



Newberg Public Schools 29J
Board Agenda
August 8, 2023
Regular Session

Board Meeting – Regular Session Agenda

I.	Call to Order	Nancy Woodward	5:30 pm
II.	Flag Salute	Trevor Dehart	
III.	Recess to Executive Session as per: Consultation with Attorney ORS 192.660 (2)(h): To consult with legal counsel regarding the legal rights and duties of the public body with regard to current litigation or likely to be filed.	Lisa Freiley	
IV.	Review Agenda: Additions and/or Deletions	Nancy Woodward	6:30 pm
V.	Approval of Minutes: Approve 7.11.23 Board Minutes	Nancy Woodward	
VI.	Consent Agenda: New hires & resignations	Nancy Woodward	
VII.	Public Forum: Individuals who are onsite: During this portion of the Board Meeting, members of the public are specifically invited to present items of commendation and/or concerns. Personnel matters may not be discussed in public at a School Board meeting. Members of the public who have personnel concerns or commendations should share them directly with the district superintendent.		
VIII.	Reports, Presentations and Discussion Items: <ul style="list-style-type: none"> • Discussion 21-22 Audit • EL Legislative Report • July Expenditure/Revenue Reports & Updated June Reports • Banking Follow Up – Resolution 2024-01 • Board Member School Assignments • Public Comments, Email Submission 	Luke Donaldson Jillian Felizarta Heather Bixby Heather Bixby Steve Phillips Steve Phillips	
IX.	Board Action Items: <ul style="list-style-type: none"> • PGE Easement: Dundee Elementary • NDPS Middle School Student Fees • Audit Corrective Action Plan • Surplus- Tiger Manufacturing • Resolution 2024-03R, Establishing Designated School District Appointments- August 9, 2023 thru June 30, 2024 • Approve OSEA Contract July 1 2023- June 30, 2026 • Policy Committee 	Larry Hampton Steve Phillips Heather Bixby Heather Bixby Steve Phillips Scott Linenberger Scott Linenberger	
X.	Board & Superintendent Comments		
XI.	Future Agenda Items: <ul style="list-style-type: none"> • Student Representatives 		
XII.	Future Board Meeting: Regular Session: September 12 th , 2023 @6:00 pm Regular Session: October 10 th , 2023 @6:00 pm		
	Adjourn Meeting		

PUBLIC COMMENTS - Thirty (30) minutes has been allotted for public comments, with a two (2) minute limit per person. Public comments will be processed in the order received. Comments may be submitted via email until 4 pm the Monday before regular session board meetings to: publiccomment@newberg.k12.or.us. (If you do NOT receive a response of receipt of your public comment, please reach out to Tabitha at 503.554.5041). Those submitted via email will be read by a board member or Superintendent, unless otherwise noted. We will also accept comment cards, in person, from those wishing to speak on the evening of regular session meetings. Executive Session is closed to the public.

[Link to August 8, 2023 Board Meeting](#) To listen to the meeting, call one of these numbers and follow the prompts:
1-253-215-8782 or 1-301-715-8592 or login via Zoom, using **Meeting ID: 811 0840 9170; Passcode: 467680**

NEWBERG SCHOOL DISTRICT 29J
Board Regular Session Meeting, July 11, 2023
In Person / Virtual via Zoom Session
DRAFT MINUTES

BOARD MEMBERS PRESENT

Renee Powell
Deb Bridges
Nancy Woodward
Trevor DeHart
Sol Allen
James Wolfer
Jeremy Hayden

BOARD MEMBERS ABSENT

None

STAFF PRESENT

Dr. Stephen W. Phillips, Superintendent
Tabitha Renne, Board Secretary
Scott Marlin, Technology Supervisor
Scott Linenberger, Director of HR
Heather Bixby, Director of Finance
Jillian Daley, Communications

OTHERS PRESENT

None

I. REGULAR SESSION CALL TO ORDER

A duly called and noticed Regular Meeting of the Board of Directors of Newberg School District 29J was called to order by Director Trevor DeHart at 5:30 pm on Tuesday, July 11, 2023. Board members and staff were present, public attended in person and via Zoom Session.

This video session was recorded and posted on the Newberg School District website. [Board Meeting 7.11.23- YouTube](#)

II. FLAG SALUTE

Trevor DeHart led the Board in the Pledge of Allegiance.

III. OATH of OFFICE FOR BOARD MEMBERS (Begins at approx. 1:55 on the YouTube Video link)

Dr. Phillips facilitated in swearing in the new board members.

IV. ELECT CHAIRPERSON (Begins at approx. 3:45 on the YouTube Video link)

Director DeHart opened the floor for a nomination of Newberg School Board Chairperson.

Motion: Deb Bridges moved to nominate Nancy Woodward for the position of Board Chair.

2nd: Sol Allen

No Discussion took place.

Motion Passed: 5 Yes (Allen, Wolfer, Bridges, Woodward & Hayden), 1 No (Powell), 1 Abstained (DeHart)

V. ELECT VICE CHAIRPERSON (Begins at approx. 6:10 on the YouTube Video link)

Chair Woodward opened the floor for a nomination of Newberg School Board Vice Chair.

Motion: Renee Powell moved to nominate Trevor DeHart for the position of Board Vice Chair.

2nd: No Second

Motion: James Wolfer moved to nominate Deb Bridges for the position of Board Vice Chair.

2nd: Jeremy Hayden

No Discussion took place.

Motion Passed: 5 Yes (Allen, Wolfer, Bridges, Woodward & Hayden), 1 No (Powell), 1 Abstained (DeHart)

- VI. REVIEW AGENDA (Begins at approx. 7:45 on the YouTube Video link)**
Director Wolfer requested to have policy KABA added to the agenda. It was added to section XI- Board Action Items.
- VII. APPROVAL OF MINUTES (Begins at approx. 8:25 on the YouTube Video link)**
Motion: Move to approve the Board Minutes, as presented.
Motion: Director DeHart
2nd: Director Allen **Motion Passed: 7 Yes - 0 No**
- VIII. CONSENT AGENDA: Chair Woodward (Begins at approx. 10:06 on the YouTube Video link)**

- **New Hires & Resignations**

Motion: Move to approve the Consent Agenda, as presented.

Motion: Director Wolfer

2nd: Director Bridges

Motion Passed: 7 Yes - 0 No

- IX. PUBLIC COMMENTS (Begins at approx. 11:07 on the YouTube Video link)**
There were eight (8) emails sent in that were read by Superintendent Phillips and two (2) public speakers that addressed the Board, staff and community.
Board members spoke on the comments presented by the public onsite and to those that wrote in.

- X. REPORTS, PRESENTATIONS AND DISCUSSION (Begins at approx. 32:15 on the YouTube Video link)**

- June Expenditure/Revenue Reports – Heather Bixby
- NDSD Middle School Student Fees – Andy DeBois

*Director Hayden requested a revisit to the June Expenditure/Revenue Reports

- XI. BOARD ACTION ITEM(S): (Begins at approx. 45:05 on the YouTube Video link)**

Resolution 2024-01, Authorizing Deposit & Withdrawal

Questions regarding the accounts and the number of banks that the district currently have were asked and addressed by Heather Bixby. The concern of banking with an organization outside of Oregon was asked. Heather will bring more information to the August 8, 2023 board meeting.

Director Hayden pointed out that Zion Bank should actually be listed as Zions Bank.

Motion: Move to approve and adopt Resolution 2024-01: A resolution authorizing deposit, withdrawal, and borrowing of funds by title only, as presented with amendments.

Motion: Director Wolfer

2nd: Director Powell

Motion Passed: 6 Yes, 1 No (Woodward)

Resolution 2024-2, Authorizing Deposit & Withdrawal of funds

Director Hayden requested a revision to the document, changing Zion to Zions.

Motion: Move to approve and adopt Resolution 2027-02: A resolution authorizing deposit and withdrawal of funds, by title only, as presented with amendments.

Motion: Director Wolfer

2nd: Director Kolb

Motion Passed: 6 Yes - 1 No (Woodward)

Resolution 2024-03, Establishing Designated School District Appointments

Discussion opened and Director Wolfer motioned to strike Tyler Smith & Associates from the list of legal counsel representatives. Director Bridges had questions regarding the amount of counsel that the district had designated. Director Allen wanted more information regarding each firm. Superintendent Phillips and Deputy Superintendent Linenberger gave information on each firm. Director Bridges asked if it would be an option to extend/approve the current list by one month until they could meet to discuss current litigation. Superintendent Phillips explained the timeframe of an academic school year (July 1 thru June 30). The suggestion of approving the resolution until August 8, 2023 (next board meeting) at which time an executive session could be held with WESD attorneys to bring the current board up to speed on litigation. The motion to strike Tyler Smith & Associates from the list of legal counsel was tabled until further discussion could be had with legal on August 8, 2023. Chair Woodward questioned the employment of Lisa Freiley with WESD as she did not see her on their website as an employee. Director Allen requested additional legal counsel options.

Motion: Move to approve and adopt Resolution 2024-03 through August 8, 2023: A resolution establishing designated school district appointments, financial auditors, and legal counsel, by title only as presented with amendments.

Motion: Director Wolfer

2nd: Director Powell

Motion Passed: 7 Yes - 0 No

Designate Signatories for Building Level Student Body Funds

Motion: Move that the board approve and designate the depository signatures for fiscal year 2023-2024 as listed.

Motion: Director DeHart

2nd: Director Allen

Motion Passed: 7 Yes - 0 No

***Addition to Agenda: (Begins at approx. 1:05:25 on the YouTube Video link)**

Director Wolfer addressed the board regarding Policy KABA- Parents' Bill of Rights. Board members commented on the process and deliberation that took place. The discussion around time and involvement by parents, community and staff was addressed. The board discussed opening the topic for future conversations. Deputy Linenberger discussed the options of policy and AR's. Director Allen asked to address the issue sooner rather than later.

Motion: Move to delete Policy KABA – Parents' Bill of Rights, as presented by Director Wolfer.

Motion: Director Wolfer

2nd: Director Bridges

Motion Passed: 4 Yes (Wolfer, Woodward, Bridges & Allen), 2 No (Powell & DeHart), 1 Abstained (Hayden)

***Director Hayden asked to make a modification to the agenda- move item XIII- Board & Superintendent Comments to take place prior to the OSBA training- XII. (Begins at approx. 1:24:45 on the YouTube Video link)**

XII. *MOVED* Board & Superintendent Comments (Begins at approx. 1:25:25 on the YouTube Video link)

BREAK - 7:03 pm

RETURN TO SESSION: 7:21 pm (Begins at approx. 1:50:50 on the YouTube Video link)

XIII. OSBA Training w/Kristen Miles

XIV. FUTURE AGENDA ITEMS

- Middle school Fees (8.8.23)
- Revisit Resolution 2024-03
- Parent Bill of Rights

XV. FUTURE BOARD MEETING:

- Executive Session: August 8th, 2023 @5:30 pm
- Regular Session: August 8th, 2023 @ 6:30 pm
- Regular Session: September 12th, 2023 @ 6:00 pm

Adjourn Meeting

Meeting adjourned at 9:26 pm

Recorded by: Tabitha Renne, Board Secretary

Approved by Board of Directors on _____

Chair Nancy Woodward



Newberg Public Schools 29J

Board Meeting Date: August 8th, 2023

ITEM: Consent Agenda
PRESENTER: Director Woodward

ACTION

Accept Temporary Teacher Contract: Effective July 1, 2023

Abigail Williams — Teacher, Mountain View Middle School

Accept Probationary Teacher Contract: Effective July 1, 2023

Nathan Banks — Teacher, Chehalem Valley Middle School

Mariah Deboff — Teacher, Joan Austin Elementary School

Darcie Gay — Teacher, Newberg High School

Laurel Grasmick – Black — Teacher, Mountain View Middle School

Michael Hodges — Teacher, Dundee Elementary School

Kristine Sinclair — Teacher, Antonia Crater Elementary School

Emily Warner — Teacher, Mabel Rush Elementary School

Accept Probationary Administrator Contract: Effective July 1, 2023

Scott Henderson — Principal, Ewing Young Elementary School

Accept Licensed Teacher Resignation: Effective June 30, 2023

Donation: From Newberg Rotary Foundation in the amount of \$600 for summer school program.

RECOMMENDATION:

Move that the Newberg School District Board of Directors approve the consent agenda, as presented.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

FINANCIAL REPORT

For the Year Ended June 30, 2022



12700 SW 72nd Ave.
Tigard, OR 97223

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

BOARD OF DIRECTORS 2021-22

Dave Brown, Chair	June 30, 2023
Brian Shannon, Vice Chair	June 30, 2023
Trevor DeHart	June 30, 2025
Shelley Kolb	June 30, 2023
Ron Rilee	June 30, 2023
Raquel Peregrino de Brito	June 30, 2023
Renee Powell	June 30, 2025

ADMINISTRATION

Stephen Phillips, Superintendent
Heather Bixby, Director of Fiscal Services

Board members receive mail at the District address listed below.

Newberg School District
714 E Sixth Street
Newberg, Oregon 97132

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NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

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NEWBERG, OREGON**

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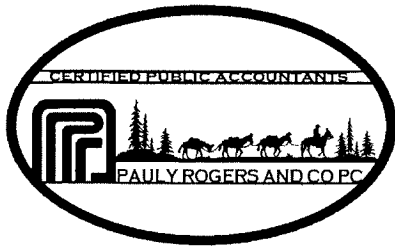
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December 14, 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Newberg School District
Yamhill County, Oregon

Opinions

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Newberg School District, (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents. The financial statements as of the year ended June 30, 2021, were audited by other auditors whose report dated December 30, 2021, issued an unmodified opinion on those statements.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 14, 2022 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 14, 2022, 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.

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**NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As management of Newberg School District 29J (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022.

Financial Highlights

In the government-wide statements, the assets and deferred outflow of resources of the District exceeded its liabilities and deferred inflows of resources on June 30, 2022 by \$26,548,841. Of this amount, \$70,577,177 represents the District's net investment in capital assets; \$148,618,585 is restricted for grant programs, debt service, capital projects, RHIA asset, OPEB, food service, and the District's total net position decreased by \$916,001. Reporting of other post-employment benefits, land acquisition, general obligation bonds and notes payable are reflected in the unrestricted net position of (\$192,646,921).

The District's governmental funds report displays a combined ending fund balance of \$155,283,118 a decrease of \$25,224,381 when compared to the prior year.

At the end of the fiscal year, the unassigned fund balance for the General Fund was \$7,480,971 (14.16% of the General Fund Revenues).

Overview of the Financial Statements

The Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the basic financial statements. This report also contains supplementary information in addition to the basic financial statements 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 private-sector businesses. The statements include:

The Statement of Net Position - The Statement of Net Position presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been paid or otherwise satisfied. Overtime, 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 - The Statement of Activities presents information showing how the net position of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce the net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave.)

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

Governmental Activities - Most of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration and facilities acquisition and construction. The activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

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

Fund Financial Statements - The fund financial statements provide information about the District's funds, focusing on its most significant or "major" funds - not the District as a whole. A **fund** is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, all of the funds of the District are Governmental 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 government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements

The District maintains four individual governmental funds. 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, Special Revenue, Debt Services and Capital Projects Funds.

The basic governmental fund financial statements are listed on pages 3 to 6 of this report.

Notes to the Basic Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements, the notes to the basic financial statements are listed on pages 7 to 35 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 36 to 40 of this report.

Government-Wide Financial Analysis

The net position may serve over time as a useful indicator of the District's financial position. In the case of the District, as of June 30, 2022, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$26,548,841.

Capital assets consist of the District's land, buildings and building improvements, construction in progress, vehicles and equipment and represent about 35.27% of total assets. The remaining assets consist mainly of cash, investments and receivables.

The District's largest liabilities are for the repayment of General Obligation and Pension Bonds (89.67%) and the Net Pension Liability (9.84%). The remaining liabilities (0.50%) consist primarily of payables on account, salaries and benefits, unearned revenue and accrued interest payable.

The District's Deferred Inflows of Resources consist of net deferred pension costs of \$24,138,793 and OPEB of \$737,971.

A portion (\$70,577,177) of the District's Net position reflects its net investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The District

NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

uses these capital assets to provide services to students and other District residents. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

Condensed Statement of Net Position

	Governmental Activities June 30, 2022	Governmental Activities June 30, 2021	Increase (Decrease)
Assets			
Current and Other Assets	\$ 163,284,670	\$ 187,017,888	\$ (23,733,218)
Non-Current Assets	90,570,717	70,590,184	19,980,533
Total Assets	<u>253,855,387</u>	<u>257,608,072</u>	<u>(3,752,685)</u>
Deferred Outflows of Resources	<u>15,560,840</u>	<u>15,258,277</u>	<u>302,563</u>
Liabilities			
Long-term obligations	207,522,345	229,411,632	(21,889,287)
Current Liabilities	10,468,277	6,188,162	4,280,115
Total Liabilities	<u>217,990,622</u>	<u>235,599,794</u>	<u>(17,609,172)</u>
Deferred Inflows of Resources	<u>24,876,764</u>	<u>9,801,713</u>	<u>15,075,051</u>
Net Position			
Net Invested in capital Assets	70,577,177	70,109,436	467,741
Restricted	148,618,585	171,089,451	(22,470,866)
Unrestricted	(192,646,921)	(213,734,045)	21,087,124
Total Net Position	<u>\$ 26,548,841</u>	<u>\$ 27,464,842</u>	<u>\$ (916,001)</u>

During the current fiscal year, the District's net position decreased by \$916,001. Net investment in capital assets increased by \$467,741 while restricted and unrestricted by decreased by \$22,470,866 and increased by \$21,087,124 respectively. The overall increase in Net Position is due to a net decrease in Current and other assets of \$23,733,218, an increase of Net Capital Assets of \$19,980,533, a decrease in Long Term Obligations of \$21,889,287, as related to the annual payment obligations, and a increase of liabilities of \$15,075,051.

NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

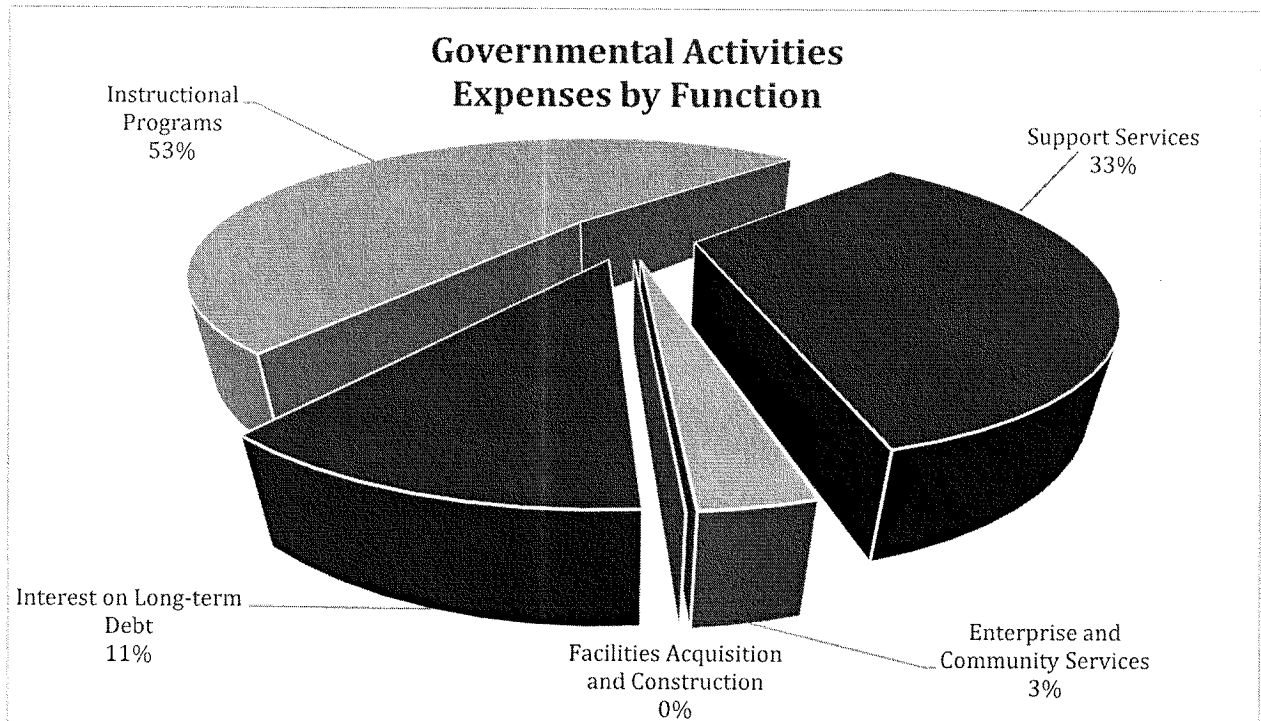
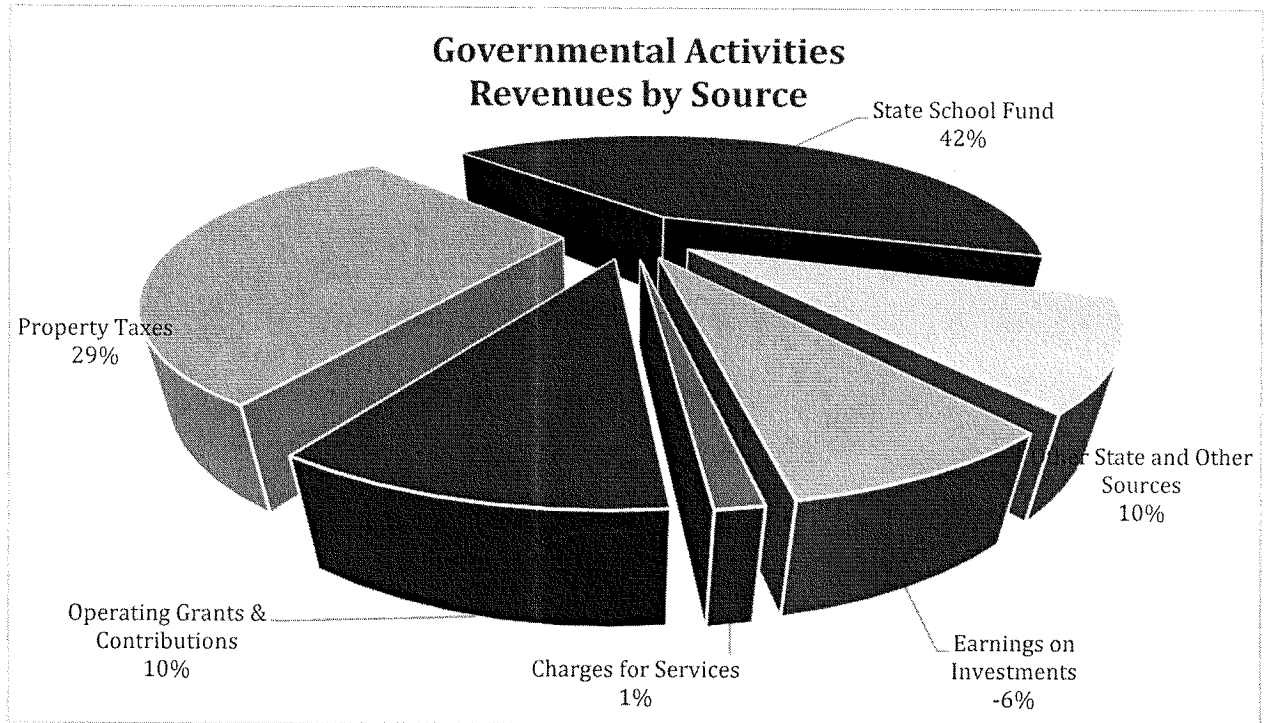
Changes in Net Position

	Governmental Activities <u>June 30, 2022</u>	Governmental Activities <u>June 30, 2021</u>	Increase (Decrease)
Revenues			
Program Revenues			
Charges for Services	\$ 1,039,731	\$ 508,697	\$ 531,034
Operating Grants & Contributions	8,454,669	8,932,161	(477,492)
Total Program Revenues	<u>9,494,400</u>	<u>9,440,858</u>	<u>53,542</u>
General Revenues			
Property Taxes	25,096,364	20,095,223	5,001,141
State School Fund	36,082,686	32,402,359	3,680,327
Other State and Other Sources	8,573,985	3,528,638	5,045,347
Earnings on Investments	(6,343,376)	4,922,323	(11,265,699)
Total General Revenues	<u>63,409,659</u>	<u>60,948,543</u>	<u>2,461,116</u>
Total Revenues	<u>72,904,059</u>	<u>70,389,401</u>	<u>2,514,658</u>
Expenses			
Instructional Programs	38,796,924	39,032,134	(235,210)
Support Services	24,680,552	24,323,294	357,258
Enterprise and Community Services	2,159,525	2,060,573	98,952
Facilities Acquisition and Construction	-	1,094,070	(1,094,070)
Interest on Long-term Debt	8,183,059	4,468,006	3,715,053
Total Expenses	<u>73,820,060</u>	<u>70,978,077</u>	<u>2,841,983</u>
Change in net Position	(916,001)	(588,676)	(327,325)
Net Position, July 1	<u>27,464,842</u>	<u>28,053,518</u>	<u>(588,676)</u>
Net Position, End of Year	<u>\$ 26,548,841</u>	<u>\$ 27,464,842</u>	<u>\$ (916,001)</u>

During the current fiscal year, the District's net position showed a decrease of \$916,001. Key elements of the change in net position for the year ended June 30, 2022, are as follows:

- Total revenues increased by \$2,514,658 or 3.45% under the prior year, mainly due to an increase in property tax revenue of \$5,001,141, an increase in state school fund revenue of \$3,680,327, an increase in other state and other sources revenue of \$5,045,347, and a decrease of earnings on investments of \$11,265,699.
- Governmental program revenues increased by \$53,542.
- Governmental program expenses increased by \$2,841,983.

**NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**



NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Financial Analysis of the District's Funds

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

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

As of June 30, 2022, the District's governmental funds reported combined ending fund balances of \$155,283,118 a decrease of \$25,224,381 in comparison with the prior year. \$7,480,971 (4.82%) of which constitutes *unassigned ending fund balance* that is available for spending at the District's discretion. An additional \$1,676,140 (1.08%) of fund balance is specifically identified for debt service obligations, \$143,222,541 (92.23%) for Construction related activities (Constriction Excise Tax and Bond Funds), \$2,903,466 (1.87%) related to grant programs.

General Fund - The General Fund is the chief operating fund of the District. As of June 30, 2022, the unassigned fund balance was \$7,480,971. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The fund balance represents 13.68% of the total General Fund expenditures. The total fund balance decreased by \$1,854,165 during the current fiscal year as compared to the prior fiscal year 2020-2021. The decrease was due to reduced revenues and increased expenses with the return to pre-pandemic services.

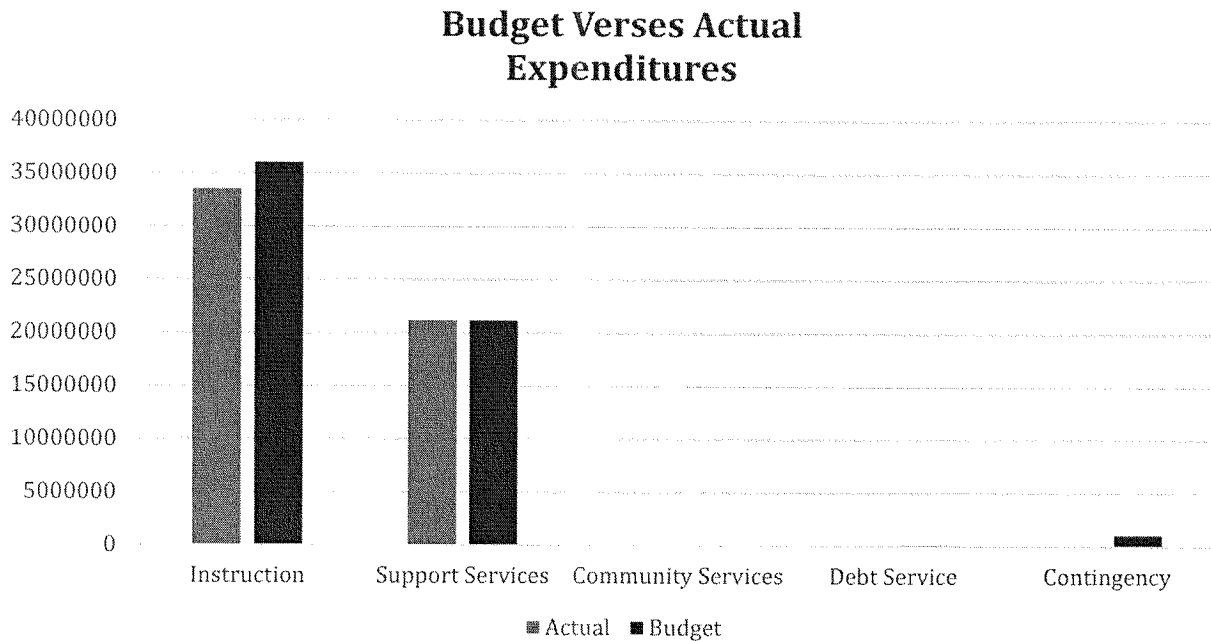
Special Revenue Fund – The fund has a total fund balance of \$2,903,466 all of which is restricted. The decrease was due state and federal grant spending coming out of pandemic.

Debt Service Fund - The Debt Service Fund has a total fund balance of \$1,676,140 all of which is for the payment of debt service. The increase in the fund balance during the current year was due to property tax collections and PERS Bonded reserves.

Capital Projects Fund - The Capital projects Fund has a total fund balance of \$143,222,541. The decrease was due to bond related construction work during the current year.

**NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

General Fund Budgetary Highlights - During the year, as shown in the chart, all Fund expenditures were within budget.



Capital Assets - The District's investment in capital assets includes land, buildings, building improvements and equipment. As of June 30, 2022 the District invested in \$89,522,628 in capital assets net of depreciation. This increased by \$18,932,444 during the year as shown in the following table:

Capital Assets (Net of Depreciation)

	Governmental Activities		Governmental Activities		Increase (Decrease)
	June 30, 2022		June 30, 2021		
Construction in Progress	\$	17,475,416	\$	1,476,036	\$ 15,999,380
Land		8,862,820		3,862,820	\$ 5,000,000
Improvements		1,223,562		1,223,562	\$ -
Buildings Improvements		120,800,116		120,624,521	\$ 175,595
Equipment		2,697,224		2,524,675	\$ 172,549
Accumulated Depreciation		(61,536,510)		(59,121,430)	\$ (2,415,080)
Total Assets	\$	89,522,628	\$	70,590,184	\$ 18,932,444

Long Term Debt - At the end of the year, the District's total debt outstanding was \$186,081,177, consisting of general obligation debt, limited tax pension bonds, a full faith and credit financing agreement, and small scale energy loan.

NEWBERG SCHOOL DISTRICT 29J
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

During the current fiscal year, the District's total debt increased by \$1,379,906 as a result of property purchase and scheduled payments made during the year. Please see note 8, Long Term Debt in the *Notes to the Basic Financial Statements* for further information.

Economic Factors and Next Year's Budget

The most significant economic factors for the District are the State of Oregon's State School Fund and the assessed value growth of Property Taxes. For the year ended June 30, 2022, the State School Fund - General Support provided 50.6% of the District's general fund resources. This is consistent with the prior year. While the State school fund has increased over the last several years, the district expects a downturn due to the economy, reduction of enrollment and future PERS increases.

The 2022-2023 budget relies on K-12 funding level of \$9.3 billion for the 2021-2023 biennium, a projected average daily membership weighted (ADMw) of approximately 4985 and a beginning fund balance of \$7,681,421. The enrollment projections were based on the District's historical growth experience rates over the past couple of years and the District's OSU population study both are critical to our revenue projections. The battle with COVID-19 has impacted our growth and has changed the trajectory of our enrollment estimates.

The education of students is labor intensive, as reflected in the allocation of the financial resources of the district. For the 2021-22 budget, salaries and fringe benefits represent approximately 80% of the General Fund operating budget. The expenditures for salaries and fringe benefits are determined by contractual agreements and staffing policies and guidelines of the board, on the basis of projected enrollment, special student needs, and the conditions of employment established by collective bargaining agreements. The budget anticipates an ending fund balance of just over eight (8) million.

The District continues to monitor local, state and federal economic factors and resources along with continual increases in salary and benefits costs (as associated benefit costs are expected to increase again in the next biennium). In addition, the district continues to analyze the ever-changing enrollment numbers to prepare and plan for the next biennium.

The District's Budget Committee and School Board will consider these factors while preparing the District's budget for the 2023-2024 fiscal year budget.

Requests for Information

The financial report is designed to present the user (citizens, taxpayers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Director of Finance at 714 E. Sixth Street, Newberg, Oregon, 97132.

Stephen W. Phillips, Ph.D.
Superintendent
Newberg Public Schools

Heather Bixby
Director of Finance
Newberg Public Schools

NEWBERG SCHOOL DISTRICT

BASIC FINANCIAL STATEMENTS

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NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

STATEMENT OF NET POSITION
June 30, 2022

	GOVERNMENTAL ACTIVITIES
ASSETS	
Current:	
Cash and Investments	\$ 159,582,252
Cash with Fiscal Agent	102,831
Receivables - Taxes	1,026,444
Accounts Receivable	2,573,143
Total Current	163,284,670
Non-current:	
Net OPEB Asset - RHIA	816,438
Capital Assets, Non-Depreciable	26,338,236
Capital Assets, Depreciable, Net	63,184,392
Right-to-Use Asset, Net	231,651
Total Non-current	90,570,717
Total Assets	253,855,387
DEFERRED OUTFLOW OF RESOURCES	
OPEB Related Deferrals - RHIA	300,924
OPEB Related Deferrals - Implicit Health Subsidy	432,599
Pension Related Deferrals - PERS	14,827,317
TOTAL ASSETS AND PENSION RELATED DEFERRALS	269,416,227
LIABILITIES	
Current:	
Accounts Payable	4,402,950
Payroll Liabilities	2,682,993
Current Lease Liability (right-to-use assets)	72,310
Current portion of Long-term Liabilities	3,310,024
Total Current	10,468,277
Non-current:	
Accrued Compensated Absences	144,891
Interest Payable	422,761
Long-Term Liabilities:	
Due in more than one year (including Premium and Accreted Interest)	182,771,153
Long-Term Lease Liability (right-to-use assets)	160,020
Net OPEB Liability - Implicit Health Subsidy	2,580,021
Net Pension Liability - PERS	21,443,499
Total Non-current	207,522,345
Total Liabilities	217,990,622
DEFERRED INFLOW OF RESOURCES	
OPEB Related Deferrals - RHIA	336,086
OPEB Related Deferrals - Implicit Health Subsidy	401,885
Pension Related Deferrals - PERS	24,138,793
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	242,867,386
NET POSITION	
Net Investment in Capital Assets	70,577,177
Restricted for:	
Debt Service	1,676,140
Grants	2,777,217
Capital Projects	143,222,541
Student Activities	95,696
Food Service	30,553
OPEB - RHIA Asset	816,438
Unrestricted	(192,646,921)
Total Net Position	\$ 26,548,841

See accompanying notes to the basic financial statements.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 38,796,924	\$ 992,864	\$ 4,483,344	\$ (33,320,716)
Supporting Services	24,680,552	-	1,558,871	(23,121,681)
Community Services	2,159,525	46,867	2,412,454	299,796
Interest on Long-Term Debt	8,183,059	-	-	(8,183,059)
Total Governmental Activities	<u>\$ 73,820,060</u>	<u>\$ 1,039,731</u>	<u>\$ 8,454,669</u>	<u>(64,325,660)</u>
General Revenues				
Property Taxes for General Purposes				18,779,537
Property Taxes for Debt Service				6,316,827
Earnings on Investment				(6,343,376)
Local Sources				8,079,362
State Support				36,082,686
Intermediate Sources				401,641
Other Sources Revenue				92,982
Total General Revenues				<u>63,409,659</u>
Changes in Net Position				(916,001)
Net Position - Beginning				<u>27,464,842</u>
Net Position - Ending				<u>\$ 26,548,841</u>

See accompanying notes to the basic financial statements.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS					
Cash and Investments	\$ 5,173,256	\$ 1,206,656	\$ 5,880,352	\$ 147,321,988	\$ 159,582,252
Cash With Fiscal Agents	101,087	-	1,744	-	102,831
Accounts Receivable	725,443	1,757,111	-	90,589	2,573,143
Property Taxes Receivables	787,929	-	238,515	-	1,026,444
Due From Other Funds	4,142,646	48,506	-	15,765	4,206,917
Total Assets	<u>\$ 10,930,361</u>	<u>\$ 3,012,273</u>	<u>\$ 6,120,611</u>	<u>\$ 147,428,342</u>	<u>\$ 167,491,587</u>
LIABILITIES					
Accounts Payable	\$ 88,342	\$ 108,807	\$ -	\$ 4,205,801	\$ 4,402,950
Payroll Liabilities	2,682,993	-	-	-	2,682,993
Due to Other Funds	-	-	4,206,917	-	4,206,917
Total Liabilities	<u>2,771,335</u>	<u>108,807</u>	<u>4,206,917</u>	<u>4,205,801</u>	<u>11,292,860</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable Property Tax Revenue	<u>678,055</u>	<u>-</u>	<u>237,554</u>	<u>-</u>	<u>915,609</u>
Total Deferred Inflow of Resources	<u>678,055</u>	<u>-</u>	<u>237,554</u>	<u>-</u>	<u>915,609</u>
FUND BALANCES					
Restricted for:					
Debt Service	-	-	1,676,140	-	1,676,140
Grants	-	2,777,217	-	-	2,777,217
Capital Projects	-	-	-	143,222,541	143,222,541
Student Activities	-	95,696	-	-	95,696
Food Service	-	30,553	-	-	30,553
Unassigned	<u>7,480,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,480,971</u>
Total Fund Balances	<u>7,480,971</u>	<u>2,903,466</u>	<u>1,676,140</u>	<u>143,222,541</u>	<u>155,283,118</u>
Total Liabilities, Deferred Inflow, and Fund Balances	<u>\$ 10,930,361</u>	<u>\$ 3,012,273</u>	<u>\$ 6,120,611</u>	<u>\$ 147,428,342</u>	<u>\$ 167,491,587</u>

See accompanying notes to the basic financial statements.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2022

Total Fund Balances - Governmental Funds		\$	155,283,118
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in government accounting. The Statement of Net Position includes those capital assets among the assets of the District as a whole.			
Net Capital Assets			89,522,628
The Net Pension and OPEB Asset (Liability) is the difference between the total liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.			
Net Pension Liability - PERS	\$	(21,443,499)	
Net OPEB Liability - Implicit Health Subsidy		(2,580,021)	
Net OPEB Asset - RHIA		<u>816,438</u>	(23,207,082)
Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.			
Deferred Outflows - PERS		14,827,317	
Deferred Inflows - PERS		(24,138,793)	
Deferred Outflows - OPEB Implicit Health Subsidy		432,599	
Deferred Inflows - OPEB Implicit Health Subsidy		(401,885)	
Deferred Outflows - OPEB RHIA		300,924	
Deferred Inflows - OPEB RHIA		<u>(336,086)</u>	(9,315,924)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.			
Long-Term Liabilities			
Accrued Compensated Absences		(144,891)	
Accrued Interest		(422,761)	
Bonds Payable		(158,955,788)	
Loans Payable		(3,856,607)	
Premium		(21,342,329)	
Accreted Interest		<u>(1,926,453)</u>	(186,648,829)
Unearned revenue related to property taxes			915,609
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.			
Right-to-use asset, Net			231,651
Long-term liabilities applicable to the right to use assets 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 (right-to-use assets)			<u>(232,330)</u>
Ending Net Position		\$	<u>26,548,841</u>

See accompanying notes to the basic financial statements.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES					
Local Sources	\$ 20,262,777	\$ 1,071,451	\$ 10,692,405	\$ (3,950,213)	\$ 28,076,420
Intermediate Sources	1,352,834	401,641	-	-	1,754,475
State Sources	31,221,970	5,197,517	-	-	36,419,487
Federal Sources	-	6,426,016	-	-	6,426,016
Other Sources	-	-	92,982	-	92,982
Total Revenues	52,837,581	13,096,625	10,785,387	(3,950,213)	72,769,380
EXPENDITURES					
Instruction	33,529,567	6,520,467	-	-	40,050,034
Support Services	21,162,629	4,111,820	-	128,326	25,402,775
Enterprise and Community Services	-	2,229,277	-	-	2,229,277
Facilities Acquisition	-	-	-	23,149,977	23,149,977
Debt Service	-	-	10,611,698	-	10,611,698
Total Expenditures	54,692,196	12,861,564	10,611,698	23,278,303	101,443,761
Excess of Revenues Over (Under) Expenditures	(1,854,615)	235,061	173,689	(27,228,516)	(28,674,381)
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	-	-	-	3,450,000	3,450,000
Total Other Financing Sources (Uses)	-	-	-	3,450,000	3,450,000
Net Change in Fund Balance	(1,854,615)	235,061	173,689	(23,778,516)	(25,224,381)
Beginning Fund Balance	9,335,586	2,668,405	1,502,451	167,001,057	180,507,499
Ending Fund Balance	\$ 7,480,971	\$ 2,903,466	\$ 1,676,140	\$ 143,222,541	\$ 155,283,118

See accompanying notes to the basic financial statements.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Total Net Changes in Fund Balances - Total Governmental Funds	\$	(25,224,381)
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Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation.

Capital Asset Additions	\$	21,279,669	
Depreciation Expense		(2,411,792)	
Adjustments to Capital Assets, Net		64,567	18,932,444

The PERS pension expense represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.		5,772,141
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The OPEB expense represents the changes in Net OPEB Liability from year to year due to changes in total OPEB liability and the fair value of OPEB plan net position available to pay OPEB benefits.		(100,258)
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The OPEB RHIA Income represents the changes in Net OPEB - RHIA Asset from year to year due to changes in total OPEB - RHIA assets and the fair value of RHIA plan net position available to pay OPEB - RHIA benefits.		78,507
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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.

Long-Term Obligations Issued	(3,415,500)	
Bond Issuance Costs	(34,500)	(3,450,000)

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

Amortization of Bond Premium	1,067,117	
Amortization of Deferred Gain on Refunding	23,887	
Change in Accreted Interest	(1,444,840)	
Change in Interest Payable	832,580	
Payments on Long term obligations	2,447,817	
Accrued Vacation (compensated absences)	14,985	2,941,546

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.

General Fund	40,460	
Debt Service Fund	94,219	134,679

Payment on Lease Liability for right to use assets decreases liabilities in the Statement of Net Position.

Payment on Lease Liability	71,917
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Amortization Expense for right to use assets increases the expenses on the Statement of Activities.

Amortization Expense	(72,596)
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Change in Net Position of Governmental Activities	\$ (916,001)
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See accompanying notes to the basic financial statements.

NEWBERG SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

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NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

Newberg School District (the District) is a municipal corporation governed by an elected Board of Directors. Administration officials are approved by the Board. The daily functioning is under the supervision of the Superintendent-Clerk. As required by generally accepted accounting principles, all activities have been included in these basic financial statements.

The District was organized for the purpose of educating children residing within the boundaries of the District in assuring excellent and equitable educational opportunities and outcomes for all students. In carrying out this mission, the District provides programs and services that reflect documented educational needs and that are most cost-effectively delivered on a regional basis.

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. 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, in accordance with GASB 61.

B. Government-wide and Fund Financial Statements

The Statement of Net Position and Statement of Activities display information as a whole.

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

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

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

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period which is 60 days. Property tax revenue and proceeds from sale of property are not considered available and, therefore, are not recognized until received. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, and compensated absences, claims and judgments, and pension and OPEB expenses, which are not recognized as expenditures because they will be liquidated with future expendable financial resources.

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

Financial operations are accounted for in the following major funds:

1. 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. Expenditures in this fund are made for instruction, supporting services, community services and interest.

2. Special Revenue Fund

This fund accounts for revenue and expenditures restricted for specific education projects or programs. The principal revenue source is federal grants and other local sources.

3. Debt Service Fund

This fund accounts for the repayment of the Districts long-term debt. The primary source of revenue is property taxes. The primary use of revenue is payment of principal and interest due on long-term debt.

4. Capital Projects Fund

This fund provides the capital construction expenditures related to the bond. The principal revenue source is bond proceeds.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental funds are accounted for on a spending measurement focus. Only current assets and current liabilities are generally included in their balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

The government-wide basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded 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 basic financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pensions and OPEB costs are recorded only when payment is due.

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

D. Assets, Liabilities, and Net Position

Cash and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of ninety days or less from the date of acquisition. At June 30, 2022, short-term investments consist of the local government investment pool. Investments are stated at cost, which approximates market. The local government investment pool operates in accordance with appropriate state laws and regulations.

Property Taxes

Property taxes are levied on all taxable property as of July 1, the beginning of the fiscal year, and become a lien on that date. Property taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 15 are considered delinquent and interest is assessed.

Uncollected property taxes are shown in the balance sheet. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established by management. The balance of taxes receivable is recorded as unavailable revenue because it is not deemed available to finance operations of the current period.

Grants

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

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide basic financial statements. 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital outlays that significantly extend the useful life of capital assets are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land is not depreciated. Capital Assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	100
Building Improvements	15-50
Vehicle Equipment	4-10
Film, Equipment and Video	5-10
Office Equipment	5
Computer Equipment	5

Compensated Absences

It is 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 not a policy to pay any amounts when an employee separates from service. All vacation pay is accrued when incurred in the government-wide basic financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Policy permits employees who work a twelve-month schedule and at least one-half time on either a weekly or monthly basis, and employees that work 9 months to earn vacation.

Long Term Obligations

In the government-wide basic financial statements long-term obligations are 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 or discount.

In the fund basic 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 while discounts on debt issuance are reported as other financing uses.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2022, there were deferred outflows representing PERS pension related deferrals, OPEB-Health Care related deferrals, OPEB-RHIA related deferrals, and bond related deferrals for a Full Faith and Credit Escrow account 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 represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which qualify for reporting in this category. The first, unavailable revenue, is in the governmental funds balance sheet for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At June 30, 2022, there also were deferred inflows representing PERS pension related deferrals, OPEB-Health Care related deferrals and OPEB-RHIA related deferrals in the Statement of Net Position.

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.

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, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, including the Lease Right to Use Asset, net of amortization and reduced by the Lease Liability.

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 amounts that are not included in the other categories previously mentioned.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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 the 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 non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable represents amounts that are not in a spendable form. This non-spendable fund balance represents inventories and prepaid items.
- 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 funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- 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. The authority to classify portions of ending fund balance as Assigned is granted to the Superintendent and Business Manager.
- 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.

There are no non-spendable, committed or assigned fund balances at June 30, 2022.

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

Use of Estimates

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

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:

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law.

Expenditure budgets are appropriated at the following levels for each fund:

LEVEL OF CONTROL

Instruction
Support Services
Community Services
Facilities Acquisition and Construction
Interfund Transactions
Debt Service
Operating Contingency

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

For the year ended June 30, 2022, expenditures of the various funds were within authorized appropriation levels except for the General Fund where Support Services exceeded appropriations by \$3,404.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. BUDGETARY BASIS OF ACCOUNTING

The budgetary (modified accrual) basis of accounting differs from generally accepted accounting principles. The budgetary statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exceptions that capital outlay expenditures are expensed when purchased, depreciation is not calculated, property taxes are recorded as revenue when received instead of when levied, OPEB and compensated absences expenses are recorded when paid instead of when incurred, inventories of supplies are expensed when purchased, pension costs are not recorded until paid, and principal payments and proceeds on long term debt are recorded as revenues when received and expenditures when paid.

4. CASH AND INVESTMENTS

Cash management policies are governed by state statutes. Statutes authorize investing in banker's acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments or amounts Due to Other Funds.

In addition, cash is separately held by some of the funds.

Cash and Investments (recorded at cost) consisted of:

Deposit with Financial Institutions:	
Investments	\$ 145,734,182
Demand Deposits	13,848,039
Cash with County	102,831
Petty Cash	<u>31</u>
Total Cash and Investments	<u>\$ 159,685,083</u>

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the treasury. The total bank balance per the bank statements as of June 30, 2022 was \$17,727,189 of which \$449,108 is covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

Credit Risk – Deposits

In the case of deposits, there is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. All deposits were either FDIC insured or collateralized.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments.

The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2022. 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, 2022, the fair value of the position in the *LGIP is 98.98%* of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The District booked a fair market value loss of \$178,629 for the difference between the pool fair market value and the book value.

The audited financial reports of the Oregon Short Term Fund can be found here:

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

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

At year-end, investment balances were as follows:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
U.S. Treasury Notes & Bonds	\$ 104,827,788	\$ 11,786,807	\$ 73,017,326	\$ 20,023,655
U.S. Obligations	10,588,928	9,791,477	797,451	-
Government Agency Securities	12,983,407	-	12,983,407	-
State Treasurer's Investment Pool	17,334,059	17,334,059	-	-
Total	<u>\$ 145,734,182</u>	<u>\$ 38,912,343</u>	<u>\$ 86,798,184</u>	<u>\$ 20,023,655</u>

Interest Rate Risk- Investments

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

Credit Risk – 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.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

At June 30, 2022, 12% of total investments were in the State Treasurer's Investment Pool, 72% of total investments were in U.S. Treasury Notes & Bonds, 7% of total investments were in U.S. Obligations, and 9% of total investments were in Government Agency Securities. State statutes do not limit the percentage of investments in these instruments.

5. RECEIVABLES

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

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Adjustments	Additions	(Deletions)	Balance June 30, 2022
Non-depreciable:					
Land	\$ 3,862,820	-	\$ 5,000,000	\$ -	\$ 8,862,820
Construction in Progress	1,476,036	-	15,999,380	-	17,475,416
Total	5,338,856	-	20,999,380	-	26,338,236
Depreciable:					
Land Improvements	1,223,562	-	-	-	1,223,562
Buildings and Improvements	120,624,521	-	175,595	-	120,800,116
Machinery and Equipment	2,524,675	75,450	104,694	(7,595)	2,697,224
Total	124,372,758	75,450	280,289	(7,595)	124,720,902
Accumulated Depreciation:					
Land Improvements	1,161,703	(842)	20,717	-	1,181,578
Buildings and Improvements	55,918,649	(869)	2,304,069	-	58,221,849
Machinery and Equipment	2,041,078	12,594	87,006	(7,595)	2,133,083
Total	\$ 59,121,430	10,883	\$ 2,411,792	\$ (7,595)	\$ 61,536,510
Government Activities:					
Capital Assets, Net	\$ 70,590,184				\$ 89,522,628

The Capital Asset deletion is related to the disposal of a fully depreciated commercial dishwasher. Asset was not sold. No gain or loss was recorded. Adjustments are due to updates to the District's current Capital Asset register.

Depreciation expense was charged to functions/programs of the primary government for governmental activities as follows:

Governmental Activities	
Instruction	\$ 1,427,876
Support Services	904,437
Community Services	79,479
Total Depreciation Expense	
Governmental Activities	\$ 2,411,792

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. DUE TO/DUE FROM OTHER FUNDS

Interfund receivables/payables are used as a pooling of cash between various funds

	Due From Other Funds	Due To Other Funds
General Fund	\$ 4,142,646	\$ -
Special Revenue Fund	48,506	-
Debt Service Fund	-	4,206,917
Capital Projects Fund	15,765	-
Totals	<u>\$ 4,206,917</u>	<u>\$ 4,206,917</u>

8. LONG-TERM OBLIGATIONS

The following are changes in long-term obligations during the year ended June 30, 2022:

	Outstanding July 1, 2021	Additions	Reductions	Outstanding June 30, 2022	Due Within One Year
GO Bonds	\$ 140,997,978	-	(1,450,000)	139,547,978	2,315,000
PERS Bond	20,331,485	-	(923,675)	19,407,810	922,810
Full Faith & Credit	-	3,450,000	-	3,450,000	-
Other Loans	480,749	-	(74,142)	406,607	72,214
Subtotal	161,810,212	3,450,000	(2,447,817)	162,812,395	3,310,024
Premium	22,409,446	-	(1,067,117)	21,342,329	-
Deferred Inflow Related to Refunding	23,887	-	(23,887)	-	-
Bond Interest Accretion	481,613	1,444,840	-	1,926,453	-
Total	<u>\$ 184,725,158</u>	<u>4,894,840</u>	<u>(3,538,821)</u>	<u>186,081,177</u>	<u>3,310,024</u>

General Obligation Bonds

The District issued Series 2021 bonds to provide funds for the acquisition and construction of major capital facilities. Total Series 2021 A bonds issued were \$43,547,978, at a variable interest rate between 2.54% and 2.71% and a maturity date in June 2051.

The District issued Series 2021 bonds to provide funds for the acquisition and construction of major capital facilities. Total Series 2021 B bonds issued were \$97,450,000, with an interest rate of 4.00% and a maturity date in June 2042.

Pension Bonds

During 2002-03 the District issued \$34,639,019 in Limited Tax Pension Bonds to finance the lump sum payment to reduce the District's unfunded actuarial liability. These bonds have an interest rate of 4.12% and a maturity date in June 2028.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG-TERM OBLIGATIONS (CONTINUED)

Future maturities of bonds payable are as follows:

Fiscal Year	Bonds	
Ending June 30	Principal	Interest
2023	\$ 3,237,810	\$ 7,174,755
2024	6,160,000	4,794,966
2025	6,855,000	4,493,576
2026	7,600,000	4,155,116
2027	8,395,000	3,779,464
2028-32	22,770,000	14,628,032
2033-37	24,765,000	10,249,000
2038-42	35,625,000	4,472,000
2043-47	24,443,580	-
2048-52	19,104,398	-
	<u>\$ 158,955,788</u>	<u>\$ 53,746,909</u>

Full Faith and Credit Obligation

The District issued Series 2021 Full Faith and Credit bond to provide funds for the acquisition of major capital facilities. The total Series 2021 bond issued was \$3,450,000, with an interest rate of 1.45% and a maturity date in June 2026.

Future maturities of loans payable are as follows:

Fiscal Year	FF&C	
Ending June 30	Principal	Interest
2023	\$ -	\$ 50,026
2024	-	50,026
2025	-	50,026
2026	3,450,000	50,026
	<u>\$ 3,450,000</u>	<u>\$ 200,104</u>

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG-TERM OBLIGATIONS – (CONTINUED)

Small Scale Energy Loan

The District also took out a \$1,001,591 loan payable for energy conservation. The loan was issued in September 2012 with an interest rate of 3.25% and a maturity date in June 2028.

Future maturities of the settlement payable are as follows:

Fiscal Year Ending June 30	Small Scale Energy Loan	
	Principal	Interest
2023	\$ 72,214	\$ 12,112
2024	74,574	9,751
2025	77,054	7,269
2026	79,587	4,736
2027	82,207	2,116
2028	20,971	109
	<u>\$ 406,607</u>	<u>\$ 36,093</u>

There are no significant default clauses noted in any of the long-term obligation agreements that would impact the financial statements or require disclosure under GASB 88.

9. DEFINED BENEFIT PENSION PLAN

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

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-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.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- i. **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.
 - ii. **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.
 - iii. **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.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2022 were \$6,708,083, excluding amounts to fund employer specific liabilities. In addition approximately \$1,964,799 in employee contributions were paid or picked up by the District in fiscal 2021-2022.

Pension Asset or Liability – The District reported a net pension liability of \$21,443,499 at June 30, 2022 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2021 and 2020, the District's proportion was .18 percent and .19 percent, respectively. Pension income for the year ended June 30, 2022 was \$5,772,141.

The rates in effect for the year ended June 30, 2022 were:

- (1) Tier 1/Tier 2 – 9.06%
- (2) OPSRP general services – 10.31%

	Deferred Outflow of Resources	Deferred Inflow of Resource
Difference between expected and actual experience	\$ 2,007,252	\$ -
Changes in assumptions	5,367,953	56,434
Net difference between projected and actual earnings on pension plan investments	-	15,874,456
Net changes in proportionate share	744,029	6,246,429
Differences between District contributions and proportionate share of contributions	-	1,961,474
Subtotal - Amortized Deferrals (below)	8,119,234	24,138,793
District contributions subsequent to measurement date	6,708,083	-
Deferred outflow (inflow) of resources	\$ 14,827,317	\$ 24,138,793

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, 2023.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Subtotal amounts related to pension as deferred outflows of resources \$8,119,234, or deferred inflows of resources, (\$24,138,793), net to (\$16,019,559) and will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2023	\$ (3,688,900)
2024	(4,085,960)
2025	(3,973,617)
2026	(4,586,222)
2027	315,140
Thereafter	-
Total	<u><u>\$ (16,019,559)</u></u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 1, 2022. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>

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

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

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 percent)
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternatives Portfolio	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	5.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

(Source: June 30, 2021 PERS CAFR; p. 102)

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

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

(Source: June 30, 2021 PERS CAFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2021 and 2020 was 6.90 and 7.20 percent, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ 42,109,902	\$ 21,443,499	\$ 4,153,220

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. 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, 2021 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.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 \$2,535 per month on January 1, 2021) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2022.

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>

10. OTHER POST-EMPLOYMENT BENEFIT PLAN - RHIA

Plan Description:

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

Funding Policy:

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

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

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, 2022. 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 in PERS contributions for all reporting years and equaled the required contributions each year.

At June 30, 2022, the District reported a net OPEB liability/(asset) of (\$816,438) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2021, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2019. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2021 and 2020, the District's proportion was .24 percent and .47 percent, respectively. OPEB income for the year ended June 30, 2022 was \$78,507.

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (133,527)
Net amortization of employer-specific deferred amounts from:	
Changes in proportionate share (per paragraph 64 of GASB 75)	55,703
Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	\$ (77,824)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resource
Difference between expected and actual experience	\$ -	\$ 22,715
Changes in assumptions	16,064	12,146
Net difference between projected and actual earnings on pension plan investments	-	194,029
Net changes in proportionate share	284,860	107,196
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	300,924	336,086
District contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	<u>\$ 300,924</u>	<u>\$ 336,086</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2023.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Subtotal amounts related to OPEB as deferred outflows of resources, \$300,924, and deferred inflows of resources, (\$336,086), net to (\$35,162) and will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2023	\$ (7,417)
2024	77,844
2025	(44,297)
2026	(61,292)
2027	-
Thereafter	-
Total	<u>\$ (35,162)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2021. That independently audited report was dated March 1, 2022 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/Oregon%20PERS%20-%20GASB%2075%20RHIA%20Employer%20Schedules%20-%20FYE%2006-30-2021.pdf>

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 percent)
Retiree healthcare participation	Healthy retirees: 32%; Disabled retirees: 20%
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Discount Rate:

The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2021 and 2020 was 6.90 and 7.20 percent, respectively, 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 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 asset.

Long-Term Expected Rate of Return:

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

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

(Source: June 30, 2021 PERS CAFR; p. 74)

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ (722,020)	\$ (816,438)	\$ (897,094)

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

11. OTHER POST EMPLOYMENT HEALTH CARE BENEFITS

Plan Description

The District offers a single-employer defined benefit healthcare plan per the requirements of collective bargaining agreements. The plan provides postretirement healthcare benefits for eligible retirees and their dependents through the District's group health insurance plans. The plan covers both active and retired participants. As of the actuarial valuation date, there were 543 active participants and 21 retirees in the ORS allowed plan 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active employees, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point.

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

Funding Policy

The District has not established a trust fund to finance the cost of Post-employment Health Care Benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the District on a pay-as-you go basis in all funds. There is no obligation on the part of the District to fund these benefits in advance.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Actuarial Methods and Assumptions - The District's total other post employment benefits (OPEB) liability was measured as of June 30, 2021 and determined by an actuarial valuation as of July 1, 2021. The total other post employment benefit liability in the June 30, 2021 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. Discount Rate 2.16%, Inflation 2.40%, Salary Increases 3.40%, Healthy Mortality, Turnover, Disability, and Retirement Rates: Based on Oregon PERS valuation assumptions as of December 31, 2020, Actuarial Cost Method is Entry Age Normal Level Percent of Pay: Election and lapse rate - 50% of eligible employees, 60% of male members, and 35% of females members will elect spouse coverage, 5% annual lapse rate.

At July 1, 2021, the following employees were covered by the benefit terms:

Active participants	543
Inactive participants or beneficiaries receiving benefits	21
	<u>564</u>

Changes in the Net Other Post-employment Benefit Liability

	<u>Total OPEB Liability</u>
Total OPEB Liability Balance 6/30/2021	\$ 2,811,072
Changes for the Year	
Service Cost	258,458
Interest	65,038
Changes of benefit terms	-
Differences between expected and actual experience	(188,815)
Changes of Assumptions or other input	(111,085)
Benefit payments	(254,647)
Net Change in total OPEB liability	<u>(231,051)</u>
Total OPEB Liability Balance 6/30/2022	<u>\$ 2,580,021</u>

Sensitivity of the Net Other Post-employment Benefit Liability to changes in the discount and trend rates

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the discount rate of 2.16 percent, as well as what the District's NOL would be if it was calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Lower	Current	1% Higher
	1.16%	Discount Rate 2.16%	3.16%
Total OPEB Liability	\$ 2,750,479	\$ 2,580,021	\$ 2,417,597

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the Total OPEB Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption:

	1% Decrease	Current Healthcare Trend Rates	1% Increase
Total OPEB Liability	\$ 2,324,782	\$ 2,580,021	\$ 2,880,763

Other Post-employment benefits Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-employment Benefits

For the year ended June 30, 2022, the District recognized Other Post-employment Benefit expense of \$100,258.

At June 30, 2022, the District reported deferred outflows and deferred inflows of resources, related to Other Postemployment benefits from the following sources:

Deferral Source	Deferred Inflows of resources	Deferred Outflows of resources
Differences between expected & actual experience	\$ (247,451)	\$ -
Changes of assumptions or other inputs	(154,434)	239,816
Subtotal - Amortized Deferrals (Below)	(401,885)	239,816
Benefit Payments	-	192,783
Total as of June 30, 2022	\$ (401,885)	\$ 432,599

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ending June 30, 2023.

Subtotal amounts reported as deferred inflows (\$401,885), and deferred outflows of resources \$239,816, related to Other Post-employment benefits net to (\$162,069), and will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	(30,455)
2024	(30,455)
2025	(17,275)
2026	(8,642)
2027	(12,959)
Thereafter	(62,283)
Total	\$ (162,069)

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

12. LEASE LIABILITY (RELATED TO RIGHT-TO-USE ASSETS)

On 07/01/2021, the District entered into a 60 month lease as Lessee for the use of Kubota Tractor Lease. An initial lease liability was recorded in the amount of \$69,319. As of 06/30/2022, the value of the lease liability is \$55,612. The District is required to make monthly fixed payments of \$1,171. The lease has an interest rate of 0.5950%. The value of the right to use asset as of 06/30/2022 of \$69,319 with accumulated amortization of \$13,864 is included with Equipment on the Lease Class activities table found below. The District has the option to purchase the Equipment for \$101.

On 07/01/2021, the District entered into a 48 month lease as Lessee for the use of Pacific Automation - Copier Lease. An initial lease liability was recorded in the amount of \$234,928. As of 06/30/2022, the value of the lease liability is \$176,718. The District is required to make semi-annual fixed payments of \$29,760. The lease has an interest rate of 0.5950%. The value of the right to use asset as of 06/30/2022 of \$234,928 with accumulated amortization of \$58,732 is included with Equipment on the Lease Class activities table found below.

Total lease liability for the year ended June 30, 2022 was as follows:

Changes in Lease Liability					
	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022	Due within a Year
Kubota Tractor	\$ -	\$ 69,319	\$ 13,707	\$ 55,612	\$ 13,754
Pacific Automation Copier	-	234,928	58,210	176,718	58,556
Total	<u>\$ -</u>	<u>\$ 304,247</u>	<u>\$ 71,917</u>	<u>\$ 232,330</u>	<u>\$ 72,310</u>

Future lease liability payments are as follows:

Principal and Interest Requirements to Maturity			
Fiscal Year Ending June 30,	Governmental Activities		Total Payments
	Equipment Principal Payments	Interest Payments	
2023	\$ 72,310	\$ 1,258	\$ 73,568
2024	72,741	827	73,568
2025	73,176	394	73,570
2026	14,103	46	14,149
Total	<u>\$ 232,330</u>	<u>\$ 2,525</u>	<u>\$ 234,855</u>

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

13. RIGHT-TO-USE ASSET

Right-to-use assets are for the leases in Note 12.

Total right-to-use asset activity for the year ended June 30, 2022 was as follows:

Amount of Lease Assets by Major Classes of Underlying Asset (Right-to-Use Asset)				
Asset Class	At June 30, 2022			
	Lease Asset Value	Accumulated Amortization	Net Value	
Kubota Tractor	\$ 69,319	\$ 13,864	\$ 55,455	
Pacific Automation Copier	234,928	58,732	176,196	
Total	<u>\$ 304,247</u>	<u>\$ 72,596</u>	<u>\$ 231,651</u>	

Changes in Right-to-Use Asset				
	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022
Kubota Tractor	\$ -	\$ 69,319	\$ -	\$ 69,319
Pacific Automation Copier	-	234,928	-	\$ 234,928
Accumulated Amortization				
Kubota Tractor	-	(13,864)	-	(13,864)
Pacific Automation Copier	-	(58,732)	-	(58,732)
Total Lease Assets, Net	<u>\$ -</u>	<u>\$ 231,651</u>	<u>\$ -</u>	<u>\$ 231,651</u>

14. 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 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 for the 1998-99 fiscal year and thereafter. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the 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. The ultimate impact to the District as a result of the measure has been greater reliance on state funding and less reliance on local funding.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

15. 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 any of the past three fiscal years.

Management of the District believes that the total amount of liability, if any, which may arise from claims and lawsuits pending against Newberg School District beyond that which is covered by insurance would not have a material effect on the District's financial statements.

16. 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 the management expects such amounts, if any, to be immaterial.

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

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact on the District's finances is not determinable

The District in the course of normal operations is involved in litigation. As of the financial statement issuance date there are pending litigation cases. Any potential financial responsibility of the District is not determinable.

17. TAX ABATEMENTS

As of June 30, 2022, the District had tax abatements of \$48,239 through various state allowed programs that impacted levied taxes. Based on the information available from the county as of the date of issuance of these basic financial statements, the amount of abatements for the year ended June 30, 2022 is deemed immaterial by management.

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NEWBERG SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

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NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

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
2022	0.18 %	\$ 21,443,499	\$ 31,764,334	67.5 %	87.6 %
2021	0.19	41,899,289	29,981,030	139.8	75.8
2020	0.22	38,643,277	27,363,476	141.2	80.2
2019	0.26	38,774,786	29,387,985	131.9	82.1
2018	0.23	31,179,701	28,611,077	109.0	83.1
2017	0.20	29,584,266	28,122,605	105.2	80.5
2016	0.17	10,004,093	25,226,359	39.7	91.9
2015	0.16	(3,580,180)	24,424,906	(14.7)	103.6
2014	0.16	8,060,204	24,424,906	33.0	92.0

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

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

SCHEDULE OF CONTRIBUTIONS

	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
2022	\$ 6,708,083	\$ 6,708,083	\$ -	\$ 34,794,206	19.3 %
2021	3,778,493	3,778,493	-	31,764,334	11.9
2020	3,547,512	3,547,512	-	29,981,030	29.3
2019	2,288,536	2,288,536	-	27,363,476	8.4
2018	2,506,331	2,506,331	-	29,387,985	8.5
2017	784,807	784,807	-	28,611,077	2.7
2016	904,981	904,981	-	28,122,605	3.2
2015	1,869,367	1,869,367	-	25,226,359	7.4
2014	1,838,786	1,838,786	-	24,424,906	7.5

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.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

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
2022	0.2378 %	\$ (816,438)	\$ 31,764,334	(2.57) %	183.9 %
2021	0.4694	(956,514)	29,981,030	(3.19)	150.1
2020	0.2474	(478,229)	27,363,476	(1.75)	144.4
2019	0.2766	(308,739)	29,387,985	(1.05)	124.0
2018	0.2765	(114,464)	28,611,077	(0.40)	108.9

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

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

Amounts for covered payroll (c) use the prior year's data to match the measurement data 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
2022	\$ N/A	\$ N/A	\$ N/A	\$ 34,794,206	N/A %
2021	133,921	133,921	-	31,764,334	0.42
2020	122,658	122,658	-	29,981,030	0.41
2019	33,523	33,523	-	27,363,476	0.12
2018	6,361	6,361	-	29,387,985	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. 36).

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS
June 30, 2022

Annual OPEB Cost and Net OPEB Obligation relating to Early Retirement Plan: Healthcare

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	Differences Between Expected and Actual	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2022	\$ 2,811,072	\$ 258,458	\$ 65,038	\$ -	\$ (111,085)	\$ (188,815)	\$ (254,647)	\$ 2,580,021	\$ 34,794,206	7%
2021	2,621,125	221,152	94,379	-	168,406	-	(293,990)	2,811,072	31,764,334	9%
2020	2,514,707	204,404	100,300	-	199,556	(140,638)	(257,204)	2,621,125	29,981,030	9%

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

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.

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2022

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Local Sources	\$ 18,361,000	\$ 18,361,000	\$ 20,262,777	\$ 1,901,777
Intermediate Sources	1,338,970	1,338,970	1,352,834	13,864
State Sources	31,550,120	31,550,120	31,221,970	(328,150)
Total Revenue	51,250,090	51,250,090	52,837,581	1,587,491
EXPENDITURES				
Instruction	36,038,740	36,038,740 (1)	33,529,567	2,509,173
Support Services	21,159,225	21,159,225 (1)	21,162,629	(3,404)
Community Services	2,500	2,500 (1)	-	2,500
Debt Service	113,500	113,500 (1)	-	113,500
Operating Contingency	1,075,000	1,075,000 (1)	-	1,075,000
Total Expenditures	58,388,965	58,388,965	54,692,196	3,696,769
Net Change in Fund Balance	(7,138,875)	(7,138,875)	(1,854,615)	5,284,260
Beginning Fund Balance	9,900,000	9,900,000	9,335,586	(564,414)
Ending Fund Balance	\$ 2,761,125	\$ 2,761,125	\$ 7,480,971	\$ 4,719,846

(1) Appropriation level

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2022

SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Local Sources	\$ 2,967,750	\$ 2,967,750	\$ 1,071,451	\$ (1,896,299)
Intermediate Sources	215,618	215,618	401,641	186,023
State Sources	6,349,076	6,349,076	5,197,517 (2)	(1,151,559)
Federal Sources	11,534,927	11,534,927	6,426,016	(5,108,911)
Total Revenues	21,067,371	21,067,371	13,096,625	(7,970,746)
EXPENDITURES				
Instruction	7,948,488	7,948,488 (1)	6,520,467	1,428,021
Support Services	11,337,675	11,337,675 (1)	4,111,820	7,225,855
Enterprise and Community Services	2,354,008	2,354,008 (1)	2,229,277	124,731
Total Expenditures	21,640,171	21,640,171	12,861,564	8,778,607
OTHER FINANCING SOURCES (USES)				
Transfers In	100,000	100,000	-	(100,000)
Total Other Financing Sources	100,000	100,000	-	(100,000)
Net Change in Fund Balance	(472,800)	(472,800)	235,061	707,861
Beginning Fund Balance	2,060,000	2,060,000	2,668,405	608,405
Ending Fund Balance	\$ 1,587,200	\$ 1,587,200	\$ 2,903,466	\$ 1,316,266

(1) Appropriation level

(2) Included in this transfer from the General Fund is the required state revenue match the District must transfer \$17,344 for National School Lunch Support in order to meet the general cash assistance match.

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NEWBERG SCHOOL DISTRICT

SUPPLEMENTARY INFORMATION

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NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET

For the Year Ended June 30, 2022

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Local Sources	\$ 10,319,000	\$ 10,319,000	\$ 10,692,405	\$ 373,405
Other Sources	-	-	92,982	92,982
Total Revenue	10,319,000	10,319,000	10,785,387	466,387
EXPENDITURES				
Debt Service:				
Debt Services	11,139,120	11,139,120 (1)	10,611,698	527,422
Total Expenditures	11,139,120	11,139,120	10,611,698	527,422
Net Change in Fund Balance	(820,120)	(820,120)	173,689	993,809
Beginning Fund Balance	1,015,570	1,015,570	1,502,451	486,881
Ending Fund Balance	\$ 195,450	\$ 195,450	\$ 1,676,140	\$ 1,480,690

(1) Appropriation level

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2022

<u>CAPITAL PROJECTS FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Local Sources	\$ 890,000	\$ 890,000	\$ (3,950,213)	\$ (4,840,213)
Federal Sources	5,026,040	5,026,040	-	(5,026,040)
Total Revenue	5,916,040	5,916,040	(3,950,213)	(9,866,253)
EXPENDITURES				
Support Services	12,500,000	12,500,000 (1)	128,326	12,371,674
Facilities Acquisition Request	153,426,040	153,426,040 (1)	23,149,977	130,276,063
Contingencies	2,000,000	2,000,000 (1)	-	2,000,000
Total Expenditures	167,926,040	167,926,040	23,278,303	144,647,737
Excess of Revenues Over (Under) Expenditures	(162,010,000)	(162,010,000)	(27,228,516)	134,781,484
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	-	3,450,000	(3,450,000)
Total Other Financing Sources (Uses)	-	-	3,450,000	(3,450,000)
Net Change in Fund Balance	(162,010,000)	(162,010,000)	(23,778,516)	134,781,484
Beginning Fund Balance	163,000,000	163,000,000	167,001,057	4,001,057
Ending Fund Balance	\$ 990,000	\$ 990,000	\$ 143,222,541	\$ (142,232,541)

(1) Appropriation level

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2022

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED July 1, 2021</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED/ UNSEGREGATED June 30, 2022</u>
<u>General Fund</u>						
CURRENT						
2021-22	\$ 19,428,669	506,564	(95,599)	9,731	18,412,344	\$ 423,893
PRIOR YEARS						
2020-21	370,197	237	(55,259)	14,057	166,821	161,937
2019-20	150,576	(32)	(14,720)	10,884	58,404	88,369
2018-19	81,762	(87)	(15,599)	11,340	36,507	41,084
2017-18	39,495	(1)	(10,517)	7,851	21,865	14,966
Prior Years	72,395	1	(12,535)	7,916	10,094	57,681
Total Prior	714,425	117	(108,630)	52,048	293,690	364,037
Total	<u>\$ 20,143,094</u>	<u>\$ 506,681</u>	<u>\$ (204,229)</u>	<u>\$ 61,779</u>	<u>\$ 18,706,034</u>	<u>\$ 787,929</u>

RECONCILIATION OF REVENUE:

Cash Collections by County Treasurer, Above	\$ 18,706,034
Accrual of Receivables	
June 30, 2022	109,874
June 30, 2021	(76,831)
Taxes in lieu	40,460
Total Revenue	<u>\$ 18,779,537</u>

NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2022

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED July 1, 2021</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED/ UNSEGREGATED June 30, 2022</u>
<u>Debt Service Fund</u>						
CURRENT						
2021-22	\$ 6,522,185	170,094	(32,065)	3,269	6,180,896	\$ 142,400
PRIOR YEARS						
2020-21	37,416	26	(3,385)	1,519	18,015	17,509
2019-20	24,815	(6)	(167)	1,974	10,590	16,038
2018-19	24,594	(26)	(4,595)	3,428	11,033	12,421
2017-18	26,914	(1)	(7,777)	5,238	14,307	10,069
Prior Years	49,516	-	(8,179)	5,471	6,729	40,079
Total Prior	163,255	(7)	(24,103)	17,629	60,673	96,116
Total	<u>\$ 6,685,440</u>	<u>\$ 170,086</u>	<u>\$ (56,167)</u>	<u>\$ 20,898</u>	<u>\$ 6,241,569</u>	<u>\$ 238,515</u>

RECONCILIATION OF REVENUE:

Cash Collections by County Treasurer, Above	\$ 6,241,569
Accrual of Receivables	
June 30, 2022	961
June 30, 2021	(19,921)
Taxes in lieu	<u>94,218</u>
Total Revenue	<u>\$ 6,316,827</u>

NEWBERG SCHOOL DISTRICT

OTHER INFORMATION

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NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON

SUPPLEMENTAL INFORMATION
AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION
For the Year Ended June 30, 2022

A. ENERGY BILLS FOR HEATING - ALL FUNDS:

	Objects 325, 326 & 327
Function 2542	\$ 1,142,716
Function 2550	-
	<u>\$ 1,142,716</u>

B. REPLACEMENT FOR EQUIPMENT - General Fund: \$ 6,000

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

Exclude These Functions

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

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NEWBERG SCHOOL DISTRICT

REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS

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PAULY, ROGERS AND CO., P.C.
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December 14, 2022

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Newberg School District (the District) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 14, 2022. 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 its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of basic financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

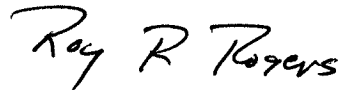
1. Expenditures of the various funds were within authorized appropriations except as noted on page 13 of this report.

OAR 162-10-0230 Internal Control

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

We noted three matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which are noted in the schedule of findings and questioned costs on pages 55-56.

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

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

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

**NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022**

Program Title	Pass Through Organization	Federal AL Number	Pass Through Entity Number	Period Covered	Expenditures
U.S. Department of Education:					
Title I Grants to Local Educational Agencies	Oregon Department of Education	84.010	58318	07/01/20-09/30/21	\$ 145,634
Title I Grants to Local Educational Agencies	Oregon Department of Education	84.010	67027	07/01/21-09/30/22	513,504
Total Title I Grants to Local Education Agencies					<u>659,138</u>
Title III - Language Instruction	Oregon Department of Education	84.365	58490	07/01/21-09/30/22	14,163
Title III - Language Instruction	Oregon Department of Education	84.365	67151	07/01/21-09/30/22	11,270
Total Title III - Language Instruction					<u>25,433</u>
Title IIA - Teacher Quality	Oregon Department of Education	84.367	67460	07/01/21-09/30/22	79,986
Total Title IIA - Teacher Quality					<u>79,986</u>
Title IV Student Support and Academic Enrichment	Oregon Department of Education	84.424	58621	07/01/21-09/30/22	998
Title IV Student Support and Academic Enrichment	Oregon Department of Education	84.424	66816	07/01/21-09/30/22	51,957
Total Title IV - Student Support					<u>52,955</u>
IDEA Part B Section 611 ARP	Oregon Department of Education	84.027	68432	07/01/21-09/30/22	93,412
IDEA Part B Section 611	Oregon Department of Education	84.027	68681	07/01/21-09/30/22	792,804
ORTII Participating District Grant	Oregon Department of Education	84.027	70166	09/01/21-08/30/22	10,725
IDEA -Preschool Grants	Oregon Department of Education	84.173	60540	07/01/21-09/30/22	4,999
Total Special Education Cluster					<u>901,940</u>
COVID-19 - Governors Emergency Ed	Oregon Department of Education	84.425C	60993	07/01/21-09/30/22	2,555
COVID-19 - Elem & Secondary Sch Emergency Relief Fund	Oregon Department of Education	84.425D	57865	03/13/20-09/30/22	459
COVID-19 - Elem & Secondary Sch Emergency Relief Fund	Oregon Department of Education	84.425D	64635	03/13/20-09/30/23	874,567
COVID-19 - Elem & Secondary Sch Emergency Relief Fund	Oregon Department of Education	84.425D	64940	03/13/20-09/30/23	1,047,005
COVID-19 - ARP Homeless Children & Youth	Oregon Department of Education	84.425	69372	04/23/21-09/30/24	21,849
Total Emergency Relief					<u>1,946,435</u>
Migrant Education - Summer School	Oregon Department of Education	84.011	WESD	07/01/21-09/30/22	109,551
Migrant Education - Summer School	Oregon Department of Education	84.011	WESD	07/01/21-09/30/22	232,716
Total Migrant Education					<u>342,267</u>
Total U.S. Department of Education					<u>4,008,154</u>
U.S. Department of Agriculture:					
CNP NSLP - Breakfast	Oregon Department of Education	10.553		07/01/21-06/30/22	508,110
CNP NSLP - Lunch	Oregon Department of Education	10.555		07/01/21-06/30/22	1,756,542
USDA NSLP COVID Sponsor Reimb	Oregon Department of Education	10.555		07/01/21-06/30/22	16,954
NSLP Supply Chain Assistance	Oregon Department of Education	10.555		07/01/21-06/30/22	83,138
Commodities	Oregon Department of Education	10.555		07/01/21-06/30/22	154,633
Summer Food	Oregon Department of Education	10.559		07/01/21-06/30/22	144,859
Commodities	Oregon Department of Education	10.559		07/01/21-06/30/22	5,110
Fresh Fruit and Vegetable Program	Oregon Department of Education	10.582	69612	07/01/21-06/30/22	28,395
Total Child Nutrition Cluster					<u>2,697,741</u>
CNP SNAP State and Local P-EBT FF FY 22	Oregon Department of Education	10.649		07/01/21-06/30/22	3,063
Total CNP SNAP State and Local P-EBT					<u>3,063</u>
Total U.S. Department of Agriculture					<u>2,700,804</u>
Total Grants Expended or Passed Through to Subrecipients					<u>6,708,958</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE					<u>\$ 6,708,958</u>
Reconciliation to Statement of Revenues, Expenses, and Changes in Fund Balances:					
Federal Expenditures Recognized					\$ 6,708,958
Accruals / Deferrals					(282,942)
Federal Revenue on Statement of Revenues, Expenses, and Changes in Fund Balances					<u>\$ 6,426,016</u>

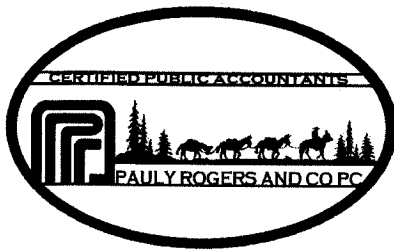
Passthrough column was excluded since no money was passed through to any subrecipients for any grant.

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NEWBERG SCHOOL DISTRICT

GRANT COMPLIANCE REVIEW

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December 14, 2022

To the Board of Directors
Newberg School District
Yamhill County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities and each major fund of Newberg School District (the District) as of and for the year ended June 30, 2022 and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-003 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

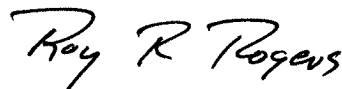
As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-003.

District's Response to Findings

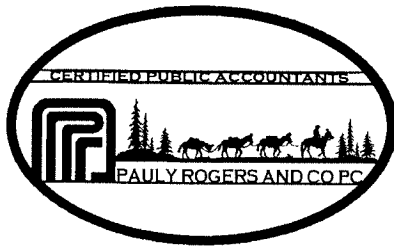
Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied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

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's 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 14, 2022

To the Board of Directors
Newberg School District
Yamhill 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 Newberg School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2022. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

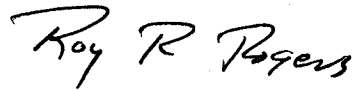
Report on Internal Control over Compliance

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

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

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

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

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

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

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**NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION I – SUMMARY OF AUDITORS' RESULTS

Basic Financial Statements

Type of Auditors' report issued:

Unmodified

Internal control over financial reporting:

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

Noncompliance material to basic financial statements noted?

 x Yes No

Any GAGAS audit findings disclosed that are required to be reported in
accordance with the Uniform Guidance?

 Yes x No

Federal Awards

Internal control over major programs:

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

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

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with the Uniform Guidance?

 Yes x No

**NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

IDENTIFICATION OF MAJOR PROGRAMS

AL Number(s):

84.425, 84.425C, 84.425D
10.553, 10.555, 10.559, 10.582

Name of Federal Program:

COVID-19, ESSER II, ESSER III
CHILD NUTRITION CLUSTER

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

Auditee qualified as low-risk auditee? x Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

2022-001 – Significant Deficiency – Valuation of Investments

Condition – We found that the District’s Zion Bank Investment account was not being adjusted to market value. This resulted in a \$7,990,358 impairment which was not recorded.

Criteria – Investment accounts should be periodically reviewed for impairment, and when applicable, adjusted to market value.

Effect – Without periodic review and account adjustments, there is a higher risk of investments being materially misstated.

Cause – The District did not have procedures in place to periodically review and adjust the investment account to market value.

Recommendation – We recommend that the District implement a procedure to periodically review for and adjust investment account to market value.

Management’s Response – The District will be implementing a procedure to mitigate impairment through periodic adjustments to market value.

2022-002 – Significant Deficiency – Recording of Grant Revenue

Condition – Reimbursement journal entries were incorrectly recorded leading to a misstatement of revenue. Entries were not corrected through a review process.

Criteria – All manual entries should be reviewed by someone who is not the preparer before they are recorded.

Effect – Without a review process, a breakdown in internal controls may occur which can lead to material misstatement of revenue.

Cause – The District experienced significant employee turnover during the year under audit.

Recommendations – We recommend that all journal entries are reviewed and approved by someone other than the preparer before they are recorded.

Management’s Response – The District has new business office administrators that are implementing new internal review procedures.

**NEWBERG SCHOOL DISTRICT
NEWBERG, OREGON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2022-003 – Significant Deficiency – Land Acquisition

Condition - During the course of the audit we found that the District had not recorded the following items related to a land acquisition. The District failed to record the related Full Faith and Credit issuance, the local donation revenue, and the capital outlay expense related to the land acquisition leading to a misstatement of revenue and expenses.

Criteria - Management is solely responsible for producing accurate financial statement information for the audit. The business office should be able to produce accurate financial information without relying on the independent auditors' report to disclose these matters.

Effect - Without proper controls over the accuracy of the financial statement information and working trial balances, there exists the likelihood of material misstatements to the financial statements.

Cause - The District experienced significant employee turnover during the year under audit.

Recommendation - We recommend the District implement additional controls to ensure accurate coding and presentation of land acquisitions and their related items.

Management's Response – The District has new business office administrators that are implementing new internal review procedures.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

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Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2023-2024 From Date:7/1/2023 To Date:7/31/2023

Account Mask: ????????????????????

Account Type: REVENUE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / OBJECT	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Used
100 - GENERAL FUND						
1100 - TAXES	(\$20,300,000.00)	\$0.00	\$0.00	\$0.00	(\$20,300,000.00)	0.00%
1500 - EARNINGS ON INVESTMENTS	(\$200,000.00)	\$0.00	\$0.00	\$0.00	(\$200,000.00)	0.00%
1700 - EXTRACURRICULAR ACTIVITIE	(\$100,000.00)	\$0.00	\$0.00	\$0.00	(\$100,000.00)	0.00%
1900 - OTH REV LOCAL SOURCES	(\$610,000.00)	\$0.00	\$0.00	\$0.00	(\$610,000.00)	0.00%
2100 - UNRESTRICTED REVENUE	(\$1,024,500.00)	\$0.00	\$0.00	\$0.00	(\$1,024,500.00)	0.00%
3100 - UNRESTRICTED STATE GRANTS	(\$33,519,861.49)	(\$5,393,511.00)	(\$5,393,511.00)	\$0.00	(\$28,126,350.49)	16.09%
3200 - OTHER ENTERPRISE SERVICES	(\$25,000.00)	\$0.00	\$0.00	\$0.00	(\$25,000.00)	0.00%
5200 - INTERFUND TRANSFERS	(\$700,000.00)	\$0.00	\$0.00	\$0.00	(\$700,000.00)	0.00%
5300 - SALE COMP LOSS FXD ASSETS	(\$50,000.00)	(\$286.50)	(\$286.50)	\$0.00	(\$49,713.50)	0.57%
5400 - RESOURCES BEG FUND BAL	(\$8,500,000.00)	\$0.00	\$0.00	\$0.00	(\$8,500,000.00)	0.00%
100 - GENERAL FUND Total:	(\$65,029,361.49)	(\$5,393,797.50)	(\$5,393,797.50)	\$0.00	(\$59,635,563.99)	8.29%
201 - FEDERAL GRANTS						
4500 - RESTR REV FED GOV TO STAT	(\$4,913,511.03)	\$0.00	\$0.00	\$0.00	(\$4,913,511.03)	0.00%
201 - FEDERAL GRANTS Total:	(\$4,913,511.03)	\$0.00	\$0.00	\$0.00	(\$4,913,511.03)	0.00%
202 - SPECIAL REVENUE						
1900 - OTH REV LOCAL SOURCES	(\$47,000.00)	(\$2,632.88)	(\$2,632.88)	\$0.00	(\$44,367.12)	5.60%
5400 - RESOURCES BEG FUND BAL	(\$255,762.00)	\$0.00	\$0.00	\$0.00	(\$255,762.00)	0.00%
202 - SPECIAL REVENUE Total:	(\$302,762.00)	(\$2,632.88)	(\$2,632.88)	\$0.00	(\$300,129.12)	0.87%
203 - PERS RESERVE FUND						
5400 - RESOURCES BEG FUND BAL	(\$700,000.00)	\$0.00	\$0.00	\$0.00	(\$700,000.00)	0.00%
203 - PERS RESERVE FUND Total:	(\$700,000.00)	\$0.00	\$0.00	\$0.00	(\$700,000.00)	0.00%
204 - STUDENT BODY FUNDS						
1700 - EXTRACURRICULAR ACTIVITIE	(\$1,280,000.00)	\$0.00	\$0.00	\$0.00	(\$1,280,000.00)	0.00%
1800 - COMMUNITY SVCS ACTIVITIES	(\$15,000.00)	\$0.00	\$0.00	\$0.00	(\$15,000.00)	0.00%
1900 - OTH REV LOCAL SOURCES	(\$250,000.00)	\$0.00	\$0.00	\$0.00	(\$250,000.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$779,000.00)	\$0.00	\$0.00	\$0.00	(\$779,000.00)	0.00%
204 - STUDENT BODY FUNDS Total:	(\$2,324,000.00)	\$0.00	\$0.00	\$0.00	(\$2,324,000.00)	0.00%
206 - SCHOLARSHIPS						
1500 - EARNINGS ON INVESTMENTS	(\$2,500.00)	\$0.00	\$0.00	\$0.00	(\$2,500.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$164,145.00)	\$0.00	\$0.00	\$0.00	(\$164,145.00)	0.00%
206 - SCHOLARSHIPS Total:	(\$166,645.00)	\$0.00	\$0.00	\$0.00	(\$166,645.00)	0.00%
251 - SIA						
3200 - OTHER ENTERPRISE SERVICES	(\$3,634,500.00)	\$0.00	\$0.00	\$0.00	(\$3,634,500.00)	0.00%

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2023-2024 From Date: 7/1/2023 To Date: 7/31/2023

Account Mask: ????????????????????

Account Type: REVENUE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / OBJECT	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Used
5400 - RESOURCES BEG FUND BAL	(\$302,709.96)	\$0.00	\$0.00	\$0.00	(\$302,709.96)	0.00%
251 - SIA Total:	(\$3,937,209.96)	\$0.00	\$0.00	\$0.00	(\$3,937,209.96)	0.00%
252 - HIGH SCHOOL SUCCESS						
3200 - OTHER ENTERPRISE SERVICES	(\$1,317,779.76)	\$0.00	\$0.00	\$0.00	(\$1,317,779.76)	0.00%
252 - HIGH SCHOOL SUCCESS Total:	(\$1,317,779.76)	\$0.00	\$0.00	\$0.00	(\$1,317,779.76)	0.00%
260 - STATE & LOCAL GRANTS						
3200 - OTHER ENTERPRISE SERVICES	(\$202,500.00)	\$0.00	\$0.00	\$0.00	(\$202,500.00)	0.00%
260 - STATE & LOCAL GRANTS Total:	(\$202,500.00)	\$0.00	\$0.00	\$0.00	(\$202,500.00)	0.00%
270 - PRIVATE DONATIONS						
1900 - OTH REV LOCAL SOURCES	(\$100,000.00)	\$0.00	\$0.00	\$0.00	(\$100,000.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$985,613.14)	\$0.00	\$0.00	\$0.00	(\$985,613.14)	0.00%
270 - PRIVATE DONATIONS Total:	(\$1,085,613.14)	\$0.00	\$0.00	\$0.00	(\$1,085,613.14)	0.00%
299 - NUTRITION SERVICES						
1600 - FOOD SERVICE	(\$616,600.00)	\$0.00	\$0.00	\$0.00	(\$616,600.00)	0.00%
1900 - OTH REV LOCAL SOURCES	(\$2,000.00)	\$0.00	\$0.00	\$0.00	(\$2,000.00)	0.00%
3100 - UNRESTRICTED STATE GRANTS	(\$19,000.00)	\$0.00	\$0.00	\$0.00	(\$19,000.00)	0.00%
3200 - OTHER ENTERPRISE SERVICES	(\$58,000.00)	\$0.00	\$0.00	\$0.00	(\$58,000.00)	0.00%
4500 - RESTR REV FED GOV TO STAT	(\$1,267,000.00)	\$0.00	\$0.00	\$0.00	(\$1,267,000.00)	0.00%
4900 - REVENUE ON BEHALF OF DIST	(\$147,196.00)	\$0.00	\$0.00	\$0.00	(\$147,196.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$300,000.00)	\$0.00	\$0.00	\$0.00	(\$300,000.00)	0.00%
299 - NUTRITION SERVICES Total:	(\$2,409,796.00)	\$0.00	\$0.00	\$0.00	(\$2,409,796.00)	0.00%
301 - PERS BOND 2003						
1500 - EARNINGS ON INVESTMENTS	(\$7,570.00)	\$0.00	\$0.00	\$0.00	(\$7,570.00)	0.00%
1900 - OTH REV LOCAL SOURCES	(\$3,950,000.00)	(\$53,625.28)	(\$53,625.28)	\$0.00	(\$3,896,374.72)	1.36%
5400 - RESOURCES BEG FUND BAL	(\$1,478,816.00)	\$0.00	\$0.00	\$0.00	(\$1,478,816.00)	0.00%
301 - PERS BOND 2003 Total:	(\$5,436,386.00)	(\$53,625.28)	(\$53,625.28)	\$0.00	(\$5,382,760.72)	0.99%
302 - DEBT SERVICE SMALL SCALE ENERGY LOAN						
1900 - OTH REV LOCAL SOURCES	(\$100,000.00)	\$0.00	\$0.00	\$0.00	(\$100,000.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$210,000.00)	\$0.00	\$0.00	\$0.00	(\$210,000.00)	0.00%
302 - DEBT SERVICE SMALL SCALE ENERGY LOAN Total:	(\$310,000.00)	\$0.00	\$0.00	\$0.00	(\$310,000.00)	0.00%
303 - DEBT SERVICES 2021 GO BOND						
1100 - TAXES	(\$6,250,000.00)	\$0.00	\$0.00	\$0.00	(\$6,250,000.00)	0.00%
1500 - EARNINGS ON INVESTMENTS	(\$20,000.00)	\$0.00	\$0.00	\$0.00	(\$20,000.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$700,000.00)	\$0.00	\$0.00	\$0.00	(\$700,000.00)	0.00%
303 - DEBT SERVICES 2021 GO BOND Total:	(\$6,970,000.00)	\$0.00	\$0.00	\$0.00	(\$6,970,000.00)	0.00%

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2023-2024 From Date:7/1/2023 To Date:7/31/2023

Account Mask: ????????????????????

Account Type: REVENUE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / OBJECT	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Used
304 - DEBT SERVICES DUNDEE PROPERTY						
5200 - INTERFUND TRANSFERS	(\$31,000.00)	\$0.00	\$0.00	\$0.00	(\$31,000.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$19,025.00)	\$0.00	\$0.00	\$0.00	(\$19,025.00)	0.00%
304 - DEBT SERVICES DUNDEE PROPERTY Total:	(\$50,025.00)	\$0.00	\$0.00	\$0.00	(\$50,025.00)	0.00%
410 - CAPITAL PROJECTS						
1500 - EARNINGS ON INVESTMENTS	(\$800,000.00)	(\$88,719.33)	(\$88,719.33)	\$0.00	(\$711,280.67)	11.09%
5400 - RESOURCES BEG FUND BAL	(\$75,026,040.00)	\$0.00	\$0.00	\$0.00	(\$75,026,040.00)	0.00%
410 - CAPITAL PROJECTS Total:	(\$75,826,040.00)	(\$88,719.33)	(\$88,719.33)	\$0.00	(\$75,737,320.67)	0.12%
415 - CONSTRUCTION EXCISE TAX						
1100 - TAXES	(\$500,000.00)	\$0.00	\$0.00	\$0.00	(\$500,000.00)	0.00%
1500 - EARNINGS ON INVESTMENTS	(\$10,000.00)	\$0.00	\$0.00	\$0.00	(\$10,000.00)	0.00%
5400 - RESOURCES BEG FUND BAL	(\$1,357,823.00)	\$0.00	\$0.00	\$0.00	(\$1,357,823.00)	0.00%
415 - CONSTRUCTION EXCISE TAX Total:	(\$1,867,823.00)	\$0.00	\$0.00	\$0.00	(\$1,867,823.00)	0.00%
Grand Total:	(\$172,849,452.38)	(\$5,538,774.99)	(\$5,538,774.99)	\$0.00	(\$167,310,677.39)	3.20%

End of Report

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2023-2024 From Date:7/1/2023 To Date:7/31/2023

Account Mask: ????????????????????

Account Type: EXPENDITURE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / FUNCTION	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Remains
100 - GENERAL FUND						
1000 - INSTRUCTION	\$36,994,261.55	\$16,610.89	\$16,610.89	\$30,883,334.06	\$6,094,316.60	16.47%
2000 - SUPPORT SERVICES	\$24,043,869.63	\$1,405,143.63	\$1,405,143.63	\$13,511,809.53	\$9,126,916.47	37.96%
5000 - OTHER USES	\$31,000.00	\$0.00	\$0.00	\$0.00	\$31,000.00	100.00%
6000 - CONTINGENCIES	\$1,130,000.00	\$0.00	\$0.00	\$0.00	\$1,130,000.00	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$2,830,230.31	\$0.00	\$0.00	\$0.00	\$2,830,230.31	100.00%
100 - GENERAL FUND Total:	\$65,029,361.49	\$1,421,754.52	\$1,421,754.52	\$44,395,143.59	\$19,212,463.38	29.54%
201 - FEDERAL GRANTS						
1000 - INSTRUCTION	\$1,399,545.57	\$75,993.46	\$75,993.46	\$1,403,420.11	(\$79,868.00)	-5.71%
2000 - SUPPORT SERVICES	\$3,475,550.46	\$148,888.66	\$148,888.66	\$711,793.90	\$2,614,867.90	75.24%
3000 - ENTERPRISE/COMMUNITY SRVS	\$14,508.00	\$0.00	\$0.00	\$0.00	\$14,508.00	100.00%
201 - FEDERAL GRANTS Total:	\$4,889,604.03	\$224,882.12	\$224,882.12	\$2,115,214.01	\$2,549,507.90	52.14%
202 - SPECIAL REVENUE						
1000 - INSTRUCTION	\$45,000.00	\$0.00	\$0.00	\$0.00	\$45,000.00	100.00%
2000 - SUPPORT SERVICES	\$257,762.00	\$361.50	\$361.50	\$0.00	\$257,400.50	99.86%
202 - SPECIAL REVENUE Total:	\$302,762.00	\$361.50	\$361.50	\$0.00	\$302,400.50	99.88%
203 - PERS RESERVE FUND						
5000 - OTHER USES	\$700,000.00	\$0.00	\$0.00	\$0.00	\$700,000.00	100.00%
203 - PERS RESERVE FUND Total:	\$700,000.00	\$0.00	\$0.00	\$0.00	\$700,000.00	100.00%
204 - STUDENT BODY FUNDS						
1000 - INSTRUCTION	\$699,192.51	\$4,787.81	\$4,787.81	\$14,029.10	\$680,375.60	97.31%
7000 - UNAPPROPRIATED ENDING BAL	\$213,807.49	\$0.00	\$0.00	\$0.00	\$213,807.49	100.00%
204 - STUDENT BODY FUNDS Total:	\$913,000.00	\$4,787.81	\$4,787.81	\$14,029.10	\$894,183.09	97.94%
206 - SCHOLARSHIPS						
1000 - INSTRUCTION	\$2,000.00	\$0.00	\$0.00	\$0.00	\$2,000.00	100.00%
3000 - ENTERPRISE/COMMUNITY SRVS	\$8,000.00	\$0.00	\$0.00	\$0.00	\$8,000.00	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$156,645.00	\$0.00	\$0.00	\$0.00	\$156,645.00	100.00%
206 - SCHOLARSHIPS Total:	\$166,645.00	\$0.00	\$0.00	\$0.00	\$166,645.00	100.00%
251 - SIA						
1000 - INSTRUCTION	\$2,347,264.31	\$0.00	\$0.00	\$1,947,009.66	\$400,254.65	17.05%
2000 - SUPPORT SERVICES	\$1,589,945.65	\$150,379.74	\$150,379.74	\$1,282,776.53	\$156,789.38	9.86%
251 - SIA Total:	\$3,937,209.96	\$150,379.74	\$150,379.74	\$3,229,786.19	\$557,044.03	14.15%
252 - HIGH SCHOOL SUCCESS						
1000 - INSTRUCTION	\$1,242,914.86	\$30,986.68	\$30,986.68	\$1,263,398.29	(\$51,470.11)	-4.14%

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2023-2024 From Date:7/1/2023 To Date:7/31/2023

Account Mask: ????????????????????

Account Type: EXPENDITURE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / FUNCTION	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Remains
2000 - SUPPORT SERVICES	\$74,864.90	\$0.00	\$0.00	\$72,262.07	\$2,602.83	3.48%
252 - HIGH SCHOOL SUCCESS Total:	\$1,317,779.76	\$30,986.68	\$30,986.68	\$1,335,660.36	(\$48,867.28)	-3.71%
260 - STATE & LOCAL GRANTS						
1000 - INSTRUCTION	\$116,500.00	\$909.00	\$909.00	\$0.00	\$115,591.00	99.22%
2000 - SUPPORT SERVICES	\$83,000.00	\$0.00	\$0.00	\$0.00	\$83,000.00	100.00%
260 - STATE & LOCAL GRANTS Total:	\$199,500.00	\$909.00	\$909.00	\$0.00	\$198,591.00	99.54%
270 - PRIVATE DONATIONS						
1000 - INSTRUCTION	\$496,366.14	\$0.00	\$0.00	\$125,362.54	\$371,003.60	74.74%
2000 - SUPPORT SERVICES	\$264,247.00	\$0.00	\$0.00	\$0.00	\$264,247.00	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$300,000.00	\$0.00	\$0.00	\$0.00	\$300,000.00	100.00%
270 - PRIVATE DONATIONS Total:	\$1,060,613.14	\$0.00	\$0.00	\$125,362.54	\$935,250.60	88.18%
299 - NUTRITION SERVICES						
3000 - ENTERPRISE/COMMUNITY SRVS	\$2,409,796.00	\$39,560.47	\$39,560.47	\$1,087,572.31	\$1,282,663.22	53.23%
299 - NUTRITION SERVICES Total:	\$2,409,796.00	\$39,560.47	\$39,560.47	\$1,087,572.31	\$1,282,663.22	53.23%
301 - PERS BOND 2003						
5000 - OTHER USES	\$4,462,565.50	\$0.00	\$0.00	\$0.00	\$4,462,565.50	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$973,820.50	\$0.00	\$0.00	\$0.00	\$973,820.50	100.00%
301 - PERS BOND 2003 Total:	\$5,436,386.00	\$0.00	\$0.00	\$0.00	\$5,436,386.00	100.00%
302 - DEBT SERVICE SMALL SCALE ENERGY LOAN						
5000 - OTHER USES	\$85,000.00	\$21,081.00	\$21,081.00	\$63,243.00	\$676.00	0.80%
7000 - UNAPPROPRIATED ENDING BAL	\$225,000.00	\$0.00	\$0.00	\$0.00	\$225,000.00	100.00%
302 - DEBT SERVICE SMALL SCALE ENERGY LOAN Total:	\$310,000.00	\$21,081.00	\$21,081.00	\$63,243.00	\$225,676.00	72.80%
303 - DEBT SERVICES 2021 GO BOND						
5000 - OTHER USES	\$6,585,000.00	\$0.00	\$0.00	\$0.00	\$6,585,000.00	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$385,000.00	\$0.00	\$0.00	\$0.00	\$385,000.00	100.00%
303 - DEBT SERVICES 2021 GO BOND Total:	\$6,970,000.00	\$0.00	\$0.00	\$0.00	\$6,970,000.00	100.00%
304 - DEBT SERVICES DUNDEE PROPERTY						
5000 - OTHER USES	\$50,025.00	\$0.00	\$0.00	\$0.00	\$50,025.00	100.00%
304 - DEBT SERVICES DUNDEE PROPERTY Total:	\$50,025.00	\$0.00	\$0.00	\$0.00	\$50,025.00	100.00%
410 - CAPITAL PROJECTS						
2000 - SUPPORT SERVICES	\$231,801.06	\$18,891.61	\$18,891.61	\$209,374.82	\$3,534.63	1.52%
4000 - FACILITIES ACQ & CONSTRCT	\$75,594,238.94	\$10,179.92	\$10,179.92	\$66,725,111.91	\$8,858,947.11	11.72%
410 - CAPITAL PROJECTS Total:	\$75,826,040.00	\$29,071.53	\$29,071.53	\$66,934,486.73	\$8,862,481.74	11.69%
415 - CONSTRUCTION EXCISE TAX						
2000 - SUPPORT SERVICES	\$400,000.00	\$0.00	\$0.00	\$0.00	\$400,000.00	100.00%

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2023-2024 From Date:7/1/2023 To Date:7/31/2023

Account Mask: ????????????????????

Account Type: EXPENDITURE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / FUNCTION

Adjusted Budget

Range To Date

Year To Date

Encumbrance

Budget Balance

Percent Remains

4000 - FACILITIES ACQ & CONSTRCT	\$1,467,823.00	\$0.00	\$0.00	\$0.00	\$1,467,823.00	100.00%
415 - CONSTRUCTION EXCISE TAX Total:	\$1,867,823.00	\$0.00	\$0.00	\$0.00	\$1,867,823.00	100.00%
Grand Total:	\$171,386,545.38	\$1,923,774.37	\$1,923,774.37	\$119,300,497.83	\$50,162,273.18	29.27%

End of Report

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2022-2023 From Date:6/1/2023 To Date:6/30/2023

Account Mask: ????????????????????

Account Type: EXPENDITURE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / FUNCTION	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Remains
100 - GENERAL FUND						
1000 - INSTRUCTION	\$34,075,930.00	\$8,193,174.93	\$33,067,132.92	\$118,326.14	\$890,470.94	2.61%
2000 - SUPPORT SERVICES	\$22,369,795.00	\$3,540,079.75	\$21,028,301.29	\$512,661.73	\$828,831.98	3.71%
3000 - ENTERPRISE/COMMUNITY SRVS	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00	100.00%
5000 - OTHER USES	\$13,500.00	\$13,054.61	\$13,054.61	\$0.00	\$445.39	3.30%
6000 - CONTINGENCIES	\$1,050,000.00	\$0.00	\$0.00	\$0.00	\$1,050,000.00	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$2,630,000.00	\$0.00	\$0.00	\$0.00	\$2,630,000.00	100.00%
100 - GENERAL FUND Total:	\$60,141,725.00	\$11,746,309.29	\$54,108,488.82	\$630,987.87	\$5,402,248.31	8.98%
201 - FEDERAL GRANTS						
1000 - INSTRUCTION	\$3,017,095.00	\$288,035.21	\$2,891,852.79	\$28,302.71	\$96,939.50	3.21%
2000 - SUPPORT SERVICES	\$6,929,532.00	\$1,267,587.15	\$2,792,723.42	\$13,650.00	\$4,123,158.58	59.50%
3000 - ENTERPRISE/COMMUNITY SRVS	\$17,008.00	\$0.00	\$0.00	\$0.00	\$17,008.00	100.00%
201 - FEDERAL GRANTS Total:	\$9,963,635.00	\$1,555,622.36	\$5,684,576.21	\$41,952.71	\$4,237,106.08	42.53%
202 - SPECIAL REVENUE						
1000 - INSTRUCTION	\$45,000.00	\$0.00	\$0.00	\$0.00	\$45,000.00	100.00%
2000 - SUPPORT SERVICES	\$242,000.00	\$147.00	\$8,875.64	\$0.00	\$233,124.36	96.33%
202 - SPECIAL REVENUE Total:	\$287,000.00	\$147.00	\$8,875.64	\$0.00	\$278,124.36	96.91%
203 - PERS RESERVE FUND						
7000 - UNAPPROPRIATED ENDING BAL	\$800,000.00	\$0.00	\$0.00	\$0.00	\$800,000.00	100.00%
203 - PERS RESERVE FUND Total:	\$800,000.00	\$0.00	\$0.00	\$0.00	\$800,000.00	100.00%
204 - STUDENT BODY FUNDS						
1000 - INSTRUCTION	\$676,000.00	\$7,239.31	\$161,170.13	\$23,289.11	\$491,540.76	72.71%
7000 - UNAPPROPRIATED ENDING BAL	\$219,000.00	\$0.00	\$0.00	\$0.00	\$219,000.00	100.00%
204 - STUDENT BODY FUNDS Total:	\$895,000.00	\$7,239.31	\$161,170.13	\$23,289.11	\$710,540.76	79.39%
206 - SCHOLARSHIPS						
1000 - INSTRUCTION	\$2,000.00	\$0.00	\$0.00	\$0.00	\$2,000.00	100.00%
3000 - ENTERPRISE/COMMUNITY SRVS	\$8,000.00	\$0.00	\$0.00	\$0.00	\$8,000.00	100.00%
7000 - UNAPPROPRIATED ENDING BAL	\$151,500.00	\$0.00	\$0.00	\$0.00	\$151,500.00	100.00%
206 - SCHOLARSHIPS Total:	\$161,500.00	\$0.00	\$0.00	\$0.00	\$161,500.00	100.00%
251 - SIA						
1000 - INSTRUCTION	\$2,094,409.00	\$456,113.21	\$1,844,712.30	\$1,995.65	\$247,701.05	11.83%
2000 - SUPPORT SERVICES	\$1,614,000.00	\$353,906.18	\$1,665,698.93	\$22,795.00	(\$74,493.93)	-4.62%
251 - SIA Total:	\$3,708,409.00	\$810,019.39	\$3,510,411.23	\$24,790.65	\$173,207.12	4.67%
252 - HIGH SCHOOL SUCCESS						

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2022-2023 From Date: 6/1/2023 To Date: 6/30/2023

Account Mask: ????????????????????

Account Type: EXPENDITURE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / FUNCTION	Adjusted Budget	Range To Date	Year To Date	Encumbrance	Budget Balance	Percent Remains
1000 - INSTRUCTION	\$949,808.00	\$405,065.83	\$1,282,407.22	\$7,716.04	(\$340,315.26)	-35.83%
2000 - SUPPORT SERVICES	\$361,000.00	\$17,240.84	\$69,118.83	\$875.81	\$291,005.36	80.61%
252 - HIGH SCHOOL SUCCESS Total:	\$1,310,808.00	\$422,306.67	\$1,351,526.05	\$8,591.85	(\$49,309.90)	-3.76%
260 - STATE & LOCAL GRANTS						
1000 - INSTRUCTION	\$898,285.00	\$55,432.72	\$643,039.01	\$4,971.74	\$250,274.25	27.86%
2000 - SUPPORT SERVICES	\$415,500.00	\$43,667.11	\$663,356.22	\$20,655.26	(\$268,511.48)	-64.62%
3000 - ENTERPRISE/COMMUNITY SRVS	\$0.00	\$0.00	\$43,200.00	\$0.00	(\$43,200.00)	100.00%
260 - STATE & LOCAL GRANTS Total:	\$1,313,785.00	\$99,099.83	\$1,349,595.23	\$25,627.00	(\$61,437.23)	-4.68%
270 - PRIVATE DONATIONS						
1000 - INSTRUCTION	\$671,400.00	\$22,274.34	\$225,573.52	\$795.80	\$445,030.68	66.28%
2000 - SUPPORT SERVICES	\$112,000.00	\$1,235.92	\$14,533.87	\$125.50	\$97,340.63	86.91%
7000 - UNAPPROPRIATED ENDING BAL	\$300,000.00	\$0.00	\$0.00	\$0.00	\$300,000.00	100.00%
270 - PRIVATE DONATIONS Total:	\$1,083,400.00	\$23,510.26	\$240,107.39	\$921.30	\$842,371.31	77.75%
299 - NUTRITION SERVICES						
3000 - ENTERPRISE/COMMUNITY SRVS	\$2,409,796.00	\$355,771.11	\$1,934,173.78	\$6,700.78	\$468,921.44	19.46%
299 - NUTRITION SERVICES Total:	\$2,409,796.00	\$355,771.11	\$1,934,173.78	\$6,700.78	\$468,921.44	19.46%
300 - DEBT SERVICE						
7000 - UNAPPROPRIATED ENDING BAL	\$581,975.00	\$0.00	\$0.00	\$0.00	\$581,975.00	100.00%
300 - DEBT SERVICE Total:	\$581,975.00	\$0.00	\$0.00	\$0.00	\$581,975.00	100.00%
301 - PERS BOND 2003						
5000 - OTHER USES	\$4,257,570.00	\$3,733,782.75	\$4,257,566.30	\$0.00	\$3.70	0.00%
301 - PERS BOND 2003 Total:	\$4,257,570.00	\$3,733,782.75	\$4,257,566.30	\$0.00	\$3.70	0.00%
302 - DEBT SERVICE SMALL SCALE ENERGY LOAN						
5000 - OTHER USES	\$85,000.00	\$0.00	\$91,351.00	\$0.00	(\$6,351.00)	-7.47%
302 - DEBT SERVICE SMALL SCALE ENERGY LOAN Total:	\$85,000.00	\$0.00	\$91,351.00	\$0.00	(\$6,351.00)	-7.47%
303 - DEBT SERVICES 2021 GO BOND						
5000 - OTHER USES	\$6,155,000.00	\$0.00	\$4,232,819.01	\$0.00	\$1,922,180.99	31.23%
303 - DEBT SERVICES 2021 GO BOND Total:	\$6,155,000.00	\$0.00	\$4,232,819.01	\$0.00	\$1,922,180.99	31.23%
304 - DEBT SERVICES DUNDEE PROPERTY						
5000 - OTHER USES	\$50,025.00	\$0.00	\$50,025.00	\$0.00	\$0.00	0.00%
304 - DEBT SERVICES DUNDEE PROPERTY Total:	\$50,025.00	\$0.00	\$50,025.00	\$0.00	\$0.00	0.00%
410 - CAPITAL PROJECTS						
2000 - SUPPORT SERVICES	\$168,551.00	\$17,438.46	\$126,793.80	\$0.00	\$41,757.20	24.77%
4000 - FACILITIES ACQ & CONSTRCT	\$165,457,489.00	\$16,495,871.54	\$76,492,402.61	\$64,350,071.65	\$24,615,014.74	14.88%
410 - CAPITAL PROJECTS Total:	\$165,626,040.00	\$16,513,310.00	\$76,619,196.41	\$64,350,071.65	\$24,656,771.94	14.89%

Newberg Public Schools

General Ledger - Element Summary Report

Fiscal Year: 2022-2023 From Date: 6/1/2023 To Date: 6/30/2023

Account Mask: ????????????????????

Account Type: EXPENDITURE

☐ Print accounts with zero balance

☐ Include Inactive Accounts

☐ Include PreEncumbrance

FUND / FUNCTION

Adjusted Budget

Range To Date

Year To Date

Encumbrance

Budget Balance

Percent Remains

415 - CONSTRUCTION EXCISE TAX

2000 - SUPPORT SERVICES	\$1,000,000.00	\$0.00	\$0.00	\$0.00	\$1,000,000.00	100.00%
4000 - FACILITIES ACQ & CONSTRCT	\$910,000.00	\$0.00	\$546,893.98	\$0.00	\$363,106.02	39.90%
415 - CONSTRUCTION EXCISE TAX Total:	\$1,910,000.00	\$0.00	\$546,893.98	\$0.00	\$1,363,106.02	71.37%
Grand Total:	\$260,740,668.00	\$35,267,117.97	\$154,146,776.18	\$65,112,932.92	\$41,480,958.90	15.91%

End of Report



Antonia Crater

Dundee

Trevor DeHart

Edwards

Renee Powell

Ewing Young

Joan Austin

Mabel Rush

Chehalem Valley

Mountain View

Catalyst

NHS

All Board Members



Newberg School District 29J
Board Meeting Date: August, 8th 2023

ITEM: Dundee Elementary PGE Easement
PRESENTER: Chair Nancy Woodward

ACTION

Accept the Dundee Elementary PGE Easement R3336 00100 / 82984 with Portland General Electric.

RECOMMENDATION:

Move that the Newberg School District Board of Directors approve the Dundee Elementary School PGE Easement, as presented.



After Recording Please Return To:
Portland General Electric Company
Attn: Property Services
121 SW Salmon Street, 1WTC1302
Portland, Oregon 97204-9951

Grantor's Mailing Address:
County of Yamhill School District 29J
714 E. 6th Street
Newberg, OR 97132

(Space above this line for Recorder's use)

Grantor: **County of Yamhill School District 29J**

Grantee: **Portland General Electric Company**

APN/APN2: **R3336 00100 / 82984**

PGE UTILITY EASEMENT

For good and valuable consideration the current receipt, reasonable equivalence, and sufficiency of which is hereby acknowledged by **COUNTY OF YAMHILL SCHOOL DISTRICT 29J** ("**Grantor**") hereby grants, conveys and warrants to **PORTLAND GENERAL ELECTRIC COMPANY**, an Oregon corporation, and its successors and assigns ("**Grantee**"), a nonexclusive, perpetual easement and right-of-way (the "**Easement**") over, under, upon, through and across the real property situated in Yamhill County, Oregon as further described in Exhibit "A" attached hereto (the "**Property**").

The Easement shall affect an easement area approximately Ten (10) feet in width, extending Five (5) feet on each side of a center line of Grantee's Systems (as defined herein) located as currently existing, constructed and/or to be constructed, extended or relocated on the Property, except to the extent of those portions of the Property, if any, occupied by existing building footings, foundations, aboveground improvements and/or subsurface structures on the effective date hereof (the "**Easement Area**"). As used herein, the term "**Systems**" shall include a variable number of wires, circuits, and all appurtenances, equipment, structures, poles, guys, anchors, transformers, and facilities as Grantee deems necessary or convenient for the operation and maintenance of such Systems and for the purpose of transmission, distribution, and sale of electricity and communication.

Grantee's Rights. Grantee shall have the right to enter upon and use the Easement Area to plan, survey, construct, inspect, operate, maintain, repair, replace, improve, relocate, remove, and enlarge one or more Systems and the right to derive income therefrom, together with all rights, uses, and privileges directly or indirectly necessary or convenient for the full enjoyment, use, and exercise of Grantee's rights under the Easement, doing all such acts or things on the Easement Area, and all works necessary or appurtenances

ancillary, including but not limited to, the right to provide, maintain, and protect quality habitat for aquatic, terrestrial, and avian wildlife, and the right of ingress to and egress from, along and upon said Easement Area and over and across the Property and Grantor's adjoining property interests, in connection with or related to all or any portion of the foregoing. Grantee shall have the right to make changes in grade, elevation or contour of the land within the Easement Area, and to cut away and keep clear, prevent the construction or placement, remove, level, and/or dispose of all obstructions, structures, natural features, trees, vegetation and/or undergrowth, on, under, along or above the Easement Area (although Grantee may leave any of the foregoing on the Easement Area), which, in the sole judgment of Grantee, may endanger or interfere with the efficiency, safety, and/or convenient use, enjoyment, or exercise of Grantee's rights under the Easement or which is necessary for the protection from fire, natural disaster, terrorism, theft, vandalism, and other similar hazards. No right of Grantee hereunder shall lapse or be waived in the event Grantee fails to use the Easement, or any portion thereof, on a continuous basis.

Existing Systems. In addition to the Easement granted hereby, Grantor hereby confirms and ratifies all of Grantee's Systems currently located on the Property and, to the extent not previously conveyed to Grantee, hereby grants and conveys to Grantee a nonexclusive, perpetual easement and right-of-way with respect to such currently located Systems upon the terms and conditions set forth herein.

Grantor's Use. Grantor shall have the right to use the Easement Area for all purposes, provided that such use is not deemed by Grantee to interfere with the use, enjoyment, or exercise by Grantee of any rights under the Easement. If Grantee is required to modify the Easement or relocate the Easement Area or Systems because of any Grantor use of and/or condition of the Property, the cost associated with such relocation or modification shall be the responsibility of Grantor. Notwithstanding the rights granted to Grantee hereunder, above-ground maintenance of the Property subject to this Easement (excluding the Systems) shall be the responsibility and at the expense of Grantor, including, but not limited to, irrigation, grass mowing, and vegetation and erosion control.

Grantor Representations and Warranties. Grantor represents, covenants, and warrants to Grantee that Grantor is lawfully seized in fee simple title to the Property; that Grantor has the legal right and authority to grant this Easement and that no other party has an ownership interest in the Property or any portion thereof (including the associated timber, water, and mineral rights) that will limit or interfere with Grantee's rights hereunder whatsoever; and that the execution and performance of this Easement by Grantor is duly authorized.

Required Actions/Necessary Documents. Grantor agrees to cooperate with Grantee to obtain all necessary permits, licenses and governmental action and shall sign all necessary documentation to enable Grantee the full use, enjoyment and benefit of this Easement. **Each of the foregoing shall be without further compensation to Grantor.**

Liabilities. In no event shall Grantee be liable to Grantor or any other person or entity for any lost or prospective profits or any other special, punitive, exemplary, consequential, incidental or indirect losses or damages (in tort, contract, or otherwise) under or in respect of this Easement or for any failure of performance related hereto howsoever caused, whether or not arising from Grantee's sole, joint or concurrent negligence.

Applicable Law/Costs and Attorney Fees. This Easement shall be interpreted, construed and enforced in accordance with the law of the State of Oregon with venue for any action being in the County where the Property is located. In the event that Grantee finds it necessary to enforce any right under this Easement, Grantee shall be entitled to all reasonable costs and attorney's fees incurred in enforcing such rights. Such sums shall be in addition to all other sums provided by law.

Entire Agreement. This instrument, along with any exhibits and attachments or other documents affixed hereto or referred to herein, constitutes the entire agreement between Grantee and Grantor relative to the Easement. This Easement may be altered and/or revoked only by an instrument in writing signed by both

Grantee and Grantor. Grantee and Grantor hereby agree that all prior written and oral agreements, understandings and/or practices relative to the Easement are superseded by this instrument. The consideration acknowledged herein is accepted by Grantor as full compensation for all rights granted Grantee pursuant hereto, and for all current and future damages, injuries, and loss of value incidental to or in any way associated with the Property and/or the Easement. This Easement may be executed in counterparts, and such counterparts together shall constitute but one original of the Easement. Each counterpart shall be equally admissible in evidence, and each original shall fully bind each party who has executed it. As used herein and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

This Easement shall run with the Property and shall be binding on Grantor and shall inure to the benefit of Grantee, and Grantee's successors, and assigns, as well as the tenants, sub-tenants, licensees, concessionaires, mortgagees in possession, customers, and invitees of such persons or entities. The Easement is an in-gross easement and is not appurtenant to any particular property of Grantee.

IN WITNESS WHEREOF, Grantor has executed this Easement effective as of the _____ day of _____, 20____.

GRANTOR:

COUNTY OF YAMHILL SCHOOL DISTRICT 29J

By: _____

Printed Name: _____

Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that they were authorized to execute the instrument as _____ of **COUNTY OF YAMHILL SCHOOL DISTRICT 29J** and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____, 20____.

Notary Public

My commission expires: _____

EXHIBIT A
PROPERTY DESCRIPTION

Being a part of the Levi Hagey Donation Land Claim, Notification No. 1434, Claim No. 61 in Township 3 South, Range 2 West of the Willamette Meridian, in Yamhill County, Oregon, said part being more particularly described and bounded as follows, to-wit:

Beginning at a post set in the Southwest corner of said Donation Land Claim; and running thence North along the fence line, 10.71 chains to a post at the Northwest corner of that tract conveyed to John Parret et ux., by Deed recorded in Book K, Page 629, Deed Records of Yamhill County, Oregon, which said last name post and corner is the starting point of the tract herein described as is the Southwest corner of the tract described herein; running thence North along the fence line to a post set in the corner of the fence at a point 53.641 chains South of the Northwest corner of said Donation Land Claim, which point is the Southwest corner of Parcel 1, described in Deed recorded July 10, 1963 in Deed and Mortgage Film Volume 31, Page 392, Yamhill County Deed Records, to Clara H. Robertson; running thence East 79.78 chains, more or less, to the most Northeasterly corner of the tract herein described and the Southeast corner of said Robertson tract; thence running Southwesterly 73°, 5.46-1/3 chains; thence South 74° West 2.5 chains; thence South 51°30' West, 10.5 chains; thence South 53° West 2.31 chains to the Northeast corner of said John Parrett tract; thence West along line of fence, 62.86 chains, more or less, to the Point of Beginning.

SAVE AND EXCEPTING THEREFROM the following described tract of land:

Beginning at an iron rod set in the South fence line of the Lile tract as described in Book 163, Page 648, Deed Records, Yamhill County, Oregon, said point being North 00°37'20" East, 715.92 feet from the Southwest corner of said Levi Hagey Donation Land Claim, said point also being in the East line of County Road No. 79; thence East along said South fence line, 320.27 feet; thence North 00°28'55" West, 448.83 feet; thence North 89°10'30" West, 315.04 feet to an iron rod set at a fence corner post in the East line of County Road No. 79; thence South 00°11'20" West, 453.34 feet to the Point of Beginning.

FURTHER SAVE AND EXCEPTING THEREFROM those portions described in Stipulated General Judgment entered in the Circuit Court of the State of Oregon for the County of Yamhill in Case No. 13CV03477, State of Oregon, by and through its Department of Transportation vs. Stuart H. Lindquist et al. and recorded on March 10, 2016, as Instrument No. 201603533, Deed and Mortgage Records of Yamhill County, Oregon.

FURTHER SAVE AND EXCEPTING THEREFROM that portion lying East of the centerline of those portions described in Stipulated General Judgment entered in the Circuit Court of the State of Oregon for the County of Yamhill in Case No. 13CV03477, State of Oregon, by and through its Department of Transportation vs. Stuart H. Lindquist et al. and recorded on March 10, 2016, as Instrument No. 201603533, Deed and Mortgage Records of Yamhill County, Oregon.



Newberg School District 29J

Board Meeting Date: August 8, 2023

ITEM: CVMS & MVMS Fees for 2023/2024
PRESENTER: Director Nancy Woodward

ACTION

Approve the fee changes and additions for Mountain View Middle School and Chehalem Valley Middle School - starting the 2023-2024 school year.

RECOMMENDATION:

Move that the Newberg School District Board of Directors approve the Mountain View and Chehalem Valley Middle Schools fee schedule for 2023-2024 as presented.

2023-2024 Middle School Fees

ELECTIVE	Fee	Year	Trimester	Chehalem Valley Middle School	Mountain View Middle School
Associated Student Body <i>*New Fee</i>	\$5	X		X	X
PE Uniform Set (shirt/short)	\$20	X		X	X
PE Shirt	\$10	X		X	X
PE Short	\$10	X		X	X
Yearbook (optional)	\$20	X		X	X
Art CVMS Art MVMS	\$10		X	X	X
Art II, III <i>*Art III New Course</i>	\$20	X		X	
Culture Explorations	\$10		X	X	
Leadership CVMS Wildcat Pride MVMS	\$10		X	X	X
Science Explorations	\$10		X	X	X
Wood Shop	\$20		X	X	
Drama Drama II (<i>*New to MVMS</i>)	\$10		X		X
Cooking	\$20		X		X
Low Tech Games: RPG	\$10		X	X	
STEM/3-D Design & Printing (MVMS) Innovation Lab (CVMS)	\$20		X	X	X
Performing Arts T-Shirt	\$10	X		X	X
Instrument Rental	\$135	X		X	X
Instrument Rental Reduced Lunch	\$70	X		X	X
Instrument Rental Free Lunch	\$35	X		X	X
Instrument Rental Summer	\$45	X		X	X

2021-2023 Student Fees

PE- \$15

Wood Shop- \$15 (semester)

Cultural Explorations- \$15 (semester)

Intramurals- No cost (semester)

Art II- \$15 (semester)

Student Total- \$45

2023-2024 Student Fees

PE- \$20

Wood Shop- \$20 (trimester)

Cultural Explorations- \$10 (trimester)

Intramurals- No cost (trimester)

Art II- \$20 (year-long)

ASB Fee- \$5

Student Total- \$55



Newberg Public Schools 29J

Board Meeting Date: August 8th, 2023

ITEM: Corrective Action – 2021-2022 Audit
PRESENTER: Finance Director Heather Bixby

ACTION

A corrective action plan, attached, is being submitted to the Oregon Secretary of State Audits Division, in response to deficiencies reported in our audit of fiscal year ended June 30, 2022. The audit was completed by the independent auditing firm Pauly, Rogers and Co., PC.

RECOMMENDATION:

Move that the Newberg School District Board of Directors approve the Corrective Action Plan for audit of fiscal year ended June 30, 2022 as presented.



INSPIRE. INNOVATE. SUCCEED.

August 9, 2023

Oregon Secretary of State,
Audits Division
255 Capitol St. NE, Suite #500
Salem, OR 97310

Plan of Action for Sample Municipality

Newberg Public Schools respectfully submits the following corrective action plan in response to deficiencies reported in our audit of fiscal year ended June 30, 2022. The audit was completed by the independent auditing firm Pauly, Rogers and Co., PC, and reported the deficiencies listed below. The plan of action was adopted by the governing body at their meeting on August 8, 2023, as indicated by signatures below.

The deficiencies are listed below, including the adopted plan of action and timeframe for each.

1. Deficiency #1

- a. 2022-001- Significant Deficiency- Valuation of investments
 - i. Condition -We found that the District's Zion Bank Investment account was not being adjusted to market value. This resulted in a \$7,990,358 impairment which was not recorded.
 - ii. Criteria -Investment accounts should be periodically reviewed for impairment, and when applicable, adjusted to market value.
 - iii. Effect -Without periodic review and account adjustments, there is a higher risk of investments being materially misstated.
 - iv. Cause -The District did not have procedures in place to periodically review and adjust the investment account to market value.
 - v. Recommendation -We recommend that the District implement a procedure to periodically review for and adjust investment account to market value.
- b. Action Plan – Quarterly adjustments will be made to record actual market value in the general ledger by the Fiscal Services Coordinator and reviewed by the Director of Finance.
- c. Timeframe for implementation – Immediately, starting in the 2022-2023 fiscal year.



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2. Deficiency #2

a. 2022-002 - Significant Deficiency - Recording of Grant Revenue

- i. Condition - Reimbursement journal entries were incorrectly recorded leading to a misstatement of revenue. Entries were not corrected through a review process.
- ii. Criteria - All manual entries should be reviewed by someone who is not the preparer before they are recorded.
- iii. Effect - Without a review process, a breakdown in internal controls may occur which can lead to material misstatement of revenue.
- iv. Cause The District experienced significant employee turnover during the year under audit.
- v. Recommendations - We recommend that all journal entries are reviewed and approved by someone other than the preparer before they are recorded. Type of deficiency (Material Weakness or Significant Deficiency) – include the text of the finding and auditor recommendation

b. Action Plan – All adjusting Journal Entries will be reviewed by one additional person who did not originate the Journal Entry. The Accounts Payable Clerk, Payroll Clerk, and Fiscal Services Coordinator entries will all be reviewed by the Director of Finance. Any entries initiated by the Director of Finance will be reviewed by the Superintendent or Deputy Superintendent.

c. Timeframe for implementation – The Action Plan was implemented prior to the start of the 2021-2022 Audit by the new Director of Finance.

3. Deficiency #3

a. 2022-003 - Significant Deficiency- Land Acquisition

- i. Condition - During the course of the audit we found that the District had not recorded the following items related to a land acquisition. The District failed to record the related Full Faith and Credit issuance, the local donation revenue, and the capital outlay expense related to the land acquisition leading to a misstatement of revenue and expenses.
- ii. Criteria - Management is solely responsible for producing accurate financial statement information for the audit. The business office should be able to



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produce accurate financial information without relying on the independent auditors' report to disclose these matters.

- iii. Effect - Without proper controls over the accuracy of the financial statement information and working trial balances, there exists the likelihood of material misstatements to the financial statements.
- iv. Cause - The District experienced significant employee turnover during the year under audit.
- v. Recommendation - We recommend the District implement additional controls to ensure accurate coding and presentation of land acquisitions and their related items. Document the plan of action
- b. Action Plan – Finance staff is enforcing district policies for purchasing and procurement which will help mitigate the chances of a capital purchase being made without recording the asset or documenting how the purchase was made. The Director of Finance reviews all capital purchases for completion of paperwork and correct coding.
- c. Timeframe for implementation – The Action Plan was implemented prior to the start of the 2021-2022 Audit by the new Director of Finance.

Nancy Woodward, Board Chair

Signature

Stephen Phillips, PhD., Superintendent

Signature

Heather Bixby, Director of Finance

Signature



Newberg School District 29J
Board Meeting Date: August 8th, 2023

ITEM: Surplus List
PRESENTER: Finance Director Heather Bixby

ACTION

Approve to Surplus the items outlined on the attached list(s).

RECOMMENDATION:

Move that the Newberg School District Board of Directors approve the list of items to be surplus, as presented.

Tiger Manufacturing Surplus Equipment, Tools and Supplies

Date: 8/2/2023

QTY.	Item Description	Model	S.N.	Newberg S.D. Asset #	Value Each	Sold Price
1	Enterprise Lathe	Enertprise 1330		02294	\$500	
1	RotaBin Shelving Unit				\$400	
1	Miller Dialarc constant current welder	Dialarc HF	JG016143	02287	\$300	
1	Box Pan Brake	FC4218		0726	\$300	
5	4-Pole ITE Bus Bars	X100-4			\$100	
4	Tool o matic Linear cylinder	BC2#312049	BC210SK44		\$100	
3	ITE Busway Tap Box	X100-4PB			\$100	
1	Acurite-III Readout	5974007	8702158		\$100	
1	Southbend Lathe for Parts	CL145B	4488TKL		\$100	
1	staubli unimation robot arm	RX60 Crzygo	F99/5B42A1/A/03		\$100	
1	24X36X6" Starret Surface plate		958207		\$100	
1	24X36X4" Surface plate		3501		\$100	
1	Panasonic pana robo cnc router	Pana robo			\$100	
1	Epson Accusembler				\$100	
1	Central Machinery Dust Collector	45378			\$100	
1	Victor Oxy-Acetylen Set				\$100	
8	Metal Shelving				\$80	
26	ITE Circuit Breaker Bus Plug	XEQ450			\$70	
1	Bridgeport 6" milling vice				\$70	
1	Hardinge turret lathe toolholder	T/5 5/8"			\$60	
1	Hardinge turret lathe toolholder	T12-625			\$60	
1	Metal Cart				\$50	
1	11 piece adjustable reamer set				\$50	
1	12 inch Calipers	505-62B			\$50	
1	Kennametal Parting tool	KBCR-16D30			\$50	
1	Oxy-Acetylen Cart				\$50	
1	Starret 6-7 inch Mic	436-7			\$40	
1	R8 Quick change holder	8050432 Kwik- Switch	3829109		\$30	
1	BenQ Projector		PDLBJ02000000	0035	\$30	
1	Starret Last word test indicator set	No. 711			\$25	

11	CAT40 toolholders				\$20	
1	Hoffman Enclosure	ASE8X8X4NK			\$20	
1	1/2" Drill Chuck	JT6			\$20	
1	Dial indicator with stand				\$20	
1	3 inch Fly cutter	No. 25			\$20	
1	Starret Last word test indicator	No. 711			\$15	
1	Mitutoyo test indicator	513-118			\$15	
2	Small Drill Collet Chuck				\$10	
1	Jacobs Chuck	34 CAR 0-1/2			\$10	
1	Starret Tapered Gage	269A			\$10	
1	Starret Protractor	No. 19			\$7	
9	ITE 3 pole 20 AMP circuit breaker				\$5	
6	ITE 3 pole 30 AMP circuit breaker				\$5	
1	ITE 3 pole 40 AMP breaker				\$5	
1	Grease Gun				\$5	
1	C.S.Osborne & Co Hammer				\$5	
1	R8 chuck arbor	R8-J6			\$5	
1	Criterion Boring Bar	10345			\$5	
7	R8 Collets				\$5	
6	Tap and Die Handles				\$8	
9	ITE 2 pole 20 AMP circuit breaker				\$3	
6	ITE 1 pole 20 AMP breaker				\$2	
20	Various Screwdrivers				\$0.50	
2	6 inch square				\$0.50	
1000+	Used Cutrting Tools				\$.25 to \$5.00	
6000+	Used Fastners				\$0.02	



Newberg Public Schools 29J

Board Meeting Date: August 8th, 2023

ITEM: Resolution 2024-03R: Establishing Designated School District Appointments
PRESENTER: Chair Nancy Woodward

ACTION

Background:

Each year, the Board of Directors is required to designate District Appointments.

Staff recommends that this be accomplished through a Board resolution for the 2023-2024 school year.

At the 7.11.23 board meeting Resolution 2024-03 was approved through August 8th, 2023 pending discussion with legal.

Resolution 2024-03R is attached.

RECOMMENDATION:

Move that the Newberg School District Board of Directors adopt Resolution 2024-03R: A Resolution Establishing Designated School District Appointments, Financial Auditors, and Legal Counsel, by title only.

Resolution 2024-03R

RESOLUTION ESTABLISHING DESIGNATED SCHOOL DISTRICT APPOINTMENTS, FINANCIAL AUDITORS AND LEGAL COUNSEL FOR THE 2023-2024 SCHOOL YEAR

WHEREAS The Newberg School District Board of Directors is required by Oregon law (ORS 332.515, 328.441, 328.445) to designate school district appointments annually; and

WHEREAS The Newberg School District Board of Directors determines that the custodian of funds may utilize a facsimile signature for the purpose of signing checks;

WHEREAS The Newberg School District Board of Directors is required by Oregon law (ORS 328.465, 327.137, 297.405) to name financial auditors for the school year, and

WHEREAS It is best practice to designate school district legal counsel, District auditors and insurance agent of record annually; therefore, and

BE IT RESOLVED That Newberg School District Board of Directors designates the following appointments:

1. Chief Administrative Officer: Dr. Stephen Phillips, Superintendent
2. Custodian of Funds: Heather Bixby, Director of Finance
3. Authorizers for Purchase Orders: Dr. Stephen Phillips, Superintendent and Heather Bixby, Director of Finance
4. Federal Grant Representatives: Dr. Stephen Phillips, Superintendent and Heather Bixby, Director of Finance
5. Deputy Clerk: Heather Bixby, Director of Operations & Finance
6. Budget Officer: Heather Bixby, Director of Operations & Finance

BE IT RESOLVED That the Newberg School District Board of Directors authorizes Custodian of Funds' facsimile signature to be used as an authorizing signature on District checks; and

BE IT RESOLVED That the Newberg School District Board of Directors designate that the following firms shall serve as District legal counsel:

1. Garrett, Hemann, Robertson of Salem
2. Hungerford Law of Oregon City
3. Mersereau and Shannon (Bond attorneys)
4. WESD - Lisa Freiley, Christine Nesbit
5. Hart Wagner, LLP of Portland
6. Harrang Long - Gary Rudnick of Eugene

BE IT RESOLVED That the Newberg School District Board of Directors designate Pauley, Rogers, & Co., PC as District auditors; and

BE IT RESOLVED That the Newberg School District Board of Directors designate Brown and Brown Northwest as the District Insurance Agency of Record.

Signed: _____
Board Chair

Date: _____



Newberg School District 29J

Board Meeting Date: August 8th, 2023

ITEM: Summary of Salary Benefits & Other Terms - OSEA Agreement July 1, 2023 – June 30, 2026

PRESENTER: Deputy Superintendent Scott Linenberger

ACTION

Accept Revisions, Changes and Updates to the Summary of Salary, Benefits and Other Terms of Collective Bargaining Agreement - OSEA for the July 1, 2023 – June 30, 2026.

RECOMMENDATION:

Move that the Newberg School District Board of Directors approve the OSEA Agreement for the period of July 1, 2023 – June 30, 2026, as presented.



Collective Bargaining Agreement

July 1, 2023 – June 30, 2026

Newberg School District 29J
and
Oregon School Employees Union
Chapter 17

EXECUTION AND SIGNATURES

THIS CONTRACT is made and entered into this _____ day of _____
by the Oregon School Employees Association, Chapter 17, herein referred to as the "UNION"
and Newberg School District 29J Board of Directors, herein referred to as the "DISTRICT."

Now, THEREFORE, the parties hereto agree to be bound by the covenants set forth in this
Collective Bargaining Agreement.

IN WITNESS WHEREOF, the parties hereto affix their signatures as of the date first herein
above written.

NEWBERG SCHOOL DISTRICT 29J

Board of Directors

OREGON SCHOOL EMPLOYEES

ASSOCIATION, Chapter 17 President

NEWBERG SCHOOL DISTRICT 29J

Superintendent

Teri Staudinger

OREGON SCHOOL EMPLOYEES

ASSOCIATION, Field Representative

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**NEWBERG SCHOOL DISTRICT 29J
OREGON SCHOOL EMPLOYEES ASSOCIATION, CHAPTER 17**

ARTICLE 1

CONTRACT TERMS

1.0 CONTRACT TERMS

- 1.1** The term of this contract shall be July 1, 2023 through June 30, 2026, with the provisions noted in 1.1.A. The contract shall be renewed automatically on its termination date for another year, in the form in which it has been written and amended or supplemented during its life unless one party gives written notice to the other party of its intention to terminate, amend, or modify the contract by February 15 before its expiration date. However, the provision of this contract shall remain in full force and effect during the negotiations for a successive contract, and until such time as a document is ratified by the employee representative.
- a. Additional articles may be opened for bargaining by mutual agreement of the District and the Union.
 - b. Any Memoranda of Understanding (MOU's) entered into by the District and the Union shall be considered for inclusion in the contract during bargaining.
- 1.2** For the life of this contract, "bargaining unit employee" shall be those district staff regularly employed as clerical, food service, educational assistants, custodial, maintenance, groundskeeper, and other classified staff who are not excluded as employees of the bargaining unit.
- 1.3** For the life of this contract, unless otherwise noted, "business day" shall be defined as any scheduled day that the District Office is open to the public.
- 1.4** For the life of this contract, unless otherwise noted, "working day" shall be defined as a day a given employee is scheduled to work.

ARTICLE 2 RECOGNITION

2.0 RECOGNITION

2.1 The District recognizes the Union as sole and exclusive bargaining representative for those classified employees in the bargaining unit. The Union shall negotiate for all classified employees on matters affecting employment relations, SAVE AND EXCEPT Supervisory, Confidential and Professional Technical employees, substitutes, and District students are specifically excluded.

2.2 For the purpose of this Agreement the following definitions shall apply:

2.2.1 "Classified Employees" are district staff regularly employed as clerical, food service, educational assistants, custodial, maintenance, groundskeeper and, miscellaneous classifications defined within the Newberg School District 29J classified groups and who are not excluded as employees of the bargaining unit.

2.2.2 "Regular Employees" are district classified staff filling a permanent position.

2.2.3 "Temporary Employees" are defined as district classified staff hired for a specific period of time, up to a school year. Temporary employees become bargaining unit employees effective the first day of their employment as temporary. They will be eligible for Union membership, covered by all provisions, and due all benefits under this contract excluding the *Grievance Procedure* and *Reduction in Force* provisions.

A temporary employee working for a period of six (6) months or more in a temporary position, when hired into a regular position the following year with the same job title and position description, shall be recognized as a regular employee and given three (3) months probationary credit towards their six (6) month probation in the new position.

A temporary employee working for a period of six (6) months or more in a temporary position, when rehired into the same temporary position as the prior year with the same job title and position description, shall be granted three (3) months probationary credit towards their six (6) month probation in the position.

Temporary employees may apply for any opening for which they are qualified. A temporary employee rehired for either a temporary or regular position, in the same job classification the following year, shall be awarded step movement and benefits if employed in the temporary position on or before January 1st of the previous year.

When it becomes necessary to change regular positions to temporary positions the District agrees to notify the Union prior to implementation.

2.2.4 "Substitutes" are defined as those casual employees called in to replace a regular employee. This shall include employees hired by an outside subcontractor or those hired by the District.

2.2.5 "Probationary Employees" are defined as district classified staff who are new to the position, and who serve a probationary period during the first six months of employment, excluding extended break periods to include summer break, winter break, and spring break, in a regular position. During the probationary period employees may be dismissed for any reason by the District.

Probationary employees do not have any property interest in the position.

Probationary employees may request a transfer after three months of probationary employment provided their performance is deemed satisfactory by the District.

If a probationary employee's request for transfer is approved, the employee shall begin a new probationary period of no less than three (3) months in the new position.

2.2.6 "Exempt Employees" are defined as staff who primarily perform work in one or more of the following categories:

- a. The application of systems analysis techniques and procedures including determination of hardware, software, or system functional specifications; or
- b. The design, development, documentation, analysis, creation, testing or modification of computer systems or programs; or
- c. The design, documentation, testing, creation, or modification of computer programs related to machine operating systems.

2.3 The District and the Union shall evaluate confidential positions as they become open. Those positions which do not meet the legal definition of "confidential" shall be moved to the classified unit. The District and the Union shall negotiate salary placement for those positions

ARTICLE 3
STATUS OF AGREEMENT

3.0 STATUS OF AGREEMENT

- 3.1 Separability of Clauses' If any provision of this contract shall at any time be declared invalid by any court of competent jurisdiction, such decision should apply only to a specific article, section, or portion thereof directly specified in the decision. Such a decision shall not invalidate the entire contract; it being the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect. At the request of either party, the District and the Union shall meet to renegotiate any provision(s) held invalid.
- 3.2 Funding: The parties recognize that revenue needed to fund the compensation provided by this Agreement must be approved by established budget procedures and by state funding. All such compensation is therefore contingent upon sources of revenue.

ARTICLE 4
MATTERS COVERED AND COMPLETE AGREEMENT

4.0 MATTERS COVERED AND COMPLETE AGREEMENT

- 4.1 The parties acknowledge that during the negotiations, which resulted in this Agreement, each had the right and opportunity to bargain with respect to wages, hours, and other terms and conditions of employment. Therefore, the omission of any reference to any aspect that was the subject of negotiations is intended to be a waiver of the right to bargain with respect to those subjects during the term of this Agreement.

- 4.2 The District agrees to bargain prior to making any unilateral change in a mandatory subject of bargaining that was not the subject of negotiations for this Agreement.

ARTICLE 5
NONDISCRIMINATION

5.0 NONDISCRIMINATION

- 5.1 The Union and the District agree that they shall not discriminate against any employee because of age, race/color, religion, sex (includes gender, pregnancy, and sexual harassment), sexual orientation, national origin, physical/mental disability (unless the disability constitutes a bona fide occupational disqualification), marital status, membership or non-membership in the Union, or place of residence or other protected classifications as defined by state or federal law.
- 5.2 The Union and the District agree that no employee shall be subjected to retaliation for opposing an unlawful employment practice.

ARTICLE 6
MANAGEMENT RIGHTS

6.0 MANAGEMENT RIGHTS

- 6.1 It is recognized that, except as expressly provided in the Agreement, the District shall retain whatever rights and authority are necessary for it to operate and direct the affairs of the District in all of its various aspects, including but not limited to the right to direct the work force; to plan, direct and control all the operations and services of the District; to determine the methods, means, organization and number of personnel by which such operations and services are to be conducted; to assign and transfer employees; to schedule work hours and to assign overtime; to determine whether goods or services should be made or purchased; to hire, promote, suspend, discipline, or discharge; to make and enforce rules and regulations; and to change or eliminate existing methods, equipment or facilities.
- 6.2
- a. The District shall agree to not contracting out any bargaining unit position prior to consulting with OSEA;
 - b. The District will continue to post all classified positions that remain unfilled by District employees;
 - c. The District agrees to hire candidates as District employees who apply for posted classified positions, and are selected through the District's hiring process;
 - d. Agency employees are not members of the bargaining unit and therefore not eligible for any retention/recruitment bonus and/or stipend provided to bargaining unit members;
 - e. Agency employees are not represented by OSEA, and therefore have no rights under the Collective Bargaining Agreement.

ARTICLE 7
UNION RIGHTS

7.0 UNION RIGHTS

- 7.1 The School District courier, email system, services and employee mailboxes may be used for distribution of Union communications, as long as such communications are not burdensome in quantity or bulk, or detrimental to District operations as determined by the Superintendent.
- 7.2 School facilities and equipment may be used for Union purposes at reasonable times provided that such purposes shall not interfere with normal school operations or special meetings and classes, and providing that prior approval is received from the building principal.
- 7.3 The District shall allow designated Union representatives to engage in the following activities during work hours and at the District's facilities, without loss of compensation or benefits:
- a. Investigate and process grievances and other workplace-related complaints on behalf of Union employees;
 - b. Attend investigatory meetings, hearings, and other due process proceedings on behalf of Union employees;
 - c. Participate in, or prepare for, proceedings that arise from a dispute involving the collective bargaining agreement, including arbitration proceedings, administrative hearings and other proceedings before the Employment Relations Board;
 - d. Engage in collective bargaining;
 - e. Attend liaison meetings, safety committee meetings and any other meetings between representatives of the District and the Union to discuss employment relations;
 - f. Provide information regarding the collective bargaining agreement to newly hired bargaining unit employees within thirty (30) calendar days from the date of hire for a period of at least thirty (30) minutes, but not more than 120 minutes during new employee orientation or at individual/group meetings that may take place during work hours, without loss of compensation or benefits to the newly hired employee(s). Designated Union representatives will strive to plan meetings at a time that doesn't interfere with District operations.
 - g. Testify in a legal proceeding in which the designated Union representative has been subpoenaed as a witness.
- 7.3.1 For purposes of this Article, "designated representatives" shall include chapter executive Board officers, and their designees, and building representatives. A non-employee Union Field Representative shall be permitted access to the District's facilities for the purpose of engaging in the activities described in this Article on the same terms and conditions as designated representatives.
- 7.3.2 At least two business days prior to the activity, the designated representatives shall notify, in writing, their immediate supervisor. There may be situations in which both parties agree that the circumstances do not require advance written notice.

- 7.3.3 If the scheduled date and/or time of the activity is found to interfere with District operations, the parties shall mutually decide when the activities can be performed during work hours.
- 7.3.4 The District shall not reduce a designated representative's work hours to accommodate the designated representative's performance of the activities.
- 7.3.5 The District may refuse to authorize additional work hours that incur overtime pay as a result of performing the activities listed above.
- 7.3.6 The parties recognize that bargaining sessions and liaison meetings will usually occur outside of normal work hours. However, designated team employees whose normal work hours are during a mutually scheduled bargaining session or liaison meeting shall be permitted to attend with no loss in compensation.
- 7.4 The District shall permit the Union to use space on mutually agreed upon bulletin boards for the purpose of communicating with the employees as long as such communications are not inflammatory or derogatory in nature and follow applicable state/federal laws.
- 7.5 The Union representative, with prior approval of their Supervisor, shall be granted time off, without pay, from their regular school duties to attend local Chapter 17 meetings of the Union. The Union must obtain approval from the Superintendent if more than three Union representatives request to attend a meeting outside of the District during their regular working hours. Whenever possible such meetings shall be scheduled so as not to interfere with normal school duties. The District reserves the right to grant time off without loss of pay for Union requests.
- 7.6 The District shall provide digital copies of this Agreement to all employees in the bargaining unit by making it available on the District website. The District shall provide paper copies to new employees upon request, during the onboarding process.
- 7.7 The District shall provide the Chapter President and Union's Director of Fiscal Operations (classified@OSEA.com) with an editable spreadsheet containing the following information for each employee in the bargaining unit:
 - a. The employee's name and date of hire, resignation, or retirement;
 - b. Contact information including:
 - 1. cellular, home, and work telephone numbers,
 - 2. personal and work electronic mail addresses,
 - 3. home or personal mailing address
 - c. Employment information including the employee's job title, salary and worksite location.

7.7.1 The District shall provide the information within ten (10) calendar days from the date of hire for newly hired employees and every one-hundred-twenty (120) calendar days for employees in the bargaining unit who are not newly hired.

7.8 Employee Orientations. At employee orientations, the District shall provide the Union with no less than thirty (30) minutes and up to one hundred twenty minutes (120) to make a presentation to all bargaining unit employees without undue interference. Designated representatives of the district and the chapter shall mutually agree on the time and location of the orientation at least one week in advance. The Union shall also be permitted to set up a table at the orientation to meet directly with employees before, after, and during breaks at the orientation. The Union will be responsible for cleaning up their area at the end of orientation. No employee shall suffer a loss in compensation or benefits as a result of participating in or attending the Union's presentation.

7.8.1 When a bargaining unit employee is hired after the employee orientation or when the District does not conduct an orientation, the Union shall be permitted to meet with newly hired bargaining unit employees for up to thirty (30) minutes, but not more than 120 minutes during work hours without loss in compensation or benefits for the newly hired employee or for designated representatives attending the meeting. Unless otherwise agreed, meetings with newly hired employees shall take place at the newly hired employee's regular work location, within thirty (30) calendar days from the date of hire.

7.8.2 The Union shall be permitted to meet with employees during regular work hours at their regular work location to discuss grievances, complaints, and other workplace related matters, without loss of compensation or benefits to any employee, including any designated representative attending the meetings.

7.9 The Superintendent's office shall furnish the Union President an electronic version of the Board meeting agenda, minutes, and attachments prior to the next scheduled Board meeting.

7.10 Upon request, the District shall provide the Union with information, as permitted by law that may be necessary for the Union to process grievances under this Agreement or to conduct the business of the Union.

7.11 A Union representative shall be allowed to make a brief announcement at the end of a regularly scheduled building staff meeting, provided the representative has contacted the administrator in advance of the meeting and the administrator agrees there is sufficient time available.

7.12 UNION BUSINESS LEAVE

Up to fifteen (15) total days of leave per contract year shall be granted to Union for officers and committee chairs for the purpose of attending Union business provided that:

- a. No one employee shall be allowed more than three (3) consecutive days of Union business leave.
- b. Substitutes are available when necessary.

- c. Leave does not conflict with training or staffing development.
- d. No single Union officer may take more than nine (9) Union business, leave days in any academic school year.

The Union shall reimburse the District in the amount of the substitute worker's salary when an employee takes Union business leave. Application for Union leave shall be made two (2) days in advance. Additional days may be granted by mutual agreement between the Union and the District.

ARTICLE 8
UNION DUES

8.0 UNION DUES

- 8.1 Upon receipt of authorization from an employee covered by this Agreement, the District agrees to deduct, from the wages of that employee, dues to the Union. The authorization shall be in writing on a form provided by the Union and must be received by the District no later than the 5th of the month in which the dues deduction shall commence.
- 8.2 If it is deemed legal, the District agrees to reinstate the fair share agreement, and in accordance with such it is understood that each employee who is not an employee of the Union shall be liable to contribute to the Union as representation costs, an amount equivalent to the dues paid by Union employees. The District agrees to deduct fair share payments in the same manner as Union dues each month.
- 8.3 The District agrees to transmit the dues deducted to the state office of the Oregon School Employees Union by the 15th of the month following payroll deductions.
- 8.4 The Union agrees to hold the District harmless against any action taken in compliance with Article 8.

ARTICLE 9
LAYOFF AND RECALL

9.0 LAYOFF AND RECALL

Layoff shall mean the elimination of a position or positions or the loss of hours in the reduction of the employee's benefit level.

9.1 Reduction in Force Procedures

- 9.1.1 Temporary employees working in the classification group in which layoffs occur shall be terminated prior to the layoff of probationary or regular employees.

The District determines which positions shall be reduced or eliminated. The District shall notify the classified employee(s) and the Union in writing no less than fifteen (15) business days prior to any layoff or reduction in force.

Employees shall remain on the recall list until such time as they are restored to the greater of 80% of hours or receive full restoration of benefits for a period no longer than 27 months.

- 9.1.2 An employee whose position is cut shall be notified in writing. The employee shall sign written confirmation of receipt of the notice by the employer. Should the employee refuse or be unavailable to sign, the District shall send the notice via certified mail. The employee notified of the layoff may:
- a. Exercise bumping rights within five (5) business days of receiving the notice, or;
 - b. Waive bumping rights

9.1.3 Seniority

Seniority shall be defined as the duration of continuous service since the last date of hire as measured by the first day of active paid service, (including time served in a limited-term position prior to the date of this agreement). All authorized paid leave shall be counted as time worked for this purpose. Employees who are laid off and subsequently recalled shall retain cumulative seniority for all periods worked except for the period of the layoff. If employees have the same date of hire, the tie shall be broken by the date the employee signed the Recommendation/Acceptance form. If that does not resolve the problem, the names shall be drawn to determine seniority.

9.1.4 Bumping rights

- a. No employee may bump a more senior employee. To bump, the employee must have the ability, capacity, and skill to perform the job and must demonstrate ability to perform all job functions within ten (10) working days from the date of assuming

the job duties. If, after a trial period of ten (10) working days, the employee cannot perform the duties of the job in a satisfactory manner, the employee may, at the discretion of the District, either be given additional time for training and job mastery or be laid off. If laid off, the District shall fill the job either by recalling an employee who was laid off from a higher ranked job within the classification group or by recalling the employee who was bumped out of that job.

- b. An employee notified of layoff may only bump the least senior person in that job title or any lower title (rank) in the classification group.
- c. An employee who works less than four (4) hours daily may not bump a person working four (4) or more hours.
- d. An employee working more than four (4) hours daily may exercise bumping rights into a position having less than four (4) hours. The employee shall still retain recall rights to a position with the same pay and number of hours as that which they held before layoff and for which the employee is qualified as per Article 9.1.4b.
- e. An employee transferred to a temporary position as a result of a layoff shall continue to be a regular employee and shall not lose recall rights to a regular position.
- f. A laid off employee who previously worked in a different classification for the district (within the definition of seniority in paragraph 9.1.3) may "bump" an employee in the previous classification as long as two conditions are met:
 - 1. The laid off employee has greater classification seniority than the person to be "bumped"; and,
 - 2. The laid off employee had at least satisfactory evaluations in their current position and in their position in the previous classification.
 - a. Employees shall remain on the recall list until such time as they are restored to the greater of 80% of hours or receive full restoration of benefits for a period no longer than 27 months.
 - b. An employee may request consideration from the Superintendent/Designee to remain on the recall list beyond one offer.

9.1.5 Pay

An employee exercising their right to bump shall be placed on the step in their new range closest to their existing rate of pay.

9.1.6 Bumped employees

An employee who is bumped shall be notified that they may:

- a. Exercise bumping rights within five (5) business days of receiving the notice, or;
- b. Waive bumping rights.

9.1.7 Recall

Whenever the District determines that a regular vacancy exists within a classification that has experienced a layoff (within the last twenty-seven (27) months), laid off employees from that classification shall be recalled in order of seniority; the most senior employee will be recalled first.

An employee who has been laid off shall be notified of any job openings within the bargaining unit.

The recall notice shall be sent by certified mail to the last address the District has on record for the laid-off employee. The laid-off employee shall have seven (7) calendar days to respond to the recall notice. Failure to respond within seven (7) calendar days of any recall notice shall cause the laid-off employee to forfeit all recall rights and shall be deemed to be a resignation.

- 9.1.8 During the period of layoff or reduction in force no new employee shall be hired for a vacancy within the bargaining unit if a laid off employee who meets the position qualifications and demonstrated ability and experience for the position has applied for the vacancy.

ARTICLE 10
REDUCTION IN HOURS

10.0 REDUCTION IN HOURS

When the District determines that a reduction is necessary in the number of hours of a job title that causes a reduction in the employee's medical/dental benefit level:

- a. The District shall use seniority to determine which employee receives the reduction in hours.
- b. An employee may choose to accept the reduced benefit level, in lieu of bumping.
- c. This Article does not apply to grant-funded programs.

Should the District determine the need to reduce a position(s) to such an extent that the employee's benefit level shall be affected; the Union shall be given no less than two (2) weeks advance notice and allowed to discuss the impact of such a reduction.

Bargaining unit employees will suffer no loss in pay or benefits if the district negotiates fewer student contact days with any other bargaining unit. Any student non-contact paid days will be used at Districts discretion to include but not limited to PD/training.

10.1 Reduction in Hours and Job Description Modification

When hours are reduced for an individual employee's position, the employee affected by the reduction shall meet with the employee's immediate supervisor to discuss the impact and expectations for the position. A modified job description shall be signed by the Supervisor and the employee. A copy of the modified job description shall be sent to the Union and the District. Should the Union and the District disagree with the modification of the job description, the parties shall meet in Contract Maintenance to resolve the matter.

When several employees in a job classification are reduced in hours, the District shall meet with the Union to discuss the modification of the job description for the affected employees.

ARTICLE 11
JOB DUTIES AND NEW POSITIONS

11.0 JOB DUTIES AND NEW POSITIONS

- 11.1 Employee's duties shall be outlined by a position description, which may be modified by the District level supervisor/District Office designee. The Union shall be notified in a timely manner of changes to position descriptions and be given the opportunity to discuss wage placement. If an employee is asked to perform duties outside of classification or within the language of the duties as otherwise assigned, the employee's supervisor will disclose an estimate of time for this expectation and how much of their time should be designated to this temporary request.

All employees affected by such changes shall be notified by the District and the Union of the employee's updated job description.

New classified positions shall not be posted or filled until the Union has seen an updated job description and has had the opportunity to discuss wage placement of the position.

- 11.2 The District shall notify the Union President, by electronic means, of job openings in the bargaining unit. All open positions, in the bargaining unit, shall be posted online, at least five (5) business days prior to the closing of the open position. During the summer months or other vacation periods, postings for open positions shall be available on the District website.

Positions to be filled by transfer of a District employee shall require a full five (5) business day period for posting.

11.3 Promotions and Transfers:

11.3.1 Employees wishing to promote or to transfer to another classified position may apply for the promotion or transfer via the applicant tracking system on the District website by the closing date. When the District has determined that an applicant who is presently employed in the District is equally qualified for the open position, preference shall be given to the District employee.

11.3.2 If an employee is qualified for the position sought, they will be entitled to an interview for the District posted position. If five (5) or more employees seek the same position, the District may use the criteria below to screen internal candidates so it is not obligated to interview more than three (3) employees.

The criteria are:

- a. Demonstrated experience and performance evaluations in the same or similar position,

- b. Instructional and licensing requirements,
- c. Service to the District,
- d. Basic qualifications as included on the posting and other special training and skills, as may be applicable.

11.3.3 It is the intent of the District to give employees not selected for a position the opportunity to request a written response or meeting with the appropriate supervisor indicating the reason(s) for non-selection and to discuss what action/actions could be taken by the employee to improve their skills.

11.3.4 The district shall furnish the Union President with copies of all classified job postings. All unit employee applicants, for a position, shall be notified of the final decision.

11.4. If the District reduces positions that are entitled to full benefits, it shall contact the Union to bargain the impact; such bargaining shall be expedited.

ARTICLE 12
PERSONNEL RECORDS

12.0 PERSONNEL RECORDS

- 12.1 Personnel records of any employee in the bargaining unit shall be maintained in the District personnel office. Such personnel records shall not contain any notice of written reprimand that does not bear the employee's signature or initials of a witness in the presence of the employee, indicating that the employee has been shown the material, or a statement by the employee who has been shown the material and has refused to sign or initial such material. The District shall provide the employee with copies of all such materials placed in the personnel file, upon written request of the employee within 45 calendar days.
- 12.2 An employee shall have the right to attach a written statement of explanation to any material that the employee believes to be objectionable.
- 12.3 Upon request of the employee, all letters of expectation and reprimand shall be removed and destroyed that are over two (2) years old provided the employee has not received another notice for the same type of infraction within that two (2) year period. Records of actions regarding physical or sexual harassment or racial, ethnic, or sexual discrimination and letters of reprimand which are serious in nature, as determined by the Superintendent/Designee, are exempt from this provision and may be held in personnel files indefinitely.
- 12.4 Upon written request from an employee, their designated Union representative may have access to the employee's personnel file for the purpose of review or obtaining copies of materials. A copying fee may be assessed according to the School Board approved fee schedule for that year.
- 12.5 Material placed in the personnel record of an employee without conformity to the provision of this Article, shall not be used by the District in any subsequent evaluation or disciplinary proceedings involving the employee.

ARTICLE 13
EMPLOYEE DISCIPLINE/DISMISSAL OF REGULAR EMPLOYEES

13.0 EMPLOYEE DISCIPLINE/DISMISSAL OF REGULAR EMPLOYEES

- 13.1 For purposes of this Article, discipline shall include Letters of Expectation, letters of reprimand, demotion, suspension without pay, and dismissal.
- 13.2 The employee shall have the right to Union representation whenever any disciplinary action, including demotion, reprimand, suspension, or dismissal is discussed with the employee. A supervisor shall not discipline an employee in the presence of non-essential people.
- 13.3 Classified employees, who have completed their probationary period, shall not be disciplined without just cause.
- 13.4 Progressive discipline shall be used except when more serious discipline or when immediate action is deemed necessary by the Superintendent/designee.
- 13.5 The employee may be suspended immediately with pay from employment with the District until the Superintendent, or District Office designee investigates the charges, and a decision is made to continue or to discontinue said employees employment. If the employee is cleared of the charges, said employee will be reinstated without loss of pay or accrued benefits.
- a. If the charges are upheld, the termination day will be the date that the Superintendent or their designee takes final action to terminate the individual's employment. If the District determines that the charges do not warrant termination, a less severe discipline measure may be taken.
- 13.6 Regular employees may be disciplined or dismissed for the following non-exhaustive list of causes:
- a. Insubordination
 - b. Unsatisfactory job performance, including failure to maintain acceptable attendance.
 - c. Use of alcohol, drugs or other activities that interfere with the employee carrying out their job responsibilities.
 - d. Misconduct or violation of District policies, rules or regulations, or violation of state laws.
 - e. Neglect of duty.
- 13.7 During the probationary period, employees may be disciplined or dismissed for any reason the District deems sufficient; these actions may not be grieved.
- 13.8 In the event a regular employee is disciplined, the following procedures shall be utilized:

- a. The employee shall be informed of the basis of the disciplinary action.
- b. The employee shall be given the opportunity to discuss the matter with their supervisor.
- c. The supervisor, in collaboration with Human Resources, determines what, if any, discipline shall occur.
- d. If the supervisor recommends dismissal, the recommendation along with the reasons shall be forwarded to the Superintendent/Designee.
- e. Prior to dismissal, with five (5) days' notice, the Superintendent or designee shall provide the opportunity to meet with the employee and shall inform the employee of the contemplated action and shall give the employee the opportunity to respond and provide any additional data prior to a decision by the Superintendent or designee.

13.9 Dismissal of an employee requires action by the Superintendent, although such action may be at the recommendation of a supervisor.

13.10 Per ORS 332.544, a classified school employee who has been demoted or dismissed shall be entitled to a hearing before the School Board if a written request is filed with the board within fifteen (15) calendar days of the dismissal or demotion.

ARTICLE 14
GRIEVANCE PROCEDURES

14.0 GRIEVANCE PROCEDURES

14.1 Definitions:

- 14.1.1 "Grievance" shall be a complaint by an employee or group of employees: (1) That there has been inequitable treatment by reason of any act or condition that is contrary to established School Board policy or practice governing or affecting employees. (2) That a specific Article of this Agreement has been violated.
- 14.1.2 "Grievant" is the employee or employees who has (have) the grievance and is (are) presenting the complaint against whom the complaint is made.
- 14.1.3 The "party in interest" is either the employee or employees making the complaint or the employee or employees against whom the complaint is made.
- 14.1.4 "Consultant" is the one who advises either party in interest.
- 14.1.5 "Representative" is the one who may speak for or advise a party of interest.
- 14.1.6 "Immediate Supervisor" is the supervisor to whom grievant is responsible, when other than building principal.
- 14.1.7 "Binding Arbitration" is a decision by an arbitrator, which requires compliance by both parties in interest.
- 14.1.8 "Days." The term "days" used in this Article shall, except when otherwise indicated, mean "business days".
- 14.1.9 "Persons Officially Involved" means the Superintendent, a District representative and/or consultant, the grievant, a Union representative and/or consultant, and witnesses.
- 14.1.10 "Union" is any organization representing the classified personnel which has been elected by a majority vote of the respective employees.

14.2 General Procedures:

- 14.2.1 All parties should attempt to complete the procedures by the end of the school year. The parties shall make a good faith effort to shorten the number of days provided at the

various steps to finish by the end of the school year and avoid, if possible, carrying the process into the summer vacation period or the following school year.

- 14.2.2 All parties in interest have a right to consultants or representatives of their own choosing at each level of these grievance procedures.
- 14.2.3 There shall be no restraint, interference, discrimination or reprisal exerted on any employee choosing to use these procedures for resolution of grievances.
- 14.2.4 Failure at any level of this procedure by the grievant to appeal a grievance to the next level within the specified time limits shall be deemed to be acceptance of the decision rendered at that level. Failure at any level of this procedure to communicate the decision in writing on a grievance within the specified time limits shall permit the grievant to proceed to the next level.
- 14.2.5 All documents, communications, and records of a grievance shall be filed in the School District Office separately from the personnel files. References to the records, such as a summary, should be placed in the appropriate personnel file(s).
- 14.2.6 In the course of investigating a grievance, representatives of the Union who need to contact an employee at the worksite shall contact the site supervisor and upon arrival, shall state the purpose of visit.
- 14.2.7 Whenever possible, all parties shall process grievances after the regular workday or at times that do not interfere with an employee's assigned duties. Every effort shall be made to avoid the unnecessary involvement of students in the grievance procedure and to avoid interruption of classroom and school activities.
- 14.2.8 Each grievance shall have to be initiated within twenty (20) business days after the occurrence of the cause for complaint; however, if the grievant did not become aware of the occurrence until a later date, then action must be initiated within the twenty (20) business days following the first knowledge of the cause. In failing to thus initiate action, no reasonable grievance may be considered to exist.

14.3 Levels of Grievance:

- 14.3.1 Level One - Informal and Formal Grievance Level. The grievant shall first discuss the grievance with the principal or immediate supervisor, either individually or through the union designated representative, with the objective of resolving the matter informally. Grievant shall identify the discussion as a Level 1 Grievance during the conversation with the supervisor if the discussion is to be considered as such.

If the grievant is not satisfied with the disposition of the grievance, a written grievance may be filed with the principal/immediate supervisor (who has administrative authority to act) within twenty (20) business days following the act or condition that is the basis of the complaint, or, if the grievant had no knowledge of said occurrence at the time of its happening, then within twenty (20) business days of the first such knowledge.

This complaint shall set forth the grounds upon which the complaint is based and the reason why the grievant considers the decision rendered is unacceptable. The immediate supervisor shall communicate a decision in writing within five (5) business days to the grievant.

Within five (5) business days of the receipt of the decision rendered by the principal/immediate supervisor, the grievant, if not satisfied with the decision of the principal/immediate supervisor, may appeal in writing to the Superintendent or the Superintendent's representative (who has the administrative authority by Board policy to act and in the matter of grievances shall be so designated by job description).

- 14.3.2 Level Two - Appeals to the Superintendent or a representative shall be heard by the Superintendent or a representative within ten (10) business days of receipt of the appeal. Written notice of the time and place of the hearing shall be given five (5) business days prior thereto to the grievant, a representative, or any other person officially involved in the grievance. Attendance at the hearing of appeal shall be restricted to persons officially involved. Parties in interest may elect to call witnesses who shall appear individually at the hearing.

Within five (5) business days of hearing the appeal, the Superintendent or representative shall communicate to the grievant, and all other parties officially present at the hearing, a written decision that shall include supporting reasons therein.

If the grievant is not satisfied with the decision of the Superintendent or representative, a written appeal may be filed with the Superintendent within five (5) business days from the receipt of the decision. The appeal shall state the grievant's reasons for appealing the decision and request appeal to Level Three.

- 14.3.3 Level Three - Within five (5) business days of the receipt of the appeal, the School District Board of Directors shall notify all official parties of a hearing to be held within ten (10) business days of the receipt of the appeal. The Board of Directors shall hear arguments of the Superintendent and the grievant. At the request of the grievant, the hearing before the Board shall be a public hearing.

Within five (5) business days following the hearing, the School Board of Directors shall render a decision in writing to all official parties. If the grievant is not satisfied with the

decision of the Board of Directors, a written appeal may be filed with the Superintendent within five (5) business days from the receipt of the decision. The appeal shall state the grievant's reasons for appealing the Board of Director's decision and intent to move to arbitration.

14.4 Arbitration

- 14.4.1 A dispute or disagreement involving the interpretation or application of specific provisions of this Agreement may be submitted to binding arbitration under the following conditions:
- 14.4.2 All steps provided for in the Grievance Procedure must first be exhausted by both parties.
- 14.4.3 The issue must involve the interpretation or application of a specific provision of this Agreement.
- 14.4.4 Written notice of a request for arbitration must be filed with the Superintendent within ten (10) business days of receipt of the answer from the last step of the grievance procedure.
- 14.4.5 When a timely request has been made for arbitration, the parties or their designated representatives shall attempt to select an impartial arbitrator. Failing to do so, they shall, within ten (10) business days of the appeal, jointly request the Employment Relations Board to submit a list of five (5) arbitrators. As soon as the list has been received, the parties or their designated representatives shall determine by lot the order of elimination, and thereafter each shall, in that order, alternately strike a name from the list and the fifth and remaining name shall act as the arbitrator. The parties shall be bound by the rules of the American Arbitration Association.
- 14.4.6 The arbitrator so selected shall confer with the representatives of the Board and the Union and hold hearings promptly and shall issue a decision not later than thirty (30) calendar days from the date of the close of the hearings, or, if oral hearings have been waived, then from the date final statements and proofs on the issues are submitted. The arbitrator's decision shall be in writing and shall set forth findings of fact, reasoning and conclusions on the issues submitted. The arbitrator shall be without power or authority to make any decision that requires the commission of an act prohibited by law or that violates the terms of this Agreement.
- 14.4.7 The arbitrator shall not add to, subtract from, modify or amend any terms of this Agreement, nor shall any obligations be imposed on the Union or the District not expressly agreed to by the terms of this Agreement.
- 14.4.8 The decisions of the arbitrator shall be submitted to the Board and the Union and shall be final and binding on the parties within the scope of the arbitrator's authority.

- 14.4.9 The Board and the Union shall share equally any joint costs of the arbitration procedure, such as the fee and expense of the arbitrator and the cost of the hearing room. Each party shall pay all other costs incurred by said party.

ARTICLE 15 EVALUATION

15.0 EVALUATION

- 15.1 The purpose of evaluation is to assist each employee to meet the performance standards and assigned job duties.

All employees shall be evaluated in accordance with the Classified Evaluation Handbook.

The end of year evaluation conference of the regular employee shall be face to face, unless a public safety concern is evident that could affect the physical health of either party, and according to the timelines outlined in the classified evaluation manual. No evaluation shall be mailed, emailed or given over the phone in lieu of a face to face meeting. Union representation can be accessed any time before or during the evaluation.

The District and the Union shall collaboratively review and update the Classified Evaluation Handbook. The District and the Union will convene, within the first two years of the contract, a committee of four (4) Union employees and four (4) District employees. The handbook will outline deadlines for principals to adhere to and best practices for the process.

- 15.2 A Plan of Assistance for Improvement may be a part of an employee's evaluation process. The purpose and design of the Plan of Assistance is to improve employee performance.

The employee shall have the right to representation at all meetings regarding the Plan of Assistance. The employee and their representative may make suggestions to the Plan of Assistance.

A written Plan of Assistance shall be provided that:

- a. Identifies the performance deficiency;
- b. Establishes specific timelines with corrective steps to address the deficiency;
- c. Describes the assistance to be provided by the District; and,
- d. Provides for a review of progress midway through the plan of assistance.

- 15.3 On or before the expiration of the Plan of Assistance, the supervisor, the employee, and their representative shall meet to discuss the employee's progress or lack thereof towards the expected improvements.

At this meeting, the supervisor shall notify the employee of:

- a. Successful completion of the Plan of Assistance;
- b. An extension/modification of the Plan of Assistance; or,

c. A recommendation for dismissal of the employee.

- 15.4 The employee may appeal their dismissal to the Superintendent within five (5) business days of the Notice of Intent to Dismiss.
- 15.5 Per ORS 332.544, a classified school employee, who has been dismissed or demoted, shall be entitled to a hearing before the School Board if a written request is filed with the Board within fifteen (15) calendar days of the dismissal or demotion.

ARTICLE 16
NO INTERRUPTION OF WORK

16.0 NO INTERRUPTION OF WORK

- 16.1 The provisions of this Article shall apply only to the activities and/or the operations of Newberg School District 29J.
- 16.2 Neither the Union, its officers or agents, nor any of the employees covered by this Agreement shall engage in, promote, sanction or support any strikes, slowdowns, mass resignations, mass absenteeism, the willful absence from one's position or the stoppage of work during the term of this Agreement.
- 16.3 Neither the Union, its officers or agents, nor its employees shall support an illegal strike of the bargaining unit. Nothing in this Agreement shall serve as a bar to an otherwise legal strike or to prevent bargaining unit employees from exercising their freedom of speech by supporting other bargaining units during non-work hours.
- 16.4 There shall be no lockout of employees in the unit by the District as a consequence of any dispute arising during the period of this Agreement.

ARTICLE 17
HOURS OF WORK

17.0 HOURS OF WORK

- 17.1 The regular workday for full-time employees shall be the assigned shift not to exceed eight (8) hours per day, five (5) days per week, or ten (10) hours per day, four (4) days per week. Employees' daily work schedules shall be determined by the building principal or direct supervisor. Overtime shall be compensated as provided by applicable state law.
- 17.2 A workweek shall be the calendar week commencing on Sunday and ending on Saturday.
- 17.3 Exempt employees' work schedule may vary, depending on District needs. All exempt positions shall be approved by the Union and shall be forty (40) hours a week. If an exempt employee, with pre approval, works more than forty (40) hours in any week they shall be allowed to flex the time off, within the same pay period. If exempt employees, working with their supervisor, are unable to flex the added time within the same pay period, then the employee shall be paid overtime in the next pay period.
- 17.4 Each employee shall receive a 15-minute break during each 4-hour period, or major portion thereof, of consecutive service with the break as close as possible to the 2-hour interval. Such breaks shall be scheduled by the supervisor in consultation with the employee.
- 17.5 Each employee shall receive an uninterrupted lunch period of at least one-half hour during each shift of five (5) hours or more. Such time shall be scheduled by the employee's immediate supervisor and shall be as near as possible to the halfway point of the employee's workday.
- 17.6 Employees who are called back to work, not during a regularly scheduled shift, for such reasons as inclement weather, emergencies from vandalism, fire, theft, damage, and other causes shall be compensated at the rate of time and a half for a minimum of two (2) hours.
- 17.7 If an employee is required by the Superintendent/designee to work on any of their compensated holidays, they shall receive the overtime rate for all hours worked in addition to the regular holiday pay for a minimum of two (2) hours.
- 17.8 Reporting Time. Employees shall be paid for two (2) hours if they report for work on a regularly scheduled day and are sent home within two hours.
- 17.9 Inclement Weather.

When schools are closed because of inclement weather or reasons of an emergency nature, the following procedures will be implemented:

- a. All classified employees who are designated as essential employees will be contacted by their immediate supervisor by the end of September each school year.
- b. Essential employees shall timesheet one-half ($\frac{1}{2}$) hour for each hour worked, not to exceed the employee's regular work day. For example - 8 hours worked = 4 hours timesheet; 6 hours worked = 3 hours timesheet. The additional hours will be accounted for by filling out a time card and turned into payroll for the next available pay period. If the essential employee does not work their full scheduled day, they may take accumulated leave or leave without pay for the hours not worked. In this case, the classified employee will still time card the additional one-half ($\frac{1}{2}$) hour for each hour actually worked.
- c. When schools are closed to students and conditions are such that employees (other than those in (B) above) are informed they are not to report to work, the district will pay all classified employees for up to one (1) day per school year. Additional days will be paid at the employee's regular wage but the employee will be required to make up the additional days in District lead PD or workdays. However, if make-up days are scheduled for students by administration, classified employees will work the additional days without additional pay. Additional makeup days will reduce the number of added PD/workdays, so long as the total days do not exceed the number of contract days established for that school year.
- d. Late Starts: Employees will be expected to report to school one-half ($\frac{1}{2}$) hour before classes start. As long as employees are present by the half ($\frac{1}{2}$) hour mark, they will not be expected to use vacation/personal leave and will be paid for a regular day of work. All employees who are informed that they are to report to work and are unable to do so may use vacation/personal leave if it is available, or unpaid leave.
- e. In the event of a pre-scheduled absence, the employee will notify payroll and the absence will be disregarded. This provision will not apply to employees who are pre-scheduled for long-term leaves (OFLA/FMLA) during the inclement weather event or for employees who are on third party paid leave (LTD, STD, PLO, Workers Comp, etc.).

In the event of unscheduled school closures due to sickness, weather, district-wide emergencies or catastrophic (non-financial) events, the Board reserves the right to alter the school calendar to allow makeup time. Up to the equivalent of one full workday (hour's dependent on employee's regularly scheduled hours) will not be made up or rescheduled. In the event of additional closure days, the Superintendent and/or designee shall meet with Union leadership to determine how and when to utilize those days.

17.10 Mandatory Training. It will be an expectation that mandatory training will be scheduled during the employee's workday. If the employee and the principal are unable to schedule the training during the employee's workday, the employee will be compensated at their hourly rate for the time spent at the training.

ARTICLE 18
STAFF DEVELOPMENT FUND

18.0 STAFF DEVELOPMENT FUND

- 18.1** A fund of \$15,000 shall be established for each year of this contract to pay for non-probationary classified employee's participation in staff development activities that shall benefit the District. Applications for workshop attendance shall come from the Union and may be approved by the District on the merit of the individual program. Approval of requests may be subject to availability of other funds if substitutes are required.

Each non-probationary employee may initially receive up to \$500. If the Professional Development Fund is not depleted by March 31st, employees who have already received professional development funds may reapply for an additional amount not to exceed \$250.

The District will determine how many employees may be gone in one day.

ARTICLE 19
HOLIDAYS

19.0 HOLIDAYS

19.1 The District recognizes the following holidays as paid holidays for classified employees under the conditions in this Article:

Labor Day	Veteran's Day
Thanksgiving Day	Day Following Thanksgiving
Christmas Eve	Christmas Day
New Year's Eve Day	New Year's Day
Martin Luther King Day	Memorial Day
	Independence Day

19.2 Regular employees who work or who are on an approved paid leave on either the last scheduled working day before or the first scheduled working day after any of the holidays listed in 19.1 above shall receive holiday pay. This section shall apply only for holidays falling within the employee's regularly scheduled workweek. This section shall not apply when the employee's first scheduled working day for a school year falls on the day following a holiday, e.g. Labor Day shall not be paid if the day after Labor Day is the first scheduled working day for a classified employee.

19.3 Regular employees who are normally scheduled to work less than eight (8) hours per day shall receive holiday pay based on the number of hours in their normally assigned shift.

19.4 If an employee is required by the District to work on any of their compensated holidays, they shall receive the overtime rate for all hours worked in addition to the regular holiday pay.

19.5 If an employee's scheduled work plus holiday pay for any week exceeds forty (40) hours, the excess over forty (40) hours shall be paid at the overtime rate.

19.6 Twelve (12) month employees shall be paid for President's Day and Juneteenth (June 19th).

19.7 If the employee's regular work calendar includes June 19th, the employee will receive this as a paid holiday.

ARTICLE 20 LEAVES

20.0 LEAVES

Leave shall be prorated based on the actual date of hire and the employee's work schedule. Employees who work flexible daily schedules shall be charged for the actual time missed on the day of absence.

20.1 SICK LEAVE (Absence from duty because of an employee's illness or injury.)

20.1.1 Sick leave shall be granted at the beginning of the year at the rate of ten (10) days for nine and ten-month employees, eleven (11) days for eleven-month employees, and twelve (12) days for twelve-month employees.

20.1.2 Sick leave accumulation shall be unlimited.

20.1.3 An employee who is unable to report on the first scheduled workday after a recess because of illness or injury shall be entitled to use accumulated sick leave.

20.1.4 An employee who uses no sick leave during the work year is eligible for one additional day of personal leave the following work year. Donations to the sick leave bank shall not affect the implementation of this article.

20.1.5 Employees shall be allowed to use sick leave to care for:

Any permanent resident of an employee's household or what is permitted under the Family

Medical Leave Act (FMLA)/Oregon Family Leave Act (OFLA)/Paid Leave Oregon (PLO).

Exceptions to the above may be approved by the Superintendent

20.2 PERSONAL LEAVE

Three (3) days leave of absence shall be provided. Advanced notice shall be given to the employee's immediate supervisor. Employees on personal leave shall receive pay and benefits at the same rate as though the employee had worked a normal shift for that time. Such leave shall not be used to extend a holiday or any vacation/break period without prior supervisor's approval.

Employees covered by this contract, who have two (2) unused days of personal leave by the end of that school year, shall receive payment equivalent to pay for one (1) day. Personal leave does not accumulate from year to year.

20.3 LEGAL LEAVE

An employee shall be granted leave with pay for service on a jury, provided, however, that compensation paid to such employee for the period of the leave shall be reduced by the amount of the compensation received by the employee for such jury service. Upon being excused from jury service prior to noon during any day, the employee shall immediately report to their supervisor

to receive assignment of duties for the remainder of the day. The above provision shall also apply to service as a witness in response to a subpoena or other direction by proper authority. Leave identified in the above provision does not apply when an employee is involved as a litigant for personal reasons or when called as a witness against the District.

An employee whose regular work shift is not during the day shall be assigned the day shift when legal leave is used.

20.4 VACATION LEAVE

20.4.1 All employees serving on a twelve-month basis shall be entitled to two (2) weeks of paid vacation annually. After six (6) months of service, a new employee shall be entitled to the prorated share of this vacation time. After five years of continuous service, the employee shall be granted one additional day for each year of service over five (5) years until a total of twenty (20) vacation days is reached.

20.4.2 An employee may not carry over more than eighty (80) hours of vacation leave from one fiscal year to the next unless approved by the Superintendent or designee. If an employee is restricted from using vacation time by a supervisor and is unable to reschedule that time in that fiscal year, the district shall carry over that time to use in the next fiscal year.

20.5 BEREAVEMENT LEAVE

20.5.1 Bereavement leave with full pay shall be allowed up to five (5) days for each death in the immediate family during any school year, to be taken in half-day or full-day increments. Immediate family shall be defined as follows:

- a. Any permanent resident of an employee's household or what is permitted under the Oregon Family Leave Act (OFLA).

20.5.2 One (1) day of bereavement leave may be used for the death of a close friend, colleague, or for other family employees not noted in 20.5.1 above.

20.5.3 Bereavement leave shall not accumulate from one school year to the next.

20.5.4 The ten (10) days of OFLA Bereavement Leave runs concurrently to the five (5) district paid bereavement leave.

The OFLA Bereavement Leave must be completed within sixty (60) days of the notice of death.

20.5.5 Exceptions to the above as approved by the Superintendent or the District Office Designee.

20.6 APPROVED LEAVE WITHOUT PAY

- 20.6.1 An employee who has worked for the district at least one calendar year shall be allowed leave without pay upon request, subject to approval by the Supervisor and the Superintendent/District Office Designee, for a fixed period of not more than twelve (12) months. If the leave is less or equal to 100 school days, the employee can return to a similar position. If the leave is longer than 100 school days, the employee will return to a comparable open position within the classification that they left for which they have demonstrated qualifications.
- 20.6.2 Seniority earned prior to the leave and unused sick leave shall be restored at the time of the employee's return but shall not be increased during the leave.
- 20.6.3 District-paid insurance benefits shall not be provided beyond thirty (30) days during the period of such leave and the employee will be responsible to pay for insurance.
- 20.6.4 For unpaid leaves of thirty (30) days or less, District-paid insurance benefits shall be continued, and the employee shall be allowed to return to the position held prior to the leave.
- 20.6.5 For unpaid leaves greater than thirty (30) days and up to the maximum time allowed by law, employees may continue to purchase health insurance through the district at the District rate at employee's expense and without District contribution.
- 20.6.6 Employees must use all of their leave (vacation and personal) before taking leave without pay. Exceptions to this provision may be approved by the Superintendent/District Office Designee.
- 20.6.7 Managing excessive unpaid absenteeism
- a. Nothing in this article shall be construed to interfere with the right of employees to take legally protected absences, including leaves authorized under Federal and Oregon law.
 - b. Failing to return from unpaid leave, will be subject to disciplinary action, up to and including termination of employment.
 - c. If the reason for unpaid leave is foreseeable, the District will require the employee to provide advance notice of their intention to use unpaid leave within ten (10) days, prior to the use of unpaid leave, or as soon as possible. Written approval from their supervisor and/or the Superintendent/District Office Designee is required.
 - d. If the reason for unpaid leave is unforeseeable, such as an emergency, accident or sudden illness, the employee shall notify the District as soon as possible.
 - e. Once an employee has exhausted all District, Federal, and Oregon law leave allowances, and continues to be on leave; the District paid insurance benefits will be terminated.

20.7 UNAPPROVED LEAVE WITHOUT PAY

- 20.7.1 District-paid insurance benefits shall not be provided beyond fifteen (15) cumulative calendar days during the period of such leave and the employee will be responsible to pay for insurance.
- 20.7.2 For unpaid leaves of fifteen (15) cumulative calendar days or less, District-paid insurance benefits shall be continued, and the employee shall be allowed to return to the position held prior to the leave.
- 20.7.3 For unpaid leaves greater than fifteen (15) cumulative calendar days and up to the maximum time allowed by law, employees may continue to purchase health insurance through the district at the District rate at employee's expense and without District contribution.
- 20.7.4 Employees must use all of their leave (vacation and personal) before taking leave without pay. Exceptions to this provision may be approved by the Superintendent/District Office Designee.
- 20.7.5 Managing excessive unpaid absenteeism
 - a. Nothing in this article shall be construed to interfere with the right of employees to take legally protected absences, including leaves authorized under Federal and Oregon law.
 - b. An employee may not take unpaid leave without written approval of their supervisor and the Superintendent/District Office Designee. Failing to return from unpaid leave will be subject to disciplinary action, up to and including termination of employment.
 - c. If the reason for unpaid leave is foreseeable, the District will require the employee to provide advance notice of their intention to use unpaid leave within ten (10) days, prior to the use of unpaid leave, or as soon as possible. Written approval from their supervisor and/or the Superintendent/District Office Designee is required.
 - d. If the reason for unpaid leave is unforeseeable, such as an emergency, accident or sudden illness, the employee shall notify the District as soon as possible.
 - e. Once an employee has exhausted all District, Federal, and Oregon law leave allowances, and continues to be on leave; the District paid insurance benefits will be terminated.

ARTICLE 21
CONTRACT MAINTENANCE

21.0 CONTRACT MAINTENANCE

- 21.1 A Contract Maintenance team appointed by the Union Executive Board shall meet monthly with the Superintendent and/or designee to discuss and resolve concerns related to employee issues, including matters related to this agreement.

This committee shall also review changes in job responsibilities, job descriptions, classifications, and any other pertinent issues pertaining to employees.

- 21.2 When the District or bargaining unit becomes aware of a significant change to the responsibilities of a job or classification, the District and the Union shall meet to discuss potential changes in the job description and wage placement.

ARTICLE 22
BENEFITS

22.0 BENEFITS

22.1 Overtime. Time and one-half shall be compensated as provided by state law.

22.2 Benefit Prorated for Part-Time Employees. Leaves, vacations, and holidays are accrued and awarded to part-time employees on a pro rata basis equal to the hours in their regularly scheduled shift. For example, a secretary scheduled for only four (4) hours per day is entitled to ten (10) half days of sick leave per year.

22.3 Health Insurance

22.3.1 The District shall provide full family health, dental, vision and long-term disability insurance (employee only) to new employees who work thirty (30) hours or more per week during the life of the contract, subject to the limits in 22.3.5. A committee with equal representation shall be formed for the purpose of recommending which program options shall be selected by the District.

22.3.2 Employees who work twenty to thirty (20-30) hours a week shall receive medical, dental, vision and long-term disability coverage for the employee only, up to 75% of the cap listed in 22.3.5.

22.3.3 Limits. For the life of this contract, the District shall contribute a monthly amount for health, dental, vision and disability insurance, equal to the amount the district contributes to licensed employees' health, dental, vision, and disability insurance.

22.3.4 An employee may waive participation in the group plans for medical, dental and vision coverage subject to the insurance carriers' or OEGB rules and regulations and minimum participation requirements.

22.3.5 A full time employee who selects an insurance plan that is at a lower rate than the district contribution shall receive sixty-seven percent (67%) of the unused district contribution in their paycheck.

22.3.6 An employee may opt out or waive participation in the group plans for medical, dental and vision coverage subject to OEGB rules requirements with documentation provided by the employee to payroll, prior to October 1st of each year.

22.4 Travel and Miscellaneous Expense

- 22.4.1 At no time shall an employee be required to use their own personal vehicle for District business. Any employees traveling in their own car on approved District business between job locations or for school purposes shall be paid at the established District mileage rate.
- 22.4.2 The out-of-pocket expense of any District requirements made of employees shall be reimbursed according to the current District schedule of allowable expenses.
- 22.4.3 Physicals. Physical examinations required by the District shall be paid for by the District

ARTICLE 23
WAGE RATES

23.0 WAGE RATES

- 23.1 In the 2023-2024 school year, the salary schedule shall be shifted one column to the left: column A on the salary scale shall be dropped. Column B shall become column A. A new column J shall be added. There shall be 3.5% between steps (columns), and 4% between ranges. There will be no horizontal movement in steps for the first year the new salary scale is implemented.

In the 2023-2024 school year, all classified employees will receive a 3.5% Cost of Living Adjustment (COLA) wage increase.

On July 1, 2024, and July 1, 2025, all classified employees will receive a 3.5% Cost-of-Living Adjustment (COLA) wage increase.

In addition to the COLA increase, the following salary schedule adjustments will be made on July 1, 2023:

Educational Assistant IV range 7 to 9 (plus 4% SPED stipend)
Athletic Trainer (properly endorsed, 4 year degree) range 13 to 23

- 23.2 For the duration of this contract, employees who have not reached the highest step on the salary schedule (step J) shall receive a step movement on July 1st, to exclude the 2023-2024 school year.
- 23.3 Positions that are required to be bilingual in a traditionally, non-bilingual position receive an additional 4% stipend. (For example, Secretary II - Bilingual, EA IV - ELL or Technical Support Assistant - Bilingual).

Traditionally bilingual positions are already ranked at a higher rate and therefore will not receive the additional 4%. (For example, Bilingual Communications Support Assistant, Migrant Preschool Educational Assistant, Migrant Preschool Coordinator, and Spanish Language Translator).

- 23.4 Employees who have achieved twelve (12) continuous years of service in the district shall receive an additional \$.30 per hour. Employees who have achieved sixteen (16) continuous years of service in the district shall receive an additional \$0.30 per hour for a total of an additional \$0.60 per hour above an employee's base wage. Additionally, employees who have achieved twenty (20) continuous years of service in the district shall receive an additional \$0.30 per hour for a total of an additional \$0.90 per hour above an employee's base wage.

To be eligible for years of service compensation, the employee must have completed twelve (12), sixteen (16), or twenty (20) continuous years of service in the district.

The computation of years of service shall be on a fiscal year basis. If an employee was hired between the dates of July 1 and December 31, then that employee shall be deemed to have begun the years of service as of that July 1. If the employee has a hire date between January 1 and June 30, then the following July 1 shall constitute the date for computation of years of service.

- 23.5 Rates for present positions shall not be changed during the term of the contract except as provided in this Agreement or by mutual consent of the parties. The Union will be notified in writing of any new position and the suggested rate of pay.

23.6 Public Employees Retirement System

The District shall "pickup," assume, and pay the six (6) percent employee contribution, as required by PERS (Ch. 238)/OPSRP (Ch. 238a), to the Public Employees Retirement Fund for the employee participating in the Public Employees Retirement System.

The full amount of required employee contributions paid shall be considered as "salary" with respect to PERS/OPSRP for the purpose of computing an employee "final average salary" and shall also be considered as "salary" for the purpose of determining the amount of employee contribution required to be contributed pursuant to state law.

- 23.7 Newly hired employees shall be placed at the Base Rate when hired for positions except for the provisions stated in 23.8 — 23.10. Step movement shall occur for employees on July 1 for all employees who were employed on or before January 1 of that year.

- 23.8 Employees who have a minimum of seventeen (17) years contracted service in the Newberg School District upon retirement shall be eligible to receive \$50 (fifty dollars) per eight (8) hours of their total accumulated unused sick leave, up to a maximum of 400 hours. Members of Tier 1 or Tier 2 can choose to accept this buy-back or have the full amount of their unused sick leave reported to PERS. Payment will be made in one (1) lump sum. Any interested employee shall apply in writing to the Superintendent no later than March 1 of the proposed retirement year.

23.9 Recognition of District and/or Outside Experience

The District shall place new employees on the salary schedule in accordance with the matrix in Appendix III.

23.10 Salary placement for employees who change positions.

An employee who moves to another position shall not suffer any salary reduction provided that the new position has greater responsibility as indicated by the base rate. The employee shall be placed on the step for the new position which shall result in a salary increase. When such changes have occurred on or before January 1, the employee shall be entitled to a step increase on July 1.

When an employee moves to another position having a lesser responsibility as indicated by the base rate, placement shall be at the base rate.

- 23.11 If an employee works in two different classifications at different ranges, movement through the steps shall be determined independently for each job.
- 23.12 Classified staff shall be paid on the 20th of each month, or the last working day prior to the 20th if it falls on a weekend or non-work day.
- 23.13 If an employee is reclassified to a higher range on the salary schedule, the new placement on the salary schedule shall be at the lowest step on the new range that results in a salary increase.
- 23.14 *Additional or Short Duration Duties*

Definition

Additional or short duration duties are defined as regular, daily assignments in addition to an employee's normally scheduled work hours. The duration and the assignment of such duties is at the discretion of the district.

Posting

Additional or Short Duration Duties of Less Than One Hour

Additional duties consisting of a daily duration of fifteen (15) minutes or less may be assigned to an employee by the Supervisor provided the employee is willing to assume the additional time. Duty assignments that are greater than fifteen (15) minutes shall be posted by the Supervisor within the building for five working days. All eligible employees of that building may apply. If the position is not filled, the duties may be assigned to a current employee provided the employee is willing to accept the additional time and provided the employee's combined FTE does not exceed 1.0.

Additional or Short Duration Duties in Excess of One Hour

The Human Resources Specialist shall post all additional or short duration duties more than one hour.

Compensation

Employees Assigned Hours Prior to July 01, 2011

Employees that performed additional duties beyond their primary assignment prior to July 01, 2011 shall be compensated at the employee's regular rate of pay for the additional or short duration duties. Such employees shall be grandfathered under this provision until such time as: (1) the employee retires from the district; (2) the employee is removed from the additional or short duration duty by the supervisor; or, (3) the employee voluntarily relinquishes the additional or short duration duties or resigns from the district.

Employees Assigned Hours After July 1, 2011

Employees assigned or hired into short duration duties after July 1, 2011, shall be paid at the duty rate outlined in the Collective Bargaining Agreement beginning 2012-13.

Employees Working Out of Class in a Short Term or Temporary Position

An employee who is required to fill a higher paying position on a short term or temporary basis shall receive the pay rate for that position at the time that full responsibilities are assumed as verified by the immediate supervisor. In no case shall the employee be paid at the lower rate for a time greater than three (3) consecutive working days, with the increase in pay to be retroactive to the first day.

23.15 Government Funding Changes

The District agrees to meet with the Union regarding wage increases if extra funding becomes available from the Federal or State Government.

23.16 Additional Compensation

- a. Employees shall receive the same one-thousand dollar (\$1000) stipend paid to licensed employees for the 2023-2024 school year. This stipend shall be paid in a lump sum in the employees' December 2023 paycheck.
 - i. Stipends will be paid out on the following criteria:
 - a. Payment tiers based on hours worked per week
 1. 0-19.99 hours per week = \$210
 2. 20-29.99 hours per week = \$500
 3. 30-40 hours per week = \$1,000
 - b. Must have been actively employed for the 60 days prior to the scheduled payment.

ARTICLE 24
COMPLAINT PROCEDURE

24.0 COMPLAINT PROCEDURE

24.1 Complaint Review

If an administrator receives a complaint regarding an employee and the administrator knows the complaint to be factually inaccurate or concerns general school rules or District procedures that are not the responsibility of the employee, the administrator shall document the complaint and notify the employee regarding the nature of the complaint and the process whereby the administrator intends to resolve the matter.

Other complaints shall be documented and discussed with the employee and shall follow the process outlined below. The employee shall be afforded the right to Union representation at each step of the process.

24.2 Complaint Process

Initial Conference

A conference with the employee shall be held within five (5) working days after the complaint is received by the administrator. The five (5) day limitation may be extended by mutual agreement of the District and the Union.

During the initial conference the employee shall be presented with documentation of the complaint and when possible, the name of the complainant and other available information including the nature of the complaint and the remedy requested, if any.

When appropriate, the employee may meet with the complainant to try to resolve the issue with or without a third party mediator to facilitate the meeting.

Complaint Investigation

If the administrator intends to investigate a complaint, the administrator shall conduct an investigation following the initial conference. During the investigation the employee shall be provided the opportunity to respond to the complaint.

Summary Conference

At the conclusion of the investigation, the supervisor shall meet with the employee to share the results of the investigation and the disposition of the complaint.

24.3 Disposition

If the disposition of the complaint results in the complaint being placed in the employee's personnel file and the employee disagrees with the disposition, the employee may submit a written statement setting forth the reasons the employee disagrees with the disposition. This statement shall also be placed in the employee's personnel file.

24.4 Appeal

If the employee is not satisfied with the resolution of the complaint, the employee may appeal to the Superintendent/designee within five (5) working days after receiving the administrator's disposition of the complaint.

24.5 Complaints Not Presented

Any such complaint which the Administration chooses not to discuss with the employee shall not be considered in the employee's evaluation and shall not be used against the employee in any subsequent action by the district.

Appendix I

**NEWBERG SCHOOL DISTRICT 29J
CLASSIFIED GROUPS AND PAY RANGES**

Revised: 06/23/2023

<u>Classified Group/Position</u>	<u>Range</u>	<u>Explanation</u>
CLERICAL		
Assessment Support Assistant	7	
HS Receptionist	8	<u>SECRETARY II</u>
ELL/Migrant Program Data Specialist	9	Elementary Secty II*
HS Bookkeeper	9	MS Counseling Secretary*
Secretary II (see explanation)	10	MS Secty II - Bookkeeper*
Facilities Assistant	12	MS Secretary - Registrar*
District Communications Assistant	11	MS Secty II - Attendance*
HS Registrar	11	HS Secty II - Administrative*
Accounts Payable Clerk	11	HS Secty II - Athletic*
Payroll Assistant	11	HS Secty II - Attendance*
Teaching and Learning Secretary	11	HS Secty II - Counseling*
Nutrition Services Secretary	11	HS Secty II - Data Specialist*
Human Resources Assistant	11	HS Secty II - Discipline*
Secretary III - High School	12	HS Secty II - Dropout Prevention*
Catalyst Secretary	12	HS Secty II - Learning Center*
Capital Projects Secretary	14	Secty II - COLA*
Assessment and Data Services Asst	16	Secty II - Wellness Center*
Catalyst Success Coordinator	16	
CUSTODIAL		
Courier/Warehouse Assistant	13	
Custodian*	8	
Lead Custodian - Elem and MS*	12	
Lead Custodian - HS*	15	
MAINTENANCE		
Groundskeeper I*	7	
Groundskeeper II*	12	
Groundskeeper III* - Mechanic	13	
Groundskeeper IV - Lead*	15	
Maintenance I*	10	
Maintenance II*	13	
Maintenance III* - Electrician	18	
Maintenance IV - HVAC Technician*	21	
NUTRITION SERVICES		
Food Service Worker	3	
Cook	6	
Elementary Kitchen Manager	7	
Middle School Kitchen Manager	8	
High School Kitchen Manager	9	

	<u>Classified Group/Position</u>	<u>Range</u>	<u>Explanation</u>
EDUCATIONAL	Educational Assistant I	6	Lunch/Playground Duty*
	Educational Assistant IV	9	
	Educational Assistant IV SPED**	9**	Alt Ed*, AI*, ELL, Academic Support-MS
	Elementary School Librarian	8	*Requires valid Medic First Aid
	Middle School Librarian	8	**Special Ed EAs addtnl 4% differential
	Library/Media Assistant - HS	8	***Employees required to be bilingual
	Migrant Preschool Ed Assistant	8	additional 4% differential
	Migrant Summer School Ed Asst	8	
	Migrant Summer Recruiter/Ed Asst	8	
	ELL/Migrant Program Parent Liaison	10	
	Bilingual Acad Comm Support Asst	12	
	Migrant Program Educational Asst	10	
	Migrant Preschool Coordinator	11	
	Speech/Language Pathology Asst	16	
	Student and Family Advocate	16	
MISCELLANEOUS	School Crossing Guard	6	
	Short-Duration Duty	6	Bus Duty, AM/PM Supervision, etc.
	Greenhouse Assistant	8	
	HS Campus Supervision Assistant	9	
	Spanish Language Translator	12	
	Athletic Trainer	23	
	Technology Support Specialist	20	
	Network Manager	23	

Appendix II

2023-2024 Classified Wage Schedule

Based on 3.5% Salary Schedule Increase from 2022-2023

	A	B	C	D	E	F	G	H	I	J
1	\$14.20	\$14.20	\$14.53	\$15.04	\$15.56	\$16.09	\$16.66	\$17.24	\$17.85	\$18.48
2	\$14.20	\$14.60	\$15.11	\$15.64	\$16.19	\$16.76	\$17.34	\$17.94	\$18.56	\$19.21
3	\$14.67	\$15.18	\$15.71	\$16.26	\$16.83	\$17.43	\$18.04	\$18.64	\$19.31	\$19.99
4	\$15.26	\$15.78	\$16.33	\$16.91	\$17.50	\$18.11	\$18.75	\$19.41	\$20.09	\$20.79
5	\$15.86	\$16.42	\$16.98	\$17.58	\$18.21	\$18.84	\$19.50	\$20.17	\$20.88	\$21.61
6	\$16.50	\$17.08	\$17.68	\$18.28	\$18.93	\$19.58	\$20.28	\$21.00	\$21.72	\$22.49
7	\$17.16	\$17.76	\$18.38	\$19.03	\$19.70	\$20.38	\$21.09	\$21.82	\$22.59	\$23.38
8	\$17.84	\$18.47	\$19.12	\$19.79	\$20.47	\$21.18	\$21.93	\$22.70	\$23.50	\$24.33
9	\$18.55	\$19.21	\$19.87	\$20.57	\$21.29	\$22.05	\$22.80	\$23.62	\$24.44	\$25.29
SPED9	\$19.29	\$19.98	\$20.68	\$21.39	\$22.14	\$22.91	\$23.71	\$24.55	\$25.42	\$26.31
10	\$19.29	\$19.98	\$20.68	\$21.39	\$22.14	\$22.91	\$23.71	\$24.55	\$25.42	\$26.31
11	\$20.07	\$20.77	\$21.50	\$22.25	\$23.04	\$23.84	\$24.67	\$25.53	\$26.43	\$27.36
12	\$20.87	\$21.60	\$22.37	\$23.14	\$23.95	\$24.80	\$25.66	\$26.56	\$27.48	\$28.44
13	\$21.71	\$22.46	\$23.26	\$24.06	\$24.90	\$25.79	\$26.69	\$27.62	\$28.60	\$29.60
14	\$22.57	\$23.37	\$24.18	\$25.04	\$25.90	\$26.82	\$27.75	\$28.72	\$29.73	\$30.77
15	\$23.47	\$24.30	\$25.15	\$26.04	\$26.94	\$27.88	\$28.86	\$29.87	\$30.93	\$32.01
16	\$24.43	\$25.29	\$26.15	\$27.08	\$28.02	\$29.00	\$30.02	\$31.06	\$32.16	\$33.28
17	\$25.40	\$26.29	\$27.20	\$28.15	\$29.14	\$30.17	\$31.23	\$32.30	\$33.44	\$34.61
18	\$26.41	\$27.34	\$28.30	\$29.28	\$30.30	\$31.37	\$32.47	\$33.60	\$34.78	\$35.99
19	\$27.46	\$28.43	\$29.43	\$30.45	\$31.52	\$32.61	\$33.76	\$34.95	\$36.16	\$37.43
20	\$28.55	\$29.57	\$30.62	\$31.67	\$32.78	\$33.93	\$35.11	\$36.34	\$37.61	\$38.93
21	\$29.70	\$30.74	\$31.82	\$32.94	\$34.09	\$35.29	\$36.53	\$37.79	\$39.12	\$40.49
22	\$30.91	\$31.97	\$33.09	\$34.26	\$35.46	\$36.70	\$37.98	\$39.31	\$40.69	\$42.11
23	\$32.14	\$33.25	\$34.42	\$35.64	\$36.89	\$38.17	\$39.51	\$40.88	\$42.32	\$43.80

Employees who have achieved 12 continuous years of service earn an additional \$0.30 per hour.

Employees who have achieved 16 continuous years of service earn an additional \$0.60 per hour.

Employees who have achieved 20 continuous years of service earn an additional \$0.90 per hour.

Positions that are required to be bilingual in a traditionally non-bilingual position receive an additional 4%.

(For example, Secretary II - Bilingual, EA IV - ELL or Technical Support Assistant - Bilingual)

Traditionally bilingual positions are already ranked at a higher rate and therefore will not receive the additional 4%. (For example, Bilingual Communications Support Assistant, Migrant Preschool Educational Assistant, Migrant Preschool Coordinator, and Spanish Language Translator)

2024-2025 Classified Wage Schedule

Based on 3.5% Salary Schedule Increase from 2023-2024

	A	B	C	D	E	F	G	H	I	J
1	\$14.20	\$14.50	\$15.04	\$15.56	\$16.10	\$16.66	\$17.25	\$17.85	\$18.48	\$19.13
2	\$14.58	\$15.11	\$15.64	\$16.19	\$16.75	\$17.34	\$17.94	\$18.56	\$19.21	\$19.88
3	\$15.18	\$15.71	\$16.26	\$16.83	\$17.42	\$18.04	\$18.67	\$19.29	\$19.99	\$20.69
4	\$15.79	\$16.34	\$16.90	\$17.50	\$18.11	\$18.75	\$19.41	\$20.09	\$20.79	\$21.52
5	\$16.41	\$16.99	\$17.58	\$18.20	\$18.84	\$19.50	\$20.18	\$20.88	\$21.61	\$22.36
6	\$17.08	\$17.68	\$18.30	\$18.92	\$19.59	\$20.27	\$20.99	\$21.74	\$22.49	\$23.27
7	\$17.76	\$18.38	\$19.02	\$19.70	\$20.39	\$21.09	\$21.83	\$22.58	\$23.38	\$24.20
8	\$18.47	\$19.12	\$19.79	\$20.48	\$21.19	\$21.92	\$22.70	\$23.49	\$24.33	\$25.18
9	\$19.20	\$19.88	\$20.57	\$21.29	\$22.04	\$22.82	\$23.60	\$24.45	\$25.29	\$26.18
SPED9	\$19.97	\$20.67	\$21.40	\$22.14	\$22.91	\$23.72	\$24.54	\$25.41	\$26.31	\$27.23
10	\$19.97	\$20.67	\$21.40	\$22.14	\$22.91	\$23.72	\$24.54	\$25.41	\$26.31	\$27.23
11	\$20.77	\$21.50	\$22.25	\$23.03	\$23.85	\$24.67	\$25.54	\$26.43	\$27.36	\$28.32
12	\$21.60	\$22.36	\$23.15	\$23.95	\$24.79	\$25.67	\$26.56	\$27.49	\$28.44	\$29.44
13	\$22.47	\$23.25	\$24.07	\$24.91	\$25.77	\$26.69	\$27.63	\$28.59	\$29.60	\$30.63
14	\$23.36	\$24.19	\$25.02	\$25.91	\$26.80	\$27.76	\$28.72	\$29.73	\$30.77	\$31.84
15	\$24.30	\$25.15	\$26.03	\$26.95	\$27.88	\$28.86	\$29.87	\$30.92	\$32.01	\$33.13
16	\$25.28	\$26.17	\$27.07	\$28.02	\$29.00	\$30.02	\$31.07	\$32.15	\$33.28	\$34.45
17	\$26.29	\$27.21	\$28.15	\$29.14	\$30.15	\$31.23	\$32.32	\$33.43	\$34.61	\$35.82
18	\$27.34	\$28.30	\$29.29	\$30.30	\$31.37	\$32.47	\$33.60	\$34.77	\$35.99	\$37.25
19	\$28.42	\$29.43	\$30.45	\$31.52	\$32.62	\$33.75	\$34.94	\$36.18	\$37.43	\$38.74
20	\$29.54	\$30.60	\$31.69	\$32.78	\$33.93	\$35.11	\$36.34	\$37.61	\$38.93	\$40.29
21	\$30.74	\$31.82	\$32.93	\$34.10	\$35.29	\$36.53	\$37.80	\$39.11	\$40.49	\$41.91
22	\$31.99	\$33.09	\$34.25	\$35.46	\$36.70	\$37.99	\$39.31	\$40.69	\$42.11	\$43.58
23	\$33.26	\$34.42	\$35.63	\$36.88	\$38.18	\$39.51	\$40.89	\$42.31	\$43.80	\$45.34

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Employees who have achieved 20 continuous years of service earn an additional \$0.90 per hour.

Positions that are required to be bilingual in a traditionally non-bilingual position receive an additional 4%.

(For example, Secretary II - Bilingual, EA IV - ELL or Technical Support Assistant - Bilingual)

Traditionally bilingual positions are already ranked at a higher rate and therefore will not receive the additional 4%. (For example, Bilingual Communications Support Assistant, Migrant Preschool Educational Assistant, Migrant Preschool Coordinator, and Spanish Language Translator)

2025-2026 Classified Wage Schedule

Based on 3.5% Salary Schedule Increase from 2024-2025

	A	B	C	D	E	F	G	H	I	J
1	\$14.46	\$15.01	\$15.57	\$16.11	\$16.66	\$17.24	\$17.85	\$18.47	\$19.13	\$19.79
2	\$15.09	\$15.64	\$16.19	\$16.75	\$17.34	\$17.95	\$18.57	\$19.21	\$19.88	\$20.58
3	\$15.71	\$16.26	\$16.83	\$17.42	\$18.03	\$18.67	\$19.32	\$19.97	\$20.69	\$21.41
4	\$16.34	\$16.91	\$17.50	\$18.12	\$18.75	\$19.40	\$20.09	\$20.79	\$21.52	\$22.27
5	\$16.99	\$17.58	\$18.19	\$18.84	\$19.50	\$20.18	\$20.89	\$21.61	\$22.36	\$23.15
6	\$17.67	\$18.29	\$18.94	\$19.58	\$20.28	\$20.98	\$21.72	\$22.50	\$23.27	\$24.09
7	\$18.38	\$19.03	\$19.69	\$20.39	\$21.10	\$21.83	\$22.60	\$23.37	\$24.20	\$25.05
8	\$19.11	\$19.79	\$20.48	\$21.20	\$21.93	\$22.68	\$23.49	\$24.31	\$25.18	\$26.06
9	\$19.87	\$20.58	\$21.29	\$22.03	\$22.81	\$23.62	\$24.43	\$25.30	\$26.18	\$27.09
SPED9	\$20.67	\$21.40	\$22.15	\$22.92	\$23.72	\$24.55	\$25.40	\$26.30	\$27.23	\$28.18
10	\$20.67	\$21.40	\$22.15	\$22.92	\$23.72	\$24.55	\$25.40	\$26.30	\$27.23	\$28.18
11	\$21.50	\$22.25	\$23.03	\$23.84	\$24.68	\$25.53	\$26.43	\$27.35	\$28.32	\$29.31
12	\$22.35	\$23.14	\$23.96	\$24.79	\$25.66	\$26.56	\$27.49	\$28.45	\$29.44	\$30.47
13	\$23.26	\$24.06	\$24.91	\$25.78	\$26.68	\$27.63	\$28.59	\$29.59	\$30.63	\$31.71
14	\$24.18	\$25.03	\$25.90	\$26.82	\$27.74	\$28.73	\$29.72	\$30.77	\$31.84	\$32.96
15	\$25.15	\$26.03	\$26.94	\$27.90	\$28.86	\$29.87	\$30.91	\$32.00	\$33.13	\$34.29
16	\$26.17	\$27.09	\$28.02	\$29.00	\$30.01	\$31.07	\$32.15	\$33.27	\$34.45	\$35.65
17	\$27.21	\$28.16	\$29.14	\$30.16	\$31.21	\$32.32	\$33.45	\$34.60	\$35.82	\$37.08
18	\$28.29	\$29.29	\$30.31	\$31.37	\$32.46	\$33.61	\$34.78	\$35.99	\$37.25	\$38.56
19	\$29.41	\$30.46	\$31.52	\$32.62	\$33.76	\$34.94	\$36.17	\$37.44	\$38.74	\$40.09
20	\$30.58	\$31.68	\$32.80	\$33.93	\$35.11	\$36.34	\$37.61	\$38.93	\$40.29	\$41.70
21	\$31.82	\$32.93	\$34.08	\$35.29	\$36.52	\$37.81	\$39.13	\$40.48	\$41.91	\$43.38
22	\$33.11	\$34.25	\$35.45	\$36.70	\$37.98	\$39.32	\$40.69	\$42.11	\$43.58	\$45.11
23	\$34.43	\$35.62	\$36.88	\$38.17	\$39.51	\$40.89	\$42.32	\$43.79	\$45.34	\$46.92

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Appendix III

Initial Salary Placement Guidelines Matrix

- 1) Meet Minimum Qualifications (Education / Experience or combination of Education and Experience)
- 2) Associates Degree equals a year of experience.
- 3) Bachelor degree and beyond equals two years of experience on the pay schedule.
- 4) Internally, an employee must be hired prior to February 1st in the current school year to be eligible to receive a step on the pay schedule in the following school year.
- 5) Directly Related Paid Experience is one continuous year of related work experience (one completed contract year, or 12 continuous months of non-school related work) will equal one year on the pay schedule, up to the maximum allowed in section 8 below.
- 6) Substitute intermittent experience will be recognized as experience in relation to movement on steps on the pay schedule if the hours worked in one calendar year exceed 1100 hours.
- 7) New employees, regardless of education and experience, will not be placed higher than Step H (8) per the OSEA Collective Bargaining Agreement.
- 8) The start date of this MOU will be retroactive to July 1, 2022. It is agreed that no retroactive pay will be calculated prior to July 1, 2022 and the district will not be responsible for pay equity issues that were not addressed prior to this agreement. This agreement allows the district and the OSEA to move forward with new employee salary schedule placement based on experience and not past practice, as previously set by the OSEA 2020-2023 collective bargaining agreement.