



Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2021

**Panama-Buena Vista Union  
School District**

**Bakersfield, CA**

# PANAMA-BUENA VISTA UNION SCHOOL DISTRICT

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2021

**Katie Russell**  
Superintendent

**Glenn Imke, CPA, CBO**  
Assistant Superintendent, Business Services

**Katie Gonzalez, MBA**  
Director, Fiscal Services

4200 Ashe Road  
Bakersfield, CA 93313  
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# PANAMA-BUENA VISTA UNION SCHOOL DISTRICT

A K-8 School District

Bakersfield, California



*Panama-Buena Vista Union School District, a K-8 school district, is located in Bakersfield, California.*

Panama-Buena Vista Union School District  
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June 30, 2021

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**INTRODUCTORY SECTION**

Panama-Buena Vista Union School District



KATIE RUSSELL  
District Superintendent

4200 Ashe Road  
Bakersfield, CA 93313  
(661) 831-8331 FAX (661) 398-2141

BOARD OF TRUSTEES

Bryan Easter  
John P. Lake  
Elynor Cherie Olgin  
Paula Van Auken  
Keith C. Wolaridge

January 31, 2022

To Honorable Board of Trustees and Citizens of the Panama-Buena Vista Union School District:

We hereby submit the Comprehensive Annual Financial Report of the Panama-Buena Vista Union School District for the fiscal year ended June 30, 2021 (FY 2021). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with district management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

This report is prepared in conformance with generally accepted accounting principles (GAAP) for governments as promulgated by the Government Accounting Standards Board (GASB). This report is consistent with legal reporting requirements of the State of California. The report also includes a "State and Federal Compliance Information" section which is designed to meet the reporting requirements of the Office of the California State Controller, the U. S. Government Accountability Office, the U. S. Office of Management and Budget, and the Single Audit Act Amendments of 2013.

The district's financial statements have been audited by Eide Bailly LLP, a certified public accounting firm. They have issued an unmodified ("clean") opinion on the district's financial statements for the fiscal year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

The report also includes a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). It provides an objective and easily readable analysis of the district's financial activities on both a short and long-term basis. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The district's MD&A can be found immediately following the report of the independent auditor.

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## Profile of the District

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Panama-Buena Vista Union School District, one of forty-seven districts in Kern County California, is a public elementary school district serving students from transitional kindergarten to grade eight. The District serves a general population estimated at 133,928, covering an area of approximately 93 square miles, is located in, and southwest of, the City of Bakersfield, California, which is the County Seat of the County. As of June 30, 2021, the District was operating 19 elementary and five junior high schools. California State University, Bakersfield, is also located within the District.

In FY 2021, the district employed 2,179 full-time equivalent workers. Of that total, 949 were certificated employees, 976 were classified employees, and 254 were Management, Supervisory or Confidential. Certificated employees (teachers, psychologists and counselors, nurses, principals, and certain other administrators) require a credential as a condition of employment. Classified employees are those for whom having a credential is not a condition of employment. Classified employees include, among others, instructional aides, school secretaries and other clerical staff, custodians, and nutrition workers.

The District is a public agency governed by the laws of the State of California.

The District is governed by an independent Board of Trustees, consisting of five members who are elected by trustee area to overlapping four-year terms at elections held every two years. The Board's duties and powers include establishing a long-term vision for the District; ensuring accountability to the local community; acquiring, maintaining, and disposing of property; developing a sound organizational structure and school program; adopting an annual budget; and establishing a system of accounting and budgetary controls. The District's affairs are administered by a superintendent, who is appointed by the Board of Trustees.

The superintendent runs the day-to-day operations of the District. Katie Russell began her tenure on August 4, 2020, and received a positive evaluation on August 24, 2021. Superintendent Russell's current contract was approved for three years, ending June 30, 2024.

As of October 2020, the District has 18,262 students enrolled in nineteen elementary schools (TK–6) and five junior high schools (7–8). The District has experienced steady enrollment growth over the last ten years but showed a decrease of approximately 550 from a similar moment in time from the past fiscal year. This is primarily due to the COVID-19 pandemic and the Distance Learning environment. Our demographic forecast shows the student population is projected to increase by approximately 1,650 potential TK-8 students by 2025. The area contained by District boundaries is currently under development. There are several residential development projects planned over the projection timeframe within the Panama-Buena Vista Union School District. They are located throughout the District

and are expected to add many new homes to the area serviced by the District. The neighborhoods within the District are currently experiencing different demographic trends.

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## Core Beliefs and Values

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The Panama-Buena Vista Union School District vision is to be the model of Excellence in Education. We are focused on a set of values and beliefs that all members of the school district (parents, students, teachers, and staff) will follow in order to commit to a learning environment that supports the positive academic and behavioral growth of all students. Our learning community provides a safe, supportive environment where all students can ask questions, find answers, reach their full academic potential and become caring, responsible citizens.

Our beliefs and values are:

- All children deserve a quality education in a safe environment.
- We teach all children believing all children can learn.
- Education is a partnership between the school, family and our community.
- Everyone works together as a team to attain maximum achievement.
- We build relationships on trust and respect.
- We value our community diversity.

The Panama-Buena Vista Union School District mission is to partner with parents and community, committing to a high achieving, balanced academic program for all students resulting in responsible, high achieving 21st Century citizens.

District Priorities:

- **Student Achievement:** Provide an integrated learning experience that guarantees success, achievement, and academic excellence to prepare all students for high school and beyond.
- **Diverse Learning Organization:** Improve diversity and inclusion for students and staff through research, teaching, public service and training across campuses and community.
- **Wellness, Safety and Equity for All:** Engage stakeholders to develop and provide support for all students and staff by creating a safe learning environment that meets the needs of the whole child.
- **Family and Community Partnership:** Create meaningful partnerships with families, community organizations, higher education institutions and businesses to achieve the District’s vision of “Excellence in Education.”
- **Fiscal Responsibility:** Align resources through a transparent process to support effective, safe, innovative educational programs and facilities to maximize success for all students.

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## Economic Condition and Outlook – COVID-19

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In addition to Federal and State one-time funds to address the COVID-19 pandemic recognized in the 2020-21 financial statements, the 2021-22 budget reflects approximately \$35 million in funding from the American Rescue Plan (ARP), provided by the Federal and State government to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students. The District is required to use at least 20% of ESSER III funds for learning loss mitigation by implementing evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive after-school programs, or extended school year programs, and ensure that such interventions respond to students' academic, social, and emotional needs and address the disproportionate impact of COVID-19 on underrepresented student subgroups. The District remains focused on maximizing the efficient use of one-time funds due to the restrictive nature of those funds, thereby reserving local and unrestricted funds.

As the District continues to navigate through unprecedented fiscal challenges, maintaining fiscal solvency continues to be the priority. Monitoring cash flow is crucial, as well as developing multiple budget assumptions, including best and worst-case scenarios for multi-year projections

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## Achievements

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- **Future Ready Task Force** - The District continues to address the integration of technology in the classroom and Distance Learning environment. Every student in the District has a laptop and cellular Hot-Spot available to them as needed.
- **PBVU** – In 2018, the District launched PBVU, a teacher university model for professional staff development. This was achieved through a unique collaboration between the teachers, the teachers association and administration. The teachers have the opportunity to participate in a professional learning cycle, guided by administration, to learn and implement new skills while earning units for salary advancement.
- **Equity Task Force** – After a delayed start due to the COVID-19 pandemic, District administration, school site employees, parents and community stakeholders kicked off an Equity Task Force team in January 2020. After the Equity Task Force team completed training during an Equity Boot Camp, the task force developed a District definition of equity to frame the equity work moving forward. The task force also completed a deep data dive, developed a problem of practice, completed a

root cause analysis and finalized a theory of action to move the work into an action plan to improve equity across the District.

- **SELPA** – On June 19, 2019, the California Department of Education confirmed the creation of the new single-district Panama - Buena Vista Union Special Education Local Plan Area (SELPA) effective July 1, 2019. As of December 2, 2021, the SELPA is serving 2,267 students with special needs.
- **Panama Elementary School Modernization** - The modernization of Panama Elementary School was begun in earnest during the 2019-20 school year and was completed in the summer 2021.
- **Highgate Elementary School New Construction** - Highgate Elementary School construction was completed over the summer and welcomed its first class of students in August 2021.

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## District Funding Status/Long Term Planning

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### Local Control Funding Formula

Most California school districts receive a significant portion of their funding from State apportionments consisting of three primary sources: a portion funded from the State’s general fund, a portion funded from the State’s Education Protection Account, and a local portion derived from the District’s share of the 1% local ad valorem property tax authorized by the State Constitution. The District receives approximately 85% of its revenue from State funds. As a result, decreases in State revenue, or in State apportionments made to fund education, can significantly affect District operations.

State budgeting for schools and the California Community Colleges is governed largely by Proposition 98 (1988). The measure establishes a minimum funding requirement for K-14 education commonly known as the minimum guarantee. The state meets the guarantee through a combination of General Fund and local property tax revenue. Although the state can provide more funding than required, in practice it usually funds at or near the guarantee. Since 2013-14, the Legislature has allocated most funding for schools through the Local Control Funding Formula (LCFF). A school district’s allotment under this formula depends on its size (as measured by student attendance) and the share of its students who are low income or English learners. The LCFF and apportionments are the primary sources of general-purpose funding for schools and community colleges.

## General Obligation Bonds

School districts in California are limited in their ability to tax the local citizenry to raise monies for schools. State law limits ad valorem taxes to 1% of assessed valuation (AV). AV is defined as 100% of the value of real property at the time of sale. The state limits annual increases in AV to no more than 2%. The only time property is reassessed is at the time of sale with the new assessment reflecting the sale price of the property. Ad valorem property tax revenues provide the base general-purpose funding for our schools. The only additional taxing authority school districts have is for general obligation bonds and parcel taxes, both of which require special elections and passage by a 2/3 majority vote. A recently enacted state measure, Proposition 39, permits passage of a local general obligation bond by a 55% majority under special circumstances.

- **2012 General Election Bonds Series A, B, C, T1 and D** – The Bonds were issued to finance the costs of improvements within the District related to energy efficiency, rehabilitation of outdated classrooms, repair/replace deteriorated roofs, plumbing, electrical, lighting, ventilation, and acquire, construct, equip and renovate sites, technology upgrades, facilities and equipment within the District to enable the District to maintain student achievement growth, relieve overcrowding, attract and retain teachers, and protect the quality of education for all students in the District.

Series A – Issued on May 29, 2013 in the amount of \$18,405,000.

Series B – Issued on April 23, 2015 in the amount of \$28,110,000.

Series T-1- Issued on April 23, 2015 in the amount of \$3,380,000 and has been paid in full.

Series C - Issued on April 12, 2017 in the amount of \$20,000,000.

Series D - Issued on October 28, 2019 in the amount of \$18,000,000.

- **2018 General Election Bonds Series A** – The Bonds were issued to finance the costs required to improve school safety and security, construct/equip new school facilities to relieve severe overcrowding, and repair/upgrade older classrooms, labs, facilities and instructional technology supporting student achievement/college readiness in math, science, engineering, technology and arts.

Series A – Issued on March 7, 2019 in the amount of \$22,000,000.

## Certificates of Participation

The District executed a Refunding Certificate of Participation (2006 School Construction Project), Series 2015, in April 2015 for an aggregate principal amount of \$26,920,000. This Refunding Certificate of Participation was used to refund the 2006 Certificates originally obtained for the construction of Stonecreek Junior High School and Old River Elementary School.

### **Qualified Zone Academy Bond**

The District obtained Qualified Zone Academy Bonds (QZABs) in the amount of \$30,000,000. The QZABs were used to install solar arrays at 17 elementary school sites and 5 junior high school sites as well as energy efficiency strategies such as efficient lighting and energy management. The debt service for the QZABs is expected to be satisfied with the savings from utilities.

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## **Financial Information**

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### **Internal and Budgetary Controls**

The district maintains internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use and disposition and to provide reliable records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes the importance of a close evaluation of costs and benefits which requires estimates and judgments by management. The objective is to secure efficient internal control, the cost of which must not exceed the benefits derived therefrom. We believe that the district's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

School districts in California are required by Education Code Section 41010 to follow the California School Accounting Manual in preparing reports to the State. The district, under Assembly Bill 1200 (Chapter 1213, Statutes of 1991), utilizes a single-adoption budget schedule. The district adopts a Final Budget prior to the state-mandated July 1 deadline.

Expenditures cannot legally exceed appropriations by major object classification, namely certificated salaries, classified salaries, employee benefits, books and supplies, services and other operating expenditures, capital outlay, debt service, other outgo, direct support/indirect costs, and operating transfers out. Education Code Section 42600 specifies that school districts may not spend more than the amounts authorized in the Final Budget as adjusted during the school year. The school board reviews and approves (or disapproves) all purchase orders and other expenditures on a regular basis, but no less frequently than once every month.

### **Fiscal Policies**

The district has established a policy which reflects recommendations from the Government Finance Officers Association and the California School Boards Association. The policy targets a general operating

reserve of 17%. The state required minimum reserves level for a district our size is 3%. Balances in excess of the minimum reserve will be committed to future projects.

Education Code Section 41020 provides that each school district shall arrange for an audit by certified public accountants of its books and accounts, including the district's income by source of funds and expenditures by object and program. The district's contract auditor for the fiscal year ended June 30, 2021, was Eide Bailly LLP.

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## Awards

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### GFOA

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Panama-Buena Vista Union School District for its comprehensive annual financial report for the fiscal year ended June 30, 2020. This was the fifth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirement and we are submitting it to GFOA to determine its eligibility for another certificate.

Respectfully submitted,



Katie Russell  
Superintendent



Glenn Imke, CPA, CBO  
Assistant Superintendent, Business Services

**AWARD**

GFOA Certificate of Achievement for Excellence in Financial Reporting

For the Fiscal Year Ended June 30, 2020



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Panama-Buena Vista Union School District  
California**

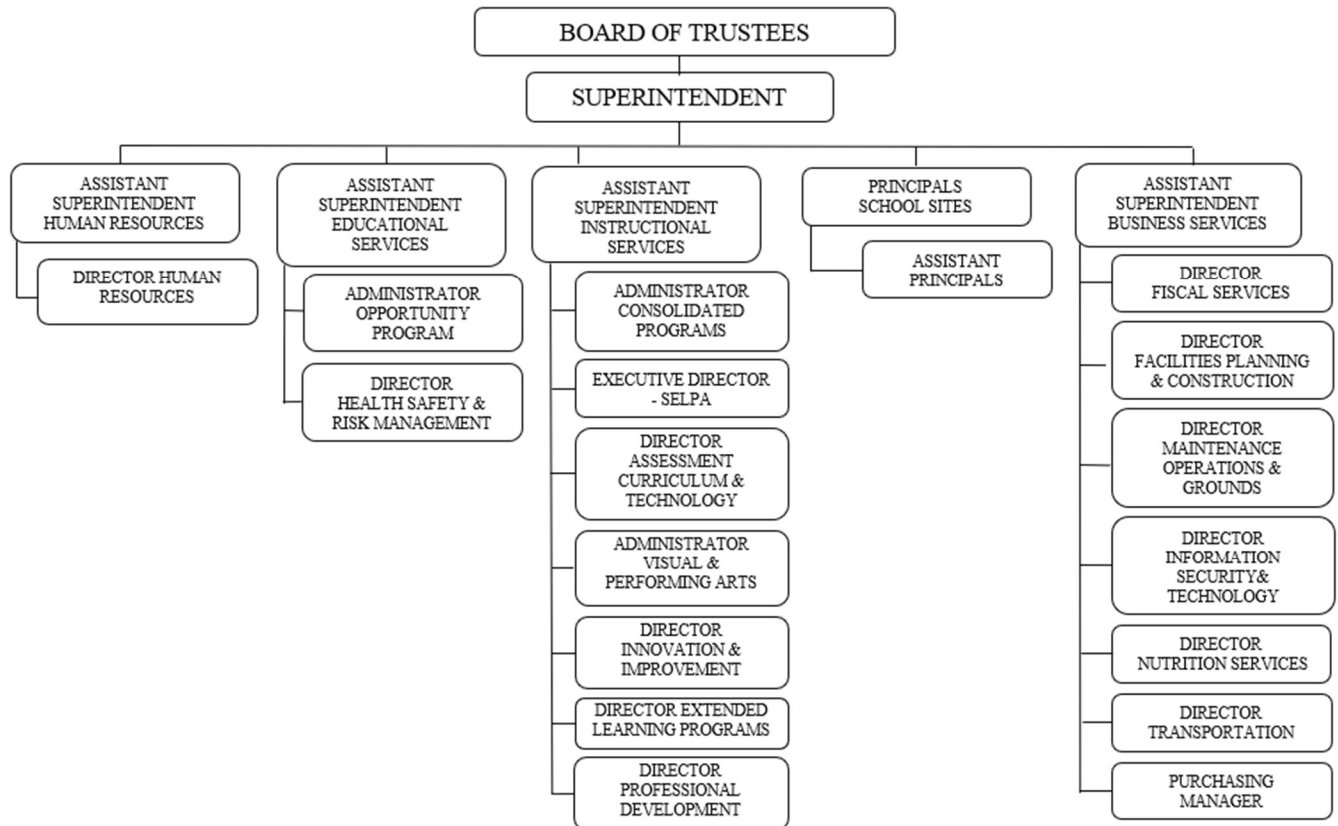
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# Panama-Buena Vista Union School District Management Organization Chart Fiscal Year Ending June 30, 2021



On July 1, 1988, the Panama Union School District merged with the Buena Vista School District to form the Panama-Buena Vista Union School District (the “District”). The District is comprised of an area of approximately 90 square miles located in the rapidly growing southwest portion of Bakersfield, California. As of June 30, 2021, the District was operating 19 elementary and five junior high schools.

**BOARD OF TRUSTEES AND ADMINISTRATION**

**GOVERNING BOARD**

<b><u>MEMBER</u></b>	<b><u>OFFICE</u></b>	<b><u>TERM</u></b>
Elynor Cherie Olgin	President	November 2018 - December 2022
Keith C. Wolaridge	Vice President	November 2018 - December 2022
John P. Lake	Clerk	November 2020 - December 2024
Bryan Easter	Trustee	November 2020 - December 2024
Paula Van Auken	Trustee	November 2020 - December 2024

**ADMINISTRATION**

Katie Russell	District Superintendent
Brandie Dye	Assistant Superintendent, Instructional Services
Glenn Imke, CPA	Assistant Superintendent, Business Services
Darryl Johnson	Assistant Superintendent, Human Resources
Jennifer Irvin	Assistant Superintendent, Educational Services

**SCHOOLS AND SCHOOL PRINCIPALS**

**ELEMENTARY (K – 6)**

Amy B. Seibert Elementary  
Becky Stambook

Louise Sandrini Elementary  
Morgan Hicks

Berkshire Elementary  
Amy Mensing

Old River Elementary  
Kathy Josephson

Bill Williams Elementary  
Dion Lovio

Panama Elementary  
Brian Malavar

Buena Vista Elementary  
Daniel Hansford

Ronald Reagan Elementary  
Matt Kennedy

Charles H. Castle Elementary  
Katrina Wilson

Roy W. Loudon Elementary  
Steve Johnson

Christa McAuliffe Elementary  
Jennifer Payne

Sing Lum Elementary  
Shawna Manning

Dolores S. Whitley Elementary  
Lisa Beasley

Stine Elementary  
Monica Hicks

Douglas Miller Elementary  
Dan Bickham

Stockdale Elementary  
Matthew Merickel

Laurelglen Elementary  
Robert Machado

Wayne Van Horn Elementary  
Trina Lovio

Leo B. Hart Elementary  
Daryl Newton

**INTERMEDIATE (7 – 8)**

Earl Warren Junior High School  
Darryl Pope

Fred L. Thompson Junior High School  
Michael Brasier

O.J. Actis Junior High School  
Patrick Spears

Tevis Junior High School  
Paul Coon

Stonecreek Junior High School  
James Lopez



**FINANCIAL SECTION**



## Independent Auditor's Report

Board of Trustees  
Panama-Buena Vista Union School District  
Bakersfield, 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 Panama-Buena Vista Union School District (the District) as of and for the year ended June 30, 2021, 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 District'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 District'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 Panama-Buena Vista Union School District, as of June 30, 2021, 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.

### **Emphasis of Matter – Change in Accounting Principle**

As discussed in Notes 1 and 16 to the financial statements, Panama-Buena Vista Union School District has adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which has resulted in a restatement of the net position and fund balance as of July 1, 2020. Our opinions are not modified with respect to this matter.

### **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 63, schedule of changes in the District's net OPEB liability and related ratios on page 64, schedule of the District's contributions for OPEB on page 65, schedule of the District's proportionate share of the net pension liability on page 66, and the schedule of District contributions on page 67, 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 Panama-Buena Vista Union School District's financial statements. The combining non-major governmental 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 non-major governmental 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 non-major governmental fund financial statements, the Schedule of Expenditures of Federal Awards, and the other supplementary information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying unaudited statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2022 on our consideration of Panama-Buena Vista Union School 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 Panama-Buena Vista Union School 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 Panama-Buena Vista Union School District's internal control over financial reporting and compliance.

*Eide Bailly LLP*

Rancho Cucamonga, California  
January 31, 2022

This section of Panama-Buena Vista Union 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, 2021, with comparative information for the year ending June 30, 2020. 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 District and its component units using the integrated approach as prescribed by Governmental 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. They present governmental activities. These statements include all assets of the District (including capital assets), deferred outflows of resources, as well as all liabilities (including long-term liabilities) and deferred inflows of resources. Additionally, certain eliminations have occurred as prescribed by the statement in regard to interfund activity, payables, and receivables.

The *Fund Financial Statements* include statements for governmental activity.

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

*Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements* is provided to explain the differences created by the integrated approach.

The Primary unit of the government is the Panama-Buena Vista Union School District.

## **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, deferred outflows of resources, liabilities, and deferred inflows of resources 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 them. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of 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 of trustee'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** - All of the District's services are reported in this category. This includes the education of transitional kindergarten through grade eight students, the operation of child development activities, and the on-going effort to improve and maintain buildings and sites. Property taxes, user fees, interest income, Federal, State, and local grants, as well as proceeds from the 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** - All of 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.

## FINANCIAL HIGHLIGHTS

- Overall, at the conclusion of the 2020-2021 school year, the District's General Fund unassigned reserves were \$7,561,921. These funds are required to be set aside as a Reserve for Economic Uncertainties.
- Total General Fund revenues for 2020-2021 were \$268,510,061.
- Total General Fund expenditures and other uses for 2020-2021 were \$252,063,995.
- The cost of instruction, instruction-related activities and pupil services was \$214,540,370.
- The funded Average Daily Attendance (ADA) for the District in 2020-2021 was 17,892, which was the same as what was originally budgeted. Attendance was tracked but not reported in 2020-21, due to COVID-19 exceptions, so funding was based on 2019-2020 ADA.

**THE DISTRICT AS A WHOLE**

**Net Position**

The District's net position was \$19,296,527 for the fiscal year ended June 30, 2021. Of this amount, \$(130,203,961) was unrestricted deficit. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the governing board's ability to use those net positions 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		Percentage Change
	2021	2020 as restated*	
<b>Assets</b>			
Current and other assets	\$ 171,321,406	\$ 114,445,558	49.7%
Capital assets	263,568,410	241,400,430	9.2%
Total assets	434,889,816	355,845,988	22.2%
Deferred outflows of resources	77,006,992	80,253,772	-4.0%
<b>Liabilities</b>			
Current liabilities	70,843,812	13,267,316	434.0%
Long-term liabilities	412,470,927	398,730,299	3.4%
Total liabilities	483,314,739	411,997,615	17.3%
Deferred inflows of resources	9,285,542	13,642,967	-31.9%
<b>Net Position</b>			
Net investment in capital assets	113,346,158	102,317,579	10.8%
Restricted	36,154,330	30,494,314	18.6%
Unrestricted (deficit)	(130,203,961)	(122,352,715)	6.4%
Total net position	\$ 19,296,527	\$ 10,459,178	84.5%

\*As a result of the implementation of GASB 84, the District has reclassified its associated student body activity previously reported as fiduciary funds to a governmental fund – Student Activity Fund.

The \$(130,203,961) in unrestricted deficit of governmental activities represents the accumulated results of all past years' operations on a "full-accrual" basis. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased by 6.4 percent as shown above.

**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 and rearranges them slightly so you can see our total revenues for the year.

**Table 2**

	Governmental Activities		Percentage Change
	2021	2020*	
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 2,713,784	\$ 4,650,903	-41.7%
Operating grants and contributions	94,279,674	46,329,954	103.5%
Capital grants and contributions	12,669,506	-	-
General revenues			
Federal and State aid not restricted	165,868,198	169,445,626	-2.1%
Property taxes	24,958,479	23,447,805	6.4%
Other general revenues	14,182,318	7,106,658	99.6%
<b>Total revenues</b>	<b>314,671,959</b>	<b>250,980,946</b>	<b>25.4%</b>
<b>Expenses</b>			
Instruction-related	218,312,498	179,456,228	21.7%
Pupil services	38,598,165	34,972,755	10.4%
Administration	12,589,606	10,272,226	22.6%
Plant services	28,700,874	24,775,938	15.8%
All other services	7,633,467	7,447,890	2.5%
<b>Total expenses</b>	<b>305,834,610</b>	<b>256,925,037</b>	<b>19.0%</b>
Change in net position	8,837,349	(5,944,091)	-248.7%
Net Position - beginning	10,167,213	16,111,304	-36.9%
Prior period adjustment	291,965	-	-
Net position - ending	<b>\$ 19,296,527</b>	<b>\$ 10,167,213</b>	<b>89.8%</b>

\*The revenues and expenses for fiscal year 2020 were not restated to show the effects of GASB Statement No. 84 for comparative purposes.

### Governmental Activities

As reported in the Statement of Activities on page 14, the cost of all of our governmental activities this year was \$305,834,610. However, the amount that our taxpayers ultimately financed for these activities through local taxes was only \$24,958,479 because the cost was paid by those who benefited from the programs (\$2,713,784) or by other governments and organizations who subsidized certain programs with grants and contributions (\$106,949,180). We paid for the remaining "public benefit" portion of our governmental activities with \$180,050,516 in Federal and State unrestricted funds, and with other revenues, like interest and general entitlements.

In Table 3, we have presented the cost and net cost of each of the District's largest functions: instruction-related, including special instruction programs and other instructional programs, 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	
	2021	2020*	2021	2020*
Instruction-related	\$ 218,312,498	\$ 179,456,228	\$ (138,084,013)	\$ (148,679,512)
Pupil services	38,598,165	34,972,755	(18,346,807)	(20,137,098)
Administration	12,589,606	10,272,226	(9,057,498)	(8,635,908)
Plant services	28,700,874	24,775,938	(26,256,994)	(24,411,906)
All other services	7,633,467	7,447,890	(4,426,334)	(4,079,756)
<b>Total</b>	<b>\$ 305,834,610</b>	<b>\$ 256,925,037</b>	<b>\$ (196,171,646)</b>	<b>\$ (205,944,180)</b>

\*The total and net cost of services for fiscal year 2020 were not restated to show the effects of GASB Statement No. 84 for comparative purposes.

A major factor for increased expenditures are related to statutory salary and benefit increases. Certificated salary and statutory benefit costs increased by an average of 2.5 percent over the prior year and classified salary and benefit costs increased by an average of 3.2 percent. Health care costs increased by 5.0 percent for both groups. In addition, expenditures related to the coordination of preparedness and response efforts of the District to the COVID-19 pandemic increased expenditures related to extra duty, substitutes, instructional technology and supplies, cleaning supplies, and facility repairs and improvements to enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards, and to support student mental and physical health needs.

**THE DISTRICT'S FUNDS**

As the District completed this year, our governmental funds reported a combined fund balance of \$101,956,732, which is a decrease of \$1,089,185 from last year (Table 4).

**Table 4**

Governmental Fund	Balances and Activity			June 30, 2021
	June 30, 2020 as restated	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	
General Fund	\$ 42,749,698	\$ 268,510,061	\$ 252,063,995	\$ 59,195,764
Student Activity Fund	291,965	38,045	77,288	252,722
Child Development Fund	1,602,255	1,687,823	2,966,000	324,078
Cafeteria Fund	3,917,024	8,462,187	9,313,466	3,065,745
Building Fund	21,473,179	222,957	17,493,147	4,202,989
Capital Facilities Fund	9,991,696	3,808,754	2,967,271	10,833,179
County School Facilities Fund	523,994	12,696,805	13,220,799	-
Special Reserve Fund for Capital Outlay Projects	13,427,276	15,181,860	12,907,617	15,701,519
Bond Interest and Redemption Fund	9,068,830	7,700,063	8,388,157	8,380,736
Total	<u>\$ 103,045,917</u>	<u>\$ 318,308,555</u>	<u>\$ 319,397,740</u>	<u>\$ 101,956,732</u>

The primary reasons for these changes are:

Our General Fund shows an increase in fund balance of \$16,446,066. The increase is primarily due to operational expenditures being funded with COVID-19 related restricted funds. The Child Development Fund shows a decrease in fund balance of \$1,278,177 due primarily to the significant decrease in revenue related to the closure of the Day Care program for the majority of the instructional year. The Child Nutrition Fund shows a decrease in fund balance of \$851,279, due primarily to fewer meals being served to students during Distance Learning. The Building Fund shows a decrease in fund balance of \$17,270,190, primarily due to construction costs related to the modernization project at Panama Elementary and the construction of our newest school, Highgate Elementary.

**General Fund Budgetary Highlights**

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was adopted on June 22, 2021. Variances between budget to actual amounts are primarily due to adjustments in the timing recognition of revenues and expenditures.

A schedule showing the District's General Fund original and final budget amounts compared with amounts actually paid and received is provided in our annual report on page 63.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2021, the District had \$263,568,410 in a broad range of capital assets (net of depreciation), including land, buildings, furniture, and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$22,167,980 or 9.2 percent, from last year (Table 5). See Note 4 of the financial statements for additional details.

**Table 5**

	Governmental Activities		Percentage Change
	2021	2020	
Land and construction in progress	\$ 48,567,967	\$ 47,640,542	1.9%
Buildings and improvements	210,754,254	189,291,998	11.3%
Equipment	4,246,189	4,467,890	-5.0%
Total	<u>\$ 263,568,410</u>	<u>\$ 241,400,430</u>	<u>9.2%</u>

The District's capital assets increased primarily due to the ongoing expenditures incurred as a result of the modernization of Panama Elementary School and the construction of our newest school, Highgate Elementary. Highgate opened for instruction in August 2021.

**Long-Term Liabilities**

At the end of this year, the District had \$412,470,927 in long-term liabilities versus \$398,730,299 last year, an increase of 3.4 percent. See Notes 9, 10 and 13 of the financial statements for additional details. All long-term liabilities consisted of the following:

**Table 6**

	Governmental Activities		Percentage Change
	2021	2020	
Long-Term Liabilities			
General obligation bonds - net	\$ 100,793,312	\$ 105,825,532	-4.8%
Certificates of participation - net	23,708,887	24,730,498	-4.1%
Qualified Zone Academy Bonds (QZAB)	30,000,000	30,000,000	0.0%
Compensated absences (vacations)	1,849,181	1,552,970	19.1%
Net OPEB liability	26,820,500	26,618,600	0.8%
Aggregate net pension liability	229,299,047	210,002,699	9.2%
Total	<u>\$ 412,470,927</u>	<u>\$ 398,730,299</u>	<u>3.4%</u>

The District's long-term obligations increased primarily due to an increase in compensated absences and increases in both the Net OPEB liability and the aggregate net pension liability.

**SIGNIFICANT ACCOMPLISHMENTS OF FISCAL YEAR 2020-2021 ARE NOTED BELOW:**

- The modernization of Panama Elementary School was begun in earnest during the 2019-20 school year and was completed in the summer 2021.
- The District completed construction on Highgate Elementary School, which welcomed its first students in August 2021.
- After a delayed start due to the COVID-19 pandemic, District administration, school site employees, parents and community stakeholders kicked off an Equity Task Force team in January 2020. After the Equity Task Force team completed training during an Equity Boot Camp, the task force developed a District definition of equity to frame the equity work moving forward. The task force also completed a deep data dive, developed a problem of practice, completed a root cause analysis and finalized a theory of action to move the work into an action plan to improve equity across the District.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Due to the effects of the COVID-19 pandemic, the District faced the daunting task for making decisions about the future in the face of many unknowns. In considering the original District Budget for the 2021-2022 year, the governing board and management used the following criteria:

### Revenues:

- The original budget represented a 5.07% "super COLA" based on the Governor's May Revision. A subsequent budget revision increased the concentration grant component of the LCFF from 50% to 65% of the adjusted base LCFF grant, based on the final state budget.
- There was no budgeted enrollment growth or increase in ADA compared to the 2019-20 P-2. Funding was projected to reflect the 2019-20 P-2 ADA level, regardless of actual enrollment or attendance, based on the provision of funding based on the greater of the current or previous year's attendance.
- The original 2021-22 budget reflected approximately \$35 million in funding from the American Rescue Plan (ARP), provided by the Federal and State government to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus on the District's students.

### Expenditures:

- Certificated salary costs reflect a 1.74 percent step and column increase, plus an additional 3.33 percent increase for selected individuals that completed sufficient credits to qualify for Column 7.
- Classified salary costs reflect a 1.58 percent step increase.
- Benefits will continue to increase due to the increase in STRS, PERS, and health insurance rates. CalSTRS employer contribution rates are increasing from 8.25 percent in 2013-2014 to a projected 19.10 percent by 2022-2023. In addition, the CalPERS employer contribution rates are increasing from 11.4 percent in 2013-2014 to 26.1 percent by 2022-2023.

### Deferrals:

- Monthly State apportionment payments, the primary funding source for the District, were partially and fully deferred in the months of February through June. The District received a Tax Revenue Anticipation Note (TRAN) in the amount of \$24,000,000. This TRAN was repaid, on schedule, in December 2021.

## **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, please contact Glenn Imke, Assistant Superintendent Business Services, at Panama-Buena Vista Union School District, 4200 Ashe Road, Bakersfield, California, 93313, (661) 831-8331 or via e-mail at [gimke@pbvusd.k12.ca.us](mailto:gimke@pbvusd.k12.ca.us).

Panama-Buena Vista Union School District  
Statement of Net Position  
June 30, 2021

	Governmental Activities
<b>Assets</b>	
Deposits and investments	\$ 102,434,463
Receivables	67,320,732
Prepaid expense	427,040
Stores inventories	1,139,171
Capital assets not depreciated	48,567,967
Capital assets, net of accumulated depreciation	215,000,443
Total assets	434,889,816
<b>Deferred Outflows of Resources</b>	
Deferred outflows of resources related to OPEB	8,051,938
Deferred outflows of resources related to pensions	68,955,054
Total deferred outflows of resources	77,006,992
<b>Liabilities</b>	
Accounts payable	38,504,188
Interest payable	1,479,138
Unearned revenue	6,860,486
Current loans	24,000,000
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	5,425,000
Long-term liabilities other than OPEB and pensions due in more than one year	150,926,380
Other postemployment benefits (OPEB) liability due in more than one year	26,820,500
Aggregate net pension liability due in more than one year	229,299,047
Total liabilities	483,314,739
<b>Deferred Inflows of Resources</b>	
Deferred inflows of resources related to OPEB	1,497,378
Deferred inflows of resources related to pensions	7,788,164
Total deferred inflows of resources	9,285,542
<b>Net Position</b>	
Net investment in capital assets	113,346,158
Restricted for	
Debt service	15,733,014
Capital projects	10,833,179
Educational programs	6,950,725
Cafeteria	2,209,645
Other restrictions	427,767
Unrestricted (deficit)	(130,203,961)
Total net position	\$ 19,296,527

## Panama-Buena Vista Union School District

Statement of Activities  
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Instruction	\$ 192,631,672	\$ 31,880	\$ 62,520,079	\$ 12,669,506	\$ (117,410,207)
Instruction-related activities					
Supervision of instruction	8,267,069	-	3,216,029	-	(5,051,040)
Instructional library, media, and technology	2,829,230	132	260,275	-	(2,568,823)
School site administration	14,584,527	1,680	1,528,904	-	(13,053,943)
Pupil services					
Home-to-school transportation	6,202,873	-	584,924	-	(5,617,949)
Food services	9,568,001	6,597	7,853,768	-	(1,707,636)
All other pupil services	22,827,291	10,393	11,795,676	-	(11,021,222)
Administration					
Data processing	2,738,776	-	338,041	-	(2,400,735)
All other administration	9,850,830	88,712	3,105,355	-	(6,656,763)
Plant services	28,700,874	312,700	2,131,180	-	(26,256,994)
Ancillary services	77,492	-	38,045	-	(39,447)
Community services	2,036,905	-	240,931	-	(1,795,974)
Interest on long-term liabilities	4,091,319	-	-	-	(4,091,319)
Other outgo	1,427,751	2,261,690	666,467	-	1,500,406
Total governmental activities	<u>\$ 305,834,610</u>	<u>\$ 2,713,784</u>	<u>\$ 94,279,674</u>	<u>\$ 12,669,506</u>	<u>(196,171,646)</u>
<b>General Revenues and Subventions</b>					
Property taxes, levied for general purposes					17,401,764
Property taxes, levied for debt service					7,542,842
Taxes levied for other specific purposes					13,873
Federal and State aid not restricted to specific purposes					165,868,198
Interest and investment earnings					1,393,777
Interagency revenues					965,957
Miscellaneous					11,822,584
Subtotal, general revenues and subventions					<u>205,008,995</u>
Change in Net Position					8,837,349
Net Position - Beginning, as restated					<u>10,459,178</u>
Net Position - Ending					<u>\$ 19,296,527</u>

Panama-Buena Vista Union School District

Governmental Funds - Balance Sheet

June 30, 2021

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Deposits and investments	\$ 59,616,760	\$ 42,817,703	\$ 102,434,463
Receivables	65,366,029	1,954,703	67,320,732
Due from other funds	1,532,082	50,981	1,583,063
Prepaid expenditures	21,091	405,949	427,040
Stores inventories	689,021	450,150	1,139,171
	<u>689,021</u>	<u>450,150</u>	<u>1,139,171</u>
Total assets	<u>\$ 127,224,983</u>	<u>\$ 45,679,486</u>	<u>\$ 172,904,469</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 37,127,051	\$ 1,377,137	\$ 38,504,188
Due to other funds	41,682	1,541,381	1,583,063
Current loans	24,000,000	-	24,000,000
Unearned revenue	6,860,486	-	6,860,486
	<u>68,029,219</u>	<u>2,918,518</u>	<u>70,947,737</u>
Total liabilities	<u>68,029,219</u>	<u>2,918,518</u>	<u>70,947,737</u>
<b>Fund Balances</b>			
Nonspendable	729,253	856,100	1,585,353
Restricted	6,950,725	34,885,732	41,836,457
Committed	43,953,865	-	43,953,865
Assigned	-	7,019,136	7,019,136
Unassigned	7,561,921	-	7,561,921
	<u>59,195,764</u>	<u>42,760,968</u>	<u>101,956,732</u>
Total fund balances	<u>59,195,764</u>	<u>42,760,968</u>	<u>101,956,732</u>
Total liabilities and fund balances	<u>\$ 127,224,983</u>	<u>\$ 45,679,486</u>	<u>\$ 172,904,469</u>

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
June 30, 2021

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Total Fund Balance - Governmental Funds		\$ 101,956,732
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	\$ 418,841,461	
Accumulated depreciation is	<u>(155,273,051)</u>	
Net capital assets		263,568,410
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.		
		(1,479,138)
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		
Other postemployment benefits (OPEB) liability	8,051,938	
Aggregate net pension liability	<u>68,955,054</u>	
Total deferred outflows of resources		77,006,992
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		
Other postemployment benefits (OPEB) liability	(1,497,378)	
Aggregate net pension liability	<u>(7,788,164)</u>	
Total deferred inflows of resources		(9,285,542)
Aggregate net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		
		(229,299,047)
The District's OPEB liability is not due and payable in the current period, and is not reported as a liability in the funds.		
		(26,820,500)
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	(96,520,000)	
Premium on issuance of general obligation bonds	(4,273,312)	
Certificates of participation	(21,905,000)	
Premium on issuance of certificates of participation	(1,803,887)	
Qualified Zone Academy Bonds (QZAB)	(30,000,000)	
Compensated absences (vacations)	<u>(1,849,181)</u>	
Total long-term liabilities		<u>(156,351,380)</u>
Total net position - governmental activities		<u>\$ 19,296,527</u>

Panama-Buena Vista Union School District  
Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2021

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Local Control Funding Formula	\$ 178,233,447	\$ -	\$ 178,233,447
Federal sources	41,860,543	7,819,911	49,680,454
Other State sources	45,476,235	14,300,744	59,776,979
Other local sources	2,939,836	12,442,334	15,382,170
Total revenues	<u>268,510,061</u>	<u>34,562,989</u>	<u>303,073,050</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	166,067,142	702,442	166,769,584
Instruction-related activities			
Supervision of instruction	6,817,709	313,252	7,130,961
Instructional library, media, and technology	2,668,136	-	2,668,136
School site administration	12,910,167	-	12,910,167
Pupil services			
Home-to-school transportation	5,558,696	-	5,558,696
Food services	363,684	8,827,996	9,191,680
All other pupil services	20,154,836	-	20,154,836
Administration			
Data processing	2,759,538	-	2,759,538
All other administration	8,697,237	588,170	9,285,407
Plant services	21,467,332	483,817	21,951,149
Ancillary services	204	77,288	77,492
Community services	240,873	1,691,115	1,931,988
Other outgo	1,427,751	-	1,427,751
Facility acquisition and construction	655,504	31,155,659	31,811,163
Debt service			
Principal	-	5,675,000	5,675,000
Interest and other	260,480	4,598,207	4,858,687
Total expenditures	<u>250,049,289</u>	<u>54,112,946</u>	<u>304,162,235</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>18,460,772</u>	<u>(19,549,957)</u>	<u>(1,089,185)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	15,235,505	15,235,505
Transfers out	(2,014,706)	(13,220,799)	(15,235,505)
Net Financing Sources (Uses)	<u>(2,014,706)</u>	<u>2,014,706</u>	<u>-</u>
Net Change in Fund Balances	16,446,066	(17,535,251)	(1,089,185)
Fund Balance - Beginning, as restated	42,749,698	60,296,219	103,045,917
Fund Balance - Ending	<u>\$ 59,195,764</u>	<u>\$ 42,760,968</u>	<u>\$ 101,956,732</u>

Panama-Buena Vista Union School District  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental  
 Funds to the Statement of Activities  
 Year Ended June 30, 2021

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Total Net Change in Fund Balances - Governmental Funds \$ (1,089,185)

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 expense in the period.

Capital outlays	\$ 32,311,079
Depreciation expense	<u>(10,143,099)</u>

Net expense adjustment	22,167,980
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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. (296,211)

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. (18,221,094)

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. (166,509)

Panama-Buena Vista Union School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2021

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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.

Premium amortization	\$ 378,831
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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	4,775,000
Certificates of participation	900,000

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 accretes or accrues, regardless of when it is due.

<u>388,537</u>
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Change in net position of governmental activities

<u><u>\$ 8,837,349</u></u>
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**Note 1 - Summary of Significant Accounting Policies****Financial Reporting Entity**

The Panama-Buena Vista Union School District (the District) was organized in 1988 through the merging of Panama Union School District and Buena Vista School District. The District operates under a locally elected five-member Board form of government and provides educational services to grades TK-8 as mandated by the State and/or Federal agencies. The District operates 19 elementary schools and five middle schools.

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 Panama-Buena Vista Union School District, this includes general operations, food service, and student related activities of the District.

**Component Units**

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. For financial reporting purposes, the component unit described below has a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 80, *Blending Requirements For Certain Component Units*, and thus is included in the financial statements of the District. The component unit, although a legally separate entity, is reported in the financial statements using the blended presentation method as if it were part of the District's operations because the governing board of the component unit is essentially the same as the governing board of the District and because its purpose is to finance the construction of facilities to be used for the direct benefit of the District.

The Panama-Buena Vista Union School District Financing Corporation (the Corporation) was formed with the purpose of financing the acquisition and construction of facility improvements, together with necessary equipment of District schools and other facilities, as may be required at the determination of the District's governing board. The Corporation issues Certificates of Participation (COPs), a form of long-term debt, which the District uses to finance construction of such improvements. The District also has financial and operational relationships with the Public Property Financing Corporation of California (PPFCC), as represented by the Qualified Zone Academy Bonds.

The District issued Certificates of Participation pursuant to a lease agreement between the District and the Corporation. The financial activity with respect to the Certificates of Participation is presented in the financial statements within the Capital Facilities Fund. The financial activity related to the Qualified Zone Academy Bonds is presented in the financial statements within the Special Reserve Fund for Capital Outlay Projects. The Certificates of Participation and Qualified Zone Academy Bonds are included as long-term liabilities in the government-wide financial statements.

**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 a single category: governmental.

**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.

One fund currently defined as a special revenue fund in the California State Accounting Manual (CSAM) does not meet the GASB Statement No. 54 special revenue fund definition. Specifically, Fund 17 Special Reserve Fund for Other than Capital Outlay, is not substantially composed of restricted or committed revenue sources. While this fund is authorized by statute and will remain open for internal reporting purposes, this fund functions effectively as an extension of the General Fund, and accordingly has been combined with the General Fund for presentation in these audited financial statements.

As a result, the General Fund reflects an increase in fund balance of \$2,036,009.

**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.

- **Student Activity Fund** The Student Activity Fund is used to account separately for the operating activities of the associated student body accounts that are not fiduciary in nature, including student clubs, general operations, athletics, and other student body activities.
- **Child Development Fund** The Child Development Fund is used to account separately for federal, State, and local revenues to operate child development programs and is to be used only for expenditures for the operation of child development programs.

- **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).

- **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.
- **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).
- **County School Facilities Fund** The County School Facilities Fund is established pursuant to *Education Code* Section 17070.43 to receive apportionments from the 1998 State School Facilities Fund (Proposition IA), the 2002 State School Facilities Fund (Proposition 47), the 2004 State School Facilities Fund (Proposition 55), the 2006 State School Facilities Fund (Proposition 1D), or the 2016 State School Facilities Fund (Proposition 51), authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code* Section 17070 et seq.).
- **Special Reserve Fund for Capital Outlay Projects** The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund 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 payment of, principal and interest on general long-term liabilities.

- **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).

#### **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. This differs from the manner in which governmental fund financial statements are prepared.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and for each governmental function. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the Statement of Activities, except for depreciation. 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 asset use 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 net asset use.

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

- **Governmental Funds** All governmental funds are accounted for using the 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 balance 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.

**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 restrictions. 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.

### **Prepaid Expenditures (Expenses)**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

### **Stores Inventories**

Inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the weighted average basis. The costs of inventory items are recorded as expenditures in the governmental funds when consumed rather than 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. Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of \$5,000. 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 statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets, donated works of art, historical treasures and similar items, and capital assets received in a service concession arrangement are capitalized at acquisition value on the date donated.

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

<u>Asset Class/Subclass</u>	<u>Estimated Useful Life (Years)</u>
Land	N/A
Buildings	50
Site improvements	20
Portable buildings	20
Building improvements	20
Furniture and fixtures	20
Playground equipment	20
Food services equipment	15
Transportation equipment	15
Telephone systems	10
Reprographics	10
Vehicles	8
Computer systems and equipment	5
Office equipment	5

### **Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due from other funds/due to other funds." These amounts are eliminated in the governmental activities columns of the Statement of Net Position.

### **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.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable.

**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 governmental 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 governmental fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases, and other 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 obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. 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 pension related items and for OPEB related items.

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.

## 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 aggregate 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 additions to/deductions from the District Plan have been determined on the same basis as they are reported by the District Plan. For this purpose, the District Plan recognizes benefit payments when due and payable in accordance with the benefit terms. The net OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

## Current Loans

Current loans consist of amounts outstanding at year end for Tax Revenue and Anticipation Notes. The notes were issued as short-term liabilities to provide cash flow needs. This liability is offset with cash deposits in the County Treasurer, which have been set aside to repay the notes.

## Fund Balances - Governmental Funds

As of June 30, 2021, 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.

**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. Unassigned fund balance includes positive amounts within the General Fund that have not been classified within the above-mentioned categories and negative fund balances in the other governmental funds. There were no negative funds balances reports in the other governmental funds.

### **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 one-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 \$36,154,330 of restricted net position.

### **Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses 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/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the Statement of Activities.

**Estimates**

The preparation of the financial statements in accordance 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 Kern bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

**Change in Accounting Principles**

As of July 1, 2020, the District adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship. The impact to the District resulted in a reclassification of the District's student body activities from fiduciary to governmental. The effect of the implementation of this standard on beginning fund balance and net position is disclosed in Note 16.

**New Accounting Pronouncements**

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.

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.

**Note 2 - Deposits and Investments****Summary of Deposits and Investments**

Deposits and investments as of June 30, 2021, are classified in the accompanying financial statements as follows:

Governmental activities	<u>\$ 102,434,463</u>
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Deposits and investments as of June 30, 2021, consist of the following:

Cash on hand and in banks	\$ 9,278,960
Cash with fiscal agent	12,070
Cash in revolving	19,141
Investments	<u>93,124,292</u>
Total deposits and investments	<u>\$ 102,434,463</u>

**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.

**Investment in the State Investment Pool** - The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by *California Government Code* Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in the Pool is reported in the accompanying financial statement at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, 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

**Investment Authorized Under Debt Agreement**

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Export-Import Bank	N/A	None	None
U.S. Treasury Obligations	N/A	None	None
Registered State Bonds, Notes, Warrants	N/A	None	None
Federal Housing Administration Debentures	N/A	None	None
Federal Home Loan Mortgage Corporation Obligations	N/A	None	None
Federal Home Loan Banks Obligations	N/A	None	None
Federal National Mortgage Association Obligations	N/A	None	None
Resolution Funding Corporation Obligations	N/A	None	None
General Services Administration Certificates	N/A	None	None
Government National Mortgage Association Mortgage-Backed Securities and Certificates	N/A	None	None
Small Business Administration Certificates	N/A	None	None
U.S. Department of Housing and Urban Development Bonds	N/A	None	None
U.S. Maritime Administration Financings	N/A	None	None
Washington Metropolitan Area Transit Authority Bonds	N/A	None	None
Unsecured Certificates of Deposit, Time Deposits, and Bankers' Acceptances	365 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Repurchase Agreements	N/A	None	None
Investment Agreement	N/A	None	None
State Sponsored Investment Pools (LAIF)	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 in the Kern County Treasury Investment Pool and LAIF. The Kern County Treasury Investment Pool and LAIF purchase a combination of shorter term and longer term investments and time cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**Specific Identification**

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Reported Amount</u>	<u>Maturity in Days</u>
Kern County Treasury Investment Pool	\$ 93,058,387	637
Local Agency Investment Fund	<u>65,905</u>	291
Total	<u>\$ 93,124,292</u>	

**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. The District's investments in the Kern County Treasury Investment Pool and Local Agency Investment Fund are not required to be rated, nor have they been rated as of June 30, 2021.

**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 percent 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 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2021, the District was exposed to \$8,880,255 of custodial credit risk, as these funds were uninsured and not collateralized.

**Note 3 - Receivables**

Receivables at June 30, 2021, consisted of intergovernmental grants, entitlements, interest, and other local sources. All receivables are considered collectible in full.

	General Fund	Non-Major Governmental Funds	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Federal Government			
Categorical aid	\$ 25,794,101	\$ 1,373,279	\$ 27,167,380
State Government			
LCFF apportionment	29,315,224	-	29,315,224
Categorical aid	4,544,034	171,282	4,715,316
Lottery	1,237,080	-	1,237,080
Special Education	4,333,946	-	4,333,946
Local Government			
Interest	53,434	52,634	106,068
Other local sources	88,210	357,508	445,718
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u>\$ 65,366,029</u>	<u>\$ 1,954,703</u>	<u>\$ 67,320,732</u>

**Note 4 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 12,150,705	\$ 1,359,905	\$ -	\$ 13,510,610
Construction in progress	35,489,837	32,366,147	(32,798,627)	35,057,357
Total capital assets not being depreciated	<u>47,640,542</u>	<u>33,726,052</u>	<u>(32,798,627)</u>	<u>48,567,967</u>
Capital assets being depreciated				
Land improvements	64,464,587	24,524	-	64,489,111
Buildings and improvements	249,063,527	30,713,528	-	279,777,055
Furniture and equipment	25,794,535	645,602	(432,809)	26,007,328
Total capital assets being depreciated	<u>339,322,649</u>	<u>31,383,654</u>	<u>(432,809)</u>	<u>370,273,494</u>
Total capital assets	<u>386,963,191</u>	<u>65,109,706</u>	<u>(33,231,436)</u>	<u>418,841,461</u>
Accumulated depreciation				
Land improvements	(22,728,599)	(3,020,137)	-	(25,748,736)
Buildings and improvements	(101,507,517)	(6,255,659)	-	(107,763,176)
Furniture and equipment	(21,326,645)	(867,303)	432,809	(21,761,139)
Total accumulated depreciation	<u>(145,562,761)</u>	<u>(10,143,099)</u>	<u>432,809</u>	<u>(155,273,051)</u>
Governmental activities capital assets, net	<u>\$ 241,400,430</u>	<u>\$ 54,966,607</u>	<u>\$ (32,798,627)</u>	<u>\$ 263,568,410</u>

Depreciation expense was charged as a direct expense to governmental functions as follows:

Governmental Activities	
Instruction	\$ 3,828,702
Supervision of instruction	2,528
Instructional library, media, and technology	4,232
School site administration	2,558
Home-to-school transportation	318,989
Food services	94,625
All other pupil services	15,084
Data processing	42,047
All other administration	85,660
Plant services	5,746,532
Community services	2,142
	<u>                    </u>
Total depreciation expenses governmental activities	<u><u>\$ 10,143,099</u></u>

#### Note 5 - Interfund Transactions

##### Interfund Receivables/Payables (Due To/Due From)

Interfund receivable and payable balances at June 30, 2021, between major and non-major governmental funds, are as follows:

Due To	Due From		Total
	General Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ 1,532,082	\$ 1,532,082
Non-Major Governmental Funds	41,682	9,299	50,981
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u><u>\$ 41,682</u></u>	<u><u>\$ 1,541,381</u></u>	<u><u>\$ 1,583,063</u></u>

A balance of \$94,281 is due from the Child Development Non-Major Governmental Fund to the General Fund for payroll and other operating expenditures.

A balance of \$966,795 is due from the Cafeteria Non-Major Governmental Fund to the General Fund for Payroll and other operating expenditures.

A balance of \$429,180 is due from the Building Non-Major Governmental Fund to the General Fund for qualifying capital expenditures.

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

**Interfund Transfers**

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Transfer To	General Fund	Transfer From Non-Major Governmental Funds	Total
Non-Major Governmental Funds	<u>\$ 2,014,706</u>	<u>\$ 13,220,799</u>	<u>\$ 15,235,505</u>
The General Fund transferred to the Child Development Non-Major Governmental Fund for an operating contribution.			\$ 250,000
The General Fund transferred to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects for Qualified Zone Academy Bonds (QZAB) sinking fund deposits.			1,764,706
The County School Facilities Non-Major Governmental Fund transferred to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects for future capital projects.			<u>13,220,799</u>
			<u>\$ 15,235,505</u>

**Note 6 - Accounts Payable**

Accounts payable at June 30, 2021, consisted of the following:

	General Fund	Non-Major Governmental Funds	Total
Vendor payables	\$ 6,475,250	\$ 1,285,834	\$ 7,761,084
State LCFF apportionment	23,751,483	-	23,751,483
Salaries and benefits	<u>6,900,318</u>	<u>91,303</u>	<u>6,991,621</u>
Total	<u>\$ 37,127,051</u>	<u>\$ 1,377,137</u>	<u>\$ 38,504,188</u>

**Note 7 - Unearned Revenue**

Unearned revenue at June 30, 2021, consisted of the following:

	<u>General Fund</u>
Federal financial assistance	\$ 6,588,310
State categorical aid	<u>272,176</u>
Total	<u>\$ 6,860,486</u>

**Note 8 - Tax and Revenue Anticipation Notes (TRAN)**

On June 2, 2021, the District entered into a \$24,000,000 loan agreement with the Kern County Board of Education (KCBOE) to fund cash flow shortfalls resulting from deferred state apportionment revenues. The KCBOE issued Tax and Revenue Anticipation Notes, Series A in an amount equal to the loan and KCBOE will use payments received from the loan to repay the notes. The notes mature on December 30, 2021 with an interest rate of 4.00 percent.

The terms and proceeds of the District's loan mirror those of the notes issued by KCBOE. These terms require the District to repay the loan balance using deferred state apportionment revenues received from July through November 2021.

Changes in the outstanding liabilities for the Tax and Revenue Anticipation Notes are as follows:

<u>Issue Date</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Outstanding July 1, 2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Outstanding June 30, 2021</u>
June 2, 2021	4.00%	12/30/2021	<u>\$ -</u>	<u>\$ 24,000,000</u>	<u>\$ -</u>	<u>\$ 24,000,000</u>

**Note 9 - Long -Term Liabilities Other than OPEB and 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, 2020	Additions	Deductions	Balance June 30, 2021	Due in One Year
Long-Term Liabilities					
General obligation bonds	\$101,295,000	\$ -	\$ (4,775,000)	\$ 96,520,000	\$4,480,000
Premium on issuance	4,530,532	-	(257,220)	4,273,312	-
Certificates of participation	22,805,000	-	(900,000)	21,905,000	945,000
Premium on issuance	1,925,498	-	(121,611)	1,803,887	-
Qualified Zone Academy Bonds	30,000,000	-	-	30,000,000	-
Compensated absences	1,552,970	296,211	-	1,849,181	-
Total	<u>\$162,109,000</u>	<u>\$296,211</u>	<u>\$ (6,053,831)</u>	<u>\$156,351,380</u>	<u>\$5,425,000</u>

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local revenues. The Capital Facilities Fund makes payments for the Certificates of Participation. The Qualified Zone Academy Bonds (QZAB) are paid by the General Fund. The compensated absences will be paid by primarily by the General Fund.

**General Obligation Bonds**

The outstanding general obligation bonded debt is as follows:

Issuance Date	Final Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2020	Issued	Redeemed	Bonds Outstanding June 30, 2021
5/29/13	8/1/42	3.00-4.00%	\$ 18,405,000	\$ 14,870,000	\$ -	\$ (20,000)	\$ 14,850,000
4/23/15	8/1/44	3.00-5.00%	28,110,000	26,425,000	-	(615,000)	25,810,000
4/12/17	8/1/46	4.00-5.00%	20,000,000	20,000,000	-	(410,000)	19,590,000
3/7/19	8/1/29	2.00-3.00%	22,000,000	22,000,000	-	(3,730,000)	18,270,000
10/16/19	8/1/37	5.00%	18,000,000	18,000,000	-	-	18,000,000
				<u>\$ 101,295,000</u>	<u>\$ -</u>	<u>\$ (4,775,000)</u>	<u>\$ 96,520,000</u>

**2012 General Obligation Bonds, Series A**

On May 29, 2013, the Panama-Buena Vista Union School District issued 2012 General Obligation Bonds, Series A in the amount of \$18,405,000. The bonds were issued as current interest bonds. The bonds were issued at an aggregate price of \$18,409,562 (representing the principal amount of \$18,405,000, plus premium on issuance of \$188,592, less underwriter's discount of \$184,030). The bonds have a final maturity which occurs on August 1, 2042 with interest rates of 3.00 to 4.00 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation, and repair of District facilities and infrastructure projects, and to pay issuance costs. As of June 30, 2021, the principal balance outstanding was \$14,850,000 and unamortized premium on issuance was \$138,301.

**2012 General Obligation Bonds, Series B**

On April 23, 2015, the Panama-Buena Vista Union School District issued 2012 General Obligation Bonds, Series B in the amount of \$28,110,000. The bonds were issued as current interest bonds. The bonds were issued at an aggregate price of \$29,171,329 (representing the principal amount of \$28,110,000, plus premium on issuance of \$1,372,248, less purchaser's discount of \$310,919). The bonds have a final maturity which occurs on August 1, 2044 with interest rates of 3.00 to 5.00 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation, and repair of District facilities and infrastructure projects, and to pay issuance costs. As of June 30, 2021, the principal balance outstanding was \$25,810,000 and unamortized premium on issuance was \$1,097,798.

**2012 General Obligation Bonds, Series C**

On April 12, 2017, the Panama-Buena Vista Union School District issued 2012 General Obligation Bonds, Series C in the amount of \$20,000,000. The bonds were issued as current interest bonds. The bonds were issued at an aggregate price of \$21,265,041 (representing the principal amount of \$20,000,000, plus premium on issuance of \$1,706,303, less cost of issuance and underwriter's discount of \$441,262). The bonds have a final maturity which occurs on August 1, 2046 with interest rates of 4.00 to 5.00 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation, and repair of District facilities and infrastructure projects, and to pay issuance costs. As of June 30, 2021, the principal balance outstanding was \$19,590,000 and unamortized premium on issuance was \$1,478,796.

**2018 General Obligation Bonds, Series A**

On March 7, 2019, the Panama-Buena Vista Union School District issued 2018 General Obligation Bonds, Series A in the amount of \$22,000,000. The Series 2019 represents the first of the authorized bonds not to exceed \$90,000,000 to be issued under the measure as approved by voters. The bonds were issued as current interest bonds. The bonds were issued at an aggregate price of \$22,599,809 (representing the principal amount of \$22,000,000, plus premium on issuance of \$905,150, less cost of issuance and underwriter's discount of \$305,341). The bonds have a final maturity which occurs on August 1, 2029 with interest rates of 2.00 to 3.00 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation, and repair of District facilities and infrastructure projects, and to pay issuance costs. As of June 30, 2021, the principal balance outstanding was \$18,270,000 and unamortized premium on issuance was \$633,605.

**2012 General Obligation Bonds, 2019 Series D**

On October 16, 2019, the Panama-Buena Vista Union School District issued 2012 General Obligation Bonds, 2019 Series D in the amount of \$18,000,000. The bonds were issued as current interest bonds. The bonds were issued at an aggregate price of \$18,617,651 (representing the principal amount of \$18,000,000, plus premium on issuance of \$1,040,414, less cost of issuance and underwriter's discount of \$422,763). The bonds have a final maturity which occurs on August 1, 2037 with interest rates of 2.00 to 5.00 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation, and repair of District facilities and infrastructure projects, and to pay issuance costs. As of June 30, 2021, the principal balance outstanding was \$18,000,000 and unamortized premium on issuance was \$924,812.

The bonds mature through 2047, as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2022	\$ 4,480,000	\$ 3,490,631	\$ 7,970,631
2023	4,435,000	3,358,131	7,793,131
2024	2,105,000	3,246,381	5,351,381
2025	2,420,000	3,162,331	5,582,331
2026	2,755,000	3,064,506	5,819,506
2027-2031	17,575,000	13,468,541	31,043,541
2032-2036	18,565,000	10,568,975	29,133,975
2037-2041	20,930,000	6,859,750	27,789,750
2042-2046	19,745,000	2,656,495	22,401,495
2047	3,510,000	70,200	3,580,200
	<u>\$ 96,520,000</u>	<u>\$ 49,945,941</u>	<u>\$ 146,465,941</u>

**Certificates of Participation**

On April 23, 2015, the Panama-Buena Vista Union School District, pursuant to a lease/purchase agreement with the Panama-Buena Vista Union School District Financing Corporation, issued \$26,920,000 in Certificates of Participation. The certificates were issued to defease the remaining balance of 2006 Certificates of Participation and pay for the costs of issuance incurred in connection with the execution and delivery of the certificates. The certificates were issued at interest rates ranging from 2.00 to 5.00 percent and the certificates have a final maturity to occur on September 1, 2036. At June 30, 2021, the principal balance outstanding was \$21,905,000.

The certificates mature through 2037 as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 945,000	\$ 938,925	\$ 1,883,925
2023	985,000	890,675	1,875,675
2024	1,035,000	840,175	1,875,175
2025	1,080,000	787,300	1,867,300
2026	1,140,000	731,800	1,871,800
2027-2031	6,620,000	2,720,750	9,340,750
2032-2036	8,265,000	1,068,394	9,333,394
2037	1,835,000	32,113	1,867,113
Total	<u>\$ 21,905,000</u>	<u>\$ 8,010,132</u>	<u>\$ 29,915,132</u>

**Qualified Zone Academy Bonds (QZAB)**

On March 17, 2016, the District, pursuant to a sublease agreement with the Public Property Financing Corporation of California (the Corporation), issued \$10,000,000 in Qualified Academy Zone Bonds (QZAB). The District has been granted authorization from the State Superintendent of Public Instruction to issue securities in an aggregate principal amount not to exceed \$30,000,000 in accordance with the qualified zone academy bonds tax credit program found in Section 1397E of the Internal Revenue Code of 1986 and State regulations, to finance certain projects at qualified zone academies within the District. The issuance represents the first series of bonds issued under the authorization. The District and the Corporation, in order to facilitate the financing of projects qualified under the QZAB Program, entered into a lease arrangement by which the District will lease to the Corporation those certain parcels of real property located within the District and pursuant to a sublease, the Corporation will sublease the property to the District, with the District required to pay base rental to the Corporation. The annual base rental payment of \$588,235 began March 17, 2017, which is deposited with New Mexico Bank into an interest generating investment to produce sufficient income to repay the \$10,000,000 bonds upon maturity on March 17, 2033. At June 30, 2021, the principal balance outstanding was \$10,000,000.

On April 27, 2016, the District, pursuant to a sublease agreement with the Public Property Financing Corporation of California (the Corporation), issued \$20,000,000 in Qualified Academy Zone Bonds (QZAB). The District has been granted authorization from the State Superintendent of Public Instruction to issue securities in an aggregate principal amount not to exceed \$30,000,000 in accordance with the qualified zone academy bonds tax credit program found in Section 1397E of the Internal Revenue Code of 1986 and State regulations, to finance certain projects at qualified zone academies within the District. The issuance represents the second and final series of bonds issued under the authorization. The District and the Corporation, in order to facilitate the financing of projects qualified under the QZAB Program, entered into a lease arrangement by which the District will lease to the Corporation those certain parcels of real property located within the District and pursuant to a sublease, the Corporation will sublease the property to the District, with the District required to pay base rental to the Corporation. The annual base rental payment of \$1,176,471 began April 27, 2017, which is deposited with New Mexico Bank into an interest generating investment to produce sufficient income to repay the \$20,000,000 bonds upon maturity on April 27, 2033. At June 30, 2021, the principal balance outstanding was \$20,000,000.

As of June 30, 2021, the District's remaining sinking fund deposits are as follows:

Year Ending June 30,	Amount
2022	\$ 1,764,706
2023	1,764,706
2024	1,764,706
2025	1,764,706
2026	1,764,706
2027-2031	8,823,529
2032-2033	3,529,412
Total	<u>\$ 21,176,471</u>

### Compensated Absences

Compensated absences (unpaid employee vacation) for the District at June 30, 2021, amounted to \$1,849,181.

**Note 10 - Other Postemployment Benefit (OPEB) Liability**

For the fiscal year ended June 30, 2021, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plan:

<u>OPEB Plan</u>	<u>Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>OPEB Expense</u>
District Plan	<u>\$ 26,820,500</u>	<u>\$ 8,051,938</u>	<u>\$ 1,497,378</u>	<u>\$ 3,505,441</u>

The details of the plan are as follows:

**District Plan****Plan Administration**

The Panama-Buena Vista Union School District Postemployment Benefits Plan (the Plan) is a single-employer, defined benefit healthcare plan administered by Self-Insured Schools of California (SISC). Self-Insured Schools of California (SISC) GASB 75 Trust A (Trust A) was established to provide governmental agencies in the state of California a mechanism for pre-funding Other Post-Employment Benefits (OPEB) liabilities. The purpose of the plan is to receive contributions from participating employers and establish separate employer prefunding accounts to pay for health care or other post-employment benefits in accordance with the terms of the participating employers' plans. The Plan is included in the financial report of Self-Insured Schools of California (SISC) which can be obtained by contacting Glenn A. Imke, Assistant Superintendent Business Services, Panama-Buena Vista Union School District, 4200 Ashe Road, Bakersfield, California 93313.

Contributions are voluntarily determined by the employer's own funding schedule, and there are no long-term contracts for contributions to the plan. Participating employers reserve the right at any time or times to discontinue contributions to any extent in their sole judgment. Failure to contribute to the Trust in any plan year will not discontinue the Trust. Participating employers may obtain a transfer of assets from the Trust only in accordance with the conditions set forth in the Trust document. Such a transfer cannot be effective prior to the end of any Trust year that is on or before the third anniversary of the employer's entry date into the Trust. The Trust is an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74 with pooled administrative and investment functions.

Participating employers may receive disbursements from the Trust not to exceed the annual premium and other costs of eligible post-employment benefits. If the employer's participation in the Trust terminates, all assets in the employer's prefunding account shall remain in the Trust except as otherwise provided. Allowable termination disbursements are to a trustee or as a trustee transfer of assets upon satisfactorily showing the Trust the transfer will satisfy applicable requirements of the Internal Revenue Code and the Trust's fiduciary duties, or the employer substantiates to the Trust that all of the employer's obligations for the payment of postemployment benefits has been satisfied.

**Plan Membership**

At June 30, 2019, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	228
Active employees	<u>1,575</u>
Total	<u><u>1,803</u></u>

**Benefits Provided**

The Plan provides medical insurance benefits to eligible employees and their spouses (not surviving spouse). The District's Board of Trustees has the authority to establish and amend benefit provisions. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

The contribution requirements of plan members and the District are established by the District's Board of Trustees. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the District's Board of Trustees. For the measurement period ending June 30, 2020, the District contributed \$3,395,300 to the Plan, of which \$749,800 represents implicit subsidy, \$2,205,700 was used for current premiums, and \$439,800 was used to fund the OPEB Trust.

**Investment Policy**

State statutes and SISC Trust A's Board policies allow investments in government and domestic debt, domestic equities, mutual funds and other investments. Trust A's policy in regard to the allocation of invested assets is established and may be amended by the SISC III Board of Directors by a majority vote of its members. It is the policy of the SISC III Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets are managed on a total return basis. The policy will be reviewed on an annual basis, and the SISC III Board of Directors must approve any modifications made thereto.

**Rate of Return**

For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 6.50 percent. 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 \$26,820,500 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019.

Total OPEB liability	\$ 32,548,200
Plan fiduciary net position	<u>(5,727,700)</u>
Net OPEB liability	<u>\$ 26,820,500</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>17.60%</u>

**Actuarial Assumptions**

The net OPEB liability as of June 30, 2021 was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2019 and rolling forward the net OPEB liability to June 30, 2020 (measurement date). The following assumptions were 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	6.50 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	5.50 percent for 2020

The investment rate of return of 6.50 percent is the expected long-term rate of return on District assets invested in the Self-Insured Schools of California (SISC) GASB 75 Trust.

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 weighing the future real rates of return by the target asset allocation percentage and by adding expected inflation.

Mortality rates are from the CalSTRS experience study of the five years ending June 30, 2015 and the CalPERS school employer experience study for the eighteen years ending June 30, 2015. In particular, CalSTRS mortality for active and disabled retirees is the RP-2014 White Collar Employee and Disabled Retiree Mortality Tables, respectively, set back two years and projected generationally from 2014 with 110 percent of the ultimate MP-2016 projection scale. CalSTRS mortality for healthy retirees is a customized STRS Table projected generationally from 2016 with 110 percent of the ultimate MP-2016 projection scale.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actual experience study for the period July 1, 2018 to June 30, 2019.

**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, 2020	\$ 31,913,800	\$ 5,295,200	\$ 26,618,600
Service cost	1,553,600	-	1,553,600
Interest	2,029,600	-	2,029,600
Contributions - employer	-	3,395,300	(3,395,300)
Expected investment return	-	358,397	(358,397)
Difference between expected and actual experience	6,700	(363,100)	369,800
Benefit payments	(2,955,500)	(2,955,500)	-
Administrative expense	-	(2,597)	2,597
Net change in total OPEB liability	634,400	432,500	201,900
Balance, June 30, 2021	<u>\$ 32,548,200</u>	<u>\$ 5,727,700</u>	<u>\$ 26,820,500</u>

There were no changes to benefit terms.

The health care cost trend rates changed from 5.75 percent in 2019 to 5.50 percent in 2020.

**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 higher than the current rate:

Discount Rate	Net OPEB Liability
1% decrease (5.50%)	\$ 28,632,400
Current discount rate (6.50%)	26,820,500
1% increase (7.50%)	25,087,500

**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 higher than the current healthcare costs trend rates:

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease (4.50%)	\$ 24,622,600
Current healthcare cost trend rate (5.50%)	26,820,500
1% increase (6.50%)	29,319,800

**OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB**

For the year ended June 30, 2021, the District recognized OPEB expense of \$3,505,441. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 3,337,963	\$ -
Differences between expected and actual experience	-	-
Changes of assumptions	-	1,249,010
Net difference between projected and actual earnings on OPEB plan investments	4,713,975	248,368
Total	<u>\$ 8,051,938</u>	<u>\$ 1,497,378</u>

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

The deferred outflows and deferred inflows of resources related to differences between projected and actual earnings and differences between expected and actual experience will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2022	\$ 278,040
2023	237,561
2024	266,419
2025	329,970
2026	257,350
Thereafter	1,847,257
Total	<u>\$ 3,216,597</u>

**Note 11 - Fund Balances**

Fund balances are composed of the following elements:

	General Fund	Non-Major Governmental Funds	Total
<b>Nonspendable</b>			
Revolving cash	\$ 19,141	\$ -	\$ 19,141
Stores inventories	689,021	450,150	1,139,171
Prepaid expenditures	21,091	405,950	427,041
Total nonspendable	<u>729,253</u>	<u>856,100</u>	<u>1,585,353</u>
<b>Restricted</b>			
Legally restricted programs	6,950,725	427,767	7,378,492
Food service	-	2,209,645	2,209,645
Capital projects	-	15,036,168	15,036,168
Debt services	-	17,212,152	17,212,152
Total restricted	<u>6,950,725</u>	<u>34,885,732</u>	<u>41,836,457</u>
<b>Committed</b>			
Cash flows	22,070,685	-	22,070,685
Textbook adoption	5,000,000	-	5,000,000
Capital projects	16,883,180	-	16,883,180
Total committed	<u>43,953,865</u>	<u>-</u>	<u>43,953,865</u>
<b>Assigned</b>			
Capital projects	-	6,870,103	6,870,103
Child development program	-	149,033	149,033
Total assigned	<u>-</u>	<u>7,019,136</u>	<u>7,019,136</u>
<b>Unassigned</b>			
Reserve for economic uncertainties	7,561,921	-	7,561,921
Total	<u>\$ 59,195,764</u>	<u>\$ 42,760,968</u>	<u>\$ 101,956,732</u>

**Note 12 - Risk Management****Property and Liability**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2021, the District contracted with Self-Insured Schools of California (SISC II), a joint powers authority, for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**Workers' Compensation**

For fiscal year 2021, the District participated in the Self-Insured Schools of California (SISC I), a joint powers authority. The intent of SISC I is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in SISC I. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts. Each participant pays its workers' compensation premium based on its individual rate.

**Employee Medical Benefits**

The District has contracted with Self-Insured Schools of California (SISC III), a joint powers authority, to provide employee health and welfare benefits. SISC III is a shared risk pool comprised of several local educational agencies. 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 Board of Directors 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 13 - 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, 2021, 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:

<u>Pension Plan</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
CalSTRS	\$ 160,612,985	\$ 52,373,826	\$ 5,684,784	\$ 25,685,559
CalPERS	68,686,062	16,581,228	2,103,380	15,468,258
Total	<u>\$ 229,299,047</u>	<u>\$ 68,955,054</u>	<u>\$ 7,788,164</u>	<u>\$ 41,153,817</u>

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, 2019, 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 percent 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, 2021, are summarized as follows:

	STRP Defined Benefit Program	
	On or before December 31, 2012	On or after January 1, 2013
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	16.15%	16.15%
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 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2021, are presented above and the District's total contributions were \$15,770,917.

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

At June 30, 2021, 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	\$ 160,612,985
State's proportionate share of the net pension liability	<u>82,796,013</u>
Total	<u>\$ 243,408,998</u>

The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2020 and June 30, 2019, respectively, was 0.1657 percent and 0.1595 percent, resulting in a net increase in the proportionate share of 0.0062 percent.

For the year ended June 30, 2021, the District recognized pension expense of \$25,685,559. In addition, the District recognized pension expense and revenue of \$11,598,909 for support provided by the State. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 15,770,917	\$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	16,842,221	1,155,223
Differences between projected and actual earnings on pension plan investments	3,815,240	-
Differences between expected and actual experience in the measurement of the total pension liability	283,408	4,529,561
Changes of assumptions	<u>15,662,040</u>	<u>-</u>
Total	<u>\$ 52,373,826</u>	<u>\$ 5,684,784</u>

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:

<u>Year Ended June 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2022	\$ (2,328,036)
2023	1,299,923
2024	2,593,490
2025	<u>2,249,863</u>
Total	<u>\$ 3,815,240</u>

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
2022	\$ 8,223,106
2023	6,777,181
2024	7,639,858
2025	2,731,984
2026	1,101,756
Thereafter	<u>629,000</u>
Total	<u><u>\$ 27,102,885</u></u>

#### 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, 2019, and rolling forward the total pension liability to June 30, 2020. The financial reporting actuarial valuation as of June 30, 2019, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Experience study	July 1, 2015 through June 30, 2018
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 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) 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 January 2020 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, 2020, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	42%	4.8%
Real estate	15%	3.6%
Private equity	13%	6.3%
Fixed income	12%	1.3%
Risk mitigating strategies	10%	1.8%
Inflation sensitive	6%	3.3%
Cash/liquidity	2%	-0.4%

#### Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. 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 percent) 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%)	\$ 242,663,848
Current discount rate (7.10%)	160,612,985
1% increase (8.10%)	92,868,444

## California Public Employees Retirement System (CalPERS)

### Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) 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 plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019 annual actuarial valuation report, Schools Pool Actuarial Valuation. This report 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, 2021, are summarized as follows:

	<u>School Employer Pool (CalPERS)</u>	
	On or before December 31, 2012	On or after January 1, 2013
Hire date		
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	20.70%	20.70%

## 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, 2021, are presented above and the total District contributions were \$7,161,806.

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

As of June 30, 2021, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$68,686,062. The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2020 and June 30, 2019, respectively, was 0.2239 percent and 0.2264 percent, resulting in a net decrease in the proportionate share of 0.0025 percent.

For the year ended June 30, 2021, the District recognized pension expense of \$15,468,258. At June 30, 2021, 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	\$ 7,161,806	\$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	4,331,105	2,103,380
Differences between projected and actual earnings on pension plan investments	1,429,825	-
Differences between expected and actual experience in the measurement of the total pension liability	3,406,618	-
Changes of assumptions	251,874	-
	<u>\$ 16,581,228</u>	<u>\$ 2,103,380</u>
Total	<u>\$ 16,581,228</u>	<u>\$ 2,103,380</u>

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
2022	\$ (535,071)
2023	477,264
2024	829,563
2025	658,069
Total	<u>\$ 1,429,825</u>

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
2022	\$ 3,683,434
2023	2,394,737
2024	(148,809)
2025	(43,145)
Total	<u>\$ 5,886,217</u>

### 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, 2019, and rolling forward the total pension liability to June 30, 2020. The financial reporting actuarial valuation as of June 30, 2019, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
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 15 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 percent. 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:

<u>Discount Rate</u>	<u>Net Pension Liability</u>
1% decrease (6.15%)	\$ 98,748,739
Current discount rate (7.15%)	68,686,062
1% increase (8.15%)	43,735,549

**Alternative Retirement System (SISC Defined Benefit Plan)**

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by Social Security or an alternative plan. The District has elected to use the SISC Defined Benefit Plan as its alternative plan. Contributions made by the District and an employee vest immediately. The District contributes 3.7 percent of an employee's gross earnings for employees hired prior to January 1, 2013 and 2.1 percent of an employee's gross earnings for employees hired after January 1, 2013. The District's contributions to SISC Defined Benefit Plan for the fiscal year ending June 30, 2021 was \$196,182.

**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 \$9,370,052 (10.328 percent 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.

**Note 14 - 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, 2021.

**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, 2021.

**Property Taxes**

The County of Kern and its related municipal entities have been subjected to continuing taxpayer litigation suits asserting over assessments of property taxes. The Auditor-Controller of Kern County has advised the District that it would be prudent to impound funds in anticipation of possibly adverse findings by the courts. The balance in the District's impound account was \$198,664 at June 30, 2021. The pending appeals plus interest was \$93,088, which leaves an excess of liability balance of \$105,576 as of June 30, 2021.

**Construction Commitments**

As of June 30, 2021, the District had the following commitments (Contractual Obligations) with respect to the unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Portables	\$ 1,084,821	08/18/2021
School Site Safety, Security, and Storage	483,898	08/18/2021
Miller Elementary Special Services Center	2,505,033	06/30/2022
Purchase of School Site #27	5,447,795	06/30/2022
Purchase of School Site #28	1,995,934	06/30/2022
	<u>11,517,481</u>	
Total	<u>\$ 11,517,481</u>	

### Note 15 - Participation in Public Entity Risk Pools, Joint Powers Authorities and Other Related Party Transactions

The District is a member of the SISC I, SISC II, SISC III, and Schools Legal Services public entity risk pools. The District pays an annual premium to the applicable entities for its workers' compensation coverage, health coverage, property and liability coverage, and legal services.

The relationship between the District and the pools is such that they are not component units of the District for financial reporting purposes.

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

During the year ended June 30, 2021, the District made payments of \$1,836,212, \$1,462,118, \$33,020,664, and \$247,111, to SISC I, SISC II, SISC III, and Schools Legal Services, respectively, for the coverages and services noted above.

### Note 16 - Restatement of Prior Year Net Position and Fund Balance

As of July 1, 2020, the Panama-Buena Vista Union School District adopted GASB Statement No. 84, *Fiduciary Activities* (GASB 84). As a result of the implementation of GASB 84, the District has reclassified its associated student body activity previously reported as fiduciary funds to a governmental fund – Student Activity Fund. The following table describes the effects of the implementation on beginning fund balance/net position.

	Non-Major Governmental Funds	Total Governmental Funds
	<u>                    </u>	<u>                    </u>
Beginning Fund Balance previously reported at June 30, 2020	\$ 60,004,254	\$ 102,753,952
Reclassification of student activity funds from agency funds to a special revenue fund	<u>291,965</u>	<u>291,965</u>
Fund Balance - Beginning as Restated July 1, 2020	<u><u>\$ 60,296,219</u></u>	<u><u>\$ 103,045,917</u></u>
Governmental Activities		
Beginning Government-Wide Net Position previously reported at June 30, 2020		\$ 10,167,213
Reclassification of student activity funds from agency funds to a special revenue fund		<u>291,965</u>
Net Position - Beginning as Restated July 1, 2020		<u><u>\$ 10,459,178</u></u>



Required Supplementary Information  
June 30, 2021

**Panama-Buena Vista Union  
School District**

## Panama-Buena Vista Union School District

## General Fund - Budgetary Comparison Schedule

Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
<b>Revenues</b>				
Local Control Funding Formula	\$ 166,467,337	\$ 180,979,453	\$ 178,233,447	\$ (2,746,006)
Federal sources	12,571,090	44,895,773	41,860,543	(3,035,230)
Other State sources	26,986,837	47,759,418	45,476,235	(2,283,183)
Other local sources	1,610,246	1,214,560	2,939,836	1,725,276
<b>Total revenues <sup>1</sup></b>	<b>207,635,510</b>	<b>274,849,204</b>	<b>268,510,061</b>	<b>(6,339,143)</b>
<b>Expenditures</b>				
<b>Current</b>				
Certificated salaries	95,660,403	101,506,867	101,323,396	183,471
Classified salaries	38,154,291	36,474,077	35,807,848	666,229
Employee benefits	66,797,480	66,139,994	69,518,464	(3,378,470)
Books and supplies	11,274,371	28,499,036	27,000,375	1,498,661
Services and operating expenditures	14,968,444	19,755,436	14,159,391	5,596,045
Other outgo	1,118,905	1,215,023	848,437	366,586
Capital outlay	517,726	1,430,658	1,130,898	299,760
<b>Debt service</b>				
Debt service - principal	1,764,706	-	-	-
Debt service - interest and other	200,000	200,000	260,480	(60,480)
<b>Total expenditures <sup>1</sup></b>	<b>230,456,326</b>	<b>255,221,091</b>	<b>250,049,289</b>	<b>5,171,802</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(22,820,816)</b>	<b>19,628,113</b>	<b>18,460,772</b>	<b>(1,167,341)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,005,000	-	-	-
Transfers out	(250,000)	(2,867,706)	(2,014,706)	853,000
<b>Net financing sources (uses)</b>	<b>1,755,000</b>	<b>(2,867,706)</b>	<b>(2,014,706)</b>	<b>853,000</b>
<b>Net Change in Fund Balances</b>	<b>(21,065,816)</b>	<b>16,760,407</b>	<b>16,446,066</b>	<b>(314,341)</b>
<b>Fund Balance - Beginning</b>	<b>42,749,698</b>	<b>42,749,698</b>	<b>42,749,698</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 21,683,882</b>	<b>\$ 59,510,105</b>	<b>\$ 59,195,764</b>	<b>\$ (314,341)</b>

<sup>1</sup> Due to the consolidation of Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects, for reporting purposes into the General Fund, additional revenues and expenditures pertaining to this fund are included in the actual revenues and expenditures, however, are not included in the original and final budgeted amounts.

Panama-Buena Vista Union School District  
Schedule of Changes in the District's Net OPEB Liability and Related Ratios  
Year Ended June 30, 2021

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 1,553,600	\$ 1,249,200	\$ 1,225,600	\$ 1,225,600
Interest	2,029,600	1,802,300	1,751,000	1,711,900
Difference between expected and actual experience	6,700	4,666,200	459,600	-
Changes of assumptions and other inputs	-	(1,452,100)	-	-
Benefit payments	(2,955,500)	(2,882,900)	(2,442,700)	(2,231,500)
Net change in total OPEB liability	634,400	3,382,700	993,500	706,000
Total OPEB Liability - Beginning	31,913,800	28,531,100	27,537,600	26,831,600
Total OPEB Liability - Ending	<u>\$ 32,548,200</u>	<u>\$ 31,913,800</u>	<u>\$ 28,531,100</u>	<u>\$ 27,537,600</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 3,395,300	\$ 3,343,400	\$ 2,959,700	\$ 2,730,900
Expected investment return	358,397	289,804	233,610	(1,596)
Investment experience (loss)/gain	(363,100)	317,751	144,291	-
Benefit payments	(2,955,500)	(2,882,900)	(2,442,700)	(2,231,500)
Administrative expense	(2,597)	(2,255)	(2,001)	(1,604)
Net change in plan fiduciary net position	432,500	1,065,800	892,900	496,200
Plan Fiduciary Net Position - Beginning	5,295,200	4,229,400	3,336,500	2,840,300
Plan Fiduciary Net Position - Ending	<u>\$ 5,727,700</u>	<u>\$ 5,295,200</u>	<u>\$ 4,229,400</u>	<u>\$ 3,336,500</u>
Net OPEB Liability - Ending	<u>\$ 26,820,500</u>	<u>\$ 26,618,600</u>	<u>\$ 24,301,700</u>	<u>\$ 24,201,100</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	17.60%	16.59%	14.82%	12.12%
Covered Payroll	<u>\$122,495,600</u>	<u>\$115,656,000</u>	<u>\$107,662,800</u>	<u>\$ 85,881,500</u>
Total OPEB Liability as a Percentage of Covered Payroll	22%	23%	23%	28%
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

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

Panama-Buena Vista Union School District  
Schedule of District Contributions for OPEB  
Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 3,839,200	\$ 3,290,600	\$ 3,218,000	\$ 3,164,400
Contribution in relation to the actuarially determined contribution	<u>3,395,300</u>	<u>3,343,400</u>	<u>2,959,700</u>	<u>2,730,900</u>
Contribution deficiency (excess)	<u>\$ 443,900</u>	<u>\$ (52,800)</u>	<u>\$ 258,300</u>	<u>\$ 433,500</u>
Covered payroll	<u>\$ 126,130,123</u>	<u>\$ 122,495,600</u>	<u>\$ 115,656,000</u>	<u>\$ 107,662,800</u>
Contributions as a percentage of Covered Payroll	<u>2.69%</u>	<u>2.73%</u>	<u>2.56%</u>	<u>2.54%</u>

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

Panama-Buena Vista Union School District  
Schedule of the District's Proportionate Share of the Net Pension Liability  
Year Ended June 30, 2021

	2021	2020	2019	2018	2017	2016	2015
<b>CalSTRS</b>							
Proportion of the net pension liability	0.1657%	0.1595%	0.1514%	0.1368%	0.1360%	0.1420%	0.1250%
Proportionate share of the net pension liability	\$ 160,612,985	\$ 144,028,963	\$ 139,192,389	\$ 126,528,553	\$ 110,067,000	\$ 95,299,000	\$ 72,829,000
State's proportionate share of the net pension liability	82,796,013	78,577,415	79,694,152	74,853,223	62,659,013	50,402,846	43,977,417
Total	<u>\$ 243,408,998</u>	<u>\$ 222,606,378</u>	<u>\$ 218,886,541</u>	<u>\$ 201,381,776</u>	<u>\$ 172,726,013</u>	<u>\$ 145,701,846</u>	<u>\$ 116,806,417</u>
Covered payroll	<u>\$ 88,962,164</u>	<u>\$ 84,325,104</u>	<u>\$ 80,424,955</u>	<u>\$ 73,081,844</u>	<u>\$ 68,344,520</u>	<u>\$ 65,189,088</u>	<u>\$ 17,516,061</u>
Proportionate share of the net pension liability as a percentage of its covered payroll	181%	171%	173%	173%	161%	146%	416%
Plan fiduciary net position as a percentage of the total pension liability	72%	73%	71%	69%	70%	74%	77%
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>CalPERS</b>							
Proportion of the net pension liability	0.2239%	0.2264%	0.1875%	0.1875%	0.1850%	0.1840%	0.0185%
Proportionate share of the net pension liability	\$ 68,686,062	\$ 65,973,736	\$ 49,990,382	\$ 44,759,183	\$ 36,518,000	\$ 27,193,000	\$ 21,004,000
Covered payroll	<u>\$ 31,705,203</u>	<u>\$ 30,742,309</u>	<u>\$ 27,757,234</u>	<u>\$ 23,999,978</u>	<u>\$ 22,641,730</u>	<u>\$ 20,434,545</u>	<u>\$ 6,239,102</u>
Proportionate share of the net pension liability as a percentage of its covered payroll	217%	215%	180%	186%	161%	133%	337%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	71%	72%	74%	79%	83%
Measurement Date	June 30, 2020	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.

Panama-Buena Vista Union School District  
Schedule of District Contributions  
Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>CaSTRS</b>							
Contractually required contribution	\$ 15,770,917	\$ 15,212,530	\$ 13,728,127	\$ 11,605,321	\$ 9,193,696	\$ 7,333,367	\$ 5,788,791
Less contributions in relation to the contractually required contribution	<u>15,770,917</u>	<u>15,212,530</u>	<u>13,728,127</u>	<u>11,605,321</u>	<u>9,193,696</u>	<u>7,333,367</u>	<u>5,788,791</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 97,652,737</u>	<u>\$ 88,962,164</u>	<u>\$ 84,325,104</u>	<u>\$ 80,424,955</u>	<u>\$ 73,081,844</u>	<u>\$ 68,344,520</u>	<u>\$ 65,189,088</u>
Contributions as a percentage of covered payroll	<u>16.15%</u>	<u>17.10%</u>	<u>16.28%</u>	<u>14.43%</u>	<u>12.58%</u>	<u>10.73%</u>	<u>8.88%</u>
<b>CaIPERS</b>							
Contractually required contribution	\$ 7,161,806	\$ 6,252,266	\$ 5,552,061	\$ 4,310,976	\$ 3,333,597	\$ 2,683,045	\$ 2,405,146
Less contributions in relation to the contractually required contribution	<u>7,161,806</u>	<u>6,252,266</u>	<u>5,552,061</u>	<u>4,310,976</u>	<u>3,333,597</u>	<u>2,683,045</u>	<u>2,405,146</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 34,598,097</u>	<u>\$ 31,705,203</u>	<u>\$ 30,742,309</u>	<u>\$ 27,757,234</u>	<u>\$ 23,999,978</u>	<u>\$ 22,641,730</u>	<u>\$ 20,434,545</u>
Contributions as a percentage of covered payroll	<u>20.700%</u>	<u>19.720%</u>	<u>18.060%</u>	<u>15.531%</u>	<u>13.890%</u>	<u>11.850%</u>	<u>11.770%</u>

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 States 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 schedule 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.

### 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, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- **Change in Benefit Terms** – There were no changes in benefit terms.
- **Change of Assumptions** – The health care cost trend rates changed from 5.75 percent in 2019 to 5.50 percent in 2020.

### Schedule of District Contributions for OPEB

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, ten years of information will be presented.

#### **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, 2021

**Panama-Buena Vista Union  
School District**

Panama-Buena Vista Union School District  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Passed through California Department of Education (CDE)			
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	\$ 5,474,603
Title I, School Improvement Grant	84.377	15364	1,455,399
Title II, Part A, Supporting Effective Instruction	84.367	14341	637,762
Title III, English Learner Student Program	84.365	14346	461,028
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	469,880
Special Education (IDEA) Cluster			
Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	2,879,734
Local Assistance, Part B, Sec 611, Private School ISPs	84.027	10115	2,485
Preschool Grants, Part B, Sec 619	84.173	13430	44,043
Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	209,254
Preschool Staff Development, Part B, Sec 619	84.173A	13431	1,344
Subtotal Special Education (IDEA) Cluster			<u>3,136,860</u>
Early Intervention Grants, Part C	84.181	23761	25,000
Education Stabilization Fund			
COVID-19 Governor's Emergency Education Relief (GEER) Fund Learning Loss Mitigation	84.425C	15517	1,091,607
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	3,744,108
COVID-19 Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	10,834,645
COVID-19 CARES Act Supplemental Meal Reimbursement	84.425D	15535	440,388
Subtotal			<u>16,110,748</u>
Total U.S. Department of Education			<u>27,771,280</u>

Panama-Buena Vista Union School District  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF TREASURY			
Passed through CDE:			
COVID-19 Coronavirus Relief Fund (CRF) Learning Loss Mitigation	21.019	25516	<u>\$ 14,529,650</u>
Total U.S. Department of Treasury			<u>14,529,650</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through CDE			
Child Care and Development Fund Cluster			
COVID-19 Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act - One-Time Stipend	93.575	15555	<u>105,289</u>
Subtotal Child Care and Development Fund Cluster			<u>105,289</u>
Total U.S. Department of Health and Human Services			<u>105,289</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed through CDE			
Child Nutrition Cluster			
Especially Needy Breakfast Program	10.553	13526	2,292,186
National School Lunch Program	10.555	13524	3,939,966
Basic Breakfast Program	10.553	13525	78,807
Commodities	10.555	13524	532,424
Meal Supplements	10.556	13755	<u>430,852</u>
Subtotal Child Nutrition Cluster			<u>7,274,235</u>
Total U.S. Department of Agriculture			<u>7,274,235</u>
Total Federal Financial Assistance			<u>\$ 49,680,454</u>

## ORGANIZATION

The Panama-Buena Vista Union School District (the District) was organized in 1988 through the merging of Panama Union School District and Buena Vista School District. The District operates under a locally elected five-member Board form of government and provides educational services to grades TK-8 as mandated by the State and/or Federal agencies. The District operates 19 elementary schools and five middle schools. There were no boundary changes during the year.

## GOVERNING BOARD

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Elynor Cherie Olgin	President	2022
Keith C. Wolaridge	Vice President	2022
John P. Lake	Clerk	2024
Bryan Easter	Member	2024
Paula Van Auken	Member	2024

## ADMINISTRATION

Katie Russell	Superintendent
Jennifer Irvin	Assistant Superintendent, Educational Services
Glenn A. Imke, CPA	Assistant Superintendent, Business Services
Brandi Dye	Assistant Superintendent, Instructional Services
Darryl Johnson	Assistant Superintendent, Human Resources

Panama-Buena Vista Union School District  
 Schedule of Instructional Time  
 Year Ended June 30, 2021

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Grade Level	Number of Actual Days		Number of Days Credited Form J-13A	Total Days Offered	Status
	Traditional Calendar	Multitrack Calendar			
Kindergarten	180	N/A	-	180	Complied
Grades 1 - 3					
Grade 1	180	N/A	-	180	Complied
Grade 2	180	N/A	-	180	Complied
Grade 3	180	N/A	-	180	Complied
Grades 4 - 8					
Grade 4	180	N/A	-	180	Complied
Grade 5	180	N/A	-	180	Complied
Grade 6	180	N/A	-	180	Complied
Grade 7	180	N/A	-	180	Complied
Grade 8	180	N/A	-	180	Complied

Panama-Buena Vista Union School District  
 Reconciliation of Annual Financial and Budget Report with Audited Financial Statements  
 Year Ended June 30, 2021

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Summarized below are the fund balance reconciliations between the Unaudited Actual Financial Report and the audited financial statements.

	General Fund
Fund Balance	
Balance, June 30, 2021, Unaudited Actuals	\$ 62,085,074
Decrease in	
Accounts receivable	(958,559)
Current loans	455,520
Increase in	
Accounts payable	(2,386,271)
Balance, June 30, 2021, Audited Financial Statements	\$ 59,195,764

Panama-Buena Vista Union School District  
Schedule of Financial Trends and Analysis  
Year Ended June 30, 2021

	(Budget) 2022 <sup>1</sup>	2021	2020	2019
General Fund <sup>3</sup>				
Revenues	\$ 268,406,530	\$ 268,470,865	\$ 222,409,606	\$ 219,017,493
Other sources	-	-	-	281,490
Total revenues and other sources	<u>268,406,530</u>	<u>268,470,865</u>	<u>222,409,606</u>	<u>219,298,983</u>
Expenditures	250,333,975	250,049,289	213,142,193	209,787,809
Other uses and transfers out	<u>18,938,034</u>	<u>2,014,706</u>	<u>1,941,301</u>	<u>3,864,848</u>
Total expenditures and other uses	<u>269,272,009</u>	<u>252,063,995</u>	<u>215,083,494</u>	<u>213,652,657</u>
Prior period adjustment	-	-	-	1,930,342
Increase/(Decrease) in Fund Balance	<u>(865,479)</u>	<u>16,406,870</u>	<u>7,326,112</u>	<u>7,576,668</u>
Ending Fund Balance	<u>\$ 56,294,276</u>	<u>\$ 57,159,755</u>	<u>\$ 40,752,885</u>	<u>\$ 33,426,773</u>
Available Reserves <sup>2</sup>	<u>\$ 8,078,165</u>	<u>\$ 7,561,921</u>	<u>\$ 6,452,504</u>	<u>\$ 8,012,863</u>
Available Reserves as a Percentage of Total Outgo	<u>3.00%</u>	<u>3.00%</u>	<u>3.00%</u>	<u>3.75%</u>
Long-Term Liabilities	<u>N/A</u>	<u>\$ 412,470,927</u>	<u>\$ 398,730,299</u>	<u>\$ 359,589,440</u>
K-12 Average Daily Attendance at P-2	<u>17,892</u>	<u>17,892</u>	<u>17,892</u>	<u>17,846</u>

The General Fund balance has increased by \$23,732,982 over the past two years. However, the fiscal year 2021-2022 budget projects a decrease of \$865,479 (1.5 percent). 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 surpluses in each of the past three years but anticipates incurring an operating deficit during the 2021-2022 fiscal year. Total long-term liabilities have increased by \$52,881,487 over the past two years.

Average daily attendance has increased by 46 over the past two years. No change of ADA is anticipated during fiscal year 2021-2022.

<sup>1</sup> Budget 2022 is included for analytical purposes only and has not been subjected to audit.

<sup>2</sup> Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained with the General Fund.

<sup>3</sup> General Fund amounts do not include activity related to the consolidation of Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects, as required by GASB Statement No. 54.

Panama-Buena Vista Union School District  
Combining Balance Sheet – Non-Major Governmental Funds  
June 30, 2021

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Building Fund	Capital Facilities Fund
<b>Assets</b>					
Deposits and investments	\$ 252,722	\$ 415,211	\$ 1,784,831	\$ 4,977,270	\$ 10,560,001
Receivables	-	23,937	1,545,922	5,266	346,030
Due from other funds	-	27,673	585	-	7,425
Prepaid expenditures	-	-	405,949	-	-
Stores inventories	-	-	450,150	-	-
<b>Total assets</b>	<b>\$ 252,722</b>	<b>\$ 466,821</b>	<b>\$ 4,187,437</b>	<b>\$ 4,982,536</b>	<b>\$ 10,913,456</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 47,877	\$ 154,897	\$ 342,662	\$ 69,480
Due to other funds	-	94,866	966,795	436,885	10,797
<b>Total liabilities</b>	<b>-</b>	<b>142,743</b>	<b>1,121,692</b>	<b>779,547</b>	<b>80,277</b>
<b>Fund Balances</b>					
Nonspendable	-	-	856,100	-	-
Restricted	252,722	175,045	2,209,645	4,202,989	10,833,179
Assigned	-	149,033	-	-	-
<b>Total fund balances</b>	<b>252,722</b>	<b>324,078</b>	<b>3,065,745</b>	<b>4,202,989</b>	<b>10,833,179</b>
<b>Total liabilities and fund balances</b>	<b>\$ 252,722</b>	<b>\$ 466,821</b>	<b>\$ 4,187,437</b>	<b>\$ 4,982,536</b>	<b>\$ 10,913,456</b>

Panama-Buena Vista Union School District  
Combining Balance Sheet – Non-Major Governmental Funds  
June 30, 2021

	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Bond Interest and Redemption Fund	Non-Major Governmental Funds
<b>Assets</b>				
Deposits and investments	\$ -	\$ 16,453,294	\$ 8,374,374	\$ 42,817,703
Receivables	1,009	26,177	6,362	1,954,703
Due from other funds	-	15,298	-	50,981
Prepaid expenditures	-	-	-	405,949
Stores inventories	-	-	-	450,150
	<u>-</u>	<u>-</u>	<u>-</u>	<u>450,150</u>
Total assets	<u>\$ 1,009</u>	<u>\$ 16,494,769</u>	<u>\$ 8,380,736</u>	<u>\$ 45,679,486</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 762,221	\$ -	\$ 1,377,137
Due to other funds	1,009	31,029	-	1,541,381
	<u>1,009</u>	<u>793,250</u>	<u>-</u>	<u>2,918,518</u>
<b>Fund Balances</b>				
Nonspendable	-	-	-	856,100
Restricted	-	8,831,416	8,380,736	34,885,732
Assigned	-	6,870,103	-	7,019,136
	<u>-</u>	<u>15,701,519</u>	<u>8,380,736</u>	<u>42,760,968</u>
Total fund balances	<u>-</u>	<u>15,701,519</u>	<u>8,380,736</u>	<u>42,760,968</u>
Total liabilities and fund balances	<u>\$ 1,009</u>	<u>\$ 16,494,769</u>	<u>\$ 8,380,736</u>	<u>\$ 45,679,486</u>

Panama-Buena Vista Union School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
Year Ended June 30, 2021

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Building Fund	Capital Facilities Fund
<b>Revenues</b>					
Federal sources	\$ -	\$ 105,289	\$ 7,714,622	\$ -	\$ -
Other State sources	-	912,251	674,985	-	-
Other local sources	38,045	420,283	72,580	222,957	3,808,754
<b>Total revenues</b>	<b>38,045</b>	<b>1,437,823</b>	<b>8,462,187</b>	<b>222,957</b>	<b>3,808,754</b>
<b>Expenditures</b>					
<b>Current</b>					
Instruction	-	702,442	-	-	-
Instruction-related activities					
Supervision of instruction	-	313,252	-	-	-
Pupil services					
Food services	-	-	8,827,996	-	-
Administration					
All other administration	-	129,684	389,150	-	69,336
Plant services	-	126,939	96,320	-	260,558
Ancillary services	77,288	-	-	-	-
Community services	-	1,691,115	-	-	-
Facility acquisition and construction	-	2,568	-	17,493,147	752,327
Debt service					
Principal	-	-	-	-	900,000
Interest and other	-	-	-	-	985,050
<b>Total expenditures</b>	<b>77,288</b>	<b>2,966,000</b>	<b>9,313,466</b>	<b>17,493,147</b>	<b>2,967,271</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(39,243)</b>	<b>(1,528,177)</b>	<b>(851,279)</b>	<b>(17,270,190)</b>	<b>841,483</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	250,000	-	-	-
Transfers out	-	-	-	-	-
<b>Net Financing Sources (Uses)</b>	<b>-</b>	<b>250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(39,243)</b>	<b>(1,278,177)</b>	<b>(851,279)</b>	<b>(17,270,190)</b>	<b>841,483</b>
<b>Fund Balance - Beginning, as restated</b>	<b>291,965</b>	<b>1,602,255</b>	<b>3,917,024</b>	<b>21,473,179</b>	<b>9,991,696</b>
<b>Fund Balance - Ending</b>	<b>\$ 252,722</b>	<b>\$ 324,078</b>	<b>\$ 3,065,745</b>	<b>\$ 4,202,989</b>	<b>\$ 10,833,179</b>

Panama-Buena Vista Union School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds  
Year Ended June 30, 2021

	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Bond Interest and Redemption Fund	Non-Major Governmental Funds
<b>Revenues</b>				
Federal sources	\$ -	\$ -	\$ -	\$ 7,819,911
Other State sources	12,669,506	-	44,002	14,300,744
Other local sources	27,299	196,355	7,656,061	12,442,334
<b>Total revenues</b>	<b>12,696,805</b>	<b>196,355</b>	<b>7,700,063</b>	<b>34,562,989</b>
<b>Expenditures</b>				
<b>Current</b>				
Instruction	-	-	-	702,442
Instruction-related activities				
Supervision of instruction	-	-	-	313,252
Pupil services				
Food services	-	-	-	8,827,996
Administration				
All other administration	-	-	-	588,170
Plant services	-	-	-	483,817
Ancillary services	-	-	-	77,288
Community services	-	-	-	1,691,115
Facility acquisition and construction	-	12,907,617	-	31,155,659
Debt service				
Principal	-	-	4,775,000	5,675,000
Interest and other	-	-	3,613,157	4,598,207
<b>Total expenditures</b>	<b>-</b>	<b>12,907,617</b>	<b>8,388,157</b>	<b>54,112,946</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>12,696,805</b>	<b>(12,711,262)</b>	<b>(688,094)</b>	<b>(19,549,957)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	14,985,505	-	15,235,505
Transfers out	(13,220,799)	-	-	(13,220,799)
<b>Net Financing Sources (Uses)</b>	<b>(13,220,799)</b>	<b>14,985,505</b>	<b>-</b>	<b>2,014,706</b>
<b>Net Change in Fund Balances</b>	<b>(523,994)</b>	<b>2,274,243</b>	<b>(688,094)</b>	<b>(17,535,251)</b>
<b>Fund Balance - Beginning, as restated</b>	<b>523,994</b>	<b>13,427,276</b>	<b>9,068,830</b>	<b>60,296,219</b>
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ 15,701,519</b>	<b>\$ 8,380,736</b>	<b>\$ 42,760,968</b>

Panama-Buena Vista Union School District  
Student Activity Fund - Non-Major Governmental Fund – Budgetary Comparison Schedule  
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative) Final
	Original <sup>1</sup>	Final <sup>1</sup>		to Actual
Revenues				
Other local sources	\$ -	\$ -	\$ 38,045	\$ 38,045
Expenditures				
Current				
Ancillary services	-	-	77,288	(77,288)
Deficiency of Revenues Over Expenditures	-	-	(39,243)	(39,243)
Net Change in Fund Balances	-	-	(39,243)	(39,243)
Fund Balance - Beginning, as restated	291,965	291,965	291,965	-
Fund Balance - Ending	<u>\$ 291,965</u>	<u>\$ 291,965</u>	<u>\$ 252,722</u>	<u>\$ (39,243)</u>

<sup>1</sup> The Student Activity Special Revenue Fund was created as a result of the District's implementation of GASB Statement No. 84, which occurred after the District's budget process. Budget information will be prepared in subsequent fiscal years.

Panama-Buena Vista Union School District  
 Child Development Fund - Non-Major Governmental Fund – Budgetary Comparison Schedule  
 Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances -
	Original	Final		Positive (Negative) Final to Actual
<b>Revenues</b>				
Federal sources	\$ -	\$ 105,289	\$ 105,289	\$ -
Other State sources	1,092,068	1,092,068	912,251	(179,817)
Other local sources	2,178,320	387,010	420,283	33,273
Total revenues	<u>3,270,388</u>	<u>1,584,367</u>	<u>1,437,823</u>	<u>(146,544)</u>
<b>Expenditures</b>				
Current				
Certificated salaries	200,671	210,588	210,588	-
Classified salaries	1,699,211	1,655,808	1,651,488	4,320
Employee benefits	768,295	820,056	773,268	46,788
Books and supplies	169,874	58,595	65,338	(6,743)
Services and operating expenditures	268,608	285,617	119,004	166,613
Other outgo	146,670	143,066	129,684	13,382
Capital outlay	-	17,418	16,630	788
Total expenditures	<u>3,253,329</u>	<u>3,191,148</u>	<u>2,966,000</u>	<u>225,148</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>17,059</u>	<u>(1,606,781)</u>	<u>(1,528,177)</u>	<u>78,604</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	250,000	250,000	-
Transfers out	(45,000)	-	-	-
Net financing sources (uses)	<u>(45,000)</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net Change in Fund Balances	(27,941)	(1,356,781)	(1,278,177)	78,604
Fund Balance - Beginning	<u>1,602,255</u>	<u>1,602,255</u>	<u>1,602,255</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 1,574,314</u>	<u>\$ 245,474</u>	<u>\$ 324,078</u>	<u>\$ 78,604</u>

Panama-Buena Vista Union School District  
Cafeteria Fund - Non-Major Governmental Fund – Budgetary Comparison Schedule  
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
<b>Revenues</b>				
Federal sources	\$ 8,522,561	\$ 6,665,399	\$ 7,714,622	\$ 1,049,223
Other State sources	624,318	437,909	674,985	237,076
Other local sources	1,069,325	57,193	72,580	15,387
Total revenues	<u>10,216,204</u>	<u>7,160,501</u>	<u>8,462,187</u>	<u>1,301,686</u>
<b>Expenditures</b>				
Current				
Classified salaries	3,382,403	3,078,934	3,135,917	(56,983)
Employee benefits	1,948,809	1,908,874	1,829,317	79,557
Books and supplies	5,215,784	3,593,941	3,789,012	(195,071)
Services and operating expenditures	175,171	140,355	137,345	3,010
Other outgo	508,231	413,426	389,150	24,276
Capital outlay	80,000	32,725	32,725	-
Total expenditures	<u>11,310,398</u>	<u>9,168,255</u>	<u>9,313,466</u>	<u>(145,211)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,094,194)</u>	<u>(2,007,754)</u>	<u>(851,279)</u>	<u>1,156,475</u>
<b>Other Financing Sources</b>				
Transfers in	250,000	850,000	-	(850,000)
Net Change in Fund Balances	(844,194)	(1,157,754)	(851,279)	306,475
Fund Balance - Beginning	3,917,024	3,917,024	3,917,024	-
Fund Balance - Ending	<u>\$ 3,072,830</u>	<u>\$ 2,759,270</u>	<u>\$ 3,065,745</u>	<u>\$ 306,475</u>

Panama-Buena Vista Union School District  
 Building Fund – Non-Major Governmental Fund – Budgetary Comparison Schedule  
 Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
Revenues				
Other local sources	\$ -	\$ 183,549	\$ 222,957	\$ 39,408
Expenditures				
Current				
Books and supplies	-	49,254	49,254	-
Services and operating expenditures	4,000	544,500	454,233	90,267
Capital outlay	15,611,458	21,062,974	16,989,660	4,073,314
Total expenditures	15,615,458	21,656,728	17,493,147	4,163,581
Net Change in Fund Balances	(15,615,458)	(21,473,179)	(17,270,190)	4,202,989
Fund Balance - Beginning	21,473,179	21,473,179	21,473,179	-
Fund Balance - Ending	\$ 5,857,721	\$ -	\$ 4,202,989	\$ 4,202,989

Panama-Buena Vista Union School District  
 Capital Facilities Fund - Non-Major Governmental Fund – Budgetary Comparison Schedule  
 Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
Revenues				
Other local sources	\$ 2,000,000	\$ 3,710,000	\$ 3,808,754	\$ 98,754
Expenditures				
Current				
Services and operating expenditures	133,000	998,954	642,980	355,974
Other outgo	1,881,353	1,885,100	1,885,050	50
Capital outlay	1,000,000	1,127,746	439,241	688,505
Total expenditures	3,014,353	4,011,800	2,967,271	1,044,529
Net Change in Fund Balances	(1,014,353)	(301,800)	841,483	1,143,283
Fund Balance - Beginning	9,991,696	9,991,696	9,991,696	-
Fund Balance - Ending	\$ 8,977,343	\$ 9,689,896	\$ 10,833,179	\$ 1,143,283

Panama-Buena Vista Union School District  
 County School Facilities Fund - Non-Major Governmental Fund – Budgetary Comparison Schedule  
 Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances -
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Other State sources	\$ 12,600,000	\$ 12,669,506	\$ 12,669,506	\$ -
Other local sources	-	25,000	27,299	2,299
Total revenues	<u>12,600,000</u>	<u>12,694,506</u>	<u>12,696,805</u>	<u>2,299</u>
Expenditures				
Current				
Services and operating expenditures	4,000,000	-	-	-
Capital outlay	<u>6,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>2,600,000</u>	<u>12,694,506</u>	<u>12,696,805</u>	<u>2,299</u>
Other Financing Uses				
Transfers out	<u>-</u>	<u>(13,218,500)</u>	<u>(13,220,799)</u>	<u>(2,299)</u>
Net Change in Fund Balances	2,600,000	(523,994)	(523,994)	-
Fund Balance - Beginning	<u>523,994</u>	<u>523,994</u>	<u>523,994</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 3,123,994</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Panama-Buena Vista Union School District

Special Reserve Fund for Capital Outlay Projects - Non-Major Governmental Fund - Budgetary Comparison  
Schedule Year Ended June 30, 2021

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	Budgeted Amounts		Actual	Variances -
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Other local sources	\$ -	\$ 90,000	\$ 196,355	\$ 106,355
Expenditures				
Current				
Services and operating expenditures		2,730,020	122,452	2,607,568
Capital outlay	-	12,739,047	12,785,165	(46,118)
Total expenditures	-	15,469,067	12,907,617	2,561,450
Excess (Deficiency) of Revenues Over Expenditures	-	(15,379,067)	(12,711,262)	2,667,805
Other Financing Sources				
Transfers in	-	14,983,206	14,985,505	2,299
Net Change in Fund Balances	-	(395,861)	2,274,243	2,670,104
Fund Balance - Beginning	13,427,276	13,427,276	13,427,276	-
Fund Balance - Ending	<u>\$ 13,427,276</u>	<u>\$ 13,031,415</u>	<u>\$ 15,701,519</u>	<u>\$ 2,670,104</u>

Panama-Buena Vista Union School District  
 Bond Interest and Redemption Fund - Non-Major Governmental Fund – Budgetary Comparison Schedule  
 Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
Revenues				
Other State sources	\$ -	\$ -	\$ 44,002	\$ 44,002
Other local sources	7,826,131	8,399,693	7,656,061	(743,632)
Total revenues	7,826,131	8,399,693	7,700,063	(699,630)
Expenditures				
Current				
Other outgo	7,826,131	8,399,693	8,388,157	11,536
Net Change in Fund Balances	-	-	(688,094)	(688,094)
Fund Balance - Beginning	9,068,830	9,068,830	9,068,830	-
Fund Balance - Ending	\$ 9,068,830	\$ 9,068,830	\$ 8,380,736	\$ (688,094)

## **Note 1 - Purpose of Schedules**

### **Schedule of Expenditures of Federal Awards**

#### Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Panama-Buena Vista Union School District (the District) under programs of the federal government for the year ended June 30, 2021. 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 Panama-Buena Vista Union School District, it is not intended to and does not present the net position 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, 2021, the District did not have any commodities reported as inventory.

### **Local Education Agency Organization Structure**

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

### **Schedule of Instructional Time**

This schedule presents information on the number of instructional days offered by the District and whether the District complied with the provisions of *Education Code* Section 43504.

### **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.

### **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 Balance is 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 Balance.

### **Governmental Fund Budgetary Comparison Schedules (Other than General Fund)**

These schedules present information for the original and final budgets and actual results of operations, as well as variances from the final budget to actual result of operation.



STATISTICAL SECTION (UNAUDITED)

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## Introduction

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The Statistical Section presents information useful in giving the reader an overall understanding of the school district as well as a historical perspective regarding financial information in this report. Unless noted otherwise, historical data is presented for the most recent ten-year period. The information in this section helps the reader better understand the overall financial health of the district.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the district's local revenue source, the property tax.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

### **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the district's financial activities take place.

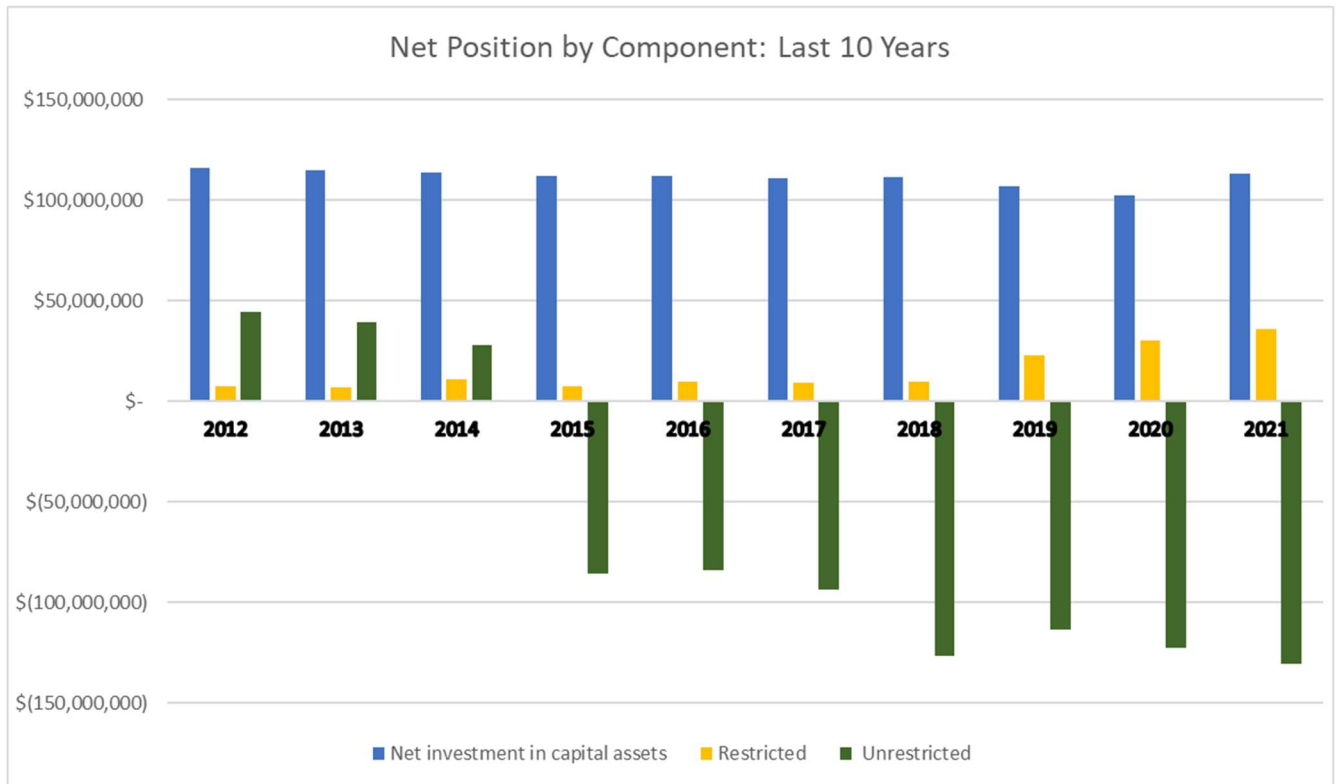
### **Operating Information**

These schedules contain service and capital asset data to help the reader understand how the information in the financial report relates to the services the district provides and the activities it performs.

**Net Position by Component**

Fiscal Year	Net investment in capital assets			Total
	capital assets	Restricted	Unrestricted	
2012	\$ 116,235,280	\$ 7,567,245	\$ 44,736,659	\$ 168,539,184
2013	115,054,851	7,109,504	39,515,291	161,679,646
2014	113,538,844	10,817,471	28,184,834	152,541,149
2015	112,085,534	7,659,332	(85,609,234)	34,135,632
2016	112,330,663	9,623,437	(83,843,282)	38,110,818
2017	111,067,586	9,241,554	(93,561,676)	26,747,464
2018	111,360,773	9,811,875	(126,156,426)	(4,983,778)
2019	106,784,622	22,914,325	(113,587,643)	16,111,304
2020	102,317,579	30,202,349	(122,352,715)	10,167,213
2021	113,346,158	36,154,330	(130,203,961)	19,296,527

*Source: Data extracted from District Financial Statements*



## Panama-Buena Vista Union School District

Statistical Section (Unaudited)

June 30, 2021

## Change in Net Position

	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Expenses</b>					
Governmental Activities					
Instruction	\$ 74,044,055	\$ 71,775,639	\$ 76,906,982	\$ 84,126,215	\$ 117,016,233
Instruction-related activities	12,199,403	11,596,181	12,900,247	13,820,953	15,964,712
Pupil services	15,993,406	15,589,768	16,272,356	17,297,678	22,808,248
Administration	5,290,212	4,935,390	5,901,559	5,410,928	6,789,649
Plant services	13,378,437	12,476,006	12,683,989	13,866,265	18,898,027
Enterprise	10,192,047	18,313,254	23,246,864	22,798,943	7,357,492
Other educational programs	1,837,892	1,596,751	1,601,399	1,539,791	1,874,636
Interest and fiscal charges	9,141,825	8,631,525	9,926,804	14,026,520	14,629,855
Total Governmental Activities	<u>142,077,277</u>	<u>144,914,514</u>	<u>159,440,200</u>	<u>172,887,293</u>	<u>205,338,852</u>
Total Expenses	<u>142,077,277</u>	<u>144,914,514</u>	<u>159,440,200</u>	<u>172,887,293</u>	<u>205,338,852</u>
<b>Revenues</b>					
Program Revenues					
Charges for Services and Sales	1,539,739	1,765,155	1,683,058	1,700,817	1,618,322
Operating Grants and Contributions	24,002,654	24,652,394	27,253,512	26,491,557	46,244,000
Capital Grants and Contributions	-	-	-	-	-
Total Program Revenues	<u>25,542,393</u>	<u>26,417,549</u>	<u>28,936,570</u>	<u>28,192,374</u>	<u>47,862,322</u>
Net Revenue/Expense	<u>(116,534,884)</u>	<u>(118,496,965)</u>	<u>(130,503,630)</u>	<u>(144,694,919)</u>	<u>(157,476,530)</u>
General Revenues					
Property taxes	11,133,783	10,752,744	12,949,415	13,508,189	17,018,010
Grants and entitlements, unrestricted	92,793,927	94,854,766	101,757,179	115,327,185	137,145,251
Interest and investment earnings	405,316	243,196	262,382	265,944	451,631
Miscellaneous	4,192,529	5,347,326	8,406,490	7,468,970	6,836,824
Gain on sale of land	-	439,395	-	-	-
Total General Revenues	<u>108,525,555</u>	<u>111,637,427</u>	<u>123,375,466</u>	<u>136,570,288</u>	<u>161,451,716</u>
Total Revenues	<u>134,067,948</u>	<u>138,054,976</u>	<u>152,312,036</u>	<u>164,762,662</u>	<u>209,314,038</u>
Change in Net Position	<u>\$ (8,009,329)</u>	<u>\$ (6,859,538)</u>	<u>\$ (7,128,164)</u>	<u>\$ (8,124,631)</u>	<u>\$ 3,975,186</u>

Source: Data Extracted from District Financial Statements

## Panama-Buena Vista Union School District

Statistical Section (Unaudited)

June 30, 2021

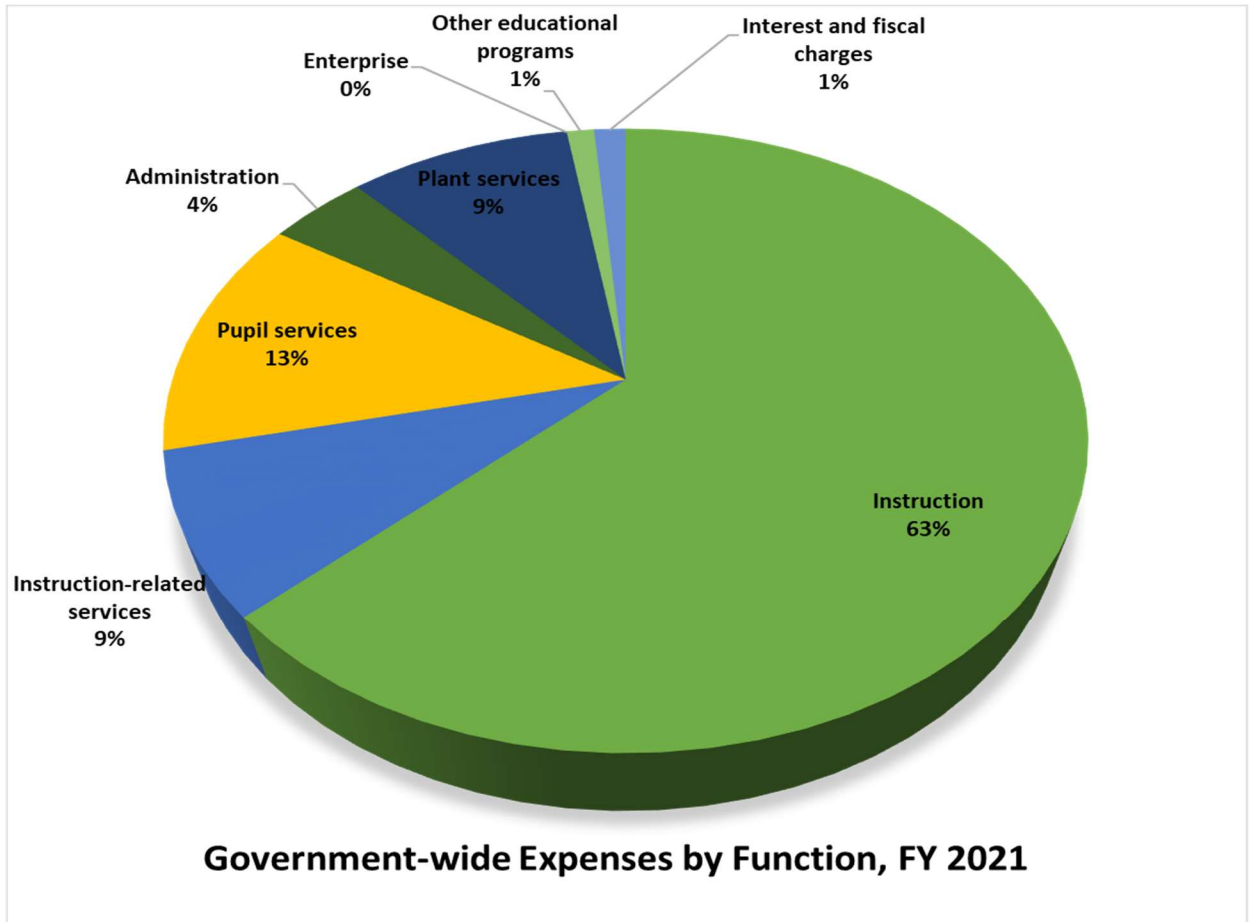
## Change in Net Position (Continued)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>Expenses</b>					
Governmental Activities					
Instruction	\$ 139,361,732	\$ 151,454,044	\$ 144,331,700	\$ 156,791,677	\$ 192,631,672
Instruction-related activities	19,030,691	20,475,405	21,346,777	22,664,551	25,680,826
Pupil services	25,840,561	30,939,515	33,566,572	34,972,755	38,598,165
Administration	11,119,559	8,832,934	10,091,233	10,272,226	12,589,606
Plant services	16,465,345	19,111,217	25,575,627	24,775,938	28,700,874
Enterprise	6,448	-	-	-	-
Other educational programs	2,013,973	2,093,843	2,085,456	2,778,689	3,542,148
Interest and fiscal charges	13,464,075	13,392,336	6,042,018	4,669,201	4,091,319
Total Governmental Activities	<u>227,302,384</u>	<u>246,299,294</u>	<u>243,039,383</u>	<u>256,925,037</u>	<u>305,834,610</u>
Total Expenses	<u>227,302,384</u>	<u>246,299,294</u>	<u>243,039,383</u>	<u>256,925,037</u>	<u>305,834,610</u>
<b>Revenues</b>					
Program Revenues					
Charges for Services and Sales	1,292,243	1,170,086	1,169,856	4,650,903	2,713,784
Operating Grants and Contributions	46,773,146	40,464,512	45,314,786	46,329,954	94,279,674
Capital Grants and Contributions	-	-	-	-	12,669,506
Total Program Revenues	<u>48,065,389</u>	<u>41,634,598</u>	<u>46,484,642</u>	<u>50,980,857</u>	<u>109,662,964</u>
Net Revenue/Expense	<u>(179,236,995)</u>	<u>(204,664,696)</u>	<u>(196,554,741)</u>	<u>(205,944,180)</u>	<u>(196,171,646)</u>
General Revenues					
Property taxes	17,659,893	19,916,810	19,997,002	23,447,805	24,958,479
Grants and entitlements, unrestricted	141,973,130	158,512,046	163,662,973	169,445,626	165,868,198
Interest and investment earnings	708,227	1,070,557	1,188,443	1,662,740	1,393,777
Miscellaneous	7,532,391	6,302,530	8,505,695	5,443,918	12,788,541
Gain on sale of land	-	-	-	-	-
Total General Revenues	<u>167,873,641</u>	<u>185,801,943</u>	<u>193,354,113</u>	<u>200,000,089</u>	<u>205,008,995</u>
Total Revenues	<u>215,939,030</u>	<u>227,436,541</u>	<u>239,838,755</u>	<u>250,980,946</u>	<u>314,671,959</u>
Change in Net Position	<u>\$ (11,363,354)</u>	<u>\$ (18,862,753)</u>	<u>\$ (3,200,628)</u>	<u>\$ (5,944,091)</u>	<u>\$ 8,837,349</u>

**Government-Wide Expenses by Function, Total**

Fiscal Year	Enrollment	Instruction	Instruction-related services	Pupil services	Administration	Plant services	Enterprise	Other educational programs	Interest and fiscal charges	Total
2012	16,810	\$ 74,044,055	\$ 12,199,403	\$ 15,993,406	\$ 5,290,212	\$ 13,378,437	\$ 10,192,047	\$ 1,837,892	\$ 9,141,825	\$ 142,077,277
2013	17,325	71,775,639	11,596,181	15,589,768	4,935,390	12,476,006	18,313,254	1,596,751	8,631,525	144,914,514
2014	17,484	76,906,982	12,900,247	16,272,356	5,901,559	12,683,989	23,246,864	1,601,399	9,926,804	159,440,200
2015	17,469	84,126,215	13,820,953	17,297,678	5,410,928	13,866,265	22,798,943	1,539,791	14,026,520	172,887,293
2016	17,545	117,016,233	15,964,712	22,808,248	6,789,649	18,898,027	7,357,492	1,874,636	14,629,855	205,338,852
2017	17,900	139,361,732	19,030,691	25,840,561	11,119,559	16,465,345	6,448	2,013,973	13,464,075	227,302,384
2018	18,250	151,454,044	20,475,405	30,939,515	8,832,934	19,111,217	-	2,093,843	13,392,336	246,299,294
2019	18,619	144,331,700	21,346,777	33,566,572	10,091,233	25,575,627	-	2,085,456	6,042,018	243,039,383
2020	18,714	156,791,677	22,664,551	34,972,755	10,272,226	24,775,938	-	2,778,689	4,669,201	256,925,037
2021	18,262	192,631,672	25,680,826	38,598,165	12,589,606	28,700,874	-	3,542,148	4,091,319	305,834,610

Source: District records



**Government-Wide Expenses by Function, Per Student**

Fiscal Year	Enrollment	Instruction	Instruction-related services	Pupil services	Administration	Plant services	Enterprise	Other educational programs	Interest and fiscal charges	Total
2012	16,810	\$ 4,405	\$ 726	\$ 951	\$ 315	\$ 796	\$ 606	\$ 109	\$ 544	\$ 8,452
2013	17,325	4,143	669	900	285	720	1,057	92	498	8,364
2014	17,484	4,399	738	931	338	725	1,330	92	568	9,119
2015	17,469	4,816	791	990	310	794	1,305	88	803	9,897
2016	17,545	6,669	910	1,300	387	1,077	419	107	834	11,704
2017	17,900	7,786	1,063	1,444	621	920	-	113	752	12,698
2018	18,250	8,299	1,122	1,695	484	1,047	-	115	734	13,496
2019	18,619	7,752	1,147	1,803	542	1,374	-	112	325	13,053
2020	18,714	8,378	1,211	1,869	549	1,324	-	148	250	13,729
2021	18,262	10,548	1,406	2,114	689	1,572	-	194	224	16,747

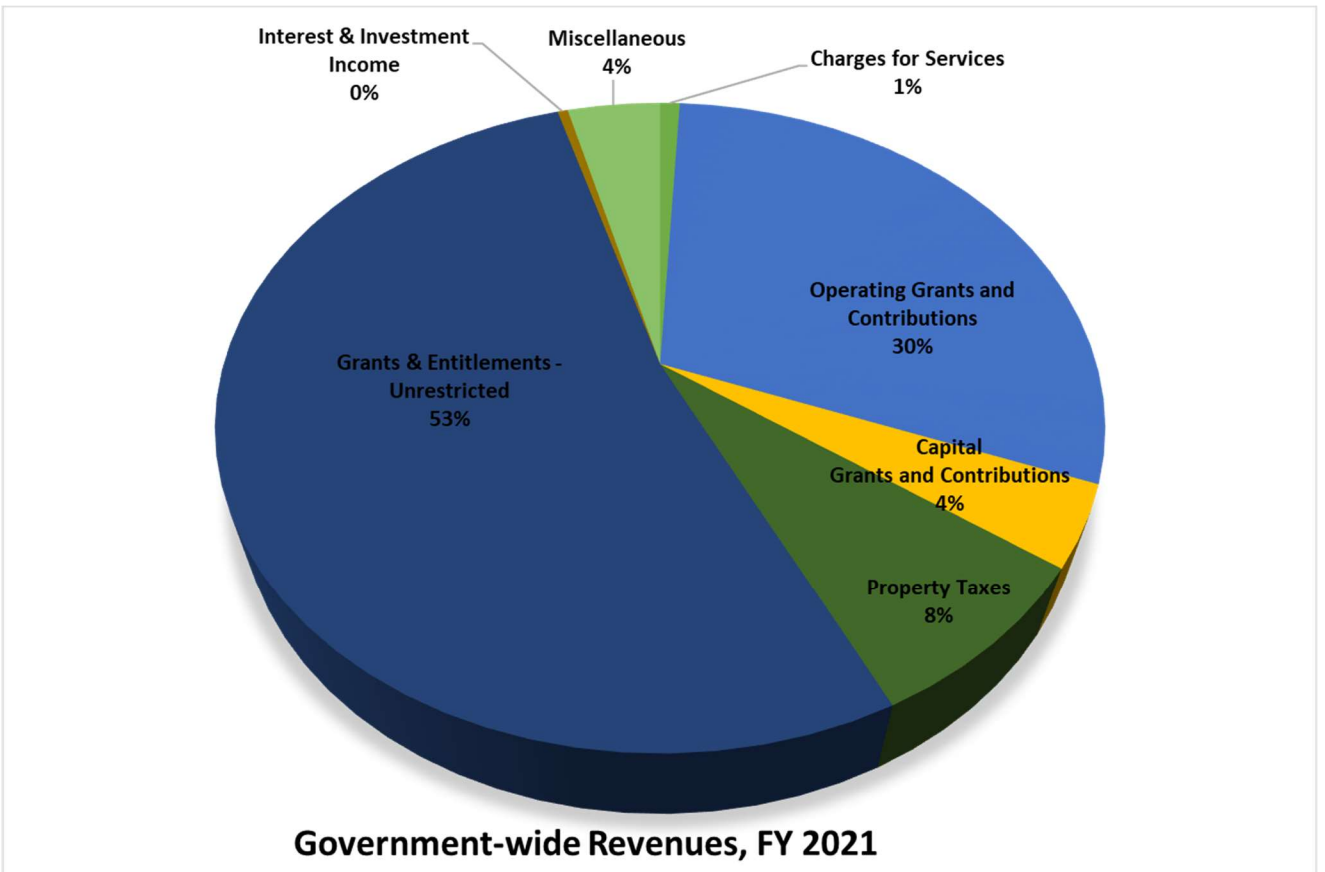
Source: District records

**Government-Wide Revenues**

Fiscal Year	Program Revenues			General Revenues				Total
	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Property Taxes	Grants & Entitlements - Unrestricted	Interest & Investment Income	Miscellaneous <sup>(1)</sup>	
2012	\$ 1,539,739	\$ 24,002,654	\$ -	\$ 11,133,783	\$ 92,793,927	\$ 405,316	\$ 4,192,529	\$ 134,067,948
2013	1,765,155	24,652,394	-	10,752,744	94,854,766	243,196	5,786,721	138,054,976
2014	1,683,058	27,253,512	-	12,949,415	101,757,179	262,382	8,406,490	152,312,036
2015	1,700,817	26,491,557	-	13,508,189	115,327,185	265,944	7,468,970	164,762,662
2016	1,618,322	46,244,000	-	17,018,010	137,145,251	451,631	6,836,824	209,314,038
2017	1,292,243	46,773,146	-	17,659,893	141,973,130	708,227	7,532,391	215,939,030
2018	1,170,086	40,464,512	-	19,916,810	158,512,046	1,070,557	6,302,530	227,436,541
2019	1,169,856	45,314,786	-	19,997,002	163,662,973	1,188,443	8,505,695	239,838,755
2020	4,650,903	46,329,954	-	23,447,805	169,445,626	1,662,740	5,443,918	250,980,946
2021	2,713,784	94,279,674	12,669,506	24,958,479	165,868,198	1,393,777	12,788,541	314,671,959

<sup>(1)</sup> FY2013 includes a \$439,395 special item (Gain on sale of land)

Source: District records



**General District Revenues by Source**

Fiscal Year	Local Control			Other			Total Revenues
	Funding Formula	Federal sources	Other State sources	Other local sources	Financing Sources	Transfers in	
2012	\$ 91,854,507	\$ 11,222,872	\$ 23,050,685	\$ 6,733,435	\$ -	\$ 305,645	\$ 133,167,144
2013	94,131,671	11,676,346	23,354,036	8,304,429	1,140,000	2,900,379	141,506,861
2014	110,478,479	12,300,977	17,114,868	6,292,007	-	288,592	146,474,923
2015	122,483,268	14,327,001	14,537,364	7,369,803	-	15,124,260	173,841,696
2016	138,616,680	14,035,426	30,744,336	13,265,921	30,000,000	1,851,309	228,513,672
2017	149,861,267	15,289,461	24,489,778	13,807,471	21,606,303	403,754	225,458,034
2018	156,639,724	18,051,120	28,180,632	11,714,065	-	569,716	215,155,257
2019	172,487,060	19,227,275	36,650,823	15,185,488	22,905,150	2,286,338	268,742,134
2020	179,563,726	17,868,863	33,188,621	19,620,655	19,040,414	1,941,301	271,223,580
2021	178,233,447	49,680,454	59,776,979	15,382,170	-	15,235,505	318,308,555

*Funds included are General Fund and Other Non-Major Governmental Funds  
 Source: District records*

**General District Expenditures and Other Uses by Object**

Fiscal Year	Certificated salaries	Classified salaries	Employee benefits	Books and supplies	Services and other operating expenditures	Capital outlay	Other outgo	Transfers out	Total Expenditures & Other Uses
2012	\$ 56,655,838	\$ 21,125,359	\$ 29,845,013	\$ 7,526,538	\$ 10,905,800	\$ 2,638,860	\$ 7,723,024	\$ 305,645	\$ 136,726,077
2013	59,416,899	21,893,741	30,100,998	8,771,111	9,978,506	1,605,638	9,951,633	2,900,379	144,618,906
2014	63,871,808	23,544,140	32,301,098	9,305,187	10,793,689	2,440,325	7,513,857	2,626,401	152,396,505
2015	68,245,585	24,922,760	34,154,052	11,998,712	12,383,385	1,230,041	8,797,755	6,937,352	168,669,641
2016	70,524,706	26,966,973	42,475,118	10,016,792	16,757,805	33,603,899	17,225,790	154,957	217,726,040
2017	75,842,447	29,101,061	47,967,628	12,295,022	14,852,405	20,456,536	18,554,520	403,754	219,473,373
2018	83,839,426	32,736,231	55,076,537	11,495,227	13,770,339	24,553,598	13,035,728	569,716	235,076,802
2019	88,963,602	36,136,639	66,508,542	13,879,873	15,275,614	14,939,872	10,213,027	2,286,338	248,203,507
2020	92,118,768	37,585,492	68,627,878	13,937,751	14,464,485	26,328,435	7,573,907	1,941,301	262,578,017
2021	101,533,984	40,595,253	72,121,049	30,981,267	15,635,405	31,394,319	11,900,958	15,235,505	319,397,740

*Funds included are General Fund and Other Non-Major Governmental Funds  
 Source: District records*

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 Government-Wide Expenditures by Function
 

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Fiscal Year	Instruction	Instruction-related services	Pupil services	Administration	Plant services	Other educational programs	Total
2012	\$ 74,732,824	\$ 13,107,177	\$ 17,461,601	\$ 5,626,425	\$ 15,790,106	\$ 9,478,834	\$ 136,196,967
2013	78,498,071	13,434,691	17,708,900	5,624,463	17,251,832	8,870,349	141,388,306
2014	84,635,316	14,946,432	18,361,589	5,681,959	16,759,314	9,234,489	149,619,099
2015	91,950,375	16,266,867	20,023,559	6,114,098	16,210,790	13,381,700	163,947,389
2016	117,016,233	15,964,712	22,808,248	6,789,649	18,898,027	16,504,491	197,981,360
2017	139,361,732	19,030,691	25,840,561	11,119,559	16,465,345	2,013,973	213,831,861
2018	151,454,044	20,475,405	30,939,515	8,832,934	19,111,217	2,093,843	232,906,958
2019	144,331,700	21,346,777	33,566,572	10,091,233	25,575,627	2,085,456	236,997,365
2020	156,791,677	22,664,551	34,972,755	10,272,226	24,775,938	2,180,856	251,658,003
2021	192,631,672	25,680,826	38,598,165	12,589,606	28,700,874	2,114,397	300,315,540

*Funds included are General Fund and Other Non-Major Governmental Funds*

*Source: District records*

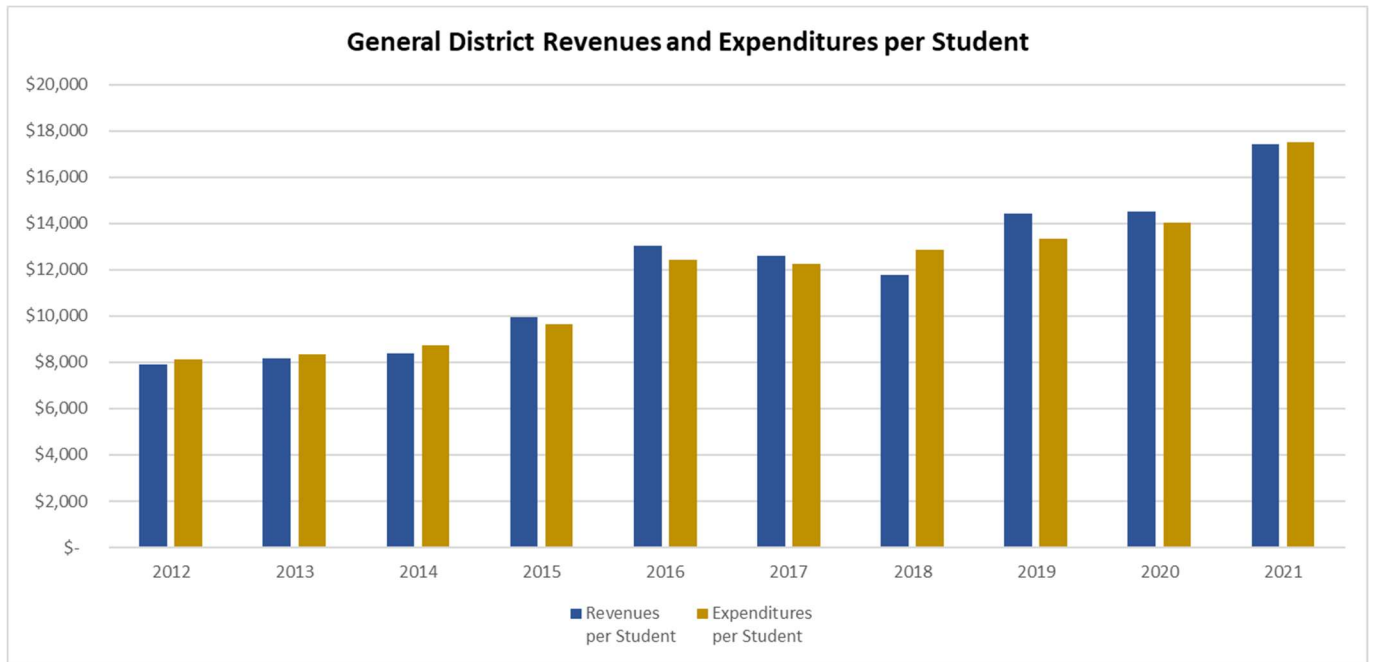
General District Revenues and Expenditures, per Student

Fiscal Year	Total Revenues	Total Expenditures	Enrollment	Revenues per Student	Expenditures per Student
2012	\$ 133,167,144	\$ 136,726,077	16,810	\$ 7,922	\$ 8,134
2013	141,506,861	144,618,906	17,325	8,168	8,347
2014	146,474,923	152,396,505	17,484	8,378	8,716
2015	173,841,696	168,669,641	17,469	9,951	9,655
2016	228,513,672	217,726,040	17,545	13,024	12,410
2017	225,458,034	219,473,373	17,900	12,595	12,261
2018	215,155,257	235,076,802	18,250	11,789	12,881
2019	268,742,134	248,203,507	18,619	14,434	13,331
2020	271,223,580	262,578,017	18,714	14,493	14,031
2021	318,308,555	319,397,740	18,262	17,430	17,490

*Funds included are General Fund and Other Non-Major Governmental Funds*

*Expenditures include Transfers Out*

*Source: District records*



## Fund Balances, Governmental Funds

General Fund							
Fiscal Year	Reserved	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2012	\$ -	\$ 2,661,211	\$ 1,508,764	\$ -	\$ -	\$ 18,169,304	\$ 22,339,279
2013	-	2,651,350	1,541,803	-	-	12,727,465	16,920,618
2014	-	2,623,121	4,091,220	-	-	4,844,843	11,559,184
2015	-	453,041	1,112,948	-	-	8,444,479	10,010,468
2016	-	451,855	2,360,697	14,808,526	-	5,009,587	22,630,665
2017	-	355,710	764,641	14,015,551	-	11,693,549	26,829,451
2018	-	363,907	1,712,233	17,880,354	-	5,893,611	25,850,105
2019	-	565,806	2,100,638	24,707,466	-	8,012,863	35,386,773
2020	-	825,556	2,327,939	33,143,699	-	6,452,504	42,749,698
2021	-	729,253	6,950,725	43,953,865	-	7,561,921	59,195,764

All Other Governmental Funds							
Fiscal Year	Reserved	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2012	\$ -	\$ 596,185	\$ 1,760,266	\$ -	\$ 29,966,287	\$ 1,821,104	\$ 34,143,842
2013	-	171,799	2,501,916	-	47,288,499	2,007,745	51,969,959
2014	-	505,799	2,261,565	-	45,105,435	2,377,594	50,250,393
2015	-	454,132	5,639,211	-	54,048,975	-	60,142,318
2016	-	474,240	6,336,645	-	51,498,868	-	58,309,753
2017	-	649,101	7,472,103	-	51,974,424	-	60,095,628
2018	-	658,735	7,077,000	-	33,024,842	-	40,760,577
2019	-	344,494	50,382,247	-	7,994,875	-	58,721,616
2020	-	953,067	51,215,264	-	7,835,923	-	60,004,254
2021	-	856,100	34,885,732	-	7,019,136	-	42,760,968

Total, All Governmental Funds							
Fiscal Year	Reserved	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2012	\$ -	\$ 3,257,396	\$ 3,269,030	\$ -	\$ 29,966,287	\$ 19,990,408	\$ 56,483,120
2013	-	2,823,149	4,043,719	-	47,288,499	14,735,210	68,890,577
2014	-	3,128,920	6,352,785	-	45,105,435	7,222,437	61,809,577
2015	-	907,173	6,752,159	-	54,048,975	8,444,479	70,152,786
2016	-	926,095	8,697,342	14,808,526	51,498,868	5,009,587	80,940,418
2017	-	1,004,811	8,236,744	14,015,551	51,974,424	11,693,549	86,925,079
2018	-	1,022,642	8,789,233	17,880,354	33,024,842	5,893,611	66,610,682
2019	-	910,300	52,482,885	24,707,466	7,994,875	8,012,863	94,108,389
2020	-	1,778,623	53,543,203	33,143,699	7,835,923	6,452,504	102,753,952
2021	-	1,585,353	41,836,457	43,953,865	7,019,136	7,561,921	101,956,732

Source: District records

Panama-Buena Vista Union School District  
Statistical Section (Unaudited)  
June 30, 2021

Changes in Fund Balances, Governmental Funds

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY2020	FY2021
<b>Revenues</b>										
Local Control Funding Formula	\$91,854,507	\$94,131,671	\$110,478,479	\$155,730,302	\$138,616,680	\$149,861,267	\$156,639,724	\$172,487,060	\$179,563,726	\$178,233,447
Federal sources	11,222,872	11,676,346	12,300,977	14,327,001	14,035,426	15,289,461	18,051,120	19,227,275	17,868,863	49,680,454
Other State sources	23,050,685	23,354,036	17,114,868	14,537,364	30,744,336	24,489,778	28,180,632	36,650,823	33,188,621	59,776,979
Other local sources	<u>7,969,630</u>	<u>8,460,434</u>	<u>12,417,712</u>	<u>12,353,673</u>	<u>13,265,921</u>	<u>13,807,471</u>	<u>11,714,065</u>	<u>15,185,488</u>	<u>19,620,655</u>	<u>15,382,170</u>
Total Revenues	<u>134,097,694</u>	<u>137,622,487</u>	<u>152,312,036</u>	<u>196,948,340</u>	<u>196,662,363</u>	<u>203,447,977</u>	<u>214,585,541</u>	<u>243,550,646</u>	<u>250,241,865</u>	<u>303,073,050</u>
<b>Expenditures</b>										
Instruction	74,732,824	78,498,071	84,635,316	91,950,375	101,136,976	112,100,928	123,190,442	136,568,286	140,942,621	166,769,584
Instruction-related services										
Supervision of instruction	4,052,305	4,443,463	5,487,632	6,669,041	4,168,827	5,103,490	5,025,388	6,088,930	6,442,051	7,130,961
Instructional library, media and technology	1,488,402	1,490,321	1,565,904	1,570,245	1,687,126	1,800,807	1,877,953	2,237,217	2,322,933	2,668,136
School site administration	7,566,470	7,500,907	7,892,896	8,027,581	8,989,371	9,616,103	10,651,013	12,196,892	12,161,574	12,910,167
Pupil services:										
Home-to-school transportation	3,493,862	2,659,519	2,757,925	2,990,356	3,439,428	3,844,140	5,533,885	4,892,602	4,905,690	5,558,696
Food services	6,385,418	6,813,670	7,102,692	7,939,915	7,978,997	7,676,686	7,993,328	9,701,631	10,132,254	9,191,680
All other pupil services	7,582,321	7,935,711	8,500,972	9,093,288	10,707,721	12,493,226	15,421,101	17,671,179	17,503,641	20,154,836
Administration										
Data processing	559,345	769,311	895,918	831,006	1,100,069	1,490,464	1,622,356	1,801,940	1,586,105	2,759,538
All other administration	5,080,450	4,855,152	4,905,790	5,380,851	5,579,205	5,961,766	6,571,228	7,883,053	8,018,039	9,285,407
Plant services	13,858,300	13,588,103	14,390,136	14,877,296	16,813,302	16,051,809	18,031,839	19,181,686	18,980,985	21,951,149
Facility acquisition and construction	1,931,806	4,077,830	7,221,060	16,238,882	36,922,560	22,439,045	23,418,717	17,116,119	27,605,009	31,811,163
Other educational programs	1,979,274	1,822,981	1,816,338	1,839,169	1,821,710	1,899,126	1,934,257	2,032,671	2,068,034	2,009,480
Transfers between agencies	7,499,560	7,047,368	7,418,151	7,625,711	11,003,019	9,872,062	5,475,906	-	-	-
Other outgo	-	391,535	3,442	-	-	-	-	2,272,766	597,833	1,427,751
Debt service:										
Principal	1,621,831	1,693,231	817,806	1,100,000	2,415,000	4,934,706	3,799,706	2,286,000	2,480,000	5,675,000
Interest, fees and issuance costs	1,637,707	1,552,230	1,977,796	2,654,320	2,807,251	3,343,999	3,959,967	3,986,197	4,889,947	4,858,687
All Other Financing Uses	-	-	-	2,899,868	1,000,521	441,262	-	-	-	-
Total Expenditures	<u>139,469,875</u>	<u>145,139,403</u>	<u>157,389,774</u>	<u>181,687,904</u>	<u>217,571,083</u>	<u>219,069,619</u>	<u>234,507,086</u>	<u>245,917,169</u>	<u>260,636,716</u>	<u>304,162,235</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,372,181)</u>	<u>(7,516,916)</u>	<u>(5,077,738)</u>	<u>15,260,436</u>	<u>(20,908,720)</u>	<u>(15,621,642)</u>	<u>(19,921,545)</u>	<u>(2,366,523)</u>	<u>(10,394,851)</u>	<u>(1,089,185)</u>
Other Financing Sources (Uses)										
Transfers in	305,645	2,900,379	288,592	16,881,294	1,851,309	403,754	569,716	2,286,338	1,941,301	15,235,505
Transfers out	(305,645)	(2,900,379)	(2,626,401)	(22,318,645)	(154,957)	(403,754)	(569,716)	(2,286,338)	(1,941,301)	(15,235,505)
Other sources - Sale of land	-	1,140,000	-	-	-	-	-	-	-	-
Other sources - GO Bonds & premium on issuance	-	18,593,592	-	-	30,000,000	21,606,303	-	22,905,150	19,040,414	-
All other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net Financing Sources (Uses)	<u>-</u>	<u>19,733,592</u>	<u>(2,337,809)</u>	<u>(5,437,351)</u>	<u>31,696,352</u>	<u>21,606,303</u>	<u>-</u>	<u>22,905,150</u>	<u>19,040,414</u>	<u>-</u>
Net Change in Fund Balances	(5,372,181)	12,216,676	(7,415,547)	9,823,085	10,787,632	5,984,661	(19,921,545)	20,538,627	8,645,563	(1,089,185)
Fund Balance - Beginning	60,038,338	54,666,157	66,882,833	59,920,107	70,152,786	80,940,418	86,925,079	66,610,682	94,108,389	102,753,952
Prior Period Adjustments	-	-	452,821	409,594	-	-	(392,852)	6,959,080	-	291,965
Fund Balance - Ending	<u>\$54,666,157</u>	<u>\$66,882,833</u>	<u>\$59,920,107</u>	<u>\$70,152,786</u>	<u>\$80,940,418</u>	<u>\$86,925,079</u>	<u>\$66,610,682</u>	<u>\$94,108,389</u>	<u>\$102,753,952</u>	<u>\$101,956,732</u>
Debt Service as a % of non-capital expenditures	2.4%	2.3%	1.9%	4.0%	3.5%	4.5%	3.7%	2.7%	3.2%	3.9%

Source: Data extracted from District Financial Statements

Total Debt Service (from above)	3,259,538	3,245,461	2,795,602	6,654,188	6,222,772	8,719,967	7,759,673	6,272,197	7,369,947	10,533,687
Total Expenditures (from above)	139,469,875	145,139,403	157,389,774	181,687,904	217,571,083	219,069,619	234,507,086	245,917,169	260,636,716	304,162,235
less, Capital Expenditures <sup>(1)</sup>	<u>2,721,953</u>	<u>4,402,567</u>	<u>7,408,396</u>	<u>16,375,105</u>	<u>37,583,368</u>	<u>23,293,095</u>	<u>25,665,306</u>	<u>17,641,089</u>	<u>28,374,002</u>	<u>32,311,079</u>
Total Non-capital Expenditures	136,747,922	140,736,836	149,981,378	165,312,799	179,987,715	195,776,524	208,841,780	228,276,080	232,262,714	271,851,156

<sup>(1)</sup> Capital Expenditures reflect "Capital outlays" as shown in the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Fund to the Statement of Activities.

## Revenue Base: Assessed Valuation (AV) and Property Tax Collections

Fiscal Year	Local Secured	Utility	Unsecured	Total Net (Taxable) AV	Weighted Average
					Tax Rate per \$100 AV
2012	\$ 8,410,879,164	\$ 612,519	\$ 255,390,374	\$ 8,666,882,057	0.0138
2013	8,529,583,220	612,976	267,646,262	8,797,842,458	0.0142
2014	9,027,012,108	612,160	262,964,536	9,290,588,804	0.0145
2015	9,737,213,234	609,494	264,772,067	10,002,594,795	0.0168
2016	10,308,992,898	608,010	268,314,248	10,577,915,156	0.0188
2017	10,972,747,246	503,232	266,402,297	11,239,652,775	0.0186
2018	11,475,964,043	500,146	261,332,938	11,737,797,127	0.0185
2019	11,983,651,289	496,258	272,390,246	12,256,537,793	0.0187
2020	12,590,047,338	426,709	293,609,485	12,884,083,532	0.0190
2021	13,208,760,888	462,294	294,889,233	13,504,112,415	0.0197

Source: California Municipal Statistics, Inc.

Revenue Base: Property Tax Rates, All Direct and Overlapping Governments

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>County-wide Rate (a)</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>	<b>1.0000%</b>
Kern County Water Agency Zone 7 Debt	0.0363%	0.0271%	0.0299%	0.0248%	0.0240%	0.0270%	0.0395%	0.0346%	0.0403%	0.0399%
Kern County Water Agency Zone 17 Debt	0.0148%	0.0103%	0.0107%	0.0113%	0.0136%	0.0153%	0.0178%	0.0166%	0.0189%	0.0177%
Kern County Water Agency Zone 19 Debt	0.0237%	0.0166%	0.0164%	0.0165%	0.0162%	0.0162%	0.0212%	0.0195%	0.0219%	0.0215%
<b>Panama-Buena Vista Union School District Bond Series 2002</b>	<b>0.0115%</b>	-	-	-	-	-	-	-	-	-
<b>Panama-Buena Vista Union School District Bond Series 2012A</b>	-	-	<b>0.0194%</b>	<b>0.0294%</b>	<b>0.0202%</b>	<b>0.0030%</b>	<b>0.0014%</b>	<b>0.0042%</b>	<b>0.0039%</b>	<b>0.0037%</b>
<b>Panama-Buena Vista Union School District Bond Series 2012B</b>	-	-	-	-	<b>0.0060%</b>	<b>0.0147%</b>	<b>0.0131%</b>	<b>0.0125%</b>	<b>0.0118%</b>	<b>0.0112%</b>
<b>Panama-Buena Vista Union School District Bond Series 2012C</b>	-	-	-	-	<b>0.0068%</b>	<b>0.0065%</b>	<b>0.0079%</b>	<b>0.0083%</b>	-	-
<b>Panama-Buena Vista Union School District Bond Series 2012D</b>	-	-	-	-	-	-	-	<b>0.0038%</b>	<b>0.0100%</b>	<b>0.0046%</b>
<b>Panama-Buena Vista Union School District Bond Series 2018A</b>	-	-	-	-	-	-	-	-	<b>0.0300%</b>	<b>0.0289%</b>
<b>Panama-Buena Vista Union School District Bond Series 2012E</b>	-	-	-	-	-	-	-	-	-	<b>0.0037%</b>
Kern High School District Bond 1990E	0.0031%	-	-	-	-	-	-	-	-	-
Kern High School District Bond 2004A	0.0073%	0.0011%	-	-	-	-	-	-	-	-
Kern High School District Bond 2004B	0.0104%	0.0094%	0.0016%	0.0016%	-	-	-	-	-	-
Kern High School District Bond 2004C	0.0068%	0.0059%	0.0061%	0.0054%	0.0057%	-	-	-	-	-
Kern High School District Bond 2004D	-	0.0015%	0.0017%	0.0018%	0.0049%	-	0.0018%	0.0019%	0.0032%	0.0027%
Kern High School District Bond 2011	0.0086%	0.0160%	0.0172%	0.0115%	0.0083%	0.0050%	-	-	-	-
Kern High School District Bond 2012	-	0.0097%	0.0014%	0.0077%	0.0070%	0.0067%	0.0066%	0.0057%	0.0056%	0.0050%
Kern High School District Bond 2013	-	-	0.0112%	0.0080%	0.0066%	0.0084%	0.0079%	0.0072%	0.0069%	0.0063%
Kern High School District RF 2004C	-	-	-	-	-	0.0025%	0.0049%	0.0042%	0.0039%	0.0036%
Kern High School District 2004E	-	-	-	-	-	0.0033%	0.0065%	0.0053%	0.0062%	0.0049%
Kern High School District 2016A	-	-	-	-	-	-	0.0257%	0.0136%	0.0119%	0.0112%
Kern High School District 2016B	-	-	-	-	-	-	-	0.0132%	0.0155%	0.0131%
Kern High School District 2016C	-	-	-	-	-	-	-	-	-	0.0017%
Kern Community College District SRID 2002A	0.0033%	0.0032%	0.0026%	-	-	-	-	-	-	-
Kern Community College District SRID 2002A Refunding	0.0058%	0.0053%	0.0084%	0.0059%	-	-	-	-	-	-
Kern Community College District SRID 2002B	-	-	-	-	0.0020%	0.0032%	0.0036%	0.0037%	-	-
Kern Community College District SRID 2002C	-	-	-	0.0035%	0.0033%	0.0062%	0.0032%	0.0023%	0.0034%	0.0024%
Kern Community College District SRID 2005A Refunding	-	-	0.0016%	0.0011%	0.0083%	0.0038%	0.0077%	0.0063%	0.0071%	0.0067%
Kern Community College District SRID 2002B Refunding	-	-	-	-	-	-	-	-	0.0037%	0.0040%
Kern Community College District SFID 2016A	-	-	-	-	-	-	0.0218%	0.0199%	0.0024%	-
Kern Community College District SFID 2016B	-	-	-	-	-	-	-	0.0015%	0.0164%	0.0196%
Kern Community College District SFID 2016C	-	-	-	-	-	-	-	-	-	0.0011%
<b>TOTAL</b>	<b>1.1316%</b>	<b>1.1062%</b>	<b>1.1281%</b>	<b>1.1284%</b>	<b>1.1327%</b>	<b>1.1219%</b>	<b>1.1904%</b>	<b>1.1842%</b>	<b>1.2232%</b>	<b>1.2137%</b>

(a) Maximum rate for purposes other than paying debt service in accordance with Article XIII A of the State Constitution. Only a portion of this rate applies to the District.

**Data Extracted from Above**

Panama-Buena Vista Union School District's share of the county-wide general purpose 1% secured tax rate is based on historical formulas and can vary slightly from year to year. For purposes of this table, we show the weighted average tax rate for all tax rates within the district. Tax rates for the ten year period directly applicable to Panama-Buena Vista Union School District include its share of the general purpose tax rate and the special purpose bond rate.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Panama-Buena Vista Union School District, General Purpose	0.0138%	0.0142%	0.0145%	0.0168%	0.0188%	0.0186%	0.0185%	0.0187%	0.0190%	0.0197%
Panama-Buena Vista Union School District Bond Series 2002	0.0115%	-	-	-	-	-	-	-	-	-
Panama-Buena Vista Union School District Bond Series 2012A	-	-	0.0194%	0.0294%	0.0202%	0.0030%	0.0014%	0.0042%	0.0039%	0.0037%
Panama-Buena Vista Union School District Bond Series 2012B	-	-	-	-	0.0060%	0.0147%	0.0131%	0.0125%	0.0118%	0.0112%
Panama-Buena Vista Union School District Bond Series 2012C	-	-	-	-	0.0068%	0.0065%	0.0079%	0.0083%	-	-
Panama-Buena Vista Union School District Bond Series 2012D	-	-	-	-	-	-	-	0.0038%	0.0100%	0.0046%
Panama-Buena Vista Union School District Bond Series 2018A	-	-	-	-	-	-	-	-	0.0100%	0.0289%
Panama-Buena Vista Union School District Bond Series 2012E	-	-	-	-	-	-	-	-	0.00	0.0037%
<b>Total</b>	<b>0.0253%</b>	<b>0.0142%</b>	<b>0.0339%</b>	<b>0.0462%</b>	<b>0.0518%</b>	<b>0.0428%</b>	<b>0.0409%</b>	<b>0.0474%</b>	<b>0.0848%</b>	<b>0.0718%</b>

Source: County of Kern Auditor-Controller's Office

Principal Local Secured Taxpayers: 2020-21 compared to ten years earlier

Rank	Property Owner	Primary Land Use	2020-21		2011-12		% of Total <sup>(2)</sup>
			Assessed Valuation	% of Total <sup>(1)</sup>	Assessed Valuation	Rank	
1	Nestle Dreyers Ice Cream Company	Industrial	\$ 172,301,408	1.30%	\$ 217,750,894	1	2.59%
2	Castle & Cooke Commercial CA Inc.	Shopping Center	144,354,920	1.09%			
3	Valley Plaza Mall LP	Shopping Center	141,254,497	1.07%			
4	DS Prop 18 LP	Shopping Center	94,301,087	0.71%			
5	Bolthouse Land Co. LLC	Commercial Properties	63,448,316	0.48%			
6	Chevron USA Inc.	Office Building	57,717,314	0.44%	42,537,900	7	0.51%
7	Cal Resources Real Estate Ventures LLC	Office Building	50,370,994	0.38%			
8	GSF Springs I Investors LP	Apartments	42,304,731	0.32%	36,713,295	9	0.44%
9	Ming Prop LLC	Shopping Center	41,917,155	0.32%			
10	Bakersfield Mall LLC	Movie Theater	41,907,241	0.32%	146,294,597	2	1.74%
11	DP Tower I & II LP	Office Building	36,439,288	0.28%			
12	Old River Ranch LLC	Agricultural	35,109,159	0.27%			
13	Laurelglen Properties LLC	Agricultural	32,142,020	0.24%			
14	Kern Schools Federal Credit Union	Credit Union	30,030,521	0.23%	53,314,406	5	0.63%
15	GSF Edgewater Investors LP	Agricultural	28,793,886	0.22%	25,044,204	12	0.30%
16	United States Cold Storage of CA	Industrial	28,557,671	0.22%	30,266,949	10	0.36%
17	Urban Land Advisors LLC	Apartments	26,757,641	0.20%			
18	Brandon Grimm	Apartments	24,642,400	0.19%			
19	Credi Bakersfield LP	Shopping Center	21,923,810	0.17%			
20	San Joaquin Farms LLC	Agricultural	21,908,557	0.17%			
	Castle & Cooke Inc.	Commercial & Residential			134,099,501	3	1.59%
	Donahue Schriber Realty Group LP	Shopping Center			56,095,000	4	0.67%
	State Farm Insurance Co.	Office Building			44,853,000	6	0.53%
	LBREP L Suncal McAllister Ranch LLC	Residential Development			37,603,218	8	0.45%
	Foothill Energy Partners LP	Industrial			26,652,853	11	0.32%
	Healthsouth Bak Rehabilitation Hosp LP	Hospital			21,760,910	13	0.26%
	Bolthouse Properties LLC	Commercial			21,345,975	14	0.25%
	Costco Wholesale Corp.	Commercial			21,101,933	15	0.25%
	New Albertsons Inc	Commercial			20,733,155	16	0.25%
	Target Corporation	Commercial			18,349,811	17	0.22%
	Stockdale Village LP	Shopping Center			17,484,833	18	0.21%
	Sears Holdings Corp	Commercial			16,748,474	19	0.20%
	TGM Cambridge Village Inc	Apartments			16,122,556	20	0.19%
			<u>\$ 1,136,182,616</u>	<u>8.62%</u>	<u>\$ 1,004,873,464</u>		<u>11.96%</u>

<sup>(1)</sup> 2020-21 Local Secured Assessed Valuation: \$12,590,047,338

<sup>(2)</sup> 2011-12 Local Secured AV: \$8,410,879,164

Source: California Municipal Statistics, Inc.

Property Tax Levies and Collections

**General Purpose Levy**

Fiscal Year	Taxes Levied <sup>(a)</sup>	Amount Collected as of June 30	% Collected as of June 30	Amount Collected in Subsequent Years	Total Amount Collected	Total Collected as % of Total Levy
2012	\$ 11,583,131	\$ 11,583,131	100.00%	-	\$ 11,583,131	100.00%
2013	11,912,407	11,912,407	100.00%	-	11,912,407	100.00%
2014	12,516,592	12,516,592	100.00%	-	12,516,592	100.00%
2015	13,524,938	13,524,938	100.00%	-	13,524,938	100.00%
2016	14,220,727	14,220,727	100.00%	-	14,220,727	100.00%
2017	15,093,128	15,093,128	100.00%	-	15,093,128	100.00%
2018	15,805,463	15,805,463	100.00%	-	15,805,463	100.00%
2019	16,467,152	16,467,152	100.00%	-	16,467,152	100.00%
2020	17,256,296	17,256,296	100.00%	-	17,256,296	100.00%
2021	18,114,139	18,114,139	100.00%	-	18,114,139	100.00%

<sup>(a)</sup> Under the Teeter Plan (an alternative method of apportioning tax revenues to school districts), Kern County distributes 100% of the general purpose taxes levied to its districts each year.

**Debt Service Levy**

Fiscal Year	Taxes Levied	Amount Collected as of June 30	% Collected as of June 30	Amount Collected in Subsequent Years	Total Amount Collected	Total Collected as % of Total Levy
2012	\$ 834,750	\$ 832,183	99.69%	-	\$ 832,183	99.69%
2013	27,561	26,373	95.69%	-	26,373	95.69%
2014	1,325,785	1,323,143	99.80%	-	1,323,143	99.80%
2015	2,175,709	2,171,343	99.80%	-	2,171,343	99.80%
2016	3,655,042	3,655,042	100.00%	-	3,655,042	100.00%
2017	2,970,232	2,970,232	100.00%	-	2,970,232	100.00%
2018	2,827,432	2,827,432	100.00%	-	2,827,432	100.00%
2019	3,804,938	3,804,938	100.00%	-	3,804,938	100.00%
2020	7,506,166	7,506,166	100.00%	-	7,506,166	100.00%
2021	7,656,061	7,656,061	100.00%	-	7,656,061	100.00%

**Total, All Levies**

Fiscal Year	Taxes Levied	Amount Collected as of June 30	% Collected as of June 30	Amount Collected in Subsequent Years	Total Amount Collected	Total Collected as % of Total Levy
2012	\$ 12,417,881	\$ 12,415,314	99.98%	-	\$ 12,415,314	99.98%
2013	11,939,968	11,938,780	99.99%	-	11,938,780	99.99%
2014	13,842,377	13,839,735	99.98%	-	13,839,735	99.98%
2015	15,700,647	15,696,281	99.97%	-	15,696,281	99.97%
2016	17,875,768	17,875,769	100.00%	-	17,875,769	100.00%
2017	18,063,361	18,063,361	100.00%	-	18,063,361	100.00%
2018	18,632,895	18,632,895	100.00%	-	18,632,895	100.00%
2019	20,272,090	20,272,090	100.00%	-	20,272,090	100.00%
2020	24,762,462	24,762,462	100.00%	-	24,762,462	100.00%
2021	25,770,200	25,770,200	100.00%	-	25,770,200	100.00%

Source: Kern County Auditor Controller

Computation of Legal Debt Margin

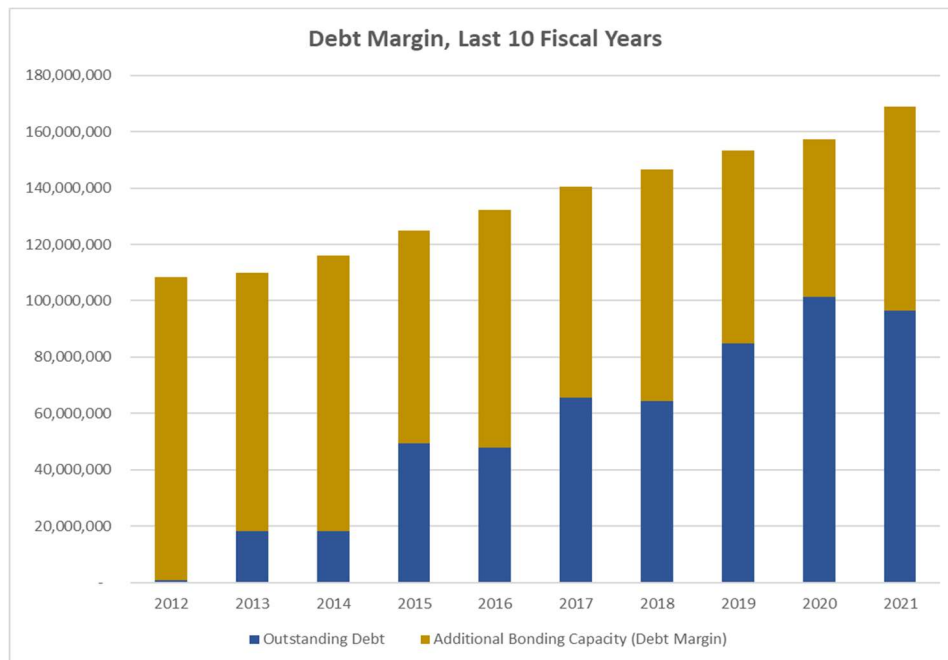
Fiscal Year	Assessed Valuation	Statutory Bonding Capacity <sup>(1)</sup>	Outstanding Debt	Additional Bonding Capacity (Debt Margin)	Ratio of Debt Margin to Debt Limit
2012	\$ 8,666,882,057	\$ 108,336,026	\$ 841,500	\$ 107,494,526	99.2%
2013	8,797,842,458	109,973,031	18,405,000	91,568,031	83.3%
2014	9,290,588,804	116,132,360	18,405,000	97,727,360	84.2%
2015	10,002,594,795	125,032,435	49,545,000	75,487,435	60.4%
2016	10,577,915,156	132,223,939	48,010,000	84,213,939	63.7%
2017	11,239,652,775	140,495,660	65,615,000	74,880,660	53.3%
2018	11,737,797,127	146,722,464	64,375,000	82,347,464	56.1%
2019	12,256,537,793	153,206,722	84,925,000	68,281,722	44.6%
2020	12,590,047,338	157,375,592	101,295,000	56,080,592	35.6%
2021	13,504,112,415	168,801,405	96,520,000	72,281,405	42.8%

Source California Municipal Statistics, Inc. and Kern County

<sup>(1)</sup> Statutory Bonding Capacity is equal to 1.25% of the District's total assessed valuation

The district's debt margin is calculated by subtracting outstanding debt principal (net) general bonded debt from the statutory bonding capacity. See table below for the net bonded debt for FY2021:

General Bonded Debt, gross	\$ 100,793,312
<u>Less, Unamortized Bond Premium</u>	<u>4,273,312</u>
General Bonded Debt (net)	\$ 96,520,000



## Ratio of Total Debt to Assessed Value

Fiscal Year	General Bonded Debt, Gross <sup>(1)</sup>	Certificates of Participation, Gross <sup>(1)</sup>	Qualified Zone Academy Bond Debt <sup>(1)</sup>	Capital Lease <sup>(1)</sup>	Total Debt	Assessed Value	Debt / AV
2012	\$ 825,000	\$ 31,864,834	\$ -	\$ 413,038	\$ 33,102,872	\$ 8,666,882,057	0.382%
2013	18,593,041	31,153,340	-	218,807	49,965,188	8,797,842,458	0.568%
2014	18,586,755	30,411,846	-	105,000	49,103,601	9,290,588,804	0.529%
2015	51,466,592	29,640,220	-	84,000	81,190,812	10,002,594,795	0.812%
2016	49,866,738	28,644,137	30,000,000	63,000	108,573,875	10,577,915,156	1.026%
2017	69,000,876	27,753,054	30,000,000	42,000	126,795,930	11,239,652,775	1.128%
2018	67,570,524	26,638,720	30,000,000	21,000	124,230,244	11,737,797,127	1.058%
2019	88,749,296	25,702,109	30,000,000	-	144,451,405	12,256,537,793	1.179%
2020	105,825,532	24,730,498	30,000,000	-	160,556,030	12,590,047,338	1.275%
2021	100,793,312	23,708,887	30,000,000	-	154,502,199	13,504,112,415	1.144%

<sup>(1)</sup> As of June 30<sup>th</sup>

## Ratio of Total Debt to Capita

Fiscal Year	Total Debt	Bakersfield Estimated Population <sup>(2)</sup>	Debt / Capita
2012	\$ 33,102,872	353,581	\$ 94
2013	49,965,188	358,106	140
2014	49,103,601	363,956	135
2015	81,190,812	368,694	220
2016	108,573,875	358,700	303
2017	126,795,930	363,612	349
2018	124,230,244	367,555	338
2019	144,451,405	383,601	377
2020	160,556,030	384,159	418
2021	154,502,199	403,455	383

<sup>(2)</sup> Estimated Population Source: U.S. Census Bureau (<http://data.census.gov>)

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**Direct and Overlapping Debt**


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2020-21 Assessed Valuation:           \$   13,504,112,415 (secured, utility, and unsecured)

	% Applicable	Debt 12/01/2020
<b><u>DIRECT AND OVERLAPPING TAX AND ASSESSEMENT DEBT:</u></b>		
Kern Community College District Safety, Repair and Improvement District	14.113%	\$ 15,067,191
Kern Community College District School Facilities Improvement District No. 1	14.026	15,337,877
Kern High School District	22.051	82,919,744
Panama-Buena Vista Union School District	100.000	96,520,000
City of Bakersfield 1915 Act Bonds	22.175-57.226	<u>4,118,335</u>
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSEMENT DEBT</b>		<u><b>213,963,147</b></u>

**DIRECT AND OVERLAPPING GENERAL FUND DEBT**

Kern County Certificates of Participation	13.721%	12,595,030
Kern County Pension Obligations	13.721	20,644,845
Kern County Board of Education Certificates of Participation	13.721	4,802,350
Kern Community College District Certificates of Participation	12.653	3,490,963
Kern Community College District Post Employment Benefit Obligation Bonds	12.653	9,570,729
Kern High School District Certificates of Participation	22.051	15,500,750
Panama-Buena Vista Union School District Certificates of Participation	100.000	21,905,000
City of Bakersfield General Fund Obligations	40.099	<u>2,355,816</u>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<u><b>90,865,483</b></u>

**COMBINED TOTAL DEBT**

**304,828,630**

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and and non-bonded capital lease obligations.

<sup>(3)</sup> Qualified Zone Academy Bonds included based on principal due at maturity.

**District Direct Debt**

General Bonded Debt, Gross	100,793,312
Certificates of Participation, Gross	23,708,887
Qualified Zone Academy Bond Debt	<u>30,000,000</u>
<b>Total, District Direct Debt</b>	<u><u><b>154,502,199</b></u></u>

**Ratios to 2020-21 Assessed Valuation:**

<b>Total District Direct Debt (\$154,502,199)</b>	<b>1.14%</b>
Total Direct and Overlapping Tax and Assessment Debt	1.58%
Combined Total Debt	2.48%

Source: California Municipal Statistics

Ratio of Annual Debt Service Expenditures to General Expenditures

Fiscal Year	Annual Debt Service	Total General Expenditures <sup>(1)</sup>	Debt / Expenditures
2012	\$ 3,259,538	\$ 127,917,292	2.55%
2013	3,245,461	129,000,209	2.52%
2014	2,795,602	138,175,282	2.02%
2015	3,754,320	150,594,178	2.49%
2016	5,222,251	166,986,219	3.13%
2017	8,278,705	180,474,267	4.59%
2018	7,759,673	195,947,471	3.96%
2019	6,272,197	211,622,003	2.96%
2020	7,369,947	213,142,193	3.46%
2021	10,533,687	250,049,289	4.21%

<sup>(1)</sup> General Fund expenditures only

Annual debt service is bond debt due in the upcoming fiscal year as of June 30 of the prior year and excludes bonds issued during the fiscal year

Source: District records, Annual Budget Documents

Enrollment and Attendance History

Fiscal Year	Average Daily Attendance (ADA) 2nd Period	Enrollment (October)	Ratio, ADA to Enrollment	Enrollment Growth: %
2012	16,126	16,810	0.96	1.5%
2013	16,530	17,325	0.95	3.1%
2014	16,713	17,484	0.96	0.9%
2015	16,693	17,469	0.96	-0.1%
2016	16,856	17,545	0.96	0.4%
2017	17,224	17,900	0.96	2.0%
2018	17,528	18,250	0.96	2.0%
2019	17,846	18,619	0.96	2.0%
2020	17,892	18,714	0.96	2.5%
2021	* Not Calculated	18,262	N/A	-1.9%

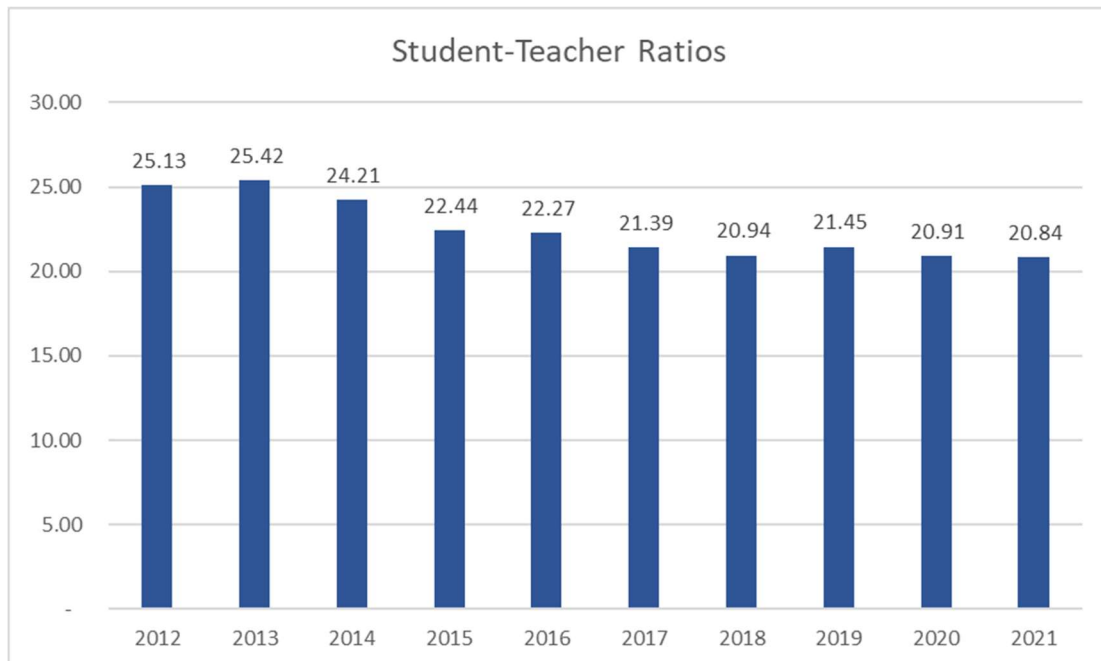
Source: District records

\* Average Daily Attendance was not calculated or reported in Fiscal Year 2021 due to the COVID-19 pandemic

Student – Teacher Ratios

Fiscal Year	Student Enrollment	No. of Classroom Teachers	Student-Teacher Ratio
2012	16,810	668.97	25.13
2013	17,325	681.61	25.42
2014	17,484	722.09	24.21
2015	17,469	778.42	22.44
2016	17,545	787.73	22.27
2017	17,900	836.65	21.39
2018	18,250	871.37	20.94
2019	18,619	868.10	21.45
2020	18,714	895.08	20.91
2021	18,262	876.28	20.84

Source: District records



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 Total Taxable Transactions for Bakersfield and Kern County
 

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Year <sup>(1)</sup>		Bakersfield		Kern County
2011	\$	5,450,380,000	\$	13,742,659,000
2012		5,954,794,000		14,666,473,000
2013		8,134,147,000		15,199,124,000
2014		6,284,932,000		15,722,694,000
2015		5,916,757,000		14,322,101,000
2016		5,737,514,000		13,885,643,000
2017		6,037,168,108		13,883,734,262
2018		6,378,357,987		15,130,972,391
2019		6,507,087,973		15,711,099,382
2020		6,536,165,806		16,145,355,463

<sup>(1)</sup> Information available only through calendar year 2020

Source: California Department of Tax & Fee Administration (<https://www.cdtfa.ca.gov>)

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 Bank Deposits for Kern County
 

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Fiscal Year		Deposits (in millions)
2012	\$	6,408,092
2013		6,804,683
2014		7,304,427
2015		7,769,366
2016		8,109,356
2017		8,634,987
2018		8,960,023
2019		9,319,941
2020		10,548,470
2021		12,035,155

Data unavailable for the District

Source: Federal Deposit Insurance Corporation  
 (<https://www7.fdic.gov/sod>)

## Principal Employers, Kern County

Most recent (FY 2020) compared to nine years earlier

2020 Rank	Employer	Industry	Employees	Percentage of Total County Employment	Fiscal Year 2011		
					Employees	Rank	Percentage of Total County Employment
1	Edwards Air Force Base	Federal Government	9,353	3.02%	14,100	1	5.05%
2	County of Kern	County Government	9,300	3.00%	10,180	2	3.65%
3	China Lake Naval Air Weapons Station	Federal Government	7,000	2.26%	6,000	3	2.15%
4	Grimmway Enterprises	Agriculture	3,700	1.20%	4,400	4	1.58%
5	Dignity Health	Health Care	3,296	1.06%			
6	Adventist Health Bakersfield	Health Care	2,300	0.74%			
7	William Bolthouse Farms, Inc.	Agriculture	2,250	0.73%	2,350	7	0.84%
8	Kern Medical	Health Care	1,600	0.52%			
9	City of Bakersfield	Local Government	1,600	0.52%	1,474	10	0.53%
10	Chevron	Oil & Gas	1,000	0.32%			
	Giumarra Vineyards	Agriculture			4,000	5	1.43%
	Catholic Healthcare West	Health Care			3,000	6	1.07%
	Sunview Vineyards	Agriculture			2,000	8	0.72%
	Sun World	Agriculture			1,600	9	0.57%
			<b>41,399</b>	<b>13.37%</b>	<b>49,104</b>		<b>17.59%</b>

Source: County of Kern annual financial report

## Staffing by FTE by Function

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Instruction					
Teachers	668.97	681.61	722.09	778.42	787.73
Paraprofessionals	<u>241.50</u>	<u>195.54</u>	<u>200.51</u>	<u>220.62</u>	<u>230.88</u>
Sub-total, Instruction	<u>910.47</u>	<u>877.15</u>	<u>922.60</u>	<u>999.04</u>	<u>1,018.61</u>
Instruction-related services	216.83	222.72	233.65	239.87	237.31
Pupil services	187.72	208.55	200.90	222.66	241.82
General administration	57.00	58.00	56.00	62.00	68.00
Plant services	<u>99.63</u>	<u>99.25</u>	<u>103.25</u>	<u>112.00</u>	<u>112.50</u>
Total, all staffing	<u>1,471.65</u>	<u>1,465.67</u>	<u>1,516.40</u>	<u>1,635.57</u>	<u>1,678.24</u>
Teachers (FTE)	668.97	681.61	722.09	778.42	787.73
% of total staffing	45%	47%	48%	48%	47%

Source: District records

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY2020</u>	<u>FY2021</u>
Instruction					
Teachers	836.65	871.37	868.10	895.08	876.28
Paraprofessionals	<u>275.58</u>	<u>326.12</u>	<u>353.26</u>	<u>447.02</u>	<u>458.14</u>
Sub-total, Instruction	<u>1,112.23</u>	<u>1,197.49</u>	<u>1,221.36</u>	<u>1,342.10</u>	<u>1,334.42</u>
Instruction-related service:	258.30	265.31	314.77	313.08	314.43
Pupil services	251.83	297.33	318.41	273.77	271.66
General administration	68.00	66.00	74.50	94.95	96.95
Plant services	<u>126.50</u>	<u>144.88</u>	<u>157.63</u>	<u>164.00</u>	<u>162.25</u>
Total, all staffing	<u>1,816.86</u>	<u>1,971.01</u>	<u>2,086.67</u>	<u>2,187.90</u>	<u>2,179.71</u>
Teachers (FTE)	836.65	871.37	868.10	895.08	876.28
% of total staffing	46%	44%	42%	41%	40%

Source: District records

## Panama-Buena Vista Union School District

Statistical Section (Unaudited)

June 30, 2021

## Capital Assets by Function and Activity

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Instruction	\$ 137,928,037	\$ 132,461,128	\$ 138,456,099	\$ 129,758,082	\$ 124,721,834
Supervision of instruction	14,922	11,286	9,767	8,248	6,729
Instruction library, media and technology	318,273	244,805	198,510	159,889	113,503
School site administration	93,612	83,874	69,059	56,065	51,229
Home-to-school transportation	1,046,523	803,588	638,447	476,737	582,769
Food services	438,873	492,030	498,749	447,578	559,896
All other pupil services	60,742	61,104	71,814	85,698	90,307
Data processing	40,165	46,745	33,887	34,374	143,380
All other general administration	742,480	669,283	1,993,754	1,463,531	1,316,691
Plant services	6,120,412	10,390,458	1,404,310	20,389,444	19,876,396
Work in progress	2,534,114	1,967,783	4,558,055	4,474,856	39,706,287
Total Capital Assets	<u>\$ 149,338,152</u>	<u>\$ 147,232,083</u>	<u>\$ 147,932,450</u>	<u>\$ 157,354,501</u>	<u>\$ 187,169,021</u>
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Instruction	\$ 119,695,273	\$ 114,770,339	\$ 88,124,345	\$ 84,379,886	\$ 81,960,047
Supervision of instruction	5,210	18,841	16,507	14,173	23,294
Instruction library, media and technology	67,976	28,956	24,305	19,654	15,422
School site administration	40,722	30,491	20,284	13,502	10,944
Home-to-school transportation	955,017	2,168,629	1,864,513	1,729,198	1,440,543
Food services	484,805	484,059	519,782	958,665	896,765
All other pupil services	81,235	66,300	62,241	49,598	86,196
Data processing	170,975	17,587	108,607	62,842	235,647
All other general administration	1,139,153	1,340,089	646,605	591,140	541,252
Plant services	68,440,203	68,104,304	118,842,650	118,091,934	143,300,943
Work in progress	10,479,911	29,953,824	13,070,260	35,489,837	35,057,357
Total Capital Assets	<u>\$ 201,560,480</u>	<u>\$ 216,983,420</u>	<u>\$ 223,300,099</u>	<u>\$ 241,400,430</u>	<u>\$ 263,568,410</u>

Source: Data extracted from District Financial Statements

School Building Information

	<u>Year</u>		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	<u>Built</u>	<u>Renovated</u>										
Panama Elementary	1875	2021										
Square Feet			35,424	35,424	35,424	38,304	38,304	38,304	38,304	38,304	38,304	44,627
Capacity			854	854	854	938	938	938	938	938	938	1,137
Enrollment			649	670	742	799	817	843	860	669	677	676
Percentage of Capacity in Use			76.0%	78.5%	86.9%	85.2%	87.1%	89.9%	91.7%	71.3%	72.2%	59.5%
Stine Elementary	1900	1991										
Square Feet			35,787	35,787	35,787	37,227	37,227	37,227	37,227	37,227	37,227	43,476
Capacity			899	899	899	941	941	941	941	941	941	1,053
Enrollment			806	774	756	716	674	684	661	693	697	610
Percentage of Capacity in Use			89.7%	86.1%	84.1%	76.1%	71.6%	72.7%	70.3%	73.7%	74.1%	57.9%
Amy B. Seibert Elementary	1963	2013										
Square Feet			37,920	37,920	37,920	39,360	39,360	39,360	39,360	39,360	39,360	42,720
Capacity			854	854	854	896	896	896	896	896	896	1,022
Enrollment			696	717	733	764	744	717	712	684	657	628
Percentage of Capacity in Use			81.5%	84.0%	85.8%	85.3%	83.0%	80.0%	79.5%	76.3%	73.3%	61.4%
Wayne Van Horn Elementary	1969	1988										
Square Feet			35,298	35,298	35,298	35,298	35,298	35,298	35,298	35,298	35,298	40,342
Capacity			840	840	840	840	840	840	840	840	840	990
Enrollment			536	558	571	575	528	556	583	625	619	575
Percentage of Capacity in Use			63.8%	66.4%	68.0%	68.5%	62.9%	66.2%	69.4%	74.4%	73.7%	58.1%
Charles H. Castle Elementary	1976	1989										
Square Feet			34,943	34,943	34,943	34,943	34,943	34,943	34,943	34,943	34,943	45,523
Capacity			924	924	924	924	924	924	924	924	924	1,229
Enrollment			689	714	677	704	723	696	843	853	823	789
Percentage of Capacity in Use			74.6%	77.3%	73.3%	76.2%	78.2%	75.3%	91.2%	92.3%	89.1%	64.2%
Stockdale Elementary	1977	1988										
Square Feet			29,323	29,323	29,323	33,643	33,643	33,643	33,643	33,643	33,643	35,563
Capacity			616	616	616	742	742	742	742	742	742	882
Enrollment			542	570	542	628	629	631	648	638	627	602
Percentage of Capacity in Use			88.0%	92.5%	88.0%	84.6%	84.8%	85.0%	87.3%	86.0%	84.5%	68.3%
Louise Sandrini Elementary	1979	1988										
Square Feet			32,690	32,690	32,690	34,610	34,610	34,610	34,610	34,610	34,610	40,270
Capacity			798	798	798	854	854	854	854	854	854	980
Enrollment			594	605	610	582	636	647	663	633	662	591
Percentage of Capacity in Use			74.4%	75.8%	76.4%	68.1%	74.5%	75.8%	77.6%	74.1%	77.5%	60.3%
Sing Lum Elementary	1984	2017										
Square Feet			33,278	33,278	33,278	33,278	33,278	32,790	32,790	32,790	32,790	30,770
Capacity			784	784	784	784	784	956	956	956	956	753
Enrollment			791	800	783	711	703	734	733	776	776	758
Percentage of Capacity in Use			100.9%	102.0%	99.9%	90.7%	89.7%	76.7%	76.6%	81.1%	81.1%	100.7%

School Building Information (Continued)

	<u>Year</u>	<u>Year</u>	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	<u>Built</u>	<u>Renovated</u>										
Laurelglen Elementary	1985	2011										
Square Feet			30,398	30,398	30,398	30,398	30,398	30,398	30,398	30,398	30,398	36,570
Capacity			616	616	616	616	616	616	616	616	616	833
Enrollment			533	570	603	606	610	619	581	580	578	563
Percentage of Capacity in Use			86.5%	92.5%	97.9%	98.4%	99.0%	100.5%	94.3%	94.2%	93.8%	67.6%
Leo B. Hart Elementary	1988	n/a										
Square Feet			30,878	30,878	30,878	35,198	35,198	35,198	35,198	35,198	35,198	37,200
Capacity			672	672	672	798	798	798	798	798	798	936
Enrollment			543	571	571	700	726	729	723	767	779	709
Percentage of Capacity in Use			80.8%	85.0%	85.0%	87.7%	91.0%	91.4%	90.6%	96.1%	97.6%	75.8%
Roy W. Loudon Elementary	1989	2008										
Square Feet			38,094	38,094	38,094	42,414	42,414	42,414	42,414	42,414	42,414	44,814
Capacity			924	924	924	1,050	1,050	1,050	1,050	1,050	1,050	1,148
Enrollment			804	835	799	807	767	781	791	741	752	681
Percentage of Capacity in Use			87.0%	90.4%	86.5%	76.9%	73.0%	74.4%	75.3%	70.6%	71.6%	59.3%
Buena Vista Elementary	1875	2013										
Square Feet			38,266	38,266	38,266	39,706	39,706	39,706	39,706	39,706	39,706	45,594
Capacity			980	980	980	1,022	1,022	1,022	1,022	1,022	1,022	1,117
Enrollment			884	907	934	917	893	924	945	939	935	916
Percentage of Capacity in Use			90.2%	92.6%	95.3%	89.7%	87.4%	90.4%	92.5%	91.9%	91.5%	82.0%
Christa McAuliffe Elementary	1991	n/a										
Square Feet			31,991	31,991	31,991	32,951	32,951	32,951	32,951	32,951	32,951	34,916
Capacity			700	700	700	700	700	700	700	700	700	888
Enrollment			560	619	618	549	584	537	533	529	582	521
Percentage of Capacity in Use			80.0%	88.4%	88.3%	78.4%	83.4%	76.7%	76.1%	75.6%	83.1%	58.7%
Bill L. Williams Elementary	1996	2013										
Square Feet			35,302	35,302	35,302	38,662	38,662	41,542	41,542	41,542	41,542	44,340
Capacity			868	868	868	966	966	1,134	1,134	1,134	1,134	1,132
Enrollment			646	695	701	820	854	908	967	961	991	992
Percentage of Capacity in Use			74.4%	80.1%	80.8%	84.9%	88.4%	80.1%	85.3%	84.7%	87.4%	87.7%
Ronald Reagan Elementary	1998	n/a										
Square Feet			41,726	41,726	41,726	42,686	42,686	42,686	42,686	42,686	42,686	44,126
Capacity			1,008	1,008	1,008	1,036	1,036	1,036	1,036	1,036	1,036	1,115
Enrollment			891	958	919	942	936	971	935	942	978	951
Percentage of Capacity in Use			88.4%	95.0%	91.2%	90.9%	90.3%	93.7%	90.3%	90.9%	94.4%	85.3%
Berkshire Elementary	2002	2012										
Square Feet			41,259	41,259	41,259	41,259	41,259	41,259	41,259	41,259	41,259	45,839
Capacity			1,019	1,019	1,019	1,036	1,036	1,036	1,036	1,036	1,036	1,153
Enrollment			1,022	1,021	1,074	1,003	1,044	1,000	990	995	993	981
Percentage of Capacity in Use			100.3%	100.2%	105.4%	96.8%	100.8%	96.5%	95.6%	96.0%	95.8%	85.1%

School Building Information (Continued)

	<u>Year</u>	<u>Year</u>	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	<u>Built</u>	<u>Renovated</u>										
Old River Elementary	2007	n/a										
Square Feet			41,835	41,835	41,835	44,715	44,715	44,715	44,715	44,715	44,715	40,275
Capacity			1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,019
Enrollment			991	1,006	1,000	890	883	877	860	865	861	842
Percentage of Capacity in Use			95.7%	97.1%	96.5%	85.9%	85.2%	84.7%	83.0%	83.5%	83.1%	82.7%
Douglas J. Miller Elementary	2009	n/a										
Square Feet			36,460	36,460	36,460	36,460	36,460	39,820	39,820	39,820	39,820	53,356
Capacity			896	896	896	896	896	1,092	1,092	1,092	1,092	910
Enrollment			760	807	892	858	941	1,063	1,147	795	877	906
Percentage of Capacity in Use			84.8%	90.1%	99.6%	95.8%	105.0%	97.3%	105.0%	72.8%	80.3%	99.6%
Dolores S. Whitley Elementary	2018	n/a										
Square Feet			-	-	-	-	-	-	-	55,133	55,133	49,005
Capacity			-	-	-	-	-	-	-	1,161	1,161	1,217
Enrollment			-	-	-	-	-	-	-	761	798	822
Percentage of Capacity in Use			-	-	-	-	-	-	-	65.5%	68.7%	67.5%
Fred L. Thompson Junior High School	1967	2009										
Square Feet			38,885	38,885	38,885	38,885	38,885	38,885	38,885	38,885	38,885	49,516
Capacity			981	981	981	981	981	981	981	981	981	1,347
Enrollment			746	774	798	741	679	753	768	768	726	741
Percentage of Capacity in Use			76.0%	78.9%	81.3%	75.5%	69.2%	76.7%	78.3%	78.3%	74.0%	55.0%
O.J. Actis Junior High School	1979	1992										
Square Feet			38,336	38,336	38,336	38,336	38,336	38,336	38,336	38,336	38,336	46,320
Capacity			924	924	924	924	924	924	924	924	924	1,213
Enrollment			708	657	634	676	666	683	669	666	640	678
Percentage of Capacity in Use			76.6%	71.1%	68.6%	73.2%	72.1%	73.9%	72.4%	72.1%	69.3%	55.9%
Tevis Junior High School	1988	1992										
Square Feet			41,872	41,872	41,872	41,872	41,872	41,872	41,872	41,872	41,872	43,301
Capacity			1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,140
Enrollment			746	757	738	733	782	797	775	792	770	755
Percentage of Capacity in Use			72.6%	73.7%	71.8%	71.3%	76.1%	77.5%	75.4%	77.1%	74.9%	66.3%
Earl Warren Junior High School	1995	n/a										
Square Feet			44,529	44,529	44,529	44,529	44,529	44,529	44,529	44,529	44,529	40,988
Capacity			1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,138
Enrollment			862	921	929	858	846	887	892	925	890	906
Percentage of Capacity in Use			75.1%	80.2%	80.9%	74.7%	73.7%	77.3%	77.7%	80.6%	77.5%	79.6%
Stonecreek Junior High School	2006	n/a										
Square Feet			42,609	42,609	42,609	42,609	42,609	42,609	42,609	42,609	42,609	50,252
Capacity			1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,380
Enrollment			811	819	860	890	880	863	971	1,022	1,026	1,069
Percentage of Capacity in Use			74.3%	75.0%	78.8%	81.5%	80.6%	79.0%	88.9%	93.6%	94.0%	77.4%

**School Building Information (Continued)**

	<u>Year</u> <u>Built</u>	<u>Year</u> <u>Renovated</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
District Office Square Feet	1983	2015	33,792	33,792	33,792	33,792	33,792	33,792	33,792	33,792	33,792	31,764
District Office East Square Feet	1991	2011	21,658	21,658	21,658	21,658	21,658	21,658	21,658	21,658	21,658	27,576
District Office South Square Feet	2014	n/a	-	-	17,040	17,040	17,040	17,040	17,040	17,040	17,040	15,582
Special Services Square Feet	2010	n/a	10,732	10,732	10,732	10,732	10,732	10,732	10,732	10,732	10,732	10,836

*Square footage includes permanent buildings and portable units  
 School Site square footage includes classrooms, Day Care buildings and Cafeteria/MPR buildings  
 Capacity based on average of 28 students per classroom, including portable buildings*

*Source: District records*

## History of Investment Income by Fund Type (Interest Earnings)

Fiscal Year	General	Special Revenue	Capital Projects	Bond Interest & Redemption	Total, All Funds
2012	\$ 123,960	\$ 62,538	\$ 225,825	\$ 6,237	\$ 418,560
2013	84,645	40,323	127,049	5,181	257,198
2014	77,711	53,353	88,817	64,527	284,408
2015	55,352	30,481	159,581	20,530	265,944
2016	72,503	76,225	272,735	18,971	440,434
2017	231,991	36,627	411,716	27,893	708,227
2018	404,662	149,750	505,629	54,525	1,114,566
2019	445,936	185,467	542,123	63,686	1,237,212
2020	728,816	192,667	809,393	127,461	1,858,337
2021	414,736	164,117	238,133	54,663	871,649

Source: District records

New Construction for Kern County

Year <sup>(1)</sup>	Number of New Units		
	Single Unit	Multi-Units	Total
2011	712	257	969
2012	1,238	348	1,586
2013	885	253	1,138
2014	1,885	412	2,297
2015	2,098	102	2,200
2016	2,141	115	2,256
2017	1,138	167	1,305
2018	1,935	191	2,126
2019	2,182	71	2,253
2020	1,337	262	1,599

Year <sup>(1)</sup>	Valuation		
	Single Unit	Multi-Units	Total
2011	132,718,477	17,977,798	150,696,275
2012	255,535,560	28,145,477	283,681,037
2013	153,963,458	22,073,619	176,037,077
2014	371,661,751	37,477,156	409,138,907
2015	465,175,856	8,754,220	473,930,076
2016	475,649,494	12,850,552	488,500,046
2017	211,877,395	19,423,671	231,301,066
2018	431,488,488	29,958,821	461,447,309
2019	524,303,212	12,557,446	536,860,658
2020	290,909,898	33,311,160	324,221,058

Source: Employment Development Department - California  
 (<https://www.labormarketinfo.edd.ca.gov/>)

<sup>(1)</sup> Information available only through calendar year 2020

Miscellaneous Statistics

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District Name: Panama-Buena Vista Union School District

Type of District: Elementary (K-8)

Year Founded: 1875

Area (square miles): 93 (est.)

Population served: 133,928 (est.)

Number of schools:

Elementary (K-6)	19
Intermediate (7-8)	5
<b>Total</b>	<b>24</b>

Enrollment:

Elementary (K-6)	14,113 (Fall 2020)
Intermediate (7-8)	4,149 (Fall 2020)
<b>Total</b>	<b>18,262</b>

% of students eligible for free or reduced lunches 70.47%

Number of employees:

Certificated:	949 full-time equivalents
Classified	976 full-time equivalents
Management/Confidential	254 full-time equivalents
<b>Total</b>	<b>2,179</b>

Teacher per Pupil Ratio: 20.84

*Source: District records*



Independent Auditor's Reports  
June 30, 2021

**Panama-Buena Vista Union  
School District**



**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 Board of Trustees  
Panama-Buena Vista Union School District  
Bakersfield, 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, each major fund, and the aggregate remaining fund information of Panama-Buena Vista Union School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Panama-Buena Vista Union School District’s basic financial statements and have issued our report thereon dated January 31, 2022.

**Emphasis of Matter – Change in Accounting Principles**

As discussed in Notes 1 and 16 to the financial statements, Panama-Buena Vista Union District has adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which has resulted in a restatement of the net position and fund balance as of July 1, 2020. Our opinions are not modified with respect to this matter.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Panama-Buena Vista Union School 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 Panama-Buena Vista Union School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of Panama-Buena Vista Union School 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 District’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Financial Statement Findings, as item 2021-001, that we consider to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Panama-Buena Vista Union School 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*.

### **Panama-Buena Vista Union School District's Response to Finding**

Panama-Buena Vista Union School District's response to the finding identified in our audit is described in the accompanying Schedule of Financial Statement Findings. Panama-Buena Vista Union School District's response was not subjected to the auditing procedures applied in the audit of financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Eide Bailly LLP*

Rancho Cucamonga, California  
January 31, 2022



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

To the Board of Trustees  
Panama-Buena Vista Union School District  
Bakersfield, California

### **Report on Compliance for Each Major Federal Program**

We have audited Panama-Buena Vista Union School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Panama-Buena Vista Union School District's major federal programs for the year ended June 30, 2021. Panama-Buena Vista Union School District's major federal programs 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 Panama-Buena Vista Union School District's major federal programs 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 Panama-Buena Vista Union School 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 each major federal program. However, our audit does not provide a legal determination of Panama-Buena Vista Union School District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, Panama-Buena Vista Union School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control over Compliance**

Management of Panama-Buena Vista Union School 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 Panama-Buena Vista Union School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 Panama-Buena Vista Union School 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 31, 2022



## Independent Auditor's Report on State Compliance

To the Board of Trustees  
Panama-Buena Vista Union School District  
Bakersfield, California

### **Report on State Compliance**

We have audited Panama-Buena Vista Union School District's (the District) compliance with the types of compliance requirements described in the *2020-2021 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, 2021.

### **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 *2020-2021 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:

	<u>Procedures Performed</u>
<b>LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS</b>	
Attendance and Distance Learning	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	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
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below
<b>SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS</b>	
California Clean Energy Jobs Act	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Independent Study - Course Based	No, see below
<b>CHARTER SCHOOLS</b>	
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Charter School Facility Grant Program	No, see below

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.

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

The District does not operate any Charter Schools; therefore, we did not perform procedures for Charter School Programs.

***Unmodified Opinion***

In our opinion, Panama-Buena Vista Union School District complied, in all material respects, with the laws and regulations of the state programs referred to above for the year ended June 30, 2021.

The purpose of this report on state compliance is solely to describe the results of our testing based on the requirements of the *2020-2021 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 Saily LLP*

Rancho Cucamonga, California  
January 31, 2022

**Financial Statements**

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

**Federal Awards**

Internal control over major programs	
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(a)	No

**Identification of major programs**

Name of Federal Program or Cluster	Federal Financial Assistance Listing/ Federal CFDA Number
Title I, Part A, Basic Grants Low-Income and Neglected Education Stabilization Fund	84.010 84.425C, 84.425D
Coronavirus Relief Fund (CRF): Learning Loss Mitigation	21.019
Dollar threshold used to distinguish between type A and type B programs	\$1,490,414
Auditee qualified as low-risk auditee?	No

**State Compliance**

Type of auditor's report issued on compliance for programs	Unmodified
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The following finding represents a material weakness related to the financial statements that is required to be reported in accordance with *Government Auditing Standards*. The finding has been coded as follows:

	<u>Five Digit Code</u>	<u>AB 3627 Finding Type</u>
	30000	Internal Control
2021-001	30000	
	Criteria or Specific Requirements	
	<p>Management is responsible for the design, implementation, and maintenance of internal controls to ensure the financial statements are free from material misstatement, whether due to error or fraud. Such internal controls should include a review of account balances to ensure that they have been reported completely, accurately, and in accordance with applicable accounting principles.</p>	
	Condition	
	<p>During the course of our engagement, we identified significant misstatements of balances within the District's 2020-2021 unaudited financial statements. The causes of these misstatements have been detailed below:</p>	
	<ol style="list-style-type: none"> <li>1. The District did not record Local Control Funding Formula (LCFF) and interest receivables correctly, resulting in a \$958,559 overstatement of the General Fund.</li> <li>2. The District did not effectively reconcile health benefit premium payables, resulting in a \$2,386,271 overstatement of the General Fund.</li> <li>3. The District incorrectly recorded a current loan balance at the net amount of proceeds, premium, and costs of issuance, resulting in a \$455,520 understatement of the General Fund.</li> </ol>	
	Questioned Costs	
	<p>There were no questioned costs associated with the condition identified.</p>	
	Context	
	<p>The conditions were identified through inquiry with District personnel and through review of available District records related to balances reported in the District's 2020-2021 unaudited financial statements.</p>	
	Effect	
	<p>The effect of these errors resulted in misstatements that were not detected or prevented by the District's internal accounting control and review process. As reported on 2020-2021 unaudited financial statements, the District's General Fund balance was overstated by \$2,889,310 due to the net effect of the described errors.</p>	

Cause

The cause of the conditions identified appears to be due to inadequate review processes related to the District's financial information.

Repeat Finding

No.

Recommendation

Management should review financial account balances to ensure that they have been correctly reported. Balances should be traced to supporting records to verify the accuracy and completeness of reported information. Additionally, management should ensure that all applicable accounting principles are adhered to when recording financial information.

Corrective Action Plan and Views of Responsible Officials

District management will regularly review financial account balances, including supporting records, to ensure accuracy and to confirm that all applicable accounting principles are adhered to when recording and reporting financial information.

None reported.

None reported.

Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

#### State Compliance Findings

2020-001      40000

##### Criteria or Specific Requirements

In accordance with *Education Code* Sections 2574(b)(3)(c), 42238.02(b)(3)(B), and 41020, the District is required to maintain supporting documentation such as a Free and Reduce Price Meal (FRPM) eligibility application or an alternative household income data collection form that indicates the student was eligible for the designation reported on the California Longitudinal Pupil Achievement Data System (CALPADS).

##### Condition

The District did not update the status designation for 246 students who had a designation of "Free" or "Reduced" on the "1.18 – FRPM/English Learner/Foster Youth – Student List" CALPADS report. Through review of supporting documentation, each of these 246 students should have been reported with a status designation of "Paid", but it appears that the District did not update the 1.18 report to reflect the correct status.

##### Questioned Costs

The questioned costs associated with this condition resulted in a decrease of \$450,666 in Local Control Formula Funding.

##### Context

The condition was identified as a result of selecting a sample of students from the "1.18 – FRPM/English Learner/Foster Youth – Student List" CALPADS report. The "1.18 – FRPM/English Learner/Foster Youth – Student List" was agreed to "1.17 – FRPM/English Learner/Foster Youth Count" certified CALPADS report to ensure the correct 1.18 report was used. We then selected an initial sample of 40 students for testing and two exceptions were noted. Upon further discussion with the District, a data transfer issue was noted in the upload process from the District's Nutrition Services software to CALPADS. The District was able to compare the data between the Nutrition Services software and the CALPADS data to identify 100% of the exceptions that existed, resulting in the discovery of 246 total exceptions.

##### Effect

As a result of our testing, it appears that the District did not correctly update the "1.18 – FRPM/English Learner/Foster Youth – Student List" CALPADS report for pupils that did not have documentation supporting a "Free" or "Reduced" designation on the "1.18 – FRPM/English Learner/Foster Youth – Student List" CALPADS report.

Cause

It appears the cause was due to a data transfer error from the Nutrition Services software to CALPADS.

Repeat Finding

No.

Recommendation

The District should review their current procedures and determine the necessary steps to ensure that all student data is reported accurately.

Current Status

Implemented.