BUENA PARK SCHOOL DISTRICT

AUDIT REPORT
JUNE 30, 2021

BUENA PARK SCHOOL DISTRICT
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JUNE 30, 2021

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Governing Board
Buena Park School District
Buena Park, 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 the Buena Park School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Buena Park School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

348 Olive Street
San Diego, CA
92103

O: 619-270-8222
F: 619-260-9085
christywhite.com

Emphasis of Matter

Change in Accounting Principle

As described in Note 15 to the basic financial statements, the Buena Park School District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, which established accounting and financial reporting standards for the identification and reporting of fiduciary activities. 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 required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedule of actuarially determined contributions and related ratios, schedules of proportionate share of net pension liability, and schedules of District contributions for pensions be presented to supplement the basic financial statements. Such information, although not 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 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Buena Park School District's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of Federal awards, 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, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2022 on our consideration of Buena Park School 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Buena Park School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Buena Park School District's internal control over financial reporting and compliance.

Christy White, Inc.

San Diego, California
January 20, 2022

BUENA PARK SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

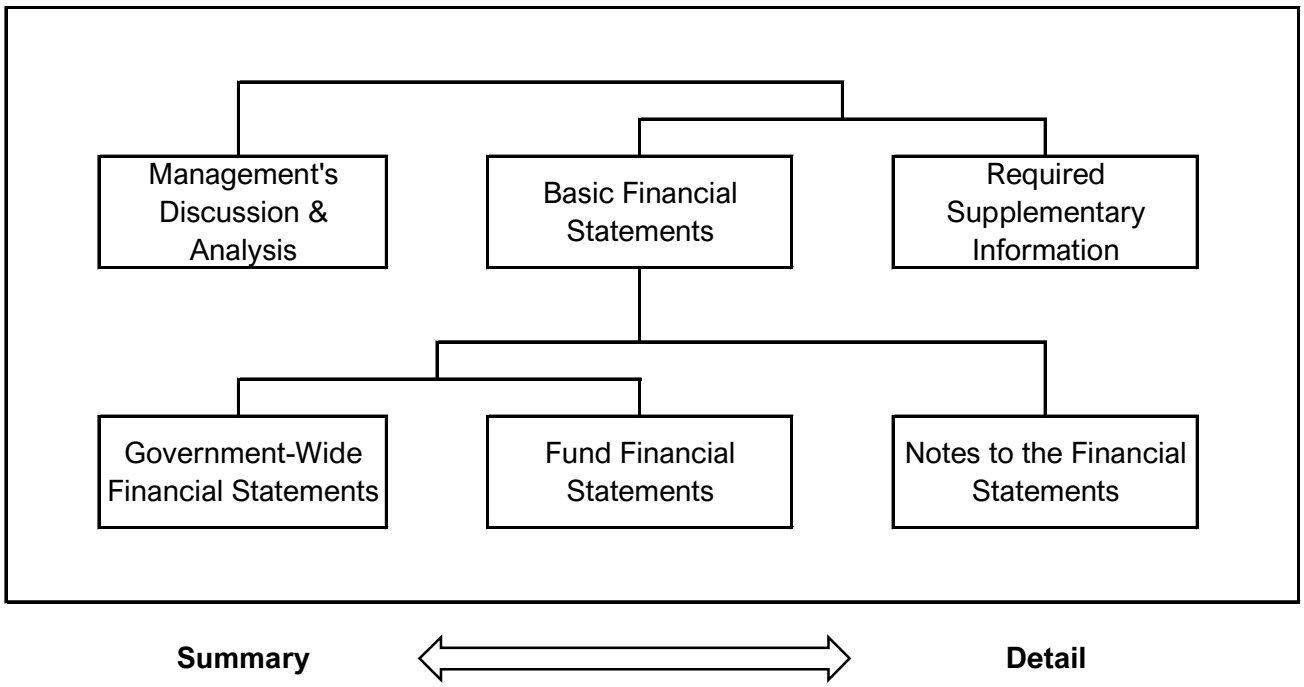
Our discussion and analysis of Buena Park School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position was $(38,700,812) at June 30, 2021. This was an increase of, $1,622,300 from the prior year, after restatement.
- Overall revenues were $73,084,279 which exceeded expenses of $71,461,979.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financial Section



OVERVIEW OF FINANCIAL STATEMENTS (continued)

Components of the Financial Section (continued)

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.

- **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.

    - **Governmental Funds** 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.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

Government-Wide Statements

The government-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 government'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 government-wide statements report the District's net position and how it has changed. Net Position is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include governmental activities. All of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local control formula funding and federal and state grants finance most of these activities.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was $(38,700,812) at June 30, 2021, as reflected in the table below. Of this amount, $(58,796,666) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2021	2020	Net Change
ASSETS			
Current and other assets	$ 41,646,954	$ 27,681,803	$ 13,965,151
Capital assets	49,794,452	49,395,875	398,577
Total Assets	91,441,406	77,077,678	14,363,728
DEFERRED OUTFLOWS OF RESOURCES	16,226,975	17,102,624	(875,649)
LIABILITIES			
Current liabilities	8,831,355	7,006,291	1,825,064
Long-term liabilities	130,855,287	122,332,805	8,522,482
Total Liabilities	139,686,642	129,339,096	10,347,546
DEFERRED INFLOWS OF RESOURCES	6,682,551	5,761,468	921,083
NET POSITION			
Net investment in capital assets	4,353,162	6,657,613	(2,304,451)
Restricted	15,922,291	12,273,153	3,649,138
Unrestricted	(58,976,265)	(59,851,028)	874,763
Total Net Position	$ (38,700,812)	$ (40,920,262)	$ 2,219,450

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement, and rearranges them slightly, so you can see our total revenues and expenses for the year.

	Governmental Activities		
	2021	2020	Net Change
REVENUES			
Program revenues			
Charges for services	$ 467,095	$ 172,278	$ 294,817
Operating grants and contributions	20,584,955	12,360,838	8,224,117
Capital grants and contributions	78	210	(132)
General revenues			
Property taxes	24,765,986	24,889,331	(123,345)
Unrestricted federal and state aid	26,502,457	28,063,530	(1,561,073)
Other	763,708	1,272,701	(508,993)
Total Revenues	73,084,279	66,758,888	6,325,391
EXPENSES			
Instruction	36,378,341	39,137,292	(2,758,951)
Instruction-related services	8,179,166	4,668,848	3,510,318
Pupil services	7,467,309	6,926,463	540,846
General administration	4,740,089	5,542,104	(802,015)
Plant services	5,865,623	5,277,235	588,388
Ancillary and community services	1,124,545	621,928	502,617
Debt service	2,308,130	2,172,498	135,632
Other outgo	1,599,983	1,335,943	264,040
Depreciation	3,798,793	3,505,424	293,369
Total Expenses	71,461,979	69,187,735	2,274,244
Change in net position	1,622,300	(2,428,847)	4,051,147
Net Position - Beginning, as Restated*	(40,323,112)	(38,491,415)	(1,831,697)
Net Position - Ending	$ (38,700,812)	$ (40,920,262)	$ 2,219,450

**Beginning net position was restated for the 2021 year only.*

The cost of all our governmental activities this year was $71,461,979 (refer to the table above). The amount that our taxpayers ultimately financed for these activities through taxes was only $24,765,986 because a portion of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

In the table below, we have presented the net cost of each of the District's functions. Net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Net Cost of Services	
	2021	2020
Instruction	$ 28,053,736	$ 32,405,854
Instruction-related services	4,131,207	4,559,772
Pupil services	1,758,687	2,511,608
General administration	4,050,380	5,323,545
Plant services	5,807,302	5,172,505
Ancillary and community services	143,441	621,928
Debt service	2,308,130	2,172,498
Transfers to other agencies	358,175	381,275
Depreciation	3,798,793	3,505,424
Total Expenses	$ 50,409,851	$ 56,654,409

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR 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 $35,528,974, which is more than this year's restated beginning fund balance of $23,280,418. The District's General Fund had $3,543,966 more in operating revenues than expenditures for the year ended June 30, 2021. The District's Building Fund for Capital Outlay Projects had $3,703,422 less in operating revenues than expenditures for the year ended June 30, 2021. The District's Special Reserve Fund for Capital Outlay Projects had $1,253,583 more in operating revenues than expenditures for the year ended June 30, 2021.

CURRENT YEAR BUDGET 2020-2021

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a regular basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial projections and current budget based on State and local financial information.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

By the end of 2020-2021 the District had invested $49,794,452 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2021	2020	Net Change
CAPITAL ASSETS			
Land	$ 2,234,453	$ 2,234,453	$ -
Construction in progress	4,192,950	1,087,905	3,105,045
Land improvements	2,560,521	2,270,610	289,911
Buildings & improvements	75,229,080	75,156,815	72,265
Furniture & equipment	8,422,105	8,285,640	136,465
Accumulated depreciation	(42,844,657)	(39,045,864)	(3,798,793)
Total Capital Assets	$ 49,794,452	$ 49,989,559	$ (195,107)

Long-Term Liabilities

At year-end, the District had $130,855,287 in long-term liabilities, an increase of $8,522,482 as shown in the table below. (More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.)

	Governmental Activities		
	2021	2020	Net Change
LONG-TERM LIABILITIES			
Total general obligation bonds	$ 61,112,555	$ 51,209,646	$ 9,902,909
Early retirement incentive	1,149,171	893,368	255,803
Compensated absences	434,029	414,704	19,325
Total OPEB liability	8,560,818	10,604,814	(2,043,996)
Net pension liability	61,489,367	61,091,294	398,073
Less: current portion of long-term liabilities	(1,890,653)	(1,881,021)	(9,632)
Total Long-term Liabilities	$ 130,855,287	$ 122,332,805	$ 8,522,482

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

At the time these financial statements were prepared and audited, the District was aware of several circumstances that could affect its future financial health.

In its March 2021 and June 2021 quarterly reports, the UCLA Anderson Forecast anticipated a robust recovery from the COVID-19–induced recession that began in March 2020. However, in its September 2021 quarterly report, hopes for blockbuster economic growth have been tempered by the spread of the delta variant and stagnating vaccination rates, which in turn have led to consumer caution and supply constraints. As a result, what could have been a couple of years of blockbuster economic performance will now likely feature solid but unspectacular growth. The economy is currently down 5.3 million payroll jobs from its pre-COVID peak, and there is little evidence to suggest that the expiration of enhanced unemployment benefits will lead to a surge in job applications.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)

Fiscal policy for the funding of public education changes annually based on fluctuations in State revenues. Governor Gavin Newsom's "California Comeback Plan" includes a mix of ongoing and one-time investments of $100 billion made possible by an unanticipated surge in state revenues and robust federal stimulus funding.

Landmark legislation passed in year 2013 reformed California school district finance by creating the Local Control Funding Formula (LCFF). The LCFF is designed to provide a flexible funding mechanism that links student achievement to state funding levels. The LCFF provides a per-pupil base grant amount, by grade span, that is augmented by supplemental funding for targeted student groups in low-income brackets, those that are English language learners and foster youth.

Factors related to LCFF that the District is monitoring include: (1) estimates of funding in the next budget year and beyond; (2) the Local Control and Accountability Plan (LCAP) that aims to link student accountability measurements to funding allocations; (3) ensuring the integrity of reporting student data through the California Longitudinal Pupil Achievement Data System (CALPADS); and (4) meeting annual compliance and audit requirements.

The May 2021 Budget Revision provides additional funding to further reduce the funding deferrals that were included in the 2020-21 Enacted Budget. The Governor's Budget in January proposed paying down $9.2 billion of the K–12 deferrals. The May 2021 Budget Revision proposes paying down an additional $1.1 billion, leaving a balance of $2.6 billion at the end of the 2021–22 fiscal year.

The District participates in state employee pensions plans, California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) and both are underfunded. The District's proportionate share of the liability is reported in the Statement of Net Position as of June 30, 2021. The amount of the liability is material to the financial position of the District. Beginning in 2021-22, the CalSTRS Board has limited authority to increase or decrease rates by a maximum of 1% annually (not to exceed 20.25% of creditable compensation), the projected employer contribution rate for 2021-22 is 16.92%. The CalPERS Board adopted an employer contribution rate of 22.91% for 2021-22. The projected increased pension costs to school employers remain a significant fiscal factor.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, inter-district transfers in or out, economic conditions and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs.

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Business Office at 6885 Orangethorpe Avenue; Buena Park, CA, 90620-1398.

BUENA PARK SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash and investments	$ 31,806,139
Accounts receivable	9,725,676
Inventory	106,139
Prepaid expenses	9,000
Capital assets, not depreciated	6,427,403
Capital assets, net of accumulated depreciation	43,367,049
Total Assets	91,441,406
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	13,741,573
Deferred outflows related to OPEB	1,119,832
Deferred amount on refunding	1,365,570
Total Deferred Outflows of Resources	16,226,975
LIABILITIES	
Accrued liabilities	5,310,880
Unearned revenue	1,629,822
Long-term liabilities, current portion	1,890,653
Long-term liabilities, non-current portion	130,855,287
Total Liabilities	139,686,642
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	4,375,845
Deferred inflows related to OPEB	2,306,706
Total Deferred Inflows of Resources	6,682,551
NET POSITION	
Net investment in capital assets	4,353,162
Restricted:	
Capital projects	7,467,985
Debt service	2,607,171
Educational programs	2,820,768
Food service	3,022,796
Associated student body	3,571
Unrestricted	(58,976,265)
Total Net Position	$ (38,700,812)

The accompanying notes are an integral part of these financial statements.

BUENA PARK SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Function/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES					
Instruction	$ 36,378,341	$ 92,222	$ 8,232,305	$ 78	$ (28,053,736)
Instruction-related services					
Instructional supervision and administration	5,088,748	4,196	3,968,407	-	(1,116,145)
Instructional library, media, and technology	245,761	-	-	-	(245,761)
School site administration	2,844,657	860	74,496	-	(2,769,301)
Pupil services					
Home-to-school transportation	1,283,085	-	-	-	(1,283,085)
Food services	3,656,060	1,703	4,931,885	-	1,277,528
All other pupil services	2,528,164	4,013	771,021	-	(1,753,130)
General administration					
Centralized data processing	1,262,343	-	22,210	-	(1,240,133)
All other general administration	3,477,746	652	666,847	-	(2,810,247)
Plant services	5,865,623	4,319	54,002	-	(5,807,302)
Community services	1,124,545	-	981,104	-	(143,441)
Interest on long-term debt	2,308,130	-	-	-	(2,308,130)
Other outgo	1,599,983	359,130	882,678	-	(358,175)
Depreciation (unallocated)	3,798,793	-	-	-	(3,798,793)
Total Governmental Activities	$ 71,461,979	$ 467,095	$ 20,584,955	$ 78	(50,409,851)
General revenues					
Taxes and subventions					
Property taxes, levied for general purposes					19,731,687
Property taxes, levied for debt service					3,374,454
Property taxes, levied for other specific purposes					1,659,845
Federal and state aid not restricted for specific purposes					26,502,457
Interest and investment earnings					237,050
Miscellaneous					526,658
Subtotal, General Revenue					52,032,151
CHANGE IN NET POSITION					1,622,300
Net Position - Beginning, as Restated					(40,323,112)
Net Position - Ending					$ (38,700,812)

The accompanying notes are an integral part of these financial statements.

BUENA PARK SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 8,196,803	$ 10,414,203	$ 7,220,141	$ 5,974,992	$ 31,806,139
Accounts receivable	8,050,165	5,103	3,364	1,667,044	9,725,676
Due from other funds	199,987	-	-	720	200,707
Stores inventory	49,927	-	-	56,212	106,139
Prepaid expenditures	9,000	-	-	-	9,000
Total Assets	$ 16,505,882	$ 10,419,306	$ 7,223,505	$ 7,698,968	$ 41,847,661
LIABILITIES					
Accrued liabilities	$ 3,128,627	$ 873,409	$ 216,918	$ 269,204	$ 4,488,158
Due to other funds	720	-	36,287	163,700	200,707
Unearned revenue	1,450,676	-	-	179,146	1,629,822
Total Liabilities	4,580,023	873,409	253,205	612,050	6,318,687
FUND BALANCES					
Nonspendable	113,927	-	-	56,212	170,139
Restricted	2,744,019	9,545,897	6,970,300	7,030,694	26,290,910
Committed	-	-	-	12	12
Assigned	7,164,461	-	-	-	7,164,461
Unassigned	1,903,452	-	-	-	1,903,452
Total Fund Balances	11,925,859	9,545,897	6,970,300	7,086,918	35,528,974
Total Liabilities and Fund Balances	$ 16,505,882	$ 10,419,306	$ 7,223,505	$ 7,698,968	$ 41,847,661

The accompanying notes are an integral part of these financial statements.

BUENA PARK SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balance - Governmental Funds		$ 35,528,974
Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:		
Capital assets:		
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:		
Capital assets	$ 92,639,109	
Accumulated depreciation	(42,844,657)	49,794,452
Deferred amount on refunding:		
In governmental funds, the net effect of refunding bonds is recognized when debt is issued, whereas this amount is deferred and amortized in the government-wide financial statements:		1,365,570
Unmatured interest on long-term debt:		
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:		(822,722)
Long-term liabilities:		
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:		
Total general obligation bonds	$ 61,112,555	
Early retirement incentive	1,149,171	
Compensated absences	434,029	
Total OPEB liability	8,560,818	
Net pension liability	61,489,367	(132,745,940)
Deferred outflows and inflows of resources relating to pensions:		
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 outflows of resources related to pensions	$ 13,741,573	
Deferred inflows of resources related to pensions	(4,375,845)	9,365,728
Deferred outflows and inflows of resources relating to OPEB:		
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 OPEB are reported.		
Deferred outflows of resources related to OPEB	$ 1,119,832	
Deferred inflows of resources related to OPEB	(2,306,706)	(1,186,874)
Total Net Position - Governmental Activities		$ (38,700,812)

The accompanying notes are an integral part of these financial statements.

BUENA PARK SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
LCFF sources	$ 45,090,922	$ -	$ -	$ -	$ 45,090,922
Federal sources	7,521,273	-	-	4,493,043	12,014,316
Other state sources	7,188,370	-	-	1,088,684	8,277,054
Other local sources	3,893,126	48,574	1,723,008	3,878,999	9,543,707
Total Revenues	63,693,691	48,574	1,723,008	9,460,726	74,925,999
EXPENDITURES					
Current					
Instruction	36,023,340	-	-	708,957	36,732,297
Instruction-related services					
Instructional supervision and administration	5,031,948	-	-	55,019	5,086,967
Instructional library, media, and technology	224,845	-	-	-	224,845
School site administration	2,806,186	-	-	-	2,806,186
Pupil services					
Home-to-school transportation	1,187,056	-	-	-	1,187,056
Food services	292,563	-	-	3,250,034	3,542,597
All other pupil services	2,503,063	-	-	-	2,503,063
General administration					
Centralized data processing	1,223,151	-	-	-	1,223,151
All other general administration	3,793,523	-	-	101,004	3,894,527
Plant services	4,563,895	83,826	201,822	26,355	4,875,898
Facilities acquisition and maintenance	-	3,483,170	267,603	560,040	4,310,813
Community services	1,085,172	-	-	-	1,085,172
Transfers to other agencies	1,414,983	-	-	-	1,414,983
Debt service					
Principal	-	-	-	2,503,108	2,503,108
Interest and other	-	185,000	-	2,694,143	2,879,143
Total Expenditures	60,149,725	3,751,996	469,425	9,898,660	74,269,806
Excess (Deficiency) of Revenues Over Expenditures	3,543,966	(3,703,422)	1,253,583	(437,934)	656,193
Other Financing Sources (Uses)					
Transfers in	-	-	-	11,039	11,039
Other sources	-	10,000,000	-	16,559,090	26,559,090
Transfers out	(11,039)	-	-	-	(11,039)
Other uses	-	-	-	(14,966,727)	(14,966,727)
Net Financing Sources (Uses)	(11,039)	10,000,000	-	1,603,402	11,592,363
NET CHANGE IN FUND BALANCE	3,532,927	6,296,578	1,253,583	1,165,468	12,248,556
Fund Balance - Beginning, as Restated	8,392,932	3,249,319	5,716,717	5,921,450	23,280,418
Fund Balance - Ending	$ 11,925,859	$ 9,545,897	$ 6,970,300	$ 7,086,918	$ 35,528,974

The accompanying notes are an integral part of these financial statements.

BUENA PARK SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Governmental Funds		$ 12,248,556
Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:		
Capital outlay:		
In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are 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:	$ 3,603,686	
Depreciation expense:	(3,798,793)	(195,107)
Debt service:		
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 reductions of liabilities. Expenditures for repayment of the principal portion of long-term		16,495,000
Debt proceeds:		
In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount, were:		(26,559,090)
Deferred amounts on refunding:		
In governmental funds, deferred amounts on refunding are recognized in the period they are incurred. In the government-wide statements, the deferred amounts on refunding are amortized over the life of the debt. The net effect of the deferred amounts on refunding during the period was:		1,301,970
Unmatured interest on long-term debt:		
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 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:		(102,303)
Accreted interest on long-term debt:		
In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current sources. In the government-wide statement of activities, however, this is recorded as interest expense for the period.		(393,226)
Compensated absences:		
In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:		(19,325)

(continued on next page)

BUENA PARK SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES, continued
FOR THE YEAR ENDED JUNE 30, 2021

Postemployment benefits other than pensions (OPEB):	
In governmental funds, OPEB expenses are recognized when employer OPEB 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:	574,672
Pensions:	
In governmental funds, pension costs are recognized when employer contributions are made. In the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was:	(2,027,451)
Other liabilities not normally liquidated with current financial resources:	
In the government-wide statements, expenses must be accrued in connection with any liabilities incurred during the period that are not expected to be liquidated with current financial resources. Examples include special termination benefits such as retirement incentives financed over time, and structured legal settlements. This year, expenses incurred for such obligations were:	(255,803)
Amortization of debt issuance premium or discount:	
In governmental funds, if debt is issued at a premium or at a 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 or discount is amortized over the life of the debt. Amortization of premium or discount for the period is:	554,407
Change in Net Position of Governmental Activities	$ 1,622,300

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Buena Park School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual.* The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-8 as mandated by the state. 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.

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. 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 no such component units.

C. Basis of Presentation

Government-Wide 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. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue 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. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

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

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Major Governmental Funds

General Fund: The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General 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. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code Section* 17462) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code Section* 41003).

Special Reserve Fund for Capital Outlay Projects: This fund exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code Section* 42840).

Non-Major Governmental Funds

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following special revenue funds:

Student Activity Fund: This fund may be used to account for student body activities that do not meet the fiduciary criteria established in GASB Statement No. 84.

Child Development Fund: This fund is used to account separately for federal, state, and local revenues to operate child development programs. All moneys received by the District for, or from the operation of, child development services covered under the Child Care and Development Services Act (*Education Code Section* 8200 et seq.) shall be deposited into this fund. The moneys may be used only for expenditures for the operation of child development programs. The costs incurred in the maintenance and operation of child development services shall be paid from this fund, with accounting to reflect specific funding sources (*Education Code Section* 8328).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Non-Major Governmental Funds (continued)

Special Revenue Funds (continued)

Cafeteria Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code Sections* 38090–38093). The Cafeteria Special Revenue Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections* 38091 and 38100).

Deferred Maintenance Fund: This fund is used to account separately for state apportionments and the District's contributions for deferred maintenance purposes (*Education Code Sections* 17582–17587). In addition, whenever the state funds provided pursuant to *Education Code Sections* 17584 and 17585 (apportionments from the State Allocation Board) are insufficient to fully match the local funds deposited in this fund, the governing board of a school district may transfer the excess local funds deposited in this fund to any other expenditure classifications in other funds of the District (*Education Code Sections* 17582 and 17583).

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

Capital Facilities Fund: This fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code Sections* 17620–17626). The authority for these levies may be county/city ordinances (*Government Code Sections* 65970–65981) or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code Section* 66006).

County School Facilities Fund: This fund is established pursuant to *Education Code Section* 17070.43 to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), or the 2004 State School Facilities Fund (Proposition 55) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code Section* 17070 et seq.).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Non-Major Governmental Funds (continued)

Debt Service Funds: Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

Bond Interest and Redemption Fund: This fund is used for the repayment of bonds issued for the District (*Education Code Sections* 15125–15262). The board of supervisors of the county issues the bonds. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the District. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the District. The county auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller.

D. Basis of Accounting – Measurement Focus

Government-Wide Financial Statements
The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

Governmental Funds
Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions
Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under 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 the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, "available" means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursements grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

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, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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 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.

Expenses/Expenditures
On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. 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.

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

Cash and Cash Equivalents
The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Inventories
Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

Capital Assets
The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of $10,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Buildings and Improvements	7 – 50 years
Site Improvements	20 years
Furniture and Equipment	5 – 20 years

Interfund Balances
On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

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

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken because such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Postemployment Benefits Other Than Pensions (OPEB)
For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB, and OPEB expense have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2020
Measurement Date	July 1, 2020
Measurement Period	July 1, 2019 – June 30, 2020

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over five years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

Premiums and Discounts
In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Deferred Outflows/Deferred Inflows of Resources
In addition to assets, the District 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 District 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 so will not be recognized as an inflow of resources (revenue) until that time.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) 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, 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

Assigned - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body, and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

Unassigned - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Interfund Activity

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

G. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. 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 purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

I. Property Tax

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. New Accounting Pronouncements

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This standard's primary objective is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after December 15, 2019. The District has implemented this Statement as of June 30, 2021.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. This standard's primary objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after June 15, 2021. The District has not yet determined the impact on the financial statements.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This standard's primary objectives 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. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after December 15, 2021. The District has not yet determined the impact on the financial statements.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. This standard's primary objectives 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. A portion of this statement was effective upon issuance, while the majority of this statement was postponed by GASB Statement No. 95 and is effective for periods beginning after June 15, 2021. The District has implemented the requirements that were effective upon issuance but has not yet determined the impact on the financial statements for the requirements of this statement that are not yet effective.

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. This standard's primary objectives are to increase consistency and comparability related to reporting fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; to mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and to enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The statement is effective for periods beginning after June 15, 2021. The District has not yet determined the impact on the financial statements.

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	Governmental Activities
Investment in county treasury	$ 31,686,369
Fair market value adjustment	51,032
Cash on hand and in banks	13,738
Cash in revolving fund	55,000
Total	$ 31,806,139

B. Policies and Practices

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

Investment in County Treasury – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section* 41001. The Orange County Treasurer's pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County's investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District's investment in the pool is based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

NOTE 2 – CASH AND INVESTMENTS (continued)

C. General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

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

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately $31,737,401 and an amortized book value of $31,686,369. The average weighted maturity for this pool is 375 days.

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2021, the pooled investments in the County Treasury were rated AAAm.

NOTE 2 – CASH AND INVESTMENTS (continued)

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. 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, the District's bank balance was not exposed to custodial credit risk.

G. Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy 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 (unadjusted) in active markets for identical assets.

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, either directly or indirectly.

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 data if reasonable 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 Orange 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.

The District's fair value measurements at June 30, 2021 were as follows:

	Uncategorized
Investment in county treasury	$ 31,737,401
Total	$ 31,737,401

NOTE 3 – ACCOUNTS RECEIVABLE

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

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Governmental Activities
Federal Government					
Categorical aid	$ 1,068,453	$ -	$ -	$ 1,331,295	$ 2,399,748
State Government					
Apportionment	5,846,311	-	-	-	5,846,311
Categorical aid	569,591	-	-	311,353	880,944
Lottery	292,869	-	-	-	292,869
Local Government					
Other local sources	272,941	5,103	3,364	24,396	305,804
Total	$ 8,050,165	$ 5,103	$ 3,364	$ 1,667,044	$ 9,725,676

NOTE 4 – CAPITAL ASSETS

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

	Restated Balance July 01, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities				
Capital assets not being depreciated				
Land	$ 2,234,453	$ -	$ -	$ 2,234,453
Construction in progress	1,087,905	3,402,260	297,215	4,192,950
Total Capital Assets not Being Depreciated	3,322,358	3,402,260	297,215	6,427,403
Capital assets being depreciated				
Land improvements	2,270,610	289,911	-	2,560,521
Buildings & improvements	75,156,815	72,265	-	75,229,080
Furniture & equipment	8,285,640	136,465	-	8,422,105
Total Capital Assets Being Depreciated	85,713,065	498,641	-	86,211,706
Less Accumulated Depreciation				
Land improvements	1,616,121	63,339	-	1,679,460
Buildings & improvements	32,297,975	2,932,366	-	35,230,341
Furniture & equipment	5,131,768	803,088	-	5,934,856
Total Accumulated Depreciation	39,045,864	3,798,793	-	42,844,657
Governmental Activities Capital Assets, net	$ 49,989,559	$ 102,108	$ 297,215	$ 49,794,452

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund Receivables/Payables (Due From/Due To)

Individual interfund receivable and payable balances at June 30, 2021 were as follows:

	Due From Other Funds		
Due To Other Funds	General Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ 720	$ 720
Special Reserve Fund for Capital Outlay Projects	36,287	-	36,287
Non-Major Governmental Funds	163,700	-	163,700
Total	$ 199,987	$ 720	$ 200,707

The General Fund owed the Non-Major Child Development Fund for expenses.	$ 24
The General Fund owed the Non-Major Cafeteria Fund for expenses.	696
The Non-Major Child Development Fund owed the General Fund for expenses.	19,609
The Non-Major Cafeteria Fund owed the General Fund for indirect costs.	144,091
The Special Reserve Fund for Capital Outlay Projects owed the General Fund for expenses.	36,287
Total	$ 200,707

B. Operating Transfers

Interfund transfers for the year ended June 30, 2021 consisted of $11,039 transferred from the General Fund to the Non-Major Cafeteria Fund for indirect cost correction.

NOTE 6 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2021 consisted of the following:

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	District-Wide	Governmental Activities
Payroll	$ 896,038	$ -	$ -	$ 76,250	$ -	$ 972,288
Construction	-	873,409	216,918	-	-	1,090,327
Vendors payable	2,232,589	-	-	192,954	-	2,425,543
Unmatured interest	-	-	-	-	822,722	822,722
Total	$ 3,128,627	$ 873,409	$ 216,918	$ 269,204	$ 822,722	$ 5,310,880

NOTE 7 – UNEARNED REVENUE

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

	General Fund	Non-Major Governmental Funds	Governmental Activities
Federal sources	$ 701,449	$ -	$ 701,449
State categorical sources	749,227	105,407	854,634
Local sources	-	73,739	73,739
Total	$ 1,450,676	$ 179,146	$ 1,629,822

NOTE 8 – LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the year ended June 30, 2021 consisted of the following:

	Balance July 01, 2020	Additions	Deductions	Balance June 30, 2021	Balance Due In One Year
Governmental Activities					
General obligation bonds	$ 48,806,190	$ 25,458,226	$ 16,495,000	$ 57,769,416	$ 1,405,674
Unamortized premium	2,403,456	1,494,090	554,407	3,343,139	98,388
Total general obligation bonds	51,209,646	26,952,316	17,049,407	61,112,555	1,504,062
Early retirement incentive	893,368	535,328	279,525	1,149,171	386,591
Compensated absences	414,704	19,325	-	434,029	-
Total OPEB liability	10,604,814	-	2,043,996	8,560,818	-
Net pension liability	61,091,294	398,073	-	61,489,367	-
Total	$ 124,213,826	$ 27,905,042	$ 19,372,928	$ 132,745,940	$ 1,890,653

- Payments for general obligation bonds are made in the Bond Interest and Redemption Fund.
- Payments for the early retirement incentive are made in the General Fund.
- Payments for compensated absences are typically liquidated in the General Fund and the Non-Major Governmental Funds.

A. General Obligation Bonds

In November 1998, the District's voters approved the issuance of bonds in the amount of $13,800,000, to be used for the repair, construction and modernization of existing school facilities. The District sold bonds in the amount of $6,932,978 on February 26, 1999, $3,909,923 on November 29, 2000, and $2,957,083 on October 11, 2001.

On September 20, 2011, the District issued a $6,100,000 in general obligation refunding bonds with interest rates ranging from 2.00% to 4.00%. The proceeds from the bonds were deposited into used to advance refund a portion of the District's outstanding general obligation bonds, Election of 1998, Series 1999A, and a portion of the District's general obligation bonds, Election of 1998, Series 2001A.

In June 2014, the District's voters approved the issuance of bonds in the amount of $71,300,000, to be used for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities.

On September 25, 2014, the District issued 2014 Series A and B bonds in the amount of $19,240,000 and $1,830,000, respectively. The Series B bonds were paid in full on August 1, 2017.

On April 27, 2016, the District issued Election 2014, Series 2016 bond anticipation notes in the amount of $4,165,000, which was subsequently paid off with the proceeds from the Election 2014, Series 2017 bonds.

On June 1, 2017, the District issued Election 2014, Series 2017 general obligation bonds in the amount of $12,380,000, a portion of the proceeds were used to pay back the outstanding Election 2014, Series 2016 bond anticipation notes.

On May 9, 2018, the District issued Election 2014, Series 2018 general obligation bonds in the amount of $10,205,000.

On April 29, 2021, the District issued Election 2014, Series 2021 general obligation bonds of the amount of $10,000,000.

On April 29, 2021, the District issued 2021 Refunding, Series A and B of the amounts of $1,000,000 and $14,065,000, respectively.

NOTE 8 – LONG-TERM LIABILITIES (continued)

A. General Obligation Bonds (continued)

Refunding Bonds, Series 2021A and 2021B

The net proceeds received for the Refunding Bonds, Series 2021A and 2021B were used to refund a portion of the outstanding 2011 General Obligation Refunding Bonds and to refund a portion of the outstanding Election of 2014, Series 2014A General Obligation Bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's financial statements. This refunding reduced total debt service payments by $1,091,499 and resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $704,741.

The outstanding bonded debt of Buena Park School District at June 30, 2021 is:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 01, 2020	Additions	Deductions	Bonds Outstanding June 30, 2021
Election 1998, Series 1999A	February 26, 1999	August 1, 2023	3.20% - 5.25%	$ 6,932,978	$ 2,448,810	$ 114,205	$ 675,000	$ 1,888,015
Election 1998, Series 2000A	November 29, 2000	August 1, 2025	4.75% - 5.85%	3,909,923	3,719,380	187,844	425,000	3,482,224
Election 1998, Series 2001A	October 11, 2001	August 1, 2026	2.30% - 5.33%	2,957,083	983,000	91,177	-	1,074,177
2011 Refunding	September 20, 2011	August 1, 2025	2.00% - 4.00%	6,100,000	1,555,000	-	1,300,000	255,000
Election 2014, Series 2014A	September 25, 2014	August 1, 2044	3.00% - 5.00%	19,240,000	18,095,000	-	12,745,000	5,350,000
Election 2014, Series 2017	June 1, 2017	August 1, 2046	3.00% - 5.00%	12,380,000	11,800,000	-	350,000	11,450,000
Election 2014, Series 2018	May 9, 2018	August 1, 2047	2.625% - 5.00%	10,205,000	10,205,000	-	-	10,205,000
Election 2014, Series 2021	April 29, 2021	August 1, 2048	0.266% - 4.00%	10,000,000	-	10,000,000	1,000,000	9,000,000
2021 Refunding, Series A	April 29, 2021	August 1, 2025	4.00%	1,000,000	-	1,000,000	-	1,000,000
2021 Refunding, Series B	April 29, 2021	August 1, 2044	0.266% - 3.086%	14,065,000	-	14,065,000	-	14,065,000
					$ 48,806,190	$ 25,458,226	$ 16,495,000	$ 57,769,416

The annual requirements to amortize all general obligation bonds payable, outstanding as of June 30, 2021, are as follows:

Year Ended June 30,	Principal	Interest	Total
2022	$ 1,405,674	$ 2,434,183	$ 3,839,857
2023	1,342,114	2,711,516	4,053,630
2024	1,309,369	2,717,897	4,027,266
2025	1,396,094	2,778,622	4,174,716
2026	1,139,284	2,798,932	3,938,216
2027 - 2031	4,047,083	9,571,885	13,618,968
2032 - 2036	6,715,000	7,158,746	13,873,746
2037 - 2041	10,910,000	5,777,873	16,687,873
2042 - 2046	15,970,000	3,442,948	19,412,948
2047 - 2049	8,775,000	502,025	9,277,025
Accretion	4,759,798	(4,759,798)	-
Total	$ 57,769,416	$ 35,134,829	$ 92,904,245

B. Early Retirement Incentive

In May 2017, the District has entered into a PARS supplementary retirement plan, 11 participants will be paid through the Pacific Life Insurance Company. In April 2020, the District has entered into a PARS supplementary retirement plan, 8 participants will be paid through the Pacific Life Insurance Company. In February 2021, the District entered into a PARS supplementary retirement plan, 7 participants will be paid through Pacific Life Insurance Company. The District annual contributions are as follows:

NOTE 8 – LONG-TERM LIABILITIES (continued)

B. Early Retirement Incentive (continued)

Year Ended June 30,	Principal
2022	$ 386,591
2023	218,506
2024	218,506
2025	218,506
2026	107,062
Total	$1,149,171

C. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2021 amounted to $434,029. This amount is included as part of long-term liabilities in the government-wide financial statements.

D. Other Postemployment Benefits

The District's beginning total OPEB liability was $10,604,814 and decreased by $2,043,996 during the year ended June 30, 2021. The ending total OPEB liability at June 30, 2021 was $8,560,818. See Note 10 for additional information regarding the total OPEB liability.

E. Net Pension Liability

The District's beginning net pension liability was $61,091,294 and increased by $398,073 during the year ended June 30, 2021. The ending net pension liability at June 30, 2021 was $61,489,367. See Note 11 for additional information regarding the net pension liability.

NOTE 9 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2021:

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable					
Revolving cash	$ 55,000	$ -	$ -	$ -	$ 55,000
Stores inventory	49,927	-	-	56,212	106,139
Prepaid expenditures	9,000	-	-	-	9,000
Total non-spendable	113,927	-	-	56,212	170,139
Restricted					
Educational programs	2,744,019	-	-	76,749	2,820,768
Food service	-	-	-	3,022,796	3,022,796
Associated student body	-	-	-	3,571	3,571
Capital projects	-	9,545,897	6,970,300	497,685	17,013,882
Debt service	-	-	-	3,429,893	3,429,893
Total restricted	2,744,019	9,545,897	6,970,300	7,030,694	26,290,910
Committed					
Deferred maintenance	-	-	-	12	12
Total committed	-	-	-	12	12
Assigned					
OPEB reserve	592,093	-	-	-	592,093
Kid Connection reserve	150,000	-	-	-	150,000
Technology reserve	250,000	-	-	-	250,000
Textbook reserve	750,000	-	-	-	750,000
Reserve capacity	3,914,383	-	-	-	3,914,383
Site/Dept carryover	307,985	-	-	-	307,985
ELA/ELD adoption per FPM	1,200,000	-	-	-	1,200,000
Total assigned	7,164,461	-	-	-	7,164,461
Unassigned	1,903,452	-	-	-	1,903,452
Total Fund Balance	$ 11,925,859	$ 9,545,897	$ 6,970,300	$ 7,086,918	$ 35,528,974

NOTE 9 – FUND BALANCES (continued)

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, which may be increased from time to time in order to address specific anticipated revenue shortfalls.

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Plan Description

The Buena Park School District's defined benefit OPEB plan, Buena Park School District Retiree Benefit Plan (the Plan) is described below. The Plan is a single-employer defined benefit plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

B. Benefits Provided

The District provides postemployment health care benefits, in accordance with District employment contracts, to all employees who retire from the District on or after attaining 55 with at least 10 years of service. The District provides medical benefits to eligible retirees at the same level they are receiving at the time of retirement up to age 65. The District does not make a contribution towards the coverage of dependents. Dental coverage is entirely paid for by the retiree. Vision and employee assistance coverages are not offered to retirees.

C. Contributions

For fiscal year 2020-21, the District contributed $367,177 to the Plan, all of which was used for current premiums.

D. Plan Membership

Membership of the Plan consisted of the following:

	Number of participants
Inactive employees receiving benefits	18
Inactive employees entitled to but not receiving benefits*	-
Participating active employees	352
Total number of participants**	370

*Information not provided
**As of the July 1, 2020 valuation date

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

E. Total OPEB Liability

The Buena Park School District's total OPEB liability of $8,560,818 was measured as of July 1, 2020 and was determined by an actuarial valuation as of that date.

F. Actuarial Assumptions and Other Inputs

The total OPEB liability as of the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Economic assumptions:

Salary increases	3.00%
Investment rate of return	2.45%
Healthcare cost trend rates	5.00% for 2020, 5.20% for years 2024-2069 and 4.00% each year after.

Non-economic assumptions:

Pre-retirement Mortality:
Certificated: Mortality Rates for active employees from CalSTRS Experience Analysis (2015-2018).
Classified: Preretirement Mortality Rates from CalPERS Experience Study (1997-2015).

Postretirement Mortality:
Certificated: Mortality Rates for retired members and beneficiaries from CalSTRS Experience Analysis (2015-2018).
Classified: Post-retirement Mortality Rates for Healthy Recipients from CalPERS Experience Study (1997-2015).

Actuarial assumptions used in the July 1, 2020 valuation were based on a review of plan experience during the period July 1, 2019 to June 30, 2020.

The discount rate was based on the Bond Buyer 20 Bond Index. The actuary assumed contributions would be sufficient to fully fund the obligation over a period not to exceed thirty years.

G. Changes in Total OPEB Liability

	June 30, 2021
Total OPEB Liability	
Service cost	$ 498,506
Interest on total OPEB liability	312,806
Difference between expected and actual experience	(2,864,850)
Changes of assumptions	376,719
Benefits payments	(367,177)
Net change in total OPEB liability	(2,043,996)
Total OPEB liability - beginning	10,604,814
Total OPEB liability - ending	$ 8,560,818
Covered-employee payroll	$ 11,174,180
District's total OPEB liability as a percentage of covered-employee payroll	76.61%

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

H. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Buena Park School 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 (1.45 percent) or one percentage point higher (3.45 percent) than the current discount rate:

	1% Decrease (1.45%)	Valuation Discount Rate (2.45%)	1% Increase (3.45%)
Total OPEB liability	$ 9,181,905	$ 8,560,818	$ 7,967,723

I. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Buena Park School District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (4.00 percent) or one percentage point higher (6.00 percent) than the current healthcare cost trend rate:

	1% Decrease (4.00%)	Valuation Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	$ 7,739,704	$ 8,560,818	$ 9,494,256

J. OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021 the Buena Park School District recognized OPEB expense of $574,672. At June 30, 2021, the Buena Park School District reported deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,215,008
Changes in assumptions	784,158	91,698
District contributions subsequent to the measurement date	335,674	-
Total	$ 1,119,832	$ 2,306,706

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

J. OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB (continued)

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

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 175,032	$ 414,030
2023	175,032	414,030
2024	175,032	414,030
2025	175,032	414,030
2026	84,030	309,918
Thereafter	-	340,668
Total	$ 784,158	$ 2,306,706

NOTE 11 – PENSION PLANS

Qualified employees are covered under multiple-employer contributory retirement 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). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	Net pension liability	Deferred outflows related to pensions	Deferred inflows related to pensions	Pension expense
STRS Pension	$ 43,619,947	$ 10,851,345	$ 3,022,372	$ 4,756,044
PERS Pension	17,869,420	2,890,228	1,353,473	2,707,872
Total	$ 61,489,367	$ 13,741,573	$ 4,375,845	$ 7,463,916

A. California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

NOTE 11 – PENSION PLANS (continued)

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

Benefits Provided
The CalSTRS defined benefit plan has two benefit formulas:

1. CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.

2. CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

Contributions
Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2021, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2021 was 19.10% of annual payroll reduced to 16.15% pursuant to California Senate Bill 90 (SB 90) The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were $3,870,017 for the year ended June 30, 2021.

On-Behalf Payments
The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately $2,544,774 to CalSTRS.

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 the net pension liability	$	43,619,947
State's proportionate share of the net pension liability associated with the District		22,485,905
Total	$	66,105,852

NOTE 11 – 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, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2019 and rolling forward the total pension liability to 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. At June 30, 2020, the District's proportion was 0.045 percent, which was a decrease of 0.002 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of $4,756,044. In addition, the District recognized pension expense and revenue of $703,054. 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
Differences between projected and actual earnings on plan investments	$ 1,036,159	$ -
Differences between expected and actual experience	76,970	1,230,157
Changes in assumptions	4,253,562	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,614,637	1,792,215
District contributions subsequent to the measurement date	3,870,017	-
Total	$ 10,851,345	$ 3,022,372

The $3,870,017 reported as 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 year ended June 30, 2022. Other 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	$ 1,176,716	$ 727,145
2023	2,162,462	640,724
2024	2,515,349	563,752
2025	836,170	421,859
2026	224,467	394,310
2027	66,164	274,582
Total	$ 6,981,328	$ 3,022,372

NOTE 11 – PENSION PLANS (continued)

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

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Rate of Return*	7.10%
Wage Inflation	3.50%

* Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2016 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance–PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each 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*
Public Equity	42%	4.80%
Real Estate	15%	3.60%
Private Equity	13%	6.30%
Fixed Income	12%	1.30%
Risk Mitigating Strategies	10%	1.80%
Inflation Sensitive	6%	3.30%
Cash/Liquidity	2%	-0.40%
	100%	

*20-year geometric average

NOTE 11 – PENSION PLANS (continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan'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.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	$ 65,903,663	$ 43,619,947	$ 25,221,601

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS financial report.

B. California Public Employees' Retirement System (CalPERS)

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Benefits Provided

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

NOTE 11 – PENSION PLANS (continued)

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

Contributions

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 7.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2021 22.68% of annual payroll reduced to 20.70% pursuant to California Senate Bill 90 (SB 90). Contributions to the plan from the District were $1,566,448 for the year ended June 30, 2021.

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 of $17,869,420 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2019 and rolling forward the total pension liability to 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. At June 30, 2020, the District's proportion was 0.058 percent, which was a decrease of 0.006 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of $2,707,872. 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
Differences between projected and actual earnings on plan investments	$ 371,984	$ -
Differences between expected and actual experience	886,268	-
Changes in assumptions	65,528	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	1,353,473
District contributions subsequent to the measurement date	1,566,448	-
Total	$ 2,890,228	$ 1,353,473

NOTE 11 – 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)

The $1,566,448 reported as 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 year ended June 30, 2022. Other 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	$ 459,063	$ 536,604
2023	387,128	429,932
2024	299,959	386,937
2025	177,630	-
Total	$ 1,323,780	$ 1,353,473

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Discount Rate	7.15%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS' membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period from 1997 through 2015.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

NOTE 11 – PENSION PLANS (continued)

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

Actuarial Assumptions (continued)
The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10*	Real Return Years 11+**
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.0%	-0.92%
	100.0%		

*An expected inflation of 2.00% used for this period.
**An expected inflation of 2.92% used for this period.

Discount Rate
The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS' website.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
District's proportionate share of the net pension liability	$ 25,690,549	$ 17,869,420	$ 11,378,275

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2021.

B. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2021.

C. Construction Commitments

As of June 30, 2021, the District had outstanding construction commitments of $1,972,726.

NOTE 13 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District is a member of four joint powers authorities (JPAs). The first is the Northern Orange County Self-Funded Workers' Compensation Insurance Agency (NOCSFWCA) to provide workers' compensation insurance coverage, next is the Northern Orange County Liability and Property Self-Insurance Authority (NOCLPSIA) to provide liability and property insurance, next is the Orange County Fringe Benefits Joint Powers Authority (OCFBJPA) to provide dental insurance coverage and the last is the Self-Insured Schools of California (SISC III) to provide health and welfare insurance coverage. The relationship is such that the JPAs are not component units of the District for financial reporting purposes.

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

NOTE 14 – DEFERRED OUTFLOWS OF RESOURCES

A. Refunded Debt

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities,* the District recognized deferred outflows or inflows of resources in the District-wide financial statements. The deferred outflow of resources pertains to the difference in the carrying value of the refunded debt and its reacquisition price (deferred amount on refunding). Previous financial reporting standards require this to be presented as part of the District's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the new debt, whichever is shorter. At June 30, 2021, the deferred amount on refunding was $1,365,570.

B. Pension Plans

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 11. At June 30, 2021, total deferred outflows related to pensions was $13,741,573 and total deferred inflows related to pensions was $4,375,845.

C. Other Postemployment Benefits

Pursuant to GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* the District recognized deferred outflows of resources related to other postemployment benefits and deferred inflows of resources related to other postemployment benefits in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 10. At June 30, 2021, total deferred outflows related to other postemployment benefits was $1,119,832 and total deferred inflows related to other postemployment benefits was $2,306,706.

NOTE 15– RESTATEMENT OF NET POSITION AND FUND BALANCE

The amounts previously reported at June 30, 2020 as the ending net position for Governmental Activities and the ending fund balance for the Student Activity Fund have been restated due to the implementation of GASB Statement No. 84, *Fiduciary Activities*. Based on the clarifications provided by GASB Statement No. 84 and California Education Code regarding associated student body (ASB) accounts, it has been determined that the District's ASB accounts are not fiduciary because they do not meet the criteria established by GASB Statement No. 84, paragraph 11(c)(2) regarding administrative involvement.

Additionally, capital asset balances have been restated in order to properly present capital asset balances and accumulated depreciation for each asset class.

	Governmental Activities
Net Position - Beginning, as Previously Reported	$ (40,920,262)
Restatement	597,150
Net Position - Beginning, as Restated	$ (40,323,112)

	Student Activity Fund
Fund Balance - Beginning, as Previously Reported	$ -
Restatement	3,476
Fund Balance - Beginning, as Restated	$ 3,476

REQUIRED SUPPLEMENTARY INFORMATION

BUENA PARK SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual*	Variances -
	Original	Final	(Budgetary Basis)	Final to Actual
REVENUES				
LCFF sources	$ 41,418,156	$ 45,050,861	$ 45,090,922	$ 40,061
Federal sources	3,020,162	8,957,354	7,865,417	(1,091,937)
Other state sources	5,402,568	5,336,536	7,008,771	1,672,235
Other local sources	4,036,735	3,625,554	3,548,982	(76,572)
Total Revenues	53,877,621	62,970,305	63,514,092	543,787
EXPENDITURES				
Certificated salaries	24,044,714	24,373,139	24,333,591	39,548
Classified salaries	8,059,310	7,484,633	6,980,274	504,359
Employee benefits	16,176,527	15,575,242	15,410,209	165,033
Books and supplies	2,016,092	6,457,744	5,900,320	557,424
Services and other operating expenditures	5,102,188	6,524,692	5,944,674	580,018
Capital outlay	100,000	268,321	266,678	1,643
Other outgo				
Excluding transfers of indirect costs	1,684,520	1,853,166	1,414,983	438,183
Transfers of indirect costs	(158,081)	(189,014)	(101,004)	(88,010)
Total Expenditures	57,025,270	62,347,923	60,149,725	2,198,198
Excess (Deficiency) of Revenues Over Expenditures	(3,147,649)	622,382	3,364,367	2,741,985
Other Financing Sources (Uses)				
Transfers out	-	(11,039)	(11,039)	-
Net Financing Sources (Uses)	-	(11,039)	(11,039)	-
NET CHANGE IN FUND BALANCE	(3,147,649)	611,343	3,353,328	2,741,985
Fund Balance - Beginning	6,375,327	8,392,932	8,392,932	-
Fund Balance - Ending	$ 3,227,678	$ 9,004,275	$ 11,746,260	$ 2,741,985

* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance because revenues for Medi-Cal Billing Option and Medi-Cal Administrative Activities are presented as federal revenues in this schedule, while these amounts have been reclassified as local revenues in the Statement of Revenues, Expenditures, and Changes in Fund Balance. Additionally, an audit adjustment of $179,599 to increase other state sources is not included in this schedule.

See accompanying notes to required supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability				
Service cost	$ 498,506	$ 498,506	$ 464,062	$ 466,056
Interest on total OPEB liability	312,806	312,806	315,213	317,735
Difference between expected and actual experience	(2,864,850)	-	(937,024)	-
Changes of assumptions	376,719	483,207	756,017	-
Benefits payments	(367,177)	(367,177)	(285,319)	(389,494)
Net change in total OPEB liability	(2,043,996)	927,342	312,949	394,297
Total OPEB liability - beginning	10,604,814	9,677,472	9,364,523	8,970,226
Total OPEB liability - ending	$ 8,560,818	$ 10,604,814	$ 9,677,472	$ 9,364,523
Covered-employee payroll	$ 11,174,180	$ 33,178,354	$ 33,840,165	$ 34,690,305
District's total OPEB liability as a percentage of covered-employee payroll	76.61%	31.96%	28.60%	26.99%

See accompanying notes to required supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.045%	0.047%	0.045%	0.046%	0.047%	0.044%	0.048%
District's proportionate share of the net pension liability	$ 43,619,947	$ 42,224,832	$ 41,738,917	$ 42,226,068	$ 38,020,743	$ 29,569,304	$ 28,313,974
State's proportionate share of the net pension liability associated with the District	22,485,905	23,036,651	23,897,599	24,980,789	21,647,718	15,638,860	17,097,199
Total	$ 66,105,852	$ 65,261,483	$ 65,636,516	$ 67,206,857	$ 59,668,461	$ 45,208,164	$ 45,411,173
District's covered payroll	$ 24,673,485	$ 25,180,201	$ 24,498,456	$ 24,363,808	$ 23,554,230	$ 21,990,962	$ 21,580,715
District's proportionate share of the net pension liability as a percentage of its covered payroll	176.8%	167.7%	170.4%	173.3%	161.4%	134.5%	131.2%
Plan fiduciary net position as a percentage of the total pension liability	71.8%	72.6%	71.0%	69.5%	70.0%	74.0%	76.5%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See accompanying notes to required supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS
FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.058%	0.065%	0.068%	0.070%	0.071%	0.069%	0.066%
District's proportionate share of the net pension liability	$ 17,869,420	$ 18,866,462	$ 18,015,644	$ 16,715,461	$ 14,010,525	$ 10,212,761	$ 7,543,926
District's covered payroll	$ 8,424,720	$ 8,952,100	$ 8,912,089	$ 8,930,645	$ 8,549,062	$ 7,670,572	$ 6,975,808
District's proportionate share of the net pension liability as a percentage of its covered payroll	212.1%	210.7%	202.1%	187.2%	163.9%	133.1%	108.1%
Plan fiduciary net position as a percentage of the total pension liability	70.0%	70.0%	70.8%	71.9%	73.9%	79.4%	83.4%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See accompanying notes to required supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 3,870,017	$ 4,219,166	$ 4,099,337	$ 3,535,006	$ 3,064,967	$ 2,528,121	$ 1,935,204
Contributions in relation to the contractually required contribution*	(3,870,017)	(4,219,166)	(4,099,337)	(3,535,006)	(3,064,967)	(2,528,121)	(1,935,204)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 23,962,954	$ 24,673,485	$ 25,180,201	$ 24,498,456	$ 24,363,808	$ 23,554,230	$ 21,990,962
Contributions as a percentage of covered payroll	16.15%	17.10%	16.28%	14.43%	12.58%	10.73%	8.80%

*Amounts do not include on-behalf contributions

See accompanying notes to required supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS
FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 1,566,448	$ 1,660,815	$ 1,616,929	$ 1,384,155	$ 1,240,288	$ 1,049,965	$ 902,903
Contributions in relation to the contractually required contribution*	(1,566,448)	(1,660,815)	(1,616,929)	(1,384,155)	(1,240,288)	(1,049,965)	(902,903)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 7,567,382	$ 8,424,720	$ 8,952,100	$ 8,912,089	$ 8,930,645	$ 8,549,062	$ 7,670,572
Contributions as a percentage of covered payroll	20.70%	19.71%	18.06%	15.53%	13.89%	12.28%	11.77%

*Amounts do not include on-behalf contributions

See accompanying notes to required supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of Changes in Total OPEB Liability and Related Ratios

This 10-year schedule is required by GASB Statement No. 75 for all single and agent employers that provide other postemployment benefits (OPEB). Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 75 was applicable. The schedule presents the sources of change in the total OPEB liability, and the components of the total OPEB liability and related ratios, the total OPEB liability as a percentage of covered-employee payroll.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuation for OPEB.

Changes in Assumptions

The healthcare trend rate changed from 5.80% to 5.00% since the previous valuation for OPEB.

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

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Changes in Benefit Terms

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

Changes in Assumptions

There were no changes in economic assumptions since the previous valuations for CalSTRS and CalPERS.

Schedule of District Contributions

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

SUPPLEMENTARY INFORMATION

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster	AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF EDUCATION:			
Passed through California Department of Education:			
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	$ 740,265
Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	196,679
Title III, English Learner Student Program	84.365	14346	69,212
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	70,768
Special Education Cluster			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	904,518
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	30,085
IDEA Preschool Local Entitlement, Part B, Section 611 (AGE 3-4-5)	84.027A	13682	10,342
Subtotal Special Education Cluster			944,945
COVID-19 Emergency Acts Funding/Education Stabilization Fund Discretionary Grants:			
Governor's Emergency Education Relief (GEER) Fund	84.425C	15517	273,247
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	886,863
Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	268,060
Subtotal Education Stabilization Fund Discretionary Grants			1,428,170
Total U. S. Department of Education			3,450,039
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through California Department of Education:			
COVID-19 Emergency Acts Funding/Extending Summer Food Service Program and SSO:			
Child Nutrition Cluster			
School Breakfast Program - Basic	10.553	13525	69,401
School Breakfast Program - Needy	10.553	13526	1,209,516
National School Lunch Program	10.555	13391	2,330,730
Meal Supplements	10.555	13755	305,349
USDA Commodities	10.555	*	552,138
Total U. S. Department of Agriculture			4,467,134
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through California Department of Education:			
Child Care and Development Block Grant			
Child Development: Coronavirus Response and Relief Supplemental	93.575	15555	25,909
Total U. S. Department of Health & Human Services			25,909
U. S. DEPARTMENT OF THE TREASURY:			
Passed through California Department of Education:			
COVID-19 Emergency Acts Funding:			
Coronavirus Relief Fund (CRF): Learning Loss Mitigation	21.019	25516	4,071,234
Total U. S. Department of the Treasury			4,071,234
Total Federal Expenditures			$ 12,014,316

* - Pass-Through Entity Identifying Number not available or not applicable

See accompanying notes to supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2021

Grade Level	2020-21 Number of Days	Status
Kindergarten	180	Complied
Grade 1	180	Complied
Grade 2	180	Complied
Grade 3	180	Complied
Grade 4	180	Complied
Grade 5	180	Complied
Grade 6	180	Complied
Grade 7	180	Complied
Grade 8	180	Complied

See accompanying notes to supplementary information.

BUENA PARK SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

	2022 (Budget)	2021	2020	2019
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	$ 63,209,886	$ 63,514,092	$ 59,421,506	$ 59,697,756
Expenditures And Other Financing Uses	63,474,482	60,160,764	58,841,565	59,679,207
Net change in Fund Balance	$ (264,596)	$ 3,353,328	$ 579,941	$ 18,549
Ending Fund Balance	$ 11,481,664	$ 11,746,260	$ 8,392,932	$ 7,812,991
Available Reserves*	$ 1,903,454	$ 2,083,051	$ 1,765,427	$ 1,790,377
Available Reserves As A Percentage Of Outgo	3.00%	3.46%	3.00%	3.00%
Long-term Liabilities	$ 130,855,287	$ 132,745,940	$ 124,213,826	$ 123,273,672
Average Daily Attendance At P-2***	4,263	4,236	4,236	4,323

The General Fund balance has increased by $3,933,269 over the past two years. The fiscal year 2021-22 budget projects a decrease of $264,596. For a District this size, the State recommends available reserves of at least 3% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in each of the past three years but anticipates incurring an operating deficit during the 2021-22 fiscal year. Total long-term obligations have increased by $9,472,268 over the past two years.

Average daily attendance has decreased by 87 ADA over the past two years. An increase of 27 ADA is anticipated during the 2021-22 fiscal year.

*Available reserves consist of all unassigned fund balance within the General Fund.

**An audit adjustment of $179,599 to increase other state sources is not included in this schedule.

***Due to the COVID-19 pandemic, Average Daily Attendance at P-2 was not reported in 2021. Funding was based on Average Daily Attendance at P-2 as reported in 2020.

See accompanying notes to supplementary information.

BUENA PARK SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund
June 30, 2021, annual financial and budget report fund balance	$ 11,746,260
Adjustments and reclassifications:	
Increase (decrease) in total fund balances:	
Accounts receivable	179,599
Net adjustments and reclassifications	179,599
June 30, 2021, audited financial statement fund balance	$ 11,925,859

See accompanying notes to supplementary information.

BUENA PARK SCHOOL DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2021

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds
ASSETS								
Cash and investments	$ 3,571	$ 176,217	$ 1,891,366	$ 12	$ 468,842	$ 7,788	$ 3,427,196	$ 5,974,992
Accounts receivable	-	208,381	1,434,906	-	21,057	3	2,697	1,667,044
Due from other funds	-	24	696	-	-	-	-	720
Stores inventory	-	-	56,212	-	-	-	-	56,212
Total Assets	$ 3,571	$ 384,622	$ 3,383,180	$ 12	$ 489,899	$ 7,791	$ 3,429,893	$ 7,698,968
LIABILITIES								
Accrued liabilities	$ -	$ 109,118	$ 160,081	$ -	$ 5	$ -	$ -	$ 269,204
Due to other funds	-	19,609	144,091	-	-	-	-	163,700
Unearned revenue	-	179,146	-	-	-	-	-	179,146
Total Liabilities	-	307,873	304,172	-	5	-	-	612,050
FUND BALANCES								
Non-spendable	-	-	56,212	-	-	-	-	56,212
Restricted	3,571	76,749	3,022,796	-	489,894	7,791	3,429,893	7,030,694
Committed	-	-	-	12	-	-	-	12
Total Fund Balances	3,571	76,749	3,079,008	12	489,894	7,791	3,429,893	7,086,918
Total Liabilities and Fund Balance	$ 3,571	$ 384,622	$ 3,383,180	$ 12	$ 489,899	$ 7,791	$ 3,429,893	$ 7,698,968

See accompanying notes to supplementary information.

BUENA PARK SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds
REVENUES								
Federal sources	$ -	$ 25,909	$ 4,467,134	$ -	$ -	$ -	$ -	$ 4,493,043
Other state sources	-	772,930	304,867	-	-	-	10,887	1,088,684
Other local sources	95	10,782	17,321	163	469,191	78	3,381,369	3,878,999
Total Revenues	95	809,621	4,789,322	163	469,191	78	3,392,256	9,460,726
EXPENDITURES								
Current								
Instruction	-	708,957	-	-	-	-	-	708,957
Instruction-related services								
Instructional supervision and administration	-	55,019	-	-	-	-	-	55,019
Pupil services								
Food services	-	-	3,250,034	-	-	-	-	3,250,034
General administration								
All other general administration	-	19,031	81,973	-	-	-	-	101,004
Plant services	-	-	26,002	151	202	-	-	26,355
Facilities acquisition and maintenance	-	-	-	-	560,035	5	-	560,040
Debt service								
Principal	-	-	-	-	-	-	2,503,108	2,503,108
Interest and other	-	-	-	-	-	-	2,694,143	2,694,143
Total Expenditures	-	783,007	3,358,009	151	560,237	5	5,197,251	9,898,660
Excess (Deficiency) of Revenues Over Expenditures	95	26,614	1,431,313	12	(91,046)	73	(1,804,995)	(437,934)
Other Financing Sources (Uses)								
Transfers in	-	-	11,039	-	-	-	-	11,039
Other sources	-	-	-	-	-	-	16,559,090	16,559,090
Other uses	-	-	-	-	-	-	(14,966,727)	(14,966,727)
Net Financing Sources (Uses)	-	-	11,039	-	-	-	1,592,363	1,603,402
NET CHANGE IN FUND BALANCE	95	26,614	1,442,352	12	(91,046)	73	(212,632)	1,165,468
Fund Balance - Beginning, as Restated	3,476	50,135	1,636,656	-	580,940	7,718	3,642,525	5,921,450
Fund Balance - Ending	$ 3,571	$ 76,749	$ 3,079,008	$ 12	$ 489,894	$ 7,791	$ 3,429,893	$ 7,086,918

See accompanying notes to supplementary information.

BUENA PARK SCHOOL DISTRICT
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2021

Buena Park School District was formed in 1893 and is located in the eastern portion of Orange County. The District encompasses approximately 6.5 square miles including the City of Buena Park. There were no changes in the boundaries of the District during the current year. The District currently operates six elementary schools and one intermediate school.

GOVERNING BOARD

Member	Office	Term Expires
Mr. Jason Chong	President	December 2024
Mr. Jerry Frutos	Clerk/President Pro Term	December 2022
Mrs. Tharwa Ahmad	Member	December 2022
Mrs. Rhodia Shead	Member	December 2022
Mrs. Irene Castaneda	Member	December 2024

DISTRICT ADMINISTRATORS

Dr. Ramon Miramontes
Superintendent of Schools

Sandra Poteet
Chief Financial Officer

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 10 percent de minimis indirect cost rate.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with article 8 (commencing with section 46200) of chapter 2 of 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 Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

Combining Statements – Non-Major Funds

These statements provide information on the District’s non-major funds.

Local Education Agency Organization Structure

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

OTHER INDEPENDENT AUDITORS' REPORTS

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*

Independent Auditors' Report

Governing Board
Buena Park School District
Buena Park, 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 Buena Park School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Buena Park School District's basic financial statements, and have issued our report thereon dated January 20, 2022.

Internal Control over Financial Reporting

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

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

348 Olive Street
San Diego, CA
92103

O: 619-270-8222
F: 619-260-9085
christywhite.com

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
January 20, 2022

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

Independent Auditors' Report

Governing Board
Buena Park School District
Buena Park, California

Report on Compliance for Each Major Federal Program

We have audited Buena Park 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 Buena Park School District's major federal programs for the year ended June 30, 2021. Buena Park School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Buena Park 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 Buena Park 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 Buena Park School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Buena Park 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.

348 Olive Street
San Diego, CA
92103

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F: 619-260-9085
christywhite.com

Report on Internal Control Over Compliance

Management of Buena Park 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 Buena Park 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 Buena Park School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

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.

Christy White, Inc.

San Diego, California
January 20, 2022

REPORT ON STATE COMPLIANCE

Independent Auditors' Report

Governing Board
Buena Park School District
Buena Park, California

Report on State Compliance

We have audited Buena Park School District's compliance with the types of compliance requirements described in the *2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the prescribed in Title 5, *California Code of Regulations*, section 19810 that could have a direct and material effect on each of Buena Park School District's state programs for the fiscal year ended June 30, 2021, as identified below.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Buena Park School District's state 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 *2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the prescribed in Title 5, *California Code of Regulations*, section 19810. 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 above that could have a direct and material effect on the state programs noted below occurred. An audit includes examining, on a test basis, evidence about Buena Park 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 with the requirements referred to above. However, our audit does not provide a legal determination of Buena Park School District's compliance with those requirements.

Opinion on State Compliance

In our opinion, Buena Park School District complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below for the year ended June 30, 2021.

348 Olive Street
San Diego, CA
92103

O: 619-270-8222
F: 619-260-9085
christywhite.com

Procedures Performed

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

PROGRAM NAME	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
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; for charter schools	Not Applicable
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Charter School Facility Grant Program	Not Applicable

Christy White, Inc.

San Diego, California
January 20, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

BUENA PARK SCHOOL DISTRICT
SUMMARY OF AUDITORS' RESULTS
FOR THE 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(ies) identified?	None Reported
Non-compliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	No
Identification of major programs:	

AL Number(s)	Name of Federal Program or Cluster
84.425C, 84.425D	Education Stabilization Fund Distrectionary Grants
21.019	Coronavirus Relief Fund (CRF): Learning Loss Mitigation
84.027, 84.173, 84.027A	Special Education Cluster

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

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for state programs:	Unmodified

BUENA PARK SCHOOL DISTRICT
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

FIVE DIGIT CODE	AB 3627 FINDING TYPE
20000	Inventory of Equipment
30000	Internal Control

There were no financial statement findings for the year ended June 30, 2021.

BUENA PARK SCHOOL DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

FIVE DIGIT CODE	AB 3627 FINDING TYPE
50000	Federal Compliance

There were no federal award findings or questioned costs for the year ended June 30, 2021.

BUENA PARK SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

FIVE DIGIT CODE	AB 3627 FINDING TYPE
10000	Attendance
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
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 state award findings or questioned costs for the year ended June 30, 2021.

BUENA PARK SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

There were no findings or questioned costs for the year ended June 30, 2020.