not, without Agency's prior written consent, enter into any contracts or subgrants for any of the Project activities required of Grantee under this Grant. Agency's consent to any contract or subgrant will not relieve Grantee of any of its duties or obligations under this Grant.
- 19.12 Time of the Essence.** Time is of the essence in Grantee's performance of the Project activities under this Grant.
- 19.13 Records Maintenance and Access.** Grantee must maintain all financial records relating to this Grant in accordance with generally accepted accounting principles. In addition, Grantee must maintain any other records, whether in paper, electronic or other form, pertinent to this Grant in such a manner as to clearly document Grantee's performance. All financial records and other records, whether in paper, electronic or other form, that are pertinent to this Grant, are collectively referred to as "Records." Grantee acknowledges and agrees Agency and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives will have access to all Records to perform examinations and audits and make excerpts and transcripts. Grantee must retain and keep accessible all Records for a minimum of six (6) years, or such longer period as may be required by applicable law, following termination of this Grant, or until the conclusion of any audit, controversy or litigation arising out of or related to this Grant, whichever date is later.
- 19.14 Headings.** The headings and captions to sections of this Grant have been inserted for identification and reference purposes only and may not be used to construe the meaning or to interpret this Grant.
- 19.15 Grant Documents.** This Grant consists of the following documents, which are incorporated by this reference and listed in descending order of precedence:
- This Grant less all exhibits
 - Exhibit A (the "Project")
 - Exhibit B (Common and Customized Framework)
 - Exhibit C (Insurance)

19.16 Merger, Waiver. This Grant and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Grant. No waiver or consent under this Grant binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given.

SECTION 20: SIGNATURES

EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES IT HAS READ THIS GRANT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

IN WITNESS WHEREOF, the Parties have executed this Grant as of the dates set forth below.

STATE OF OREGON acting by and through its Department of Education

By: Philip Hofmann
Contracting Officer

11/07/2023
Date

Nestucca Valley SD 101J

By: [Signature]
Authorized Signature

11/20/2023
Date

Misty Wharter
Printed Name

Superintendent
Title

93-1144375
Federal Tax ID Number

Approved for Legal Sufficiency in accordance with ORS 291.047

By: Jake Hogue
Assistant Attorney General

November 7, 2023, via email
Date

EXHIBIT A THE PROJECT

SECTION I – BACKGROUND AND GOALS

Signed into law in May of 2019, the Student Success Act (SSA) is a historic opportunity for Oregon schools. The law is rooted in equity, authentic community engagement and shared accountability for student success.

SSA establishes the Student Investment Account (SIA) to provide Oregon school districts and eligible charter schools with access to non-competitive grant funds. Each SIA applicant is required to work alongside educators, students, families, and their community to develop a plan and outline priorities and activities that align to the allowable uses in the law.

The SIA grants are for two purposes:

- 1) Meeting students’ mental or behavioral health needs, and
- 2) Increasing academic achievement and reducing academic disparities for students from racial or ethnic groups that have historically experienced academic disparities, students with disabilities, English language learners, economically disadvantaged students, students who are homeless, and students who are foster children.

SECTION II – PROJECT DEFINITIONS

The following capitalized terms have the meanings assigned below for purposes of Exhibits A and B.

“Act” means the “Student Success Act” codified in 2019 Oregon Laws Chapter 122, as amended from time to time, inclusive.

“Allowable Costs of the Project” means Grantee’s actual costs that are reasonable, necessary and directly related to the implementation of the Integrated Plan and are allowable uses of the Grant Funds under the Act.

“Baseline Targets” means the minimum expectations for improvement set forth in the Integrated Plan by the district in either: (i) raising academic achievement or (ii) reducing academic disparities and closing gaps, as further defined in the December 2019 “Guidance for Eligible Applicants”.

“Common Metrics” means the Five-Year Completion Rate, Third-Grade Reading Proficiency Rate, Ninth-Grade On-Track Rate, Regular Attendance Rate, and Four-Year On-Time Graduation rate used by the Agency to measure the success of activities funded by the SIA.

“Disaggregated” has the meaning given in section 12(a) of the Act.

“Five-Year Completion Rate” has the meaning given in section 12(b) of the Act.

“Focal Student Groups” means students from racial or ethnic groups that have historically experienced academic disparities, students with disabilities, English language learners, economically disadvantaged, students who are homeless and students who are foster children.

“Four-Year on-Time Graduation Rate” means the percentage of students who received a high school diploma or a modified diploma within four years of the student beginning the ninth grade.

“Gap Closing Targets” or “Closing Gap Targets” means the reduction of academic disparities between groups of students especially for Focal Student Groups set forth in the Integrated Plan based on the February 2022 “Aligning for Student Success: Integrated Guidance for Six ODE Initiatives”.

“Integrated Guidance” means the integration of the following six programs: High School Success (HSS), Student Investment Account (SIA), Continuous Improvement Planning (CIP), Career and Technical Education-Perkins V (CTE), Every Day Matters (EDM), and Early Indicators Intervention Systems (EIS). Together operationally, the guidance creates opportunities to improve outcomes and learning conditions for students and educators. Working within existing state statutes and administrative rules, ODE developed a framework for success that meets the core purpose of each program while trying to create a stronger framework from which progress, long-term impact, and learning approach to monitoring and evaluation is a hallmark of high-performing educational systems.

“Integrated Plan” means the plan developed following the Integrated Guidance, which includes the SIA, which has a focus on increasing academic achievement by all students, reducing academic disparities for identified student groups, and meeting students’ mental and behavioral health needs in addition to other needs deemed important at each school, stated outcomes, strategies, and activities. The plan may only be adjusted with approval from ODE staff in order to align with the anticipated outcomes and approved by Agency.

“Local Optional Metrics” means additional Progress Markers toward the Common Metrics included in the Integrated Plan.

“Longitudinal Performance Growth Targets (LPGTs)” means the required common metrics and optional locally defined metrics, including targets related to student mental and behavioral health needs, included in Grantee’s Integrated Plan.

“Ninth-grade On-Track Rate” has the meaning given in section 12(d) of the Act.

“Progress Markers” means sets of indicators set forth in the Integrated Plan that identify the kinds of changes Agency expects to see in policies, practices and approaches over the next three years that lead to Grantee reaching its LPGTs.

“Regular Attendance Rate” has the meaning given in section 12(f) of the Act.

“SIA Account” means the Student Investment Account established, pursuant to ORS 327.175, within the Fund for Student Success for the purpose of distributing grants under ORS 327.195.

“Stretch Targets” means significant improvement set forth in the Integrated Plan by the district in either: (i) raising academic achievement or (ii) reducing academic disparities and closing gaps, as further described in the December 2019 “Guidance for Eligible Applicants”.

“Third-Grade Reading Proficiency Rate” has the meaning given in section 12(g) of the Act.

SECTION III – PROJECT ACTIVITIES

Integrated Plan Implementation

Agency will disburse Grant Funds for Allowable Costs of the Project that implement Grantee’s Integrated Plan during the Performance Period in accordance with formula and activities described in the Act.

At the start of the 2023-2024 School Year, Grantee must begin to implement its Integrated Plan.

Grantee must use the Grant Funds only for:

(a) Increasing instructional time, which may include: (A) More hours or days of instructional time; (B) Summer programs; (C) Before-school or after-school programs; or (D) Technological investments that minimize class time used for assessments administered to students.

(b) Addressing students’ health or safety needs, which may include: (A) Social-emotional learning and development; (B) Student mental and behavioral health; (C) Improvements to teaching and learning practices or organizational structures that lead to better interpersonal relationships at the school; (D) Student health and wellness; (E) Trauma-informed practices; (F) School health professionals and assistants; or (G) Facility improvements directly related to improving student health or safety.

(c) Reducing class sizes, which may include increasing the use of instructional assistants, by using evidence-based criteria to ensure appropriate student-teacher ratios or staff caseloads.

(d) Expanding availability of and student participation in well-rounded learning experiences, which may include: (A) Developmentally appropriate and culturally responsive early literacy practices and programs in prekindergarten through third grade; (B) Culturally responsive practices and programs in grades six through eight, including learning, counseling and student support that is connected to colleges and careers; (C) Broadened curricular options at all grade levels, including access to: (i) Art, music and physical education classes; (ii) Science, technology, engineering and mathematics education; (iii) Career and technical education, including career and technical student organization programs; (iv) Electives that are engaging to students; (v) Accelerated college credit programs, including dual credit programs, International Baccalaureate programs and advanced placement programs; (vi) Dropout prevention programs and transition supports; (vii) Life skills classes; or (viii) Talented and gifted programs; or (D) Access to licensed educators with a library media endorsement

Administrative costs shall not exceed 5% or \$500,000, whichever is less, of Grantee’s total expenditures. Administrative costs may include (A) Ongoing community engagement; (B) costs associated with the administration of the grant.

Grantee must make satisfactory progress on Grantee’s Progress Markers and LPGT described in the Exhibit B.

Grantee must periodically review its progress toward meeting Grantee’s Progress Markers and LPGT described in Exhibit B..

SECTION IV – REPORTING REQUIREMENTS

Grantee must submit quarterly financial and performance progress reports as well as a final yearly report on the dates set forth in Section V. This reporting requirement shall survive termination of this Agreement.

Financial Reports

Beginning in October of 2023 and continuing each quarter thereafter, Grantee must submit a financial report detailing its expenditure of Grant Funds to the Agency using the form provided by the Agency. Reports are due 30 days after the end of each fiscal year quarter. The yearly report will be due no later than 60 days after the end of the performance period.

If Grantee does not use the Grant Funds for Allowable Project Costs Agency may exercise the remedies provided in Section 17 of this Grant, including without limitation deducting amounts from future disbursements of Grant Funds.

Any Grant Funds that are not used by Grantee by September 30 of each grant year, must be returned to Agency for deposit in the Student Investment Account.

Integrated Plan Performance Reporting

The Agency will closely monitor and evaluate Grantee’s progress towards its Progress Markers.

Beginning in October of 2023 and continuing each quarter thereafter, Grantee must submit a narrative Performance Progress Report detailing its Integrated Plan activities to the Agency using the form provided by the Agency. Reports are due 30 days after the end of each fiscal year quarter. Reports include providing Progress Marker updates. The yearly report will be due no later than 60 days after the end of the performance period.

SIA Grant Monitoring

The Agency will monitor Grantee’s performance under this Grant in person, video conferencing or by phone. Agency will provide written notice to Grantee, as provided in Section 19.4 of the Grant, at least 15 days in advance of Agency’s monitoring activities and will schedule in person visits, video conferencing and phone calls.

A Grant monitoring visit or call may cover a variety of topics at Agency’s discretion including but not limited to: Grantee’s compliance with the SIA Account purposes; challenges faced by the Grantee in implementing its Plan; Integrated Plan outcomes; its budget and expenditure of moneys received from the SIA Account, Grantee’s progress toward achieving its Progress Markers; financial reporting, any expenditure changes, and reconciliation of Grant Funds; or Grantee’s training and technical assistance needs.

Before an on-site visit, the Agency will advise Grantee on how to prepare for the monitoring visit and financial reconciliation, the format for the visit, and which Grantee organizational leaders, staff or others should be involved in the visit. Once a date and time are confirmed, the Grantee should send a

notification to its organizational leaders, staff, students and community partners who are expected to participate; identify a meeting location and prepare all necessary monitoring documents and data.

The department may establish a procedure for conducting performance audits on a random basis or based on just cause as allowed under rules adopted by the board.

Each grant recipient must conduct a performance review every four years as required by standards adopted in board rule.

SECTION V – DISBURSEMENT and REPORTING PROVISIONS

Agency will disburse the Grant Funds using its Electronic Grants Management System (“EGMS”), on a quarterly basis as outlined below:

Disbursement Date	Quarterly Amount
July 1	25% of funds allocated
October 1	25% of funds allocated
January 1	25% of funds allocated
April 1	25% of funds allocated

If this Grant is not fully executed by July 1, annually, the Agency will disburse the Grant Funds within 30 days of the Execution Date.

Agency will disburse the Grant Funds in quarterly disbursements in advance of expenditures, not on a reimbursement basis. While we encourage grantees to draw funds down following the schedule noted above, 100% of funds must be drawn down by June 30th, each year.

Grantee must submit its financial and performance progress reports by the following dates:

October 31

January 31

April 30

November 30 (Annual Report)

Grantee shall provide to Agency the minutes from the board meeting demonstrating that Grantee’s Financial Audit was presented at an open meeting with the opportunity for public comment (not a consent agenda item). These board minutes must be submitted alongside the Second Quarterly Report.

Grantee shall provide to Agency the minutes from the board meeting demonstrating that Grantee’s Annual Report was presented at an open meeting with the opportunity for public comment (not a consent agenda item). These board minutes must be submitted alongside the Annual Report.

Grantee must post its Annual Report to Grantee’s webpage.

EXHIBIT B COMMON AND CUSTOMIZED PERFORMANCE FRAMEWORK NESTUCCA VALLEY SD 101J

SECTION I – PROGRESS MARKERS FOR 2023-2025 BIENNIUM

The Progress Markers are a mechanism to support a developmental approach to evaluation with a focus on learning about the kinds of changes that happen from distinct investments. Grantees will provide updates toward these Progress Markers through the quarterly/annual reports. The following fifteen Progress Markers are arranged into three categories that represent the advancement in degree of change from minimum to profound as described and listed below:

- A. **“Start to See: Early Signs of Progress”** Based on your investments and activities, what changes or contributions are you noticing? What practices are improving?
- B. **“Gaining Traction: Intermediate Changes”** Based on your investments and activities, are you seeing any of these impacts?
- C. **“Profound Progress: Substantial and Significant Changes”** Based on your investments and activities, are any of these more transformational changes noticeable?

A. Start to See: Early Signs of Progress

1	Community engagement is authentic, consistent, and ongoing. The strengths that educators, students, families, focal groups, and tribal communities bring to the educational experience informs school and district practices and planning.
2	Equity tools are utilized in continuous improvement cycles, including the ongoing use of an equity lens or decision-tool that impacts policies, procedures, people/students, resource allocation, and practices that may impact grading, discipline, and attendance.
3	Data teams are formed and provided time to meet regularly to review disaggregated student data in multiple categories (grade bands, content areas, attendance, discipline, mental health, participation in advanced coursework, formative assessment data, etc.). These teams have open access to timely student data and as a result decisions are made that positively impact district/school-wide systems and focal populations.
4	Schools and districts have an accurate inventory of literacy assessments, tools, and curriculum being used, including digital resources, to support literacy (reading, writing, listening, and speaking). The inventory includes a review of what resources and professional development are research-aligned, formative, diagnostic, and culturally responsive.

B. Gaining Traction: Intermediate Changes

5	Two-way communication practices are in place, with attention to mobile students and primary family languages. Families understand approaches to engagement and attendance, literacy strategy, math vision, what "9th grade on-track" means, graduation requirements, access to advanced/college-level courses and CTE experiences, and approaches to supporting student well-being and well-rounded education.
6	Student agency and voice is elevated. Educators use student-centered approaches and instructional practices that shift processes and policies that actualize student and family ideas and priorities.
7	Action research, professional learning, data teams, and strengths-based intervention systems are supported by school leaders and are working in concert to identify policies, practices, or procedures informed by staff feedback to meet student needs, including addressing systemic barriers, the root-causes of chronic absenteeism, academic disparity, and student well-being. These changes and supports are monitored and adjusted as needed.
8	Comprehensive, evidence-informed, culturally responsive literacy plans, including professional development for educators, are documented and communicated to staff, students (developmentally appropriate), and families. Literacy plans and instruction are evaluated and adjusted to deepen students' learning. Digital resources are being used with fidelity to advance learners' engagement with instruction.
9	A review of 9th grade course scheduling, as it relates to on-track status for focal student groups, accounts for core and support core class placement. School staff ensure emerging bilingual students are enrolled in appropriate credit-bearing courses that meet graduation requirements.
10	Foundational learning practices that create a culturally sustaining and welcoming climate are visible. This includes practices that ensure safe, brave, and welcoming classrooms, schools and co/extracurricular environments. Strengths-based, equity-centered, trauma and SEL-informed practices are present and noticeable. Policies and practices prioritize health, well-being, care, connection, engagement, and relationship building. Multiple ways of being are supported through culturally affirming and sustaining practices for students, staff, and administrators.

C. Profound Progress: Substantial and Significant Changes

11	Schools strengthen partnerships with active community organizations and partners, including local public health, mental health, colleges, workforce development boards, employers, labor partners, faith communities, Tribal nations, and other education partners in order to collaboratively support students' growth and well-being. Characteristics of strong partnerships include mutual trust and respect, strengths-based and collaborative approaches, clear communication around roles, and shared responsibilities and decision-making power.
12	Financial stewardship reflects high-quality spending with accurate and transparent use of state and federal funds in relationship to a comprehensive needs assessment, disaggregated data, and the priorities expressed by students, families, communities, business, and Tribal partners in resource allocation and review.
13	Students and educators experience a well-rounded and balanced use of assessment systems that help them identify student learning in the areas of the Oregon State Standards. Educators understand how to assess emerging multilingual students' assets to inform gauging progress.
14	Policies, practices, and learning communities address systemic barriers. Schools and districts have a process to identify, analyze, and address barriers that disconnect students from their educational goals, impact student engagement or attendance, and/or impede students from graduating on-time or transitioning to

	their next steps after high school. Staff members are consistently engaging in action research, guided by student’s strengths and interests, to improve their practice and advance professional learning.
15	Schools create places and learning conditions where every student, family, educator and staff member is welcomed, where their culture and assets are valued and supported, and where their voices are integral to decision making. Instruction is monitored and adjusted to advance and deepen individual learners’ knowledge and understanding of the curriculum. Educators are empowered with agency and creativity. Communities are alive with visions, stories, and systems of vitality, wholeness, and sustainability.

SECTION II – FINALIZED CO-DEVELOPED LPGTS

The Longitudinal Performance Growth Targets (LPGTs) include baseline, stretch, and gap-closing targets for each of the common metrics. These targets center focal student groups while supporting public transparency and learning. Progress toward meeting these Longitudinal Performance Growth Targets will be included in the Annual Report. While all three types of targets are named in the Grant Agreement, ODE will review and consider when or if intervention is needed using only the Baseline and Gap-Closing Targets

Target Type	2023-24	2024-25	2025-26	2026-27	2027-28
Four Year Cohort Graduation					
Baseline Target: All Students	89.10%	90.60%	92.00%	93.50%	95.00%
Stretch Target: All Students	90.08%	92.56%	>95.00%	>95.00%	>95.00%
Gap-Closing Target: All Focal Group Students	87.00%	89.00%	91.00%	93.00%	95.00%
Five Year Cohort Completion					
Baseline Target: All Students	91.70%	93.00%	94.40%	>95.00%	>95.00%
Stretch Target: All Students	92.32%	94.24%	>95.00%	>95.00%	>95.00%
Gap-Closing Target: All Focal Group Students	89.00%	91.00%	93.00%	95.00%	>95.00%

9th Grade on-Track					
Baseline Target: All Students	92.03%	93.43%	94.83%	>95.00%	>95.00%
Stretch Target: All Students	92.03%	93.43%	94.83%	>95.00%	>95.00%
Gap-Closing Target: All Focal Group Students	90.87%	92.27%	93.67%	>95.00%	>95.00%
3rd Grade ELA Proficiency					
Baseline Target: All Students	45.20%	48.60%	52.10%	55.50%	59.00%
Stretch Target: All Students	47.36%	53.02%	58.68%	64.34%	70.00%
Gap-Closing Target: All Focal Group Students	37.00%	42.50%	48.00%	53.50%	59.00%
Regular Attenders					
Baseline Target: All Students	70.10%	71.30%	72.60%	73.80%	75.00%
Stretch Target: All Students	73.12%	77.34%	81.56%	85.78%	90.00%
Gap-Closing Target: All Focal Group Students	67.20%	69.10%	71.10%	73.00%	75.00%

SECTION III – APPROVED LOCAL OPTIONAL METRICS (IF APPLICABLE)

Local optional metrics are designed to allow grantees to set and monitor metrics connected to outcomes they've described in their Integrated Plan.

	2023-24	2024-25	2025-26	2026-27	2027-28
Local Optional Metrics					
Baseline Target: All Students					
Stretch Target: All Students					
Gap-Closing Target: All Focal Group Students					

EXHIBIT C INSURANCE

INSURANCE REQUIREMENTS

Grantee/Recipient shall obtain at Grantee/Recipient's expense the insurance specified in this Exhibit C prior to performing under this Contract. Grantee/Recipient shall maintain such insurance in full force and at its own expense throughout the duration of this Contract, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Grantee/Recipient shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to Agency. All coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Grantee/Recipient shall pay for all deductibles, self-insured retention, and self-insurance, if any.

If Grantee/Recipient maintains broader coverage and/or higher limits than the minimums shown in this insurance requirement exhibit, Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by Grantee/Recipient.

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY

All employers, including Grantee/Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017, and provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Grantee/Recipient shall require and ensure that each of its subcontractors complies with these requirements. If Grantee/Recipient is a subject employer, as defined in ORS 656.023, Grantee/Recipient shall also obtain employers' liability insurance coverage with limits not less than \$500,000 each accident.

If Grantee/Recipient is an employer subject to any other state's workers' compensation law, Contactor shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

As applicable, Grantee/Recipient/Recipient shall obtain coverage to discharge all responsibilities and liabilities that arise out of or relate to the Jones Act with limits of no less than \$5,000,000 and/or the Longshoremen's and Harbor Workers' Compensation Act.

COMMERCIAL GENERAL LIABILITY

Grantee/Recipient shall provide Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State. This insurance must include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this contract, and have no limitation of coverage to designated premises, project, or operation. Coverage must be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$2,000,000 annual aggregate limit.

AUTOMOBILE LIABILITY INSURANCE

Required Not required

Grantee/Recipient shall provide Automobile Liability Insurance covering Grantee/Recipient's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and

Automobile Liability). Use of personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

PROFESSIONAL LIABILITY

Required Not required

Grantee/Recipient shall provide Professional Liability covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Contract by the Grantee/Recipient and Grantee/Recipient's subcontractors, agents, officers or employees in an amount not less than \$1,000,000 per claim and not less than \$2,000,000 annual aggregate limit.

If coverage is provided on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or the Grantee/Recipient shall provide Continuous Claims Made coverage as stated below.

EXCESS/UMBRELLA INSURANCE

A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance. When used, all of the primary and umbrella or excess policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The umbrella or excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance.

ADDITIONAL INSURED

All liability insurance, except for Workers' Compensation, Professional Liability, Pollution Liability and Network Security and Privacy Liability (if applicable), required under this Contract must include an additional insured endorsement specifying the State of Oregon, its officers, employees, and agents as Additional Insureds, but only with respect to Grantee/Recipient's activities to be performed under this contract. Coverage shall be primary and non-contributory with any other activities to be performed under this Grant.

Regarding Additional Insured status under the General Liability policy, we require additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Grantee/Recipient's activities to be performed under this Contract. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on or at least as broad as ISO Form CG 20 10 and the Additional Insured endorsement with respect to completed operations must be on or at least as broad as ISO form CG 20 37.

WAIVER OF SUBROGATION

Grantee waives, and must require its first tier contractors and subgrantees waive, rights of subrogation which Grantee, Grantee's first tier contractors and subgrantees, if any, or any insurer of Grantee may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Grantee must obtain, and require its first tier contractors and subgrantees to obtain, any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the Grantee or the Grantee's insurer(s).

CONTINUOUS CLAIMS MADE COVERAGE

If any of the required liability insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, then Grantee/Recipient shall maintain continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of the Grant Agreement, for a minimum of 24 months following the later of:

1. Grantee/Recipient’s completion and Agency’s acceptance of all Services required under the Contract, or
2. Agency or Grantee/Recipient termination of this Contract, or
3. The expiration of all warranty periods provided under this Contract.

CERTIFICATE(S) AND PROOF OF INSURANCE

Grantee/Recipient shall provide to Agency Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Contract. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) shall also include all required endorsements or copies of the applicable policy language effecting coverage required by this Contract. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Contract.

NOTICE OF CHANGE OR CANCELLATION

The Grantee/Recipient or its insurer must provide at least 30 days’ written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW

Grantee/Recipient agrees to periodic review of insurance requirements by Agency under this Contract and to provide updated requirements as mutually agreed upon by Grantee/Recipient and Agency.

STATE ACCEPTANCE

All insurance providers are subject to Agency acceptance. If requested by Agency, Grantee/Recipient shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency’s representatives responsible for verification of the insurance coverages required under this Exhibit C.

Additional Coverages That May Apply:

DIRECTORS, OFFICERS AND ORGANIZATION LIABILITY:

Required Not required

Grantee/Recipient shall provide **Directors, Officers and Organization** insurance covering the Grantee/Recipient’s Organization, Directors, Officers, and Trustees actual or alleged errors, omissions, negligent, or wrongful acts, including improper governance, employment practices and financial oversight - including improper oversight and/or use of use of grant funds and donor contributions which includes state or federal funds - with a combined single limit of not less than \$1,000,000 per claim.

PHYSICAL ABUSE AND MOLESTATION INSURANCE COVERAGE:

Required **Not required**

Grantee/Recipient shall provide Abuse and Molestation Insurance in a form and with coverage that are satisfactory to the State covering damages arising out of actual, perceived, or threatened physical abuse, mental injury, sexual molestation, negligent: hiring, employment, supervision, training, investigation, reporting to proper authorities, and retention of any person for whom the Grantee/Recipient is responsible including but not limited to Grantee/Recipient and Grantee/Recipient's employees and volunteers. Policy endorsement's definition of an insured shall include the Grantee/Recipient, and the Grantee/Recipient's employees and volunteers. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$3,000,000 annual aggregate. Coverage can be provided by a separate policy or as an endorsement to the commercial general liability or professional liability policies. The limits shall be exclusive to this required coverage. Incidents related to or arising out of physical abuse, mental injury, or sexual molestation, whether committed by one or more individuals, and irrespective of the number of incidents or injuries or the time period or area over which the incidents or injuries occur, shall be treated as a separate occurrence for each victim. Coverage shall include the cost of defense and the cost of defense shall be provided outside the coverage limit.



22-23 SIA Annual Report Presentation

Nestucca Valley School District
February 12, 2024

SIA Annual Reporting Requirements

- SIA recipients are required by statute to review their own progress on an annual basis through an annual progress report and financial audit.
- ODE's annual report consists of four narrative questions and Progress Marker Ratings.
 - Progress Marker Ratings remain optional for the 21-23 biennium.
- SIA recipients are required to:
 - present their annual report to their governing board at an open meeting with opportunity for public comment,
 - and post the report to the district or charter school website.

Annual Report Narrative #1

What changes in behavior, actions, policies or practices have you observed related to SIA implementation during the 2022-23 school year? How do you see these changes contributing to the goals and outcomes in your SIA plan?

What continues to be our largest and most impactful change is hiring an additional school counselor to support our K8 Building and adding a college and career counselor at our high school. Both positions have added valuable resources for our students, whether they are in grade school learning to cope with things like anxiety (seemingly now a large issue for younger and younger children) or a graduating high school student determining what their lives look like after they leave NVSD.

In previous years, science has been taught in tandem with health in our classrooms, but we really have seen the value to offering the students a more in-depth, hands-on science program on programs that include a community garden and science camps in the summer. Having science has a separate program (much like P.E., music, art, technology) has opened a new world for many of our students and fosters a much better understanding and appreciation of the importance of science and the opportunities in can provide.

Finally, our preschool program continues to thrive. We have seen the benefits of having a district preschool program. Our preschool students and families are now a part of the district community, transitions are smoother, curriculum is streamlined and the staff is able to access trainings and professional development.

Annual Report Narrative #2

What barriers or challenges to SIA implementation have you experienced that are helpful for your community and/or state leaders to be aware of? What adjustments, if any, did you make to your SIA plan as a result of these challenges?

Time lines and documentation requirements continue will always be the biggest challenge as a small district. All staff are required to wear many hats in order to get everything done. That said, we want to make sure that we do all that we can to ensure they receive the same level of opportunity they would if they attended a large district in a metro area. We appreciate all that SIA has been able to provide for our small community of learners and we will continue to do our best to make those deadlines as we continue through the process.

Annual Report Narrative #3

SIA implementation includes ongoing engagement with all students, focal students, families, staff, and community partners. How have relationships with or between those groups changed and/or been maintained throughout this academic year? Consider the Community Engagement Toolkit and where your efforts might land on the spectrum as you complete your response.

The '22-'23 school year has felt inclusive and very collaborative, especially compared to previous years when there were so many barriers for in-person interactions. We have been able to hold student events/performances, in-person board meetings, parent-teacher conferences, Open House, Town Halls and family/information nights. We also continue to make sure we have communication options for those community members that might not be able to make an in-person meeting or event. We provide zoom links to the majority of these events, while also conducting regular surveys with students, staff and families.

As a result of these actions, we have been able to reach out to all families and learn what is most important to them when it comes to providing the best educational experience for their children. We have been very pleased with how our community has responded to this with high percentages of engagement and attendance. The administrative team and Board of Directors plan to re-visit our continuous improvement plan during the '23-'24 school year to encourage open lines of communication, knowing that our community's feedback is what guides our planning and priorities as we move forward together.

Annual Report Narrative #4

As you think about what guided your choices and prioritization efforts in this year of SIA implementation, what stands out? How will what you've learned this year impact future SIA implementation efforts?

What stands out the most, and what families seem to be the most responsive to, is our prioritization of our student's physical, mental, and behavioral health. Having additional guidance and support has made a difference for our students, whether that be having the opportunity to "center" themselves in our sensory room (run by our counseling team) before accessing their education or filling out a FAFSA to make a post-secondary education dream a reality, our students are learning how to meet their goals and advocate for themselves. We will continue to focus our SIA implementation on what our students need and do our very best to support them academically, socially, and physically.

RESOLUTION NO. 2401

A RESOLUTION ADOPTING THE 2023 TILLAMOOK COUNTY
MULTI-JURISDICTIONAL NATURAL HAZARDS MITIGATION PLAN

WHEREAS natural hazards threaten life, businesses, property, and environmental systems in the Nestucca Valley School District and throughout Tillamook County.

WHEREAS an understanding of the nature, extent, and potential impacts of natural hazards is the foundation for developing strategies to reduce or eliminate those impacts.

WHEREAS natural hazards mitigation planning is the process through which such understanding and strategies are developed and a process for implementation is established in the City or District Name and throughout Tillamook County.

WHEREAS it is in the interest of Tillamook County and the cities and special districts located therein to undertake natural hazards mitigation planning and implementation together as coordinated planning strengthens communities and better serves all.

WHEREAS Tillamook County and the Cities of Bay City, Garibaldi, Manzanita, Nehalem, Rockaway Beach, Tillamook, and Wheeler, the Port of Tillamook Bay, and the Port of Garibaldi previously prepared, implanted and updated multi-jurisdictional natural hazard mitigation plans in accordance with the Disaster Mitigation Act of 2000. These plans were each approved by the Federal Emergency Management Agency (FEMA) for a period of five years.

WHEREAS the Nehalem Bay Fire and Rescue District, the Nestucca Valley School District and the Tillamook People’s Utility District have developed their first plans within the 2023 Tillamook County Multi-Jurisdictional Natural Hazard Mitigation Plan.

WHEREAS the 2016 Tillamook County Multi-Jurisdictional Natural Hazard Mitigation Plan update is the most recent and it expired on September 7, 2022.

WHEREAS, having a natural hazards mitigation plan developed in accordance with the Disaster Mitigation Act of 2000 and approved by FEMA is a prerequisite for local government eligibility for certain federal pre- and post-disaster mitigation funds.

WHEREAS, Tillamook County and the Cities of Bay City, Garibaldi, Manzanita, Nehalem, Rockaway Beach, Tillamook, and Wheeler, the Port of Tillamook Bay, the Port of Garibaldi Nehalem Bay Fire and Rescue District, the Nestucca Valley School District, and the Tillamook People’s Utility District each participated in completing the 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan in accordance with the Disaster Mitigation Act of 2000.

WHEREAS, as a result of coordinated planning, the 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan is an integrated plan, without an individual addendum for each participating jurisdiction but with the necessary information for each.

WHEREAS adoption of the updated 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan is required for FEMA approval of the 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan and restored eligibility for certain federal pre- and post-disaster mitigation funds.

WHEREAS adoption of the updated 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan demonstrates Nestucca Valley School District's commitment to reducing or eliminating the potential impacts of natural hazards and to achieving the Plan's goals.

NOW, THEREFORE, BE IT RESOLVED BY THE NESTUCCA VALLEY SCHOOL DISTRICT:

Section 1. The Nestucca Valley Board of Director's hereby adopts the recitals above in support of this resolution.

Section 2. The Nestucca Valley Board of Director's hereby adopts the 2023 Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan.

DATED this 12th day of February, 2024.

Joseph Boyd, Board Chair

ATTEST:

Misty Wharton, Superintendent



Nestucca K-8 School

Kristina Albin, Principal • Heidi Schultz, Assistant Principal
Connie Dollar, Office Manager • Tami Flinter, Attendance Secretary

Board Report

February 12, 2024

- ❖ We just completed our winter benchmark for MAP® (Measures of Academic Progress®) testing. We saw some amazing growth among all grade levels. I want to give a shout out to all the teachers and support staff that work so hard day in and day out to provide students with quality instruction. When we see results like this, it is extremely rewarding.
- ❖ On February 2, we had an awards assembly to celebrate successes from the first two quarters of the school year. It was an exciting event! Families who had children receiving classroom awards were invited to attend the assembly. Many students were rewarded for their hard work. The number of students who received are as follows:
 - K-5 Classroom Awards, which include MAP growth: 108 students
 - 6-8 Classroom Awards, which include MAP growth: 72 students
 - K-8 Perfect Attendance: 21 students
 - Middle School Honor Roll (3.5 GPA or above): 42 students
- ❖ Another way we celebrated students was using Lexia minutes. Lexia PowerUp supports and build on our school's English Language Arts curriculum, focusing on developing reading skills in three areas: word study, grammar, and comprehension. What better way to motivate students is to have a competition. So we challenged each Focus Forward class (middle school) to read as much as they could in a specific time frame. We gathered those minutes and the winning class was *The Fast Lane* (Denise Lane's group). They earned a rootbeer float party! All the classes did an amazing job!
- ❖ We will be partnering with the high school's National Honor Society to reinstate lunch buddies. It is a mentoring program where high school students come and eat lunch with a younger group of students. The students, both young and old, look forward to this experience each week.

Kristina Albin
Nestucca K-8 Principal

NOTES FROM NESTUCCA HIGH SCHOOL

February 7, 2024

Recent Activities:

- We have had a few field trips to colleges for our Juniors and Seniors. Today (Feb. 7th), in fact, we took 38 students down to University of Oregon. There have already been field trips to Mt. Hood community College and TBCC Transfer days, where 15 different universities were represented. Later this month, there will be a field trip to OSU.
- Our girls basketball are the NWL champs as of last night. They traveled to Knappa, where the game went back and forth all four quarters. At the final buzzer, Kyla Hurliman shot a ¾ court shot that tied the game up to go into overtime. Our girls ended up winning, with two of our starters fouled out on the bench. It was a very exciting night. What was also cool was to watch our boys' team run around crazy when the girls' game was sent into overtime. They had been waiting on the side for their game and went running onto the court screaming when Kyla made the shot. The girls are currently ranked 5th in State and will most likely be hosting a home state playoff game on February 24th. Come watch them play; they are fun to watch. If we win the game on the 24th, our girls team will make it to Pendleton, which are the top eight teams in 2A. This is a tournament bracket, which will go from February 28th through March 1st.
- Esports regular season ended last Wednesday. Preston Heath qualified for the Platinum playoff bracket. There were 173 students competing in the regular season and the top 40 are playing in the playoffs next week. Preston competes in his first playoff match Monday the 12th at 4:30 pm. The playoffs are single elimination. If he wins he would play again on Wednesday with the finals on Friday.
- We have recently been testing out translators in the classroom. We now have 4 students at the high school who speak very little English, as they moved here to the US at the beginning of high school or later. We are having one of our students test out a translator in two of his classes. The teacher holds one end and speaks into it when talking to the class, and the student has an ear bud in that translates the directions into Spanish. Obviously, the students are still learning English, but this helps them do their academic work without a language barrier. There are a few issues like a delayed transmission, but it is certainly better than it was before.
- Because of SchoolLinks, a new college and career platform we are using, we have had 66 completed applications submitted to various schools around the nation: Reed, OSU, U of O, Montana State, California School of Art, Louisiana State University, etc. With SchoolLinks, we will now be able to track where the students end up attending.
- A few students traveled to the NOSB (National Ocean Sciences Bowl) tournament last weekend, February 2nd and 3rd. We have a young group, so this was really about experience, but we took a few junior high students along to get them interested in this club. If you would like to learn more about this I have included the link here. [National Ocean Sciences Bowl – Institute of Competition Sciences](#)

Upcoming Activities:

- District Wrestling is (was) Saturday, February 10th. We have several kids that are seeded high... Draven Marsh, Zak Chatelain, Quinn Hill are just a few. State wrestling isn't until February 22 and 23rd in Portland, so after District, they will have about a week and a half to prepare.
- Girls 4A, 3A, 2A, 1A District wrestling tournament will be February 16 and 17th at Scappoose High school. Stay tuned for more information on this tournament.
- Spring sports start practice on February 26th. If you notice from the dates above, kids aren't stagnate for long.
- The end of Trimester 2 is coming up also... March 8th.
- And finally, on March 9th, our Speech team will be competing at the District Tournament in McMinnville.
- Oh, and tryouts for our Spring Musical, *The Wizard of Oz*, are tomorrow and next week. You can't say there aren't enough opportunities at Nestucca.

Special Programs-Kellow

Board Meeting 2/12/24

1. Our updated SPED referral process is going well. It will take some getting used to, but it is a very positive change long term and will allow us to make identification determinations that are predominately data driven (Best practice). We are now meeting during late start Mondays and I believe that for the first time, the process is much more user friendly and streamlined. As HUGE Thank you to Heidi Schultz (couldn't do it without her) and the A Team members (Teacher/ Specialists representing grade levels) for stepping up for our students. It's appreciated.
2. I am currently working on our quarter II integrated guidance narrative and updates. There are many pieces and a lot of oversight regarding integrated guidance, but we get better and more familiar with the process each day. On Wednesday of last week, we met with ODE and our business office to make sure we were up to date on all reporting, updating and activities that are required. ODE recognizes what a large task this is for districts (especially smaller districts like Nestucca) and have been very supportive.
3. Below are a few short reports from our Elementary Life skills and High school SPED programs:

High School:

Things at the high school have been really successful so far this year. The amount of support from the staff that is being given to the students on our case load is absolutely incredible. Another thing we are super impressed with is the inclusivity from the Gen Ed Students to our life skills students, they are so accepting and we enjoying seeing them communicate with our kids each and every day! One new thing we have starting up again this year is the Bloomin' Buddies program this program will include the students enrolled in the YTP Program as well as our life skills and resource room kids. Bloomin' Buddies is coordinated by Miss Hannah (the YTP Coordinator), they will be making bouquets of flowers and will be delivered to both buildings

for the rest of the year. The students are looking forward to helping with this and the staff is looking forward to our beautiful flowers every week!

Elementary Life skills:

All of the K-8 Life Skills classroom students are making a lot of progress! Each student has made gains with their individual academic and functional goals. In the last month, one student in particular has gone from full days in the Life Skills room to participating in their general education class for 70% of their day. On Valentine's day, cookies will be made using our classroom oven and delivered by students to various staff members around the school.



Heidi Schultz
Early Learning Program Director
P.O. Box 33 Cloverdale OR 97112
Ph 503-392-3194 x353

February 8, 2024

NVSD Board of Directors,

Nestucca Valley Early Learning Center has had a great January! Our first family engagement night allowed families to connect with each other, have a sandwich dinner, hear a story, and complete a craft! Cindy and Jerika did a wonderful job engaging the preschool students with "The Mitten" by Jan Brett! Each student also got to take home their very own copy of the book.

We continue to have a full class, although sickness has impacted our attendance. Our preschoolers are solid in their routines and expectations! Cindy and Jerika have now introduced some small group focused rotations. Students are loving the new activities.

Professional Learning and Development:

Our staff have started a book study along with K-3 teachers. "7 Mighty Moves" will lead teachers through the best practices in reading instruction. Each month we will learn about a different pillar of early literacy. We look forward to putting into practice these Science of Reading based philosophies.

Events:

Wednesday, February 14th preschoolers will celebrate Valentine' Day with a small party. I would like to give a shout out to the parent volunteers who are helping out that day!

Thank you all!

Heidi Schultz
heidis@nestucca.k12.or.us

Board Report

2/12/2024

There has been lots of movement on the TEC CTE project since the last board meeting. Sherry Cook came on board as the TEC CTE Countywide Project Director. We are fortunate to have Sherry who is very experienced and talented in the world of CTE. The old Beaver Middle School has been identified as the sight where the Skills Center will be located. We are starting the process of preparing for that to happen. The Programming/Skills Center Workgroup has started zeroing in on the programming that would be offered at the Skills Center. The K-14 Curriculum WorkGroup has created a Vision Statement as part of the process of creating the countywide CTE curriculum. The Communication/Publicity WorkGroup has created a marketing plan and has begun to put that into effect. We are in the midst of putting together a governance and oversight structure for the project through the CTE Foundation. We have received a commitment from Worksource Oregon to help us with funding this project. The big piece we are working on currently is putting together a countywide exploratory for the three high schools in the county. This will be similar to what happened at Nestucca High School last spring. We are expecting it to be as successful and well received as it was at Nestucca last spring. Each one of the county high schools, Nestucca, Tillamook and NKN, will host the exploratory for three weeks. The exploratory will utilize a wide swath of business and industry partners from across the county. If you think there is anyone that might be interested in participating, please get me their contact information. A big thank you goes out to all of the community partners who are participating in this effort. Without their participation, this project would not be possible.

Chad C. Holloway
Administrator of Facilities and Alternative Education
Nestucca Valley School District #101