Financial Statements
June 30, 2020

Oxnard Union High School District

OXNARD UNION
HIGH SCHOOL DISTRICT

EideBailly

Independent Auditor's Report

To the Governing Board
Oxnard Union High School District
Oxnard, California

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard Union High School District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, budgetary comparison information on page 73, schedule of changes in the District's net OPEB liability and related ratios on page 74, schedule of OPEB investment returns on page 75, schedule of the District's proportionate share of the net OPEB liability – MPP program on page 76, schedule of the District's proportionate share of the net pension liability on page 77, and schedule of the District contributions on page 78, be presented to supplement the basic financial statements. Such information, 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.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements. The combining and individual nonmajor fund financial statements, Schedule of Expenditures of Federal Awards as required by the audit requirements of *Title 2 U.S. Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the other supplementary information listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and other supplementary information as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 6, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Rancho Cucamonga, California
January 6, 2021

OXNARD UNION
HIGH SCHOOL DISTRICT
Building Powerful Futures for *Every* Student

309 South K Street • Oxnard, California 93030 • (805) 385-2500 • FAX (805) 483-3069

This section of Oxnard Union High School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020, with comparative information for the year ended June 30, 2019. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein, include all of the activities of the Oxnard Union High School District and its component units using the integrated approach as prescribed by Government Accounting Standards Board (GASB) Statement No. 34.

The Government-Wide Financial Statements present the financial picture of the District from the economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the District (including capital assets), as well as all liabilities (including long-term liabilities). Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables, and receivables.

The *Fund Financial Statements* include statements for each of two categories of activities: governmental and fiduciary.

- The *Governmental Funds* are prepared using the current financial resources measurement focus and modified accrual basis of accounting.
- The *Fiduciary Funds* are prepared using the economic resources measurement focus and the accrual basis of accounting.

The Primary unit of the government is the Oxnard Union High School District.

FINANCIAL HIGHLIGHTS OF THE PAST YEAR

Total General Fund Revenue decreased by $1,926,023 from the previous fiscal year. The following table shows major revenue sources for fiscal year 2019-2020 compared with fiscal year 2018-2019.

	2020	2019	Change
Local Control Funding Formula (includes property taxes)	$ 180,753,096	$ 171,355,031	$ 9,398,065
Federal sources	8,448,794	7,838,327	610,467
Other State sources	17,928,832	25,724,935	(7,796,103)
Other local sources	13,690,411	17,828,863	(4,138,452)
Total	$ 220,821,133	$ 222,747,156	$ (1,926,023)

Total General Fund Expenditures increased 4% from the previous fiscal year. The following table shows expenditures for fiscal year 2019-2020 compared with fiscal year 2018-2019.

	2020		2019		Change	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Certificated salaries	$ 89,969,140	40%	$ 93,282,362	43%	3,313,222	4%
Classified salaries	27,151,371	12%	27,959,274	13%	807,903	3%
Employee benefits	72,807,816	32%	65,877,087	30%	(6,930,729)	-11%
Books and supplies	7,657,096	3%	7,385,249	3%	(271,847)	-4%
Services and other	21,756,288	10%	19,982,855	9%	(1,773,433)	-9%
Other outgo	2,660,714	1%	2,616,930	1%	(43,784)	-2%
Capital outlay and debt service	5,159,322	2%	2,248,443	1%	(2,910,879)	-129%
Total	$ 227,161,747	100%	$ 219,352,200	100%	$ (7,809,547)	-4%

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the District as a whole and about its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in it. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows resources, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position will serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other factors to consider are changes in the District's property tax base and the condition of the District's facilities.

The relationship between revenues and expenses is the District's operating results. Since the Board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the District. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we present the District activities as follows:

Governmental Activities - The District's services are reported in this category. This includes the education of nine through grade twelve students, adult education students, the operation of child development activities, and the on-going effort to improve and maintain buildings and sites. Property taxes, State income taxes, user fees, interest income, Federal, State, and local grants, as well as general obligation bonds, finance these activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money that it receives from the U.S. Department of Education.

Governmental Funds - The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

THE DISTRICT AS TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for funds held on behalf of others, like our funds for associated student body activities, scholarships, and employee retiree benefits. The District's fiduciary activities are reported in the *Statement of Fiduciary Net Position.* We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

Net Position

The District's net position was $(141,362,729) for the fiscal year ended June 30, 2020. Of this amount, $(282,193,802) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of the District's governmental activities.

Table 1

	Governmental Activities	
	2020	2019
Assets		
Current and other assets	$ 196,930,841	$ 233,005,322
Capital assets	308,981,052	256,224,751
Total assets	505,911,893	489,230,073
Deferred outflows of resources	61,031,701	65,897,157
Liabilities		
Current liabilities	27,783,211	15,368,725
Long-term liabilities	637,431,823	685,005,487
Total liabilities	665,215,034	700,374,212
Deferred inflows of resources	43,091,289	12,230,288
Net Position		
Net investment in capital assets	103,161,771	88,145,954
Restricted	37,669,302	43,830,862
Unrestricted	(282,193,802)	(289,454,086)
Total net position	$ (141,362,729)	$ (157,477,270)

The $(282,193,802) in unrestricted net position of governmental activities represents the accumulated results of all past years' operations.

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the *Statement of Activities* on page 14. Table 2 takes the information from the *Statement of Activities* so you can see our total revenues for the year.

Table 2

	Governmental Activities 2020	Governmental Activities 2019
Revenues		
Program revenues		
Charges for services	$ 884,288	$ 937,522
Operating grants and contributions	40,679,517	40,783,970
General revenues		
Federal and State aid not restricted	123,016,841	117,575,014
Property taxes	86,727,227	83,157,684
Other general revenues	36,605,938	21,307,638
Total revenues	287,913,811	263,761,828
Expenses		
Instruction-related	181,181,729	183,800,123
Pupil services	32,981,157	32,501,127
Administration	13,688,485	12,811,845
Plant services	19,513,703	19,878,533
Other	24,434,196	17,784,554
Total expenses	271,799,270	266,776,182
Change in net position	$ 16,114,541	$ (3,014,354)

Governmental Activities

As reported in the Statement of Activities on page 14, the cost of all of our governmental activities this year was $271,799,270. However, the amount that our taxpayers ultimately financed for these activities through local taxes was $86,727,227 because the cost was paid by those who benefited from the programs ($884,288) or by other governments and organizations who subsidized certain programs with grants and contributions ($40,679,517). We paid for the remaining "public benefit" portion of our governmental activities with $123,016,841 in State and Federal funds, and $36,605,938 with other revenues, like interest and general entitlements.

In Table 3, we have presented the net cost of each of the District's largest functions - instruction, pupil services, administration, plant services, and all other services. As discussed above, net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Instruction	$ 181,181,729	$ 40,956,969	$ (157,035,311)	$ (33,349,661)
Pupil services	32,981,157	5,798,904	(21,666,101)	(3,293,708)
Administration	13,688,485	2,290,214	(12,206,668)	(2,155,461)
Plant services	19,513,703	7,664,547	(19,215,471)	(7,659,993)
All other services	24,434,196	3,210,775	(20,111,914)	(2,641,272)
Total	$ 271,799,270	$ 59,921,409	$ (230,235,465)	$ (49,100,095)

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of $175,223,621, which is a decrease of $48,526,427 from last year (Table 4).

Table 4

	Balances and Activity			
Governmental Fund	June 30, 2019	Revenues	Expenditures	June 30, 2020
General	$ 26,897,705	$ 222,552,444	$ 227,310,114	$ 22,140,035
Building	147,602,365	2,630,369	59,147,174	91,085,560
Bond Interest and Redemption	33,209,593	79,509,803	83,985,007	28,734,389
Non-Major Governmental Funds	16,040,385	34,629,530	17,406,278	33,263,637
Total	$ 223,750,048	$ 339,322,146	$ 387,848,573	$ 175,223,621

General Fund Budgetary Highlights

The District is required to adopt its budget by June 30 each year. This was prior to adoption of the State budget. Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. After the year-end closing process is complete, the unaudited actuals are presented to the governing board. Budget adjustments are brought to the governing board on a regular basis to reflect changes in both revenues and expenditures that become known during the year. (A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is provided in our annual report on page 73.)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2020, the District had $308,981,052 in a broad range of capital assets (net of accumulative depreciation), including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of $24,127, or .76%, from last year.

Table 5

	Governmental Activities	
	2020	2019
Land and construction in progress	$ 113,353,886	$ 55,225,888
Buildings and improvements	192,427,092	197,822,916
Equipment	3,200,074	3,175,947
Total	$ 308,981,052	$ 256,224,751

Long-Term Liabilities

At the end of this year, the District had $637,431,823 in outstanding long-term liabilities versus $685,005,487 last year, a decrease of $47,573,664. Long-term liabilities consisted of:

Table 6

	Governmental Activities	
	2020	2019
Long-Term Liabilities		
General obligation bonds	$ 259,136,281	$ 276,355,275
Qualified energy conservation bonds	9,662,854	10,732,490
Certificates of participation	-	470,000
Private placement debt issuances	8,662,000	8,940,000
Unamortized premiums	18,185,718	22,151,250
Compensated absences	1,734,346	1,283,268
Net OPEB liability	139,618,593	171,204,475
Aggregate net pension liability	200,432,031	193,868,729
Total	$ 637,431,823	$ 685,005,487

SIGNIFICANT ACCOMPLISHMENTS OF FISCAL YEAR 2019-2020 ARE NOTED BELOW:

- Exceeded three percent State recommended reserve for economic uncertainties.
- Eliminated the contribution to the Cafeteria Fund.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In considering the District Budget for the 2020-2021 year, the District Board of Education and management used the following criteria:

The key assumptions in our revenue forecast are:

- Local Control Funding Formula (LCFF) is projected to decrease over prior year ($435) per Average Daily Attendance (ADA).
- LCFF entitlement per ADA $11,055
- Cost of Living Allowance (COLA) for LCFF is projected at 2.31% with a proration factor of 6.32%.
- LCFF is calculated based on 15,731.11 ADA (2019-20 P-2 ADA and 67.60% Unduplicated Pupil Percentage).
- Lottery revenue is based on $153 per ADA for Unrestricted and $54 per ADA or Restricted Prop. 20.
- Mandated Block Grant is based on $61.94 per ADA.
- Federal revenues were projected for flat funding.
- State revenues were projected for flat funding.

Expenditures are based on the following forecasts:

	Staffing Ratio
Grades nine through twelve	30:1

- Total expenditures are projected to decrease by ($12,075,915) over the 2019-20 Estimated Actuals.
- Teacher Student ratio was staffed at 30:1 for the comprehensive high schools and flat staffing for the alternative schools (Frontier 17 FTE, Oxnard Middle College 2.0 FTE and Condor 17 FTE).
- Additional teachers staffed is 1.0 FTE Class Size Reduction, .60 FTE International Baccalaureate, .75 FTE CTE Dance, 1.20 FTE GED, 4.0 FTE Condor and 3.0 FTE Frontier in Supplemental/Concentration Funding.
- Increase staff costs for step/column and longevity movement.
- CalSTRS employer rate 16.15% an increase of .95% over fiscal year 2019-20.
- CalPERS employer rate 20.70% an increase of .979% over fiscal year 2019-20.
- Employee health and welfare increased by approximately 3%.
- Required three percent contribution for Routine Restricted Maintenance Account.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information contact the Superintendent at Oxnard Union High School District, 309 South K Street, Oxnard, California, 93030 or e-mail at thomas.mccoy@oxnardunion.org.

	Governmental Activities
Assets	
Deposits and investments	$ 164,699,345
Receivables	31,912,378
Stores inventories	319,118
Capital assets not depreciated	113,353,886
Capital assets, net of accumulated depreciation	195,627,166
Total assets	505,911,893
Deferred Outflows of Resources	
Deferred charge on refunding	1,383,146
Deferred outflows of resources related to other postemployment benefits (OPEB) liability	577,876
Deferred outflows of resources related to pensions	59,070,679
Total deferred outflows of resources	61,031,701
Liabilities	
Accounts payable	20,977,190
Interest payable	6,075,991
Unearned revenue	730,030
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	20,190,565
Long-term liabilities other than OPEB and pensions due in more than one year	277,190,634
Net other postemployment benefits liability	139,618,593
Aggregate net pension liability	200,432,031
Total liabilities	665,215,034
Deferred Inflows of Resources	
Deferred charge on refunding	3,725,399
Deferred inflows of resources related to OPEB	26,155,299
Deferred inflows of resources related to pensions	13,210,591
Total deferred inflows of resources	43,091,289
Net Position	
Net investment in capital assets	103,161,771
Restricted for	
Debt service	22,658,398
Capital projects	13,891,726
Educational programs	972,717
Food Services	146,461
Unrestricted	(282,193,802)
Total net position	$ (141,362,729)

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities				
Instruction	$ 151,876,867	$ 149,274	$ 20,550,585	$ (131,177,008)
Instruction-related activities				
Supervision of instruction	6,624,255	83,720	2,077,801	(4,462,734)
Instructional library, media, and technology	1,949,896	-	61,001	(1,888,895)
School site administration	20,730,711	42,323	1,181,714	(19,506,674)
Pupil services				
Home-to-school transportation	2,535,779	215	41,855	(2,493,709)
Food services	7,556,520	217,173	6,461,115	(878,232)
All other pupil services	22,888,858	29,797	4,564,901	(18,294,160)
Administration				
Data processing	3,458,764	-	1,352	(3,457,412)
All other administration	10,229,721	20,892	1,459,573	(8,749,256)
Plant services	19,513,703	12,258	285,974	(19,215,471)
Ancillary services	3,715,000	25	106,448	(3,608,527)
Community services	136,468	-	-	(136,468)
Enterprise services	208	-	-	(208)
Interest on long-term liabilities	12,173,864	-	-	(12,173,864)
Other outgo	8,408,656	328,611	3,887,198	(4,192,847)
Total governmental activities	$ 271,799,270	$ 884,288	$ 40,679,517	(230,235,465)
General Revenues and Subventions				
Property taxes, levied for general purposes				61,367,547
Property taxes, levied for debt service				23,574,844
Taxes levied for other specific purposes				1,784,836
Federal and State aid not restricted to specific purposes				123,016,841
Interest and investment earnings				806,044
Interagency revenues				1,648,929
Miscellaneous				34,150,965
Subtotal, general revenues				246,350,006
Change in Net Position				16,114,541
Net Position - Beginning				(157,477,270)
Net Position - Ending				$ (141,362,729)

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets					
Deposits and investments	$ 9,680,423	$ 92,981,783	$ 28,591,688	$ 33,445,451	$ 164,699,345
Receivables	29,532,240	671,764	142,701	1,565,673	31,912,378
Due from other funds	1,477,903	2,720	-	265,096	1,745,719
Stores inventories	319,118	-	-	-	319,118
Total assets	$ 41,009,684	$ 93,656,267	$ 28,734,389	$ 35,276,220	$ 198,676,560
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 17,889,121	$ 2,395,216	$ -	$ 692,853	$ 20,977,190
Due to other funds	251,780	175,491	-	1,318,448	1,745,719
Unearned revenue	728,748	-	-	1,282	730,030
Total liabilities	18,869,649	2,570,707	-	2,012,583	23,452,939
Fund Balances					
Nonspendable	329,118	-	-	-	329,118
Restricted	630,275	91,085,560	28,734,389	14,380,629	134,830,853
Assigned	2,853,277	-	-	18,883,008	21,736,285
Unassigned	18,327,365	-	-	-	18,327,365
Total fund balances	22,140,035	91,085,560	28,734,389	33,263,637	175,223,621
Total liabilities and fund balances	$ 41,009,684	$ 93,656,267	$ 28,734,389	$ 35,276,220	$ 198,676,560

Total Fund Balance - Governmental Funds		$ 175,223,621
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 497,485,818	
Accumulated depreciation is	(188,504,766)	
Net capital assets		308,981,052
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(6,075,991)
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the governmental funds. Deferred outflows of resources amounted to and related to		
Deferred charge on refunding	1,383,146	
Other postemployment benefits	577,876	
Net pension liability	59,070,679	
Total deferred outflows of resources		61,031,701
Deferred inflows of resources represent an acquisition of net position that applies to a future period and is not reported in the governmental funds. Deferred inflows of resources amount to and related to		
Deferred charge on refunding	(3,725,399)	
Other postemployment benefits	(26,155,299)	
Net pension liability	(13,210,591)	
Total deferred inflows of resources		(43,091,289)
Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		(200,432,031)
The District's OPEB liability is not due and payable in the current period, and is not reported as a liability in the funds.		(139,618,593)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of		
General obligation bonds	(258,052,016)	
Unamortized debt premiums	(18,185,718)	
Private placement debt issuances	(8,662,000)	
Qualified energy conservation bonds	(9,662,854)	
Compensated absences (vacations)	(1,734,346)	
In addition, capital appreciation general obligation bonds were issued. The accretion of interest to date on the general obligation bonds is	(1,084,265)	
Total long-term liabilities		(297,381,199)
Total net position - governmental activities		$(141,362,729)

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Local Control Funding Formula	$180,753,096	$ -	$ -	$ -	$ 180,753,096
Federal sources	8,448,794	-	-	6,978,733	15,427,527
Other State sources	17,928,832	-	144,284	3,387,816	21,460,932
Other local sources	13,690,411	2,630,369	23,915,519	21,980,315	62,216,614
Total revenues	220,821,133	2,630,369	24,059,803	32,346,864	279,858,169
Expenditures					
Current					
Instruction	135,983,514	-	-	2,359,610	138,343,124
Instruction-related activities					
Supervision of instruction	6,235,435	-	-	-	6,235,435
Instructional library, media, and technology	2,000,835	-	-	-	2,000,835
School site administration	16,260,236	-	-	667,653	16,927,889
Pupil services					
Home-to-school transportation	2,230,344	-	-	-	2,230,344
Food services	282,317	-	-	6,929,002	7,211,319
All other pupil services	21,420,508	-	-	567,515	21,988,023
Administration					
Data processing	3,617,986	-	-	-	3,617,986
All other administration	9,406,307	-	-	487,422	9,893,729
Plant services	18,467,601	-	-	250,212	18,717,813
Ancillary services	3,509,806	-	-	-	3,509,806
Community services	135,831	-	-	-	135,831
Other outgo	3,120,422	-	-	573,108	3,693,530
Enterprise services	-	-	-	1	1
Facility acquisition and construction	3,187,903	59,147,174	-	2,379,829	64,714,906
Debt service					
Principal	1,069,636	-	16,740,000	748,000	18,557,636
Interest and other	233,066	-	12,175,326	234,730	12,643,122
Total expenditures	227,161,747	59,147,174	28,915,326	15,197,082	330,421,329
Excess (Deficiency) of Revenues Over Expenditures	(6,340,614)	(56,516,805)	(4,855,523)	17,149,782	(50,563,160)
Other Financing Sources (Uses)					
Transfers in	1,731,311	-	-	626,252	2,357,563
Other sources - proceeds from bond issuance	-	-	55,450,000	1,656,414	57,106,414
Transfers out	(148,367)	-	-	(2,209,196)	(2,357,563)
Other uses - payment to refunded bond escrow agent	-	-	(55,069,681)	-	(55,069,681)
Net Financing Sources (Uses)	1,582,944	-	380,319	73,470	2,036,733
Net Change in Fund Balances	(4,757,670)	(56,516,805)	(4,475,204)	17,223,252	(48,526,427)
Fund Balance - Beginning	26,897,705	147,602,365	33,209,593	16,040,385	223,750,048
Fund Balance - Ending	$ 22,140,035	$ 91,085,560	$ 28,734,389	$ 33,263,637	$ 175,223,621

Total Net Change in Fund Balances - Governmental Funds		$ (48,526,427)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.		
This is the amount by which capital outlays exceed depreciation in the period.		
Capital outlays	$ 64,426,517	
Depreciation expense	(9,954,821)	
Net expense adjustment		54,471,696
The District issued capital appreciation general obligations bonds. The accretion of interest on the general obligation bonds during the current fiscal year was		(86,006)
In the Statement of Activities, only the gain on the sale of the unimproved land is reported, whereas in the governmental funds, the entire proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balances by the cost of the land sold.		(1,715,395)
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the difference between vacation earned and used.		(451,078)
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.		(13,588,612)
In the governmental funds, OPEB costs are based on employer contributions made to OPEB plans during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows, and net OPEB liability during the year.		7,277,782

Proceeds received from Certificates of Participation or Sale of Bonds is a revenue in the governmental funds, but it increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	$ (55,450,000)
Governmental funds report the effect of premiums, discounts, and the deferred amount on a refunding when the debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.	
Deferred amount on refunding recognized	(3,725,399)
Premium amortization	3,965,532
Deferred amount on refunding amortization	(667,648)
Payment of principal on long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	
General obligation bonds	72,755,000
Qualified Zone Academy bonds	1,069,636
Certificates of participation	470,000
Private placement debt issuances	278,000
Interest on long-term liabilities is recorded as an expenditure in the funds when it is due; however, in the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.	37,460
Change in net position of governmental activities	$ 16,114,541

	Retiree Benefits Trust	Foundation Special Reserve	Agency Funds
Assets			
Deposits and investments	$ 68,112,807	$ 59,781	$ 1,518,593
Receivables	5,951	364	-
Prepaid expenses	10,050	-	-
Total assets	$ 68,128,808	$ 60,145	$ 1,518,593
Liabilities			
Accounts payable	$ 65,858	$ -	$ -
Due to student groups	-	-	1,518,593
Total liabilities	65,858	-	$ 1,518,593
Net Position			
Restricted for postemployment benefits other than pensions	68,062,950	-	
Held in trusts for scholarships	-	60,145	
Total net position	$ 68,062,950	$ 60,145	

	Retiree Benefits Trust	Foundation Special Reserve
Additions		
Private donations	$ -	$ 1,300
Investment income	3,203,521	-
Interest	-	1,189
Total additions	3,203,521	2,489
Deductions		
Administrative expense	41,624	-
Other expenditures	-	2,000
Total deductions	41,624	2,000
Change in Net Position	3,161,897	489
Net Position - Beginning	64,901,053	59,656
Net Position - Ending	$ 68,062,950	$ 60,145

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The Oxnard Union High School District (the District) was organized under the laws of the State of California. The District operates under a locally elected five-member Board form of government and provides educational services to grades 9 - 12 as mandated by the State and/or Federal agencies. The District operates seven high schools, two alternative education sites, and an adult education program.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Oxnard Union High School District, this includes general operations, food service, and student related activities of the District.

Other Related Entities

Charter School The District has an approved charter for Camarillo Academy of Progressive Education (CAPE) and Architecture, Construction and Engineering Charter High (ACE) pursuant to Education Code Section 47605. The charters are not considered a component unit of the District.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District's funds are grouped into two broad fund categories: governmental and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major and non-major governmental funds:

Major Governmental Funds

General Fund The General Fund is the chief operating fund for all districts. It is used to account for the ordinary operations of the District. All transactions except those accounted for in another fund are accounted for in this fund.

Building Fund The Building Fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued.

Bond Interest and Redemption Fund The Bond Interest and Redemption Fund is used for the repayment of bonds issued for a district (*Education Code* Sections 15125-15262).

Non-Major Governmental Funds

Special Revenue Funds The Special Revenue funds are used to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities, that compose a substantial portion of the inflows of the fund, and that are reasonably expected to continue. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

- **Adult Education Fund** The Adult Education Fund is used to account separately for Federal, State, and local revenues that are restricted or committed for adult education programs and is to be expended for adult education purposes only.

- **Cafeteria Fund** The Cafeteria Fund is used to account separately for Federal, State, and local resources to operate the food service program (*Education Code* Sections 38090-38093) and is used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code* Sections 38091 and 38100).

Capital Project Funds The Capital Project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

- **Capital Facilities Fund** The Capital Facilities Fund is used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approval (*Education Code* Sections 17620-17626 and *Government Code* Section 65995 et seq.). Expenditures are restricted to the purposes specified in *Government Code* Sections 65970-65981 or to the items specified in agreements with the developer (*Government Code* Section 66006).

- **Special Reserve Fund for Capital Outlay Projects** The Special Reserve fund for Capital Outlay Projects exists primarily to provide for the accumulation of monies for capital outlay purposes (*Education Code* Section 42840).

Debt Service Funds The Debt Service funds are used to account for the accumulation of resources for, and the retirement of, principal and interest on general long-term liabilities.

- **COP Debt Service Fund** The COP Debt Service Fund is used to account for the interest and redemption of principal of Certificates of Participation.

Fiduciary Funds Fiduciary funds are used to account for assets held in trustee or agent capacity for others that cannot be used to support the District's own programs. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

Trust funds are used to account for the assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore, not available to support the District's own programs. The District's trust funds are for the payment of retiree benefits and for the payments of scholarships within the Foundation Special Reserve activities. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. The District's agency fund accounts for student body activities (ASB).

Basis of Accounting - Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The government-wide financial statement of activities presents a comparison between expenses, both direct and indirect, for each governmental function, and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions, and segments using a full cost allocation approach. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District. Eliminations have been made to minimize the double counting of internal activities.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their use.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

- **Governmental Funds** All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting

- **Fiduciary Funds** Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements, because they do not represent resources of the District.

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes, which are considered available if collected within 60 days. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. Principal and interest on long-term liabilities, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Stores Inventories

Inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the first-in first-out basis. The costs of inventory items are recorded as expenditures in the governmental type funds when consumed rather than when purchased.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the District. The District maintains a capitalization threshold of $5,000. On February 13, 2019, the Governing Board approved the request to increase the District's designated Capital Threshold Limit to $15,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide financial Statement of Net Position. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements, 5 to 50 years; equipment, 2 to 15 years.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities column of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide Statement of Net Position. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full-time.

Accrued Liabilities and Long-Term Liabilities

All payables, accrued liabilities, and long-term liabilities are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as liabilities of the funds.

However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases, and long-term liabilities are recognized as liabilities in the governmental fund financial statements when due.

Debt Issuance Costs, Premiums, and Discounts

In the government-wide financial statements, long-term liabilities are reported as liabilities in the applicable governmental activities. Debt premiums and discounts, as well as issuance costs, related to prepaid insurance costs are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the period the bonds are issued. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures in the period the bonds are issued.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for deferred charges on refunding of debt, for pension related items, and for OPEB related items. The deferred charge on refunding resulted from the difference between the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB relate to differences between expected and actual earnings on investments, changes of assumptions, and other pension and OPEB related changes.

In addition to liabilities, the Statement of Net Position reports 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 and so will not be recognized as revenue until then. The District reports deferred inflows of resources for pension related items and for OPEB related items. The deferred amounts related to pension and OPEB relate to differences between contributions and the District's proportionate share of contributions, differences between expected and actual experiences, and differences between expected and actual earnings on investments.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid by the fund in which the employee worked.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Plan and the CalSTRS Medicare Premium Payment (MPP) Program and additions to/deductions from the District Plan and the MPP's fiduciary net position have been determined on the same basis as they are reported by the District Plan and the MPP. For this purpose, the District Plan and the MPP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

Fund Balances - Governmental Funds

As of June 30, 2020, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board. The District currently does not have any committed funds.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the governing board or chief business officer/assistant superintendent of business services may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Minimum Fund Balance Policy

The governing board adopted a minimum fund balance policy for the General Fund in order to protect the District against revenue shortfalls or unpredicted on-time expenditures. The policy requires a Reserve for Economic Uncertainties consisting of unassigned amounts equal to no less than three percent of General Fund expenditures and other financing uses.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position net of investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report $37,669,302 of net position restricted by enabling legislation.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements. Interfund transfers are eliminated in the governmental activities column of the Statement of Activities.

Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Ventura bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

Change in Accounting Principles

In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*.

The provisions of this Statement have been implemented as of June 30, 2020.

New Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities.* The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all State and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

As a result of the implementation of GASB No. 95, the requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In June 2017, the GASB issued Statement No. 87, *Leases.* The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for the reporting periods beginning after June 15, 2021. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements,* which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The effects of this change on the District's financial statements have not yet been determined.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 60*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100% equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100% equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The effects of this change on the District's financial statements have not yet been determined.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.

- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for the reporting periods beginning after December 15, 2021. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reporting
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,* as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR (Interbank Offered Rate). This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

As a result of the implementation of GASB Statement No. 95, the removal of LIBOR as an appropriate benchmark interest rate (paragraph 11b) is effective for reporting periods ending after December 31, 2021. Paragraph 13 and 14 related to lease modifications is effective for reporting periods beginning after June 15, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement.

The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The effects of this change on the District’s financial statements have not yet been determined.

Note 2 - Deposits and Investments

Summary of Deposits and Investments

Deposits and investments as of June 30, 2020, were classified in the accompanying financial statements as follows:

Governmental funds	$ 164,699,345
Fiduciary funds	69,691,181
Total deposits and investments	$ 234,390,526

Deposits and investments as of June 30, 2020, consisted of the following:

Cash on hand and in banks	$ 1,714,821
Cash in revolving	10,000
Investments	232,665,705
Total deposits and investments	$ 234,390,526

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing primarily in the County Pool.

Weighted Average Maturity

The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. Information about the weighted average maturity of the District’s portfolio is presented in the following schedule:

Investment Type	Reported Amount	Weighted Average Maturity in Days
Ventura County Investment Pool	$ 164,740,426	249

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California *Government Code*, the District's investment policy, or debt agreements, and the actual rating as of the year end for each investment type.

Investment Type	Reported Amount	Minimum Legal Rating	Rating as of Year End AAAf/S1+
Ventura County Investment Pool	$ 164,740,426	N/A	$ 164,740,426

N/A - Not applicable

Trust

The following investments are related to the District's Fiduciary Fund Retiree Benefits Trust to be used for the net other postemployment benefits (OPEB) liability and are not subject to the general authorization limitations as they relate to interest rate risk, credit risk, and concentration of credit risk required by the California Government Code.

Investment Type	Reported Amount	Maturity Date
Foreign Stocks	$ 1,786,172	7/1/2020
Mutual Fund - Fixed Income	19,562,983	7/1/2020
Mutual Fund - Equity	31,695,723	7/1/2020
Mutual Fund - Domestic Equity	12,007,174	7/1/2020
Mutual Fund - Balanced	2,873,227	7/1/2020
Total	$ 67,925,279	

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2020, the District's bank balance was not exposed to custodial credit risk.

Note 3 - Receivables

Receivables at June 30, 2020, consisted of intergovernmental grants, entitlements, interest, and other local sources. All receivables are considered collectible in full.

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total	Fiduciary Funds
Federal Government						
Categorical aid	$ 6,496,460	$ -	$ -	$ 1,143,506	$ 7,639,966	$ -
State Government						
LCFF apportionment	20,218,307	-	-	-	20,218,307	-
Categorical aid	1,601,502	-	-	42,846	1,644,348	-
Lottery	811,591	-	-	-	811,591	-
Local Government						
Interest	215,676	671,764	142,701	96,641	1,126,782	6,315
Other local sources	188,704	-	-	282,680	471,384	-
Total	$ 29,532,240	$ 671,764	$ 142,701	$ 1,565,673	$ 31,912,378	$ 6,315

Note 4 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Governmental Activities				
Capital assets not being depreciated				
Land	$ 31,336,339	$ -	$ (1,715,395)	$ 29,620,944
Construction in progress	23,889,549	61,201,368	(1,357,975)	83,732,942
Total capital assets not being depreciated	55,225,888	61,201,368	(3,073,370)	113,353,886
Capital assets being depreciated				
Land improvements	48,942,471	2,406,575	-	51,349,046
Buildings and improvements	316,403,217	1,539,559	-	317,942,776
Furniture and equipment	14,203,120	636,990	-	14,840,110
Total capital assets being depreciated	379,548,808	4,583,124	-	384,131,932
Total capital assets	434,774,696	65,784,492	(3,073,370)	497,485,818
Accumulated depreciation				
Land improvements	(32,328,030)	(1,073,608)	-	(33,401,638)
Buildings and improvements	(135,194,742)	(8,268,350)	-	(143,463,092)
Furniture and equipment	(11,027,173)	(612,863)	-	(11,640,036)
Total accumulated depreciation	(178,549,945)	(9,954,821)	-	(188,504,766)
Governmental activities capital assets, net	$ 256,224,751	$ 55,829,671	$ (3,073,370)	$ 308,981,052

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Instruction	$ 5,574,699
School site administration	3,484,188
Home-to-school transportation	298,645
Food services	398,192
Plant services	199,097
Total depreciation expenses governmental activities	$ 9,954,821

Note 5 - Interfund Transactions

Interfund Receivables/Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2020, between major and non-major governmental funds are as follows:

	Due From			
Due To	General Fund	Building Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ 162,213	$ 1,315,690	$ 1,477,903
Building Fund	-	-	2,720	2,720
Non-Major Governmental Funds	251,780	13,278	38	265,096
Total	$ 251,780	$ 175,491	$ 1,318,448	$ 1,745,719

A balance of $442,344 is due to the General Fund from the Adult Education Non-Major Governmental Fund for indirect costs, direct support, and negative account balances.

A balance of $868,593 is due to the General Fund from the Cafeteria Non-Major Governmental Fund for indirect costs, direct support, and transfers.

The balance of $162,213 is due to the General Fund from the Building Fund for construction costs.

A balance of $83,205 is due to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects from the General Fund for construction costs.

A balance of $158,447 is due to the Cafeteria Non-Major Governmental Fund from the General Fund for direct support.

All remaining balances resulted from the time lag between the date that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Operating Transfers

Interfund transfers for the year ended June 30, 2020, consisted of the following:

The General Fund transferred to the Adult Education Non-Major Governmental Fund to cover expenditures.	$ 9,403
The General Fund transferred to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects to cover construction expenditures	138,964
The Special Reserve Non-Major Governmental Fund for Capital Outlay Projects transferred to the General Fund for reimbursement of construction expenditures.	1,731,311
The Capital Facilities Non-Major Governmental Fund transferred to the COP Debt Service Non-Major Governmental Fund for debt service payments.	477,885
Total	$ 2,357,563

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 6 - Accounts Payable

Accounts payable at June 30, 2020, consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	Total	Fiduciary Funds
Vendor payables	$ 3,013,434	$ -	$ 39,867	$ 3,053,301	$ 65,858
State LCFF apportionment	13,217,887	-	-	13,217,887	-
Salaries and benefits	1,657,800	-	108,487	1,766,287	-
Construction	-	2,395,216	544,499	2,939,715	-
Total	$ 17,889,121	$ 2,395,216	$ 692,853	$ 20,977,190	$ 65,858

Note 7 - Unearned Revenue

Unearned revenue at June 30, 2020, consisted of the following:

	General Fund	Non-Major Governmental Funds	Total
Federal financial assistance	$ 43,752	$ -	$ 43,752
State categorical aid	546,505	-	546,505
Other local	138,491	1,282	139,773
Total	$ 728,748	$ 1,282	$ 730,030

Note 8 - Long-Term Liabilities other than OPEB and other Pensions

Summary

The changes in the District's long-term liabilities other than OPEB and pensions during the year consisted of the following:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020	Due in One Year
Long-Term Liabilities					
General obligation bonds	$ 276,355,275	$ 55,536,006	$ (72,755,000)	$ 259,136,281	$ 18,765,000
Qualified energy conservation bonds	10,732,490	-	(1,069,636)	9,662,854	1,136,565
Certificates of participation	470,000	-	(470,000)	-	-
Private placement debt issuances	8,940,000	-	(278,000)	8,662,000	289,000
Unamortized debt premiums	22,151,250	-	(3,965,532)	18,185,718	-
Compensated absences	1,283,268	451,078	-	1,734,346	-
Total	$ 319,932,283	$ 55,987,084	$ (78,538,168)	$ 297,381,199	$ 20,190,565

Payments for bonds associated with General Obligation Bonds are made in the Bond Interest and Redemption Fund. Payments on Certificates of Participation are made in the COP Debt Service Fund. Payments for Direct Private Placement Debt Issuance obligations are made in the Capital Facilities Fund. Payments for Qualified Energy Construction Bonds are made in the General Fund. Payments for compensated absences are typically liquidated in the General Fund, Cafeteria Non-Major Governmental Fund, and Adult Education Non-Major Governmental Fund.

The outstanding land and facility lease from private placement debt issuances contain a provision that in an event of default, any installment payments not paid when due shall bear an interest at the rate of 2.88%.

On April 2, 2020, the District issued $55,450,000 of 2020 Refunding General Obligation Bonds. The bonds will be used to refinance the District's outstanding General Obligation Bonds, Election of 2004, Series C and Series D, and 2012 Refunding General Obligation Bonds. As a result, the outstanding General Obligation Bonds, Election of 2004, Series C and Series D, and 2012 Refunding General Obligation Bonds are considered to be defeased and the liability has been removed from the government-wide statement of net position. The refunding resulted in a cumulative cash flow cost of $421,589 over the life of the new debt and an economic gain of $2,905,917 based on the difference between the present value of the existing debt service requirements and the new debt service requirements discounted at 2.70%.

Bonded Debt

The outstanding general obligation bonded debt is as follows:

Issuance Date	Final Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2019	Issued	Redeemed	Bonds Outstanding June 30, 2020
04/20/99	08/01/27	4.60% - 5.95%	$ 10,199,913	$ 4,728,172	$ 86,006	$ (545,000)	$ 4,269,178
08/11/10	08/01/20	3.00% - 5.00%	50,000,000	2,225,000	-	(1,085,000)	1,140,000
04/28/11	08/01/25	5.31%	4,052,103	2,397,103	-	(290,000)	2,107,103
05/03/12	08/01/27	3.00% - 5.00%	10,435,000	6,615,000	-	(3,070,000)	3,545,000
01/23/14	08/01/37	3.00% - 5.00%	50,000,000	43,775,000	-	(31,335,000)	12,440,000
01/27/16	08/01/35	3.00% - 5.00%	30,945,000	29,945,000	-	(23,705,000)	6,240,000
07/07/16	08/01/27	2.00% - 5.00%	18,350,000	15,405,000	-	(1,570,000)	13,835,000
12/21/17	08/01/40	3.00% - 5.00%	42,275,000	41,265,000	-	-	41,265,000
10/18/18	08/01/42	3.75% - 5.00%	130,000,000	130,000,000	-	(11,155,000)	118,845,000
04/02/20	08/01/37	0.873%-2.477%	55,450,000	-	55,450,000	-	55,450,000
				$ 276,355,275	$ 55,536,006	$ (72,755,000)	$ 259,136,281

Debt Service Requirements to Maturity

Bonds Maturing Fiscal Year	Initial Bond Value	Accreted Interest	Total Accreted Obligation	Unaccreted Interest	Maturity Value
2021	$ -	$ -	$ -	$ -	$ -
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	121,308	291,747	413,055	136,945	550,000
2026-2028	333,605	792,518	1,126,123	503,877	1,630,000
Total	$ 454,913	$ 1,084,265	$ 1,539,178	$ 640,822	$ 2,180,000

The current interest bonds mature as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2021	$ 18,765,000	$ 13,891,685	$ 32,656,685
2022	10,155,000	11,492,843	21,647,843
2023	9,540,000	11,071,555	20,611,555
2024	7,190,000	10,705,488	17,895,488
2025	7,300,000	10,371,754	17,671,754
2026-2030	46,587,103	41,566,143	88,153,246
2031-2035	59,095,000	26,224,566	85,319,566
2036-2040	56,720,000	25,269,872	81,989,872
2041-2044	42,245,000	4,187,319	46,432,319
Total	$ 257,597,103	$ 154,781,225	$ 412,378,328

Qualified Energy Conservation Bonds

In September 2010, the District entered into a lease agreement in the amount of $19,067,726 with the Golden Schools Financing Authority. The notes mature August 2027, with an interest rate of 5.5%. As of June 30, 2020, the principal balance outstanding was $9,662,854.

The qualified energy conservation bonds mature as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2021	$ 1,136,565	$ 520,599	$ 1,657,164
2022	1,108,068	457,913	1,565,981
2023	1,177,006	395,463	1,572,469
2024	1,248,995	329,145	1,578,140
2025	1,324,153	258,789	1,582,942
2026-2028	3,668,067	311,128	3,979,195
Total	$ 9,662,854	$ 2,273,037	$ 11,935,891

Certificates of Participation

On November 15, 2000, the District, pursuant to a lease agreement with Ventura County Public Facilities Corporation, issued certificates of participation in the amount of $1,860,000. The certificates mature on November 1, 2019 with interest ranges ranging from 4.25 to 5.60%. As of June 30, 2020, the District made a final payment of $70,000.

On April 29, 2003, the District issued $3,970,000 of the 2003 Refunding Certificates of Participation. The certificates mature on November 1, 2019, with interest yields ranging from 2.00 to 4.30%. As of June 30, 2020, the District made a final payment of $400,000.

Private Placement Debt Issuances

Municipal Lease

In January 2016, the District entered into a lease agreement in the amount of $3,904,000. The lease carries an interest rate of 4.5%. As of June 30, 2020, the principal balance outstanding was $2,537,000.

The municipal lease matures as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2021	$ 289,000	$ 63,597	$ 352,597
2022	295,000	56,102	351,102
2023	306,000	48,414	354,414
2024	316,000	40,454	356,454
2025	321,000	32,276	353,276
2026-2028	1,010,000	45,872	1,055,872
Total	$ 2,537,000	$ 286,715	$ 2,823,715

Land and Facility Lease

The District has entered into an agreement to finance the acquisition, construction, and improvement of property and facilities to be used for District administrative purposes. The District's land and facility lease is summarized below:

	Land and Facility Lease
Balance, June 30, 2019	$ 7,237,098
Additions	-
Payments	(159,250)
Balance, June 30, 2020	$ 7,077,848

The land and facility lease has minimum lease payments as follows:

Year Ending June 30,	Lease Payment
2021	$ 176,400
2022	861,432
2023	861,488
2024	865,824
2025	864,512
2026-2029	3,448,192
Total	7,077,848
Less amount representing interest	(952,848)
Present value of minimum lease payments	$ 6,125,000

Compensated Absences

Compensated absences (unpaid employee vacation) for the District at June 30, 2020, amounted to $1,734,346.

Note 9 - Net Other Postemployment Benefit (OPEB) Liability

For the fiscal year ended June 30, 2020, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

District Plan

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Retiree Health Plan	$ 138,596,507	$ 577,876	$ 26,155,299	$ (7,269,269)
Medicare Premium Payment (MPP) Program	1,022,086	-	-	(8,513)
Total	$ 139,618,593	$ 577,876	$ 26,155,299	$ (7,277,782)

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses.

Management of the Plan is vested in the Governing Board, which consists of five locally elected Plan members.

Plan Membership

At June 30, 2020, the valuation date, Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	691
Active employees	480
Total	1,171

Benefits Provided

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the District. The Governing Board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

Contributions

The contribution requirements of Plan members and the District are established and may be amended by the District and the Oxnard Federation of Teachers (OFT), the local California Service Employees Association (CSEA), and unrepresented groups. Voluntary contributions based on projected pay-as-you-go financing requirements, and any additional amounts to prefund benefits with the District, OFT, CSEA, and the unrepresented groups are based on availability of funds. For the measurement period of June 30, 2020, the District contributed $9,409,273 to the Plan, of which all was used for current premiums (approximately 100% of total premiums). The remainder of the premiums were funded from beginning net position and interest earnings.

Investments

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Governing Board by a majority vote of its members. It is the policy of the Oxnard Union High School District Retiree Benefits Trust Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Governing Board's adopted asset allocation policy as of June 30, 2020:

Asset Class	Target Allocation
Fixed Income	50%
Equities	50%

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 6%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the District

The District's net OPEB liability of $138,596,507 was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The components of the net OPEB liability of the District at June 30, 2020, were as follows:

Total OPEB liability	$ 206,659,457
Plan fiduciary net position	(68,062,950)
Net OPEB liability	$ 138,596,507
Plan fiduciary net position as a percentage of the total OPEB liability	32.93%

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75	percent
Salary increases	2.75	percent, average, including inflation
Investment rate of return	6.00	percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	4.00	percent for 2020

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Mortality rates were based on the 2020 CalSTRS mortality table for certificated employees and 2017 CalPERS mortality table for classified employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reeducation. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2019 to June 30, 2020.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, (see the discussion of the Plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
US Large Cap	7.8%
US Small Cap	7.8%
Long-Term Corporate Bonds	4.5%
Long-Term Government Bonds	4.5%

Discount Rate

The discount rate used to measure the total OPEB liability was 6%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance, June 30, 2019	$ 235,074,929	$ 64,901,053	$ 170,173,876
Service cost	3,316,803	-	3,316,803
Interest	14,486,278	3,171,431	11,314,847
Employer Contributions	-	9,441,363	(9,441,363)
Changes of assumptions	(28,728,017)	-	(28,728,017)
Difference between expected and actual experience	(8,081,263)	-	(8,081,263)
Benefit payments	(9,409,273)	(9,409,273)	-
Administrative expense	-	(41,624)	41,624
Net change in total OPEB liability	(28,415,472)	3,161,897	(31,577,369)
Balance, June 30, 2020	$ 206,659,457	$ 68,062,950	$ 138,596,507

Changes of benefit terms reflect an increase in the retirees' share of health insurance premiums from 6% in 2019 to 4% in 2020.

Changes of assumptions and other inputs reflect a change in salary increases was changed from 3% in 2019 to 2.75% since the previous valuation.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current discount rate:

Discount Rate	Net OPEB Liability
1% decrease (5.00%)	$ 162,198,213
Current discount rate (6.00%)	138,596,507
1% increase (7.00%)	118,698,660

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or one percent higher than the current healthcare cost trend rates:

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease (3.0%)	$ 116,770,455
Current healthcare cost trend rate (4.0%)	138,596,507
1% increase (5.0%)	164,638,266

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of $(7,269,269). At June 30,2020, the District reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 5,555,868
Changes of assumptions	-	19,750,511
Difference between projected and actual earnings on OPEB plan investments	577,876	848,920
Total	$ 577,876	$ 26,155,299

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ (11,778,832)
2022	(11,778,829)
2023	(2,164,228)
2024	144,466
Total	$ (25,577,423)

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2018 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB)Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California Education Code Section 25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2020, the District reported a liability of $1,022,086 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2019 and June 30, 2018, was 0.2745% and 0.2692%, respectively, resulting in a net increase in the proportionate share of 0.0053%.

For the year ended June 30, 2020, the District recognized OPEB expense of $(8,513).

Actuarial Methods and Assumptions

The June 30, 2019 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total OPEB liability to June 30, 2019, using the assumptions listed in the following table:

Measurement Date	June 30, 2019	June 30, 2018
Valuation Date	June 30, 2018	June 30, 2017
Experience Study	July 1, 2010 through June 30, 2015	July 1, 2010 through June 30, 2015
Actuarial Cost Method	Entry age normal	Entry age normal
Investment Rate of Return	3.50%	3.87%
Medicare Part A Premium Cost Trend Rate	3.70%	3.70%
Medicare Part B Premium Cost Trend Rate	4.10%	4.10%

For the valuation as of June 30, 2018, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 380 or an average of 0.23% of the potentially eligible population (165,422).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2019, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2019, is 3.50%. As the MPP Program is funded on a pay-as-you-go basis as previously noted, the OPEB Plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 3.50%, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2019, was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate decreased 0.37% from 3.87% as of June 30, 2018.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the current discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net OPEB Liability
1% decrease (2.50%)	$ 1,115,330
Current discount rate (3.50%)	1,022,086
1% increase (4.50%)	936,354

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates

The following presents the District's proportionate share of the net OPEB liability calculated using the Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rate	Net OPEB Liability
1% decrease (2.7% Part A and 3.1% Part B)	$ 958,001
Current Medicare costs trend rate (3.7% Part A and 4.1% Part B)	1,022,086
1% increase (4.7% Part A and 5.1% Part B)	1,150,097

Note 10 - Fund Balances

Fund balances are composed of the following elements:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total
Nonspendable					
Revolving cash	$ 10,000	$ -	$ -	$ -	$ 10,000
Stores inventories	319,118	-	-	-	319,118
Total nonspendable	329,118	-	-	-	329,118
Restricted					
Legally restricted programs	630,275	-	-	488,903	1,119,178
Capital projects	-	91,085,560	-	13,891,726	104,977,286
Debt services	-	-	28,734,389	-	28,734,389
Total restricted	630,275	91,085,560	28,734,389	14,380,629	134,830,853
Assigned					
Unit Share Reserve	2,832,877	-	-	-	2,832,877
Donations	20,400	-	-	-	20,400
Del Sol High School Start Up	-	-	-	421,303	421,303
New DO	-	-	-	1,277,871	1,277,871
Rancho Campana Reimbursement	-	-	-	17,183,834	17,183,834
Total assigned	2,853,277	-	-	18,883,008	21,736,285
Unassigned					
Reserve for economic uncertainties	6,738,948	-	-	-	6,738,948
Remaining unassigned	11,588,417	-	-	-	11,588,417
Total	$ 22,140,035	$ 91,085,560	$ 28,734,389	$ 33,263,637	$ 175,223,621

Note 11 - Risk Management

Description

The District's risk management activities are recorded in the General Fund. Employee health programs are administered by the General Fund through payments made to Coastal Schools Employee Benefits Organization, a public entity risk pool. The Oxnard Union High School District also participates in the Ventura County Schools Self-Funding Authority public entity risk pool (JPA) for the workers' compensation, property, and liability programs. Refer to Note 14 for additional information regarding the JPAs.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Employee Medical Benefits

The District has contracted with the Coastal Schools Employee Benefits Organization (CSEBO) to provide employee health benefits. CSEBO is a shared risk pool comprised of members in Ventura County. Rates are set through an annual calculation process. The District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all participating districts. Claims are paid for all participants regardless of claims flow. The Governing Board has a right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool.

Note 12 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

For the fiscal year ended June 30, 2020, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 140,124,868	$ 45,573,089	$ 11,839,790	$ 20,255,839
CalPERS	60,307,163	13,497,590	1,370,801	10,726,739
Total	$ 200,432,031	$ 59,070,679	$ 13,210,591	$ 30,982,578

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2018, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2020, are summarized as follows:

	STRP Defined Benefit Program	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	17.10%	17.10%
Required state contribution rate	10.328%	10.328%

Contributions

Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2020, are presented above and the District's total contributions were $14,963,099.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share	
Proportionate share of net pension liability	$ 140,124,868
State's proportionate share of the net pension liability	76,447,470
Total	$ 216,572,338

The net pension liability was measured as of June 30, 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 school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2019 and June 30, 2018, was 0.1551% and 0.1500%, respectively, resulting in a net increase in the proportionate share of 0.0051%.

For the year ended June 30, 2020, the District recognized pension expense of $20,255,839. In addition, the District recognized pension expense and revenue of $11,384,677 for support provided by the State. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 14,963,099	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	12,533,516	2,493,582
Differences between projected and actual earnings on pension plan investments	-	5,397,652
Differences between expected and actual experience in the measurement of the total pension liability	353,741	3,948,556
Changes of assumptions	17,722,733	-
Total	$ 45,573,089	$ 11,839,790

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ (544,445)
2022	(4,285,101)
2023	(889,652)
2024	321,546
Total	$ (5,397,652)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ 6,909,930
2022	6,909,929
2023	4,647,244
2024	5,431,569
2025	29,767
Thereafter	239,413
Total	$ 24,167,852

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 2010 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance-PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in February 2017 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2019, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	4.8%
Fixed income	12%	1.3%
Real estate	13%	3.6%
Private equity	13%	6.3%
Risk mitigating strategies	9%	1.8%
Inflation sensitive	4%	3.3%
Cash/liquidity	2%	-0.4%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assuming that contributions, benefit payments and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 208,657,527
Current discount rate (7.10%)	140,124,868
1% increase (8.10%)	83,298,242

California Public Employees Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) and the Safety Risk Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plans regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2018 annual actuarial valuation reports, Schools Pool Actuarial Valuation, and the Risk Pool Actuarial Valuation Report, Safety. These reports and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2020, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	19.721%	19.721%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2020, are presented above and the total District contributions were $5,848,535.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2020, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $60,307,163. The net pension liability was measured as of June 30, 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 school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2019 and June 30, 2018, was 0.2069% and 0.2100%, respectively, resulting in a net decrease in the proportionate share of 0.0031%.

For the year ended June 30, 2020, the District recognized pension expense of $10,726,739. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	of Resources	of Resources
Pension contributions subsequent to measurement date	$ 5,848,535	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	397,526	811,442
Differences between projected and actual earnings on pension plan investments	-	559,359
Differences between expected and actual experience in the measurement of the total pension liability	4,380,721	-
Changes of assumptions	2,870,808	-
Total	$ 13,497,590	$ 1,370,801

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ 552,151
2022	(1,102,902)
2023	(167,132)
2024	158,524
Total	$ (559,359)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 4.1 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ 4,660,114
2022	1,582,291
2023	541,098
2024	54,110
Total	$ 6,837,613

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The table includes 20 years of mortality improvements using Society of Actuaries 90 percent of scale MP-2016.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	50%	5.98%
Fixed income	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.23%
Real assets	13%	4.93%
Liquidity	1%	-0.92%

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 86,928,810
Current discount rate (7.15%)	60,307,163
1% increase (8.15%)	38,222,668

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $7,985,182 (10.328% of annual payroll). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Senate Bill 90 (Chapter 33, Statutes of 2019), which was signed by the Governor on June 27, 2019, appropriated an additional 2019–2020 contribution on-behalf of school employers of $1.1 billion for CalSTRS. A proportionate share of $2,678,499 for these contributions has been recorded in these financial statements. On behalf payments related to these additional contributions have been excluded from the calculation of available reserves and have not been included in the budgeted amounts reported in the General Fund – Budgetary Comparison Schedule.

Note 13 - Commitments and Contingencies

Grants

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2020.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2020.

Construction Commitments

As of June 30, 2020, the District has the following commitments with respect to the unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
RMHS Well #3 Piping	$ 75,000	06/30/21
RMHS Well #2 Retrofit	100,000	06/30/21
RMHS Site Fire Water Modernization	250,000	06/30/22
New Del Sol HS Design and Construction	144,000,000	06/30/24
ACHS HVAC Modernization	21,600,000	06/30/24
CIHS HVAC Modernization	22,680,000	06/30/24
HHS HVAC Modernization	20,520,000	06/30/24
RMHS HVAC Modernization	22,680,000	06/30/24
OHS HVAC Modernization	16,200,000	06/30/24
PHS HVAC Modernization	19,440,000	06/30/24
RCHS HVAC Modernization	8,640,000	06/30/23
ACHS Stadium Playfield Modernization	1,875,000	06/30/21
CIHS Stadium Playfield Modernization	1,800,000	06/30/21
HHS Stadium Playfield Modernization	2,125,000	06/30/21
RMHS Stadium Playfield Modernization	3,825,000	06/30/21
OHS Stadium Playfield Modernization	1,800,000	06/30/21
PHS Stadium Playfield Modernization	900,000	06/30/21
Student Growth Transportation/Warehouse Building	3,000,000	06/30/22
Oxnard Adult School Tenant Improvement	3,021,302	06/30/21
District Office Tenant Improvement	6,042,604	06/30/21
Total	$ 300,573,906	

Note 14 - Participation in Public Entity Risk Pools and Joint Powers Authority

The District is a member of the Ventura County Schools Self-Funding Authority (VCSSFA) and the Coastal Schools Employee Benefits Organization (CSEBO) public entity risk pools. The District pays an annual premium to each entity for its workers' compensation and property liability coverage and for its health and welfare benefits, respectively. The District also belongs to the Ventura County Fast Action School Transit Authority (VCFAST) joint powers authority (JPA). Payments for courier services are paid to the VCFAST. The relationships between the District, the pools, and the JPA are such that they are not component units of the District for financial reporting purposes.

The entity has budgeting and financial reporting requirements independent of member units and the financial statements are not presented in these financial statements; however, fund transactions between the entity and the District are included in these statements. Audited financial statements are available from the respective entities.

During the year ended June 30, 2020, the District made payments of $1,689,595, $39,962,786, and $5,404, to VCSSFA, CSEBO, and VCFAST, respectively.

Note 15 - Subsequent Events

Subsequent to year end, the District has been negatively impacted by the effects of the world-wide coronavirus pandemic. The District is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the issuance date of these financial statements, the full impact to the District's financial position is not known beyond increased cash flow monitoring due to State apportionment deferrals.

The District issued $120,000,000 of 2018 General Obligation Bonds, Series B dated August 5, 2020. These bonds mature on August 1, 2045, and yield an interest rate of 0.35 to 5.00%. The bonds were authorized at an election of the registered voters of the District held on June 5, 2018 for the purpose of financing acquisition and construction of school facilities.

Required Supplementary Information
June 30, 2020

Oxnard Union High School District

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual	Final to Actual
Revenues				
Local Control Funding Formula	$ 179,683,231	$ 180,753,097	$ 180,753,096	$ (1)
Federal sources	7,950,105	8,546,502	8,448,794	(97,708)
Other State sources	14,730,957	15,250,330	17,928,832	2,678,502
Other local sources	12,950,451	13,592,703	13,690,411	97,708
Total revenues [1]	215,314,744	218,142,633	220,821,133	2,678,500
Expenditures				
Current				
Certificated salaries	88,189,462	89,969,140	89,969,140	0
Classified salaries	27,620,612	27,151,372	27,151,371	1
Employee benefits	69,723,735	70,129,316	72,807,816	(2,678,500)
Books and supplies	7,170,868	7,657,096	7,657,096	(0)
Services and operating expenditures	20,692,418	21,756,288	21,756,288	(0)
Other outgo	2,082,157	2,660,715	2,660,714	1
Capital outlay	587,466	3,856,620	3,856,620	-
Debt service				
Debt service - principal	1,069,636	1,069,636	1,069,636	-
Debt service - interest and other	235,900	233,066	233,066	-
Total expenditures [1]	217,372,254	224,483,249	227,161,747	(2,678,498)
Excess of Revenues Over Expenditures	(2,057,510)	(6,340,616)	(6,340,614)	2
Other Financing Sources (Uses)				
Transfers in	-	1,731,311	1,731,311	-
Transfers out	(32,260)	(148,367)	(148,367)	-
Net financing sources (uses)	(32,260)	1,582,944	1,582,944	-
Net Change in Fund Balances	(2,089,770)	(4,757,672)	(4,757,670)	2
Fund Balance - Beginning	26,897,705	26,897,705	26,897,705	-
Fund Balance - Ending	$ 24,807,935	$ 22,140,033	$ 22,140,035	$ 2

[1] On behalf payments of $2,678,499 relating to Senate Bill 90 are included in the actual revenues and expenditures but have not been included in the budgeted amounts.

	2020	2019	2018	2017
Total OPEB Liability				
Service cost	$ 3,316,803	$ 3,220,197	$ 3,037,922	$ 5,143,257
Interest	14,486,278	13,572,428	13,139,429	11,086,979
Difference between expected and actual experience	(8,081,263)	-	-	-
Changes of assumptions	(28,728,017)	-	-	-
Benefit payments	(9,409,273)	(9,409,273)	(8,876,673)	(8,403,086)
Net change in total OPEB liability	(28,415,472)	7,383,352	7,300,678	7,827,150
Total OPEB Liability - Beginning	235,074,929	227,691,577	220,390,899	212,563,749
Total OPEB Liability - Ending (a)	$ 206,659,457	$ 235,074,929	$ 227,691,577	$ 220,390,899
Plan Fiduciary Net Position				
Employer Contributions	$ 9,441,363	$ 9,409,273	$ 8,876,673	$ 8,403,086
Interest	3,171,431	3,713,087	5,411,667	6,502,209
Benefit payments	(9,409,273)	(9,409,273)	(8,876,673)	(8,403,086)
Administrative expense	(41,624)	(40,120)	(8,197)	(8,230)
Other expense	-	(17,315)	-	-
Net change in plan fiduciary net position	3,161,897	3,655,652	5,403,470	6,493,979
Plan Fiduciary Net Position - Beginning	64,901,053	61,245,401	55,841,931	49,347,952
Plan Fiduciary Net Position - Ending (b)	$ 68,062,950	$ 64,901,053	$ 61,245,401	$ 55,841,931
Net OPEB Liability - Ending (a) - (b)	$ 138,596,507	$ 170,173,876	$ 166,446,176	$ 164,548,968
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	32.93%	27.61%	26.90%	25.34%
Covered Payroll	36,543,795	42,005,000	42,005,000	54,534,000
Net OPEB Liability as a Percentage of Covered Payroll	379.26%	405.13%	396.25%	301.74%
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2018

Note: In the future, as data becomes available, ten years of information will be presented.

	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	6.00%	6.00%	6.00%	6.00%

Note: In the future, as data becomes available, ten years of information will be presented.

Year ended June 30,	2020	2019	2018
Proportion of the net OPEB liability	0.2745%	0.2692%	0.2746%
Proportionate share of the net OPEB liability	$ 1,022,086	$ 1,030,599	$ 1,155,262
Covered payroll	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	-0.81%	-0.40%	0.01%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017

[1] As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

Note : In the future, as data becomes available, ten years of information will be presented.

	2020	2019	2018	2017	2016	2015
CalSTRS						
Proportion of the net pension liability	0.1551%	0.1500%	0.1517%	0.1436%	0.1485%	0.1239%
Proportionate share of the net pension liability	$ 140,124,868	$ 137,867,679	$ 140,270,672	$ 116,138,746	$ 99,966,960	$ 72,419,094
State's proportionate share of the net pension liability	76,447,470	78,935,694	82,982,945	66,115,716	52,871,502	43,729,775
Total	$ 216,572,338	$ 216,803,373	$ 223,253,617	$ 182,254,462	$ 152,838,462	$ 116,148,869
Covered payroll	$ 85,321,585	$ 82,009,127	$ 86,142,798	$ 74,247,894	$ 66,868,840	71,975,188
Proportionate share of the net pension liability as a percentage of its covered payroll	164.23%	168.11%	162.84%	156.42%	149.50%	100.62%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%	77%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS						
Proportion of the net pension liability	0.2069%	0.2100%	0.2132%	0.2034%	0.1941%	0.1854%
Proportionate share of the net pension liability	$ 60,307,163	$ 56,001,050	$ 50,895,389	$ 40,178,268	$ 28,611,809	$ 21,046,174
Covered payroll	$ 28,706,987	$ 27,710,096	$ 28,972,645	$ 24,527,518	$ 21,031,951	21,636,698
Proportionate share of the net pension liability as a percentage of its covered payroll	210.08%	202.10%	175.67%	163.81%	136.04%	97.27%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%	83%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note : In the future, as data becomes available, ten years of information will be presented.

	2020	2019	2018	2017	2016	2015
CalSTRS						
Contractually required contribution	$ 14,963,099	$ 13,890,354	$ 11,833,917	$ 10,836,764	$ 7,966,799	$ 5,937,953
Less contributions in relation to the contractually required contribution	14,963,099	13,890,354	11,833,917	10,836,764	7,966,799	5,937,953
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 87,503,503	$ 85,321,585	$ 82,009,127	$ 86,142,798	$ 74,247,894	$ 66,868,840
Contributions as a percentage of covered payroll	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS						
Contractually required contribution	$ 5,848,535	$ 5,185,056	$ 4,303,655	$ 4,023,721	$ 2,905,775	$ 2,475,671
Less contributions in relation to the contractually required contribution	5,848,535	5,185,056	4,303,655	4,023,721	2,905,775	2,475,671
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 29,656,382	$ 28,706,987	$ 27,710,096	$ 28,972,645	$ 24,527,518	$ 21,031,951
Contributions as a percentage of covered payroll	19.721%	18.062%	15.531%	13.888%	11.847%	11.771%

Note : In the future, as data becomes available, ten years of information will be presented.

Note 1 - Purpose of Schedules

Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America as prescribed by the Governmental Accounting Standards Board and provisions of the California *Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

This schedules presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

At June 30, 2020, the District General Fund exceeded the budgeted amount in total as follows:

	Expenditures and Other Uses		
Funds	Budget	Actual	Excess
General Fund	$ 224,631,616	$ 227,310,114	$ 2,678,498

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the net OPEB liability, including beginning and ending balances, the plan's fiduciary net position, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – Healthcare cost trend rates was changed from 6% to 4% since the previous valuation.
- *Changes of Assumptions* – Salary increases was changed from 3% to 2.75% since the previous valuation.

Schedule of OPEB Investment Returns

This schedule presents information on the annual money-weighted rate of return on OPEB plan investments. In future years, as data becomes available, ten years of information will be presented.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB Liability – MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The plan rate of investment return assumption was changed from 3.87% to 3.50% since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.
- *Changes of Assumptions* – There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

Schedule of District Contributions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

Supplementary Information
June 30, 2020

Oxnard Union High School District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed Through Ventura County Special Education Local Plan Area			
Special Education Cluster			
Special Education Grants to States - Basic Local Assistance	84.027	13379	$ 3,254,254
Passed Through California Department of Education (CDE)			
Supporting Effective Instruction State Grants - Teacher Quality	84.367	14341	631,643
Title I Grants to Local Educational Agencies - Basic Grants Low-Income Neglected	84.010	14329	3,168,138
Student Support and Academic Enrichment Program	84.424	15396	112,740
Career and Technical Education - Basic Grants to States	84.048	14894	410,195
Rehabilitation Services Vocational Rehabilitation Grants to States - Workability II	84.126	10006	266,657
Adult Education - Basic Grants to States	84.002	14508	402,480
Adult Education - Basic Grants to States	84.002	13978	195,800
Adult Education - Basic Grants to States	84.002	14109	126,270
Subtotal			724,550
English Language Acquisition State Grants - Immigrant Student Program	84.365	15146	29,710
English Language Acquisition State Grants - English Learner Student Program	84.365	14346	386,810
Subtotal			416,520
Migrant Education State Grant Program	84.011	14326	13,091
Migrant Education Summer State Grant Program	84.011	10005	44,809
Subtotal			57,900
Total U.S. Department of Education			9,042,597
U.S. Department of Agriculture			
Passed Through California Department of Education			
Child Nutrition Cluster			
National School Lunch Program	10.555	13391	2,637,129
School Breakfast Program - National School Breakfast	10.553	13525	7,748
School Breakfast Program - Especially Needy Breakfast	10.553	13526	1,244,848
National School Lunch Program - Summer Food Program	10.559	13004	1,603,632
National School Lunch Program - Commodity Supplemental Food	10.555	13391	258,116
Total Child Nutrition Cluster			5,751,473
NSLP Equipment Assistance Grant	10.579	14906	86
Child and Adult Care Food Program	10.558	13666	502,624
Total U.S. Department of Agriculture			6,254,183
U.S. Department of Defense			
Junior Reserve Officer Training Corps - Air Force	12.000	[1]	128,531
U.S. Department of Interior			
National Park Services - Anacapa Island Restoration Project	15.954	[1]	2,216
Total Expenditures of Federal Awards			$ 15,427,527

[1] Pass-Through Entity Identifying Number not available

ORGANIZATION

The Oxnard Union High School District was established in 1901 and consists of an area comprising approximately 300 square miles. The District operates seven high schools, two alternative education sites, and an adult education program. There were no boundary changes during the year.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Karen M. Sher	President	2022
Gary Davis, Ed.D.	Vice President	2020
Beatriz Herrera	Clerk	2022
Wayne Edmonds	Member	2022
Steve Hall, Ed.D.	Member	2020

ADMINISTRATION

NAME	TITLE
Penelope DeLeon, Ed.D.	Superintendent
Jeff Weinstein	Assistant Superintendent, Business Services
Deborah Salgado, Ed.D.	Assistant Superintendent, Human Resources
Thomas McCoy, Ed.D.	Assistant Superintendent, Educational Services

	Final Report	
	Second Period Report C173CC7C	Annual Report 5645BD79
Regular ADA		
Ninth through twelfth	15,657.89	15,657.89
Special Education, Nonpublic, Nonsectarian Schools		
Ninth through twelfth	28.41	28.41
Extended Year Special Education, Nonpublic, Nonsectarian Schools		
Ninth through twelfth	1.23	1.23
Total ADA	15,687.53	15,687.53

Grade Level	1986-1987 Minutes Requirement	2019-2020 Actual Minutes	Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Grades 9 - 12	64,800				
Grade 9		65,181	180	N/A	Complied
Grade 10		65,181	180	N/A	Complied
Grade 11		65,181	180	N/A	Complied
Grade 12		65,181	180	N/A	Complied

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2020.

	(Budget) 2021 [1]	2020	2019	2018
General Fund [3]				
Revenues	$ 208,688,029	$ 220,821,133	$ 215,461,879	$ 198,715,079
Other sources	-	1,731,311	-	-
Total Revenues and Other Sources	208,688,029	222,552,444	215,461,879	198,715,079
Expenditures	211,605,915	227,161,747	212,066,923	198,306,035
Other uses and transfers out	162,269	148,367	319,061	1,493,011
Total Expenditures and Other Uses	211,768,184	227,310,114	212,385,984	199,799,046
Increase/(Decrease) in Fund Balance	(3,080,155)	(4,757,670)	3,075,895	(1,083,967)
Ending Fund Balance	$ 19,059,880	$ 22,140,035	$ 26,897,705	$ 23,821,810
Available Reserves [2, 3]	$ 18,777,108	$ 18,327,365	$ 15,170,187	$ 8,759,717
Available Reserves as a Percentage of Total Outgo	8.87%	8.06%	7.10%	4.40%
Long-Term Liabilities	N/A	$ 637,431,823	$ 685,005,487	$ 540,085,717
K-12 Average Daily Attendance at P-2	15,731	15,688	15,632	15,479

The General Fund balance has decreased by $1,681,775 over the past two years. The fiscal year 2020-2021 budget projects a further decrease of $3,080,155 (13.91%). For a district this size, the State recommends available reserves of at least three percent of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating deficits in two of the past three years and anticipates incurring an operating deficit during the 2020-2021 fiscal year. Total long-term liabilities have increased by $97,346,106 over the past two years.

Average daily attendance has increased by 209 over the past two years. Additional growth of 43 ADA is anticipated during fiscal year 2020-2021.

1 Budget 2021 is included for analytical purposes only and has not been subjected to audit.

2 Available reserves consist of all unassigned fund balances and all funds reserved for economic uncertainty contained within the General Fund.

3 District's proportionate share of Supplemental General Fund Contribution (SB90) on-behalf of $2,678,499 have been excluded from the calculation of available reserves for the fiscal year ending June 30, 2020.

Name of Charter School and Charter Number	Included in Audit Report
Camarillo Academy of Progressive Education (Charter No. 0943)	No
Architecture, Construction and Engineering Charter High (ACE) (Charter No. 1126)	No

	Adult Education Fund	Cafeteria Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	COP Debt Service Fund	Total Non-Major Governmental Funds
Assets						
Deposits and investments	$ 358,609	$ 51,656	$ 13,874,818	$ 19,160,368	$ -	$ 33,445,451
Receivables	500,281	880,483	92,170	92,739	-	1,565,673
Due from other funds	-	158,485	23,406	83,205	-	265,096
Total assets	$ 858,890	$ 1,090,624	$ 13,990,394	$ 19,336,312	$ -	$ 35,276,220
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 74,066	$ 74,288	$ 97,666	$ 446,833	$ -	$ 692,853
Due to other funds	442,382	868,593	1,002	6,471	-	1,318,448
Unearned revenue	-	1,282	-	-	-	1,282
Total liabilities	516,448	944,163	98,668	453,304	-	2,012,583
Fund Balances						
Restricted	342,442	146,461	13,891,726	-	-	14,380,629
Assigned	-	-	-	18,883,008	-	18,883,008
Total fund balances	342,442	146,461	13,891,726	18,883,008	-	33,263,637
Total liabilities and fund balances	$ 858,890	$ 1,090,624	$ 13,990,394	$ 19,336,312	$ -	$ 35,276,220

	Adult Education Fund	Cafeteria Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	COP Debt Service Fund	Total Non-Major Governmental Funds
Revenues						
Federal sources	$ 724,550	$ 6,254,183	$ -	$ -	$ -	$ 6,978,733
Other State sources	3,072,028	315,788	-	-	-	3,387,816
Other local sources	252,535	479,479	3,877,003	17,239,497	131,801	21,980,315
Total revenues	4,049,113	7,049,450	3,877,003	17,239,497	131,801	32,346,864
Expenditures						
Current						
Instruction	2,359,610	-	-	-	-	2,359,610
Instruction-related activities						
School site administration	667,653	-	-	-	-	667,653
Pupil services						
Food services	-	6,929,002	-	-	-	6,929,002
All other pupil services	567,515	-	-	-	-	567,515
Administration						
All other administration	142,322	317,385	27,715	-	-	487,422
Plant services	202,877	-	-	47,335	-	250,212
Other outgo	-	-	-	-	573,108	573,108
Enterprise services	-	1	-	-	-	1
Facility acquisition and construction	-	-	849,132	1,530,697	-	2,379,829
Debt service						
Principal	-	-	278,000	-	470,000	748,000
Interest and other	-	-	64,920	159,250	10,560	234,730
Total expenditures	3,939,977	7,246,388	1,219,767	1,737,282	1,053,668	15,197,082
Excess (Deficiency) of Revenues Over Expenditures	109,136	(196,938)	2,657,236	15,502,215	(921,867)	17,149,782
Other Financing Sources (Uses)						
Transfers in	9,403	-	-	138,964	477,885	626,252
Other sources - sale of land	-	-	-	1,656,414	-	1,656,414
Transfers out	-	-	(477,885)	(1,731,311)	-	(2,209,196)
Net Financing Sources (Uses)	9,403	-	(477,885)	64,067	477,885	73,470
Net Change in Fund Balances	118,539	(196,938)	2,179,351	15,566,282	(443,982)	17,223,252
Fund Balance - Beginning	223,903	343,399	11,712,375	3,316,726	443,982	16,040,385
Fund Balance - Ending	$ 342,442	$ 146,461	$ 13,891,726	$ 18,883,008	$ -	$ 33,263,637

Note 1 - Purpose of Schedules

Schedule of Expenditures of Federal Awards (SEFA)

Basis of Presentation
The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2020. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or fund balance of the District.

Summary of Significant Accounting Policies
Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate
The District has not elected to use the ten percent de minimis cost rate.

Food Donation
Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2020, the District had no food commodities in inventory.

Local Education Agency Organization Structure

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

Schedule of Average Daily Attendance (ADA)

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. The District has met its target funding. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code* Sections 46200 through 46206.

Districts must maintain their instructional minutes at the 1986-87 requirements, as required by *Education Code* Section 46201.

Due to school closures caused by COVID-19, the District filed the COVID-19 School Closure Certification certifying that schools were closed for 49-60 days due to the pandemic. As a result, the District received credit for these 49-60 days in meeting the annual instructional days requirement. In addition, planned minutes covered by the COVID-19 School Certification were included in the Actual Minutes column but were not actually offered due to the COVID-19 school closure.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Unaudited Actual Financial Report to the audited financial statements.

Schedule of Financial Trends and Analysis

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

Schedule of Charter Schools

This schedule lists all Charter Schools chartered by the District, and displays information for each Charter School on whether or not the Charter School is included in the District audit.

Non-Major Governmental Funds - Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances

The Non-Major Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances are included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Independent Auditor's Reports
June 30, 2020

Oxnard Union High School District

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Governing Board
Oxnard Union High School District
Oxnard, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, major fund, and the aggregate remaining fund information of Oxnard Union High School District (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 6, 2021.

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Eide Bailly LLP

Rancho Cucamonga, California
January 6, 2021

Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Governing Board
Oxnard Union High School District
Oxnard, California

Report on Compliance for the Major Federal Program
We have audited Oxnard Union High School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal program for the year ended June 30, 2020. The District's major federal program are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility
Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance for each of the District's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program
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 program for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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.

Eide Bailly LLP

Rancho Cucamonga, California
January 6, 2021

Independent Auditor's Report on State Compliance

To the Governing Board
Oxnard Union High School District
Oxnard, California

Report on State Compliance

We have audited Oxnard Union High School District's (the District) compliance with the types of compliance requirements described in the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting,* applicable to the state laws and regulations listed in the table below for the year ended June 30, 2020.

Management's Responsibility

Management is responsible for compliance with the state laws and regulations as identified in the table below.

Auditor's Responsibility

Our responsibility is to express an opinion on the District's compliance with state laws and regulations based on our audit of the types of compliance requirements referred to below. We conducted our audit 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 the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements listed below has occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on state compliance. However, our audit does not provide a legal determination of the District's compliance.

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with laws and regulations applicable to the following items:

	Procedures Performed
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	No, see below
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	Yes
K-3 Grade Span Adjustment	No, see below
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program:	
General Requirements	No, see below
After School	No, see below
Before School	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control Accountability Plan	Yes
Independent Study - Course Based	No, see below
CHARTER SCHOOLS	
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study for Charter Schools	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instruction Minutes Classroom-Based	No, see below
Charter School Facility Grant Program	No, see below

The District does not offer kindergarten instruction; therefore, we did not perform procedures related to Kindergarten Continuance.

The District did not offer an Early Retirement Incentive Program during the current year; therefore, we did not perform procedures related to the Early Retirement Incentive Program.

The District does not have any Juvenile Court Schools; therefore, we did not perform procedures related to Juvenile Court Schools.

The District does not provide classes for grades K-3; therefore, we did not perform procedures related to K-3 Grade Span Adjustment.

We did not perform Apprenticeship: Related and Supplemental Instruction procedures because the program is not offered by the District.

We did not perform District of Choice procedures because the program is not offered by the District.

The District does not offer a Before School Education and Safety Program; therefore, we did not perform procedures related to the Before School Education and Safety Program.

The District does not offer an Independent Study - Course Based program; therefore, we did not perform any procedures related to the Independent Study - Course Based Program.

The Charter School is independent of the District; therefore, we did not perform any procedures related to charter schools.

Unmodified Opinion

In our opinion, the District complied with the laws and regulations of the state programs referred to above for the year ended June 30, 2020.

The purpose of this report on state compliance is solely to describe the results of our testing based on the requirements of the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
January 6, 2021

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

Name of Federal Program or Cluster	CFDA Number
Special Education Cluster	84.027

Dollar threshold used to distinguish between type A and type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	Yes

STATE COMPLIANCE

Type of auditor's report issued on compliance for programs:	Unmodified

None reported.

None reported.

None reported.

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.