OXNARD SCHOOL DISTRICT

VENTURA COUNTY

AUDIT REPORT

For the Fiscal Year Ended
June 30, 2021

Nigro & Nigro PC

OXNARD SCHOOL DISTRICT
For the Fiscal Year Ended June 30, 2021
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NIGRO & NIGRO PC
A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Oxnard School District
Oxnard, California

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard School District, as of and for the fiscal 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.

Auditors' 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2020-21 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 the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard School District, as of June 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA

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Change in Accounting Principle
As discussed in Note 1 to the financial statements, the District has implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. Accordingly, the beginning net position on the Statement of Activities and the beginning fund balance on the Statement of Revenues, Expenditures, and Changes in Fund Balances have been restated to adopt this standard. Our opinion is 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, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of changes in the District's total OPEB liability and related ratios, schedule of the District's proportionate share of the net OPEB liability-MPP Program, and the notes to the required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The supplementary information on pages 63 to 65 and the schedule of expenditures of federal awards on page 66 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole. The information on page 62 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 our report dated January 21, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Nigro + Nigro, PC.

Murrieta, California
January 21, 2022

This discussion and analysis of Oxnard School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The District's overall financial status increased from last year as the net position increased by 25.3% to $(61.5) million.
- Total governmental revenues were $275.0 million.
- The total cost of basic programs was $254.2 million. Because a portion of these costs was paid for with charges, fees, and intergovernmental aid, the net cost that required taxpayer funding was $171.4 million.
- Governmental funds increased by $47.3 million, or 71.9%, primarily due to bond measure proceeds and capital grants.
- Reserves for the General Fund increased by $6.1 million, or 89.0%. Revenues were $241.2 million and expenditures and transfers out were $214.5 million.

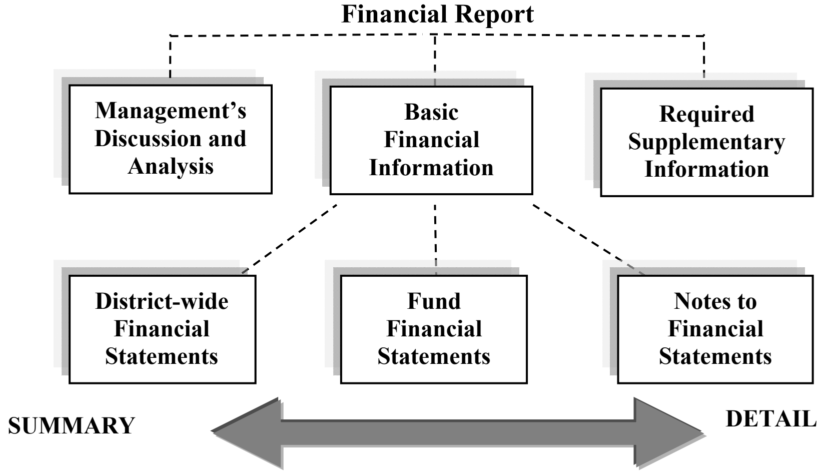
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial* statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are *fund financial* statements that focus on individual parts of the District, reporting the District's operations in more detail than the District-wide statements.
  - The *governmental funds* statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.
  - The *fiduciary funds* statement provides information about the financial relationships in which the District acts solely as a trustee or custodian for the benefit of others to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1. Organization of Oxnard School District's Annual Financial Report



OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-Wide Statements
The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's demographics and the condition of school buildings and other facilities.
- In the District-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities.

Fund Financial Statements
The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debt) or to show that it is properly using certain revenues.

The District has two kinds of funds:

- ***Governmental funds*** – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, we provide additional information on a separate reconciliation page that explains the relationship (or differences) between them.
- ***Fiduciary funds*** – Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District's fiduciary funds include an OPEB Trust Fund. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the District's fiduciary funds are provided in the form of combining statements elsewhere in this report.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's combined net position was higher on June 30, 2021, than it was the year before – increasing 25.3% to $(61.5) million (See Table A-1).

Table A-1: Statement of Net Position

	Governmental Activities		Variance Increase
	2021	2020*	(Decrease)
Assets			
Current assets	$ 131,263,024	$ 88,478,368	$ 42,784,656
Capital assets	401,181,154	402,469,177	(1,288,023)
Total assets	532,444,178	490,947,545	41,496,633
Deferred outflows of resources	102,004,665	78,225,023	23,779,642
Liabilities			
Current liabilities	22,171,283	27,002,528	(4,831,245)
Long-term liabilities	422,647,155	381,076,651	41,570,504
Net pension liability	224,988,559	212,662,416	12,326,143
Total liabilities	669,806,997	620,741,595	49,065,402
Deferred inflows of resources	26,188,831	30,793,089	(4,604,258)
Net position			
Net investment in capital assets	130,551,069	133,131,187	(2,580,118)
Restricted	44,672,993	38,163,534	6,509,459
Unrestricted	(236,771,047)	(253,656,837)	16,885,790
Total net position	$ (61,546,985)	$ (82,362,116)	$ 20,815,131

* *As restated*

Changes in net position, governmental activities. The District's total revenues increased 14.0% to $275.0 million (See Table A-2). The increase is due primarily to increased capital grants and State and Federal COVID-19 response funding.

The total cost of all programs and services increased 1.1% to $254.2 million. The District's expenses are predominantly related to educating and caring for students, 80.0%. The purely administrative activities of the District accounted for just 7.0% of total costs. A significant contributor to the increase in costs was pupil services and COVID response expenses.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)

Table A-2: Statement of Activities

	Governmental Activities 2021	Governmental Activities 2020	Variance Increase (Decrease)
Revenues			
Program Revenues:			
Charges for services	$ 790,146	$ 1,369,620	$ (579,474)
Operating grants and contributions	74,713,821	31,664,031	43,049,790
Capital grants and contributions	7,324,488	10,973,548	(3,649,060)
General Revenues:			
Property taxes	45,544,957	45,501,667	43,290
Federal and state aid not restricted	143,293,802	148,919,205	(5,625,403)
Other general revenues	3,351,529	2,711,747	639,782
Total Revenues	275,018,743	241,139,818	33,878,925
Expenses			
Instruction-related	163,738,179	171,646,008	(7,907,829)
Pupil services	39,590,950	32,988,331	6,602,619
Administration	17,920,643	14,549,741	3,370,902
Plant services	19,237,149	18,522,622	714,527
All other activities	13,716,691	13,682,058	34,633
Total Expenses	254,203,612	251,388,760	2,814,852
Increase (decrease) in net position	20,815,131	(10,248,942)	31,064,073
Net Position	$ (61,546,985)	$ (82,362,116)	$ 20,815,131

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of $113.0 million, which is above last year's ending fund balance of $65.8 million. The primary cause of the increased fund balance is bond proceeds received in the Building Fund and from General Fund revenues received for COVID learning loss and in-person instruction grants.

Table A-3: The District's Fund Balances

	Fund Balances				
Fund	July 1, 2020*	Revenues	Expenditures	Other Sources and (Uses)	June 30, 2021
General Fund	$ 17,539,224	$ 241,198,676	$ 213,473,583	$ (1,000,000)	$ 44,264,317
Student Activity Fund	201,051	4,666	32,096	-	173,621
Child Development Fund	416,270	1,728,665	1,620,882	-	524,053
Cafeteria Fund	964,502	12,572,767	10,383,369	-	3,153,900
Deferred Maintenance Fund	372,699	1,004,037	1,233,442	1,000,000	1,143,294
Building Fund	15,081,467	7,379,309	3,631,870	10,995,135	29,824,041
Capital Facilities Fund	6,341,496	1,301,405	151,254	-	7,491,647
County School Facilities Fund	9,804,096	56,539	-	-	9,860,635
Bond Interest and Redemption Fund	15,042,931	15,994,729	16,192,410	1,733,618	16,578,868
	$ 65,763,736	$ 281,240,793	$ 246,718,906	$ 12,728,753	$ 113,014,376

* *As restated*

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (continued)

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. The major budget amendments fall into these categories

- Revenues – increased by $36.2 million primarily to reflect federal and state budget actions.
- Salaries and benefits costs – increased $12.3 million due to negotiated increases and STRS on behalf amounts.
- Other costs – increased approximately $17.3 million to re-budget carryover funds and revise operational cost estimates.

While the District's final budget for the General Fund anticipated that revenues would exceed expenditures by about $2.7 million, the actual results for the year show that revenues exceeded expenditures by roughly $27.7 million. Actual revenues were $17.6 million more than anticipated, and expenditures were $7.4 million less than budgeted.

That amount consists primarily of restricted program dollars that were not spent as of June 30, 2021, that will be carried over into the 2021-22 budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2020-21 the District had invested $5.3 million in new capital assets. (More detailed information about capital assets can be found in Note 6 to the financial statements). Total depreciation expense for the year was approximately $6.6 million.

Table A-4: Capital Assets at Year End, net of Depreciation

	Governmental Activities		Variance Increase
	2021	2020	(Decrease)
Land	$ 36,289,804	$ 36,289,804	$ -
Improvement of sites	16,081,864	16,673,727	(591,863)
Buildings	301,182,166	227,153,909	74,028,257
Equipment	3,791,853	3,808,758	(16,905)
Construction in progress	43,835,467	118,542,979	(74,707,512)
Total	$ 401,181,154	$ 402,469,177	$ (1,288,023)

Long-Term Debt

At year-end the District had $422.6 million in long term debt other than pensions – increase of 10.9% from last year – as shown in Table A-5. (More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements).

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Table A-5: Outstanding Long-Term Debt at Year-End

	Governmental Activities		Variance Increase
	2021	2020	(Decrease)
General obligation bonds	$ 297,530,789	$ 280,230,530	$ 17,300,259
Certificates of participation	7,934,318	7,931,591	2,727
Energy retrofit agreement	2,754,650	3,072,458	(317,808)
Compensated absences	2,455,877	2,240,621	215,256
Early retirement incentive	1,614,002	2,421,003	(807,001)
Other postemployment benefits	110,357,519	85,180,448	25,177,071
Total	$ 422,647,155	$ 381,076,651	$ 41,570,504

Net pension liability increased during the year by $12.3 million.

FACTORS BEARING ON THE DISTRICT'S FUTURE

The State Legislature Passed a Final Budget Package on June 28, 2021. The final budget package largely reflected the Legislature's approach on State Appropriations Limit (SAL)-related choices and choices to use funding from the American Rescue Plan (ARP) to offset General Fund costs. The budget package assumes that 2021-22 will end with nearly $21 billion in total reserves. This consists of: (1) $15.8 billion in the Budget Stabilization Account (BSA), (2) $4 billion in Special Fund for Economic Uncertainties, and (3) $900 million in the Safety Net Reserve, which is available for spending on the state's safety net programs, like Medi-Cal. In addition, the Proposition 98 Reserve (dedicated to school and community college spending) would reach $4.5 billion under the spending plan.

Budget Also Commits $27 Billion in ARP Fiscal Relief Funds

The ARP included $350 billion in flexible funding to state and local governments for fiscal recovery in the Coronavirus State Fiscal Recovery Fund. Of this total, California's state government received about $27 billion. The state has until December 31, 2024 to use the funds for any of the following purposes: (1) to respond to the public health emergency or negative economic impacts associated with the emergency; (2) to support essential work; (3) to backfill a reduction in total revenues that have occurred relative to the pre-pandemic trajectory; or (4) for water, sewer, or broadband infrastructure.

Significant Increase in School and Community College Funding

Proposition 98 (1988) established the minimum annual funding level for schools and community colleges. This funding requirement depends upon various formulas that adjust for several factors, including changes in state General Fund revenue. For 2020-21, the minimum requirement is up $22.5 billion (31.8 percent) compared with the estimates made in June 2020. This increase represents the largest upward revision since the passage of Proposition 98 and is due to higher General Fund revenue estimates. For 2021-22, the minimum requirement increases by an additional $309 million (0.3 percent) relative to the revised 2020-21 level.

FACTORS BEARING ON THE DISTRICT'S FUTURE (continued)

Makes Required Reserve Deposit, Pays Down Deferrals, and Funds New Programs
When the minimum funding requirement is growing quickly, the Constitution requires the state to deposit some of the available funding into a statewide reserve account for schools and community colleges. Under the June 2021 budget plan, the total required deposit is $4.5 billion—$1.9 billion in 2020-21 and $2.6 billion in 2021-22. The largest discretionary allocation of Proposition 98 funding is $12.5 billion to pay down the deferrals the state adopted as part of the June 2020 budget plan. Beginning in 2021-22, schools and community colleges will receive all of their funding according to the regular monthly payment schedule. The budget allocates the remaining funds for significant one-time and ongoing program increases. For schools, these augmentations focus on providing academic support for disadvantaged students, reopening schools and addressing learning loss, enhancing the education workforce, and implementing new curriculum or instructional practices in certain subjects. The community college augmentations focus on increasing the number of full-time faculty, addressing deferred maintenance at campus facilities, and funding basic student needs (including mental health services). The budget also provides a 5.07 percent baseline increase for the primary school and community college funding formulas.

Eliminates Supplemental Payments but Establishes Multiyear Plan to Fund Universal Transitional Kindergarten
Trailer legislation adopted in June 2020 would have required the state to make payments to schools and community colleges on top of the minimum funding requirement beginning in 2021-22. These supplemental payments were intended to accelerate the recovery of school funding from the decline the state anticipated last June. In recognition of the significant revenue increases (and ensuing increases in the guarantee) that have occurred since that time, the June 2021 budget plan repeals these payments. The budget, however, makes another commitment that will increase funding for schools—above the existing minimum requirement—on an ongoing basis. Specifically, it establishes a plan to make all four-year olds eligible for Transitional Kindergarten by 2025-26. (Currently, only children born between September 2 and December 2 are eligible.) The Legislature and the Governor have reached an agreement to cover the associated costs—approximately $2.7 billion at full implementation—by adjusting the Proposition 98 formulas to increase the share of General Fund revenue allocated to schools.

Meanwhile, new COVID variants continue to wreak havoc on school re-openings throughout California, as infection rates are on the rise. Complicating matters more is the new requirement that quarantined students no longer have the option of distance learning, but must instead be enrolled in independent study. All independent study programs have to demonstrate satisfactory educational progress, provide a plan for synchronous instruction, reflect grade-level standards, develop procedures for re-engaging students who are having trouble participating and provide a plan to transition students back to in-person instruction when their families wish to do so. The trailer bill language also addressed communication with students and families, the requirements of written independent study agreements and resources that must be provided to students. Districts can seek a waiver but only if certain conditions are met.

All of these factors were considered in preparing the Oxnard School District budget for the 2021-22 fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the Districts accountability for the money it receives. If you have questions about this report or need additional information contact the Assistant Superintendent of Budget and Fiscal Services, Oxnard School District, 1051 South A Street, Oxnard, California 93030 or at (805) 385-1501.

OXNARD SCHOOL DISTRICT
Statement of Net Position
June 30, 2021

	Total Governmental Activities
ASSETS	
Deposits and investments	$ 96,998,686
Accounts receivable	33,878,296
Capital assets:	
Non-depreciable assets	80,125,271
Depreciable assets	402,536,469
Less accumulated depreciation	(81,480,586)
Total assets	532,444,178
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on refunding	13,578,777
Deferred outflows related to OPEB	28,472,148
Deferred outflows related to pensions	59,953,740
Total deferred outflows of resources	102,004,665
LIABILITIES	
Accounts payable	19,438,914
Unearned revenues	2,732,369
Long-term liabilities other than pensions:	
Due within one year	9,638,660
Due after one year	413,008,495
Net pension liability	224,988,559
Total liabilities	669,806,997
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	10,740,949
Deferred inflows related to pensions	15,447,882
Total deferred inflows of resources	26,188,831
NET POSITION	
Net investment in capital assets	130,551,069
Restricted for:	
Capital projects	17,352,282
Debt service	16,578,868
Student activity	173,621
Categorical programs	10,568,222
Unrestricted	(236,771,047)
Total net position	$ (61,546,985)

OXNARD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities					
Instructional Services:					
Instruction	$ 143,992,348	$ 168,009	$ 33,253,721	$ 7,324,488	$ (103,246,130)
Instruction-Related Services:					
Supervision of instruction	6,084,022	589	2,194,182	-	(3,889,251)
Instructional library, media and technology	1,430,079	2	844,257	-	(585,820)
School site administration	12,231,730	21	986,740	-	(11,244,969)
Pupil Support Services:					
Home-to-school transportation	4,267,535	575	2,404,982	-	(1,861,978)
Food services	11,305,799	15,184	12,472,551	-	1,181,936
All other pupil services	24,017,616	13,692	12,014,819	-	(11,989,105)
General Administration:					
Data processing	6,495,241	-	4,382,037	-	(2,113,204)
All other general administration	11,425,402	2,228	2,730,951	-	(8,692,223)
Plant Services	19,237,149	133,881	2,416,096	-	(16,687,172)
Ancillary Services	32,096	-	4,666	-	(27,430)
Community Services	113,050	-	-	-	(113,050)
Interest on Long-term Debt	10,190,168	-	-	-	(10,190,168)
Other Outgo	3,381,377	455,965	1,008,819	-	(1,916,593)
Total governmental activities	$ 254,203,612	$ 790,146	$ 74,713,821	$ 7,324,488	(171,375,157)

General Revenues:	
Property taxes	45,544,957
Federal and state aid not restricted to specific purposes	143,293,802
Interest and investment earnings	246,069
Miscellaneous	3,105,460
Total general revenues	192,190,288
Change in net position	20,815,131
Net position - July 1, 2020, as originally stated	(82,563,167)
Adjustment for restatement (see Note 12)	201,051
Net position - July 1, 2020	(82,362,116)
Net position - June 30, 2021	$ (61,546,985)

OXNARD SCHOOL DISTRICT

Balance Sheet – Governmental Funds

June 30, 2021

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Deposits and investments	$ 50,942,681	$ 9,888,665	$ 16,569,628	$ 19,597,712	$ 96,998,686
Accounts receivable	29,621,489	22,474	11,798	4,222,535	33,878,296
Due from other funds	1,212,125	20,000,000	-	-	21,212,125
Inventories	219,783	-	-	166,259	386,042
Total Assets	$ 81,996,078	$ 29,911,139	$ 16,581,426	$ 23,986,506	$ 152,475,149
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 14,999,392	$ 87,098	$ 2,558	$ 427,231	$ 15,516,279
Due to other funds	20,000,000	-	-	1,212,125	21,212,125
Unearned revenue	2,732,369	-	-	-	2,732,369
Total Liabilities	37,731,761	87,098	2,558	1,639,356	39,460,773
Fund Balances					
Nonspendable	239,783	-	-	166,465	406,248
Restricted	6,890,269	29,824,041	16,578,868	21,037,391	74,330,569
Committed	-	-	-	1,143,294	1,143,294
Assigned	24,267,872	-	-	-	24,267,872
Unassigned	12,866,393	-	-	-	12,866,393
Total Fund Balances	44,264,317	29,824,041	16,578,868	22,347,150	113,014,376
Total Liabilities and Fund Balances	$ 81,996,078	$ 29,911,139	$ 16,581,426	$ 23,986,506	$ 152,475,149

OXNARD SCHOOL DISTRICT

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

Total fund balances - governmental funds			$ 113,014,376
Amounts reported for governmental activities in the statement of net position are different because capital assets used for governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is $482,661,740 and the accumulated depreciation is ($81,480,586).			401,181,154
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmatured interest owing at the end of the period was:			(3,922,635)
In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
	Certificates of participation payable	7,934,318	
	Energy retrofit agreement	2,754,650	
	Compensated absences payable	2,455,877	
	Early retirement incentives	1,614,002	
	General obligation bonds payable	297,530,789	(312,289,636)
Deferred amounts on refunding represent amounts paid to an escrow agent in excess of the outstanding debt at the time of the payment for refunded bonds which have been defeased. In the government-wide statements it is recognized as a deferred outflow of resources. The remaining deferred amounts on refunding at the end of the period were:			13,578,777
The net pension liability is not due and payable in the current reporting period, and therefore is not reported as a liability in the fund financial statements.			(224,988,559)
The net OPEB liability is not due and payable in the current reporting period, and therefore is not reported as a liability in the fund financial statements.			(110,357,519)
In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported. Deferred inflows and outflows relating to OPEB for the period were:			
	Deferred outflows of resources	28,472,148	
	Deferred inflows of resources	(10,740,949)	17,731,199
In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported. Deferred inflows and outflows relating to pensions for the period were:			
	Deferred outflows of resources	59,953,740	
	Deferred inflows of resources	(15,447,882)	44,505,858
Total net position - governmental activities			$ (61,546,985)

OXNARD SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds
For the Fiscal Year Ended June 30, 2021

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
LCFF sources	$ 167,476,463	$ -	$ -	$ 1,000,000	$ 168,476,463
Federal sources	30,673,073	-	-	11,633,773	42,306,846
Other state sources	28,735,933	7,267,950	97,125	2,638,943	38,739,951
Other local sources	14,313,207	111,359	15,897,604	1,395,363	31,717,533
Total Revenues	241,198,676	7,379,309	15,994,729	16,668,079	281,240,793
EXPENDITURES					
Current:					
Instruction	133,358,190	-	-	1,149,481	134,507,671
Instruction-Related Services:					
Supervision of instruction	5,224,138	-	-	393,071	5,617,209
Instructional library, media and technology	1,155,134	-	-	-	1,155,134
School site administration	11,051,241	-	-	-	11,051,241
Pupil Support Services:					
Home-to-school transportation	4,092,070	-	-	-	4,092,070
Food services	449,644	-	-	9,872,784	10,322,428
All other pupil services	22,749,041	-	-	-	22,749,041
Ancillary services	-	-		32,096	32,096
Community Services	44,361	-	-	-	44,361
General Administration Services:					
Data processing services	6,379,420	-	-	-	6,379,420
Other general administration	10,320,609	-	-	22,028	10,342,637
Plant Services	15,938,668	-	-	253,862	16,192,530
Transfer of Indirect Costs	(572,776)	-	-	572,776	-
Capital Outlay	549,242	3,291,952	-	1,124,945	4,966,139
Intergovernmental Transfers	2,322,496	-	-	-	2,322,496
Debt Service:					
Issuance costs	-	180,000	878,881	-	1,058,881
Principal	317,808	-	5,995,000	-	6,312,808
Interest	94,297	159,918	9,318,529	-	9,572,744
Total Expenditures	213,473,583	3,631,870	16,192,410	13,421,043	246,718,906
Excess (Deficiency) of Revenues Over (Under) Expenditures	27,725,093	3,747,439	(197,681)	3,247,036	34,521,887
OTHER FINANCING SOURCES (USES)					
Interfund transfers in	-	-	-	1,000,000	1,000,000
Interfund transfers out	(1,000,000)	-	-	-	(1,000,000)
Issuance of debt - general obligation bonds	-	10,995,135	-	-	10,995,135
Issuance of debt - general obligation refunding bonds	-	-	90,775,000	-	90,775,000
Premiums on issuance of debt	-	-	948,834	-	948,834
Transfer to escrow agent for defeased debt	-	-	(89,990,216)	-	(89,990,216)
Total Other Financing Sources and Uses	(1,000,000)	10,995,135	1,733,618	1,000,000	12,728,753
Net Change in Fund Balances	26,725,093	14,742,574	1,535,937	4,247,036	47,250,640
Fund Balances, July 1, 2020, as originally stated	17,539,224	15,081,467	15,042,931	17,899,063	65,562,685
Adjustment for Restatement (Note 12)	-	-	-	201,051	201,051
Fund Balances, July 1, 2020, as restated	17,539,224	15,081,467	15,042,931	18,100,114	65,763,736
Fund Balances, June 30, 2021	$ 44,264,317	$ 29,824,041	$ 16,578,868	$ 22,347,150	$ 113,014,376

OXNARD SCHOOL DISTRICT

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the Fiscal Year Ended June 30, 2021

Total net change in fund balances - governmental funds		$ 47,250,640
Amounts reported for governmental *activities* in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:		
Expenditures for capital outlay	5,301,246	
Depreciation expense	(6,586,768)	(1,285,522)
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reduction of liabilities. Expenditures for repayment of the principal portion of long-term debt were:		83,422,808
In governmental funds, proceeds from debt are recognized as other financing sources. In the government-wide statements, proceeds from debt are reported as an increase to liabilities. Amounts recognized in the governmental funds as proceeds from debt net of premiums were:		(102,718,969)
The amounts paid to the refunded bond escrow agent in excess of the refunded bond at the time of payment are recorded as deferred amounts on the refunding and are amortized over the life of the liability. Deferred amounts on refunding exceeded the amount amortized during the year by:		9,586,547
In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain or loss is:		(2,501)
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:		365,261
In the statement of activities, compensated absences 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 year, vacation leave earned exceeded the amounts paid by:		(215,256)
In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current resources. In the government-wide statement of activities, however, this is recorded as interest expense for the period.		(950,508)
In governmental funds, if debt is issued at a premium or discount, the premium or discount is recognized as an other financing source or an other financing use in the period it is incurred. In the government-wide statements, the premium is amortized as interest over the life of the debt. Net amortization of premium or discount for the period is:		3,261,491
In the government-wide statements, expenses must be accrued in connections with any liabilities incurred during the period that are not expected to be liquidated with current financial resources, in addition to compensated absences and long-term debt. Examples include special termination benefits such as early retirement incentives financed over time. This year, expenses for such obligations were:		807,001
In governmental funds, OPEB expenses are recognized when employer contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was:		(3,783,044)
In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:		(14,922,817)
Change in net position of governmental activities		$ 20,815,131

OXNARD SCHOOL DISTRICT
Statement of Fiduciary Net Position
June 30, 2021

	Trust Fund
	Retiree Benefits Fund
Assets	
Deposits and investments	$ 7,111,740
Accounts receivable	3,779,539
Total Assets	10,891,279
Liabilities	
Accounts payable	$ -
Total Liabilities	-
Net Position	
Restricted for postemployment benefits	$ 10,891,279

OXNARD SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2021

	Trust Fund
	Retiree Benefits Fund
ADDITIONS	
Interest	$ 30,287
In-district contributions	3,776,658
Total Additions	3,806,945
DEDUCTIONS	
Operating expenditures	3,621,620
Total Deductions	3,621,620
Net Increase (Decrease)	185,325
Net position - July 1, 2020	10,705,954
Net position - June 30, 2021	$ 10,891,279

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Oxnard School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The following is a summary of the more significant policies:

A. Reporting Entity

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, and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities of the District.

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. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

The District has identified no organizations that are required to be reported as component units.

B. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

District-Wide Financial Statements
The Statement of Net Position and the Statement of Activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) 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, including all taxes, are presented as general revenues.

Fund Financial Statements
The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental* and *fiduciary* - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

1. Basis of Presentation (continued)

Major Governmental Funds
The District reports the following major governmental funds:

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

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

Bond Interest and Redemption Fund: This fund is used for the repayment of bonds issued for the District (*Education Code* sections 15125-15262).

Non-Major Governmental Funds
The District maintains the following non-major governmental funds:

Special Revenue Funds: Special revenue funds are established 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 District maintains a separate fund for each school that operates an ASB fund, whether it is organized or not.

Child Development Fund: This fund is used to account separately for federal, state, and local revenues to operate child development programs.

Cafeteria Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code* sections 38090 and 38093).

Deferred Maintenance Fund: This fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (*Education Code* Section 17582).

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

Capital Facilities Fund: This fund is used to primarily account separately for moneys received from fees levied on development projects as a condition of approval (*Education Code* sections 17620-17626 and *Government Code* Section 65995 et seq.).

County School Facilities Fund: This fund is used primarily to account 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 17070.10 et seq.).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

1. Basis of Presentation (continued)

Non-Major Governmental Funds (continued)

Fiduciary Funds
Fiduciary funds are used to account for assets held in a trustee or custodial capacity for others that cannot be used to support the District's own programs. The key distinction between trust and custodial funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held. The District maintains the following fiduciary funds:

Retiree Benefit Fund: This fund exists to account separately for amounts held in trust from salary reduction agreements, other irrevocable contributions for employees' retirement benefit payments, or both.

2. Measurement Focus, Basis of Accounting
The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resource or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

As a general rule the effect of interfund activity has been eliminated from the District-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

3. 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. Generally, available is defined as collectible within 60 days. However, to achieve comparability of reporting among California districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state-aid apportionments, the California Department of Education has defined available for districts as collectible within one year. 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

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

C. Budgetary Data
The budgetary process is prescribed by provisions of the California *Education Code* and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. 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. For budget purposes, on behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

D. Encumbrances
Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents
The District considers cash and cash equivalents to be cash on hand and demand deposits. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

2. Inventories and Prepaid Items
Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

3. Capital Assets
Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Buildings and Improvements	25-40 years
Land Improvements	14-30 years
Furniture and Equipment	5-15 years

4. Unearned Revenue
Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

5. Deferred Outflows/Inflows of Resources
In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

6. Compensated Absences
The liability for compensated absences reported in the District-wide statements consists of unpaid, accumulated annual and vacation leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

7. 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 CalSTRS Medicare Premium Payment (MPP) Program and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, the Plans recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

8. 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 District's California State Teachers Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) plans and addition 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. Investments are reported at fair value.

9. Fund Balances
The fund balance for Governmental Funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable: Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

Committed: The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

10. Net Position
Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

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

F. Minimum Fund Balance Policy
The District has adopted a formal minimum fund balance policy, as recommended by GASB Statement No. 54; the District follows the guidelines recommended in the Criteria and Standards of Assembly Bill (AB) 1200, which recommend a Reserve for Economic Uncertainties consisting of unassigned amounts equal to no less than three percent of total General Fund expenditures and other financing uses.

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.

G. Property Tax Calendar
The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. The Board of Supervisors levies property taxes as of September 1 on property values assessed on July 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and is delinquent with penalties on December 10, and the second is generally due on February 1 and is delinquent with penalties on April 10. Secured property taxes become a lien on the property on January 1.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. New GASB Pronouncements

The following Statements have been implemented as of June 30, 2021:

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

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

2. In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests-An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

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

   This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit.

   The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Future Accounting Pronouncements

GASB pronouncements which will be effective in future periods, are as follows:

1. 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 reporting periods beginning after June 15, 2021.

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

   This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

   As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

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

   The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

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

   The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Future Accounting Pronouncements (continued)

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

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

   The requirements of this Statement are effective as follows:

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

   Earlier application is encouraged and is permitted by topic.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Future Accounting Pronouncements (continued)

5. In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates.* Some governments have entered into agreements in which variable payments made or received depending on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

   The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

6. In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

   The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

NOTE 2 – DEPOSITS AND INVESTMENTS

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

Governmental funds/activities	$ 96,998,686
Fiduciary funds	7,111,740
Total deposits and investments	$ 104,110,426

Deposits and investments as of June 30, 2021 consist of the following:

Cash on hand and in banks	$ 173,621
Cash in revolving fund	20,206
Investments	103,916,599
Total deposits and investments	$ 104,110,426

Pooled Funds
In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the County Treasury. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited annually to participating funds. Any investment losses are proportionately shared by all funds in the pool.

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Pooled Funds (continued)
Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2021, the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

Custodial Credit Risk – Deposits
Custodial credit risk 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. Cash balances held in banks are insured up to $250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, 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 agencies. 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, $444,436 of the District's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agency, but not in the name of the District.

Investments - Interest Rate Risk
The District's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District's investment policy limits investment purchases to investments with a term not to exceed three years. Investments purchased with maturity terms greater than three years require approval by the Board of Education. Investments purchased with maturities greater than one year require written approval by the Superintendent prior to commitment.

Maturities of investments held at June 30, 2021, consisted of the following:

		Maturity			
	Fair Value	Less Than One Year	One Year Through Five Years	Fair Value Measurement	Rating
Investment maturities:					
Cash in county treasury	$ 103,909,826	$ 103,909,826	-	uncategorized	N/A
First American Government Obligation Fund	6,773	6,773	-	Level 1	AAA
Total	$ 103,916,599	$ 103,916,599	$ -		

Investments - Credit Risk
The District's investment policy limits investment choices to obligations of local, state and federal agencies, commercial paper, certificates of deposit, repurchase agreements, corporate notes, banker acceptances, and other securities allowed by State Government Code Section 53600. At June 30, 2021, all investments represented governmental securities which were issued, registered and held by the District's agent in the District's name.

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Investments - Concentration of Credit Risk
The District does not place limits on the amount it may invest in any one issuer. At June 30, 2021, the District had the following investment that represents more than five percent of the District's net investments, excluding cash in the county treasury.

First American Government Obligation Fund	100%

Fair Value Measurements
The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value.

The following provides a summary of the hierarchy used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 – Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that date if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized – Investments in the Ventura County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at $1.00 net asset value per share.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2021, consisted of the following:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds	Retiree Benefits Fund
LCFF sources	$ 14,747,097	$ -	$ -	$ -	$ 14,747,097	$ -
Federal Government:						
Categorical aid programs	3,196,473	-	-	-	3,196,473	-
Special education	3,471,609	-	-	-	3,471,609	-
Child nutrition	-	-	-	3,141,505	3,141,505	-
State Government:						
Special education	514,919	-	-	-	514,919	-
Child nutrition	-	-	-	889,349	889,349	-
Lottery	1,017,571	-	-	-	1,017,571	-
Categorical aid programs	2,719,634	-	-	172,358	2,891,992	-
Local:						
Interest	28,933	22,474	11,798	19,323	82,528	2,881
Transfers of apportionment	3,674,053	-	-	-	3,674,053	-
Other local	251,200	-	-	-	251,200	3,776,658
Totals	$ 29,621,489	$ 22,474	$ 11,798	$ 4,222,535	$ 33,878,296	$ 3,779,539

NOTE 4 – INTERFUND ACTIVITIES

A. Balances Due To/From Other Funds

Balances due/to other funds at June 30, 2021, consisted of the following:

	Due from Other Funds		
	General Fund	Building Fund	Total Governmental Funds
General Fund	$ -	$ 20,000,000	$ 20,000,000
Non-Major Governmental Funds	1,212,125	-	1,212,125
Totals	$ 1,212,125	$ 20,000,000	$ 21,212,125

General Fund due to Building Fund for a short-term loan to cover cash shortage due to June deferral of apportionment	$ 20,000,000
Capital Facilities Fund due to General Fund for the 3% admin fee charged on developer fees collected during the year	18,248
Cafeteria Fund due to General Fund for indirect costs and publication charges to General Fund	1,119,615
Child Development Fund due to General Fund for indirect costs and publication charges to General Fund	74,262
Total	$ 21,212,125

B. Transfers To/From Other Funds

Transfers to/from other funds during the year ended June 30, 2021, consisted of the following:

General Fund transfer to Deferred Maintenance Fund as a contribution from General Fund for LCFF Contribution	$ 1,000,000

NOTE 5 – FUND BALANCES

At June 30, 2021, fund balances of the District's governmental funds were classified as follows:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total
Nonspendable:					
Revolving cash	$ 20,000	$ -	$ -	$ 206	$ 20,206
Stores inventories	219,783	-	-	166,259	386,042
Total Nonspendable	239,783	-	-	166,465	406,248
Restricted:					
Categorical programs	6,890,269	-	-	524,053	7,414,322
Student activities	-	-	-	173,621	173,621
Food service	-	-	-	2,987,435	2,987,435
Capital projects	-	29,824,041	-	17,352,282	47,176,323
Debt service	-	-	16,578,868	-	16,578,868
Total Restricted	6,890,269	29,824,041	16,578,868	21,037,391	74,330,569
Committed:					
Deferred maintenance program	-	-	-	1,143,294	1,143,294
Total Committed	-	-	-	1,143,294	1,143,294
Assigned:					
Textbook set-aside	2,000,000	-	-	-	2,000,000
1x funds building maintenance	1,542,000	-	-	-	1,542,000
Pandemic learning and recovery	20,575,872	-	-	-	20,575,872
Bus replacement	150,000	-	-	-	150,000
Total Assigned	24,267,872	-	-	-	24,267,872
Unassigned:					
Reserve for economic uncertainties	12,866,393	-	-	-	12,866,393
Total Unassigned	12,866,393	-	-	-	12,866,393
Total	$ 44,264,317	$ 29,824,041	$ 16,578,868	$ 22,347,150	$ 113,014,376

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

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

	Balance, July 1, 2020	Additions	Retirements	Balance, June 30, 2021
Capital assets not being depreciated:				
Land	$ 36,289,804	$ -	$ -	$ 36,289,804
Construction in progress	118,542,979	1,113,654	75,821,166	43,835,467
Total capital assets not being depreciated	154,832,783	1,113,654	75,821,166	80,125,271
Capital assets being depreciated:				
Improvement of sites	30,534,432	287,375	-	30,821,807
Buildings	281,120,586	79,192,273	-	360,312,859
Equipment	10,881,548	529,110	8,855	11,401,803
Total capital assets being depreciated	322,536,566	80,008,758	8,855	402,536,469
Accumulated depreciation for:				
Improvement of sites	(13,860,705)	(879,238)	-	(14,739,943)
Buildings	(53,966,677)	(5,164,016)	-	(59,130,693)
Equipment	(7,072,790)	(543,514)	(6,354)	(7,609,950)
Total accumulated depreciation	(74,900,172)	(6,586,768)	(6,354)	(81,480,586)
Total capital assets being depreciated, net	247,636,394	73,421,990	2,501	321,055,883
Governmental activity capital assets, net	$ 402,469,177	$ 74,535,644	$ 75,823,667	$ 401,181,154

Depreciation expense is allocated to the following functions in the Statement of Activities:

Instruction	$ 3,627,688
Instructional Supervision and Administration	132,524
Instructional Library, Media and Technology	65,534
School Site Administration	320,232
Home-to-School Transportation	65,534
Food Services	263,595
All other Pupil Services	132,525
Community Services	65,534
All Other General Administration	198,060
Centralized Data Processing	65,534
Plant Services	1,650,008
	$ 6,586,768

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS

Changes in long-term debt for the year ended June 30, 2021, were as follows:

	Balance, July 1, 2020	Additions	Deductions	Balance, June 30, 2021	Amount Due Within One Year
General Obligation Bonds:					
Principal repayments	$ 259,544,093	$ 101,770,135	$ 83,105,000	$ 278,209,228	$ 7,625,000
Accreted interest component	6,815,122	950,508	-	7,765,630	-
Unamortized issuance premium	13,969,169	948,834	3,288,796	11,629,207	880,494
Unamortized issuance discount	(97,854)	-	(24,578)	(73,276)	(4,392)
Total - Bonds	280,230,530	103,669,477	86,369,218	297,530,789	8,501,102
Certificates of Participation					
Principal repayments	8,000,000	-	-	8,000,000	-
Unamortized issuance discount	(68,409)	-	(2,727)	(65,682)	(2,727)
Total - Certificates of Participation	7,931,591	-	(2,727)	7,934,318	(2,727)
Energy Retrofit Agreement	3,072,458	-	317,808	2,754,650	333,284
Compensated Absences	2,240,621	215,256	-	2,455,877	-
Early retirement incentive	2,421,003	-	807,001	1,614,002	807,001
Other Postemployment Benefits (OPEB)	85,180,448	30,141,863	4,964,792	110,357,519	-
Totals	$ 381,076,651	$ 134,026,596	$ 92,456,092	$ 422,647,155	$ 9,638,660

Payments for general obligation bonds are made by the Bond Interest and Redemption Fund. Certificates of participation payments will be made by the Capital Facilities Funds and the Building Fund. Accumulated vacation, retirement incentives, other postemployment benefits, and net pension liabilities will be paid for by the fund for which the employee worked. Lease payments for the Energy Retrofit Agreement are paid for by the General Fund.

A. General Obligation Bonds

General Obligation Bonds - Measure M6
On November 7, 2006, the District received authorization to issue $64 million in general obligation bonds. The Bonds were authorized in order to replace portable classrooms and relieve student overcrowding by building and equipping new classrooms and educational facilities.

General Obligation Bonds - Measure R
Bonds were authorized at an election of the registered voters of the District held on November 6, 2012 at which more than 55 percent of the voters authorized the issuance and sale of general obligation bonds not to exceed $90 million. The bonds are general obligations of the District. The bonds will be issued to finance the acquisition, construction, and modernization of school facilities and to pay costs of the issuance of the bonds.

Election 2016 – Measure D
On November 8, 2016, the voters of the District approved Measure D authorizing the District to issue up to $142.5 million general obligation bonds for the purpose of financing the renovation, construction and improvement of school facilities.

Prior-Year Defeasance of Debt
In prior years, the District defeased certain general obligation bonds by placing the proceeds of new refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2021 $24,020,000 of the 2019 defeased bonds remain outstanding.

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

A. General Obligation Bonds (continued)

2021 General Obligation Refunding Bonds
On September 3, 2020, the District issued $90,775,000 of General Obligation Refunding Bonds. The bonds bear fixed interest rates ranging between 0.407% and 2.757% with annual maturities from August 1, 2021, through August 1, 2044. The net proceeds of $89,989,216.37 (after issuance costs and underwriter's discount and insurance of $784,783.63) were used to prepay outstanding general obligation bonds of the District

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered defeased, and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred amounts on refunding on the Statement of Net Position and are amortized to interest expense over the life of the liability. Deferred amounts on refunding as of June 30, 2021, of $13,578,777 remain to be amortized for all refundings. As of June 30, 2021, the principal balance outstanding on the defeased debt amounted to $77,110,000. Total savings in debt service payments on the refunding was $9,006,928. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of $6,798,363.

The County is obligated to levy ad valorem taxes upon all property within the District for the payment of interest and principal of the bonds.

A summary of the District's outstanding general obligation bonds is below:

Bond	Interest Rate	Date of Issue	Maturity Date	Amount of Original Issue	Outstanding, July 1, 2020	Additions	Redeemed During Year	Advanced Refunded During Year	Outstanding, June 30, 2021
Measure M6 (2006)									
Series B	3.0% to 5.74%	7/11/2008	7/1/2033	$ 31,997,467	$ 7,077,467	$ -	$ -	$ -	$ 7,077,467
Measure R (2012)									
Series A	2.0% to 5.0%	12/27/2012	8/1/2043	18,390,000	11,170,000	-	265,000	-	10,905,000
Series B	3.375% to 5.0%	5/30/2013	8/1/2043	25,500,000	19,510,000	-	-	18,340,000	1,170,000
Series C	3.625% to 5.75%	11/5/2014	8/1/2044	15,750,000	15,750,000	-	-	13,725,000	2,025,000
Series D	2.0% to 5.25%	8/4/2015	8/1/2040	30,360,000	29,335,000	-	215,000	25,045,000	4,075,000
Measure D (2016)									
Series A	3.5% to 5.0%	3/30/2018	8/1/2046	81,000,000	81,000,000	-	-	-	81,000,000
Series B	3.0 to 5.0%	3/29/2019	8/1/2041	13,996,626	12,931,626	-	-	-	12,931,626
Series C	3.0 to 4.0%	12/15/2020	8/1/2050	10,995,135	-	10,995,135	-	-	10,995,135
Refunding Issues									
2001 Ref., Ser. A	3.9% to 5.75%	8/15/2001	8/1/2030	20,920,000	1,985,000	-	920,000	-	1,065,000
2010 Ref.	2.0% to 5.0%	3/7/2011	8/1/2023	10,750,000	3,850,000	-	1,225,000	1,590,000	1,035,000
2011 Ref.	2.0% to 5.0%	7/14/2011	8/1/2027	7,275,000	995,000	-	30,000	655,000	310,000
2012 Ref.	2.0% to 5.0%	7/2/2012	8/1/2033	12,240,000	11,700,000	-	100,000	10,420,000	1,180,000
2014 Ref.	4.0% to 5.0%	6/19/2014	8/1/2027	11,835,000	8,490,000	-	890,000	1,235,000	6,365,000
2015 Ref.	2.0% to 5.0%	5/6/2015	8/1/2036	14,305,000	14,125,000	-	-	6,100,000	8,025,000
2016 Ref.	1.25% to 4.0%	9/27/2016	8/1/2026	16,360,000	14,410,000	-	1,605,000	-	12,805,000
2019 Ref.	1.86% to 3.5%	12/5/2019	8/1/2043	27,215,000	27,215,000	-	745,000	-	26,470,000
2020 Ref.	0.407%-2.757%	9/3/2020	8/1/2044	90,775,000	-	90,775,000	-	-	90,775,000
					$ 259,544,093	$ 101,770,135	$ 5,995,000	$ 77,110,000	$ 278,209,228
			Accreted Interest:						
				2006, Ser.B	6,544,261	792,415	-	-	7,336,676
				2016. Ser. B.	270,861	155,840	-	-	426,701
				2016, Ser. C	-	2,253	-	-	2,253
					$ 6,815,122	$ 950,508	$ -	-	$ 7,765,630

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

A. General Obligation Bonds (continued)
The annual requirements to amortize general obligation bonds outstanding as of June 30, 2021, are as follows:

Fiscal Year	Principal	Interest
2021-2022	$ 7,625,000	$ 8,994,382
2022-2023	6,844,412	8,856,363
2023-2024	8,014,480	8,688,118
2024-2025	8,506,024	8,488,124
2025-2026	9,542,910	8,239,315
2026-2031	48,202,324	46,384,804
2031-2036	48,851,000	39,866,694
2036-2041	57,687,035	22,779,852
2041-2046	54,271,043	11,711,269
2046-2051	28,665,000	2,277,450
Total	$ 278,209,228	$ 166,286,371

B. Certificates of Participation

2016 Certificates of Participation
On April 7, 2016, the District issued $8,000,000 of Certificates of Participation through the Public Property Financing Corporation of California. The certificates bear an initial interest rate of 2.00% with a 5.00% step-up interest rate that commences August 1, 2021. The certificates were issued as term certificates due August 1, 2045, with annual mandatory sinking fund payments due on August 1 of each year beginning in 2022 until maturity. The proceeds of the certificates are being used to finance the acquisition and improvement of real property for use by the District as educational facilities. At June 30, 2021, the principal balance outstanding was $8,000,000.

The annual requirements to amortize all outstanding certificates are as follows:

Fiscal Year	Principal	Interest
2021-2022	$ -	$ 280,000
2022-2023	180,000	395,500
2023-2024	190,000	386,250
2024-2025	200,000	376,500
2025-2026	210,000	366,250
2026-2031	1,210,000	1,718,625
2031-2036	1,545,000	1,316,875
2036-2041	1,960,000	849,750
2041-2046	2,505,000	355,875
Total	$ 8,000,000	$ 6,045,625

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

C. Energy Retrofit Agreement

On July 17, 2012, the District entered into an equipment lease/purchase agreement with Banc of America Public Capital Corp. for the acquisition of an energy efficiency program and corresponding equipment. The acquisition amount was $4,797,640 with a contract rate of 2.98% and total payments of $6,140,842.

Annual payments on the lease agreement are shown below:

Fiscal Year	Principal	Interest
2021-2022	$ 333,284	$ 79,624
2022-2023	350,490	69,565
2023-2024	369,416	58,980
2024-2025	390,063	47,819
2025-2026	412,435	36,030
2026-2028	898,962	33,921
	$ 2,754,650	$ 325,939

D. Early Retirement Incentive

The District has established a supplemental early retirement incentive program (SERP) whereby certain qualified employees may retire early and receive a portion of their salary paid out as an annuity. The total future payments owing at June 30, 2021, for these obligations are shown below:

Future Years	Amount
2021-2022	$ 807,001
2022-2023	807,001
	$ 1,614,002

E. Other Postemployment Benefits (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 plans:

Pension Plan	Net OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 109,381,267	$ 28,472,148	$ 10,740,949	$ 109,381,267
MPP Program	976,252	-	-	95,939
Total	$ 110,357,519	$ 28,472,148	$ 10,740,949	$ 109,477,206

The details of each plan are as follows:

District Plan

Plan Description

Oxnard School District's single-employer defined benefit provides post-employment benefits other than pensions (OPEB) to employees who meet certain criteria. The District provides post-employment healthcare benefits to eligible retirees and their covered eligible dependents and pays a portion of the cost. All active employees who retire directly from the District and meet the eligibility criteria may participate.

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

E. Other Postemployment Benefits (OPEB) Liability (continued)

District Plan (continued)

Benefits Provided
The postretirement health plans and the District's obligation vary by employee group as described below.

	OEA	CSEA	Management	OSSA
Benefit Types Provided	Medical, dental, and vision	Medical, dental, and vision	Medical, dental, and vision	Medical, dental, and vision
Duration of Benefits	To age 69	To Age 65(1)	To age 69	To age 65(1)
Required Service	8 years(2)	15 years(3)	8 years(2)	8 years(2)
Minimum Age	55	55	55	55
Dependent Coverage	No(4)	Yes	Yes	No(4)
District Contribution %	100%	100%	100%	100%
District Cap	None	Premium rate at retirement(5)	None	None

(1)To age 69 if hired before 8/1/05 for CSEA and 7/1/06 for OSSA
(2)This is the requirement for Oxnard School District. Also requires 15 years in California Public Schools
(3)For those hired before 8/1/05, 8 years with OSD and 15 years in California Public Schools
(4)Contract language allows "employee-only" premium. District currently pays a composite rate that includes dependents.
(5)Affects CSEA members who were employed on or after 8/1/05

The Plan provides medical, dental, and vision benefits for retirees. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the plan. Article 4 of the Trust By-Laws grants the authority to establish and amend the benefit terms to the Trust Board.

Employees Covered by Benefit Terms
At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	239
Active employees	1,006
Total	1,245

Total OPEB Liability
The District's total OPEB liability of $109,381,267 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021.

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

E. Other Postemployment Benefits (OPEB) Liability (continued)

District Plan (continued)

Actuarial Assumptions and Other Inputs
The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Inflation	2.50%
Salary increases	2.75%
Healthcare cost trend rates	4.00%

Discount Rate
The discount rate used to measure the total OPEB liability was 2.16 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The discount rate in the prior valuation was 2.2 percent.

Mortality Rates
Following are the tables the mortality assumptions are based upon.

2009 CalSTRS Mortality
The mortality assumptions are based on the 2009 CalSTRS Mortality table created by CalSTRS. CalSTRS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

2009 CalPERS Retiree and Active Mortality for Miscellaneous Employees
The mortality assumptions are based on the 2009 CalPERS Retiree and Active Mortality for Miscellaneous Employees tables created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

Following are the tables the retirement and turnover assumptions are based upon.

2009 CalSTRS Retirement Rates
The retirement assumptions are based on the 2009 CalSTRS Retirement Rates table created by CalSTRS. CalSTRS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

2009 CalPERS Retirement Rates for School Employees
The retirement assumptions are based on the 2009 CalPERS Retirement Rates for School Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

E. Other Postemployment Benefits (OPEB) Liability (continued)

District Plan (continued)

Mortality Rates (continued)

2009 CalSTRS Termination Rates
The turnover assumptions are based on the 2009 CalSTRS Termination Rates table created by CalSTRS. CalSTRS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

2009 CalPERS Termination Rates for School Employees
The turnover assumptions are based on the 2009 CalPERS Termination Rates for School Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Changes in the Total OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at July 1, 2020	$ 90,785,916	$ 6,485,781	$ 84,300,135
Changes for the year:			
Service cost	5,104,422	-	5,104,422
Interest	2,008,524	27,407	1,981,117
Employer Contributions	-	4,964,792	(4,964,792)
Differences between expected and actual experience	22,613,807	-	22,613,807
Changes of assumptions	346,578	-	346,578
Benefit payments	(4,366,240)	(4,366,240)	-
Net changes	25,707,091	625,959	25,081,132
Balance at June 30, 2021	$ 116,493,007	$ 7,111,740	$ 109,381,267

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

Discount Rate	OPEB Liability
1% decrease	$ 118,760,226
Current discount rate	$ 109,381,267
1% increase	$ 100,473,488

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

Healthcare Cost Trend Rate	OPEB Liability
1% decrease	$ 95,129,372
Current trend rate	$ 109,381,267
1% increase	$ 126,276,538

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

E. Other Postemployment Benefits (OPEB) Liability (continued)

District Plan (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
The deferred outflows and inflows of resources related to changes of assumptions and differences between expected and actual experience in the measurement of the total OPEB liability 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 current measurement period is 10 years, 8.4 years for the 2018-19 and 2019-20 measurement periods and 10.2 years for the 2017-18 measurement period.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 20,374,409	$ 9,362,908
Changes of assumptions	7,782,382	1,378,041
Net difference between projected and actual earnings on OPEB plan investments	$ 315,357	$ -
Total	$ 28,472,148	$ 10,740,949

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

Year Ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 3,643,119	$ (1,954,898)
2023	3,591,126	(1,954,898)
2024	3,549,285	(1,954,898)
2025	3,521,887	(1,954,898)
2026	3,497,515	(1,954,898)
Thereafter	10,669,216	(966,459)
	$ 28,472,148	$ (10,740,949)

Medicare Premium Payment (MPP) Program

Plan Description
The MPP Program is a cost-sharing multiple-employer other postemployment benefit (OPEB) plan established pursuant to Chapter 1032, Statutes of 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefit Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019 annual actuarial valuation report, Medicare Premium Payment Program. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: https://www.calstrs.com/general-information/gasb-6768.

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

Medicare Premium Payment (MPP) Program (continued)

Benefits Provided
The MPP Program is a cost-sharing multiple-employer other postemployment benefit (OPEB) plan established pursuant to Chapter 1032, Statutes of 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefit Fund. The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the Defined Benefit Program who were retired or began receiving a disability allowance prior to July 1, 2012, and were not eligible for premium-free Medicare Part A. Members who retire on or after July 1, 2012, are not eligible for coverage under the MPP Program.

As of June 30, 2020, 5,443 retirees participated in the MPP Program; however, the number of retired members who will participate in the program in the future is unknown as eligibility cannot be predetermined.

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

Total OPEB Liability
At June 30, 2021, the District reported a liability of $976,252 for its proportionate share of the net OPEB liability for the MPP Program. The total OPEB liability for the MPP Program as of June 30, 2020, was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2019 and rolling forward the total OPEB liability to June 30, 2020. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportions of the net OPEB liability for the two most recent measurement periods were:

	Percentage Share of MPP Program		
	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020	Change Increase/ (Decrease)
Measurement Date	June 30, 2020	June 30, 2019	
Proportion of the Net OPEB Liability	0.230365%	0.236391%	-0.006026%

For the year ended June 30, 2021, the District reported OPEB expense of $95,939.

Actuarial Assumptions and Other Inputs
The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2020
Valuation Date	June 30, 2019
Experience Study	June 30, 2014 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	2.21%
Healthcare Cost Trend Rates	4.5% for Medicare Part A, and 5.4% for Medicare Part B

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

Medicare Premium Payment (MPP) Program (continued)

Actuarial Assumptions and Other Inputs (continued)
Assumptions were made about future participation (enrollment) into the MPP Program as CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' ages increase. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility but are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 294 or an average of 0.18% of the potentially eligible population of 159,339.

Actuarial Assumptions and Other Inputs (continued)
CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP– 2019) table issued by the Society of Actuaries.

Discount Rate
The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2020, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund (SMIF), which is a pooled investment program administered by the California State Treasurer.

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer's 20-Bond GO Index from Bondbuyer.com as of June 30, 2020, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2020, was 2.21%, which is a decrease of 1.29% from 3.50% as of June 30, 2019.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate
The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

Discount Rate	MPP OPEB Liability
1% decrease	$ 1,079,518
Current discount rate	$ 976,252
1% increase	$ 888,379

NOTE 7 – LONG-TERM DEBT OTHER THAN PENSIONS (continued)

E. Other Postemployment Benefits (OPEB) Liability (continued)

Medicare Premium Payment (MPP) Program (continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates
The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

Medicare Cost Trend Rates	MPP OPEB Liability
1% decrease	$ 885,200
Current trend rate	$ 976,252
1% increase	$ 1,081,068

NOTE 8 – PENSION PLANS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated 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 net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 147,307,456	$ 44,603,925	$ 12,797,038	$ 23,700,736
CalPERS	77,681,103	15,349,815	2,650,844	14,040,487
Total	$ 224,988,559	$ 59,953,740	$ 15,447,882	$ 37,741,223

The details of each plan are as follows:

A. 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: https://www.calstrs.com/general-information/gasb-6768.

NOTE 8 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Plan Description (continued)
Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated 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 net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 147,307,456	$ 44,603,925	$ 12,797,038	$ 23,700,736
CalPERS	77,681,103	15,349,815	2,650,844	14,040,487
Total	$ 224,988,559	$ 59,953,740	$ 15,447,882	$ 37,741,223

The details of each plan are as follows:

B. 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: https://www.calstrs.com/general-information/gasb-6768.

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

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and non-employer contributing entity to the STRP. The District contributes exclusively to the STRP Defined Benefit Program; thus, disclosures are not included for the other plans.

NOTE 8 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Benefits Provided(continued)
The STRP provisions and benefits in effect at June 30, 2021, are summarized as follows:

	STRP Defined Benefit Program	
	On or before	On or after
Hire Date	December 31, 2012	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 Member 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 June 2019, California Senate Bill 90 (SB 90) was signed into law and appropriated approximately $2.2 billion in fiscal year 2018–19 from the state's General Fund as contributions to CalSTRS on behalf of employers. The bill requires portions of the contribution to supplant the amounts remitted by employers such that the amounts remitted will be 1.03 and 0.70 percentage points less than the statutorily required amounts due for fiscal years 2019–20 and 2020–21, respectively. The remaining portion of the contribution, approximately $1.6 billion, was allocated to reduce the employers' share of the unfunded actuarial obligation of the Defined Benefit Program.

The contribution rates for each program for the year ended June 30, 2021, are presented above, and the District's total contributions were $13,164,174.

Pension Liabilities, Pension Expense, and 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:

District's proportionate share of net pension liability	$	147,307,456
State's proportionate share of the net pension liability associated with the District		75,937,011
Total	$	223,244,467

NOTE 8 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)
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 proportions of the net pension liability for the two most recent measurement periods were:

	Percentage Share of Risk Pool		
	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020	Change Increase/ (Decrease)
Measurement Date	June 30, 2020	June 30, 2019	
Proportion of the Net Pension Liability	0.152006%	0.152948%	-0.000942%

For the year ended June 30, 2021, the District recognized pension expense of $23,700,736. In addition, the District recognized pension expense and revenue of $2,374,268 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 13,164,174	$ -
Net change in proportionate share of net pension liability	11,178,876	6,505,511
Difference between projected and actual earnings on pension plan investments	5,636,381	2,137,204
Changes of assumptions	14,364,563	-
Differences between expected and actual experience	259,931	4,154,323
Total	$ 44,603,925	$ 12,797,038

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. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability 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 7 years.

NOTE 8 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 8,489,297	$ 4,577,707
2023	9,681,024	2,148,652
2024	8,481,383	1,888,722
2025	3,292,759	1,979,925
2026	1,228,518	1,246,203
Thereafter	266,770	955,829
Total	$ 31,439,751	$ 12,797,038

Actuarial Methods and Assumptions
The total pension liability for the 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. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.10%
Consumer Price of 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 our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP–2019) table issued by the Society of Actuaries.

The long-term investment rate of return assumption 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 investment staff and investment consultants as inputs 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.

NOTE 8 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Actuarial Methods and Assumptions (continued)
For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2020, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global Equity	42%	4.8%
Fixed Income	15%	3.6%
Real Estate	13%	6.3%
Private Equity	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%, which was unchanged from prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments and administrative expenses occur midyear. Based on those 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 the 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%)	$ 222,561,047
Current discount rate (7.10%)	147,307,456
1% increase (8.10%)	85,175,020

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 pursuant to Sections 22954 and 22955.1 of the Education Code and Public Resources Code Section 6217.5. In addition, California Senate Bill No. 90 (SB 90) was signed into law on June 27, 2019, and appropriated supplemental contributions. Under accounting principles generally accepted in the United States of America, these amounts are reported as revenues and expenditures in the fund financial statements. The total amount recognized by the District for its proportionate share of the State's on-behalf contributions is $8,593,816.

NOTE 8 – PENSION PLANS (continued)

B. California Public Employees Retirement System (CalPERS)

Plan Description
Qualified employees are eligible to participate in the Schools Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer 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 Accounting Report. 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/employers/actuarial-resources/gasb.

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:

	Schools Pool (CalPERS)	
	On or before	On or after
Hire Date	December 31, 2012	January 1, 2013
Benefit Formula	2% at 55	2% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	55	62
Monthly Benefits as a Percentage of Eligible Compensation	2.0 – 2.5%	2.0 – 2.5%
Required Employee Contribution Rate	7.00%	7.00%
Required Employer Contribution Rate	20.70%	20.70%

Contributions
The benefits for the defined benefit pension plans are funded by contributions from members, employers, non-employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. In some circumstances, contributions are made by the employer to satisfy member contribution requirements. Member and employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Non-employer contributions are not expected each year, but when provided they are accrued for. The contribution rates are expressed as a 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 $7,279,964.

NOTE 8 – PENSION PLANS (continued)

B. California Public Employees Retirement System (CalPERS) (continued)

Pension Liabilities, Pension Expense, and 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 $77,681,103. 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 proportions of the net pension liability for the two most recent measurement periods were:

	Percentage Share of Risk Pool		
	Fiscal Year Ending June 30, 2021	**Fiscal Year Ending June 30, 2020**	**Change Increase/ (Decrease)**
Measurement Date	June 30, 2020	June 30, 2019	
Proportion of the Net Pension Liability	0.253172%	0.255714%	-0.002542%

For the year ended June 30, 2021, the District recognized pension expense of $14,040,487. 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	$ 7,279,964	$ -
Net change in proportionate share of net pension liability	373,394	709,064
Difference between projected and actual earnings on pension plan investments	3,558,853	1,941,780
Changes of assumptions	284,860	-
Differences between expected and actual experience	3,852,744	-
Total	$ 15,349,815	$ 2,650,844

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. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability 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.

NOTE 8 – PENSION PLANS (continued)

B. California Public Employees Retirement System (CalPERS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 3,722,148	$ 1,754,473
2023	2,264,529	559,060
2024	1,310,348	160,624
2025	772,826	160,624
2026	-	16,063
Thereafter	-	-
Total	$ 8,069,851	$ 2,650,844

Actuarial Methods and Assumptions
Total pension liability for the Schools Pool was determined by applying update procedures to a 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
Experience Study	1997-2015
Actuarial Cost Method	Entry age normal
Discount Rate	7.15%
Consumer Price of Inflation	2.50%
Wage Growth	Varies by entry age and service

Post-retirement mortality rates are based on CalPERS experience and include 15 years of projected ongoing mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries. These tables are used to estimate the value of benefits expected to be paid for service and disability retirements. For disability retirements, impaired longevity is recognized by a separate table.

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 and forecasted information for all the funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 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.

NOTE 8 – PENSION PLANS (continued)

B. California Public Employees Retirement System (CalPERS) (continued)

Actuarial Methods and Assumptions (continued)
The target asset allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Real Return Years 1-10	Real Return Years 11+
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	(0.92%)

Discount Rate
The discount rate used to measure the total pension liability was 7.15%. The discount rate is not adjusted for administrative expenses. The fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return for the pension plan's investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 111,680,751
Current discount rate (7.15%)	77,681,103
1% increase (8.15%)	49,463,101

C. Social Security
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 Social Security as its alternative plan.

D. Payables to the Pension Plans
At June 30, 2021, the District did not have any outstanding payables for outstanding contributions to the CalSTRS and CalPERS pension plans, respectively, required for the fiscal year ended June 30, 2021.

NOTE 9 – JOINT VENTURES

The Oxnard School District participates in one joint powers agreement (JPA) entity, the Ventura County Schools Self-Funding Authority (VCSSFA). The relationship between the Oxnard School District and the JPA is such that the JPA is not a component unit of the District for financial reporting purposes.

The VCSSFA provides workers compensation, property and liability coverage for its member school districts through a varying combination of self-insurance and excess coverage. The JPA is governed by a board consisting of a representative from each member district. The governing board controls the operations of its JPA independent of any influence by the member districts beyond their representation on the governing board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to its participation in the JPA.

Condensed audited financial information for the fiscal year ended June 30, 2020, is as follows:

	VCSSFA
Assets	$ 129,162,169
Deferred Outflows of Resources	375,964
Liabilities	58,832,003
Deferred Inflows of Resources	93,186
Net Assets	$ 70,612,944
Revenues	$ 28,189,519
Expenses	35,205,446
Operating Income	(7,015,927)
Non-Operating Income	2,394,518
Change in Net Assets	$ (4,621,409)

NOTE 10 – RISK MANAGEMENT

Property and Liability and Workers' Compensation
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 participated in the Ventura County Schools Self-Funding Authority public entity risk pool for property and liability insurance coverage and workers' compensation 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 2020-21, the District participated in the Ventura County Schools Self-Funding Authority public entity risk pool for workers' compensation, with excess coverage provided by the SCRMA public entity risk pool. The District maintains a $100,000 Self-Insured Retention (SIR) amount.

Employee Medical Benefits
The District has contracted with Gold Coast Benefits Trust to provide employee health and welfare benefits.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. State and Federal Allowances, Awards, and Grants
The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

B. Litigation
The District is involved in certain legal matters that arose out of the normal course of business. The District has not accrued a liability for any potential litigation against it because it does not meet the criteria to be considered a liability at June 30, 2021.

C. Oxnard Construction Commitments
At June 30, 2021, the District had commitments with respect to unfinished capital projects of approximately $1.1 million to be paid from bond proceeds and developer fees.

NOTE 12 – RESTATEMENT-CHANGE IN ACCOUNTING PRINCIPLE (GASB No.84)

Beginning Net Position in the Statement of Activities and Beginning Fund Balance in the Statement of Revenues Expenditures and Changes in Fund Balance have been increased by $201,051 to account for the balance of the Student Activity Fund which is no longer a Fiduciary Fund under GASB No.84.

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Required Supplementary Information

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OXNARD SCHOOL DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	(Budgetary Basis)	Pos (Neg)
Revenues				
LCFF Sources	$ 153,410,469	$ 167,424,172	$ 167,476,463	$ 52,291
Federal Sources	15,896,821	35,612,722	30,673,073	(4,939,649)
Other State Sources	7,991,723	10,065,098	28,735,933	18,670,835
Other Local Sources	10,100,722	10,536,875	14,313,207	3,776,332
Total Revenues	187,399,735	223,638,867	241,198,676	17,559,809
Expenditures				
Current:				
Certificated Salaries	80,299,029	87,590,099	88,210,200	(620,101)
Classified Salaries	27,532,439	28,612,287	28,896,230	(283,943)
Employee Benefits	40,502,919	44,478,249	52,548,815	(8,070,566)
Books and Supplies	13,019,602	26,024,671	16,987,223	9,037,448
Services and Other Operating Expenditures	27,708,863	30,939,720	23,598,316	7,341,404
Transfers of Indirect Costs	(691,728)	(444,644)	(572,776)	128,132
Capital Outlay	186,250	1,007,435	1,070,974	(63,539)
Other Outgo	2,278,000	2,278,000	2,322,496	(44,496)
Debt Service	407,017	407,017	412,105	(5,088)
Total Expenditures	191,242,391	220,892,834	213,473,583	7,419,251
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,842,656)	2,746,033	27,725,093	24,979,060
Other Financing Sources and Uses				
Interfund Transfers Out	(654,729)	(1,000,000)	(1,000,000)	-
Total Other Financing Sources and Uses	(654,729)	(1,000,000)	(1,000,000)	-
Excess (Deficiency) of Revenues and Other Expenditures and Other Financing Uses	(4,497,385)	1,746,033	26,725,093	24,979,060
Fund Balances, July 1, 2020	15,698,129	17,539,223	17,539,224	1
Fund Balances, June 30, 2021	$ 11,200,744	$ 19,285,256	$ 44,264,317	$ 24,979,061

OXNARD SCHOOL DISTRICT

Schedule of Proportionate Share of the Net Pension Liability

For the Fiscal Year Ended June 30, 2021

Last Ten Fiscal Years*

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
CalSTRS							
District's proportion of the net pension liability	0.1520%	0.1529%	0.1570%	0.1485%	0.1547%	0.1500%	0.1270%
District's proportionate share of the net pension liability	$ 147,307,456	$ 138,136,433	$ 144,320,917	$ 137,347,794	$ 125,365,550	$ 100,986,000	$ 74,214,990
State's proportionate share of the net pension liability associated with the District	75,937,011	75,362,646	82,630,475	$ 81,253,795	71,378,879	53,410,318	44,814,665
Totals	$ 223,244,467	$ 213,499,079	$ 226,951,392	$ 218,601,589	$ 196,744,429	$ 154,396,318	$ 119,029,655
District's covered-employee payroll	$ 82,018,654	$ 84,292,598	$ 83,459,653	$ 80,537,440	$ 76,798,239	$ 70,452,489	$ 63,059,794
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	179.60%	163.88%	172.92%	170.54%	163.24%	143.34%	117.69%
Plan fiduciary net position as a percentage of the total pension liability	72%	73%	71%	69%	70%	74%	77%
CalPERS							
District's proportion of the net pension liability	0.2532%	0.2557%	0.2556%	0.2519%	0.2531%	0.2457%	0.2290%
District's proportionate share of the net pension liability	$ 77,681,103	$ 74,525,983	$ 68,149,798	$ 60,128,107	$ 49,987,407	$ 36,216,423	$ 25,974,371
District's covered-employee payroll	$ 36,539,369	$ 36,543,090	$ 33,887,773	$ 32,092,252	$ 30,393,939	$ 27,191,989	$ 23,660,479
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	212.60%	203.94%	201.10%	187.36%	164.47%	133.19%	109.78%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	71%	72%	74%	79%	83%

Notes to Schedule:

* *This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

OXNARD SCHOOL DISTRICT
Schedule of Pension Contributions
For the Fiscal Year Ended June 30, 2021

Last Ten Fiscal Years*

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
CalSTRS							
Contractually required contribution	$ 13,164,174	$ 14,025,190	$ 13,722,835	$ 12,043,228	$ 10,131,610	$ 8,240,451	$ 6,256,181
Contributions in relation to the contractually required contribution	13,164,174	14,025,190	13,722,835	12,043,228	10,131,610	8,240,451	6,256,181
Contribution deficiency (excess):	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	81,511,911	82,018,654	$ 84,292,598	$ 83,459,653	$ 80,537,440	$ 76,798,239	$ 70,452,489
Contributions as a percentage of covered-employee payroll	16.15%	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS							
Contractually required contribution	$ 7,279,964	$ 7,205,929	$ 6,600,413	$ 5,263,110	$ 4,456,972	$ 3,600,770	$ 3,200,769
Contributions in relation to the contractually required contribution	7,279,964	7,205,929	6,600,413	5,263,110	4,456,972	3,600,770	3,200,769
Contribution deficiency (excess):	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	35,168,908	36,539,369	$ 36,543,090	$ 33,887,773	$ 32,092,252	$ 30,393,939	$ 27,191,989
Contributions as a percentage of covered-employee payroll	20.700%	19.721%	18.062%	15.531%	13.888%	11.847%	11.771%

* *This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

OXNARD SCHOOL DISTRICT
Schedule of Changes in the District's Net OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2021

Last Ten Fiscal Years*

	2020-21	2019-20	2018-19	2017-18
Total OPEB liability				
Service cost	$ 5,104,422	$ 3,837,913	$ 4,987,643	$ 4,854,154
Interest	2,008,524	1,779,340	3,428,314	3,335,606
Differences between expected and actual experience	22,613,807	-	(14,858,061)	-
Changes of assumptions or other inputs	346,578	8,408,860	1,654,667	(2,267,105)
Expected benefit payments	-	-	-	(3,630,866)
Benefit payments	(4,366,240)	(4,400,693)	(3,928,421)	85,492
Other changes	-	-	374,367	-
Net change in total OPEB liability	25,707,091	9,625,420	(8,341,491)	2,377,281
Total OPEB liability - beginning	90,785,916	81,160,496	89,501,987	87,124,706
Total OPEB liability - ending	$ 116,493,007	$ 90,785,916	$ 81,160,496	$ 89,501,987
Plan Fiduciary Net Position				
Contributions - employer	$ 4,964,792	$ -	$ 4,265,389	$ 4,339,503
Net investment income	-	284,231	154,831	79,553
Benefit payments	(4,366,240)	(3,564,682)	(3,928,421)	(3,630,865)
Investment Gains/(Losses)	27,407	(136,984)	-	-
Administrative expenses	-	-	-	85,492
Net change in plan fiduciary net position	625,959	(3,417,435)	491,799	873,683
Total fiduciary net position - beginning	6,485,781	9,903,216	9,411,417	8,537,734
Total fiduciary net position - ending	$ 7,111,740	$ 6,485,781	$ 9,903,216	$ 9,411,417
District's net OPEB liability (asset) - ending	$ 109,381,267	$ 84,300,135	$ 71,257,280	$ 80,090,570
Plan fiduciary net position as a percentage of the total OPEB liability	6.1%	7.1%	12.2%	10.5%
Covered-employee payroll	$ 116,996,899	$ 112,720,844	$ 114,428,198	$ 112,683,361
Total OPEB liability as a percentage of covered-employee payroll	93.5%	74.79%	62.27%	71.08%

Notes to Schedule:
** This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

OXNARD SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability – MPP Program
For the Fiscal Year Ended June 30, 2021

Last Ten Fiscal Years*

	2019-20	2018-19	2017-18	2016-17
District's proportion of net OPEB liability	0.2304%	0.2364%	0.2469%	0.2364%
District's proportionate share of net OPEB liability	$ 976,252	$ 880,313	$ 945,194	$ 994,457
Covered-employee payroll	N/A	N/A	N/A	N/A
District's net OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	(0.71%)	(0.81%)	0.40%	0.01%

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

**This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

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 adoptions 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 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.

Change in benefit terms – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.

***Change of assumptions* -** There were no changes in economic assumptions since the previous valuations for either CalSTRS or CalPERS.

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.

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

This schedule presents information on the District's changes in the total OPEB liability, including beginning and ending balances, and the total 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 since the previous valuation.

Change of assumptions – Liability changes resulting from changes in economic and demographic assumptions are deferred based on the average working life. The discount rate was changed from 2.20 percent to 2.16 percent since the previous valuation.

NOTE 1 – PURPOSE OF SCHEDULES (continued)

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

Change in benefit terms – There were no changes in benefit terms since the previous valuation.

Change of assumptions – The discount rate was changed from 3.50 percent to 2.21 percent since the previous valuation.

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Supplementary Information

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The Oxnard School District was established in 1873, and consists of an area comprising approximately 28 square miles in the southern portion of Ventura County encompassing a portion of the City of Oxnard. The District operates twelve elementary schools (K-5), three intermediate schools (6-8), five K-8 schools, and one preschool. There were no boundary changes during the year.

GOVERNING BOARD

Member	Office	Term Expires
Mrs. Veronica Robles-Solis	President	November, 2022
Ms. Jarely Lopez	Clerk	November, 2022
Mrs. Debra Cordes	Member	November, 2022
Ms. Monica Madrigal Lopez	Member	November, 2024
Ms. Katalina Martinez	Member	November, 2024

DISTRICT ADMINISTRATORS

Karling Aguilera-Fort,
Superintendent

Ruth Qunito,
Assistant Superintendent, Business and Fiscal Services

Dr. Ana DeGenna,
Assistant Superintendent, Educational Services

Dr. Victor M. Torres
Assistant Superintendent, Human Resources

OXNARD SCHOOL DISTRICT
Schedule of Instructional Time
For the Fiscal Year Ended June 30, 2021

	Number of Instructional Days			
Grade Level	Actual	Number of Days from J-13A Waiver	Total	Status
Kindergarten	180	0	180	Complied
Grade 1	180	0	180	Complied
Grade 2	180	0	180	Complied
Grade 3	180	0	180	Complied
Grade 4	180	0	180	Complied
Grade 5	180	0	180	Complied
Grade 6	180	0	180	Complied
Grade 7	180	0	180	Complied
Grade 8	180	0	180	Complied

See accompanying note to supplementary information.

OXNARD SCHOOL DISTRICT
Schedule of Financial Trends and Analysis
For the Fiscal Year Ended June 30, 2021

General Fund	(Budget) 2022 [2]	2021	2020	2019
Revenues and other financing sources	$ 243,984,950	$ 241,198,676	$ 209,743,313	$ 218,657,684
Expenditures	211,184,966	213,473,583	212,762,107	223,874,640
Other uses and transfers out	-	1,000,000	329,516	2,330,338
Total outgo	211,184,966	214,473,583	213,091,623	226,204,978
Change in fund balance (deficit)	32,799,984	26,725,093	(3,348,310)	(7,547,294)
Ending fund balance	$ 77,064,301	$ 44,264,317	$ 17,539,224	$ 20,887,534
Available reserves [1]	$ 16,173,460	$ 12,866,393	$ 6,808,892	$ 9,970,664
Available reserves as a percentage of total outgo	7.7%	6.0%	3.2%	4.4%
Total long-term debt	$ 637,997,054	$ 647,635,714	$ 593,739,067	$ 587,814,149
Average daily attendance at P-2	14,355	N/A	15,194	15,617

The General Fund balance has increased by $23.4 million over the past two years. The fiscal year 2021-22 adopted budget projects a increase of $32.8 million. For a district of this size, the state recommends available reserves of at least 3% of total general fund expenditures, transfers out, and other uses (total outgo).

The District has incurred an operating deficit in two of the previous three years, but anticipates incurring an operating surplus during the 2021-22 fiscal year. Long-term debt has increased by $59.8 million over the past two years.

The District did not report ADA in fiscal year 2020-21. Budgeted ADA for fiscal year 2021-22 is projected to be 14,355 which is a decrease of 839 ADA from 2019-20.

[1] Available reserves consist of all unassigned fund balances in the General Fund.

[2] Revised Final Budget August, 2021.

There were no differences between the Annual Financial and Budget Report and the Audited Financial Statements in any funds.

OXNARD SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Cluster Expenditures	Federal Expenditures
Federal Programs:				
U.S. Department of Agriculture:				
Passed through California Dept. of Education (CDE):				
Child Nutrition Cluster:				
School Breakfast Program - Especially Needy	10.553	13526	$ 2,511,011	
National School Lunch Program	10.555	13523	4,060,563	
USDA Donated Foods	10.555	N/A	1,266,041	
Total Child Nutrition Cluster				$ 7,837,615
Child and Adult Food Care Program:				
Child and Adult Food Care Program	10.558	13393	3,503,198	
Cash in Lieu of Commodities	10.558	13393	207,516	
Total Child and Adult Food Care Program				3,710,714
Total U.S.Department of Agriculture				11,548,329
U.S. Department of Treasury:				
Passed through California Department of Education (CDE):				
COVID-19: Coronavirus Relief Fund	21.019	25516		14,072,940
Total U.S. Department of Treasury				14,072,940
U.S. Department of Education:				
Every Student Succeeds Act (ESSA):				
Title I Grants				
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	5,573,388	
Title I, School Improvement Funding	84.010	15438	88,159	
Total Title I Grants				5,661,547
Title II, Part A, Supporting Effective Instruction State Grant	84.367	14341		221,968
English Language Acquisition Grants:				
Title III, Immigrant Education Program	84.365	15146	31,258	
Title III, Limited English Proficiency	84.365	14346	654,754	
Total English Language Acquisition Grants				686,012
Title IV, Part A, Student Support and Academic Enrichment	84.424	15396		245,605
COVID-19 - Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	2,409,171	
Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	926,758	
Governor's Emergency Education Relief (GEER) Fund: Learning Loss Mitigation	84.425C	15517	272,744	
Total Education Stabilization Fund				3,608,673
Passed through Ventura County SELPA:				
Individuals with Disabilities Education Act Cluster (IDEA):				
Local Assistance Entitlement	84.027	13379	3,001,986	
IDEA Local Assistance, Part B, Sec 611, Private School ISPs	84.027	10115	15,699	
IDEA Preschool Grants, Part B, Section 619	84.173	13430	139,449	
Total Special Education (IDEA) Cluster				3,157,134
Total U.S.Department of Education				13,580,939
U.S. Department of Health & Human Services:				
Passed through California Dept. of Education (CDE):				
COVID-19 Coronavirus Response and Relief Supplemental Appropriations Act	93.575	15535		85,444
Total U.S. Department of Health & Human Services				85,444
Total Expenditures of Federal Awards				$ 39,287,652

Of the Federal expenditures presented in the schedule, the District provided no Federal awards to subrecipients.

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Instructional Time
This schedule presents information on the number of instructional days offered by the District and whether the District complied with Article 8 (commencing with Section 46200) of Chapter 2 Part 26 of the *Education Code*.

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.

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 Expenditures of Federal Awards
The schedule of expenditures of Federal awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements. The District did not elect to use the ten percent de minimis indirect cost rate.

The following schedule provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues that were expended in the prior period.

	Assistance Listing Number	Amount
Total Federal Revenues from the Statement of Revenues, Expenditures, and Changes in Fund Balances		$ 42,306,846
Differences between Federal Revenues and Expenditures:		
COVID-19 Coronavirus Relief Fund	21.019	(2,897,506)
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	(121,682)
Governor's Emergency Education Relief (GEER) Fund: Learning Loss Mitigation	84.425C	(6)
Total Schedule of Expenditures of Federal Awards		$ 39,287,652

Other Independent Auditors' Reports

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

Board of Trustees
Oxnard School District
Oxnard, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard School District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Oxnard School District's basic financial statements, and have issued our report thereon dated January 21, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Oxnard 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 the Oxnard School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Oxnard 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters
As part of obtaining reasonable assurance about whether Oxnard School District's financial statements are free of 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 is required to be reported under *Government Auditing Standards*.

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

Nigro + Nigro, PC.

Murrieta, California
January 21, 2022

NIGRO & NIGRO PC
A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Trustees
Oxnard School District
Oxnard, California

Report on Compliance for Each Major Federal Program
We have audited Oxnard 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 Oxnard School District's major federal programs for the year ended June 30, 2021. Oxnard School District's major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility
Our responsibility is to express an opinion on compliance for each of Oxnard 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 Oxnard 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 Oxnard School District's compliance.

Opinion on Each Major Federal Program
In our opinion, Oxnard 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.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA

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Other Matters
The results of our auditing procedures disclosed a instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as Finding 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

Oxnard School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Oxnard School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance
Management of Oxnard 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 Oxnard 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 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.

Nigro + Nigro, PC.

Murrieta, California
January 21, 2022

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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Trustees
Oxnard School District
Oxnard, California

Report on State Compliance
We have audited Oxnard School District's compliance with the types of compliance requirements described in the *2020-21 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* that could have a direct and material effect on each of the Oxnard School District's state government programs as noted on the following page for the fiscal year ended June 30, 2021.

Management's Responsibility
Management is responsible for compliance with state laws, regulations, and the terms and conditions of its State programs.

Auditors' Responsibility
Our responsibility is to express an opinion on compliance for each of Oxnard School District's state programs based on our audit of the types of compliance requirements referred to on the following page. 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 *2020-21 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 types of compliance requirements referred to on the following page that could have a direct and material effect on a state program occurred. An audit includes examining, on a test basis, evidence about Oxnard 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 state program. However, our audit does not provide a legal determination of Oxnard School District's compliance.

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

Description	Procedures Performed
Local Education Agencies Other Than Charter Schools:	
Attendance and Distance Learning	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes

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Description	Procedures Performed
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Charter Schools:	
Independent Study - Course Based	Not Applicable
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Charter School Facility Grant Program	Not Applicable

Unmodified Opinion on Compliance with State Programs
In our opinion, Oxnard School District complied, in all material respects, with the types of compliance requirements referred to above for the year ended June 30, 2021.

Nigro + Nigro, PC.

Murrieta, California
January 21, 2022

Schedule of Findings and Questioned Costs

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OXNARD SCHOOL DISTRICT
Summary of Auditors' Results
For the Fiscal Year Ended June 30, 2021

Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(s) identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(s) identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance Sec. 200.516(a)?	Yes

Identification of major programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
10.555, 10.553	Child Nutrition Cluster
84.425, 84.425C, 84.425D	COVID-19 Education Stabilization Fund
21.019	COVID-19 Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1,178,630
Auditee qualified as low-risk auditee?	Yes

State Awards

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards.* Pursuant to Assembly Bill (AB) 3627, all audit findings must be identified as one or more of the following categories:

Five Digit Code	AB 3627 Finding Types
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

There were no financial statement findings in 2020-21.

This section identifies the audit findings required to be reported by the Uniform Guidance, Section 200.516 (e.g., significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

Finding 2021-001: Education Stabilization Fund- (50000)
Program Identification:

Federal Agency: U.S. Department of Education
Pass-through Entity: California Department of Education
Program Names: Elementary and Secondary School Emergency Relief (ESSERII) (AL No. 84.425D)

Criteria: 2 CFR 400.431(2)(ii) under costs of mass severance pay recognizes the Federal Government's 'responsibility to participate, to the extent of its fair share, in any specific payment. Prior approval by the Federal awarding agency or cognizant agency is required.' ESSER funding is to be used to 'prevent, prepare for, and respond to coronavirus.'

Condition: The District used ESSER II funds to pay a portion of the annual SERP costs from an agreement put in place on March 21, 2018.

Cause: The District believed that paying the cost of a SERP would be allowable based on the guidance from an external source.

Questioned Cost: The amount charged to ESSER II funding (res. 3212) was $467,167.08. This amount can be used for an allowable purpose.

Context: This finding is limited to FY 2021 and is the first occurrence. ESSER II funding may be obligated through September 30, 2023.

Effect: The District will need to use another allowable funding source for the cost of the SERP and may use the ESSER II funds for allowable expenditures.

Recommendation: We recommend the District transfer the cost of the SERP to an allowable funding source and utilize the ESSER II funds for an allowable purpose up to September 30, 2023.

Views of Responsible Officials: In April 2021, District staff received information that Districts could consider using ESSER II funds to retire long-term unfunded debt. At that time, District staff believed SERP constituted a long-term unfunded debt which could be paid using ESSER II funds.

The district will transfer the cost of the SERP to an allowable funding source and utilize the ESSER II funds for other allowable purposes/expenditures.

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

There were no state award findings or questioned costs in 2020-21.

There were no findings or questioned costs in 2019-20.

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NIGRO & NIGRO PC
A Professional Accountancy Corporation

To the Board of Trustees
Oxnard School District
Oxnard, California

In planning and performing our audit of the basic financial statements of Oxnard School District for the fiscal year ending June 30, 2021, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control structure.

However, during our audit we noted matters that are an opportunity for strengthening internal controls and operating efficiency. The following items represent conditions noted by our audit that we consider important enough to bring to your attention. This letter does not affect our report dated January 21, 2022, on the financial statements of Oxnard School District.

ASSOCIATED STUDENT BODY (ASB)

Observation: We noted that at some sites the bank reconciliations contained stale-dated transactions. At Frank Intermediate the reconciliation contained stale-dated '*Checks Cleared – Not Posted (EPES)*' dated September 2019 and February 2020, at Cesar Chavez School there were stale dated *'Deposits Recorded in EPES – Not in Bank*' dated December 2019, at Fremont there were stale dated checks not cleared dated June 2019, September 2019, and June 2020.

> ***Recommendation:*** We recommend that the bookkeepers at each ASB review all checks that are uncleared after 6 months to determine if they should void the check or keep it on the books.

Observation: We noted that the school sites are using the month's bank balance instead of the reconciled book balance when performing the monthly trial balance. This causes the trial balances to have a variance related to the difference between the bank balance and the book balance. Trial balances should be performed using the book balance.

> ***Recommendation:*** We recommend the District inquire with the site bookkeeper and ASB Advisor as to the reasons for the variance and implementation of trial balance corrections.

Observation: We noted that the school sites were keeping track of their inventories based on the sale price of the goods not the cost.

> ***Recommendation:*** As a "best practice" we recommend the school sites change how they report their inventories to the cost of the inventory not the sale price. This will more accurately show the true dollar amount of inventory that each school site has on hand.

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DISTRICT OFFICE

Observation: During our test of expenditures, we noted 5 out of 65 expenditures tested lacked any form of pre-approval.

> ***Recommendation:*** As a "best practice", approval by required parties should be obtained before the actual commitment to purchase the items. We recommend that the District implements controls to ensure that all disbursements are approved by contract or purchase order before it incurred.

We will review the status of the current year comments during our next audit engagement.

Nigro + Nigro, PC.

Murrieta, California
January 21, 2022