

**OREGON SCHOOL BOARDS ASSOCIATION AND TRUST**

**CONSOLIDATED FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**For the Years Ended June 30, 2023 and 2022**



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Oregon School Boards Association and Trust  
Salem, Oregon

### Opinion

We have audited the accompanying consolidated financial statements of Oregon School Boards Association and Trust, which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Oregon School Boards Association and Trust as of June 30, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Oregon School Boards Association and Trust and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Oregon School Boards Association and Trust's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

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


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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Oregon School Boards Association and Trust'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Oregon School Boards Association and Trust'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.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Jones & Roth, P.C.  
Eugene, Oregon  
September 11, 2024

CONSOLIDATED FINANCIAL STATEMENTS

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
June 30, 2023 and 2022

	2023	2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,473,438	\$ 2,545,507
Accounts receivable	990,291	623,083
Interest receivable	413,586	419,203
Prepaid expenses	260,129	45,810
Investments	72,095,066	76,080,050
Total current assets	77,232,510	79,713,653
<b>Property and equipment</b>		
Land	562,636	562,636
Land improvements	236,535	236,535
Furniture and equipment	767,969	901,969
Automobiles	161,161	161,161
Building and building improvements	7,501,961	7,365,244
	9,230,262	9,227,545
Accumulated depreciation	(3,793,301)	(3,549,522)
Property and equipment, net	5,436,961	5,678,023
<b>Goodwill</b>	1,772,526	1,772,526
<b>Total assets</b>	\$ 84,441,997	\$ 87,164,202
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 88,332	\$ 38,167
Accrued compensated absences	282,169	255,069
Payroll liabilities	121,418	100,971
Due to others	34,929	44,731
Current portion of note payable	68,729	64,736
Other liabilities	7,450	10,054
Total current liabilities	603,027	513,728
<b>Note payable, net of current portion</b>	112,577	187,369
Total liabilities	715,604	701,097
<b>Net assets</b>		
Without donor restrictions	33,726,393	36,463,105
With donor restrictions	50,000,000	50,000,000
Total net assets	83,726,393	86,463,105
<b>Total liabilities and net assets</b>	\$ 84,441,997	\$ 87,164,202

The accompanying notes are an integral part of these statements.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
For the Years Ended June 30, 2023 and 2022

	2023		
	Without Donor Restrictions	With Donor Resctrictions	Total
<b>Revenues and support</b>			
Membership dues	\$ 654,338	\$ -	\$ 654,338
Insurance trusts management fees	572,150	-	572,150
Convention and conference fees	553,357	-	553,357
Publication subscriptions	550,492	-	550,492
Contract services	2,527,464	-	2,527,464
Rental revenue	220,134	-	220,134
Reimbursement of expenditures	281,711	-	281,711
Reimbursement of property and equipment	-	-	-
Reserve funds	12,000	-	12,000
Endowment earnings	3,825,882	-	3,825,882
Unrealized loss on investments	(2,887,782)	-	(2,887,782)
Gain on disposal of property and equipment	-	-	-
Interest income	104,328	-	104,328
Miscellaneous revenue	121,662	-	121,662
	<u>6,535,736</u>	<u>-</u>	<u>6,535,736</u>
Total revenues and support			
<b>Expenses</b>			
Program	6,811,383	-	6,811,383
Administration	2,461,065	-	2,461,065
	<u>9,272,448</u>	<u>-</u>	<u>9,272,448</u>
Total expenses			
<b>Withdrawal of beneficial interest</b>	-	-	-
<b>Change in net assets</b>	(2,736,712)	-	(2,736,712)
Net assets, beginning of year	<u>36,463,105</u>	<u>50,000,000</u>	<u>86,463,105</u>
Net assets, end of year	<u>\$ 33,726,393</u>	<u>\$ 50,000,000</u>	<u>\$ 83,726,393</u>

2022		
Without Donor Restrictions	With Donor Restrictions	Total
651,267	\$ -	\$ 651,267
728,674	-	728,674
116,708	-	116,708
537,467	-	537,467
1,749,770	-	1,749,770
180,140	-	180,140
267,056	-	267,056
10,275	-	10,275
15,000	-	15,000
3,729,672	-	3,729,672
(4,745,499)	-	(4,745,499)
28,175	-	28,175
23,541	-	23,541
100,844	-	100,844
<u>3,393,090</u>	<u>-</u>	<u>3,393,090</u>
6,258,198	-	6,258,198
<u>2,216,808</u>	<u>-</u>	<u>2,216,808</u>
<u>8,475,006</u>	<u>-</u>	<u>8,475,006</u>
137,898	-	137,898
(5,219,814)	-	(5,219,814)
<u>41,682,919</u>	<u>50,000,000</u>	<u>91,682,919</u>
<u>\$ 36,463,105</u>	<u>\$ 50,000,000</u>	<u>\$ 86,463,105</u>

The accompanying notes are an integral part of these statements.



OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
For the Years Ended June 30, 2023 and 2022

	2023		
	Program	Administration	Total
Salaries, benefits, and payroll taxes	\$ 5,004,076	\$ 1,324,946	\$ 6,329,022
Sub-contracts	92,058	179,266	271,324
Professional development	44,067	10,943	55,010
Meetings, conferences, and conventions	417,766	149,240	567,006
Travel	99,976	47,298	147,274
Vehicle expenses	3,414	10,240	13,654
Building maintenance and repair	146,899	114,167	261,066
Grounds maintenance	1,075	-	1,075
Janitorial services and supplies	67,894	-	67,894
Rental expenses	8,815	9,018	17,833
Utilities	60,868	5,230	66,098
Office expenses	27,220	16,938	44,158
Computer and internet expenses	140,961	82,189	223,150
Postage and printing	26	19,717	19,743
Professional fees	167,339	107,964	275,303
Insurance	108,731	55,319	164,050
Recruitment	-	59,415	59,415
Special projects	-	57,989	57,989
Furniture and equipment	-	-	-
Dues and subscriptions	116,271	95,517	211,788
Property taxes	6,352	-	6,352
Depreciation	253,004	63,308	316,312
Miscellaneous	44,571	52,361	96,932
<b>Total expenses</b>	<b>\$ 6,811,383</b>	<b>\$ 2,461,065</b>	<b>\$ 9,272,448</b>

2022		
<u>Program</u>	<u>Administration</u>	<u>Total</u>
\$ 4,581,803	\$ 1,298,261	\$ 5,880,064
71,805	103,904	175,709
31,304	4,082	35,386
54,856	126,338	181,194
53,460	31,011	84,471
4,068	9,753	13,821
202,694	14,082	216,776
9,320	-	9,320
67,493	-	67,493
17,630	7,450	25,080
54,581	6,119	60,700
284,055	20,749	304,804
104,402	60,386	164,788
810	12,834	13,644
168,139	111,513	279,652
98,897	51,035	149,932
-	59,602	59,602
30	94,355	94,385
-	799	799
94,411	95,365	189,776
6,171	-	6,171
291,339	78,618	369,957
60,930	30,552	91,482
<u>\$ 6,258,198</u>	<u>\$ 2,216,808</u>	<u>\$ 8,475,006</u>

The accompanying notes are an integral part of these statements.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2023 and 2022

	2023	2022
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (2,736,712)	\$ (5,219,814)
Withdrawal of AOC's beneficial interest	-	137,898
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	316,312	369,957
Unrealized loss on investments	2,887,782	4,745,499
Amortization of bond premium	71,783	116,376
Gain on disposal of property and equipment	-	(28,175)
Realized gain on sale of investments	(864,375)	(953,003)
(Increase) decrease in:		
Accounts receivable	(367,208)	(73,212)
Interest receivable	5,617	45,770
Prepaid expenses	(214,319)	(7,142)
Increase (decrease) in:		
Accounts payable	50,165	(27,925)
Accrued compensated absences	27,100	(3,390)
Payroll liabilities	20,447	(169,012)
Unearned revenue	-	(1,575)
Due to others	(9,802)	10,745
Other liabilities	(2,604)	8,466
Net cash used by operating activities	(815,814)	(1,048,537)
<b>Cash flows from investing activities</b>		
Purchases of investments	(16,100,956)	(8,827,916)
Proceeds from investments	17,990,750	9,194,805
Purchase of the Trust interest from AOC	-	(2,427,544)
Withdrawal of AOC's beneficial interest	-	(137,898)
Purchase of property and equipment	(75,250)	(10,275)
Proceeds from disposal of property and equipment	-	40,870
Net cash provided (used) by investing activities	1,814,544	(2,167,958)
<b>Cash flows from financing activities</b>		
Payments on note payable	(70,799)	(66,687)
<b>Net increase (decrease) in cash and cash equivalents</b>	927,931	(3,283,182)
Cash and cash equivalents, beginning of year	2,545,507	5,828,689
Cash and cash equivalents, end of year	\$ 3,473,438	\$ 2,545,507
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	\$ 13,200	\$ 17,313

The accompanying notes are an integral part of these statements.

# OREGON SCHOOL BOARDS ASSOCIATION AND TRUST NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 1. Organization

The Oregon School Boards Association (OSBA) was organized in 1946 in Eugene, Oregon. It is a voluntary, incorporated association of local boards of education. The primary sources of revenue are from investment earnings, contract income for services rendered, and membership dues. Dues are collected from member districts annually; membership is voluntary.

Any school district, education service district, or community college may become a member of OSBA by applying and paying the annual membership dues. Membership can be terminated by a district at any time. OSBA may terminate membership for non-payment of fees.

Local Government Center Trust (the Trust) was created on July 8, 1970, on behalf of the League of Oregon Cities (LOC), the Association of Oregon Counties (AOC), and the OSBA to hold certain property for the sole use and benefit of these organizations, which are named as the trust beneficiaries. Each organization is entitled to an undivided interest in any properties held by the Trust according to the distribution ratio of the Declaration of Trust as amended. The respective presidents of the three organizations serve as trustees, and all decisions affecting the Trust are made by the trustees acting jointly. Actual management of the building and the handling of the financial accounts is vested in and delegated to the executive directors of the respective parties. In September 2021, AOC sold its interest to OSBA, resulting to OSBA owning approximately two-thirds of the underlying assets of the Trust. LOC owns the remaining one-third interest (hereafter, referred to as the non-controlling interest).

Revenues of the Trust are derived primarily from the reimbursements of owners to cover expenses for operation and maintenance of the building and equipment, reimbursements for the purchase of property and equipment and lease income from other parties.

OSBA and the Trust are exempt from federal income taxes under Internal Revenue Code Section 115.

## 2. Summary of Significant Accounting Policies

### Principles of Consolidation

The consolidated financial statements include the accounts of OSBA and the Trust (hereafter, collectively referred to as the Organization). All material intercompany balances and transactions have been eliminated in consolidation.

In September 2021, the Organization determined that, due to OSBA's purchase of AOC's interest, OSBA obtained majority control over the Trust. Therefore, the Organization started consolidating the Trust in its financial statements. The consolidated net assets as of July 1, 2021, is reduced by \$652,474 for the effect of retroactive application of the consolidation policy.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**2. Summary of Significant Accounting Policies**, continued

**Acquisition**

In September 2021, AOC entered into an assignment agreement with OSBA to sell their interest as detailed in the agreement for \$2,425,000, pertaining to the building, cottages and parking lot. Additionally, AOC withdrew its beneficial interest of \$137,898 from the building reserve and apartment earnings accumulated by the Trust in the past years. This was presented as a reduction to net assets in the consolidated statement of activities for the year ended June 30, 2022. This transaction resulted in the recognition of goodwill of \$1,772,526 calculated as follows:

Cash consideration transferred	\$ 2,425,000
Share in the total book net assets	<u>(652,474)</u>
Excess of consideration transferred over book net assets	<u>\$ 1,772,526</u>

The Trust's underlying identifiable net assets include property and equipment, receivables, cash and investments, and accounts payable. There was no contingent consideration in the arrangement.

Goodwill is not subject to amortization; rather, it will be assessed for impairment at least annually. None of the goodwill recognized is expected to be deductible for income tax purposes.

**Basis of Accounting and Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization's records are maintained on an accrual basis whereby revenues are recognized when earned and expenses are recognized when liabilities are incurred.

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

*Net assets without donor restrictions* – Revenue, gains, and other support that have no external restrictions on their use or purpose and can be used for any purpose consistent with the bylaws are without donor restrictions. Net assets without donor restrictions include all assets available for general purposes.

Within this category are net assets without donor restrictions for financial reporting purposes that are considered conditionally restricted by the Board, available only upon a two-thirds majority vote by the Board. These reserves are being held in an endowment with the investment earnings being made available to fund OSBA's operations. In June 2019, the Board approved a policy to reduce the amount of net assets without Board restrictions to be at least 15 percent of OSBA's approved budget with a maximum of \$10,000,000, increasing board-restricted net assets to equal all net assets without donor restrictions in excess of that amount. The amount of OSBA's board-restricted net assets was \$22,746,530 and \$25,408,983 as of June 30, 2023 and 2022, respectively.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**2. Summary of Significant Accounting Policies**, continued

**Basis of Accounting and Presentation**, continued

*Net assets with donor restrictions* – Revenue, gains, contributions, and other support that have been restricted by external parties or by law are reported as net assets with donor restrictions. Effective July 1, 2008, the OSBA Employee Benefits Insurance Trust discontinued its operations. At that time, the Insurance Trust's balances were transferred to OSBA pursuant to the Trust Agreement. The resolution for dissolution called for an establishment of a \$50,000,000 reserve to be held in perpetuity to protect the funds in a manner consistent with the agreement. These are considered net assets with restrictions that are perpetual in nature. At June 30, 2023 and 2022, there were no net assets with donor restrictions within the Trust.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash balances in deposit accounts and amounts in the Oregon State Treasurer's Local Government Investment Pool. Cash equivalents are stated at cost, which approximates fair market value. Oregon statutes authorize the Trust to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, commercial paper, and the Oregon State Treasurer's Local Government Investment Pool, among others.

**Accounts Receivable**

Accounts receivable are recorded on the accrual basis of accounting and represent membership dues, amounts due from reinsurance providers, and fees for services provided, as well as miscellaneous refunds. Due to the nature of the receivables and the likelihood of collection, no allowance for uncollectible accounts is considered necessary by management.

**Property and Equipment**

Property and equipment are defined as assets with an initial individual cost in excess of \$5,000 and a useful life of more than one year. Property and equipment are stated at cost, less accumulated depreciation, which is computed on the straight-line method over the estimated useful lives of the assets. Donated property and equipment are recorded at estimated fair market value at the date of donation. Useful lives are as follows: 3 to 5 years for furniture and equipment and automobiles, 15 years for building improvements, and 39 years for the building. Depreciation expense for the years ended June 30, 2023 and 2022, was \$316,312 and \$369,957, respectively.

**Goodwill**

Goodwill represents the excess of the cost of acquiring the Trust over the book value of the net assets acquired. Accounting principles generally accepted in the United States of America require that the organization evaluate, at least annually, whether an event has occurred or circumstances have change that indicate goodwill may be impaired. If a triggering event or change in circumstances has occurred, management is required to perform an impairment test to determine if the fair value of the entity is below its carrying amount. For the years ended June 30, 2023 and 2022, no such events or changes in circumstances were noted and, as such, management did not perform an impairment analysis on the entity's goodwill balance.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**2. Summary of Significant Accounting Policies**, continued

**Accrued Compensated Absences**

Employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. The liabilities for vested or accumulated vacation leave, compensatory time, and retirement benefits are reported on the statements of financial position. Total unpaid compensated absences at June 30, 2023 and 2022, were reported based on total vested hours multiplied by current wage rates. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**Liquidity and Availability of Resources**

Financial assets available for general expenditure, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2023	2022
Cash and cash equivalents	\$ 3,473,438	\$ 2,545,507
Accounts receivable	990,291	623,083
Interest receivable	413,586	419,203
Investments	72,095,066	76,080,050
	76,972,381	79,667,843
Less: Board-designated funds	(22,746,530)	(25,408,983)
Net assets with restrictions held in perpetuity	(50,000,000)	(50,000,000)
Financial assets available for general expenditure	\$ 4,225,851	\$ 4,258,860

See Basis of Accounting and Presentation Section of Note 2 for discussion regarding the reductions from financial assets available for general expenditure.

**Revenue Recognition and Performance Obligations**

OSBA's revenue is recognized as the performance obligations are satisfied, either at a point in time or over a period of time. Revenues such as membership dues and publication subscriptions are recognized over a period of time, typically the same period as OSBA's fiscal year. Revenues associated with conventions and conferences, as well as contract services are recognized at a point in time when the convention or conference has occurred or the services have been provided. Insurance and legal revenues are essentially reimbursements of costs of a related party for services provided for OSBA members. Such revenues are recognized upon the incurrence of related expenses, resulting in revenue being recorded in the period that expenses are incurred.

The Trust's revenue is comprised of reimbursement revenue which is recognized at a point in time (when invoices are sent to the trustees to reimburse expenses incurred by the Trust). In addition, the agreement with the trustees does not contain variable consideration or contract modifications.

At June 30, 2023 and 2022, contract receivables were \$990,291 and \$623,083, respectively. At July 1, 2021, contract receivables were \$549,871.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**2. Summary of Significant Accounting Policies**, continued

**Functional Allocation of Expenses**

The Organization allocates its expenses on a functional basis among its program and support services. OSBA has no fundraising expenses and direct expenses are allocated using distinct cost centers. Certain shared expenses are allocated pro-rata among the different departments of OSBA. Accordingly, certain costs have been allocated among the program and support services. All of Trust's expenses are deemed program expenses with the exception of actual expenses incurred for accounting and related professional services and meeting expenses.

**Use of Estimates**

The preparation of basic consolidated 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 consolidated financial statements and reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

**Recent Accounting Standards Adopted**

During the year ended June 30, 2023, the Organization adopted Financial Accounting Standard Board (FASB) Accounting Standards Codification (ASC) Topic 842, *Leases*, using the modified retrospective approach, with July 1, 2022 as the date of initial application. The most significant change in the new leasing guidance is the requirement for lessees to recognize right-of-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The Organization elected to utilize all of the practical expedients available under the transition guidance within the new standard. Adoption of the new standard had no material impact on the Organization's financial statements. The Organization did not recognize ROU assets and lease liabilities for OSBA's lease with a third party through October 31, 2023 and with monthly payment of \$757, as well as the Trust's pass-through leases with LOC. For the years ended June 30, 2023 and 2022, lease expense, excluding pass-through leases with LOC, totaled \$9,018 and \$7,450, respectively.

**3. Cash and Cash Equivalents**

As of June 30, cash and cash equivalents consisted of the following:

	<u>2023</u>	<u>2022</u>
Petty cash	\$ 274	\$ 274
Demand deposits	475,633	994,311
Oregon State Treasurer's Local Government Investment Pool	<u>2,997,531</u>	<u>1,550,922</u>
Total cash and cash equivalents	<u>\$ 3,473,438</u>	<u>\$ 2,545,507</u>



OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**3. Cash and Cash Equivalents, continued**

OSBA maintains its cash in a bank deposit account with a financial institution, at times in excess of the federally insured amount of \$250,000. At June 30, 2023 and 2022, \$172,542 and \$627,268 were in excess of FDIC insured limits, respectively. Financial institutions insure these balances in excess of the federally insured amount via the Oregon State Treasurer's office by designating these balances as Public Funds per Oregon Revised Statutes (ORS) Chapter 295.

The Trust maintains its cash in a bank deposit account with a financial institution covered by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At June 30, 2023 and 2022, there were no funds in excess of FDIC insured limits.

The State Treasurer of the State of Oregon maintains the Oregon Short-Term Fund, of which the Local Government Investment Pool is a part of. Participation by local governments is voluntary. At June 30, 2023 and 2022, the carrying value of the position in the Oregon State Treasurer's Short-Term Investment Pool approximates fair value. The investment in the Oregon Short-Term Fund is not subject to risk evaluation and principal is not guaranteed or insured.

**4. Investments**

Investments are stated at fair value as determined by quoted market prices and consist of mutual funds that are invested primarily in debt and equity securities.

**Fair Value Measurements**

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, the fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair value is based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

FASB ASC 820 provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

In accordance with FASB ASC 820, the Organization groups its financial assets and financial liabilities generally measured at fair value based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**4. Investments**, continued

**Fair Value Measurements**, continued

Level 1: Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2: Valuation is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3: Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following tables present the Organization's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2023 and 2022:

	<u>Assets at Fair Value as of June 30, 2023</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities:				
Governmental bonds	\$ 2,698,849	\$ -	\$ -	\$ 2,698,849
Corporate bonds	-	25,627,610	-	25,627,610
Foreign bonds and notes	-	2,739,696	-	2,739,696
Private placements	-	691,654	-	691,654
Other	-	399,616	-	399,616
Equity securities:				
U.S. equities	31,123,896	-	-	31,123,896
International equities	6,383,227	-	-	6,383,227
Real estate investment trusts	<u>-</u>	<u>-</u>	<u>2,430,518</u>	<u>2,430,518</u>
 Total assets at fair value	 <u>\$ 40,205,972</u>	 <u>\$ 29,458,576</u>	 <u>\$ 2,430,518</u>	 <u>\$ 72,095,066</u>

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**4. Investments**, continued

**Fair Value Measurements**, continued

	<u>Assets at Fair Value as of June 30, 2022</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities:				
Governmental bonds	\$ 3,144,453	\$ -	\$ -	\$ 3,144,453
Corporate bonds	-	29,450,936	-	29,450,936
Foreign bonds and notes	-	1,764,015	-	1,764,015
Private placements	-	716,134	-	716,134
Other	-	424,811	-	424,811
Equity securities:				
U.S. equities	31,397,481	-	-	31,397,481
International equities	6,064,356	-	-	6,064,356
Real estate investment trusts	-	-	3,117,864	3,117,864
 Total assets at fair value	 <u>\$ 40,606,290</u>	 <u>\$ 32,355,896</u>	 <u>\$ 3,117,864</u>	 <u>\$ 76,080,050</u>

The following tables set forth a summary of changes in the fair value of Level 3 assets for the years ended June 30, 2023 and 2022:

	<u>Real Estate Investment Trusts</u>
Balance, June 30, 2021	\$ 3,129,892
Unrealized loss	(408,976)
Purchases, sales, settlements and other reductions (net)	<u>396,948</u>
Balance, June 30, 2022	3,117,864
Unrealized gain	131,470
Purchases, sales, settlements and other reductions (net)	<u>(818,815)</u>
Balance, June 30, 2023	<u>\$ 2,430,518</u>

**Investment Objectives**

The Organization's investment objectives are ranked in order of importance. No speculative activity on securities is permitted.

- A. To retain liquidity and provide income to meet projected or unexpected cash needs.
- B. To attain the best possible total return (yield and market appreciation) while retaining liquidity and minimizing risk.
- C. To assure the safety of principal.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**4. Investments**, continued

**Investment Securities Diversification**

*Permitted Transactions:*

- A. Federally insured certificates of deposits, savings accounts, and money market funds that invest in government backed securities.
- B. Bank repurchase agreements, banker acceptances, and commercial paper.
- C. U.S. Treasury Bills and U.S. Government Securities that are backed by full faith of the U.S. government.
- D. Investment grade (BBB) or better individual corporate or municipal bonds.
- E. Exchange traded funds.
- F. Open-end and closed-end mutual funds.
- G. Equities of corporations listed on the New York Stock Exchange (NYSE), American Stock Exchange (AMEX), and large and medium capitalization companies listed on National Association of Securities Dealers Exchange (NASDAQ).
- H. Master Limited Partnerships (MLPs).
- I. Real Estate Investment Trusts (REITs).

*Fixed Income Securities:*

- A. In addition to government treasuries and agencies, all other marketable issues held should have a minimum quality rating of investment grade or better at time of purchase as designated by a recognized rating service. For purposes of commercial paper holdings, issues held should have a minimum quality rating of "A1-P1", as defined by a recognized rating service.
- B. The average duration will not exceed 10 years.
- C. The maximum investment in any one fixed income security will be limited to 5 percent of the fixed income portfolio, at time of purchase (government and agency obligations are excluded from this limitation).
- D. Commercial paper and repurchase agreements, as well as convertible securities and bonds, are considered acceptable assets.

*Diversification:*

- A. In order to minimize the risk of large losses in individual security positions, the portfolio will be constructed to attain extensive diversification in both equity and fixed income investments with no material concentration of plan assets in any single security or industry group with the exception of U.S. government and agency obligations.
- B. Economic sectors: It is expected that the equity component of the portfolio will reflect a broad economic sector diversification.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**4. Investments**, continued

**Investment Securities Diversification**, continued

The Board of Directors has adopted the following asset allocation formula for the Organization's investment manager. The formula is consistent with the desired objectives and risk tolerances of the funds.

<u>Asset Category</u>	<u>Preferred Allocation</u>	<u>Total Range</u>
Equities	40%	20 - 50%
Bonds/fixed income	55%	30 - 70%
Cash/equivalents	5%	0 - 20%

The above formula may be altered to either reduce market risk or optimize opportunities to capitalize on expected market movement.

**5. Note Payable**

In 2020, OSBA assumed an installment note payable as part of a purchase of real property.

At June 30, note payable consisted of the following:

	<u>2023</u>	<u>2022</u>
Note payable to Bellinger Bros, LLC with principal and interest payments of \$7,500 beginning July 2020 and principal and interest payments of \$7,000 beginning September 2020, interest rate at 6.00%. Final payment of principal and interest due November 2025, secured by land and building.	\$ 181,306	\$ 252,105
Current portion	<u>(68,729)</u>	<u>(64,736)</u>
Note payable, net of current portion	<u>\$ 112,577</u>	<u>\$ 187,369</u>

Annual maturities of note payable obligations in each of the next five years and thereafter are as follows:

<u>For the Year Ending June 30,</u>		
2024	\$	68,729
2025		79,405
2026		33,172
2027		-
2028		-
Thereafter		<u>-</u>
Total	<u>\$</u>	<u>181,306</u>

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 6. Retirement Plans

### Plan Description

Contributions are made to the Oregon Public Employees Retirement Fund (OPERF), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oregon Public Employees Retirement System (PERS). PERS provides retirement and disability benefits, post-employment health care benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

PERS is administered under ORS Chapter 238. ORS 238.620 establishing the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information, which can be obtained by writing to PERS, P.O. Box 23700, Tigard, OR 97281-3700 or by calling 1-503-598-7377.

Members of PERS are required to contribute 6 percent of their salary covered under the plan. OSBA is required by ORS 238.225 to contribute at an actuarially determined rate. The rates effective July 1, 2021 through June 30, 2023, is 26.92 percent of salary covered under the plan for Tier 1 and Tier 2 employees and 22.31 percent for employees covered under the Oregon Public Services Retirement Plan (OPSRP). The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature. The contributions to PERS for the years ended June 30, 2023 and 2022, was \$1,161,292 and \$1,067,428, respectively, and was equal to the required contributions for the years ended.

OSBA elected to contribute the 6 percent "pick-up" of the employee's portion starting January 1, 2005.

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The OPSRP is effective for all new employees hired on or after August 29, 2003. The new plan consists of a defined benefit program (the Pension Program) and a defined contribution portion (the Individual Account Program or IAP). The Pension Program portion of OPSRP provides a life pension funded by employer contributions.

Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service.

Beginning January 1, 2004, all PERS member contributions go into the IAP portion of OPSRP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account. Those employees who had established a PERS membership prior to creation of OPSRP will be members of both the PERS and OPSRP systems as long as they remain in covered employment.

OSBA's pension liability and the annual required contribution rate were determined using the entry age cost method. The unfunded actuarial liability (UAL) created by this method, including gains and losses, is amortized as a level percentage of salary over a period commencing on the valuation date (2001, 2003, 2005, 2007, 2009, and 2011) and ending on December 31, 2027, using closed amortization. Beginning in 2007, each valuation's UAL will be amortized over 20 years, again using closed amortization. As of December 31, 2022 and 2021, the actuarial assumptions include an investment return of 6.90 percent, inflation of 2.40 percent, and payroll growth of 3.40 percent.

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**6. Retirement Plans, continued**

**Plan Description, continued**

<u>Actuarial Valuation Date</u>	<u>Actuarial Liability Accrued</u>	<u>Unfunded Actuarial Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAL as a Percentage of Covered Payroll</u>
12/31/2022	\$ 8,070,023	\$ 8,070,023	71%	\$ 4,012,723	201%
12/31/2021	5,784,577	5,784,577	77%	3,651,395	158%

The actuary has determined that there is no implicit subsidy to recognize.

**7. Related Party Transactions**

The following transactions occurred during the period beginning July 1, 2021 and ending June 30, 2023, with other organizations which were related through common ownership, boards, and management:

**Oregon School Board Association**

<u>Company Name</u>	<u>Type of Revenue / Receivable Balance</u>	<u>2023</u>	<u>2022</u>
OSBA Property and Casualty Coverage for Education (PACE)	Accounts receivable	\$ 696,000	\$ 568,640
	Sponsorship	50,000	50,000
	Administration charges	572,150	728,674
	Legal services	1,623,850	1,347,114
	PACT money transfers	-	1,110,505

As of June 30, 2023 and 2022, receivable from PACE is 70% and 91%, respectively, of the total receivables. For the years ended June 30, 2023 and 2022, revenues from PACE is 34% and 63%, respectively, of the total revenues and support.

**Local Government Center Trust**

<u>Company Name</u>	<u>Type of Revenue / Expense or Payable / Receivable Balance</u>	<u>2023</u>	<u>2022</u>
League of Oregon Cities	Accounts receivable	\$ 7,754	\$ 8,077
League of Oregon Cities	Accounts payable	8,815	8,815
League of Oregon Cities	Reimbursement revenue	106,694	105,584
Association of Oregon Counties	Accounts receivable	-	179
Association of Oregon Counties	Reimbursement revenue	-	22,078

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**8. Lease Revenue**

OSBA entered into an agreement with a third party to lease real property, effective June 22, 2020. Base rent under the lease was \$5,000, plus a portion of annual property taxes. This lease was amended effective April 1, 2021 to reduce base rent to \$3,500 and extend the term until December 31, 2022. Total rent recognized under this lease agreement during the years ended June 30, 2023 and 2022 was \$24,000 and \$48,000, respectively.

OSBA entered into an agreement with a third party to lease office spaces effective April 1, 2021, amended on March 1, 2022. Base rent under the lease is \$4,200. The lease was renewed for another a new base rent of \$5,160. Total rent recognized under these lease agreements during the year ended June 30, 2023 and 2022 was \$55,188 and \$40,400. Rent due to OSBA under the terms of this lease for the year ended June 30, 2024 is \$41,280.

OSBA entered into an agreement with a third party to lease office space, effective September 1, 2021, for a term of one year, with the option to renew. Base rent under the lease was \$500. The lease was renewed for another year with a 7% increase in base rent. Total rent recognized under this lease agreement during the years ended June 30, 2023 and 2022 was \$6,385 and \$5,000, respectively. Rent due to OSBA under the terms of this lease for the year ended June 30, 2024 is \$1,070.

OSBA entered into an agreement with a third party to lease office space, effective May 1, 2022, for a term of one year, with the option to renew. Base rent under the lease was \$500. The lease was renewed for another year with a 7% increase in base rent. Total rent expense recognized under this lease agreement during the years ended June 30, 2023 and 2022 was \$6,105 and \$1,000, respectively. Rent due to OSBA under the terms of this lease for the years ended June 30, 2024 is \$5,350.

In addition to the agreements described above, OSBA leases parking spaces on a month-to-month basis and conference rooms on an as-needed basis.

OSBA and LOC have month-to-month lease agreements with the City of Portland and Oregon Municipal Electric Utilities Association. The Trust assists in the collection and remittance. Collections are reported as lease revenue, and remittance to OSBA and LOC are reported as rental expenses in the Trust's statement of activities. For each of the years ended June 30, 2023 and 2022, the Trust collected and remitted \$17,630 to OSBA and LOC.

**9. Subsequent Events**

Management evaluates events and transactions that occur after the consolidated statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent auditor's report.

In November 2023, the OSBA Executive Director asked to be placed on paid administrative leave and requested to be paid out for the balance of his contract. The board agreed to the Executive Director being placed on paid administrative leave, but has not agreed, at this time, to pay out any part of the balance of his contract. The matter was resolved in May 2024 and the remainder of the contract was paid out.



SUPPLEMENTARY INFORMATION

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
June 30, 2023

	OSBA	Trust
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,103,029	\$ 370,409
Accounts receivable	991,058	8,048
Interest receivable	413,586	-
Prepaid expenses	260,129	-
Investments	72,095,066	-
Total current assets	76,862,868	378,457
<b>Investment in Local Government Center Trust</b>	<b>3,675,384</b>	<b>-</b>
<b>Property and equipment</b>		
Land	-	562,636
Land improvements	-	236,535
Furniture and equipment	609,558	158,411
Automobiles	161,161	-
Building and building improvements	2,996,910	4,505,051
	3,767,629	5,462,633
Accumulated depreciation	(908,973)	(2,884,328)
Property and equipment, net	2,858,656	2,578,305
<b>Goodwill</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 83,396,908</b>	<b>\$ 2,956,762</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 77,713	\$ 19,434
Accrued compensated absences	281,370	799
Payroll liabilities	121,418	-
Due to others	34,929	-
Current portion of note payable	68,729	-
Other liabilities	7,450	-
Total current liabilities	591,609	20,233
<b>Note payable, net of current portion</b>	<b>112,577</b>	<b>-</b>
Total liabilities	704,186	20,233
<b>Net assets</b>		
Without donor restrictions	32,692,722	2,936,529
With donor restrictions	50,000,000	-
Total net assets	82,692,722	2,936,529
<b>Total liabilities and net assets</b>	<b>\$ 83,396,908</b>	<b>\$ 2,956,762</b>

<u>Combined</u>	<u>Elimination</u>	<u>Consolidated</u>
\$ 3,473,438	\$ -	\$ 3,473,438
999,106	(8,815)	990,291
413,586	-	413,586
260,129	-	260,129
<u>72,095,066</u>	<u>-</u>	<u>72,095,066</u>
<u>77,241,325</u>	<u>(8,815)</u>	<u>77,232,510</u>
<u>3,675,384</u>	<u>(3,675,384)</u>	<u>-</u>
562,636	-	562,636
236,535	-	236,535
767,969	-	767,969
161,161	-	161,161
<u>7,501,961</u>	<u>-</u>	<u>7,501,961</u>
9,230,262	-	9,230,262
<u>(3,793,301)</u>	<u>-</u>	<u>(3,793,301)</u>
<u>5,436,961</u>	<u>-</u>	<u>5,436,961</u>
<u>-</u>	<u>1,772,526</u>	<u>1,772,526</u>
<u>\$ 86,353,670</u>	<u>\$ (1,911,673)</u>	<u>\$ 84,441,997</u>
\$ 97,147	\$ (8,815)	\$ 88,332
282,169	-	282,169
121,418	-	121,418
34,929	-	34,929
68,729	-	68,729
<u>7,450</u>	<u>-</u>	<u>7,450</u>
611,842	(8,815)	603,027
<u>112,577</u>	<u>-</u>	<u>112,577</u>
<u>724,419</u>	<u>(8,815)</u>	<u>715,604</u>
35,629,251	(1,902,858)	33,726,393
<u>50,000,000</u>	<u>-</u>	<u>50,000,000</u>
<u>85,629,251</u>	<u>(1,902,858)</u>	<u>83,726,393</u>
<u>\$ 86,353,670</u>	<u>\$ (1,911,673)</u>	<u>\$ 84,441,997</u>

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATING STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

	Without Donor Restrictions		
	OSBA	Trust	Combined
<b>Revenues and support</b>			
Membership dues	\$ 654,338	\$ -	\$ 654,338
Insurance trusts management fees	572,150	-	572,150
Convention and conference fees	553,357	-	553,357
Publication subscriptions	550,492	-	550,492
Contract services	2,527,464	-	2,527,464
Rental revenue	154,234	65,900	220,134
Reimbursement of expenditures	-	281,711	281,711
Reimbursement of property and equipment	-	-	-
Reserve funds	-	24,000	24,000
Endowment earnings	3,772,073	-	3,772,073
Unrealized loss on investments	(2,887,782)	-	(2,887,782)
Gain on disposal of property and equipment	-	-	-
Interest income	98,014	6,314	104,328
Miscellaneous revenue	231,211	4,084	235,295
	<u>6,225,551</u>	<u>382,009</u>	<u>6,607,560</u>
<b>Total revenues and support</b>			
<b>Expenses</b>			
Program	6,491,268	445,748	6,937,016
Administration	2,450,544	10,521	2,461,065
	<u>8,941,812</u>	<u>456,269</u>	<u>9,398,081</u>
<b>Total expenses</b>			
<b>Change in net assets</b>	(2,716,261)	(74,260)	(2,790,521)
Net assets, beginning of year	<u>35,408,983</u>	<u>3,010,789</u>	<u>38,419,772</u>
Net assets, end of year	<u>\$ 32,692,722</u>	<u>\$ 2,936,529</u>	<u>\$ 35,629,251</u>

<u>Without Donor Restrictions</u>		<u>With Donor Restrictions</u>				
<u>Elimination</u>	<u>Consolidated</u>	<u>OSBA</u>	<u>Trust</u>	<u>Combined</u>	<u>Elimination</u>	<u>Consolidated</u>
\$ -	\$ 654,338	\$ -	\$ -	\$ -	\$ -	\$ -
-	572,150	-	-	-	-	-
-	553,357	-	-	-	-	-
-	550,492	-	-	-	-	-
-	2,527,464	-	-	-	-	-
-	220,134	-	-	-	-	-
-	281,711	-	-	-	-	-
-	-	-	-	-	-	-
(12,000)	12,000	-	-	-	-	-
53,809	3,825,882	-	-	-	-	-
-	(2,887,782)	-	-	-	-	-
-	-	-	-	-	-	-
-	104,328	-	-	-	-	-
<u>(113,633)</u>	<u>121,662</u>	-	-	-	-	-
<u>(71,824)</u>	<u>6,535,736</u>	-	-	-	-	-
(125,633)	6,811,383	-	-	-	-	-
-	2,461,065	-	-	-	-	-
<u>(125,633)</u>	<u>9,272,448</u>	-	-	-	-	-
53,809	(2,736,712)	-	-	-	-	-
<u>(1,956,667)</u>	<u>36,463,105</u>	<u>50,000,000</u>	<u>-</u>	<u>50,000,000</u>	<u>-</u>	<u>50,000,000</u>
<u>\$ (1,902,858)</u>	<u>\$ 33,726,393</u>	<u>\$ 50,000,000</u>	<u>\$ -</u>	<u>\$ 50,000,000</u>	<u>\$ -</u>	<u>\$ 50,000,000</u>

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2023

	Program		
	OSBA	Trust	Combined
Salaries, benefits, and payroll taxes	\$ 5,004,076	\$ 104,818	\$ 5,108,894
Sub-contracts	92,058	-	92,058
Professional development	44,067	-	44,067
Meetings, conferences, and conventions	417,766	-	417,766
Travel	99,976	-	99,976
Vehicle expenses	3,414	-	3,414
Building maintenance and repair	136,470	22,429	158,899
Grounds maintenance	-	1,075	1,075
Janitorial services and supplies	-	67,894	67,894
Rental expenses	-	17,630	17,630
Utilities	8,717	52,151	60,868
Office expenses	27,045	175	27,220
Computer and internet expenses	136,982	3,979	140,961
Postage and printing	-	26	26
Professional fees	163,589	3,750	167,339
Insurance	92,197	16,534	108,731
Recruitment	-	-	-
Special projects	-	-	-
Dues and subscriptions	116,271	-	116,271
Property taxes	-	6,352	6,352
Depreciation	105,514	147,490	253,004
Miscellaneous	43,126	1,445	44,571
<b>Total expenses</b>	<b>\$ 6,491,268</b>	<b>\$ 445,748</b>	<b>\$ 6,937,016</b>

Program		Administration					
Elimination	Consolidated	OSBA	Trust	Combined	Elimination	Consolidated	Total
\$ (104,818)	\$ 5,004,076	\$ 1,324,946	\$ -	\$ 1,324,946	\$ -	\$ 1,324,946	\$ 6,329,022
-	92,058	179,266	-	179,266	-	179,266	271,324
-	44,067	10,943	-	10,943	-	10,943	55,010
-	417,766	149,240	-	149,240	-	149,240	567,006
-	99,976	47,298	-	47,298	-	47,298	147,274
-	3,414	10,240	-	10,240	-	10,240	13,654
(12,000)	146,899	114,167	-	114,167	-	114,167	261,066
-	1,075	-	-	-	-	-	1,075
-	67,894	-	-	-	-	-	67,894
(8,815)	8,815	9,018	-	9,018	-	9,018	17,833
-	60,868	5,230	-	5,230	-	5,230	66,098
-	27,220	16,227	711	16,938	-	16,938	44,158
-	140,961	82,189	-	82,189	-	82,189	223,150
-	26	19,717	-	19,717	-	19,717	19,743
-	167,339	98,154	9,810	107,964	-	107,964	275,303
-	108,731	55,319	-	55,319	-	55,319	164,050
-	-	59,415	-	59,415	-	59,415	59,415
-	-	57,989	-	57,989	-	57,989	57,989
-	116,271	95,517	-	95,517	-	95,517	211,788
-	6,352	-	-	-	-	-	6,352
-	253,004	63,308	-	63,308	-	63,308	316,312
-	44,571	52,361	-	52,361	-	52,361	96,932
<u>\$ (125,633)</u>	<u>\$ 6,811,383</u>	<u>\$ 2,450,544</u>	<u>\$ 10,521</u>	<u>\$ 2,461,065</u>	<u>\$ -</u>	<u>\$ 2,461,065</u>	<u>\$ 9,272,448</u>

OREGON SCHOOL BOARDS ASSOCIATION AND TRUST  
SCHEDULE OF AMOUNTS DUE TO OTHERS  
For the Year Ended June 30, 2023

**Oregon Council of School Attorneys**

Revenues:	
Dues	\$ 5,330
Expenses:	
Dues	<u>15,132</u>
Expenses in excess of revenues	(9,802)
Balance - July 1, 2022	<u>44,731</u>
Balance - June 30, 2023	<u>34,929</u>
<b>Total amounts due to others</b>	<b><u><u>\$ 34,929</u></u></b>