

**Corvallis**  
SCHOOL DISTRICT

1555 SW 35<sup>th</sup> Street / PO Box 3509J, Corvallis, Linn and Benton Counties, Oregon 97339  
541-757-5811 [www.csd509j.net](http://www.csd509j.net)



## about the art in this document

Local citizens and the Corvallis School District community joined Benton County Commissioners and employees to celebrate the opening of the Benton County Kalapuya Building April 20, 2023.

Corvallis School District student art was exhibited and all were welcome to attend an open house with tours, refreshments, activities, and music.

This event was made possible through funds provided by a Corvallis Public Schools Foundation IMAGINE grant, the generous collaboration of Benton County, and many Corvallis School District students and teachers of the arts. The district is also thankful for the enthusiastic and dedicated work of Claudia Enciso Kuraica and Christa Schmeder in their coordination of the art exhibit.

Design elements, thematic coloration, and art photography provided by Megan Mahoney. Frame clip art downloaded from rawpixel.com. It is the district's practice not to specifically identify elementary aged artists in the Budget Document.



Corvallis  
Public Schools  
FOUNDATION



Benton  
County  
OREGON



Corvallis  
SCHOOL DISTRICT

## copies are available

An electronic copy of this document may be downloaded free of charge from the Financial Services page on the district website: <https://www.csd509j.net/departments/finmngmt/>. Adobe Reader is recommended.

To review a paper copy at no charge, or order a paper copy at cost, contact Jennifer Bentz at [jennifer.bentz@corvallis.k12.or.us](mailto:jennifer.bentz@corvallis.k12.or.us), or 541-757-5874 to make an appointment.

para asistencia en español  
por favor llame al número (541) 757-5807



# 2023-24 Annual Comprehensive Financial Report

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Ryan Noss, Superintendent  
Lauren Wolfe, Finance Director  
Maria McEldowney, Accounting Manager



**Corvallis**  
SCHOOL DISTRICT

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# Introduction



## introduction cover art

Corvallis High School Student Nina Gordon





# Corvallis

## SCHOOL DISTRICT

December 19, 2024

To the School Board and Citizens of Corvallis School District 509J:

We respectfully submit the Annual Comprehensive Financial Report (ACFR) of Corvallis School District 509J, Benton County, Oregon, for the fiscal year July 1, 2023 – June 30, 2024. State law requires that an independent audit be made of all district funds within six months following the close of the fiscal year. This report is published to fulfill the requirement for the fiscal year ended June 30, 2024, and consists of management’s representations concerning the finances of the district, together with the opinions of our auditor.

Management assumes full responsibility for the completeness and reliability of all the information presented in this report based on a comprehensive internal control framework that is designed both to protect the district’s assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the district’s financial statements in conformity with Generally Accepted Accounting Principles (GAAP). As the cost of internal controls should not outweigh their benefits, the district’s comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Pauly Rogers & Co. P.C., Certified Public Accountants, have issued an unmodified (“clean”) opinion on the district’s financial statements for the fiscal year ended June 30, 2024.

### FINANCIAL STATEMENT PRESENTATION

Designed to meet the needs of a broad spectrum of financial statement readers, the ACFR is divided into sections to aid in the reader’s review of the document. Key sections include:

The **Introductory Section** includes this transmittal letter and information on the district’s elected and appointed officials, and an organizational chart of the district.

The **Financial Section** includes the independent auditor’s report, management’s discussion and analysis (MD&A) which provides an overview of financial activity and results, basic financial statements including both the government-wide and fund financial statements along with the notes to the financial statements which serve as an aid in interpretation and understanding significant accounting policies. The Financial Section also includes required supplementary information, other supplementary information for all major governmental funds, and other financial schedules.

The **Statistical Section** includes selected financial and demographic information, generally presented on a multi-year basis.

The **Compliance Section** contains the independent auditor's report as required by State of Oregon regulations and schedules, a schedule of expenditures of federal awards, the internal controls report in accordance with Government Auditing Standards, and the compliance report as required by the U.S. Office of Management and Budget (OMB) Uniform Guidance Compliance Supplement for major federal programs.

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

## PROFILE OF THE DISTRICT

The district serves the city of Corvallis and the surrounding areas in Benton County, Oregon. Situated in the heart of the Willamette Valley, Corvallis is home to Oregon State University, the state's leading public research institution. Located 90 miles south of Portland, the district offers easy access to both urban amenities and abundant outdoor recreational opportunities. In 2023, population for the Corvallis Metropolitan Statistical Area was estimated at 97,713; whereas the City of Corvallis population estimate was 61,656 for 2023. Metropolitan Areas are defined (geographically delineated) by the Office of Management and Budget (OMB).

In 1957, voters approved the formation of Corvallis School District 509J, combined from several districts within Benton County. This reorganization provided increased instructional services to students throughout the area through more effective and efficient management of available resources.

The district is governed by a seven-member school board, elected to four-year overlapping terms by voters residing within district boundaries. Duties of the school board include setting policy, adopting budgets, appointing the superintendent, and hiring, terminating, and approving resignations of all certified and administrative staff members.

Under Oregon state law, a school district is a municipal corporation empowered to provide elementary and secondary educational services for children residing within its boundaries. The district performs this responsibility by developing and maintaining approved educational programs for all students; building, operating, and maintaining school facilities; transporting and feeding students in accordance with district, state, and federal programs.

Our district is committed to building relationships of trust and respect, providing inclusive learning environments that are culturally relevant, and igniting student engagement through real-world, experiential learning. The Corvallis School District is one of the best in the state of Oregon and we are proud of our tradition of excellence. Located in a community that values education and life-long learning, our students benefit from our relationships with community partners including Oregon State University and Linn Benton Community College. Student voice is a core tenet of the Corvallis School Board. Students identity (race, culture, socioeconomic and family status, national origin, language, ability, gender, gender identity, gender expression, or sexual orientation) should not predict or predetermine success in school

The district operates as a tax-exempt financially independent entity under Section 170 of the Internal Revenue Code. The school board is accountable for all fiscal matters that significantly influence delivery of services. All major activities and organizations have been included in the basic financial statements.

**Charter Schools.** Oregon statute provides state funding for charter schools that flows through the district for schools that local boards of education have granted a charter. The district has one charter school, Muddy Creek Charter School, serving 70 students in grades K-5 as of October 2023. The charter school contract is in effect through June 2024.

**Foundation.** To provide additional support to students and teachers of our district, in 1996, with the support of the School Board, community and business leaders established the Corvallis Public Schools Foundation (CPSF) to match educational needs with the resources of dedicated contributors. The CPSF is a separate 501(c)(3) organization accounted for as an agency fund of the district.

## STRATEGIC PATH

Our schools are increasingly diverse and our staff work diligently to meet the needs of our students across a wide spectrum of cultural differences, learning styles, and abilities. The district is committed to providing equitable access to an inclusive and rigorous learning experiences and outcomes that honors each student's race, culture, socioeconomic status, language, ability, and gender and sexual orientations, resulting in engaged citizens and leaders of the future.

We help all students gain a solid educational foundation, develop confidence in their ability to learn and grow, and provide them with the critical skills needed in a rapidly changing world. Our strategic priorities are based on the principle of "students at the center." We are committed to providing every student access to excellent educational opportunities, helping every student achieve academic growth, and doing what it takes to help every student graduate.

## ENROLLMENT AND STUDENTS

The district is the 21st largest of Oregon's 197 school districts. Educational services are provided to more than 6,000 students in grades kindergarten through twelve. In 2023-24, student enrollment of 6,118 reflected a decrease of 244 students from the prior year. This decrease was mainly due to smaller grade level cohorts matriculating into the district, replacing larger grade level cohorts after graduation. The district expects this trend in student enrollment to continue over the next few years.

In addition to declining enrollment, the district faces a significant challenge: high housing costs within district boundaries. Low housing inventory and high demand have driven prices significantly higher than those in surrounding communities. This forces many young families to live outside the district, contributing to a daily influx of 19,000 commuters into Corvallis. Corvallis has a low vacancy rate for housing units, further limiting options. Homeownership is considerably more expensive in Corvallis compared to nearby cities like Albany, Salem, and Eugene.

The Corvallis School District serves a diverse student population. There is a growing population of students from diverse racial and ethnic backgrounds, including Hispanic/Latino, Asian, Black, and Indigenous students. Our students speak 74 unique languages and dialects. 20% of families report a language spoken in their home as other than English. 13% of our students have an Individual Education Plan to support their special needs. 24% of students are experiencing poverty.

The district's on-time graduation rate for the 2022-23 school year was 88%, seven points higher than the state average. On-time graduation reflects students earning a diploma within four years. Cohort includes students who were first-time ninth graders in 2019-20 graduating in 2022-23. In 2023-24, 88% of students in 9<sup>th</sup> grade were on track to graduate. The Oregon Department of Education is collaborating with school districts and communities across the state to achieve a 90% on-time graduation rate by 2027. ODE is committed to closing opportunity and achievement gaps for marginalized students and securing long-term success for all of Oregon's learners by investing in culturally responsive practices, fostering inclusive environments and always driving for continuous improvement.

## FACILITIES

District facilities include seven elementary schools, two middle schools, two high schools, one kindergarten through eighth grade school, an alternative education center, plus administrative and support services buildings. The district owns the local public swimming pool facilities, although the City of Corvallis assumed pool management and operations in January 2001.

In May 2018, Corvallis voters approved \$199.9 million in general obligations bonds for capital construction improvements to transform and update aging school facilities. The bonds were issued in two phases. In July 2018, the district issued \$160.0 million; and, in December 2020, the district issued the remaining \$39.9 million. Two elementary schools were fully replaced along with renovations at all other instructional facilities.

## LOCAL ECONOMY

Benton County is a vital regional center for higher education, technology, engineering, research, health care, and agriculture. Oregon State University (OSU) is the cornerstone, driving economic activity through research, student spending, and attracting faculty and staff. Corvallis is a desirable location for residents and businesses due to its natural beauty, outdoor recreation, and strong sense of community. Corvallis has received a variety of recognition over the years including, best place to live, safest, greenest and best college town in the United States.

Corvallis-Benton County Economic Development Office (EDO) is responsible for the development and implementation of the economic development strategy for the City of Corvallis, and towns of Benton County including Adair Village, Philomath, and Monroe. Visit Corvallis is a private non-profit destination organization marketing Corvallis and Benton County. Visit Corvallis is responsible for destination marketing, enhancing the visitor experience, and stewarding destination development.

Consistently ranked as one of the most educated cities in America, Oregon State University receives more research funding than all other public higher education institutions in Oregon combined. It is also one of only two universities in the nation to be a land-grant, sea-grant, space-grant, and sun-grant institution. With over 14,000 employees, university-wide, Oregon State University is the largest employer in Corvallis and a vital player in the area's economic condition as an employment anchor.

Oregon State University enrollment reached a new record in 2023-24, eclipsing 36,000. Oregon State's enrollment counters national trends of declines at many U.S. colleges and universities. The enrollment includes students at OSU locations in Corvallis, Bend, Portland, La Grande and through the university's nationally ranked online Ecampus unit. Enrollment on the Corvallis campus increased 2.5% to 24,188 students. The most popular undergraduate majors at Oregon State are computer science, followed by business administration, psychology, general engineering and mechanical engineering.

Benton County had an unemployment rate of 3.2% as of June 2024, among the lowest in the state. The district's tax basis continues to grow steadily, with a real market value of \$14.9 billion and an assessed value of \$8.0 billion in 2023-24. By most economic indicators at this time, the local economy is remaining stable.

## STATE AND LOCAL FUNDING

Over the last three decades, several citizen initiatives have changed how Oregon funds public education. Starting in 1990, after Oregon citizens approved Ballot Measure 5, the responsibility of funding schools shifted from local control via property taxes to state control via K-12 funding formulas distributed through income taxes, lottery proceeds, and property taxes. This shift made public schools more dependent on the overall economy of Oregon in that income taxes are one of the state's primary resources of revenue and are subject to the volatility of the economy. Economic recessions affect employment, resulting in income tax revenue declines, therefore fewer resources available for public programs and services, including K-12 schools.

To help address this funding shift to the state and the volatility of revenue streams, our community was one of the first in the state to take advantage of an alternate funding option dedicated to public schools, the local option levy. In May 2023, 71% of voters in Corvallis renewed a five-year local option levy, originally approved in 2006 and renewed in 2010 and 2016, at a rate of \$1.50 per \$1,000 of assessed value.

In 2023-24, the local option levy provided \$10.2 million in resources used to fund teachers at all schools to sustain class sizes; instructional coaches to improve teaching and learning; music, physical education and art instruction for elementary students; vocational and technical education opportunities; counseling for students; and support for high school athletics and activities. The majority of taxes received from the local option levy funded approximately 70 full-time staff positions, or about 8% of the district's total staff.

In spring 2019, the Oregon Legislature passed and the Governor signed the Student Success Act (HB 3427) into law. The Student Success Act marked a turning point for public education in Oregon by providing an additional \$1 billion investment in schools each year to offer new opportunities for students, particularly those who have been historically underserved. The Student Success Act dedicates at least half of its funding to the Student Investment Account that is distributed as non-competitive grants to all Oregon school districts and eligible charter schools. Districts are investing these grant funds toward reducing class sizes, providing a well-rounded education, increasing instructional time, and addressing student health and safety. Through the Student Investment Account, the district was awarded \$7.8 million for the 2023-24 school year to meet students' mental and behavioral health needs, increase academic achievement, and reduce academic disparities for historically underserved students.

## FEDERAL RELIEF FUNDS

Through multiple U.S. Congressional actions, the district has received federal grants through the Elementary and Secondary School Emergency Relief (ESSER) fund, which was established to address the impact the COVID-19 pandemic had on our educational community. These funds were accounted for in the Grants Fund and the district has been awarded \$10.8 million in funding to date. ESSER dollars must be fully obligated by September 30, 2024.

The majority of these funds are being used to provide dedicated instructional support in our primary grade classrooms with a focus on helping our youngest students build foundational skills to become proficient readers by third grade. These funds are also being used to retain classroom teachers and maintain smaller class sizes.

## LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

In 2017-18, the district joined a new cohort of the Alliance for Excellence in School Budgeting, a network of school districts formed by the Government Finance Officers Association (GFOA) working to implement GFOA's Best Practices in School Budgeting. These best practices provide a framework to enhance the district's budget and planning process through better alignment of resources with academic achievement goals.

The first edition of the district's Multi-Year Strategic Financial Plan was issued on December 13, 2018 for 2018-2024, after a collaborative process with a wide focus of input. This comprehensive plan holds student achievement as its core objectives while ensuring the district is financially stable. In contrast to the typical budgeting approach, a strategic financial plan is focused on aligning to the instructional priorities that will best impact student achievement. The plan represents input from a broad base of stakeholder groups, including school leaders, staff, students, budget committee members, parents and community members. The plan is a starting point for annual budget development, and utilized as a central document to engage stakeholders during the budgeting process.

As noted earlier, voter approval of \$199.9 million in capital construction general obligation bonds in May 2018 was a major initiative to ensure that the district's facilities support excellence in learning for all of our students, both today and tomorrow. A variety of committees provide community input and assist in the design of some of the projects funded by the bond. A bond oversight committee, made up of seven community members and a representative of the Corvallis School Board, meet regularly to monitor planned improvements, costs, schedule and progress of bond projects. The majority of bond work has been completed, and the last four projects will be completed within the next year.

## RELEVANT FINANCIAL POLICIES

The school board has adopted a comprehensive set of financial policies and budget parameters to ensure sound management of the district's resources. An important goal of the Board is to have the funds available to be able to maintain services to students regardless of the current economic environment. To achieve that goal, the Board directs the school district to budget for an ending fund balance made up of the following:

- Appropriated Contingency Reserve: 2.5% of General Fund total resources net of the beginning fund balance
- Appropriated Rainy Day Reserve: 5% of General Fund total resources net of the beginning fund balance
- Unappropriated Ending Fund Balance: 5% of General Fund total resources net of the beginning fund balance
- Targeted Reserves Ending Fund Balance: reserves that may be set aside for a specific purpose such as PERS reserve or equipment replacement.

## INDEPENDENT AUDIT

The district's financial statements have been audited by Pauly Rogers & Co. P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the district for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the district's financial statements for the fiscal year ended June 30, 2024, are fairly presented in all material respects in conformity with GAAP.

The independent audit of the district’s financial statements includes a federally mandated “Single Audit” designed to meet the special requirements of federal grantor agencies. The standard’s governing single audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the district’s internal control over financial reporting and on compliance and other matters, and on compliance related to the administration of federal awards. These reports are available in the grant compliance section of this report. The results of the district’s single audit for the fiscal year ended June 30, 2024 provide no instances of material weakness in the internal control structure.

#### ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department. We further extend our appreciation to the members of the School Board, employees of the district, and the citizens of Corvallis whose continued cooperation, support, and assistance have contributed greatly to the achievements of the Corvallis School District.

Respectfully submitted,



Ryan Noss  
Superintendent



Lauren Wolfe  
Director of Finance



Maria McEldowney  
Accounting Manager

## SCHOOL BOARD

The district is governed by a seven-member school board, elected to four-year overlapping terms by voters residing within district boundaries. Duties of the school board include setting policy, adopting budgets, appointing the superintendent, and hiring, terminating, and approving resignations of all certified and administrative staff members. The school board is accountable for all fiscal matters that significantly influence delivery of services and also constitutes one-half of, and appoints the seven citizen members of, the budget committee.



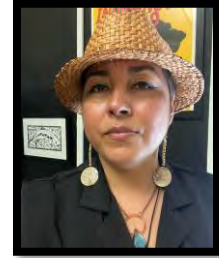
Sami Al-Abdrabbuh



Chris Hawkins



Terse Jones



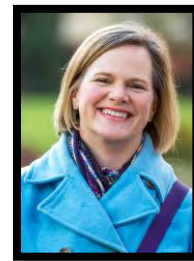
Luhui Whitebear



Shauna Tominey



Judah Largent



Sarah Finger McDonald

Position #1	Sami Al-Abdrabbuh	Elected in 2021	Term Expires June 30, 2025
Position #2	Chris Hawkins	Elected in 2023	Term Expires June 30, 2027
Position #3	Terese Jones, Co Vice Chair	Elected in 2023	Term Expires June 30, 2027
Position #4	Luhui Whitebear, Chair	Elected in 2021	Term Expires June 30, 2025
Position #5	Shauna Tominey, Co Vice-Chair	Elected in 2021	Term Expires June 30, 2025
Position #6	Judah Largent	Elected in 2021	Term Expires June 30, 2027
Position #7	Sarah Finger McDonald	Elected in 2023	Term Expires June 30, 2027

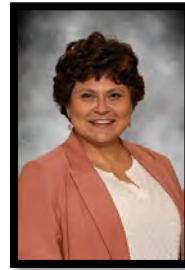


## DISTRICT LEADERSHIP

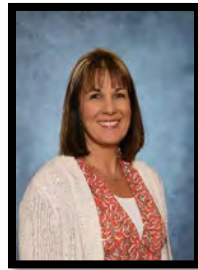
District leadership includes a superintendent, assistant superintendent, 19 district office directors, coordinators and managers, 13 school principals, and 9 assistant principals. The district employs approximately 860 full-time equivalent personnel, including administrators, teachers, supervisors, secretarial staff, maintenance personnel, cafeteria staff and other support staff.



Ryan Noss  
Superintendent



Melissa Harder  
Assistant Superintendent



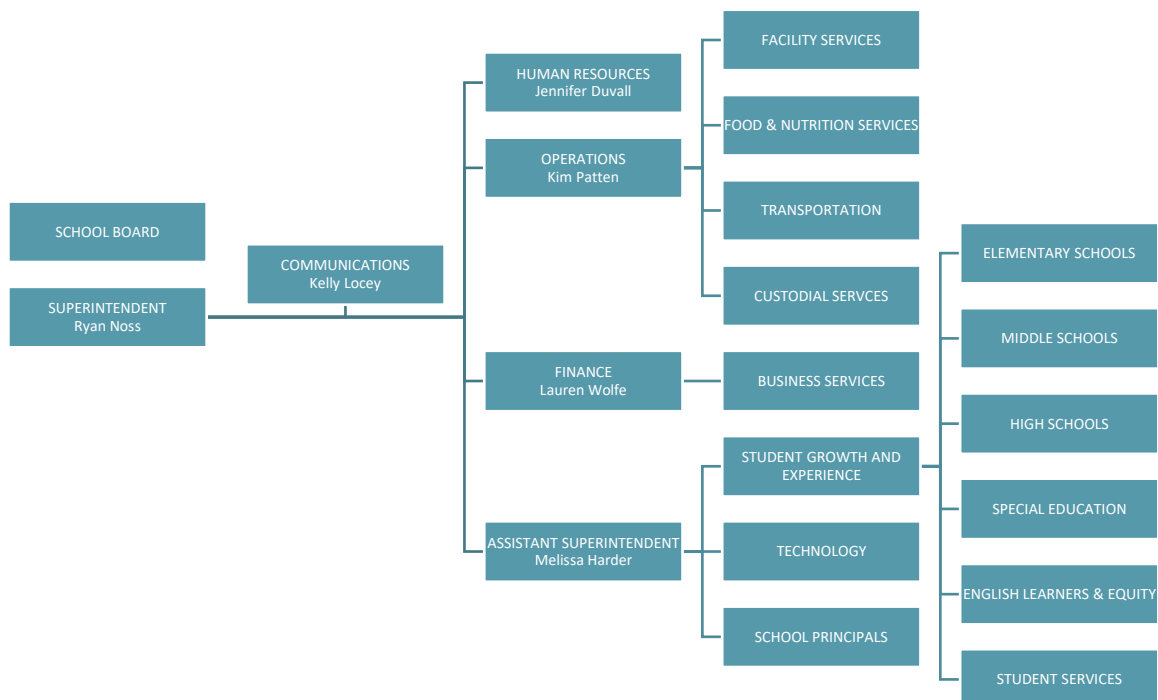
Jennifer Duvall  
Human Resources



Kim Patten  
Operations



Lauren Wolfe  
Finance



## DISTRICT LEADERSHIP

Superintendent.....	Ryan Noss
Assistant Superintendent .....	Melissa Harder
Director of Finance .....	Lauren Wolfe
Director of Human Resources .....	Jennifer Duvall
Director of Operations.....	Kim Patten
Business Services .....	Maria McEldowney, Accounting Manager
Communications.....	Kelly Locey, Coordinator
Operations	
Custodial Services.....	Alexis Torres Diaz, Custodial Supervisor
Facilities.....	Doug Tiller, Manager
Food and Nutrition Services .....	Kathy Pitzer, Manager
Sustainability .....	Kathy Feser, Coordinator
Theatres.....	Elizabeth Wyatt, Manager
Transportation.....	Becky Weeks, Coordinator
Student Growth and Experience	
Elementary Schools .....	Amy Lesan, Coordinator
Middle Schools .....	Kimberly Johnson, Coordinator
High Schools .....	Nikki McFarland, Coordinator
Equity & English Language Learners.....	Marcianne Rivero Koetje, Coordinator
Mental & Wellness .....	Martha Calderón, Clinical Supervisor
Special Education .....	Shawn Bernard, Coordinator
Student Services .....	Sabrina Wood, Coordinator
Technology Services .....	Brian Schaffeld, Director

# Financial



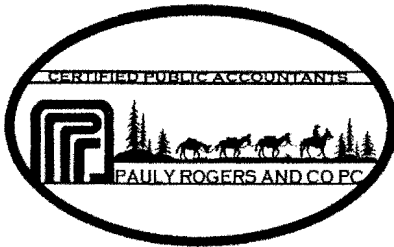


## **financial cover art**

Crescent Valley High School students  
Faith Johnson and Maureen Villalobos-Vargas

# Independent Auditor's Report

Pauly, Rogers, and Co., P.C. audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, fiduciary fund, and the aggregate remaining fund information of the Corvallis School District as of and of the year ended June 30, 2024.



**PAULY, ROGERS, AND CO., P.C.**  
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(503) 620-2632  
www.paulyrogersandcocpas.com

December 19, 2024

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Corvallis School District 509J  
Benton County, Oregon

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the fiduciary fund of Corvallis School District 509J (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the fiduciary fund of the District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the

audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

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

## **Required Supplementary Information**

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

The budgetary comparison information presented as required supplementary information, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Supplementary Information

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

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the introductory and statistical sections, as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2024 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 19, 2024, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



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



# Management's Discussion and Analysis

A narrative overview and analysis of the financial activities of Corvallis School District 509J  
by district's management, as of June 30, 2024.



## INTRODUCTION

As management of Corvallis School District 509J, Benton County, Oregon, 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, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter. The Transmittal Letter and Management's Discussion and Analysis should be read in conjunction with the district's financial statements, which follow this section.

## FINANCIAL HIGHLIGHTS

- On June 30, 2024, the district's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources, resulting in a total net position of \$50.78 million.
- The district's total net position increased by \$7.27 million for the year, a 16.70% increase in the district's financial position as compared to the prior year.
- On June 30, 2024, the district's governmental funds reported combined ending fund balances of \$22.47 million. Of this amount, \$19.39 million (86.29%) is General Fund balance, \$1.31 million is Special Revenue Fund balance, \$1.76 million is Debt Fund balance, and \$484 is Capital Fund balance.
- On June 30, 2024, the General Fund unassigned fund balance was \$12.09 million, or 12.44% of total General Fund revenue.
- The district's total outstanding general obligation bonds decreased \$7.67 million during the 2023-24 fiscal year due to debt service payments and amortization of premiums, leaving a remaining balance of \$208,988,625.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the district's finances in a manner similar to a private-sector business.

The statement of net position presents information on all 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 that will only result in cash flows in future fiscal years.

## **FUND FINANCIAL STATEMENTS**

The fund financial statements are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of the district can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

## **GOVERNMENTAL FUNDS**

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

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

Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Grants Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered major governmental funds. Data from the non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The district adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

## **PROPRIETARY FUNDS**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The district maintains one proprietary fund, which is an internal service fund.

The internal service fund serves as an accounting device used to accumulate and allocate costs internally among the district's various functions. The district uses the internal service fund to account for employee benefits and risk management insurance activities. Because this predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements section.

The district also adopts an annual appropriated budget for its proprietary fund. A budgetary comparison statement has been provided for the fund to demonstrate compliance with its budget.

## **FIDUCIARY FUNDS**

Fiduciary funds are used to account for resources held for the benefit of parties outside the district. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the district's own programs. The accounting used for fiduciary funds is the same as that used for governmental funds.

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## **OTHER INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as schedules of the proportionate share of net pension liability for the state public retirement system, schedule of changes in total other post-employment benefits, as well as budgetary comparison information for the General Fund.

The budgetary comparison statements for the other major funds (Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Internal Services Fund), along with the combining statements referred to earlier, in connection with non-major governmental funds, are presented immediately following the required supplementary information.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the district, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$50.78 million at June 30, 2024.

Capital assets, which consist of the district's land, buildings, building improvements, construction in progress, vehicles, and equipment, represent about 88.71% of total assets. The remaining assets consist mainly of cash and investments, and grant and property taxes receivable.

The district's largest liability, comprising 94.42% of the total liabilities, are noncurrent liabilities which consist of bonds payable, pension liabilities, and post-employment benefit obligations. Noncurrent liabilities increased significantly beginning in fiscal year 2018-19 because of the issuance of voter-approved general obligation bonds for improved school facilities. Current liabilities, representing about 5.58% of the district's total liabilities, consist of debt obligations due within one year, accounts payables, and payroll liabilities.

A large portion of the district's net position reflects its investment in capital assets (e.g., land, buildings and improvements, and vehicles and equipment) less any related debt used to acquire those assets that are still outstanding. The district uses these capital assets for classrooms and supporting services for providing kindergarten through twelfth grade education; consequently, the assets are not available for future spending. Although the

district's investment in 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 the capital assets themselves cannot be used to liquidate these liabilities.

Table 1: Condensed Statement of Net Position

	Governmental Activities		
	2024	2023	Change
<b>Assets</b>			
Current and other assets	\$ 35,858,609	\$ 52,306,074	\$ (16,447,465)
Capital assets, net of accumulated depreciat	292,432,155	284,722,135	7,710,020
Other noncurrent assets	1,346,656	4,355,668	(3,009,012)
Total assets	<u>329,637,420</u>	<u>341,383,877</u>	<u>(11,746,457)</u>
<b>Deferred Outflows of Resources</b>			
Pension & OPEB related deferrals	<u>24,470,408</u>	<u>27,468,585</u>	<u>(2,998,177)</u>
<b>Liabilities</b>			
Current liabilities	16,197,289	24,673,274	(8,475,985)
Noncurrent liabilities	<u>274,075,568</u>	<u>279,527,414</u>	<u>(5,451,846)</u>
Total liabilities	<u>290,272,857</u>	<u>304,200,688</u>	<u>(13,927,831)</u>
<b>Deferred Inflows of Resources</b>			
Pension & OPEB Related Deferrals	<u>13,050,320</u>	<u>34,487,991</u>	<u>(21,437,671)</u>
<b>Net position</b>			
Net investment in capital assets	80,670,654	76,776,812	3,893,842
Restricted	1,701,357	2,801,406	(1,100,049)
Unrestricted	<u>(31,587,360)</u>	<u>(36,061,954)</u>	<u>4,474,594</u>
Total net position	<u>\$ 50,784,651</u>	<u>\$ 43,516,264</u>	<u>\$ 7,268,387</u>

During the current fiscal year, the district's overall financial position increased by \$7.27 million in net position, primarily due to an increase in net investment in capital assets and unrestricted net position.

Governmental activities. The key elements of the change in the district's net position for the year ended June 30, 2024 are as follows:

- Governmental program expenses decreased by about \$17.57 million. This was primarily due to the appropriated effects of changes in basis reporting to reflect changes in capital assets as well as changes in net pension and OPEB expenses in fiscal year 2023. Changes in net position over the last ten fiscal years may be found in the Statistical Section of this document.
- Total revenues increased by approximately \$3.68 million, due to a variety of revenues—most notably operating grants within program revenue and property taxes and state school fund revenue within general revenues.

Table 2: Condensed Statement of Changes of Net Position

	2024	2023	Change
<b>Program expenses</b>			
Instruction	\$ 62,119,144	\$ 75,349,409	\$ (13,230,265)
Support services	51,370,846	55,474,896	(4,104,050)
Enterprise and community services	4,778,282	5,364,565	(586,283)
Interest on long-term debt	8,220,456	7,869,246	351,210
Total expenses	<u>126,488,728</u>	<u>144,058,116</u>	<u>(17,569,388)</u>
<b>Program revenues</b>			
Charges for services			
Instruction	-	-	-
Support services	964,361	1,160,951	(196,590)
Enterprise and community services	666,584	1,235,104	(568,520)
Operating grants and contributions			
Instruction	10,955,912	8,098,539	2,857,373
Support services	7,215,033	5,764,150	1,450,883
Enterprise and community services	2,511,662	2,371,399	140,263
Total program revenues	<u>22,313,552</u>	<u>18,630,143</u>	<u>3,683,409</u>
Net (expense) revenue	<u>(104,175,176)</u>	<u>(125,427,973)</u>	<u>21,252,797</u>
<b>General revenues</b>			
Property taxes levied for general purposes	45,290,305	42,760,440	2,529,865
Property taxes levied for debt service	15,506,715	14,618,315	888,400
State school fund for education and support service:	43,548,133	39,743,531	3,804,602
Common school fund	1,344,575	1,240,431	104,144
Unrestricted state and local revenue	2,062,594	6,556,731	(4,494,137)
Unrestricted grants and contributions	-	3,372,292	(3,372,292)
Intermediate sources	895,511	976,723	(81,212)
Unrealized gain (loss) from investments	-	-	-
Capital lease issuance	-	-	-
Earnings on investments	2,790,880	1,898,635	892,245
Gain/loss disposed asset	4,850	-	4,850
Total general revenues	<u>111,443,563</u>	<u>111,167,098</u>	<u>276,465</u>

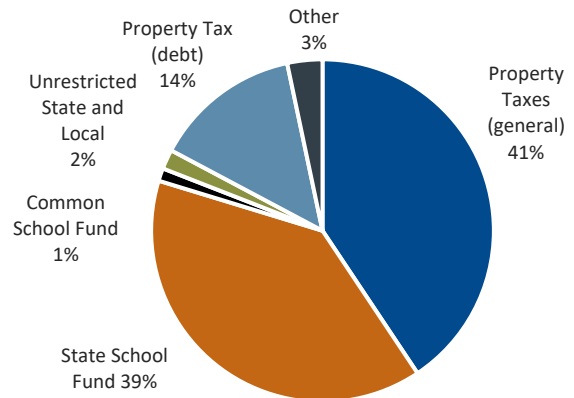
## REVENUES

Since the district's mission is to provide a free and appropriate public education for kindergarten through twelfth grade students within its boundaries, the district may not charge for its core services. General revenues cover the significant amount of the funding required for program expenses. General revenues increased over the prior year due to increases in property taxes and state school fund allocations. Property taxes levied for general purpose and state school funding combined for 80% of general revenues.

State school fund revenues are determined by a complex formula, which considers certain local revenue (primarily permanent rate property taxes), student demographics and enrollment. Common School Fund distributions are also considered local revenue in the state funding formula. Higher local revenue reduces funding from the state and vice versa.

Property taxes levied for general purpose includes revenue from the permanent tax rate and the local option levy.

The chart shows general revenues by major categories to aid in understanding the district's significant revenue sources. Program revenues are not displayed.



Program revenues include charges for services and operating grants and contributions. Charges for services are composed of items such as food service meals and other extracurricular programs for which it is appropriate to charge tuition or fees. The district is making efforts to ensure all students have equitable access to their education and eliminate fees.

## EXPENSES

Expenses related to governmental activities are presented in four broad functional categories: instruction, support services, enterprise and community services, and interest expense. Costs of direct classroom instruction activities account for 49.11% of the total expenses of \$126.49 million. Costs to provide services to students typically reflect normal increases for items such as salaries, benefits, supplies and services. Total program expenses decreased 12.20% over the prior year or \$17.57 million. Increased salaries and benefit costs are the significant factors for the increase.

## FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

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

### GOVERNMENTAL FUNDS

The focus of the district's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the district's financing requirements.

Governmental funds report the differences between their assets and liabilities as fund balance categorized into classifications as per accounting standard. Under the standard, non-spendable represents amounts that are not in a

spendable form such as inventory; restricted is for amounts legally restricted by outside parties for a specific purpose; committed fund balances are constrained to specific purposes by the school board; and assigned fund balances represents amounts that are constrained for specific purposes. The assigned category can be further subdivided to aid in management of the funds. In particular, assigned versus unassigned fund balance may serve as a useful measurement of the district's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the district's governmental funds reported combined ending fund balances of \$22.47 million, a decrease over the prior year combined ending fund balances of \$6.18 million. Changes in fund balance of governmental funds over the last ten fiscal years may be found in the Statistical Section of this document.

*General Fund.* The General Fund is the chief operating fund of the district and pays for instructional programs, daily operations of schools, and general support functions. At fiscal year end, the General Fund total ending fund balance was \$19.39 million, an increase of \$4.89 million from the prior year. The ending fund balance represents 12.44% of total 2023-24 General Fund revenues.

*Grants Fund.* This fund accounts for local, state, and federal grants received by the district for specific programs. Resources related to the federal Elementary and Secondary School Emergency Relief (ESSER) Fund are captured here.

*Debt Service Fund.* This fund sets aside funds for payment of debt service. The Debt Service ending fund balance is \$1.76 million, an increase of \$41,523 from the prior year. Tax levies are adjusted annually to meet debt service needs.

*Capital Projects Fund.* The Capital Projects Fund houses bond proceeds for capital construction. The ending fund balance reflects a decrease of \$9.27 million from the prior year due to expenditure of the general obligation bonds. All funds are legally obligated for voter approved capital improvements.

#### *GENERAL FUND BUDGETARY HIGHLIGHTS*

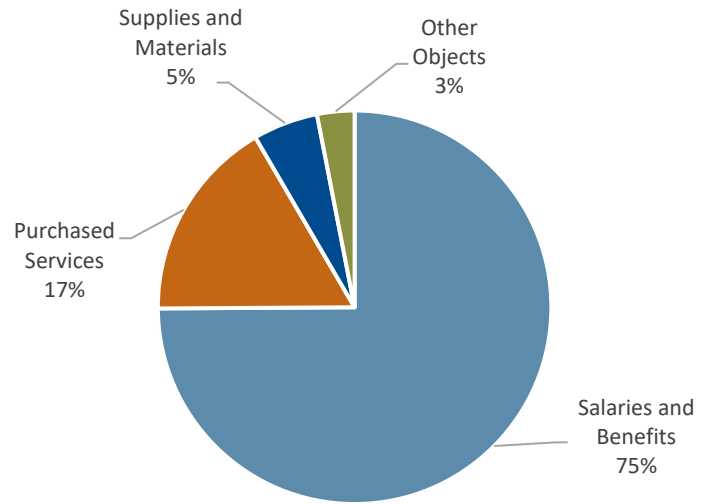
General Fund actual revenues in 2023-24 totaled \$97.25 million, an increase of \$7.67 million from the prior year. The most significant factor was an increase in property tax revenues, including local option taxes. The largest source of General Fund revenue is the state school fund grant at \$43.53 million for 2023-24. Total actual revenues came in at 106.81% of the final budget.

The community's continued support of a local option tax levy has provided significant additional capacity for the district's operations, representing 10.54% of 2023-24 General Fund operating revenues. This revenue source is not included as a factor in the state funding formula, thereby adding additional resources to the General Fund. In fiscal year 2023-24, local option levy collections totaled \$10.24 million, an increase of 5.92% over the prior year.



As an educational agency, expenditures are comprised mostly of staff. Board direction targets a maximum expenditure ratio of 85% for salaries and benefits and 15% for supplies, services, and other.

Expenditures for 2023-24 reflect a decrease of \$2.73 million from the prior year. As a result, the district expended 92.35% of the final amended budget. General Fund reserves remained fully funded in alignment with board policy.



**PROPRIETARY FUND**

Net position of the proprietary fund at year-end amounted to \$7.97 million, all of which is considered unrestricted yet dedicated to the purpose of the fund. The net position decreased of \$1.79 million from the prior year and is dedicated to employee benefits, insurance and risk management services.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*CAPITAL ASSETS*

The district’s investment in capital assets for its governmental activities as of June 30, 2024, amounted to \$290.03 million. This investment in capital assets includes land, buildings and improvements, and vehicles and equipment, net of depreciation. The total depreciation related to the district’s investment in capital assets for the current fiscal year amounted to \$4.82 million, and total capital assets net of accumulated depreciation is \$286.42 million. Construction in progress at June 30, 2024, reflects bond funded capital improvements.

Table 3: Condensed Capital Asset Activity

	2024	2023	Change
Land	\$ 2,629,247	\$ 2,629,247	\$ -
Construction in Progress	980,189	170,985,507	(170,005,318)
Buildings and Site Improve	284,404,689	108,922,291	175,482,398
Vehicles and Equipment	2,017,324	2,185,090	(167,766)
	<u>\$ 290,031,449</u>	<u>\$ 284,722,135</u>	<u>\$ 5,309,314</u>

*LONG-TERM DEBT*

At the end of the 2023-24 fiscal year, the district had total debt outstanding of \$191.66 million, reflecting \$8.65 million in payment redemptions. The debt amount is comprised of limited tax pension obligations, general obligation bonds, premium related to bonds, and other payables including leases and notes.

State statutes limit the amount of general obligation debt a school district may issue based on a formula for determining the percentage of the real market value of all taxable properties within the school district. The district's general obligation bond debt capacity is 7.95% of real market value or \$1.01 billion, which is significantly in excess of the district's outstanding general obligation debt.

In December 2020, Moody's Investors Service performed an analysis of the district's finances in order to provide an updated bond rating in preparation for the issuance of general obligation bonds. Moody's assigned its underlying rating of "Aa2" to the Bonds and also assigned its rating of "Aa1" to the Bonds based on the district's participation in the Oregon School Bond Guaranty program. In their summary report, Moody's cited the strength of the district's reserves and prudent leadership with financial policies as significant factors in the rating.

## KEY ECONOMIC FACTORS AND NEXT YEAR'S BUDGET INFORMATION

The most significant economic factor for the district is the State School Fund. For the year ended June 30, 2024, the State School Fund provided 31.81% of the district's total governmental funds revenue and 44.76% of the district's General Fund revenues. State funding in the 2023-25 biennium is based on the legislatively adopted \$10.2 billion K-12 budget, with 51% distributed in the second year. The total State School Fund allocation for 2023-25 represented a 9.72% increase in K-12 funding compared to the 2021-23 biennium. Heading into the 2025-27 biennium, growth in Oregon's primary revenue instruments continues to outstrip expectations. Both personal and corporate tax collections remain strong, in keeping with income gains seen in the underlying economy.

The number and type of students enrolled in district schools and programs are driving factors in the allocation of state funding and the corresponding structure of staffing to serve those students. As such, student enrollment is closely monitored. In 2023-24, student enrollment of 6,118 reflected a decrease of 244 students from the prior year. This decrease was mainly due to smaller grade level cohorts matriculating into the district, replacing larger grade level cohorts after graduation. The district expects this trend in student enrollment to continue over the next few years.

The 2024-25 adopted budget includes total appropriations of \$171.88 million represented by five separate funds, the largest of which are the General Fund and Special Revenue Funds. The total budget for all funds represents a decrease of 11.98% compared to the 2023-24 budget, which reflects the spending down of bond proceeds in the Capital Projects Funds as capital improvements are completed in alignment with the bond measure approved by Corvallis voters in 2018.

The General Fund represents 62.66% of the 2024-25 budget for all funds and accounts for most operating activities of the district except those activities required to be accounted for in another fund. General Fund revenues come from two main sources – local property taxes and the State School Fund (primarily funded through state income taxes). Budgeted General Fund current resources total \$95.42 million, an increase of \$4.38 million or 4.81% from 2023-24 budget. The majority of the increase in General Fund resources is due to typical increases in property taxes. Budgeted General Fund current requirements (excluding reserves) total \$107.70 million, an increase of \$7.43 million or 7.41% from 2023-24 budget. Salaries and benefits comprise the majority of expenses at \$93.41 million or 54.35% of all current requirements.

The district works strategically to provide programs and services to support students within available funding by ensuring a district-wide focus on how to close the opportunity gap for those students navigating poverty, students

with disabilities, emerging bilingual students, and students of color. The 2024-25 budget reflects our steadfast commitment to providing exceptional educational experiences while navigating challenging financial constraints. Despite facing the end of critical one-time ESSER relief funds, our district remains dedicated to prioritizing student success and well-being. The decline in enrollment and the pressing housing crisis in our community further compound these challenges, emphasizing the urgent need for sustainable funding solutions and collaborative efforts to ensure equitable access to education for all students. Despite these obstacles, the 2024-25 budget seeks to strategically allocate resources and uphold our commitment to fiscal responsibility. Together, with the support of our Budget Committee, colleagues, and the Corvallis community, we remain resolute in our mission to cultivate a thriving educational environment where every student has the opportunity to flourish.

## REQUESTS FOR INFORMATION

This financial report is designed to provide readers with a general overview of the district's finances and to demonstrate the district's accountability. Questions concerning the information provided in this report or requests for additional information should be addressed to the Finance Department, Corvallis School District 509J, P.O. Box 3509J, Corvallis, Oregon 97339.

# Basic Financial Statements

The district's basic financial statements include information pertaining to three general areas:

- (1) government-wide financial statements,
- (2) fund financial statements, and
- (3) notes to the financial statements.

# Government-Wide Financial Statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF NET POSITION**  
**June 30, 2024**

	Governmental Activities
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 28,200,495
Receivables:	
Accounts/Grants	5,661,698
Property Taxes	1,297,261
Intergovernmental	341,798
Inventory	357,357
Total Current Assets	35,858,609
Noncurrent Assets	
Net OPEB Asset - RHIA	1,346,656
Capital Assets, Non-Depreciable	3,609,436
Capital Assets, Depreciable, Net	286,422,013
ROU Asset, Net of Amortization	2,129,907
SBITA ROU Asset, Net of Amortization	270,799
Total Noncurrent Assets	293,778,811
Total Assets	329,637,420
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related Deferrals - PERS	24,232,805
OPEB Related Deferrals - RHIA	19,494
OPEB Related Deferrals - Health Insurance	218,109
Total Deferred Outflows	24,470,408
Total Assets and Deferred Outflows	354,107,828
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	1,670,449
Accrued Salaries and Benefits	2,513,235
Unearned Revenue	225,517
Accrued Vacation Payable	250,158
Current Lease Liability	-
Current SBITA Liability	66,062
Other Current Liabilities	5,240
Bond & Note Interest Payable	352,646
Long-term Liabilities, Current Portion	11,113,982
Total Current Liabilities	16,197,289
Noncurrent Liabilities	
Long-term Liabilities, Net of Current Portion	208,482,297
Lease Liability	321,655
SBITA Liability	134,508
Net Pension Liability - PERS	60,416,585
Post Employment Benefit Obligation - Health Insurance	4,720,523
Total Noncurrent Liabilities	274,075,568
Total Liabilities	290,272,857
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Deferrals - PERS	11,360,334
OPEB Related Deferrals - Health Insurance	1,528,343
OPEB Related Deferrals - RHIA	161,643
Total Deferred Inflows	13,050,320
Total Liabilities and Deferred Inflows	303,323,177
<b>NET POSITION</b>	
Net Investment in Capital Assets	80,670,654
Restricted for RHIA Asset	1,346,656
Restricted for Debt Service	535,315
Restricted for Capital Construction	484
Restricted for Grants	(181,098)
Unrestricted	(31,587,360)
Total Net Position	\$ 50,784,651

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**STATEMENT OF ACTIVITIES**  
**For the year ended June 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
Instruction	\$ 62,119,144	\$ -	\$ 10,955,912	\$ (51,163,232)
Support Services	51,370,846	964,361	7,215,033	(43,191,452)
Enterprise and Community Services	4,778,282	666,584	2,511,662	(1,600,036)
Interest on Long-Term Debt	8,220,456	-	-	(8,220,456)
Total Governmental Activities	<u>\$ 126,488,728</u>	<u>\$ 1,630,945</u>	<u>\$ 20,682,607</u>	<u>(104,175,176)</u>
General Revenues:				
				45,290,305
				15,506,715
				43,548,133
				1,344,575
				2,062,594
				895,511
				2,790,880
				4,850
				<u>111,443,563</u>
				7,268,387
				<u>43,516,264</u>
				<u>\$ 50,784,651</u>

See accompanying notes to the basic financial statements

# Governmental Funds Financial Statements



**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 18,522,783	\$ -	\$ 1,599,028	\$ 100,044	\$ 20,221,855
Receivables:					
Accounts/Grants	1,304,534	4,349,902	7,262	-	5,661,698
Intergovernmental	254,659	-	87,139	-	341,798
Property Taxes	980,565	-	316,696	-	1,297,261
Due from Other Funds	2,870,231	-	-	-	2,870,231
Inventory	-	357,357	-	-	357,357
	<u>-</u>	<u>357,357</u>	<u>-</u>	<u>-</u>	<u>357,357</u>
 Total Assets	 <u>\$ 23,932,772</u>	 <u>\$ 4,707,259</u>	 <u>\$ 2,010,125</u>	 <u>\$ 100,044</u>	 <u>\$ 30,750,200</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 1,261,340	\$ 298,093	\$ -	\$ 99,560	\$ 1,658,993
Accrued Salaries and Benefits	2,513,235	-	-	-	2,513,235
Unearned Revenue	-	225,517	-	-	225,517
Other Current Liabilities	5,240	-	-	-	5,240
Due to Other Funds	-	2,870,231	-	-	2,870,231
	<u>-</u>	<u>2,870,231</u>	<u>-</u>	<u>-</u>	<u>2,870,231</u>
 Total Liabilities	 <u>3,779,815</u>	 <u>3,393,841</u>	 <u>-</u>	 <u>99,560</u>	 <u>7,273,216</u>
Deferred Inflows of Resources:					
Unavailable Revenue-Property Taxes	766,342	-	243,883	-	1,010,225
	<u>766,342</u>	<u>-</u>	<u>243,883</u>	<u>-</u>	<u>1,010,225</u>
Fund Balances (Deficit):					
Nonspendable	-	357,356	-	-	357,356
Restricted	-	(181,098)	535,315	484	354,701
Committed	7,293,573	1,137,160	-	-	8,430,733
Assigned	-	-	1,230,927	-	1,230,927
Unassigned	12,093,042	-	-	-	12,093,042
	<u>12,093,042</u>	<u>-</u>	<u>1,230,927</u>	<u>-</u>	<u>12,093,042</u>
 Total Fund Balances	 <u>19,386,615</u>	 <u>1,313,418</u>	 <u>1,766,242</u>	 <u>484</u>	 <u>22,466,759</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 23,932,772</u>	 <u>\$ 4,707,259</u>	 <u>\$ 2,010,125</u>	 <u>\$ 100,044</u>	 <u>\$ 30,750,200</u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

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

TOTAL FUND BALANCES-GOVERNMENTAL FUNDS	\$	22,466,759
Capital assets are not financial resources and therefore are not reported in the governmental funds.		
Cost	\$	367,620,582
Accumulated Depreciation		<u>(77,589,133)</u>
		290,031,449
A portion of the property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		
		1,010,225
Internal service funds are used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
		7,967,184
The Net Asset (Liability), and deferred inflows and outflows related to the Net Asset (Liability) is the difference between the total liability and assets set aside to pay benefits earned to past and current employees and beneficiaries		
Proportionate Share of Net Pension Liability - PERS		(60,416,585)
Deferred Pension Related Inflows - PERS		(11,360,334)
Deferred Pension Related Outflows - PERS		24,232,805
Net OPEB Asset - RHIA		1,346,656
OPEB Related Inflows - Health Insurance		(1,528,343)
Net OPEB Liability - Health Insurance		(4,720,523)
OPEB Related Outflows - Health Insurance		218,109
OPEB Related Outflows - RHIA		19,494
OPEB Related Inflows - RHIA		<u>(161,643)</u>
		(52,370,364)
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		
Long term Liabilities:		
Financed Purchases payable		(372,654)
Accrued Vacation payable		(250,158)
Accreted Interest payable		-
Bond Interest payable		(352,646)
Early Retirement payable		-
Premium on bonds payable		(28,260,506)
Pension obligation bonds payable		(10,235,000)
General obligation bonds payable		<u>(180,728,119)</u>
		(220,199,083)
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds		
Leases Right-to-Use, Net		2,129,907
SBITA Right-to-Use, Net		<u>270,799</u>
		2,400,706
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, both current and long-term, are reported in the statements of Net Position.		
Lease Payable		(321,655)
SBITA Payable		<u>(200,570)</u>
		(522,225)
TOTAL NET POSITION	\$	<u><u>50,784,651</u></u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>					
Local Sources	\$ 50,753,227	\$ 3,671,656	\$ 18,333,518	\$ -	\$ 72,758,401
Intermediate Sources	767,576	127,935	-	-	895,511
State Sources	45,433,586	8,618,734	-	17,319	54,069,639
Federal Sources	293,248	8,852,109	-	35,520	9,180,877
Total Revenues	<u>97,247,637</u>	<u>21,270,434</u>	<u>18,333,518</u>	<u>52,839</u>	<u>136,904,428</u>
<b>EXPENDITURES</b>					
Current:					
Instruction	48,488,103	10,720,002	-	-	59,208,105
Support Services	41,499,760	8,093,759	-	-	49,593,519
Enterprise and Community Services	432,181	4,206,337	-	-	4,638,518
Facilities Acquisition and Construction	-	1,217,578	-	9,325,997	10,543,575
Debt Service	1,141,014	-	18,291,995	-	19,433,009
Total Expenditures	<u>91,561,058</u>	<u>24,237,676</u>	<u>18,291,995</u>	<u>9,325,997</u>	<u>143,416,726</u>
Revenues over (under) expenditures	5,686,579	(2,967,242)	41,523	(9,273,158)	(6,512,298)
<b>Other Financing Sources, (Uses):</b>					
Leases	-	-	-	-	-
SBITAs	328,818	-	-	-	328,818
Gain on Sale	2,625	2,225	-	-	4,850
Transfers In	-	1,475,350	-	-	1,475,350
Transfers Out	(1,125,350)	(350,000)	-	-	(1,475,350)
Total other financing sources (Uses)	<u>(793,907)</u>	<u>1,127,575</u>	<u>-</u>	<u>-</u>	<u>333,668</u>
Net Change in Fund Balance	4,892,672	(1,839,667)	41,523	(9,273,158)	(6,178,630)
Fund Balance, Beginning	<u>14,493,943</u>	<u>3,153,085</u>	<u>1,724,719</u>	<u>9,273,642</u>	<u>28,645,389</u>
Fund Balance, Ending	<u>\$ 19,386,615</u>	<u>\$ 1,313,418</u>	<u>\$ 1,766,242</u>	<u>\$ 484</u>	<u>\$ 22,466,759</u>

See accompanying notes to the basic financial statements

## CORVALLIS SCHOOL DISTRICT 509J

Benton County, Oregon

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities  
For the year ended June 30, 2024**

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TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS \$ (6,178,630)

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

Cost of capital asset additions	\$ 10,135,209	
Less current year depreciation	<u>(4,825,895)</u>	5,309,314

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

Issuance of New Debt	-	
Principal Payments on Long-Term-Debt	<u>8,169,078</u>	8,169,078

Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of bond premiums		2,018,608
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Change in net OPEB obligation - Health Insurance		92,125
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Change in net OPEB obligation - RHIA		67,353
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The PERS Pension Income (Expense) and the changes in deferred inflows and outflows related to the Net Pension. Liability represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (717,946)

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

Accrued Bond Interest		12,959
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Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities, property taxes are recognized as revenue when levied. 476,259

Internal service funds are used by management to charge the costs of insurance activities to individual funds. This activity is consolidated with the governmental activities in the Statement of Activities. (1,798,981)

Compensated absences are recognized as expenditure in the governmental funds when they are paid. In the Statement of Activities, these liabilities are recognized as an expenditure when earned. 13,433

Payment on Lease and SBITA Liability decreases liabilities in the Statement of Net Position.

Payments on lease liability		797,364
Payments on subscription liability		286,040

Amortization Expense increases the expenses on the Statement of Activities.

Lease Amortization Expense		(1,057,301)
Subscription Amortization Expense		<u>(221,288)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 7,268,387

See accompanying notes to the basic financial statements

# Proprietary Financial Statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**June 30, 2024**

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INTERNAL SERVICE FUND

ASSETS	
Cash and Cash Equivalents	<u>\$ 7,978,640</u>
TOTAL ASSETS	<u>7,978,640</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	11,456
Payroll Liabilities	<u>-</u>
TOTAL LIABILITIES	<u>11,456</u>
NET POSITION	
Unrestricted	<u>7,967,184</u>
TOTAL NET POSITION	<u><u>\$ 7,967,184</u></u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**For the year ended June 30, 2024**

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INTERNAL SERVICE FUND

OPERATING REVENUES	
Charges for services	\$ 15,793,377
	<hr/>
TOTAL OPERATING REVENUES	15,793,377
	<hr/>
OPERATING EXPENSES	
Instruction	1,939,768
Support Services	15,571,606
Enterprise and Community Services	78,653
Facilities Acquisition and Construction	2,331
	<hr/>
TOTAL OPERATING EXPENSES	17,592,358
	<hr/>
CHANGE IN NET POSITION	(1,798,981)
NET POSITION - BEGINNING	9,766,165
	<hr/>
NET POSITION - ENDING	\$ 7,967,184
	<hr/> <hr/>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**For the year ended June 30, 2024**

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INTERNAL SERVICE FUND

CASH FLOWS FROM OPERATING ACTIVITIES	
Received for services	\$ 15,793,377
Payments for goods and services	<u>(18,790,524)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(2,997,147)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Loans to other funds	<u>-</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,997,147)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>10,975,787</u>
CASH AND CASH EQUIVALENTS, ENDING	<u><u>\$ 7,978,640</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH	
USED BY OPERATING ACTIVITIES:	
Operating Income	\$ (1,798,981)
Adjustments to Reconcile Operating Loss to	
Net Cash Used By Operating Activities:	
Decrease (increase) in Accounts Receivable	-
Increase (decrease) in Accounts Payable	(5,184)
Increase (decrease) in Accrued Liabilities	<u>(1,192,982)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u><u>\$ (2,997,147)</u></u>

See accompanying notes to the basic financial statements



# Fiduciary Financial Statements

CORVALLIS SCHOOL DISTRICT 509J

Benton County, Oregon

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUND

June 30, 2024

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	<u>Custodial Fund</u>
	Corvallis Public Schools Foundation
ASSETS	
Cash and Investments	\$ -
TOTAL ASSETS	<u>\$ -</u>
NET POSITION	
Restricted for Programs	<u>\$ -</u>
TOTAL NET POSITION	<u>\$ -</u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FIDUCIARY FUND**  
**For the year ended June 30, 2024**

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CUSTODIAL FUND

OPERATING REVENUES	\$ 833,166
TOTAL OPERATING REVENUES	<u>833,166</u>
OPERATING EXPENSES	<u>1,066,134</u>
TOTAL OPERATING EXPENSES	<u>1,066,134</u>
CHANGE IN NET POSITION	(232,968)
NET POSITION - BEGINNING	<u>232,968</u>
NET POSITION - ENDING	<u><u>\$ -</u></u>

See accompanying notes to the basic financial statements

# Notes to the Basic Financial Statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**A. THE FINANCIAL REPORTING ENTITY**

Corvallis School District 509J (the District) is a municipal corporation governed by an elected Board of Directors. The Superintendent is approved by the Board. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles in the United States of America, all activities of the District have been included in these basic financial statements.

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

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

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the District as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund financial statement level. As a general rule, interfund activity is eliminated from the government-wide statements. An exception to this is services or goods provided by an activity and used by another activity. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are segregated from business-type activities, which are primarily supported by charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All direct expenses are reported by function in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

Net position is reported as restricted when constraints placed on net position use are either externally restricted, imposed by creditors, or through constitutional provisions or enabling resolutions.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

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

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The proprietary fund (internal service) and fiduciary fund financial statements are reported using the accrual basis of accounting but agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures related to compensated absences, Other Post-Employment Benefits (OPEB) obligations and pension expenses are recorded only when payment is due. Capital assets are expensed when purchased and depreciation is not recorded.

Accounts reported as program revenues include: charges for services and operating grants and contributions that are unrestricted to meet the operational and capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

All governmental funds are reported as major funds as follows:

**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 administered by the Department of Education.

**SPECIAL REVENUE FUND**

The Special Revenue Fund accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The primary sources of revenue are federal, state, and local grants. All the non-major special revenue funds have been combined with this fund.

**DEBT SERVICE FUND**

This fund accounts for the payment of principal and interest on all bonded debt. The principal revenue sources are property taxes (for general obligation bonds) and services charged to other funds (for pension obligation bonds).

**CAPITAL PROJECTS FUND**

This fund accounts for major improvement and construction projects. The principal revenue source is bond proceeds.

The following proprietary fund is reported:

**Internal Service Fund** - The internal service fund accounts for risk management operations, premiums and related deductibles, and employee benefit programs. The principal source of revenue is charges to other funds for services.

The following fiduciary fund is reported:

**Custodial Fund** - This fund accounts for the money the District receives from the Corvallis Public Schools Foundation.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

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 represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories.
- Restricted 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 represents amounts that can be used only for specific purposes determined by a formal action or a formally signed resolution by the school board. The Board of Directors is the highest level decision making authority. The formal action may be performed at any time and consists of an affirmative vote of the majority of the board to approve, modify or rescind a motion to commit funds.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. Authority to classify portions of ending fund balance as assigned is granted to the Superintendent and the Finance and Operations Director.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

The District has adopted Board Policy DA: Fiscal Policies, which guides the budget to create sufficient fund balances to provide sustainable programs, protect the District from the inability to meet cash flow needs, and provide prudent reserves to meet unexpected events. General Fund reserves should target a 2.5% appropriated contingency, 5.0% appropriated rainy day reserve, 5.0% unappropriated ending fund balance (as a percentage of current resources, net of beginning fund balance), and targeted reserves as may be designated.

NET POSITION

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

Net Investment in Capital Assets - consists of all capital assets reduced by accumulated depreciation and 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.

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

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

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

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. At June 30, 2023, there were deferred outflows representing PERS pension related deferrals and OPEB related deferrals for health insurance and RHIA reported in the statement of net position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2023, there were deferred inflows representing PERS pension related deferrals, deferred inflows representing OPEB Health Insurance related deferrals, and deferred inflows representing OPEB RHIA pension related deferrals reported in the statement of net position. In addition, the governmental funds balance sheet has deferred inflows which represent unavailable property taxes.

**PROPERTY TAXES**

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

**ACCOUNTS AND OTHER RECEIVABLES**

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal, state and local grants. Amounts due from Federal agencies are considered by management to be fully collectible. An allowance for uncollectible accounts receivable from the public is established when management determines that collection is unlikely to occur. At June 30, 2024 management considers all accounts, including those from the public, fully collectible.

**SUPPLY INVENTORIES AND PREPAID ITEMS**

Supply inventories are stated at cost using first-in, first-out (FIFO) method. Any donated inventories are stated at their estimated fair market value. The cost of inventory items is recognized as an expenditure when purchased (purchase method) for budgetary purposes. A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed on the government-wide financial statements and are stated at their fair market value based on guidelines provided by the USDA.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items both in the government-wide and fund financial statements. There were no prepaid items at fiscal year-end.

**GRANT ACCOUNTING**

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



**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

COMPENSATED ABSENCES

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

CAPITAL ASSETS

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

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

LONG TERM OBLIGATIONS

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

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

USE OF ESTIMATES

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

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.

The District provides a single-employer retiree benefit plan that provides access to postemployment health, dental, and vision benefits to eligible employees and their spouses. Benefits and eligibility for members are established through various collective bargaining agreements, and in accordance with ORS 243.303.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**LEASE ASSETS AND LIABILITY**

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

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

**SUBSCRIPTION ASSETS**

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

**SUBSCRIPTION LIABILITIES**

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

**E. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY**

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

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

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

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

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**F. CASH AND CASH EQUIVALENTS**

The cash and cash equivalents are considered to be cash on hand, demand deposits, and investments. Cash and cash equivalents are recorded at cost, with the exception of investments which are recorded at market value. The LGIP is stated at cost which approximates fair value.

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

**BUDGETARY INFORMATION**

The District budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects, and internal service funds, as needed. All funds are budgeted on the modified accrual basis of accounting.

The District begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the board of directors by resolution prior to the beginning of the District's fiscal year. The board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, interfund transfers, and contingency are the levels of control for the funds established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories and management may revise the detailed line item budgets within appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of a fund's original budget may be adopted by the board of directors at a regular board meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the board of directors. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the board of directors.

During the year, there was one supplemental budget adopted and one appropriation transfer approved. Appropriations lapse at year-end. Budget amounts shown in the budgetary financial statements reflect the original and final amended budget.

Expenditures of the various funds were within authorized appropriations except the following:

- In the General Fund, Support Service was over-expended by \$303,652, and Debt Service by \$508,423.
- In the Internal Services Fund, Support Service was over-expended by \$1,214,197.

**NOTE 3. BUDGETARY BASIS OF ACCOUNTING**

While the financial position, results of operations, and changes in fund balance/net position are reported on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis of accounting differs from generally accepted accounting principles. The budgetary statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results to the budget. The primary differences between the budgetary basis and GAAP basis are that capital outlay is expensed when purchased, depreciation expense is not recorded, and the full accrual of property taxes, which are reported as unavailable revenue in the governmental funds if not received within 60 days of year end. Inventories of supplies are budgeted as expenditures when purchased and debt, accrued vacation, OPEB liabilities, and pension costs are expensed as paid instead of when incurred.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 4. CASH AND INVESTMENTS**

**DEPOSITS**

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

**Credit Risk - Deposits**

In the case of deposits, the risk is that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2024, combined bank balances totaled \$24,212,485, of which \$250,000 was insured by FDIC and the remaining amount was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

**INVESTMENTS**

The Board policy is to follow state statutes governing cash management. The policy authorizes investment in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, commercial paper and corporate bonds with a minimum rating of A1/P1, and the Oregon State Treasurer's LGIP.

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

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2024, the fair value of the position in the **LGIP is 100.39%** of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

**Credit Risk - Investments**

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

**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.

The District holds investments in U.S. Treasury Obligations and U.S. Government Agency Securities through an investment account with a depository approved by the Board. The fair value of these securities is determined based on a level 1 classification due to their availability on open markets. At June 30, 2024, the District appeared to be in compliance with all policies regarding depositories, instruments and maturities.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 4. CASH AND INVESTMENTS - CONTINUED**

*Concentration of Credit Risk*

At June 30, 2024, 42% of total investments were in the State Treasurer’s Investment Pool. State statutes do not limit the percentage of investments in this instrument. Oregon Revised Statutes require no more than 25% of the monies of a local government to be invested in bankers’ acceptances of any qualified financial institution. At June 30, 2024, the District appeared to be in compliance with all percentage restrictions.

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

Deposits with Financial Institutions	2024
Demand Deposits	\$ 22,990,074
Cash with Fiscal Agents	5,000
Investments	5,205,421
Total	28,200,495

There were the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
Oregon State Treasury LGIP	\$ 2,197,471	\$ 2,197,471	\$ -	\$ -
U.S. Government Agency Securities	3,007,950	-	3,007,950	-
Total	\$ 5,205,421	\$ 2,197,471	\$ 3,007,950	\$ -

**NOTE 5. INTERFUND ACTIVITY**

The composition of interfund balances and transfers were as follows:

	Receivable	Payable	Transfers In	Transfers Out
General	\$ 2,870,231	\$ -	\$ -	\$ 1,125,350
Special Revenue Fund	-	2,870,231	1,475,350	350,000
	\$ 2,870,231	\$ 2,870,231	\$ 1,475,350	\$ 1,475,350

Interfund balances and transfers are used to fund operations between funds.

**NOTE 6. RISK MANAGEMENT**

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM OBLIGATIONS**

**BONDS PAYABLE**

**General Obligation Bonds**

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District issues general obligation bonds to provide funds for the acquisition, construction and improvements of the District's school facilities. The District has three outstanding general obligation issues in the amount of \$180,728,119. All general obligation issues were publicly sold and are repaid from the Debt Service Fund. For the following long-term obligations, there were no significant default or termination clauses noted in the obligation agreements that would require disclosure under GASB 88.

In July 2018, \$160 million in general obligation bonds were issued to finance capital improvement projects to improve safety and security, replace and expand schools, and address overcrowding. That issue was the first series of bonds issued under an authorization of \$199.9 million approved by district voters in May 2018. Tax-exempt \$42,969,046 Series 2018A General Obligation Bonds were issued with maturities ranging from \$3,182,217 to \$11,197,027. Tax-exempt \$117,030,000 Series 2018B General Obligation Bonds were issued with maturities ranging from \$460,000 to \$15,810,000.

In December 2020, the remaining \$39.9 million of the authorized \$199.9 million in general obligation bonds were issued by the district to continue financing capital improvement projects on a district-wide basis. Tax-exempt \$39,915,000 Series 2020 General Obligation Bonds were issued with maturities ranging from \$190,000 to \$4,250,000.

Changes in general obligation bonds outstanding are as follows:

	Interest Rates	Original Issue	Outstanding June 30, 2023	Issued	Matured and Redeemed	Outstanding June 30, 2024	Due Within One Year
Series 2018A	5.00%	\$ 42,969,046	\$ 31,480,240	\$ -	\$ (4,217,121)	\$ 27,263,119	\$ 4,759,648
Series 2018B	3.00% - 5.00%	117,030,000	116,570,000	-	-	116,570,000	-
Series 2020	3.38% - 5.00%	39,915,000	38,335,000	-	(1,440,000)	36,895,000	1,610,000
		\$ 199,914,046	186,385,240	-	(5,657,121)	180,728,119	6,369,648
Unamortized Premium			30,279,114		(2,018,608)	28,260,506	2,018,608
Total			\$ 216,664,354	\$ -	\$ (7,675,729)	\$ 208,988,625	\$ 8,388,256

**Pension Obligation Bonds**

Pension obligation bonds are taxable bonds that are issued as part of an overall strategy to fund the unfunded portion of a pension liability by creating debt. The use of pension obligation bonds rests on the assumption that the bond proceeds, when invested with pension assets in higher-yielding asset classes, will be able to achieve a rate of return that is greater than the interest rate owed over the term of the bonds. The District has one outstanding limited tax pension obligation issue in the amount of \$10,235,000. The pension obligation issue was bank placed and is repaid from the Debt Service Fund.

In October 2002, \$24,299,735 in limited tax pension obligation bonds were issued to finance the unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). Taxable \$24,299,735 Series 2002 Limited Tax Pension Obligation Bonds were issued with maturities ranging from \$67,649 to \$3,335,000.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM OBLIGATIONS - CONTINUED**

**BONDS PAYABLE - CONTINUED**

Changes in pension obligation bonds outstanding are as follows:

	Interest Rates	Original Issue	Outstanding June 30, 2023	Issued	Matured and Redeemed	Outstanding June 30, 2024	Due Within One Year
Series 2002	2.06% - 6.10%	\$ 24,299,735	\$ 12,565,000	\$ -	\$ (2,330,000)	\$ 10,235,000	\$ 2,605,000
Total		<u>\$ 24,299,735</u>	<u>\$ 12,565,000</u>	<u>\$ -</u>	<u>\$ (2,330,000)</u>	<u>\$ 10,235,000</u>	<u>\$ 2,605,000</u>

The annual debt service requirements for all bonds outstanding at year end are as follows (excluding amortization of premiums):

Fiscal Year Ending June 30	Principal	Interest	Total Requirements
2025	8,974,648	9,924,782	18,899,430
2026	9,998,207	9,521,308	19,519,515
2027	11,128,237	9,039,578	20,167,815
2028	10,870,000	7,859,828	18,729,828
2029	10,305,000	7,308,050	17,613,050
2030-34	67,660,000	27,944,600	95,604,600
2035-38	<u>72,027,027</u>	<u>10,013,323</u>	<u>82,040,350</u>
	<u>\$ 190,963,119</u>	<u>\$ 81,611,469</u>	<u>\$ 272,574,588</u>

**FINANCED PURCHASES**

The District has seven outstanding financed purchases in the amount of \$372,653. All financed purchases (with the exception of the copy/print lease with US Bank) were bank placed and are repaid from the General Fund. The copy/print lease with US Bank was bank placed with US Bank and is repaid from the General Fund.

In January 2018, the District entered into a loan agreement with the Oregon Clean Power Cooperative to finance the installation of a 117 kWh solar array at Corvallis High School, to be paid in yearly installments of \$12,411 over 10 years with a total principal of \$104,000 and \$20,107 of attributable interest.

In August 2019, the District entered into a loan agreement with the Oregon Clean Power Cooperative to finance the installation of a 150 kWh solar array at the District Office, to be paid in yearly installments of \$10,664 over 10 years with a total principal of \$80,000 and \$26,644 of attributable interest.

In November 2020, the District entered into a loan agreement with the Oregon Clean Power Cooperative to finance the installation of a 150 kWh solar array at Corvallis High School, to be paid in yearly installments of \$15,997 over 10 years with a total principal of \$120,000 and \$39,969 of attributable interest.

In July 2020, the District entered into a lease agreement with US Bank Equipment Finance for copier and printer hardware, to be paid in monthly installments of \$4,838 over five years with a total principal of \$259,124 and \$31,147 of attributable interest.

In July 2020, the District entered into a lease agreement with Apple to finance the acquisition of computer hardware, to be paid in annual installments of \$65,925 over four years with a total principal of \$263,700 and no attributable interest.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM OBLIGATIONS - CONTINUED**

**FINANCED PURCHASES - CONTINUED**

In July 2021, the District entered into a lease agreement with Apple to finance the acquisition of computer hardware, to be paid in annual installments of \$22,610 over four years with a total principal of \$88,780 and \$1,661 of attributable interest.

In May 2022, the District entered into a loan agreement with the Oregon Clean Power Cooperative to finance the installation of solar arrays Franklin K-8 School, Cheldelin Middle School and Linus Pauling Middle School, to be paid in yearly installments of \$17,144 over 10 years with a total principal of \$134,000 and \$37,436 of attributable interest.

Changes in financed purchases outstanding are as follows:

	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding July 1, 2023</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2024</u>	<u>Due Within One Year</u>
2018 Financed Purchase (OCPC)	3.35%	\$ 104,000	\$ 56,274	\$ -	\$ (10,526)	\$ 45,748	\$ 10,878
2019 Financed Purchase (OCPC)	5.60%	80,000	53,106	-	(7,690)	45,416	8,121
2020 Financed Purchase (OCPC)	5.60%	120,000	100,927	-	(10,345)	90,582	10,924
2020 Financed Purchase (US Bank)	4.56%	259,124	110,771	-	(54,125)	56,645	56,645
2020 Financed Purchase (Apple)	0.00%	263,700	65,925	-	(65,925)	-	-
2021 Financed Purchase (Apple)	1.25%	88,780	44,387	-	(22,055)	22,331	22,331
2022 Financed Purchase (OCPC)	4.75%	134,000	123,221	-	(11,291)	111,930	11,827
Total		<u>\$ 1,049,604</u>	<u>\$ 554,611</u>	<u>\$ -</u>	<u>\$ (181,958)</u>	<u>\$ 372,653</u>	<u>\$ 120,726</u>

The annual requirements to amortize all financed purchases at year end are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2025	120,726	16,153	136,879
2026	43,744	12,472	56,216
2027	45,834	10,381	56,215
2028	48,028	8,186	56,215
2029	37,923	5,883	43,806
2030-33	76,397	7,028	83,425
	<u>\$ 372,653</u>	<u>\$ 60,103</u>	<u>\$ 432,756</u>

**LEASE LIABILITY**

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

On 07/01/2021, Corvallis School District No. 509J entered into a 37-month lease as Lessee for the use of Insight Schedule No. 3. An initial lease liability was recorded in the amount of \$115,927. As of 06/30/2024, the value of the lease liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$40,157. The lease has an interest rate of 3.6500%. The value of the right to use asset as of 06/30/2024 of \$115,927 with accumulated amortization of \$112,794 is included with Computer Equipment on the Lease Class activities table found below. Corvallis School District No. 509J has the option to purchase the Computer Equipment for \$1.



**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 7. LONG-TERM OBLIGATIONS - CONTINUED**

*LEASE LIABILITY - CONTINUED*

On 11/01/2021, Corvallis School District No. 509J entered into a 48-month lease as Lessee for the use of Insight Schedule No. 4. An initial lease liability was recorded in the amount of \$401,729. As of 06/30/2024, the value of the lease liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$105,360. The lease has an interest rate of 3.2900%. The value of the right to use asset as of 06/30/2024 of \$401,729 with accumulated amortization of \$267,819 is included with Computer Equipment on the Lease Class activities table found below. Corvallis School District No. 509J has the option to purchase the Computer Equipment for \$1.

On 05/01/2022, Corvallis School District No. 509J entered into a 48-month lease as Lessee for the use of Insight Schedule No. 5. An initial lease liability was recorded in the amount of \$43,863. As of 06/30/2024, the value of the lease liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$11,762. The lease has an interest rate of 4.8800%. The value of the right to use asset as of 06/30/2024 of \$43,863 with accumulated amortization of \$23,759 is included with Computer Equipment on the Lease Class activities table found below. Corvallis School District No. 509J has the option to purchase the Computer Equipment for \$1.

On 09/01/2022, Corvallis School District No. 509J entered into a 36-month lease as Lessee for the use of Insight Schedule No. 7. An initial lease liability was recorded in the amount of \$845,134. As of 06/30/2024, the value of the lease liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$704,004. The lease has an interest rate of 3.2000%. The value of the right to use asset as of 06/30/2024 of \$845,134 with accumulated amortization of \$516,471 is included with Computer Equipment on the Lease Class activities table found below.

On 09/01/2022, Corvallis School District No. 509J entered into a 48-month lease as Lessee for the use of Insight Schedule No. 8. An initial lease liability was recorded in the amount of \$1,210,290. As of 06/30/2024, the value of the lease liability is \$79,918. Corvallis School District No. 509J is required to make annual fixed payments of \$971,893. The lease has an interest rate of 0.5700%. The value of the right to use asset as of 06/30/2024 of \$1,210,290 with accumulated amortization of \$554,716 is included with Computer Equipment on the Lease Class activities table found below.

On 09/01/2022, Corvallis School District No. 509J entered into a 48-month lease as Lessee for the use of Insight Schedule No. 10. An initial lease liability was recorded in the amount of \$54,079. As of 06/30/2024, the value of the lease liability is \$13,666. Corvallis School District No. 509J is required to make annual fixed payments of \$13,970. The lease has an interest rate of 2.2300%. The value of the right to use asset as of 06/30/2024 of \$54,079 with accumulated amortization of \$24,786 is included with Computer Equipment on the Lease Class activities table found below.

On 09/01/2022, Corvallis School District No. 509J entered into a 60-month lease as Lessee for the use of Insight Schedule No. 9. An initial lease liability was recorded in the amount of \$110,969. As of 06/30/2024, the value of the lease liability is \$45,263. Corvallis School District No. 509J is required to make annual fixed payments of \$24,105. The lease has an interest rate of 4.3100%. The value of the right to use asset as of 06/30/2024 of \$110,969 with accumulated amortization of \$40,689 is included with Computer Equipment on the Lease Class activities table found below.

On 08/01/2022, Corvallis School District No. 509J entered into a 60-month lease as Lessee for the use of Insight Schedule No. 6. An initial lease liability was recorded in the amount of \$1,441,540. As of 06/30/2024, the value of the lease liability is \$182,808. Corvallis School District No. 509J is required to make annual fixed payments of \$1,090,429. The lease has an interest rate of 4.2200%. The value of the right to use asset as of 06/30/2024 of \$1,441,540 with accumulated amortization of \$552,590 is included with Computer Equipment on the Lease Class activities table found below.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM OBLIGATIONS - CONTINUED**

**LEASE LIABILITY - CONTINUED**

	Outstanding 7/1/2023	Issued	Matured and Redeemed	Outstanding 6/30/2024	Due Within One Year *
<b>Computer Equipment</b>					
Insight Schedule No. 3	\$ 38,743	\$ -	\$ 38,743	\$ -	\$ -
Insight Schedule No. 4	200,758	-	200,758	-	-
Insight Schedule No. 10	40,109	-	26,443	13,666	-
Insight Schedule No. 6	351,111	-	168,303	182,808	-
Insight Schedule No. 7	141,130	-	141,130	-	-
Insight Schedule No. 8	238,397	-	158,479	79,918	-
Insight Schedule No. 9	86,864	-	41,601	45,263	-
Insight Schedule No. 5	21,907	-	21,907	-	-
Equipment Subtotal	1,119,019	-	797,364	321,655	-
<b>Total Lease Liability</b>	<b>\$ 1,119,019</b>	<b>\$ -</b>	<b>\$ 797,364</b>	<b>\$ 321,655</b>	<b>\$ -</b>

\* The School District paid to June 30, 2025.

**Principal Interest to Maturity**

Governmental Activities

Total

**Fiscal Year Ending**

<u>June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>
2025	\$ -	\$ -
2026	\$ 205,252	\$ 10,426
2027	\$ 116,402	\$ 4,933
	<u>\$ 321,654</u>	<u>\$ 15,359</u>

**SUBSCRIPTIONS PAYABLE (GASB 96)**

For the year ended 6/30/2024, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 07/01/2022, Corvallis School District No. 509J entered into a 27-month subscription for the use of Seesaw - Learning Platform. An initial subscription liability was recorded in the amount of \$20,002. As of 06/30/2024, the value of the subscription liability is \$0, and the value of the short-term subscription liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$10,152. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$20,002 with accumulated amortization of \$17,780 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Corvallis School District No. 509J entered into a 36-month subscription for the use of Frontline - School Administration Software. An initial subscription liability was recorded in the amount of \$8,479. As of 06/30/2024, the value of the subscription liability is \$2,967, and the value of the short-term subscription liability is \$2,967. Corvallis School District No. 509J is required to make annual fixed payments of \$2,750. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 of \$10,979 with accumulated amortization of \$7,320 is included with Software on the Subscription Class activities table found below.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 7. LONG-TERM OBLIGATIONS – CONTINUED**

**SUBSCRIPTIONS PAYABLE (GASB 96) - CONTINUED**

On 07/01/2022, Corvallis School District No. 509J entered into a 24-month subscription for the use of Canvas and Cloud Support. An initial subscription liability was recorded in the amount of \$66,345. As of 06/30/2024, the value of the subscription liability is \$0, and the value of the short-term subscription liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$33,216. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$0 with accumulated amortization of \$0 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Corvallis School District No. 509J entered into a 25-month subscription for the use of Lightspeed Classroom Management. An initial subscription liability was recorded in the amount of \$75,524. As of 06/30/2024, the value of the subscription liability is \$0, and the value of the short-term subscription liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$38,246. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$75,524 with accumulated amortization of \$70,712 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Corvallis School District No. 509J entered into a 36-month subscription for the use of Frontline - Time & Attendance. An initial subscription liability was recorded in the amount of \$50,368. As of 06/30/2024, the value of the subscription liability is \$17,624, and the value of the short-term subscription liability is \$17,624. Corvallis School District No. 509J is required to make annual fixed payments of \$16,335. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 of \$57,493 with accumulated amortization of \$38,329 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Corvallis School District No. 509J entered into a 24-month subscription for the use of Parent Square. An initial subscription liability was recorded in the amount of \$48,358. As of 06/30/2024, the value of the subscription liability is \$0, and the value of the short-term subscription liability is \$0. Corvallis School District No. 509J is required to make annual fixed payments of \$24,814. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$0 with accumulated amortization of \$0 is included with Software on the Subscription Class activities table found below.

On 02/01/2024, Corvallis School District No. 509J entered into a 36-month subscription for the use of Debtbook. An initial subscription liability was recorded in the amount of \$27,513. As of 06/30/2024, the value of the subscription liability is \$24,113, and the value of the short-term subscription liability is \$11,419. Corvallis School District No. 509J is required to make annual fixed payments of \$3,400. The subscription has an interest rate of 2.4090%. The value of the right to use asset as of 06/30/2024 of \$48,513 with accumulated amortization of \$6,738 is included with Software on the Subscription Class activities table found below.

On 04/01/2024, Corvallis School District No. 509J entered into a 38-month subscription for the use of Securly. An initial subscription liability was recorded in the amount of \$138,671. As of 06/30/2024, the value of the subscription liability is \$82,048, and the value of the short-term subscription liability is -\$2,339. Corvallis School District No. 509J is required to make annual fixed payments of \$56,777. The subscription has an interest rate of 2.8510%. The value of the right to use asset as of 06/30/2024 of \$138,671 with accumulated amortization of \$10,667 is included with Software on the Subscription Class activities table found below.

On 07/18/2023, Corvallis School District No. 509J entered into a 36-month subscription for the use of Google Workspace Edu Plus. An initial subscription liability was recorded in the amount of \$104,279. As of 06/30/2024, the value of the subscription liability is \$73,818, and the value of the short-term subscription liability is \$36,391. Corvallis School District No. 509J is required to make annual fixed payments of \$30,569. The subscription has an interest rate of 2.8480%. The value of the right to use asset as of 06/30/2024 of \$104,279 with accumulated amortization of \$33,118 is included with Software on the Subscription Class activities table found below.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM OBLIGATIONS – CONTINUED**

**SUBSCRIPTIONS PAYABLE (GASB 96) - CONTINUED**

	<b>Total Subscription Liability</b>				
	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Due Within One Year
Subscription Liability					
Software Subscription					
Canvas and Cloud Support	\$ 33,129	\$ -	\$ (33,129)	\$ -	\$ -
Debtbook	-	27,513	(3,400)	24,113	11,419
Frontline - School Administration Software	5,729	-	(2,762)	2,967	2,967
Frontline - Time & Attendance	-	34,033	(16,408)	17,625	17,624
Google Workspace Edu Plus	-	104,279	(30,461)	73,818	36,391
Lightspeed Classroom Management	37,487	-	(37,487)	-	-
Parent Square	-	24,322	(24,322)	-	-
Securly	-	138,671	(56,624)	82,047	(2,339)
Seesaw - Learning Platform	9,951	-	(9,951)	-	-
Total Software Subscription Liability	86,296	328,818	(214,544)	200,570	66,062
<b>Total Subscription Liability</b>	<b>\$ 86,296</b>	<b>\$ 328,818</b>	<b>\$ (214,544)</b>	<b>\$ 200,570</b>	<b>\$ 66,062</b>

**Principal Interest to Maturity**

Governmental Activities

Total

**Fiscal Year Ending**

<b>June 30,</b>	<b>Principal Payments</b>	<b>Interest Payments</b>
2025	\$ 66,062	\$ 5,472
2026	91,722	3,778
2027	42,786	1,220
	<b>\$ 200,570</b>	<b>\$ 10,470</b>

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 8. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2024 occurred as follows:

	Balance July 1, 2023	Adjustments	Additions	Deletions	Balance June 30, 2024
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Construction in Progress	\$ 170,985,507	\$ (170,655,006)	\$ 649,688	\$ -	\$ 980,189
Land	2,629,247	-	-	-	2,629,247
Total Capital Assets Not being Depreciated	<u>173,614,754</u>	<u>(170,655,006)</u>	<u>649,688</u>	<u>-</u>	<u>3,609,436</u>
Capital Assets Being Depreciated:					
Buildings and Improvement	179,103,784	170,655,006	9,287,392	(2,310,591)	356,735,591
Vehicles and Equipment	7,212,802	-	198,129	(135,376)	7,275,555
Total Capital Assets Being Depreciated	<u>186,316,586</u>	<u>170,655,006</u>	<u>9,485,521</u>	<u>(2,445,967)</u>	<u>364,011,146</u>
Accumulated Depreciation:					
Buildings and Improvement	70,181,493	-	4,460,000	(2,310,591)	72,330,902
Vehicles and Equipment	5,027,712	-	365,895	(135,376)	5,258,231
Total Accumulated Depreciation	<u>75,209,205</u>	<u>-</u>	<u>4,825,895</u>	<u>(2,445,967)</u>	<u>77,589,133</u>
Total Capital Assets Being Depreciated	<u>111,107,381</u>				<u>286,422,013</u>
Governmental Activities	<u>\$ 284,722,135</u>				<u>\$ 290,031,449</u>

Deletions were comprised of various capital assets that were fully depreciated and adjustments were due to various projects being completed in the year 2024.

Current year depreciation expense is allocated to functions as follows:

Depreciation allocation	
Instruction	\$2,518,792
Support Services	2,109,774
Community Services	197,329
	<u>\$4,825,895</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 9. LEASE RIGHT-TO-USE ASSET**

The lease right-to-use assets apply to the lease disclosures in Note 7.

Amount of Lease Assets by Major Classes of Underlying Asset (Right-to-Use Asset)			
At June 30, 2024			
Asset Class	Lease Asset Value	Accumulated Amortization	Net Value
Computer Equipment	\$ 4,223,531	\$ 2,093,624	\$ 2,129,907
<b>Total</b>	<b>\$ 4,223,531</b>	<b>\$ 2,093,624</b>	<b>\$ 2,129,907</b>

Changes in Right-to-Use Asset				
	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024
Lease Assets				
Computer Equipment	\$ 4,223,531	\$ -	\$ -	\$ 4,223,531
Accumulated Amortization				
Computer Equipment	(1,036,323)	(1,057,301)	-	(2,093,624)
<b>Total Lease Assets, Net</b>	<b>\$ 3,187,208</b>			<b>\$ 2,129,907</b>

**NOTE 10. SUBSCRIPTION RIGHT-TO-USE ASSET**

The subscription right-to-use assets apply to the subscription disclosures in Note 7.

	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Subscription Assets				
Software Subscription				
Seesaw - Learning Platform	66,345	-	(66,345)	-
Frontline - School Administration Software	-	48,513	-	48,513
Canvas and Cloud Support	10,979	-	-	10,979
Frontline - School Administration Software	-	57,493	-	57,493
Canvas and Cloud Support	-	104,279	-	104,279
Seesaw - Learning Platform	75,525	-	-	75,525
Frontline - School Administration Software	-	51,358	(51,358)	-
Canvas and Cloud Support	-	138,671	-	138,671
Lightspeed Classroom Management	20,002	-	-	20,002
<b>Total Software Subscription Assets</b>	<b>172,851</b>	<b>400,314</b>	<b>(117,703)</b>	<b>455,462</b>
<b>Total Subscription Assets</b>	<b>172,851</b>	<b>400,314</b>	<b>(117,703)</b>	<b>455,462</b>
Subscription Accumulated Amortization				
Software Subscription				
Seesaw - Learning Platform	33,172	33,173	(66,345)	-
Frontline - School Administration Software	-	6,738	-	6,738
Seesaw - Learning Platform	3,660	3,660	-	7,320
Frontline - School Administration Software	-	38,328	-	38,328
Canvas and Cloud Support	-	33,118	-	33,118
Seesaw - Learning Platform	35,356	35,356	-	70,712
Frontline - School Administration Software	-	51,358	(51,358)	-
Canvas and Cloud Support	-	10,667	-	10,667
Lightspeed Classroom Management	8,890	8,890	-	17,780
<b>Total Software Subscription Accumulated Amortization</b>	<b>81,078</b>	<b>221,288</b>	<b>(117,703)</b>	<b>184,663</b>
<b>Total Subscription Accumulated Amortization</b>	<b>81,078</b>	<b>221,288</b>	<b>(117,703)</b>	<b>184,663</b>
<b>Total Unallocated Subscription Assets, Net</b>	<b>91,773</b>			<b>270,799</b>

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 11. 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 student membership counts and other factors in the state school fund revenue formula. Since these projections and student membership counts fluctuate they can cause either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the District's operations cannot be determined.

The District in the course of normal operations is subject to litigation. As of the financial statement issuance date there was no material pending or threatened litigation that would have an adverse effect on the financial condition of the District.

**NOTE 12. DEFINED BENEFIT PENSION PLAN**

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

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

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
  - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
    - member was employed by PERS employer at the time of death,
    - member died within 120 days after termination of PERS covered employment,
    - member died as a result of injury sustained while employed in a PERS-covered job, or
    - member was on an official leave of absence from a PERS-covered job at the time of death.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 12. DEFINED BENEFIT PENSION PLAN - CONTINUED**

- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
  
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
  - i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:  
*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
*General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
  - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation, which became effective July 1, 2023. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2024 were \$10,468,406, excluding amounts to fund employer specific liabilities. In addition, approximately \$3,205,946 in employee contributions were paid or picked up by the District in 2023-2024.

**Pension Asset or Liability** – At June 30, 2024, the District reported a net pension liability of \$60,416,585 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2023 and 2022, the District's proportion was 0.323 percent and 0.358 percent, respectively. Pension expense for the year ended June 30, 2024 was \$717,946.



**CORVALLIS SCHOOL DISTRICT 509J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 12. DEFINED BENEFIT PENSION PLAN - CONTINUED**

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

- (1) Tier 1/Tier 2 – 16.13%
- (2) OPSRP general services – 13.29%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 2,954,555	\$ 239,557
Changes in assumptions	5,367,052	40,017
Net difference between projected and actual earnings on pension plan investments	1,085,933	-
Net changes in proportionate share	4,356,859	4,498,441
Differences between District contributions and proportionate share of contributions	-	6,582,319
Subtotal - Amortized Deferrals (below)	<u>13,764,399</u>	<u>11,360,334</u>
District contributions subsequent to measurement date	<u>10,468,406</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 24,232,805</u>	<u>\$ 11,360,334</u>

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

Subtotal amounts related to pension as deferred outflows of resources \$13,764,399, and deferred inflows of resources, (\$11,360,334), net to \$2,404,065 and will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (127,381)
2025	(2,902,477)
2026	4,857,417
2027	892,168
2028	(315,661)
Thereafter	-
Total	<u>\$ 2,404,065</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2024. Oregon PERS produces an independently audited ACFR which can be found at:

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

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

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 12. DEFINED BENEFIT PENSION PLAN - CONTINUED**

**Actuarial Methods and Assumptions:**

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

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

**Assumed Asset Allocation:**

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

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 12. DEFINED BENEFIT PENSION PLAN - CONTINUED**

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

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

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

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

**Discount Rate** – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2023 and 2022 was 6.90 percent, for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
District's proportionate share of the net pension liability	\$ 99,796,822	\$ 60,416,585	\$ 27,459,499

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 12. DEFINED BENEFIT PENSION PLAN - CONTINUED**

**Changes Subsequent to the Measurement Date**

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

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

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

*Plan Description:*

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

*Pension Benefits:*

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

*Death Benefits:*

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

*Contributions:*

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

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

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 13. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA)**

**Plan Description:**

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

**Funding Policy:**

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2024. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA are included with PERS and equaled the required contributions for the year.

At June 30, 2024, the District reported a net OPEB asset of \$1,346,656 for its proportionate share of the net OPEB asset. The OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB asset is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2023 and 2022, the District's proportion was 0.368 percent and 0.303 percent, respectively. OPEB income for the year ended June 30, 2024 was \$67,353.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 13. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA) - CONTINUED**

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

Employer's proportionate share of collective system OPEB Expense/(Income)	(155,861)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	96,374
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	\$ (59,487)

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 33,808
Changes in assumptions	-	14,520
Net difference between projected and actual earnings on pension plan investments	3,819	-
Net changes in proportionate share	15,675	113,315
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized deferrals (below)	19,494	161,643
District contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	\$ 19,494	\$ 161,643

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

Subtotal amounts related to OPEB as deferred outflows of resources, \$19,494, and deferred inflows of resources, (\$161,643), net to (\$142,149) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2024	\$ (132,975)
2025	(76,791)
2026	49,768
2027	17,849
2028	-
Thereafter	-
Total	\$ (142,149)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2023. That independently audited report was dated February 2, 2024 and can be found at:

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

**CORVALLIS SCHOOL DISTRICT 509J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 13. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA) - CONTINUED**

**Actuarial Methods and Assumptions:**

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5 %; Disabled retirees: 15%
Mortality	<p><u>Healthy retirees and beneficiaries:</u>  Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u>  Pub-2010 employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u>  Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data scale, with job category adjustments and set-backs as described in the valuation.</p>

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

**Discount Rate:**

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2023 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

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**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 13. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA) - CONTINUED**

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

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

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

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

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

	1% Decrease <u>(5.90%)</u>	Discount Rate <u>(6.90%)</u>	1% Increase <u>(7.90%)</u>
District's proportionate share of the net pension asset	\$(1,224,113)	\$ (1,346,656)	\$(1,451,797)

**Changes Subsequent to the Measurement Date**

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



**CORVALLIS SCHOOL DISTRICT 509J**  
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**NOTE 14. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE**

The District operates a single-employer retiree benefit plan that provides access to post-employment health benefits to eligible employees and their spouses. Benefits and eligibility for members are established through the collective bargaining agreements.

The District’s post-retirement health insurance program was established in accordance with ORS 243.303. ORS stipulates that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree health insurance premiums, represents the District’s implicit employer contribution. The plan is currently unfunded in accordance with GASB Statement No. 75.

At July 1, 2022, the following employees were covered by the benefit terms:

<b>Participant Counts</b>	<b>Total</b>
Number of Active Participants	692
Number of Inactive Participants	33
Total Number of Participants	725

The District’s total OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

**Actuarial Assumption:**

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal, level percent of salary
Investment return assumption (Interest Discount)	The 3.75% investment return assumption is based on the 20-Year General Obligation Municipal Bond Index Published by Bond Buyer
Plan Participation	Of the active employees currently enrolled in a medical plan, 90% are assumed to remain enrolled at retirement until Medicare eligibility
Inflation Rate	2.5% per year
Annual salary rate increase	3.5% for all future years
Health Care premium	
Beginning in 2018 a 40% excise tax will be imposed under the affordable care act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regard to the OPEB plan.	

**CORVALLIS SCHOOL DISTRICT 509J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 14. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE – CONTINUED**

Changes in Total OPEB Liability:

Total OPEB Liability at June 30, 2023	\$	4,376,712
Changes for the year:		
Service Cost		373,183
Interest		174,302
Changes of Benefit Terms		-
Differences between expected and actual experience		-
Changes of assumptions or other inputs		-
Benefit Payments		<u>(203,674)</u>
Net Changes		<u>343,811</u>
Total OPEB Liability at June 30, 2024	\$	<u>4,720,523</u>

Sensitivity of the total OPEB Liability to changes in discount rate: the following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate.

Discount Rate Sensitivity:

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.75%</u>	<u>3.75%</u>	<u>4.75%</u>
Total OPEB Liability	\$ 5,129,780	\$ 4,720,523	\$ 4,340,911

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

Healthcare Trend Rate Sensitivity:

	1% Decrease	Current Trend Rate	1% Increase
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total OPEB Liability	\$ 4,070,514	\$ 4,720,523	\$ 5,512,860

For the year ended June 30, 2024, the District recognized OPEB income for Health Insurance of \$92,125. At June 30, 2024, the District reported deferred outflows and deferred inflows of resources related to OPEB for Health Insurance from the following sources:

	Deferred Outflows	Deferred Inflows
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ -	\$ 406,682
Changes in assumptions	218,109	1,121,661
Total as of June 30, 2024	<u>\$ 218,109</u>	<u>\$ 1,528,343</u>

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

Subtotal amounts related to OPEB as deferred outflows of resources of \$218,109 and deferred inflows of resources, (\$1,528,343) net to (\$1,310,234) and will be recognized in OPEB expense as follows:

**CORVALLIS SCHOOL DISTRICT 509J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 14. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE – CONTINUED**

Year ended <u>June 30</u>	Annual <u>Recognition</u>
2025	\$ (435,938)
2026	(144,251)
2027	(253,304)
2028	(253,308)
2029	(143,936)
Thereafter	<u>(79,497)</u>
Total	<u><u>(1,310,234)</u></u>

*Actuarial Methods and Assumptions* – The total OPEB Liability for the current year was determined as part of the July 1, 2022 actuarial valuation using the entry age normal method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend.

The actuarial assumptions include; (a) an interest discount rate of 3.75% per year; (b) an inflation rate of 2.5% per year; (c) a payroll increase of 3.5% per year; (d) demographic assumptions based on Oregon PERS valuation assumptions as of October 1, 2022.

**NOTE 15. PROPERTY TAX LIMITATION**

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

The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

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

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

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 16. TAX ABATEMENTS**

As of June 30, 2024, the District had tax abatements through three state allowed programs: Housing Authority property, Enterprise Zone, and Commercial Facilities Under Construction. The first two impacted their levied taxes and require disclosure under GASB 77.

**Housing Authority Property (ORS 307.092):**

- The property of a housing authority is declared to be public property if used for essential public and governmental purposes and, upon compliance with ORS 307.162 (Claiming exemption), the property and the housing authority are exempt from all taxes and special assessments of the city, the county, the state or any political subdivision of the city, county or state.

In lieu of taxes or special assessments, the authority may agree to make payments to the city, county or political subdivision for improvements, services and facilities furnished by the city, county or political subdivision for the benefit of a housing project, but in no event may the payments exceed the estimated cost to the city, county or political subdivision of the improvements, services or facilities furnished. Property of a housing authority that is commercial property leased to a taxable entity is not exempt from taxation and special assessments under this section.

**Enterprise Zone (ORS 285C.175):**

- The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2024, the Corvallis School District had abated property taxes totaling \$142,521 under these programs.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 17. FUND BALANCE CONSTRAINTS**

The specific purposes for each of the categories of fund balance as of June 30, 2024 are as follows:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Food Service	\$ -	\$ 357,356	\$ -	\$ -	\$ 357,356
Restricted for:	-	-			-
Debt Service	-	-	535,315	-	535,315
School Facilities	-	144,491	-	484	144,975
Food Service	-	(321,858)	-	-	(321,858)
Grant Programs		(3,731)			(3,731)
Committed to:					-
Contingency Reserve	2,431,191	-	-	-	2,431,191
Rainy Day Reserve	4,862,382	-	-	-	4,862,382
Special Programs		431,551			431,551
Student Body Activities	-	705,609	-	-	705,609
Assigned to:					-
Contracts and Programs	-	-	-	-	-
Debt Service	-	-	1,230,927	-	1,230,927
Unassigned	12,093,042	-	-	-	12,093,042
<b>Total Fund Balances</b>	<b>\$ 19,386,615</b>	<b>\$ 1,313,418</b>	<b>\$ 1,766,242</b>	<b>\$ 484</b>	<b>\$ 22,466,759</b>

# Required Supplementary Information

## Notes

The budgetary basis of accounting for all funds is modified accrual, which is the same as that required by generally accepted accounting principles. Accordingly, no reconciliation of budgetary to generally accepted accounting principles activity is required.

CORVALLIS SCHOOL DISTRICT  
BENTON COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2024

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.32 %	\$ 60,416,585	\$ 53,516,720	112.9 %	81.7 %
2023	0.36	54,844,946	49,775,751	110.2	84.5
2022	0.32	38,674,926	44,594,096	86.7	87.6
2021	0.32	70,405,144	44,549,045	158.0	75.8
2020	0.31	52,956,449	40,163,180	131.9	80.2
2019	0.34	50,980,124	39,434,678	129.3	82.1
2018	0.30	40,809,896	38,058,376	107.2	83.1
2017	0.31	46,665,408	35,740,014	130.6	80.5
2016	0.29	16,771,009	33,596,656	49.9	91.9
2015	0.32	(7,261,118)	31,309,986	(23.2)	103.6

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

These schedules are presented to illustrate the requirements to show information for 10 years.

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2024	\$ 10,468,406	\$ 10,468,406	\$ -	\$ 55,196,181	19.0 %
2023	9,569,734	9,569,734	-	53,516,720	17.9
2022	11,781,131	11,781,131	-	49,775,751	23.7
2021	12,355,333	12,355,333	-	44,594,096	27.7
2020	8,912,657	8,912,657	-	44,549,045	20.0
2019	5,806,571	5,806,571	-	40,163,180	14.5
2018	5,525,866	5,525,866	-	39,434,678	14.0
2017	4,897,122	4,897,122	-	38,058,376	12.9
2016	4,731,427	4,731,427	-	35,740,014	13.2
2015	6,353,411	6,353,411	-	33,596,656	18.9

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.

**CORVALLIS SCHOOL DISTRICT  
BENTON COUNTY, OREGON**

REQUIRED SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2024

**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 OPEB liability
2024	0.36777 %	\$ 1,346,656	\$ 53,516,720	2.52 %	201.6 %
2023	0.30301	1,076,687	49,775,751	2.16	194.6
2022	0.33388	1,146,530	44,594,096	2.57	183.9
2021	0.63528	1,294,451	44,549,045	2.91	150.1
2020	0.35404	684,131	40,163,180	1.70	144.4
2019	0.34490	385,001	39,434,678	0.98	124.0
2018	0.34041	142,070	38,058,376	0.37	108.9
2017	0.34737	(94,333)	35,740,014	(0.26)	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**

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2024	\$ N/A	\$ N/A	\$ N/A	\$ 55,196,181	N/A %
2023	N/A	N/A	N/A	53,516,720	N/A
2022	N/A	N/A	N/A	49,775,751	N/A
2021	N/A	N/A	N/A	44,594,096	N/A
2020	N/A	N/A	N/A	44,549,045	N/A
2019	N/A	N/A	N/A	40,163,180	N/A
2018	N/A	N/A	N/A	39,434,678	N/A
2017	N/A	N/A	N/A	38,058,376	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. 49).



**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POST EMPLOYMENT BENEFITS**  
**June 30, 2024**

**PLAN I (HEALTH INSURANCE)**  
**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
2024	\$ 4,376,712	\$ 373,183	\$ 174,302	\$ -	\$ -	\$ (203,674)	\$ 4,720,523	\$ 46,350,000	10.18%
2023	4,649,602	364,422	172,449	(299,435)	(336,534)	(173,792)	4,376,712	45,000,000	9.73%
2022	4,797,975	436,183	115,690	-	(515,513)	(184,733)	4,649,602	43,760,854	10.63%
2021	5,450,900	339,797	127,531	-	(874,956)	(245,297)	4,797,975	42,281,018	11.35%
2020	4,455,872	328,306	185,719	-	763,389	(282,386)	5,450,900	39,226,333	13.90%
2019	6,111,643	424,948	192,625	(10,059)	(2,031,759)	(231,526)	4,455,872	37,899,839	11.76%
2018	5,910,520	412,571	177,667	-	-	(389,115)	6,111,643	47,459,580	12.88%
2017	5,699,054	412,571	171,570	-	-	(372,675)	5,910,520	46,077,262	12.83%

The above table presents the most recent actuarial valuations for the District's post-retirement health insurance.

In implementing GASB Statement No. 73 and No. 75, the following changes since the prior valuation were implemented; (i) the actuarial cost method was changed from Projected Unit Credit to Entry Age Normal, (ii) the interest rate for discounting future liabilities was lowered to match municipal bond rates, (iii) premium increase rates were modified to reflect anticipated experience, (iv) the percentage of future retirees covering a spouse on the plan was decreased to reflect the anticipated experience, (v) demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS, and (vi) an implicit rate subsidy is now being valued for participants in the health plans. In prior valuations, the District's participating in the health plans determined to be a community rated arrangement.

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.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**ACTUAL AND BUDGET (BUDGETARY BASIS)**

**For the year ended June 30, 2024**

	<u>GENERAL FUND</u>			VARIANCE FROM FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Local Sources	\$ 45,588,706	\$ 46,617,485	\$ 50,753,227	\$ 4,135,742
Intermediate Sources	896,903	882,413	767,576	(114,837)
State Sources	43,120,405	43,354,896	45,433,586	2,078,690
Federal Sources	190,000	190,000	293,248	103,248
	<u>89,796,014</u>	<u>91,044,794</u>	<u>97,247,637</u>	<u>6,202,843</u>
Total Revenues				
<b>EXPENDITURES</b>				
Instruction	48,882,156	50,016,261 (1)	48,488,103	1,528,158
Support Services	40,893,419	41,196,108 (1)	41,499,760	(303,652)
Enterprise and Community Services	458,995	468,735 (1)	432,181	36,554
Debt Service	632,591	632,591 (1)	1,141,014	(508,423)
Contingency	6,734,701	6,828,360 (1)	-	6,828,360
	<u>97,601,862</u>	<u>99,142,055</u>	<u>91,561,058</u>	<u>7,580,997</u>
Total Expenditures				
Excess of Revenues Over, (Under) Expenditures	(7,805,848)	(8,097,261)	5,686,579	13,783,840
<b>OTHER FINANCING SOURCES, (USES)</b>				
Leases	-	-	-	-
SBITAs	-	-	328,818	328,818
Gain on Sale	-	-	2,625	2,625
Transfers In	-	-	-	-
Transfers Out	(1,558,540)	(1,125,350) (1)	(1,125,350)	-
	<u>(1,558,540)</u>	<u>(1,125,350)</u>	<u>(793,907)</u>	<u>331,443</u>
Total Other Financing Sources, (Uses)				
Net Change in Fund Balance	(9,364,388)	(9,222,611)	4,892,672	14,115,283
Beginning Fund Balance	<u>12,030,826</u>	<u>13,992,953</u>	<u>14,493,943</u>	<u>500,990</u>
Ending Fund Balance	<u>\$ 2,666,438</u>	<u>\$ 4,770,342</u>	<u>\$ 19,386,615</u>	<u>\$ 14,616,273</u>
(1) Appropriation Level				

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**For the year ended June 30, 2024**

SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
<b>REVENUES</b>				
Local Sources	\$ 3,272,120	\$ 3,377,604	\$ 3,671,656	\$ 294,052
Intermediate Sources	200,000	200,000	127,935	(72,065)
State Sources	9,702,733	10,653,445	8,618,734	(2,034,711)
Federal Sources	10,332,858	10,561,231	8,852,109	(1,709,122)
Total Revenues	<u>23,507,711</u>	<u>24,792,280</u>	<u>21,270,434</u>	<u>(3,521,846)</u>
<b>EXPENDITURES</b>				
Instruction	13,000,950	14,005,924 (1)	10,720,002	3,285,922
Support Services	8,714,629	8,694,500 (1)	8,093,759	600,741
Enterprise and Community Services	4,240,959	4,309,695 (1)	4,206,337	103,358
Facilities Acquisition Construction	1,450,000	1,750,000 (1)	1,217,578	532,422
Debt Service	-	- (1)	-	-
Total Expenditures	<u>27,406,538</u>	<u>28,760,119</u>	<u>24,237,676</u>	<u>4,522,443</u>
Excess of Revenues Over, (Under) Expenditures	(3,898,827)	(3,967,839)	(2,967,242)	1,000,597
<b>OTHER FINANCING SOURCES, (USES):</b>				
Leases	-	-	-	-
Gain on Sale	-	-	2,225	2,225
Transfers In	1,558,540	1,475,350	1,475,350	-
Transfers Out	-	(350,000) (1)	(350,000)	-
Total Other Financing Sources (Uses)	<u>1,558,540</u>	<u>1,125,350</u>	<u>1,127,575</u>	<u>2,225</u>
Net Change in Fund Balance	(2,340,287)	(2,842,489)	(1,839,667)	1,002,822
Beginning Fund Balance	<u>2,340,287</u>	<u>2,842,489</u>	<u>3,153,085</u>	<u>310,596</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,313,418</u>	<u>\$ 1,313,418</u>

(1) Appropriation Level

# Other Supplementary Information

Other supplementary information provided in this section includes schedules of revenues, expenditures, and changes in fund balance. Combining balance sheets for non-major governmental funds are also provided.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET (BUDGETARY BASIS)**

**For the year ended June 30, 2024**

	<u>DEBT SERVICE FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 18,136,615	\$ 18,136,615	\$ 18,333,518	\$ 196,903
Intermediate Sources	1,500	1,500	-	(1,500)
<b>Total Revenues</b>	<u>18,138,115</u>	<u>18,138,115</u>	<u>18,333,518</u>	<u>196,903</u>
<b>EXPENDITURES</b>				
Debt Service	18,291,996	18,291,996 (1)	18,291,995	1
Contingency	1,665,738	1,665,738 (1)	-	1,665,738
<b>Total Expenditures</b>	<u>19,957,734</u>	<u>19,957,734</u>	<u>18,291,995</u>	<u>1,665,739</u>
Excess of revenues over (under) expenditures	(1,819,619)	(1,819,619)	41,523	1,861,142
Beginning Fund Balance	<u>1,819,619</u>	<u>1,819,619</u>	<u>1,724,719</u>	<u>(94,900)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,766,242</u>	<u>\$ 1,766,242</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT**  
**Benton County, Oregon**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**For the year ended June 30, 2024**

	<u><b>CAPITAL PROJECTS FUND</b></u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES:</b>				
Local Sources	\$ 125,000	\$ 125,000	\$ -	\$ (125,000)
State Sources	-	-	17,319	17,319
Federal Sources	-	-	35,520	35,520
	<u>125,000</u>	<u>125,000</u>	<u>52,839</u>	<u>(72,161)</u>
<b>EXPENDITURES:</b>				
Support Services	-	- (1)	-	-
Facilities Acquisition and Construction	18,125,000	18,125,000 (1)	9,325,997	8,799,003
	<u>18,125,000</u>	<u>18,125,000</u>	<u>9,325,997</u>	<u>8,799,003</u>
Excess of Revenues over (under) Expenditures	(18,000,000)	(18,000,000)	(9,273,158)	8,726,842
Net Change in Fund Balance	(18,000,000)	(18,000,000)	(9,273,158)	8,726,842
Beginning Fund Balance	18,000,000	18,000,000	9,273,642	(8,726,358)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 484</u>	<u>\$ 484</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET (BUDGETARY BASIS)**

**For the year ended June 30, 2024**

INTERNAL SERVICES FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 15,855,000	\$ 15,855,000	\$ 15,793,377	\$ (61,623)
Total Revenues	<u>15,855,000</u>	<u>15,855,000</u>	<u>15,793,377</u>	<u>(61,623)</u>
<b>EXPENDITURES</b>				
Instruction	678,664	2,533,893 (1)	1,939,768	594,125
Support Services	16,275,274	14,357,409 (1)	15,571,606	(1,214,197)
Enterprise and Community Services	30,392	91,709 (1)	78,653	13,056
Facilities Acquisition Construction	2,267	3,586 (1)	2,331	1,255
Contingency	6,069,603	6,069,603 (1)	-	6,069,603
Total Expenditures	<u>23,056,200</u>	<u>23,056,200</u>	<u>17,592,358</u>	<u>5,463,842</u>
Excess of Revenues Over, (Under) Expenditures	(7,201,200)	(7,201,200)	(1,798,981)	5,402,219
Beginning Fund Balance	<u>7,201,200</u>	<u>7,201,200</u>	<u>9,766,165</u>	<u>2,564,965</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,967,184</u>	<u>\$ 7,967,184</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

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

**GENERAL FUND**

TAX YEAR	BALANCE July 1, 2023	2023-24 LEVY	ADJUSTMENTS TO ROLLS	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED June 30, 2024
Current:					
2023-24	\$ -	\$ 46,183,070	\$ (1,197,801)	\$ (44,381,782)	\$ 603,487
Prior Years:					
2022-23	531,351	-	(35,551)	(303,312)	192,488
2021-22	182,918	-	(13,679)	(78,980)	90,259
2020-21	113,770	-	(3,925)	(61,597)	48,248
2019-20	49,064	-	(3,489)	(29,346)	16,229
Prior Years	42,075	-	(3,751)	(8,470)	29,854
			-		
Total Prior	919,178	-	(60,395)	(481,705)	377,078
Total All Years	\$ 919,178	\$ 46,183,070	\$ (1,258,196)	\$ (44,863,487)	\$ 980,565

RECONCILIATION TO REVENUE:

	TOTAL
Cash Collections by County Treasurers Above	\$ 44,863,487
Accrual of Receivables:	
Taxes in Lieu	63,699
June 30, 2023	(232,949)
June 30, 2024	235,929
Change in deferred property tax revenue from prior year	360,139
Total Revenue - Government Wide Basis	\$ 45,290,305



**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

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

**DEBT SERVICE FUND**

TAX YEAR	TAXES RECEIVABLE July 1, 2023	2023-24 LEVY	ADJUSTMENTS TO ROLLS	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED June 30, 2024
Current:					
2023-24	\$ -	\$ 15,815,894	\$ (412,342)	\$ (15,196,670)	\$ 206,882
Prior Years:					
2022-23	181,724	-	(12,151)	(103,712)	65,861
2021-22	63,315	-	(4,733)	(27,333)	31,249
2020-21	36,939	-	(1,273)	(19,997)	15,669
2019-20	16,607	-	(1,181)	(9,929)	5,497
Prior Years	<u>(4,798)</u>	<u>-</u>	<u>(1,185)</u>	<u>(2,479)</u>	<u>(8,462)</u>
Total Prior	<u>293,787</u>	<u>-</u>	<u>(20,523)</u>	<u>(163,450)</u>	<u>109,814</u>
Total All Years	<u>\$ 293,787</u>	<u>\$ 15,815,894</u>	<u>\$ (432,865)</u>	<u>\$ (15,360,120)</u>	<u>\$ 316,696</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 15,360,120
Accrual of Receivables:	
Taxes in Lieu	21,213
June 30, 2023	(70,812)
June 30, 2024	80,074
Change in deferred property tax revenue from prior year	<u>116,120</u>
Total Revenue - Government Wide Basis	<u>\$ 15,506,715</u>



# Statistical





## **statistical cover art**

Corvallis High School student Ella Boesch

# Financial Trends

Schedules include statement of net position, changes in net position, fund balances of and changes in governmental funds over the past ten years.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**CONDENSED STATEMENT OF NET POSITION**

**Last ten fiscal years ended June 30**

(accrual basis of accounting)

	Governmental Activities									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Assets</b>										
Current and other assets	\$ 35,858,609	\$ 52,306,074	\$ 111,932,543	\$ 188,048,308	\$ 204,174,833	\$ 223,967,004	\$ 34,806,413	\$ 30,928,067	\$ 30,546,096	\$ 29,752,343
Capital assets, net of accumulated depreciation	292,432,155	288,001,116	251,426,952	185,591,786	110,373,733	84,676,249	80,805,659	83,923,534	86,358,197	88,038,225
Other noncurrent assets	1,346,656	1,076,687	1,146,530	1,294,451	684,131	385,001	-	-	-	7,261,118
Total assets	<u>329,637,420</u>	<u>341,383,877</u>	<u>364,506,025</u>	<u>374,934,545</u>	<u>315,232,697</u>	<u>309,028,254</u>	<u>115,612,072</u>	<u>114,851,601</u>	<u>116,904,293</u>	<u>125,051,686</u>
<b>Deferred Outflows of Resources</b>										
Pension & OPEB related deferrals	<u>24,470,408</u>	<u>27,468,585</u>	<u>28,713,236</u>	<u>32,471,161</u>	<u>23,281,375</u>	<u>24,292,377</u>	<u>16,192,388</u>	<u>26,705,666</u>	<u>5,744,313</u>	<u>4,187,178</u>
<b>Liabilities</b>										
Current liabilities	16,197,289	24,673,274	27,707,964	26,978,614	20,215,382	17,958,030	16,016,764	13,015,046	15,434,479	14,612,082
Noncurrent liabilities	274,075,568	279,527,414	273,246,167	316,130,588	254,962,731	258,588,097	72,821,568	86,294,067	57,897,128	50,752,824
Total liabilities	<u>290,272,857</u>	<u>304,200,688</u>	<u>300,954,131</u>	<u>343,109,202</u>	<u>275,178,113</u>	<u>276,546,127</u>	<u>88,838,332</u>	<u>99,309,113</u>	<u>73,331,607</u>	<u>65,364,906</u>
<b>Deferred Inflows of Resources</b>										
Pension & OPEB Related Deferrals	<u>13,050,320</u>	<u>21,135,510</u>	<u>34,487,991</u>	<u>7,150,123</u>	<u>7,774,752</u>	<u>5,590,132</u>	<u>2,037,830</u>	<u>1,128,104</u>	<u>4,043,931</u>	<u>14,011,017</u>
<b>Net position</b>										
Net investment in capital assets	80,670,654	76,776,812	98,970,125	175,213,690	244,774,593	71,266,392	65,729,893	62,678,748	56,413,066	49,970,618
Restricted	1,701,357	2,801,406	1,393,493	1,739,198	1,566,009	188,636,195	439,878	486,719	557,168	758,447
Unrestricted	(31,587,360)	(36,061,954)	(42,586,479)	(119,806,507)	(190,779,395)	(208,714,090)	(25,241,473)	(22,045,417)	(11,697,165)	(925,759)
Total net position	<u>\$ 50,784,651</u>	<u>\$ 43,516,264</u>	<u>\$ 57,777,139</u>	<u>\$ 57,146,381</u>	<u>\$ 55,561,207</u>	<u>\$ 51,188,497</u>	<u>\$ 40,928,298</u>	<u>\$ 41,120,050</u>	<u>\$ 45,273,069</u>	<u>\$ 49,803,306</u>

*Notes*

*GASB 68 was implemented in FY 2016.*

*Net position was restated in FY 2017 due to GASB 75 implementation.*

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**CHANGES IN NET POSITION**

**Last ten fiscal years ended June 30**

(accrual basis of accounting)

	Governmental Activities									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Program expenses</b>										
Instruction	\$ 62,119,144	\$ 75,349,409	\$ 59,548,119	\$ 58,497,883	\$ 56,364,892	\$ 51,898,760	\$ 49,496,621	\$ 47,355,749	\$ 49,547,239	\$ 34,852,268
Support services	51,370,846	55,474,896	45,117,024	42,079,878	38,833,039	33,855,885	30,920,077	29,927,990	30,267,462	21,631,931
Enterprise and community services	4,778,282	5,364,565	4,570,098	3,645,032	3,928,452	3,867,842	3,897,594	3,927,289	3,914,712	2,983,900
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	118,051
Interest on long-term debt	8,220,456	7,869,246	9,279,623	8,796,088	4,897,413	5,175,218	4,379,522	1,140,242	2,083,001	2,452,351
Total expenses	<u>126,488,728</u>	<u>144,058,116</u>	<u>118,514,864</u>	<u>113,018,881</u>	<u>104,023,796</u>	<u>94,797,705</u>	<u>88,693,814</u>	<u>82,351,270</u>	<u>85,812,414</u>	<u>62,038,501</u>
<b>Program revenues</b>										
Charges for services										
Instruction	-	-	6,225	150	7,965	19,295	15,905	-	-	51,238
Support services	964,361	1,160,951	915,014	353,972	847,940	1,196,546	1,221,109	1,351,347	1,345,177	1,240,582
Enterprise and community services	666,584	1,235,104	1,003,977	64,852	901,919	1,300,642	1,315,083	1,215,381	1,203,177	1,196,907
Operating grants and contributions										
Instruction	10,955,912	8,098,539	6,128,996	5,141,622	3,327,811	3,665,744	2,564,868	2,402,773	3,031,924	2,917,690
Support services	7,215,033	5,764,150	4,330,846	3,488,887	2,095,782	2,145,731	1,381,239	1,252,492	1,373,051	1,520,558
Enterprise and community services	2,511,662	2,371,399	443,665	304,616	1,799,880	1,898,307	1,822,131	1,771,721	1,775,657	1,797,268
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Total program revenues	<u>22,313,552</u>	<u>18,630,143</u>	<u>12,828,723</u>	<u>9,354,099</u>	<u>8,981,297</u>	<u>10,226,265</u>	<u>8,320,335</u>	<u>7,993,714</u>	<u>8,728,986</u>	<u>8,724,243</u>
Net (expense) revenue	<u>(104,175,176)</u>	<u>(125,427,973)</u>	<u>(105,686,141)</u>	<u>(103,664,782)</u>	<u>(95,042,499)</u>	<u>(84,571,440)</u>	<u>(80,373,479)</u>	<u>(74,357,556)</u>	<u>(77,083,428)</u>	<u>(53,314,258)</u>
<b>General revenues</b>										
Property taxes levied for general purposes	45,290,305	42,760,440	41,102,296	39,119,545	37,294,209	35,494,472	32,783,622	30,804,770	27,969,028	28,358,014
Property taxes levied for debt service	15,506,715	14,618,315	14,204,802	12,719,907	12,615,266	12,475,276	6,406,822	9,424,216	9,612,418	9,652,592
State school fund for education and support services	43,548,133	39,743,531	38,557,720	37,738,811	38,474,357	35,580,286	36,625,039	31,078,437	31,909,124	29,746,727
Common school fund	1,344,575	1,240,431	1,092,379	1,010,696	945,382	1,029,035	979,239	1,184,612	1,129,382	919,188
Unrestricted state and local revenue	2,062,594	6,556,731	5,287,525	9,746,249	3,093,567	2,345,725	1,701,213	1,509,425	1,089,344	907,982
Unrestricted grants and contributions	-	3,372,292	4,180,839	3,431,595	685,576	-	-	-	-	25,968
Intermediate sources	895,511	976,723	1,248,015	984,943	893,551	1,072,147	862,226	887,162	566,109	577,461
Unrealized gain (loss) from investments	-	-	-	(3,335,218)	-	-	(19,920)	-	-	-
Capital lease issuance	-	-	519,532	789,813	-	-	-	-	-	-
Earnings on investments	2,790,880	1,898,635	123,791	3,043,615	5,413,301	6,837,007	740,187	464,778	277,786	212,619
Gain on sale of capital assets	4,850	-	-	-	-	(2,309)	-	-	-	(154,786)
Early retirement liability write off	-	-	-	-	-	-	103,299	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	980,227
Total general revenues	<u>111,443,563</u>	<u>111,167,098</u>	<u>106,316,899</u>	<u>105,249,956</u>	<u>99,415,209</u>	<u>94,831,639</u>	<u>80,181,727</u>	<u>75,353,400</u>	<u>72,553,190</u>	<u>71,225,992</u>
<b>Change in net position</b>	<u>\$ 7,268,387</u>	<u>\$ (14,260,875)</u>	<u>\$ 630,758</u>	<u>\$ 1,585,174</u>	<u>\$ 4,372,710</u>	<u>\$ 10,260,199</u>	<u>\$ (191,752)</u>	<u>\$ 995,844</u>	<u>\$ (4,530,238)</u>	<u>\$ 17,911,734</u>

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

**Last ten fiscal years ended June 30**

(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>General Fund</b>										
Assigned										
Assigned to operating contingency	\$ 2,431,191	\$ 2,243,949	\$ 2,115,102	\$ 2,005,033	\$ 2,015,470	\$ 1,924,370	\$ 1,816,845	\$ 1,613,830	\$ 1,574,191	\$ 1,556,157
Assigned to rainy day fund	4,862,382	4,487,899	4,230,204	4,010,066	4,030,939	3,848,740	3,633,690	3,227,661	3,148,381	3,112,314
Assigned to unappropriated ending fund balance	12,093,042	7,762,095	6,793,634	8,479,354	6,632,727	7,400,764	7,022,392	3,974,666	4,233,182	3,392,880
Assigned to unappropriated reserve (PERS)		-	-	-	-	3,200,000	1,322,819	1,322,819	1,322,819	-
Assigned to unappropriated reserve (SSF Split)		-	-	-	-	-	884,937	-	-	-
Assigned to targeted expenditures		-	-	-	-	-	-	-	-	-
Committed										
Committed to classified bargaining		-	500,000	-	-	-	-	-	-	-
Unassigned										326,840
Total General Fund balance	<u>19,386,615</u>	<u>14,493,943</u>	<u>13,638,940</u>	<u>14,494,452</u>	<u>12,679,136</u>	<u>16,373,874</u>	<u>14,680,683</u>	<u>10,138,976</u>	<u>10,278,573</u>	<u>8,388,191</u>
<b>All Other Governmental Funds</b>										
Nonspendable	357,356	311,210	335,394	301,402	284,419	264,379	212,418	162,892	108,010	153,965
Restricted for debt service	535,315	200,588	246,963	444,747	881,879	988,248	439,878	486,719	557,170	200,108
Restricted for school facilities	144,975	1,127,761	66,899,940	140,231,256	165,325,450	187,262,946	-	-	-	-
Restricted for special programs	(325,589)									
Assigned to debt service	1,230,927	1,341,197	1,403,838	1,523,444	78,361	89,096	213,657	3,336,524	2,893,748	2,552,594
Committed to special programs	431,551	10,722,188	1,263,512	207,279	443,268	1,070,234	984,695	695,376	957,964	1,426,493
Committed to student body activities	705,609	448,502	439,325	379,155	473,465	463,889	578,531	733,632	797,490	662,506
Committed to facilities improvements	-	-	2,135,369	2,434,397	2,627,615	2,651,077	1,577,662	1,534,948	1,975,406	3,270,570
Committed to early retirement incentives	-	-	-	-	-	-	-	103,299	607,692	741,085
Total all other governmental funds balances	<u>3,080,144</u>	<u>14,151,446</u>	<u>72,724,341</u>	<u>145,521,680</u>	<u>170,114,457</u>	<u>192,789,869</u>	<u>4,006,841</u>	<u>7,053,391</u>	<u>7,897,480</u>	<u>9,007,321</u>
<b>Total fund balances</b>	<u>\$ 22,466,759</u>	<u>\$ 28,645,389</u>	<u>\$ 86,363,281</u>	<u>\$ 160,016,132</u>	<u>\$ 182,793,593</u>	<u>\$ 209,163,743</u>	<u>\$ 18,687,524</u>	<u>\$ 17,192,367</u>	<u>\$ 18,176,053</u>	<u>\$ 17,395,512</u>



**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**

**Last ten fiscal years ended June 30**

(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>REVENUES</b>										
Local sources	\$ 72,758,401	\$ 68,568,793	\$ 62,789,384	\$ 63,245,882	\$ 62,011,453	\$ 63,760,128	\$ 47,162,387	\$ 47,491,730	\$ 45,474,921	\$ 44,882,164
Intermediate sources	895,511	976,723	1,248,015	984,943	893,551	1,072,147	862,226	887,162	566,109	577,461
State sources	54,069,639	52,474,918	48,176,640	48,566,330	43,456,784	39,320,126	38,609,026	32,745,839	33,900,260	31,833,772
Federal sources	9,180,877	11,652,186	9,772,342	7,065,089	4,480,796	4,589,620	4,370,851	4,495,826	4,503,448	4,519,152
Total revenues	<u>136,904,428</u>	<u>133,672,620</u>	<u>121,986,381</u>	<u>119,862,244</u>	<u>110,842,584</u>	<u>108,742,021</u>	<u>91,004,490</u>	<u>85,620,557</u>	<u>84,444,737</u>	<u>81,812,548</u>
<b>EXPENDITURES</b>										
Current										
Instruction	59,208,105	62,573,562	55,916,558	50,828,145	52,553,266	49,612,900	45,754,643	43,208,120	41,565,059	39,701,831
Support services	49,593,519	47,363,023	41,890,358	36,274,403	36,979,331	32,925,067	28,787,083	27,690,186	25,932,037	25,447,705
Enterprise and community services	4,638,518	4,504,463	4,291,376	3,167,126	3,662,794	3,695,975	3,564,966	3,584,510	3,240,031	3,399,099
Facilities acquisition and construction	10,543,575	59,771,838	76,340,215	85,253,744	29,003,433	6,538,598	24,967	558,594	1,623,228	134,477
Debt service	19,433,009	21,012,489	17,720,257	14,991,271	16,034,601	15,205,663	11,859,833	11,562,832	11,303,843	11,076,002
Total expenditures	<u>143,416,726</u>	<u>195,225,375</u>	<u>196,158,764</u>	<u>190,514,689</u>	<u>138,233,425</u>	<u>107,978,203</u>	<u>89,991,492</u>	<u>86,604,242</u>	<u>83,664,198</u>	<u>79,759,114</u>
Revenues over (under) expenditures	<u>(6,512,298)</u>	<u>(61,552,755)</u>	<u>(74,172,383)</u>	<u>(70,652,445)</u>	<u>(27,390,841)</u>	<u>763,818</u>	<u>1,012,998</u>	<u>(983,685)</u>	<u>780,539</u>	<u>2,053,435</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Loss on Sale of Investments	-	-	-	(3,335,218)	-	-	-	-	-	-
Capital lease/SPITAs	328,818	3,834,863	519,532	789,813	1,020,691	1,013,855	482,160	-	-	-
Issuance of bonds - principal	-	-	-	39,915,000	-	159,999,046	-	-	-	-
Issuance of bonds - premium	-	-	-	10,505,389	-	28,699,499	-	-	-	-
Transfers in	1,475,350	1,488,294	-	-	-	-	103,299	-	-	1,100,000
Transfers out	(1,475,350)	(1,488,294)	-	-	-	-	(103,299)	-	-	-
Proceeds from the sale of assets	4,850	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>333,668</u>	<u>3,834,863</u>	<u>519,532</u>	<u>47,874,984</u>	<u>1,020,691</u>	<u>189,712,400</u>	<u>482,160</u>	<u>-</u>	<u>-</u>	<u>1,100,000</u>
Net change in fund balance	<u>\$ (6,178,630)</u>	<u>\$ (57,717,892)</u>	<u>\$ (73,652,851)</u>	<u>\$ (22,777,462)</u>	<u>\$ (26,370,150)</u>	<u>\$ 190,476,218</u>	<u>\$ 1,495,158</u>	<u>\$ (983,685)</u>	<u>\$ 780,539</u>	<u>\$ 3,153,435</u>
Debt service as a percentage of noncapital expenditures	<u>13.6%</u>	<u>10.8%</u>	<u>9.0%</u>	<u>7.9%</u>	<u>11.6%</u>	<u>14.1%</u>	<u>13.2%</u>	<u>13.4%</u>	<u>13.5%</u>	<u>13.9%</u>

# Revenue Capacity

Schedules related to the revenue of the district, including: information regarding taxable properties, property tax rates, tax payers, and tax collections.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY**

**Last ten fiscal years**

Fiscal Year Ending June 30	Real Property	Personal Property	Public Utility	Total Assessed Value	Total Direct Tax Rate	Real Market Value	Assessed Value as a % of Actual Value
2024	\$ 7,570,824,188	\$231,186,731	\$253,349,320	\$ 8,055,360,239	\$ 7.92	\$14,999,182,272	54%
2023	7,292,355,314	254,868,392	130,815,753	7,678,039,459	7.91	13,899,858,423	55%
2022	7,085,423,737	204,040,697	202,812,980	7,492,277,414	7.90	12,063,878,796	62%
2021	6,787,009,105	208,108,021	200,175,032	7,195,292,158	7.77	11,506,889,659	63%
2020	6,589,977,709	206,421,537	188,429,435	6,984,828,681	7.82	10,399,528,038	67%
2019	6,215,316,203	189,713,915	189,970,290	6,595,000,408	7.91	9,631,866,430	68%
2018	5,928,739,098	169,253,339	208,816,832	6,306,809,269	7.02	8,856,987,175	71%
2017	5,733,248,107	153,333,181	188,916,800	6,075,498,088	7.55	8,127,238,233	75%
2016	5,452,495,791	150,756,390	152,609,390	5,755,861,571	7.69	7,722,322,533	75%
2015	5,317,400,968	150,137,493	137,841,518	5,605,379,979	7.75	7,375,558,638	76%

*Notes*

*Beginning July 1, 1997 property taxes were based on an assessed value. Assessed value is defined as the lower of "maximum assessed value" or "real market value". For the 1997-98 tax year, "maximum assessed value" was set at the 1995-96 real market value less 10%. Assessed value for later years is limited to 3% annual increases.*

*Tax rates are per \$1,000 of assessed value.*

*Real market value is calculated using Measure 5 values.*

*Sources*

*Benton County Department of Assessment: Tax Reports 2023, Tables 1A and 1B*

*Linn County Assessment and Taxation: Summary of Assessment and Levies (SAL) 2023-2024, Tables 1A and 1B*

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

**Last ten fiscal years ended June 30**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>District Direct Rates</b>										
General Tax Permanent Rate	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46
Local Option Tax	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
General Obligation Debt Service	1.96	1.95	1.94	1.81	1.86	1.95	1.06	1.59	1.73	1.79
Total Direct Tax Rate	<u>\$7.92</u>	<u>\$7.91</u>	<u>\$7.90</u>	<u>\$7.77</u>	<u>\$7.82</u>	<u>\$7.91</u>	<u>\$7.02</u>	<u>\$7.55</u>	<u>\$7.69</u>	<u>\$7.75</u>
<b>Overlapping Total Property Tax Rates</b>										
City of Corvallis	\$6.18	\$6.18	\$6.18	\$6.18	\$6.18	\$6.16	\$6.17	\$6.18	\$6.19	\$6.19
Benton County	3.11	3.11	3.11	3.11	3.11	3.11	3.11	3.11	3.11	3.11
Linn-Benton-Lincoln Education Service District	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Linn-Benton Community College	0.73	0.73	0.67	0.67	0.67	0.67	0.67	0.68	0.68	0.68
Benton County Library	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39
Benton Soil And Water Conservation District	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Benton County Emergency Service District	0.45	0.45	0.45	0.45	-	-	-	-	-	-

*Notes*

*Section 11, Article XI of the Oregon Constitution (Measure 50, 1997) imposes a permanent rate limitation on the rate of property taxes the district may impose. The district can levy the amount that would be raised by its permanent rate limit without further authorization from the voters. Once a district's permanent rate limit is established, no action of the district or its voters can increase or decrease its limitation.*

*Local option taxes approved by voters can be levied in addition to the district's permanent rate authority. Approval requires a "double majority." This means that at least 50 percent of the registered voters must vote, and a majority of those who vote must approve the levy, unless the measure is submitted during an election held in any May or November, which are exempt from the "double majority" approval requirement.*

*The district can also impose taxes sufficient to pay the principal and interest on voter approved general obligation bonds without annual voter approval of the tax levy. Approval for a debt service levy is considered to have been gained when voters originally approved the bonds. Rates are based on each year's debt service requirements.*

*Tax rates are per \$1,000 of assessed value.*

*The district's total direct tax rate excludes urban renewal adjustments.*

*Section 11b, Article XI of the Oregon Constitution (Measure 5, 1990) imposes another limitation on property taxes. The taxes on a property that are used for education purposes cannot be more than \$5 per \$1,000 of the property's real market value. The taxes imposed for all other government purposes cannot be more than \$10 per \$1,000 of real market value. If it is necessary to reduce the taxes on a property to be within these constitutional limits, local option taxes are reduced first, before the taxes imposed under the district's permanent rate authorities. Taxes levied to pay bonded indebtedness are excluded from the Measure 5 limitation.*

*The district crosses boundaries of two counties, two cities and several other districts. Overlapping rates are presented for individually significant taxing districts. Applicable tax rates vary depending on property location.*

*Sources*

*Benton County Department of Assessment: Tax Reports 2023, Table 4A-Detail of Taxing District Levies 2023-24*

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**PRINCIPAL PROPERTY TAX PAYERS FOR BENTON COUNTY**  
**Current year and nine years ago**

Taxpayer	2024			2015		
	Taxable Assessed	Rank	% of Total Taxable Assessed	Taxable Assessed	Rank	% of Total Taxable Assessed
	Value		Value	Value		Value
<b>Ten largest taxpayers</b>						
HP Inc	\$ 414,192,411	1	5.14%	\$ 263,686,212	1	4.70%
700 SW Chickadee Street LLC	72,206,721	2	0.90%	-	NR	-
Hollingsworth & Vose Fiber Company	72,913,362	3	0.91%	24,079,502	4	0.43%
Pacificorp	75,324,112	4	0.94%	37,953,000	3	0.68%
Comcast Corporation	58,151,407	5	0.72%	46,944,200	2	0.84%
Northwest Natural Gas Co	51,853,000	6	0.64%	26,448,000	6	0.47%
Washington Ave Mixed Use LLC	33,145,022	8	0.41%	-	NR	-
Avery Investments LLC	28,645,770	9	0.36%	20,273,243	5	0.36%
Oregon State Credit Union	25,182,604	10	0.31%	-	NR	-
Starker Forest Inc	-	NR	-	25,221,981	7	0.45%
Witham Hill Oaks Apartments LLC	-	NR	-	16,019,635	8	0.29%
American Campus Communities Inc	-	NR	-	15,257,259	9	0.27%
Bender Equities Inc	-	NR	-	12,260,211	10	0.22%
Subtotal of ten largest taxpayers	\$ 831,614,409		10.32%	\$ 488,143,243		8.71%
All other taxpayers	7,223,745,830		89.68%	5,117,236,736		91.29%
Total all taxpayers	<u>\$ 8,055,360,239</u>		<u>100.00%</u>	<u>\$ 5,605,379,979</u>		<u>100.00%</u>

*Sources*

*Benton County Department of Assessment: Top 20 Taxpayers for Tax Year 2023, 2014*

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**PROPERTY TAX LEVIES AND COLLECTIONS**

**Last ten fiscal years**

Fiscal Year Ending June 30	Taxes Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2024	\$ 61,998,964	\$ 59,578,452	96.1%	\$ 645,154	\$ 60,223,606	97.1%
2023	59,537,591	57,188,165	96.1%	592,897	57,781,062	97.0%
2022	56,829,353	54,715,383	96.3%	767,044	55,482,428	97.6%
2021	53,059,000	51,097,591	96.3%	675,950	51,773,541	97.6%
2020	51,275,190	49,161,924	95.9%	645,217	49,807,141	97.1%
2019	49,387,001	47,369,053	95.9%	1,591,735	48,960,788	99.1%
2018	40,741,173	39,009,215	95.7%	518,552	39,527,767	97.0%
2017	41,215,001	39,239,908	95.2%	628,495	39,868,403	96.7%
2016	39,535,208	37,466,921	94.8%	649,243	38,116,164	96.4%
2015	38,791,975	36,558,235	94.2%	784,641	37,342,876	96.3%

*Notes*

*Taxes levied are combined for Benton and Linn counties. Taxes are assessed as of July 1, become due as of November 15 and become delinquent as of May 15. Collections in subsequent years includes current year revenue received for taxes levied in prior years.*

*Sources*

*Benton County Department of Assessment*

*Linn County Assessment and Taxation*

# Debt Capacity

Information related to outstanding debt, governmental activities debt, and legal debt margin.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**RATIOS OF OUTSTANDING DEBT BY TYPE**

**Last ten fiscal years**

Fiscal Year Ending June 30	General Bonded Debt			Net General Bonded Debt	Percent of Real Market Value	Per Student	Per Capita
	General Obligation Bonds	Unamortized Bond Premium	Less Amount Available for Repayment				
2024	\$ 180,728,119	\$ 28,260,506	\$ 311,210	\$ 208,677,415	1.39%	\$ 34,109	\$ 2,136
2023	186,385,240	30,279,114	200,588	216,463,766	1.56%	34,024	2,216
2022	191,306,307	32,297,722	246,963	223,357,066	1.85%	35,025	2,319
2021	194,858,524	34,316,330	444,748	228,730,106	1.99%	35,402	2,402
2020	159,539,046	25,829,549	881,879	184,486,716	1.77%	27,352	1,945
2019	166,234,046	28,049,981	988,248	193,295,779	2.01%	28,459	2,055
2018	12,905,000	1,483,772	439,878	13,948,894	0.16%	2,029	150
2017	18,660,000	2,099,730	486,720	20,273,010	0.25%	3,020	222
2016	26,820,000	2,938,741	557,170	29,201,571	0.38%	4,351	327
2015	34,395,000	3,672,607	200,108	37,867,499	0.51%	5,700	430

Fiscal Year Ending June 30	Other Governmental Activities Debt			Total District Debt	Percent of Real Market Value	Per Student	Per Capita
	Limited Tax Pension Obligation Bonds	Capital Leases	Other Debt				
2024	\$ 10,235,000	\$ 321,655	\$ 372,653	\$ 219,606,723	1.46%	\$ 35,895	\$ 2,247
2023	12,565,000	1,119,019	554,611	230,702,396	1.66%	36,263	2,362
2022	14,640,000	1,000,633	237,570	239,235,269	1.98%	37,515	2,484
2021	16,475,000	1,082,078	263,597	246,550,781	2.14%	38,160	2,589
2020	16,475,000	1,185,178	159,663	202,306,557	1.95%	29,994	2,133
2019	16,992,135	1,038,909	95,073	211,421,896	2.20%	31,128	2,248
2018	17,503,800	686,994	-	32,139,688	0.36%	4,675	345
2017	18,008,178	485,056	-	38,766,244	0.48%	5,774	425
2016	18,503,932	186,390	-	47,891,893	0.62%	7,135	536
2015	19,040,630	-	-	56,908,129	0.77%	8,567	646

*Notes*

*Details regarding the district's outstanding debt can be found in Note 7 in the notes to the financial statements.*

*Percent of actual real market value of property is calculated using Measure 5 values.*

*Per student calculations are based on student enrollment (total student headcount) as of October 1.*

*Per capita calculations are based on population estimates as of July 1.*

*Limited tax pension obligation bonds are not included in net general bonded debt as they are not repaid directly with property tax dollars.*

*Sources*

*Benton County Department of Assessment (real market values)*

*Linn County Assessment and Taxation (real market values)*

*Corvallis School District 509J (student enrollment)*

*US Census Bureau (population estimates)*



**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

**June 30, 2024**

Overlapping Issuer	Net Property Tax Backed Debt	Percent Overlapping	Net Overlapping Debt
Benton County	\$ 49,135,000	72.61%	\$ 35,674,909
City of Corvallis	445,000	99.31%	441,926
City of Philomath	234,703	0.00%	-
Lane Community College	198,440,000	0.00%	1,984
Linn-Benton Community College	41,251,359	35.95%	14,827,801
Linn-Benton-Lincoln ESD	5,450,000	24.20%	1,318,867
Philomath RFPD 4	1,020,000	16.41%	167,335
Subtotal, overlapping debt			\$ 52,432,822
District direct net property tax backed debt			\$ 180,728,119
Total direct and overlapping debt			\$ 233,160,941

*Notes*

*Net property-tax backed debt includes all general obligation bonds and limited-tax general obligation bonds, less Overlapping Debt is calculated using net property-tax backed debt times percent overlapping that are provided by Oregon State Treasury, Debt Management Division.*

*District direct net property tax backed debt is net of unamortized bond premiums.*

*Source*

*Oregon State Treasury, Debt Management Division (overlapping debt report)*

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**LEGAL DEBT MARGIN INFORMATION**

**Last ten fiscal years**

**Legal Debt Margin Calculation for Fiscal Year 2024**

Real Market Value	\$ 14,999,182,272
Debt Limit (7.95% of Real Market Value)	\$ 1,192,434,991
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	180,728,119
Less: Amount Available in Debt Service Fund	<u>(311,210)</u>
Amount of Debt Applicable to Debt Limit	\$ <u>180,416,909</u>
Legal debt margin	\$ <u><u>1,012,018,082</u></u>

Year Ending June 30	Debt Limit	Total Net Debt Applicable To Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a % of Debt Limit
2024	\$ 1,192,434,991	\$ 180,416,909	\$ 1,012,329,292	15.1%
2023	\$ 1,105,038,745	\$ 186,184,652	\$ 919,054,681	16.8%
2022	\$ 959,078,364	\$ 191,059,344	\$ 768,265,983	19.9%
2021	\$ 914,797,728	\$ 194,413,776	\$ 720,828,699	21.3%
2020	\$ 826,762,479	\$ 158,657,167	\$ 668,987,190	19.2%
2019	\$ 765,733,381	\$ 165,245,798	\$ 601,475,831	21.6%
2018	\$ 704,130,480	\$ 12,465,122	\$ 692,105,236	1.8%
2017	\$ 646,115,440	\$ 18,173,280	\$ 628,428,879	2.8%
2016	\$ 613,924,641	\$ 26,262,830	\$ 588,218,981	4.3%
2015	\$ 586,356,912	\$ 34,194,892	\$ 552,362,127	5.8%

*Notes*

*ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values of all taxable properties within the district based on the following:*

*(A) For each grade from kindergarten to eighth for which the district operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.*

*(B) For each grade from ninth to twelfth for which the district operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.*

*Allowable Percentage of Real Market Value:*

<i>(A) Kindergarten through eighth grade, 9 x .0055</i>	<i>4.95%</i>
<i>(B) Ninth through twelfth, 4 x .0075</i>	<i>3.00%</i>
<i>Allowable percentage</i>	<u><u>7.95%</u></u>

# Demographic and Economic Information

Local statistics related to the demographic and economic landscape of the Corvallis School District's local geographic region.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**Last ten fiscal years**

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<u>Fiscal Year</u> <u>Ending</u> <u>June 30</u>	<u>Population</u>	<u>Personal</u> <u>Income</u> <u>(Thousands)</u>	<u>Per Capita</u> <u>Personal</u> <u>Income</u>	<u>Unemployment</u> <u>Rate</u>
2024	97,713	\$5,892,772	\$60,307	3.2%
2023	97,661	5,493,764	56,253	2.8%
2022	96,321	5,324,986	55,284	3.4%
2021	95,214	4,750,067	49,888	4.0%
2020	94,844	4,433,318	46,743	7.4%
2019	94,042	4,205,820	44,723	3.1%
2018	93,257	3,943,228	42,283	2.9%
2017	91,178	3,784,693	41,509	3.2%
2016	89,368	3,582,335	40,085	4.1%
2015	88,034	3,429,054	38,951	4.1%

*Notes*

*Population - Census Bureau midyear population estimates*

*June monthly unemployment rate seasonally adjusted for Corvallis, OR Metropolitan Service Area (MSA).*

*Sources*

*U.S. Bureau of Economic Analysis, "CAINCI County and MSA personal income summary: personal income, population, per capita personal income"*

*State of Oregon Employment Department (Local Area Unemployment Statistics)*

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**PRINCIPAL EMPLOYERS FOR THE CORVALLIS AREA**

**Current and nine years ago**

Employer	2024			2015		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Oregon State University*	14,281	1	32.26%	10,022	1	25.08%
Samaritan Health Services	3,370	2	7.61%	2,697	2	6.75%
HP, Inc.**	1,240	3	2.80%	1,525	3	3.82%
Corvallis School District 509J	848	4	1.92%	552	5	1.38%
Corvallis Clinic	455	5	1.03%	591	4	1.48%
Benton County	648	6	1.46%	395	8	0.99%
City of Corvallis	470	7	1.06%	413	6	1.03%
Oregon State Credit Union	250	8	0.56%	400	7	1.00%
NuScale Power	200	9	0.45%	-		
Jacobs Engineering Group (previously CH2M Hill)	150	10	0.34%	-		
Fiserv				232	9	0.58%
ATS Systems Oregon				190	10	0.48%
Subtotal of ten largest employers	<u>21,912</u>		<u>49.50%</u>	<u>17,017</u>		<u>42.59%</u>
All other employers	<u>22,358</u>		<u>50.50%</u>	<u>22,943</u>		<u>57.41%</u>
Total area employment	<u><u>44,270</u></u>		<u><u>100.00%</u></u>	<u><u>39,960</u></u>		<u><u>100.00%</u></u>

*Notes*

*June area employment is for the Corvallis, OR Metropolitan Service Area (MSA).*

*\*Includes statewide and branch campuses.*

*\*\*HP, Inc. did not confirm employment numbers citing privacy concerns*

*Sources*

*Corvallis School District 509J*

# Operating Information

Information specific to the operations of the district – staffing, operating statistics, and capital assets.

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**FULL TIME EQUIVALENT (FTE) EMPLOYEES BY FUNCTION**

**Last ten fiscal years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Regular Programs	327.0	335.4	342.0	328.0	336.9	341.8	334.4	321.9	313.6	303.9
Special Programs	189.4	193.1	183.7	163.6	185.6	176.8	161.3	155.1	149.6	143.6
Total Instruction	<u>516.4</u>	<u>528.5</u>	<u>525.7</u>	<u>491.6</u>	<u>522.6</u>	<u>518.5</u>	<u>495.6</u>	<u>476.9</u>	<u>463.1</u>	<u>447.5</u>
Support Services—Students	102.3	115.3	112.5	86.1	95.4	79.0	66.3	61.1	58.6	57.3
Support Services—Instructional Staff	31.3	36.9	39.6	29.9	33.9	33.3	32.7	35.8	29.3	32.9
Support Services—General Administration	2.2	2.0	2.0	2.0	2.2	2.0	2.0	2.0	2.0	2.0
School Administration	54.0	50.7	50.8	48.9	48.6	44.7	42.2	42.7	42.5	44.4
Support Services – Business	71.8	67.1	63.1	60.7	64.7	59.5	56.3	57.1	54.3	52.4
Support Services—Central Activities	32.4	32.5	31.3	29.6	28.8	19.2	18.1	16.8	17.2	13.6
Total Support Services	<u>294.0</u>	<u>304.5</u>	<u>299.3</u>	<u>257.2</u>	<u>273.6</u>	<u>237.7</u>	<u>217.6</u>	<u>215.4</u>	<u>204.0</u>	<u>202.6</u>
Food Services	33.9	35.1	32.5	29.8	33.7	35.2	35.9	36.1	35.8	37.8
Community Services	2.6	1.9	2.1	2.2	2.7	3.2	3.6	3.5	2.0	2.5
Total Enterprise and Community Services	<u>36.5</u>	<u>37.0</u>	<u>34.5</u>	<u>32.0</u>	<u>36.4</u>	<u>38.5</u>	<u>39.5</u>	<u>39.6</u>	<u>37.8</u>	<u>40.2</u>
Facilities Acquisition and Construction	1.0	2.1	3.8	2.3	2.2	2.1	-	-	-	-
Total Facilities Acquisition and Construction	<u>1.0</u>	<u>2.1</u>	<u>3.8</u>	<u>2.3</u>	<u>2.2</u>	<u>2.1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total FTE	<u>847.9</u>	<u>872.1</u>	<u>863.3</u>	<u>783.1</u>	<u>834.8</u>	<u>796.8</u>	<u>752.8</u>	<u>732.0</u>	<u>704.9</u>	<u>690.4</u>

Source

*Corvallis School District 509J*

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**FULL TIME EQUIVALENT (FTE) EMPLOYEES BY CLASSIFICATION**

**Last ten fiscal years**

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Fiscal Year	Certified	Classified	Non- Represented	Administrative	Total
Ending	Staff	Staff	Staff	Staff	
June 30					
2024	404.3	387.4	24.4	31.8	847.9
2023	408.3	405.2	25.1	33.5	872.1
2022	411.2	395.3	23.9	32.8	863.3
2021	393.3	337.6	21.2	31.0	783.0
2020	398.1	383.8	22.3	30.6	834.8
2019	389.9	358.7	20.4	27.7	796.7
2018	372.2	334.0	19.3	27.3	752.8
2017	360.6	324.0	19.2	28.2	732.0
2016	340.9	317.4	17.6	29.0	704.9
2015	331.7	310.5	17.0	31.2	690.4

*Source*

*Corvallis School District 509J*



**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**OPERATING STATISTICS**

**Last ten fiscal years**

Fiscal Year	Student	Average Daily Membership	Operating	Cost per	%	Certified	Student-	Students
Ending	Enrollment	Weighted	Expenditures	Student	Change	Staff	Certified	Eligible
June 30		(ADMw)				(FTE)	Staff	for Free or
							Ratio	Reduced
								Priced Meals*
2024	6,118	7,190.6	113,440,142	18,542	3.1%	404.3	15.13	24%
2023	6,362	7,407.2	114,441,048	17,988	12.4%	408.3	15.58	42%
2022	6,377	7,439.4	102,098,292	16,010	3.0%	411.2	15.51	32%
2021	6,461	7,482.2	100,455,878	15,548	8.4%	393.3	16.43	27%
2020	6,745	7,769.4	96,753,447	14,344	12.5%	398.1	16.94	36%
2019	6,792	7,847.5	86,602,087	12,751	12.0%	389.9	17.42	33%
2018	6,875	7,942.1	78,234,957	11,380	1.8%	372.2	18.47	33%
2017	6,714	7,853.5	75,041,408	11,177	5.2%	360.6	18.62	34%
2016	6,712	7,830.1	71,287,665	10,621	2.8%	340.9	19.69	33%
2015	6,643	7,484.0	68,649,254	10,334	2.8%	331.7	20.03	34%

*Notes*

*Student enrollment is the total student headcount as of October 1.*

*ADMW is average daily membership, weighted for special education, English learners, poverty, and pregnant/parenting.*

*Operating expenditures are all governmental fund expenditures less debt service and capital outlay.*

*Certified staff includes counselors, mental health therapists, nurses, speech therapists, and other specialists.*

*\*FY 2024 reflects "Students Experiencing Poverty". Oregon Department of Education no longer provides data on Students Eligible for Free and Reduced due to the implementation of Community Eligibility Provision. At-A-Glance District Profile now reports Students Experiencing Poverty . Corvallis School District 509J is Community Eligibility Provision district-wide for FY 2025. All students are now offered breakfast and lunch at no cost.*

*Sources*

*Corvallis School District 509J*

*Oregon Department of Education (ADMw)*

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**CAPITAL ASSET INFORMATION**  
**Last ten fiscal years**

Schools	Year Built	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Adams Elementary	1962			<i>remodel</i>							
Square Feet		56,656	56,656	56,656	48,621	48,621	48,621	48,621	48,621	48,621	48,621
Enrollment		358	383	376	353	430	441	442	409	398	378
Franklin K-8 School	1947		<i>remodel</i>								
Square Feet		35,944	35,944	35,944	35,944	35,944	35,944	35,944	35,944	35,944	35,944
Enrollment		303	301	319	289	317	331	336	341	358	356
Kathryn Jones Harrison Elementary	1960		<i>remodel</i>								
Square Feet		46,994	50,494	50,494	40,155	40,155	40,155	40,155	40,155	40,155	40,155
Enrollment		273	273	284	312	348	359	357	348	345	338
Garfield Elementary	1955		<i>remodel</i>								
Square Feet		59,289	59,289	59,289	46,792	46,792	46,792	46,792	46,792	46,792	46,792
Enrollment		368	378	386	390	445	436	444	435	431	419
Bessie Coleman Elementary	2021				<i>replaced</i>						
Square Feet		67,466	67,466	67,466	44,902	44,902	44,902	44,902	44,902	44,902	44,902
Enrollment		346	345	308	317	412	424	422	389	365	343
Mt View Elementary	1954		<i>remodel</i>								
Square Feet		48,548	47,470	47,470	51,058	51,058	51,058	51,058	51,058	51,058	51,058
Enrollment		231	232	258	215	294	315	324	339	339	303
Letitia Carson Elementary	1962		<i>remodel</i>								
Square Feet		50,780	54,280	54,280	39,901	39,901	39,901	39,901	39,901	39,901	39,901
Enrollment		353	390	383	317	412	424	422	389	365	343
Lincoln Elementary	2021				<i>replaced</i>						
Square Feet		68,560	68,560	68,560	39,645	39,645	39,645	39,645	39,645	39,645	39,645
Enrollment		320	331	328	318	376	364	386	360	367	385
Cheldelin Middle School	1976										
Square Feet		106,699	106,699	106,699	106,699	106,699	106,699	106,699	106,699	106,699	106,699
Enrollment		535	570	525	439	615	604	574	544	546	562
Linus Pauling Middle School	2004										
Square Feet		133,640	131,327	131,327	131,327	131,327	131,327	131,327	131,327	131,327	131,327
Enrollment		732	768	766	725	804	765	736	747	711	712
Corvallis High School	2005										
Square Feet		310,590	298,525	298,525	252,352	252,352	252,352	252,352	252,352	252,352	252,352
Enrollment		1,255	1,284	1,229	1,072	1,249	1,243	1,282	1,246	1,312	1,279
Crescent Valley High School	1971										
Square Feet		243,400	247,071	247,071	247,071	247,071	247,071	247,071	247,071	247,071	247,071
Enrollment		942	931	943	845	935	995	1,001	1,005	1,022	1,014
Harding Center	1923		<i>remodel</i>								
Square Feet		41,941	37,441	37,441	39,345	39,345	39,345	39,345	39,345	37,441	37,441
District Office	1967										
Square Feet		33,400	31,851	31,851	32,750	32,750	32,750	32,750	32,750	32,750	32,750
Western View Center	1988		<i>remodel</i>								
Square Feet		7,968	6,400	6,400	7,992	7,992	7,992	7,992	7,992	7,992	7,992

*Notes*

*Student enrollment is the total student headcount as of October 1.*  
*Bessie Coleman Elementary was previously Husky Elementary / Hoover Elementary.*  
*Kathryn Jones Harrison Elementary was previously Jaguar Elementary / Jefferson Elementary.*  
*Letitia Carson Elementary was previously Wildcat Elementary / Wilson Elementary.*

*Sources*

*Corvallis School District 509J*

# Compliance





## **compliance cover art**

collaborative art piece - Letitia Carson Elementary School

# Other Information

Other information contained herein include schedules of future requirements of bonded debt and supplemental information required by Oregon Department of Education (ODE).

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**SCHEDULE OF FUTURE REQUIREMENTS OF BONDED DEBT  
June 30, 2024**

Fiscal Year Ended June 30	General Obligation Bonds			
	Principal	Compounded Interest	Interest	Total
	2025	\$ 6,369,648	\$ 460,352	\$ 8,896,388
2026	7,098,207	516,793	8,581,050	16,196,050
2027	7,903,237	576,763	8,200,300	16,680,300
2028	9,365,000	-	7,776,300	17,141,300
2029	10,305,000	-	7,308,050	17,613,050
2030	11,305,000	-	6,792,800	18,097,800
2031	12,365,000	-	6,227,550	18,592,550
2032	13,470,000	-	5,637,050	19,107,050
2033	14,640,000	-	4,993,500	19,633,500
2034	15,880,000	-	4,293,700	20,173,700
2035	17,190,000	-	3,534,300	20,724,300
2036	18,585,000	-	2,711,850	21,296,850
2037	20,060,000	-	1,822,350	21,882,350
2038	16,192,027	1,082,973	861,850	18,136,850
	<u>\$ 180,728,119</u>	<u>\$ 2,636,881</u>	<u>\$ 77,637,038</u>	<u>\$ 261,002,038</u>

Fiscal Year Ended June 30	Limited Tax Pension Obligation Bonds			
	Principal	Compounded Interest	Interest	Total
	2025	\$ 2,605,000	\$ -	\$ 568,043
2026	2,900,000	-	423,465	3,323,465
2027	3,225,000	-	262,515	3,487,515
2028	1,505,000	-	83,528	1,588,528
	<u>\$ 10,235,000</u>	<u>\$ -</u>	<u>\$ 1,337,550</u>	<u>\$ 11,572,550</u>

Total: \$ 190,963,119 \$ 2,636,881 \$ 78,974,588 \$ 272,574,588

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**SUPPLEMENTAL INFORMATION AS REQUIRED BY**

**OREGON DEPARTMENT OF EDUCATION**

**For the year ended June 30, 2024**

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**A. Energy Bill for Heating - All Funds:**

Please enter your expenditures for electricity, heating fuel, and water & sewage for these Function & Objects.

	Objects 325 & 326 & 327
Function 2540	\$ 1,963,579
Function 2550	\$ -

**B. Replacement of Equipment - General Fund:**

Include all General Fund expenditures in object 542, except for the following exclusions:

\$ -
------

Exclude these functions:

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

**AUDIT REVENUE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

Revenue from Local Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	\$34,631,423		\$15,369,382				
1120 Local Option Ad Valorem Taxes Levied by District	\$10,248,580						
1130 Construction Excise Tax		\$130,301					
1190 Penalties and Interest on Taxes	\$50,163		\$21,213				
1200 Revenue from Local Governmental Units Other Than Districts							
1311 Regular Day School Tuition - From Individuals							
1312 Regular Day School Tuition - Other Dist Within State							
1313 Regular Day School Tuition - Other Districts Outside							
1320 Adult/Continuing Education Tuition							
1330 Summer School Tuition							
1411 Transportation Fees - From Individuals							
1412 Transportation Fees - Other Dist Within State							
1413 Transportation Fees - Other Districts Outside							
1420 Summer School Transportation Fees							
1500 Earnings on Investments	\$3,429,068		\$20,305				
1600 Food Service		\$712,730					
1700 Extracurricular Activities		\$899,353					
1800 Community Services Activities		\$37,734					
1910 Rentals	\$1,874	\$25,400					
1920 Contributions and Donations From Private Sources	\$8,150	\$1,500,144					\$833,167
1930 Rental or Lease Payments From Private Contractors							
1940 Services Provided Other Local Education Agencies							
1950 Textbook Sales and Rentals							
1960 Recovery of Prior Years' Expenditure	\$139,744						
1970 Services Provided Other Funds			\$2,917,087			\$15,787,586	
1980 Fees Charged to Grants	\$717,126						
1990 Miscellaneous	\$1,527,098	\$365,994	\$5,531			\$5,792	
<b>Total Revenue from Local Sources</b>	<b>\$50,753,227</b>	<b>\$3,671,657</b>	<b>\$18,333,518</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,793,377</b>	<b>\$833,167</b>
<b>Revenue from Intermediate Sources</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
2101 County School Funds	\$122,663						
2102 General ESD Revenue	\$384,913						
2103 Excess ESD Local Revenue							
2105 Natural Gas, Oil, and Mineral Receipts							
2110 Intermediate "I" Tax							
2199 Other Intermediate Sources							
2200 Restricted Revenue	\$260,000	\$127,935					
2800 Revenue in Lieu of Taxes							
2900 Revenue for/on Behalf of the District							
<b>Total Revenue from Intermediate Sources</b>	<b>\$767,576</b>	<b>\$127,935</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from State Sources</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
3101 State School Fund - General Support	\$43,530,506						
3102 State School Fund - School Lunch Match		\$17,627					
3103 Common School Fund	\$1,344,575						
3104 State Managed County Timber							
3106 State School Fund - Accrual							
3199 Other Unrestricted Grants-in-Aid	\$558,248						
3204 Driver Education							
3222 State School Fund (SSF) Transportation Equipment							
3299 Other Restricted Grants-in-Aid		\$8,601,107		\$17,319			
3800 Revenue in Lieu of Taxes							
3900 Revenue for/on Behalf of the District	\$258						
<b>Total Revenue from State Sources</b>	<b>\$45,433,586</b>	<b>\$8,618,734</b>	<b>\$0</b>	<b>\$17,319</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Federal Sources</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
4100 Unrestricted Revenue Direct From the Federal Government							
4200 Unrestricted Revenue From the Federal Government Through the State							
4201 Transportation Fees for Foster Children	\$34,355						
4202 Medicaid Reimbursement for Eligible K-12 Expenses (Ages 5-21)	\$258,894						
4300 Restricted Revenue From the Federal Government							
4500 Restricted Revenue From the Federal Government Through the State		\$8,548,969		\$35,520			
4501 Medicaid Reimbursement for Eligible Early Intervention (EI) Services (Ages Birth to 3)							
4502 Medicaid Reimbursement for Eligible Early Childhood Special Education (ECSE) Services (Ages 3-5)							
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies		\$142,901					
4801 Federal Forest Fees							
4802 Impact Aid to School Districts for Operation (PL 874)							
4803 Coos Bay Wagon Road Funds							
4899 Other Revenue in Lieu of Taxes							
4900 Revenue for/on Behalf of the District		\$160,239					
<b>Total Revenue from Federal Sources</b>	<b>\$293,248</b>	<b>\$8,852,110</b>	<b>\$0</b>	<b>\$35,520</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Other Sources</b>	<b>Fund 100</b>	<b>Fund 200</b>	<b>Fund 300</b>	<b>Fund 400</b>	<b>Fund 500</b>	<b>Fund 600</b>	<b>Fund 700</b>
5100 Other Financing Sources	\$328,818						
5200 Interfund Transfers		\$1,475,350					
5300 Sale of or Compensation for Loss of Fixed Assets	\$2,625	\$2,225					
5400 Resources - Beginning Fund Balance	\$14,493,943	\$3,153,084	\$1,724,719	\$9,273,642		\$9,766,165	\$232,968
<b>Total Revenue from Other Sources</b>	<b>\$14,825,386</b>	<b>\$4,630,659</b>	<b>\$1,724,719</b>	<b>\$9,273,642</b>	<b>\$0</b>	<b>\$9,766,165</b>	<b>\$232,968</b>
<b>Grand Total</b>	<b>\$112,073,023</b>	<b>\$25,901,094</b>	<b>\$20,058,237</b>	<b>\$9,326,481</b>	<b>\$0</b>	<b>\$25,559,542</b>	<b>\$1,066,134</b>



**DISTRICT AUDIT EXPENDITURE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

**Fund: 100 General Fund**

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$16,529,415	\$10,100,700	\$5,165,160	\$705,026	\$547,634	\$10,894		
1113	Elementary Extracurricular	\$0							
1121	Middle/Junior High Programs	\$9,065,894	\$5,434,189	\$2,689,979	\$290,491	\$641,885		\$9,350	
1122	Middle/Junior High School Extracurricular	\$20,906	\$12,105	\$3,091		\$5,710			
1131	High School Programs	\$10,393,145	\$6,355,735	\$3,066,036	\$310,177	\$625,598	\$19,300	\$16,299	
1132	High School Extracurricular	\$174,265	\$98,400	\$26,349		\$49,517			
1140	Pre-Kindergarten Programs	\$0							
1210	Programs for the Talented and Gifted	\$0							
1220	Restrictive Programs for Students with Disabilities	\$3,922,253	\$2,318,397	\$1,487,889	\$111,448	\$4,520			
1250	Less Restrictive Programs for Students with Disabilities	\$4,522,607	\$2,726,969	\$1,533,529	\$223,752	\$38,356			
1260	Treatment and Habilitation	\$0							
1271	Remediation	\$0							
1272	Title I	\$0							
1280	Alternative Education	\$1,849,558	\$424,080	\$209,410	\$1,192,911	\$23,156			
1291	English Second Language Programs	\$1,977,506	\$1,276,839	\$614,791	\$53,672	\$32,205			
1292	Teen Parent Program	\$0							
1293	Migrant Education	\$0							
1294	Youth Corrections Education	\$0							
1299	Other Programs	\$23,518	\$18,457	\$5,061					
1300	Adult/Continuing Education Programs	\$0							
1400	Summer School Programs	\$9,036	\$6,727	\$1,956		\$353			
<b>Total Instruction Expenditures</b>		<b>\$48,488,103</b>	<b>\$28,772,597</b>	<b>\$14,803,252</b>	<b>\$2,887,477</b>	<b>\$1,968,934</b>	<b>\$30,194</b>	<b>\$25,649</b>	<b>\$0</b>
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$2,100,568	\$1,238,256	\$832,319	\$26,967	\$3,026			
2120	Guidance Services	\$2,651,266	\$1,762,757	\$863,075	\$9,963	\$15,471			
2130	Health Services	\$787,558	\$390,856	\$251,407	\$109,113	\$33,416		\$2,766	
2140	Psychological Services	\$17,116	\$13,369	\$3,645		\$102			
2150	Speech Pathology and Audiology Services	\$1,227,806	\$427,209	\$188,609	\$606,977	\$3,724		\$1,286	
2160	Other Student Treatment Services	\$245,968	\$164,457	\$70,595	\$8,352			\$2,564	
2190	Service Direction, Student Support Services	\$619,946	\$382,576	\$179,533	\$57,001			\$836	
2210	Improvement of Instruction Services	\$1,117,873	\$696,240	\$308,512	\$40,028	\$66,123		\$6,970	
2220	Educational Media Services	\$525,475	\$246,029	\$176,082	\$9,677	\$93,686			
2230	Assessment & Testing	\$515,247	\$258,188	\$166,380	\$3,756	\$86,923			
2240	Instructional Staff Development	\$337,158	\$87,707	\$21,640	\$213,241	\$14,262		\$307	
2310	Board of Education Services	\$133,747	\$8,381	\$4,618	\$77,773	\$34,670		\$8,305	
2320	Executive Administration Services	\$496,327	\$299,633	\$139,100	\$51,702	\$4,520		\$1,372	
2410	Office of the Principal Services	\$5,443,059	\$3,622,292	\$1,675,233	\$36,157	\$70,245		\$39,132	
2490	Other Support Services - School Administration	\$402,958	\$267,001	\$122,731	\$13,226				
2510	Direction of Business Support Services	\$466,260	\$218,766	\$96,757	\$2,590	\$45,860		\$102,286	
2520	Fiscal Services	\$1,684,213	\$373,930	\$166,542	\$86,697	\$388,564		\$668,481	
2540	Operation and Maintenance of Plant Services	\$11,089,490	\$3,355,459	\$1,876,105	\$4,545,805	\$642,092	\$148,486	\$521,545	
2550	Student Transportation Services	\$5,574,646	\$110,685	\$64,501	\$5,393,207	\$6,252			
2570	Internal Services	\$76,838	\$45,645	\$31,193					
2610	Direction of Central Support Services	\$0							
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630	Information Services	\$328,313	\$155,381	\$77,084	\$31,082	\$64,552		\$215	
2640	Staff Services	\$1,208,721	\$555,120	\$303,171	\$186,963	\$148,398		\$15,071	
2660	Technology Services	\$4,160,606	\$1,306,153	\$677,580	\$661,927	\$1,510,772		\$4,175	
2670	Records Management Services	\$0							
2680	Interpretation and Translation Services	\$288,601	\$185,976	\$92,680	\$9,945				
2690	Other Support Services - Central	\$0							
2700	Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>		<b>\$41,499,760</b>	<b>\$16,172,066</b>	<b>\$8,389,091</b>	<b>\$12,182,149</b>	<b>\$3,232,657</b>	<b>\$148,486</b>	<b>\$1,375,311</b>	<b>\$0</b>
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0							
3200	Other Enterprise Services	\$432,181	\$134,537	\$65,783	\$151,109	\$2,329		\$78,423	
3300	Community Services	\$0							
3500	Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>		<b>\$432,181</b>	<b>\$134,537</b>	<b>\$65,783</b>	<b>\$151,109</b>	<b>\$2,329</b>	<b>\$0</b>	<b>\$78,423</b>	<b>\$0</b>
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0							
4120	Site Acquisition and Development Services	\$0							
4150	Building Acquisition, Construction, and Improvement Services	\$0							
4180	Other Capital Items	\$0							
4190	Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$1,141,014						\$1,141,014	
5200	Transfers of Funds	\$1,125,350							\$1,125,350
5300	Apportionment of Funds by ESD	\$0							
5400	PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>		<b>\$2,266,364</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,141,014</b>	<b>\$1,125,350</b>
<b>Grand Total</b>		<b>\$92,686,408</b>	<b>\$45,079,199</b>	<b>\$23,258,126</b>	<b>\$15,220,735</b>	<b>\$5,203,920</b>	<b>\$178,680</b>	<b>\$2,620,398</b>	<b>\$1,125,350</b>

**DISTRICT AUDIT EXPENDITURE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

**Fund: 200 Special Revenue Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	\$1,617,531	\$815,063	\$375,713	\$197,989	\$221,559	\$7,207		
1113	Elementary Extracurricular	\$0							
1121	Middle/Junior High Programs	\$531,406	\$235,643	\$112,402	\$3,366	\$179,994			
1122	Middle/Junior High School Extracurricular	\$263,377	\$116,267	\$21,055	\$90,741	\$35,314			
1131	High School Programs	\$1,392,761	\$736,348	\$355,176	\$25,118	\$170,618	\$30,563	\$74,938	
1132	High School Extracurricular	\$2,223,404	\$1,001,474	\$260,231	\$348,337	\$530,884	\$50,373	\$32,105	
1140	Pre-Kindergarten Programs	\$29,168	\$21,100	\$5,574		\$2,494			
1210	Programs for the Talented and Gifted	\$0							
1220	Restrictive Programs for Students with Disabilities	\$892,005	\$466,052	\$298,073	\$103,756	\$24,124			
1250	Less Restrictive Programs for Students with Disabilities	\$2,136,826	\$1,256,160	\$872,131		\$8,536			
1260	Treatment and Habilitation	\$0							
1271	Remediation	\$261,940	\$199,950	\$60,903	\$1,061	\$26			
1272	Title I	\$686,725	\$405,849	\$268,988	\$8,375	\$3,512			
1280	Alternative Education	\$601,513	\$330,763	\$163,891	\$93,819	\$13,041			
1291	English Second Language Programs	\$25,009	\$21,052	\$1,747		\$2,209			
1292	Teen Parent Program	\$0							
1293	Migrant Education	\$0							
1294	Youth Corrections Education	\$0							
1299	Other Programs	\$0							
1300	Adult/Continuing Education Programs	\$0							
1400	Summer School Programs	\$58,337	\$30,355	\$7,969	\$11,972	\$8,041			
<b>Total Instruction Expenditures</b>		<b>\$10,720,002</b>	<b>\$5,636,077</b>	<b>\$2,803,854</b>	<b>\$884,534</b>	<b>\$1,200,352</b>	<b>\$88,143</b>	<b>\$107,043</b>	<b>\$0</b>
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	\$234,857	\$136,805	\$98,053					
2120	Guidance Services	\$481,582	\$306,177	\$156,978	\$501	\$17,926			
2130	Health Services	\$511,254	\$344,606	\$166,648					
2140	Psychological Services	\$1,503,034	\$986,603	\$496,618		\$19,813			
2150	Speech Pathology and Audiology Services	\$3,532	\$2,799	\$733					
2160	Other Student Treatment Services	\$1,194	\$950	\$245					
2190	Service Direction, Student Support Services	\$443,872	\$320,366	\$123,506					
2210	Improvement of Instruction Services	\$1,221,851	\$706,972	\$315,651	\$138,555	\$60,673			
2220	Educational Media Services	\$313,777	\$178,117	\$132,706		\$2,954			
2230	Assessment & Testing	\$10,010	\$6,789	\$3,222					
2240	Instructional Staff Development	\$229,707	\$41,112	\$10,910	\$173,290	\$4,395			
2310	Board of Education Services	\$0							
2320	Executive Administration Services	\$8,518				\$8,518			
2410	Office of the Principal Services	\$566	\$30	\$8		\$528			
2490	Other Support Services - School Administration	\$1,276,081	\$869,053	\$407,027					
2510	Direction of Business Support Services	\$0							
2520	Fiscal Services	\$0							
2540	Operation and Maintenance of Plant Services	\$780,947	\$35,020	\$16,923	\$89,076	\$12,800	\$627,128		
2550	Student Transportation Services	\$182,419			\$182,419				
2570	Internal Services	\$0							
2610	Direction of Central Support Services	\$0							
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630	Information Services	\$0							
2640	Staff Services	\$128,393	\$83,539	\$29,368	\$556	\$14,929			
2660	Technology Services	\$14,774			\$726	\$14,048			
2670	Records Management Services	\$0							
2680	Interpretation and Translation Services	\$372	\$293	\$80					
2690	Other Support Services - Central	\$747,018	\$24,541	\$6,740				\$715,736	
2700	Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>		<b>\$8,093,759</b>	<b>\$4,043,771</b>	<b>\$1,965,417</b>	<b>\$585,123</b>	<b>\$156,583</b>	<b>\$627,128</b>	<b>\$715,736</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$3,840,130	\$1,248,030	\$890,066	\$101,250	\$1,501,375	\$85,904	\$13,505	
3200	Other Enterprise Services	\$0							
3300	Community Services	\$366,207	\$98,874	\$35,822	\$44,434	\$167,957		\$19,120	
3500	Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>		<b>\$4,206,337</b>	<b>\$1,346,904</b>	<b>\$925,887</b>	<b>\$145,685</b>	<b>\$1,669,332</b>	<b>\$85,904</b>	<b>\$32,625</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	\$0							
4120	Site Acquisition and Development Services	\$0							
4150	Building Acquisition, Construction, and Improvement Services	\$1,217,578			\$3,950		\$1,213,628		
4180	Other Capital Items	\$0							
4190	Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		<b>\$1,217,578</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,950</b>	<b>\$0</b>	<b>\$1,213,628</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	\$0							
5200	Transfers of Funds	\$350,000							\$350,000
5300	Apportionment of Funds by ESD	\$0							
5400	PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>		<b>\$350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>
<b>Grand Total</b>		<b>\$24,587,676</b>	<b>\$11,026,752</b>	<b>\$5,695,158</b>	<b>\$1,619,292</b>	<b>\$3,026,267</b>	<b>\$2,014,803</b>	<b>\$855,404</b>	<b>\$350,000</b>

**DISTRICT AUDIT EXPENDITURE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

**Fund: 300 Debt Service Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	\$0							
1113	Elementary Extracurricular	\$0							
1121	Middle/Junior High Programs	\$0							
1122	Middle/Junior High School Extracurricular	\$0							
1131	High School Programs	\$0							
1132	High School Extracurricular	\$0							
1140	Pre-Kindergarten Programs	\$0							
1210	Programs for the Talented and Gifted	\$0							
1220	Restrictive Programs for Students with Disabilities	\$0							
1250	Less Restrictive Programs for Students with Disabilities	\$0							
1260	Treatment and Habilitation	\$0							
1271	Remediation	\$0							
1272	Title I	\$0							
1280	Alternative Education	\$0							
1291	English Second Language Programs	\$0							
1292	Teen Parent Program	\$0							
1293	Migrant Education	\$0							
1294	Youth Corrections Education	\$0							
1299	Other Programs	\$0							
1300	Adult/Continuing Education Programs	\$0							
1400	Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	\$0							
2120	Guidance Services	\$0							
2130	Health Services	\$0							
2140	Psychological Services	\$0							
2150	Speech Pathology and Audiology Services	\$0							
2160	Other Student Treatment Services	\$0							
2190	Service Direction, Student Support Services	\$0							
2210	Improvement of Instruction Services	\$0							
2220	Educational Media Services	\$0							
2230	Assessment & Testing	\$0							
2240	Instructional Staff Development	\$0							
2310	Board of Education Services	\$0							
2320	Executive Administration Services	\$0							
2410	Office of the Principal Services	\$0							
2490	Other Support Services - School Administration	\$0							
2510	Direction of Business Support Services	\$0							
2520	Fiscal Services	\$0							
2540	Operation and Maintenance of Plant Services	\$0							
2550	Student Transportation Services	\$0							
2570	Internal Services	\$0							
2610	Direction of Central Support Services	\$0							
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630	Information Services	\$0							
2640	Staff Services	\$0							
2660	Technology Services	\$0							
2670	Records Management Services	\$0							
2680	Interpretation and Translation Services	\$0							
2690	Other Support Services - Central	\$0							
2700	Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$0							
3200	Other Enterprise Services	\$0							
3300	Community Services	\$0							
3500	Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	\$0							
4120	Site Acquisition and Development Services	\$0							
4150	Building Acquisition, Construction, and Improvement Services	\$0							
4180	Other Capital Items	\$0							
4190	Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	\$18,291,995						\$18,291,995	
5200	Transfers of Funds	\$0							
5300	Apportionment of Funds by ESD	\$0							
5400	PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>		\$18,291,995	\$0	\$0	\$0	\$0	\$0	\$18,291,995	\$0
<b>Grand Total</b>		\$18,291,995	\$0	\$0	\$0	\$0	\$0	\$18,291,995	\$0

**DISTRICT AUDIT EXPENDITURE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

**Fund: 400 Capital Projects Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	\$0							
1113	Elementary Extracurricular	\$0							
1121	Middle/Junior High Programs	\$0							
1122	Middle/Junior High School Extracurricular	\$0							
1131	High School Programs	\$0							
1132	High School Extracurricular	\$0							
1140	Pre-Kindergarten Programs	\$0							
1210	Programs for the Talented and Gifted	\$0							
1220	Restrictive Programs for Students with Disabilities	\$0							
1250	Less Restrictive Programs for Students with Disabilities	\$0							
1260	Treatment and Habilitation	\$0							
1271	Remediation	\$0							
1272	Title I	\$0							
1280	Alternative Education	\$0							
1291	English Second Language Programs	\$0							
1292	Teen Parent Program	\$0							
1293	Migrant Education	\$0							
1294	Youth Corrections Education	\$0							
1299	Other Programs	\$0							
1300	Adult/Continuing Education Programs	\$0							
1400	Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	\$0							
2120	Guidance Services	\$0							
2130	Health Services	\$0							
2140	Psychological Services	\$0							
2150	Speech Pathology and Audiology Services	\$0							
2160	Other Student Treatment Services	\$0							
2190	Service Direction, Student Support Services	\$0							
2210	Improvement of Instruction Services	\$0							
2220	Educational Media Services	\$0							
2230	Assessment & Testing	\$0							
2240	Instructional Staff Development	\$0							
2310	Board of Education Services	\$0							
2320	Executive Administration Services	\$0							
2410	Office of the Principal Services	\$0							
2490	Other Support Services - School Administration	\$0							
2510	Direction of Business Support Services	\$0							
2520	Fiscal Services	\$0							
2540	Operation and Maintenance of Plant Services	\$0							
2550	Student Transportation Services	\$0							
2570	Internal Services	\$0							
2610	Direction of Central Support Services	\$0							
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630	Information Services	\$0							
2640	Staff Services	\$0							
2660	Technology Services	\$0							
2670	Records Management Services	\$0							
2680	Interpretation and Translation Services	\$0							
2690	Other Support Services - Central	\$0							
2700	Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$0							
3200	Other Enterprise Services	\$0							
3300	Community Services	\$0							
3500	Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	\$731,995	\$131,794	\$52,687	\$543,469	\$4,045			
4120	Site Acquisition and Development Services	\$0							
4150	Building Acquisition, Construction, and Improvement Services	\$8,594,002			\$652,275		\$7,941,726		
4180	Other Capital Items	\$0							
4190	Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$9,325,997	\$131,794	\$52,687	\$1,195,744	\$4,045	\$7,941,726	\$0	\$0
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	\$0							
5200	Transfers of Funds	\$0							
5300	Apportionment of Funds by ESD	\$0							
5400	PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Grand Total</b>		\$9,325,997	\$131,794	\$52,687	\$1,195,744	\$4,045	\$7,941,726	\$0	\$0

**DISTRICT AUDIT EXPENDITURE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

**Fund: 600 Internal Service Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	\$631,168		\$631,168					
1113	Elementary Extracurricular	\$0							
1121	Middle/Junior High Programs	\$328,562		\$328,562					
1122	Middle/Junior High School Extracurricular	\$4,126		\$4,126					
1131	High School Programs	\$420,329		\$420,329					
1132	High School Extracurricular	\$36,674		\$36,674					
1140	Pre-Kindergarten Programs	\$1,261		\$1,261					
1210	Programs for the Talented and Gifted	\$0							
1220	Restrictive Programs for Students with Disabilities	\$151,298		\$151,298					
1250	Less Restrictive Programs for Students with Disabilities	\$216,148		\$216,148					
1260	Treatment and Habilitation	\$0							
1271	Remediation	\$5,921		\$5,921					
1272	Title I	\$21,647		\$21,647					
1280	Alternative Education	\$44,359		\$44,359					
1291	English Second Language Programs	\$74,694		\$74,694					
1292	Teen Parent Program	\$0							
1293	Migrant Education	\$0							
1294	Youth Corrections Education	\$0							
1299	Other Programs	\$1,093		\$1,093					
1300	Adult/Continuing Education Programs	\$0							
1400	Summer School Programs	\$2,488		\$2,488					
<b>Total Instruction Expenditures</b>		<b>\$1,939,768</b>	<b>\$0</b>	<b>\$1,939,768</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	\$80,204		\$80,204					
2120	Guidance Services	\$123,271		\$123,271					
2130	Health Services	\$42,297		\$42,297					
2140	Psychological Services	\$57,422		\$57,422					
2150	Speech Pathology and Audiology Services	\$23,607		\$23,607					
2160	Other Student Treatment Services	\$7,644		\$7,644					
2190	Service Direction, Student Support Services	\$42,067		\$42,067					
2210	Improvement of Instruction Services	\$84,135		\$84,135					
2220	Educational Media Services	\$25,216		\$25,216					
2230	Assessment & Testing	\$14,933		\$14,933					
2240	Instructional Staff Development	\$6,983		\$6,983					
2310	Board of Education Services	\$424		\$424					
2320	Executive Administration Services	\$18,844		\$18,844					
2410	Office of the Principal Services	\$214,425		\$214,425					
2490	Other Support Services - School Administration	\$67,995		\$67,995					
2510	Direction of Business Support Services	\$12,625		\$12,625					
2520	Fiscal Services	\$14,401,403	\$296,205	\$201,518	\$162,151			\$13,741,528	
2540	Operation and Maintenance of Plant Services	\$183,979		\$183,979					
2550	Student Transportation Services	\$5,684		\$5,684					
2570	Internal Services	\$23,957	\$17,100	\$6,857					
2610	Direction of Central Support Services	\$0							
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630	Information Services	\$9,166		\$9,166					
2640	Staff Services	\$35,881		\$35,881					
2660	Technology Services	\$76,915		\$76,915					
2670	Records Management Services	\$0							
2680	Interpretation and Translation Services	\$11,061		\$11,061					
2690	Other Support Services - Central	\$1,470		\$1,470					
2700	Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>		<b>\$15,571,606</b>	<b>\$313,305</b>	<b>\$1,354,622</b>	<b>\$162,151</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,741,528</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$67,474		\$67,474					
3200	Other Enterprise Services	\$0							
3300	Community Services	\$11,180		\$11,180					
3500	Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>		<b>\$78,653</b>	<b>\$0</b>	<b>\$78,653</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	\$2,331		\$2,331					
4120	Site Acquisition and Development Services	\$0							
4150	Building Acquisition, Construction, and Improvement Services	\$0							
4180	Other Capital Items	\$0							
4190	Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		<b>\$2,331</b>	<b>\$0</b>	<b>\$2,331</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	\$0							
5200	Transfers of Funds	\$0							
5300	Apportionment of Funds by ESD	\$0							
5400	PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>		<b>\$17,592,358</b>	<b>\$313,305</b>	<b>\$3,375,374</b>	<b>\$162,151</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,741,528</b>	<b>\$0</b>

**DISTRICT AUDIT EXPENDITURE SUMMARY  
CORVALLIS SCHOOL DISTRICT 509J**

Fund: 700 Trust and Agency Funds

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111	Elementary, K-5 or K-6	\$0							
1113	Elementary Extracurricular	\$0							
1121	Middle/Junior High Programs	\$0							
1122	Middle/Junior High School Extracurricular	\$0							
1131	High School Programs	\$0							
1132	High School Extracurricular	\$0							
1140	Pre-Kindergarten Programs	\$0							
1210	Programs for the Talented and Gifted	\$0							
1220	Restrictive Programs for Students with Disabilities	\$0							
1250	Less Restrictive Programs for Students with Disabilities	\$0							
1260	Treatment and Habilitation	\$0							
1271	Remediation	\$0							
1272	Title I	\$0							
1280	Alternative Education	\$0							
1291	English Second Language Programs	\$0							
1292	Teen Parent Program	\$0							
1293	Migrant Education	\$0							
1294	Youth Corrections Education	\$0							
1299	Other Programs	\$0							
1300	Adult/Continuing Education Programs	\$0							
1400	Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	\$0							
2120	Guidance Services	\$0							
2130	Health Services	\$0							
2140	Psychological Services	\$0							
2150	Speech Pathology and Audiology Services	\$0							
2160	Other Student Treatment Services	\$0							
2190	Service Direction, Student Support Services	\$0							
2210	Improvement of Instruction Services	\$0							
2220	Educational Media Services	\$0							
2230	Assessment & Testing	\$0							
2240	Instructional Staff Development	\$0							
2310	Board of Education Services	\$0							
2320	Executive Administration Services	\$0							
2410	Office of the Principal Services	\$0							
2490	Other Support Services - School Administration	\$0							
2510	Direction of Business Support Services	\$0							
2520	Fiscal Services	\$0							
2540	Operation and Maintenance of Plant Services	\$0							
2550	Student Transportation Services	\$0							
2570	Internal Services	\$0							
2610	Direction of Central Support Services	\$0							
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630	Information Services	\$0							
2640	Staff Services	\$0							
2660	Technology Services	\$0							
2670	Records Management Services	\$0							
2680	Interpretation and Translation Services	\$0							
2690	Other Support Services - Central	\$0							
2700	Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$0							
3200	Other Enterprise Services	\$0							
3300	Community Services	\$1,066,134			\$1,066,134				
3500	Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$1,066,134	\$0	\$0	\$1,066,134	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110	Service Area Direction	\$0							
4120	Site Acquisition and Development Services	\$0							
4150	Building Acquisition, Construction, and Improvement Services	\$0							
4180	Other Capital Items	\$0							
4190	Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100	Debt Service	\$0							
5200	Transfers of Funds	\$0							
5300	Apportionment of Funds by ESD	\$0							
5400	PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Grand Total</b>		\$1,066,134	\$0	\$0	\$1,066,134	\$0	\$0	\$0	\$0

# **Independent Auditor's Report Required by Oregon State Regulations**

Pauly, Rogers, and Co., P.C. audited the basic financial statements in accordance with auditing standards generally accepted in the United States of America and Government Accounting Standards. This section contains their statement regarding compliance with Oregon State regulations.



**PAULY, ROGERS, AND CO., P.C.**  
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www.paulyrogersandcocpas.com

December 19, 2024

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

We have audited the basic financial statements of Corvallis School District 509J as of and for the year ended June 30, 2024, and have issued our report thereon dated December 19, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

#### **Compliance**

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

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

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

In connection with our testing nothing came to our attention that caused us to believe Corvallis School District 509J was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as noted on page 22 of financial report.

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

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



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

*Roy R Rogers*

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

# Grant Compliance Review

Schedule of Expenditures of Federal Awards (SEFA), Auditor's reports,  
schedule of findings and questioned costs.

**Corvallis School District 509J**  
**Benton County, Oregon**  
**Schedule of Federal Awards**  
**For the year ended June 30, 2024**

<b>Program Title</b>	<b>Pass Through Organization</b>	<b>Federal CFDA Number</b>	<b>Through Entity Number</b>	<b>Period Covered</b>	<b>Expenditures</b>
<b>U.S. Department of Education</b>					
Title I, Part A Improving Basic Programs Operated by Local Educational Agencies	Oregon Department of Education	84.010	72486	07/01/2022-09/30/2024	\$ 410,903
Title I, Part A Improving Basic Programs Operated by Local Educational Agencies	Oregon Department of Education	84.010	76451	07/01/2023-09/30/2024	744,341
ESSA Partnership	Oregon Department of Education	84.010	67951	07/01/2021-09/30/2023	42,994
<b>Total Title I Grants to Local Education Agencies</b>					<b>1,198,238</b>
Title II, Part A Supporting Effective Instruction State Grants	Oregon Department of Education	84.367	72683	07/01/2022-09/30/2023	4,487
Title II, Part A Supporting Effective Instruction State Grants	Oregon Department of Education	84.367	76648	07/01/2023-09/30/2024	195,524
<b>Total Title II, Part A Supporting Effective Instruction State Grants</b>					<b>200,011</b>
Title III, English Language Acquisition State Grants	Oregon Department of Education	84.365	73083	07/01/2022-09/30/2024	21,688
Title III, English Language Acquisition State Grants	Oregon Department of Education	84.365	76971	07/01/2023-09/30/2024	23,425
Title III, English Language Acquisition State Grants	Oregon Department of Education	84.365	79715	07/01/2023-09/30/2024	0
<b>Total Title III, English Language Acquisition State Grants</b>					<b>45,113</b>
Title IVA, Student Support and Academic Enrichment	Oregon Department of Education	84.424A	72880	07/01/2022-09/30/2023	44,468
Title IVA, Student Support and Academic Enrichment	Oregon Department of Education	84.424A	77079	07/01/2023-09/30/2024	57,231
<b>Total Title IVA, Student Support and Academic Enrichment</b>					<b>101,700</b>
Special Education Cluster:					
Grants to States for Education of Children with Disabilities, Part B, Sec. 610	Oregon Department of Education	84.027	75297	07/01/2023-06/30/2024	9,732
Grants to States for Education of Children with Disabilities, Part B, Sec. 611	Oregon Department of Education	84.027	68346	07/01/2021-09/30/2023	133,520
Grants to States for Education of Children with Disabilities, Part B, Sec. 611	Oregon Department of Education	84.027	73991	07/01/2022-09/30/2024	1,222,900
Grants to States for Education of Children with Disabilities, Part B, Sec. 611	Oregon Department of Education	84.027	77942	07/01/2023-09/30/2025	788,062
Grants to States for Education of Children with Disabilities, Part B, Sec. 619	Oregon Department of Education	84.173	74186	07/01/2022-09/30/2024	730
Grants to States for Education of Children with Disabilities, Part B, Sec. 619	Oregon Department of Education	84.173	77756	07/01/2023-09/30/2024	0
<b>Total Special Education Cluster</b>					<b>2,154,944</b>
21st Century Community Learning	Oregon Department of Education	84.287	77603	07/01/2023-09/30/2024	396,901
<b>Total 21st Century Community Learning</b>					<b>396,901</b>
ESSER III	Oregon Department of Education	84.425	64858	03/13/2020-09/30/2024	2,618,112
ARP-HCY II	Oregon Department of Education	84.425	69332	04/23/2021-09/30/2024	13,678
ESSER III Title VI Native Education Investment	Oregon Department of Education	84.425	80425	02/15/2024-09/30/2024	10,400
Teacher Pathways for Bilingual Educators	Oregon Department of Education	84.425	75940	03/01/2023-09/30/2024	60,159
<b>Total Elementary and Secondary School Emergency Relief Fund</b>					<b>2,702,349</b>
Rehabilitation Services Vocational Rehabilitation Grants to States (YTP)	Oregon Department of Human Services	84.126	160708	07/01/2023-06/30/2024	75,858
<b>Total Rehabilitation Services Vocational Rehabilitation Grants to States</b>					<b>75,858</b>
Career and Technical Education -- Basic Grants to States	Linn Benton Community College, Oregon	84.048	-	07/01/2023-06/30/2024	64,967
<b>Total Career and Technical Education -- Basic Grants to States</b>					<b>64,967</b>
<b>Total U.S. Department of Education</b>					<b><u>6,940,080</u></b>
<b>U.S. Department of Health and Human Services</b>					
Medical Assistance Program (Medicaid)	Oregon Department of Human Services	93.778	-	07/01/2023-06/30/2024	258,894
<b>Total Medical Assistance Program (Medicaid)</b>					<b>258,894</b>
Foster Care Title IV-E	Oregon Department of Human Services	93.658	-	07/01/2023-06/30/2024	34,355
<b>Total Foster Care Title IV-E</b>					<b>34,355</b>
Public Health Emergency Response	Oregon Health Authority	93.354	180946	07/01/2023-06/30/2024	10,000
<b>Total Public Health Emergency Response</b>					<b>10,000</b>
<b>Total U.S. Department of Health and Human Services</b>					<b><u>303,248</u></b>
<b>U.S. Environmental Protection Agency (EPA)</b>					
Voluntary School and Child Care Lead Testing and Reduction Grant Program	Oregon Department of Education	66.444	77593	07/01/2019-06/30/2024	35,520
<b>Total Voluntary School and Child Care Lead Testing and Reduction Grant Program</b>					<b>35,520</b>
<b>Total U.S. Environmental Protection Agency (EPA)</b>					<b><u>35,520</u></b>
<b>Federal Highway Administration</b>					
Highway Planning and Construction - Traffic Safety Project	Oregon Department of Transportation	20.205	HU-23-10-30	10/01/2022-09/30/2024	4,055
<b>Total Federal Highway Administration</b>					<b>4,055</b>
<b>Total U.S. Department of Transportation (DOT)</b>					<b><u>4,055</u></b>

**U.S. Department of Agriculture**

## Child Nutrition Cluster:

Donated Commodities (Non-Cash Assistance)	Oregon Department of Education	10.553/555	-	07/01/2023-06/30/2024	160,239
School Breakfast Program	Oregon Department of Education	10.553	-	07/01/2023-06/30/2024	385,134
National School Lunch Program	Oregon Department of Education	10.555	-	07/01/2023-06/30/2024	1,021,199
Summer Food	Oregon Department of Education	10.559	-	07/01/2023-06/30/2024	124,848
<b>Total Child Nutrition Cluster</b>					<b>1,691,421</b>

Child and Adult Care Food Program	Oregon Department of Education	10.558	-	07/01/2023-06/30/2024	127,374
<b>Total Child and Adult Care Food Program</b>					<b>127,374</b>

Pandemic EBT Administrative Costs	Oregon Department of Education	10.649	-	07/01/2023-09/30/2023	3,256
<b>Total Pandemic EBT Administrative Costs</b>					<b>3,256</b>

Local Food for Schools Cooperative Agreement Program	Oregon Department of Education	10.185	76085	07/01/2023-06/30/2025	14,784
<b>Total Local Food for Schools Cooperative Agreement Program</b>					<b>14,784</b>

**Total U.S. Department of Agriculture** **1,836,834**

**U.S. Department of the Treasury**

Coronavirus State and Local Fiscal Recovery Funds	Oregon Health Authority	21.027	175478	02/15/2022-02/14/2024	59,064
<b>Total Coronavirus State and Local Fiscal Recovery Funds</b>					<b>59,064</b>

**Total U.S. Department of the Treasury** **59,064**

**National Science Foundation**

STEM Education	Oregon State University	47.076	S2127A-A	09/01/2019-08/31/2023	2,076
<b>Total National Science Foundation</b>					<b>2,076</b>

**Total National Science Foundation** **2,076**

**Total Grants Expended** **9,180,878**



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December 19, 2024

To the Board of Directors  
Corvallis School District  
Benton County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, fiduciary fund, and the aggregate remaining fund information of Corvallis School District as of and for the year ended June 30, 2024, and the related notes to the basic financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 19, 2024

**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.

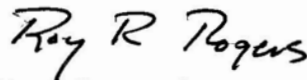
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 19, 2024

To the Board of Directors  
Corvallis School District  
Benton 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 Corvallis School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2024. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

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

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

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

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.



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



CORVALLIS SCHOOL DISTRICT  
CORVALLIS, OREGON

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

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

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

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

Noncompliance material to financial statements noted?  yes  no

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

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?  yes  no

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

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

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

**IDENTIFICATION OF MAJOR PROGRAMS**

<b><u>AL NUMBER</u></b>	<b><u>NAME OF FEDERAL PROGRAM CLUSTER</u></b>
84.010	TITLE I-A
84.425	ESSER

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

Auditee qualified as low-risk auditee?  yes  no

CORVALLIS SCHOOL DISTRICT  
CORVALLIS, OREGON

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

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

1. **BASIS OF PRESENTATION**

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

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 they already have a negotiated indirect cost rate with Oregon Department of Education, and thus is not allowed to use the de minimis rate.





*Christa Schmeder and Claudia Enciso Kuraica celebrate at the CSD pARTY*



## notice of nondiscrimination



The Corvallis School District does not discriminate on the basis of age, citizenship, color, disability, gender expression, gender identity, national origin, parental or marital status, race, religion, sex, or sexual orientation in its programs and activities, and provides equal access to designated youth groups. The following persons have been designated to handle inquiries regarding discrimination: Rynda Gregory, Human Resources Administrator and Title IX Coordinator: [rynda.gregory@corvallis.k12.or.us](mailto:rynda.gregory@corvallis.k12.or.us), 971-217-6309; Melissa Harder, Assistant Superintendent and Title II Oversight: [melissa.harder@corvallis.k12.or.us](mailto:melissa.harder@corvallis.k12.or.us); Sabrina Wood, Special Education Coordinator and ADA Title II Complaints: [sabrina.wood@corvallis.k12.or.us](mailto:sabrina.wood@corvallis.k12.or.us)

El Distrito Escolar de Corvallis no discrimina en base a la edad, nacionalidad, color, discapacidad, expresión de género, identidad de género, origen nacional, situación de los padres o de su estado civil, raza, religión, sexo u orientación sexual en sus programas y actividades, y proporciona igualdad de acceso a los grupos de jóvenes designados. Las siguientes personas han sido designadas para atender las consultas relacionadas con la discriminación: Rynda Gregory, Administradora de Recursos Humanos y Coordinadora de Título IX: [rynda.gregory@corvallis.k12.or.us](mailto:rynda.gregory@corvallis.k12.or.us), 971-217-6309; Melissa Harder, Superintendente Asistente y Supervisora del Título II: [melissa.harder@corvallis.k12.or.us](mailto:melissa.harder@corvallis.k12.or.us); Sabrina Wood, Coordinadora de Educación Especial y Quejas de Título II de Americanos con Discapacidades (ADA por sus siglas en inglés): [sabrina.wood@corvallis.k12.or.us](mailto:sabrina.wood@corvallis.k12.or.us)