OXNARD SCHOOL DISTRICT

VENTURA COUNTY

AUDIT REPORT

For the Fiscal Year Ended
June 30, 2023

NIGRO & NIGRO PC

OXNARD SCHOOL DISTRICT
For the Fiscal Year Ended June 30, 2023
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NIGRO & NIGRO PC

A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Oxnard School District
Oxnard, California

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard School District, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard School District, as of June 30, 2023, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA | Angelika Vartikyan, CPA

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

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of changes in the District's total OPEB liability and related ratios, schedule of OPEB contributions, schedule of the District's proportionate share of the net OPEB liability-MPP Program, and the notes to the required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except for the LEA Organization Structure, 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 Schedule of Expenditures of Federal Awards and other supplementary information listed in the table of contents, except for the LEA Organization Structure, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 13, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Nigro + Nigro, PC.

Murrieta, California
December 13, 2023

This discussion and analysis of Oxnard School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The District's overall financial status increased from last year as the net position increased to $87.9 million.
- Total governmental revenues were $367.3 million.
- The total cost of basic programs was $276.7 million. Because a portion of these costs was paid for with charges, fees, and intergovernmental aid, the net cost that required taxpayer funding was $146.6 million.
- Governmental funds increased by $130.1 million, or 91.0%, primarily due to proceeds received in the building fund.
- Reserves for the General Fund increased by $3.4 million, or 14.3%. Revenues were $329.7 million and expenditures were $271.9 million.

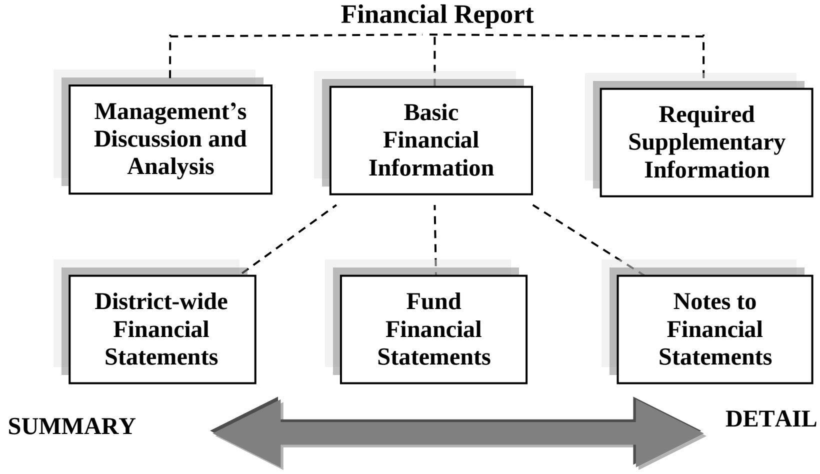
OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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



OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

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

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

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

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

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

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

The District has two kinds of funds:

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's combined net position was higher on June 30, 2023, than it was the year before – increasing by $90.5 million to $87.9 million (See Table A-1).

Table A-1: Statement of Net Position

	Governmental Activities		Variance Increase
	2023	**2022**	**(Decrease)**
Assets			
Current assets	$ 300,889,116	$ 180,275,477	$ 120,613,639
Capital assets	432,350,979	409,313,600	23,037,379
Total assets	733,240,095	589,589,077	143,651,018
Deferred outflows of resources	102,790,710	82,034,690	20,756,020
Liabilities			
Current liabilities	32,428,813	41,224,434	(8,795,621)
Long-term liabilities	631,799,748	517,198,810	114,600,938
Total liabilities	664,228,561	558,423,244	105,805,317
Deferred inflows of resources	83,929,512	115,846,762	(31,917,250)
Net position			
Net investment in capital assets	161,527,517	150,336,873	11,190,644
Restricted	117,348,872	64,376,656	52,972,216
Unrestricted	(191,003,657)	(217,359,768)	26,356,111
Total net position	$ 87,872,732	$ (2,646,239)	$ 90,518,971

Changes in net position, governmental activities. The District's total revenues increased 24.0% to $367.3 million (See Table A-2). The increase is due primarily to state one-time and capital grants.

The total cost of all programs and services increased 16.3% to $276.7 million. The District's expenses are predominantly related to educating and caring for students, 80.5%. The purely administrative activities of the District accounted for just 6.0% of total costs. A significant contributor to the increase in costs was pension costs in connection with annual actuarial valuations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)

Table A-2: Statement of Activities

	Governmental Activities		Variance Increase (Decrease)
	2023	**2022**	
Revenues			
Program Revenues:			
Charges for services	$ 1,408,284	$ 968,601	$ 439,683
Operating grants and contributions	122,450,631	84,667,447	37,783,184
Capital grants and contributions	6,325,319	1,806,870	4,518,449
General Revenues:			
Property taxes	49,344,658	46,461,488	2,883,170
Federal and state aid not restricted	180,973,634	160,159,147	20,814,487
Other general revenues	6,754,821	2,006,198	4,748,623
Total Revenues	367,257,347	296,069,751	71,187,596
Expenses			
Instruction-related	179,767,871	152,502,622	27,265,249
Pupil services	42,887,445	39,326,225	3,561,220
Administration	16,561,116	13,285,492	3,275,624
Plant services	23,513,326	19,604,732	3,908,594
All other activities	14,008,618	13,213,365	795,253
Total Expenses	276,738,376	237,932,436	38,805,940
Increase (decrease) in net position	90,518,971	58,137,315	32,381,656
Net Position	$ 87,872,732	$ (2,646,239)	$ 90,518,971

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of $273.0 million, which is above last year's ending fund balance of $142.9 million. The primary cause of the increased fund balance is building fund proceeds from 2022 Election Series A.

Table A-3: The District's Fund Balances

	Fund Balances				
	July 1, 2022	Revenues	Expenditures	Other Sources and (Uses)	June 30, 2023
Fund					
General Fund	$ 83,396,683	$ 329,670,273	$ 271,870,897	$ -	$ 141,196,059
Student Activity Fund	220,754	185,302	198,271	-	207,785
Child Development Fund	630,867	2,177	819	-	632,225
Cafeteria Fund	6,126,448	13,900,048	10,056,869	-	9,969,627
Deferred Maintenance Fund	1,507,375	8,567,875	3,832,382	-	6,242,868
Building Fund	17,410,603	6,390,131	24,211,213	76,515,000	76,104,521
Capital Facilities Fund	7,841,160	1,355,288	719,648	-	8,476,800
County School Facilities Fund	9,897,125	1,641,768	132,478	-	11,406,415
Bond Interest and Redemption Fund	15,901,795	17,345,945	16,216,571	1,761,334	18,792,503
	$ 142,932,810	$ 379,058,807	$ 327,239,148	$ 78,276,334	$ 273,028,803

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (continued)

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

- Revenues – increased by $86.9 million primarily to reflect federal and state budget actions.
- Salaries and benefits costs – increased $11.9 million due to salary settlements.
- Other costs – increased approximately $18.8 million to re-budget carryover funds and revise operational cost estimates.

While the District's final budget for the General Fund anticipated that revenues would exceed expenditures by about $53.9 million, the actual results for the year show that revenues exceeded expenditures by roughly $57.8 million. Actual revenues were $1.5 million more than anticipated, and expenditures were $2.4 million less than budgeted. This amount will be carried forward into the 2023-24 budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets
By the end of 2022-23 the District had invested $31.0 million in new capital assets. (More detailed information about capital assets can be found in Note 6 to the financial statements). Total depreciation expense for the year was approximately $7.9 million.

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

	Governmental Activities		Variance Increase (Decrease)
	2023	2022	
Land	$ 39,089,804	$ 36,289,804	$ 2,800,000
Improvement of sites	17,876,622	15,976,218	1,900,404
Buildings	289,670,049	295,057,663	(5,387,614)
Equipment	4,290,827	3,879,623	411,204
Construction in progress	81,423,677	58,110,292	23,313,385
Total	$ 432,350,979	$ 409,313,600	$ 23,037,379

Long-Term Debt
At year-end the District had $631.8 million in long-term liabilities – an increase of 22.2 % from last year – as shown in Table A-5. (More detailed information about the District's long-term liabilities is presented in Notes 7-9 to the financial statements).

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

	Governmental Activities		Variance Increase (Decrease)
	2023	2022	
General obligation bonds	$ 350,990,163	$ 290,048,291	$ 60,941,872
Direct placement debt	10,099,000	-	10,099,000
Certificates of participation	7,759,772	7,937,045	(177,273)
Compensated absences	1,236,162	1,446,469	(210,307)
Early retirement incentive	-	807,001	(807,001)
Net pension liability	180,736,336	115,995,182	64,741,154
Other postemployment benefits	80,978,315	100,964,822	(19,986,507)
Total	$ 631,799,748	$ 517,198,810	$ 114,600,938

FACTORS BEARING ON THE DISTRICT'S FUTURE

State Budget

The Legislature passed an initial budget package on June 15, 2023. The Legislature's budget package adopted LAO estimates of local property tax revenues, which resulted in an increase to the Proposition 98 guarantee by $2.1 billion across 2022-23 and 2023-24. The legislative package used this additional funding primarily to help maintain previously approved programs. Relative to the May Revision, the Legislature's budget package also: (1) reallocated projected unspent funds in child care and State Preschool programs to increase provider rates and reduce family fees beginning October 1, 2023; (2) included a slightly different mix of reductions as the Governor from climate change-related packages (although a similar overall level); (3) restored $1 billion in 2023-24 in proposed General Fund reductions to transit capital funding and added flexibility to allow local agencies to use this funding for operations; (4) rejected the Governor's proposals to use General Fund cash to pay for certain capital outlay project costs, instead using lease revenue bond financing to pay for these costs; and (5) accelerated the time line to spend funds for MCO tax-related augmentations to around four years from eight to ten years. The Legislature passed an amended budget act and associated trailer bills on June 27, 2023 and June 29, 2023.

K-14 Education

Funds Modest Increase in School and Community College Funding

The Proposition 98 minimum guarantee depends upon various formulas that adjust for several factors, including changes in state General Fund revenue. For 2022-23, the guarantee is down $3 billion (2.7 percent) compared with the estimates made in June 2022. The decrease in the guarantee is primarily attributable to lower General Fund revenue estimates, somewhat offset by higher local property tax revenue. For 2023-24, the guarantee increases by $953 million (0.9 percent) relative to the revised 2022-23 level. For 2023-24, projected increases in property tax revenue offset declines associated with lower General Fund revenue estimates.

Increase in Required Reserve Deposits

In certain circumstances, the Constitution requires the state to deposit some of the available Proposition 98 funding into a statewide reserve account for schools and community colleges. Under the adopted budget plan, the state deposits a total of $7.5 billion into this account across the 2021-22 through 2023-24 period—an increase of $1.3 billion compared with the estimates made in June 2022. The higher required deposits are primarily due to revenue estimates from the administration that have capital gains accounting for a larger share of General Fund revenue over the period.

Provides Large COLA to School and Community College Districts

In addition to the required reserve deposits, the budget package has several ongoing and one-time increases. The largest ongoing augmentation is $4.8 billion to provide an 8.22 percent COLA for K-12 and community college programs. In K-12, the budget also includes $300 million ongoing targeted to low-income schools with relatively high rates of student mobility within the school year, as well as $250 million one time for literacy coaches and reading specialists.

Budget Has Notable K-14 Structural Gap

The 2023-24 Proposition 98 spending level is not sufficient to fully fund all ongoing spending authorized in the budget package. To cover these costs, the budget package uses $1.9 billion in one-time, prior-year funding to fund the primary school and community college funding formulas ($1.6 billion for schools and $290 million for California Community Colleges). Using one-time funds to cover ongoing costs creates a deficit in the Proposition 98 budget the following year.

FACTORS BEARING ON THE DISTRICT'S FUTURE (continued)

Funds School Facilities Grants

The 2022-23 budget package provided $1.3 billion one-time non-Proposition 98 General Fund to cover the state share for new construction and modernization projects under the School Facility Program (SFP). The 2022-23 budget package also included intent language to provide an additional $2.1 billion in 2023-24 and $875 million in 2024-25. The budget provides about $2 billion to the SFP in 2023-24, which is $100 million less than the previously intended augmentation, and continues to assume an additional $875 million will be provided in 2024-25. The budget also delays the intended $550 million non-Proposition 98 General Fund increase to the California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program from 2023-24 to 2024-25.

All of these factors were considered in preparing the Oxnard School District budget for the 2023-24 fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

OXNARD SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Total Governmental Activities
ASSETS	
Deposits and investments	$ 274,885,986
Accounts receivable	25,744,684
Stores inventories	258,446
Capital assets:	
Non-depreciable assets	120,513,481
Depreciable assets	409,062,713
Less accumulated depreciation	(97,225,215)
Total assets	733,240,095
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on refunding	12,079,745
Deferred outflows related to OPEB	21,493,229
Deferred outflows related to pensions	69,217,736
Total deferred outflows of resources	102,790,710
LIABILITIES	
Accounts payable	24,977,902
Accrued interest payable	4,568,500
Unearned revenues	2,882,411
Noncurrent liabilities	
Due or payable within one year	8,969,872
Due in more than one year:	
Other than OPEB and pensions	361,115,225
Total OPEB liability	80,978,315
Net pension liability	180,736,336
Total liabilities	664,228,561
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	39,542,560
Deferred inflows related to pensions	44,386,952
Total deferred inflows of resources	83,929,512
NET POSITION	
Net investment in capital assets	161,527,517
Restricted for:	
Capital projects	19,883,215
Debt service	18,792,503
Student activity	207,785
Categorical programs	78,465,369
Unrestricted	(191,003,657)
Total net position	$ 87,872,732

OXNARD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities					
Instructional Services:					
Instruction	$ 152,539,691	$ 200,568	$ 60,582,417	$ 6,325,319	$ (85,431,387)
Instruction-Related Services:					
Supervision of instruction	10,896,485	24,087	9,038,726	-	(1,833,672)
Instructional library, media and technology	1,281,386	2	998,014	-	(283,370)
School site administration	15,050,309	420	2,514,683	-	(12,535,206)
Pupil Support Services:					
Home-to-school transportation	5,637,723	307	68,607	-	(5,568,809)
Food services	10,204,721	139,636	13,301,879	-	3,236,794
All other pupil services	27,045,001	50,033	5,697,079	-	(21,297,889)
General Administration:					
Data processing	3,363,041	-	16,348	-	(3,346,693)
All other general administration	13,198,075	7,536	8,086,746	-	(5,103,793)
Plant Services	23,513,326	4,198	20,602,990	-	(2,906,138)
Ancillary Services	198,271	83,628	101,674	-	(12,969)
Community Services	127,475	-	-	-	(127,475)
Interest on Long-term Debt	10,800,047	-	-	-	(10,800,047)
Other Outgo	2,882,825	897,869	1,441,468	-	(543,488)
Total governmental activities	$ 276,738,376	$ 1,408,284	$ 122,450,631	$ 6,325,319	(146,554,142)

General Revenues:	
Property taxes	49,344,658
Federal and state aid not restricted to specific purposes	180,973,634
Interest and investment earnings	2,630,027
Miscellaneous	4,124,794
Total general revenues	237,073,113
Change in net position	90,518,971
Net position - July 1, 2022	(2,646,239)
Net position - June 30, 2023	$ 87,872,732

OXNARD SCHOOL DISTRICT
Balance Sheet – Governmental Funds
June 30, 2023

	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Deposits and investments	$ 143,658,224	$ 76,946,529	$ 54,281,233	$ 274,885,986
Accounts receivable	21,900,118	843,355	3,001,211	25,744,684
Due from other funds	301,448	-	54,866	356,314
Inventories	219,779	-	38,667	258,446
Total Assets	$ 166,079,569	$ 77,789,884	$ 57,375,977	$ 301,245,430
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 22,919,212	$ 1,685,363	$ 373,327	$ 24,977,902
Due to other funds	54,866	-	301,448	356,314
Unearned revenue	1,909,432	-	972,979	2,882,411
Total Liabilities	24,883,510	1,685,363	1,647,754	28,216,627
Fund Balances				
Nonspendable	239,779	-	38,873	278,652
Restricted	67,863,517	76,104,521	49,446,482	193,414,520
Committed	-	-	6,242,868	6,242,868
Assigned	45,906,919	-	-	45,906,919
Unassigned	27,185,844	-	-	27,185,844
Total Fund Balances	141,196,059	76,104,521	55,728,223	273,028,803
Total Liabilities and Fund Balances	$ 166,079,569	$ 77,789,884	$ 57,375,977	$ 301,245,430

OXNARD SCHOOL DISTRICT

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2023

Total fund balances - governmental funds			$ 273,028,803
Amounts reported for governmental activities in the statement of net position are different because capital assets used for governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is $529,576,194 and the accumulated depreciation is ($97,225,215).			432,350,979
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:			(4,568,500)
In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
	Certificates of participation payable	7,759,772	
	Compensated absences payable	1,236,162	
	Other postemployment benefits	80,978,315	
	General obligation bonds payable	350,990,163	
	Private placement debt	10,099,000	
	Net pension liability	180,736,336	(631,799,748)
Deferred amounts on refunding represent amounts paid to an escrow agent in excess of the outstanding debt at the time of the payment for refunded bonds which have been defeased. In the government-wide statements it is recognized as a deferred outflow of resources. The remaining deferred amounts on refunding at the end of the period were:			12,079,745
In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported. Deferred inflows and outflows relating to OPEB for the period were:			
	Deferred outflows of resources	21,493,229	
	Deferred inflows of resources	(39,542,560)	(18,049,331)
In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported. Deferred inflows and outflows relating to pensions for the period were:			
	Deferred outflows of resources	69,217,736	
	Deferred inflows of resources	(44,386,952)	24,830,784
Total net position - governmental activities			$ 87,872,732

OXNARD SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds

For the Fiscal Year Ended June 30, 2023

	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
LCFF sources	$ 198,164,710	$ -	$ 8,500,000	$ 206,664,710
Federal sources	26,940,319	-	9,896,210	36,836,529
Other state sources	84,187,768	6,040,697	5,349,971	95,578,436
Other local sources	20,377,476	349,434	19,252,222	39,979,132
Total Revenues	329,670,273	6,390,131	42,998,403	379,058,807
EXPENDITURES				
Current:				
Instruction	164,421,161	-	819	164,421,980
Instruction-Related Services:				
Supervision of instruction	11,624,241	-	-	11,624,241
Instructional library, media and technology	1,186,680	-	-	1,186,680
School site administration	15,983,621	-	-	15,983,621
Pupil Support Services:				
Home-to-school transportation	5,617,351	-	-	5,617,351
Food services	497,360	-	9,741,991	10,239,351
All other pupil services	29,549,742	-	-	29,549,742
Ancillary services	-	-	198,271	198,271
Community Services	52,275	-	-	52,275
General Administration Services:				
Data processing services	3,179,534	-	-	3,179,534
Other general administration	13,328,661	-	16,392	13,345,053
Plant Services	20,267,113	-	383,101	20,650,214
Transfer of Indirect Costs	(284,804)	-	284,804	-
Capital Outlay	4,273,989	23,502,361	3,739,637	31,515,987
Intergovernmental Transfers	2,173,973	-	-	2,173,973
Debt Service:				
Issuance costs	-	708,852	150,000	858,852
Principal	-	-	7,543,412	7,543,412
Interest	-	-	9,098,611	9,098,611
Total Expenditures	271,870,897	24,211,213	31,157,038	327,239,148
Excess (Deficiency) of Revenues Over (Under) Expenditures	57,799,376	(17,821,082)	11,841,365	51,819,659
OTHER FINANCING SOURCES (USES)				
Issuance of debt - general obligation bonds	-	76,515,000	-	76,515,000
Issuance of debt - general obligation refunding bonds	-	-	10,618,000	10,618,000
Premiums on issuance of debt	-	-	1,611,334	1,611,334
Other financing uses	-	-	(1,434)	(1,434)
Transfer to escrow agent for defeased debt	-	-	(10,466,566)	(10,466,566)
Total Other Financing Sources and Uses	-	76,515,000	1,761,334	78,276,334
Net Change in Fund Balances	57,799,376	58,693,918	13,602,699	130,095,993
Fund Balances, July 1, 2022	83,396,683	17,410,603	42,125,524	142,932,810
Fund Balances, June 30, 2023	$ 141,196,059	$ 76,104,521	$ 55,728,223	$ 273,028,803

OXNARD SCHOOL DISTRICT

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

For the Fiscal Year Ended June 30, 2023

Total net change in fund balances - governmental funds			$ 130,095,993
Amounts reported for governmental *activities* in the statement of activities are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:			
	Expenditures for capital outlay	30,974,158	
	Depreciation expense	(7,936,779)	23,037,379
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reduction of liabilities. Expenditures for repayment of the principal portion of long-term debt were:			17,838,412
In governmental funds, proceeds from debt are recognized as other financing sources. In the government-wide statements, proceeds from debt are reported as an increase to liabilities. Amounts recognized in the governmental funds as proceeds from debt net of premiums were:			(88,744,334)
The amounts paid to the refunded bond escrow agent in excess of the refunded bond at the time of payment are recorded as deferred amounts on the refunding and are amortized over the life of the liability. Deferred amounts on refunding exceeded the amount amortized during the year by:			(734,027)
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:			(686,733)
In the statement of activities, compensated absences are measured by the amounts *earned* during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually *paid*). This year, vacation leave earned was less than the amounts paid by:			210,307
In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current resources. In the government-wide statement of activities, however, this is recorded as interest expense for the period.			(1,056,973)
In governmental funds, if debt is issued at a premium or discount, the premium or discount is recognized as an other financing source or an other financing use in the period it is incurred. In the government-wide statements, the premium is amortized as interest over the life of the debt. Net amortization of premium or discount for the period is:			1,099,296
In the government-wide statements, expenses must be accrued in connections with any liabilities incurred during the period that are not expected to be liquidated with current financial resources, in addition to compensated absences and long-term debt. Examples include special termination benefits such as early retirement incentives financed over time. This year, expenses for such obligations were:			807,001
In governmental funds, OPEB expenses are recognized when employer contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was:			(2,133,083)
In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:			10,785,733
Change in net position of governmental activities			$ 90,518,971

OXNARD SCHOOL DISTRICT
Statement of Fiduciary Net Position
June 30, 2023

		Trust Fund
		Retiree Benefits Fund
Assets		
Deposits and investments	$	4,703,072
Accounts receivable		6,434,185
Total Assets		11,137,257
Net Position		
Restricted for postemployment benefits	$	11,137,257

OXNARD SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2023

	Trust Fund Retiree Benefits Fund
ADDITIONS	
Interest	$ 113,281
In-district contributions	3,670,828
Total Additions	3,784,109
DEDUCTIONS	
Operating expenditures	3,009,140
Total Deductions	3,009,140
Net Increase (Decrease)	774,969
Net position - July 1, 2022	10,362,288
Net position - June 30, 2023	$ 11,137,257

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

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

B. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

1. Basis of Presentation (continued)

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

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

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

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

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

Student Activity Fund: The District maintains a separate fund for each school that operates an ASB fund, whether it is organized or not.

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

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

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

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

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

County School Facilities Fund: This fund is used primarily to account for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code* Section 17070.10 et seq.).

Debt Service Funds:

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

1. Basis of Presentation (continued)

Non-Major Governmental Funds (continued)

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

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

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

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

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

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

3. Revenues - Exchange and Non-Exchange Transactions
Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days. However, to achieve comparability of reporting among California districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state-aid apportionments, the California Department of Education has defined available for districts as collectible within one year. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

3. Revenues - Exchange and Non-Exchange Transactions (continued)

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

C. Budgetary Data

The budgetary process is prescribed by provisions of the California *Education Code* and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For budget purposes, on behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

D. Encumbrances

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

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

1. Cash and Cash Equivalents

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

2. Inventories and Prepaid Items

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

3. Capital Assets

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

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

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

4. Unearned Revenue

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

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

5. Deferred Outflows/Inflows of Resources

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

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

6. Compensated Absences

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. Leases

Lessee:
At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position.

Lessor:
At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

8. Subscription-Based Information Technology Arrangements

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

The subscription term includes the period during which the District has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend or to terminate.

The District recognizes a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The District recognizes the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the District which may be implicit, or the District's incremental borrowing rate if the interest rate is not readily determinable. The District recognizes amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

9. Postemployment Benefits Other Than Pensions (OPEB)

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

10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California State Teachers Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) plans and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Fund Balances

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

11. Fund Balances (continued)

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

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

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

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

12. Net Position

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Minimum Fund Balance Policy

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

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

G. Property Tax Calendar

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

H. Use of Estimates

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

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

Governmental funds/activities	$ 274,885,986
Fiduciary funds	4,703,072
Total deposits and investments	$ 279,589,058

Deposits and investments as of June 30, 2023 consist of the following:

Cash on hand and in banks	$ 207,786
Cash collections awaiting deposit	168,340
Cash in revolving fund	20,206
Investments	279,192,726
Total deposits and investments	$ 279,589,058

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Pooled Funds
In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest-bearing Ventura County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the Ventura County Treasurer for the entire portfolio (in relation to the amortized cost of that polio). The balance available for withdrawal is based on the accounting records maintained by the Ventura County Treasurer, which is recorded on the amortized basis.

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to $250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit).

The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

As of June 30, 2023, $3,217,273 of the District's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agency, but not in the name of the District.

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

Maturities of investments held at June 30, 2023, consisted of the following:

		Maturity			
	Fair Value	Less Than One Year	One Year Through Five Years	Fair Value Measurement	Rating
Investment maturities:					
Cash in county treasury	$ 279,185,953	$ 279,185,953	-	uncategorized	N/A
First American Government Obligation Fund	6,773	6,773	-	Level 1	AAA
Total	$ 279,192,726	$ 279,192,726	$ -		

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Investments - Credit Risk
The District's investment policy limits investment choices to obligations of local, state and federal agencies, commercial paper, certificates of deposit, repurchase agreements, corporate notes, banker acceptances, and other securities allowed by State Government Code Section 53600. At June 30, 2023, all investments represented governmental securities which were issued, registered and held by the District's agent in the District's name.

Investments - Concentration of Credit Risk
The District does not place limits on the amount it may invest in any one issuer. At June 30, 2023, the District had the following investment that represents more than five percent of the District's net investments, excluding cash in the county treasury.

First American Government Obligation Fund	100%

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

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

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

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

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

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

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2023, consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds	Retiree Benefits Fund
Federal Government:					
Categorical aid programs	$ 7,597,463	$ -	$ -	$ 7,597,463	$ -
Special education	6,573,795	-	-	6,573,795	-
Child nutrition	-	-	1,759,182	1,759,182	-
State Government:					
Special education	1,327,209	-	-	1,327,209	-
Child nutrition	-	-	575,724	575,724	-
Lottery	850,845	-	-	850,845	-
Categorical aid programs	1,242,468	-	-	1,242,468	-
Local:					
Interest	1,844,872	843,355	626,055	3,314,282	68,502
Other local	2,463,466	-	40,250	2,503,716	6,365,683
Totals	$ 21,900,118	$ 843,355	$ 3,001,211	$ 25,744,684	$ 6,434,185

NOTE 4 – INTERFUND ACTIVITIES

Balances Due To/From Other Funds
Balances due/to other funds at June 30, 2023, consisted of the following:

	Due from Other Funds		
	General Fund	Non Major Fund	Total Governmental Funds
General Fund	$ -	$ 54,866	$ 54,866
Non-Major Governmental Funds	301,448	-	301,448
Totals	$ 301,448	$ 54,866	$ 356,314

General Fund due to Child Development Fund for payroll and indirect costs	$ 54,866
Deferred Maintenance Fund due to General Fund for miscellaneous costs	252
Cafeteria Fund due to General Fund for indirect costs and publication charges	284,804
Capital Facilities Fund due to General Fund for fees	16,392
Total	$ 356,314

NOTE 5 – FUND BALANCES

At June 30, 2023, fund balances of the District's governmental funds were classified as follows:

	General Fund	Building Fund	Non-Major Governmental Funds	Total
Nonspendable:				
Revolving cash	$ 20,000	$ -	$ 206	$ 20,206
Stores inventories	219,779	-	38,667	258,446
Total Nonspendable	239,779	-	38,873	278,652
Restricted:				
Categorical programs	67,863,517	-	632,225	68,495,742
Student activities	-	-	207,785	207,785
Food service	-	-	9,930,754	9,930,754
Capital projects	-	76,104,521	19,883,215	95,987,736
Debt service	-	-	18,792,503	18,792,503
Total Restricted	67,863,517	76,104,521	49,446,482	193,414,520
Committed:				
Deferred maintenance program	-	-	6,242,868	6,242,868
Total Committed	-	-	6,242,868	6,242,868
Assigned:				
Technology device refresh	3,000,000	-	-	3,000,000
Instructional materials adoption	2,000,000	-	-	2,000,000
Building maintenance one-time fund	1,564,000	-	-	1,564,000
Bus Replacement	1,000,000	-	-	1,000,000
Financial stability reserve	38,342,919	-	-	38,342,919
Total Assigned	45,906,919	-	-	45,906,919
Unassigned:				
Reserve for economic uncertainties	27,185,844	-	-	27,185,844
Total Unassigned	27,185,844	-	-	27,185,844
Total	$ 141,196,059	$ 76,104,521	$ 55,728,223	$ 273,028,803

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance, July 1, 2022	Additions	Retirements	Balance, June 30, 2023
Capital assets not being depreciated:				
Land	$ 36,289,804	$ 2,800,000	$ -	$ 39,089,804
Construction in progress	58,110,292	23,313,385	-	81,423,677
Total capital assets not being depreciated	94,400,096	26,113,385	-	120,513,481
Capital assets being depreciated:				
Improvement of sites	31,312,568	2,649,553	-	33,962,121
Buildings	360,963,731	1,418,012	-	362,381,743
Equipment	11,944,728	793,208	19,087	12,718,849
Total capital assets being depreciated	404,221,027	4,860,773	19,087	409,062,713
Accumulated depreciation for:				
Improvement of sites	(15,336,350)	(749,149)	-	(16,085,499)
Buildings	(65,906,068)	(6,805,626)	-	(72,711,694)
Equipment	(8,065,105)	(382,004)	(19,087)	(8,428,022)
Total accumulated depreciation	(89,307,523)	(7,936,779)	(19,087)	(97,225,215)
Total capital assets being depreciated, net	314,913,504	(3,076,006)	-	311,837,498
Governmental activity capital assets, net	$ 409,313,600	$ 23,037,379	$ -	$ 432,350,979

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION (continued)

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

Instruction	$ 4,371,212
Instructional Supervision and Administration	159,686
Instructional Library, Media and Technology	78,966
School Site Administration	385,866
Home-to-School Transportation	78,966
Food Services	317,621
All other Pupil Services	159,687
Community Services	78,966
All Other General Administration	238,654
Centralized Data Processing	78,966
Plant Services	1,988,189
Total	$ 7,936,779

NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS

Changes in long-term debt for the year ended June 30, 2023, were as follows:

	Balance, July 1, 2022	Additions	Deductions	Balance, June 30, 2023	Amount Due Within One Year
General Obligation Bonds:					
Principal repayments	$ 270,584,228	$ 76,515,000	$ 17,139,412	$ 329,959,816	$ 7,389,480
Accreted interest component	8,784,234	1,072,561	15,588	9,841,207	10,520
Unamortized issuance premium	10,748,713	1,611,334	1,109,176	11,250,871	837,611
Unamortized issuance discount	(68,884)	-	(7,153)	(61,731)	(3,011)
Direct placement debt:					
General obligation bonds	-	10,618,000	519,000	10,099,000	548,000
Total - Bonds	290,048,291	89,816,895	18,776,023	361,089,163	8,782,600
Certificates of Participation					
Principal repayments	8,000,000	-	180,000	7,820,000	190,000
Unamortized issuance discount	(62,955)	-	(2,727)	(60,228)	(2,728)
Total - Certificates of Participation	7,937,045	-	177,273	7,759,772	187,272
Compensated Absences	1,446,469	-	210,307	1,236,162	-
Early retirement incentive	807,001	-	807,001	-	-
Totals	$ 300,238,806	$ 89,816,895	$ 19,970,604	$ 370,085,097	$ 8,969,872

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

A. General Obligation Bonds

General Obligation Bonds - Measure M6

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

NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

A. General Obligation Bonds (continued)

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

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

Prior-Year Defeasance of Debt
In prior years, the District defeased certain general obligation bonds by placing the proceeds of new refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2023, $70,435,000 of the defeased bonds remain outstanding. Deferred amounts on prior refunding's at June 30, 2023 are $12,079,745.

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

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

Bond	Interest Rate	Date of Issue	Maturity Date	Amount of Original Issue	Outstanding, July 1, 2022	Additions	Redeemed During Year	Advanced Refunded During Year	Outstanding, June 30, 2023
Measure M6 (2006)									
Series B	3.0% to 5.74%	7/11/2008	7/1/2033	$ 31,997,467	$ 7,077,467	$ -	$ -	$ -	$ 7,077,467
Measure R (2012)									
Series A	2.0% to 5.0%	12/27/2012	8/1/2043	18,390,000	10,580,000	-	195,000	9,930,000	455,000
Series B	3.375% to 5.0%	5/30/2013	8/1/2043	25,500,000	1,170,000	-	140,000	-	1,030,000
Series C	3.625% to 5.75%	11/5/2014	8/1/2044	15,750,000	2,025,000	-	-	-	2,025,000
Series D	2.0% to 5.25%	8/4/2015	8/1/2040	30,360,000	4,020,000	-	230,000	-	3,790,000
Measure D (2016)									
Series A	3.5% to 5.0%	3/30/2018	8/1/2046	81,000,000	81,000,000	-	-	-	81,000,000
Series B	3.0 to 5.0%	3/29/2019	8/1/2041	13,996,626	12,931,626	-	149,412	-	12,782,214
Series C	3.0 to 4.0%	12/15/2020	8/1/2050	10,995,135	10,995,135	-	-	-	10,995,135
Measure I (2022)									
Series A	4.0 to 5.0%	3/30/2023	8/1/2053	76,151,000	-	76,515,000			76,515,000
Refunding Issues									
2001 Ref., Ser. A	3.9% to 5.75%	8/15/2001	8/1/2030	20,920,000	95,000	-	95,000	-	-
2011 Ref.	2.0% to 5.0%	7/14/2011	8/1/2027	7,275,000	30,000	-	30,000	-	-
2012 Ref.	2.0% to 5.0%	7/2/2012	8/1/2033	12,240,000	1,080,000	-	340,000	365,000	375,000
2014 Ref.	4.0% to 5.0%	6/19/2014	8/1/2027	11,835,000	5,425,000	-	990,000	-	4,435,000
2015 Ref.	2.0% to 5.0%	5/6/2015	8/1/2036	14,305,000	8,025,000	-	-	-	8,025,000
2016 Ref.	1.25% to 4.0%	9/27/2016	8/1/2026	16,360,000	11,100,000	-	1,865,000	-	9,235,000
2019 Ref.	1.86% to 3.5%	12/5/2019	8/1/2043	27,215,000	25,960,000	-	190,000	-	25,770,000
2020 Ref.	0.407%-2.757%	9/3/2020	8/1/2044	90,775,000	89,070,000	-	2,620,000	-	86,450,000
					$ 270,584,228	$ 76,515,000	$ 6,844,412	$ 10,295,000	$ 329,959,816
			Accreted Interest:						
				2006, Ser.B	8,175,223	887,289	-	-	9,062,512
				2016. Ser. B.	588,892	166,895	15,588	-	740,199
				2016, Ser. C	20,119	18,377	-	-	38,496
					$ 8,784,234	$ 1,072,561	$ 15,588	-	$ 9,841,207

NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

A. General Obligation Bonds (continued)

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2023, are as follows:

Fiscal Year	Principal	Interest	Total
2023-2024	$ 7,389,480	$ 11,141,387	$ 18,530,867
2024-2025	8,181,024	11,524,992	19,706,016
2025-2026	10,472,910	11,252,934	21,725,844
2026-2027	11,678,030	10,905,576	22,583,606
2027-2028	10,957,953	12,616,461	23,574,414
2028-2033	46,899,664	61,792,678	108,692,342
2033-2038	55,423,158	45,125,069	100,548,227
2038-2043	62,937,463	31,042,084	93,979,547
2043-2048	68,490,134	17,120,635	85,610,769
2048-2053	39,920,000	5,659,281	45,579,281
2053-2054	7,610,000	161,713	7,771,713
Total	$ 329,959,816	$ 218,342,810	$ 548,302,626

B. Direct Placement Debt

General Obligation Bonds

The District issued direct placement General Obligation bonds in the amount of $10,618,000 through an offer from First Foundation Bank. The proceeds were used to refund a portion of 2012 Election Series A and 1997 Election 2012 Refunding bonds. The bonds bear an interest rate of 2.75%, with maturities from August 1, 2022 through August 1, 2043. The net present value of savings is $647,106.

The annual requirement to amortize the debt as of June 30, 2023 is as follows:

Fiscal Year	Principal	Interest	Total
2023-2024	$ 548,000	$ 274,230	$ 822,230
2024-2025	190,000	261,649	451,649
2025-2026	35,000	257,180	292,180
2026-2027	37,000	256,197	293,197
2027-2028	192,000	254,121	446,121
2028-2033	2,346,000	1,108,449	3,454,449
2033-2038	884,000	911,480	1,795,480
2038-2043	5,324,000	472,168	5,796,168
2043-2044	543,000	11,206	554,206
	$ 10,099,000	$ 3,806,680	$ 13,905,680

NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

C. Certificates of Participation

2016 Certificates of Participation
On April 7, 2016, the District issued $8,000,000 of Certificates of Participation through the Public Property Financing Corporation of California. The certificates bear an initial interest rate of 2.00% with a 5.00% step-up interest rate that commences August 1, 2021. The certificates were issued as term certificates due August 1, 2045, with annual mandatory sinking fund payments due on August 1 of each year beginning in 2022 until maturity. The proceeds of the certificates are being used to finance the acquisition and improvement of real property for use by the District as educational facilities. At June 30, 2023, the principal balance outstanding was $7,820,000.

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

Fiscal Year	Principal	Interest	Total
2023-2024	$ 190,000	$ 386,250	$ 576,250
2024-2025	200,000	376,500	576,500
2025-2026	210,000	366,250	576,250
2026-2027	220,000	355,500	575,500
2027-2028	230,000	344,250	574,250
2028-2033	1,335,000	1,532,375	2,867,375
2033-2038	1,700,000	1,154,750	2,854,750
2038-2043	2,160,000	620,500	2,780,500
2043-2046	1,575,000	174,625	1,749,625
Total	$ 7,820,000	$ 5,311,000	$ 13,131,000

D. Early Retirement Incentive

The District has established a supplemental early retirement incentive program (SERP) whereby certain qualified employees may retire early and receive a portion of their salary paid out as an annuity. At June 30, 2023, the amount has been paid in full.

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

For the fiscal year ended June 30, 2023, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

Pension Plan	Net OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 80,265,504	$ 21,493,229	$ 39,542,560	$ 6,081,415
MPP Program	712,811	-	-	(171,674)
Total	$ 80,978,315	$ 21,493,229	$ 39,542,560	$ 5,909,741

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

The details of each plan are as follows:

District Plan

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

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

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

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

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

Employees Covered by Benefit Terms
At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	230
Active employees	1,010
Total	1,240

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

District Plan (continued)

Total OPEB Liability
The District's total OPEB liability of $80,265,504 was measured as of June 30, 2023 and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions and Other Inputs
The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Inflation	2.50%
Salary increases	2.75%
Healthcare cost trend rates	4.00% per year

Contributions to the plan are not actuarially determined.

Discount Rate
The discount rate used to measure the total OPEB liability was 3.65 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

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

The discount rate in the prior valuation was 3.54 percent.

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

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

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

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

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

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

District Plan (continued)

Mortality Rates (continued)

2009 CalPERS Retirement Rates for School Employees

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

2009 CalSTRS Termination Rates

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

2009 CalPERS Termination Rates for School Employees

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

Changes in the Total OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at July 1, 2022	$ 107,747,770	$ 7,667,433	$ 100,080,337
Changes for the year:			
Service cost	4,771,822	-	4,771,822
Interest	3,825,386	157,119	3,668,267
Employer Contributions		3,776,658	(3,776,658)
Differences between expected and actual experience	(23,566,124)	-	(23,566,124)
Changes of assumptions	(912,140)	-	(912,140)
Benefit payments	(3,009,140)	(3,009,140)	-
Net changes	(18,890,196)	924,637	(19,814,833)
Balance at June 30, 2023	$ 88,857,574	$ 8,592,070	$ 80,265,504

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

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

Discount Rate	OPEB Liability
1% decrease	$ 70,350,108
Current discount rate	$ 80,265,504
1% increase	$ 91,864,774

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

District Plan (continued)

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

Healthcare Cost Trend Rate	OPEB Liability
1% decrease	$ 87,331,810
Current trend rate	$ 80,265,504
1% increase	$ 73,608,198

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2023, the District recognized OPEB expense of $6,081,415. In addition, at June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 15,920,175	$ 26,983,123
Changes of assumptions	5,316,986	12,559,437
Net difference between projected and actual earnings on OPEB plan investments	256,068	$ -
Total	$ 21,493,229	$ 39,542,560

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

Year Ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2024	$ 3,610,162	$ 5,882,784
2025	3,582,764	5,882,784
2026	3,558,388	5,882,784
2027	3,414,320	4,848,228
2028	2,707,252	3,974,003
Thereafter	4,620,343	13,071,977
	$ 21,493,229	$ 39,542,560

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Medicare Premium Payment (MPP) Program

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

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021 annual actuarial valuation report, Medicare Premium Payment Program. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: https://www.calstrs.com/general-information/gasb-6768.

Benefits Provided
The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the DB Program who were retired or began receiving a disability allowance prior to July 1, 2012, and were not eligible for premium-free Medicare Part A. Members who retire on or after July 1, 2012, are not eligible for coverage under the MPP Program.

As of June 30, 2022, 4,770 retirees participated in the MPP Program; however, the number of retired members who will participate in the program in the future is unknown as eligibility cannot be predetermined.

The MPP Program is funded on a pay-as-you-go basis from a portion of monthly employer contributions. In accordance with Education Code section 22950, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Total OPEB Liability
At June 30, 2023, the District reported a liability of $712,811 for its proportionate share of the net OPEB liability for the MPP Program. The total OPEB liability for the MPP Program as of June 30, 2022, was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2021 and rolling forward the total OPEB liability to June 30, 2022. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportions of the net OPEB liability for the two most recent measurement periods were:

	Percentage Share of MPP Program		
	Fiscal Year Ending June 30, 2023	**Fiscal Year Ending June 30, 2022**	**Change Increase/ (Decrease)**
Measurement Date	June 30, 2022	June 30, 2021	
Proportion of the Net OPEB Liability	0.216390%	0.221751%	-0.005361%

For the year ended June 30, 2023, the District reported OPEB expense of $(171,674).

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Medicare Premium Payment (MPP) Program (continued)

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

Measurement Date	June 30, 2022
Valuation Date	June 30, 2021
Experience Study	June 30, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	3.54%
Healthcare Cost Trend Rates	4.5% for Medicare Part A, and 5.4% for Medicare Part B

Assumptions were made about future participation (enrollment) into the MPP Program as CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' ages increase. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility but are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 209 or an average of 0.14% of the potentially eligible population of 145,282.

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

Discount Rate
The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2022, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund (SMIF), which is a pooled investment program administered by the California State Treasurer.

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer's 20-Bond GO Index from Bondbuyer.com as of June 30, 2022, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2022, was 3.54%, which is an increase of 1.38% from 2.16% as of June 30, 2021.

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Medicare Premium Payment (MPP) Program (continued)

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

Discount Rate		MPP OPEB Liability
1% decrease	$	951,374
Current discount rate	$	712,811
1% increase	$	657,145

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

Medicare Cost Trend Rates		MPP OPEB Liability
1% decrease	$	654,031
Current trend rate	$	712,811
1% increase	$	779,442

NOTE 9 – PENSION PLANS

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

For the fiscal year ended June 30, 2023, the District reported net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan		Net Pension Liability		Deferred Outflows of Resources		Deferred Inflows of Resources		Pension Expense
CalSTRS	$	100,187,157	$	27,569,114	$	22,349,711	$	5,612,169
CalPERS		80,549,179		41,648,622		22,037,241		9,520,758
Totals	$	180,736,336	$	69,217,736	$	44,386,952	$	15,132,927

NOTE 9 – PENSION PLANS (continued)

The details of each plan are as follows:

A. California State Teachers' Retirement System (CalSTRS)

Plan Description

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

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: https://www.calstrs.com/general-information/gasb-6768.

Benefits Provided

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

The STRP is a multiple-employer, cost-sharing defined benefit plan composed of four programs: Defined Benefit (DB) Program, Defined Benefit Supplement (DBS) Program, Cash Balance Benefit (CBB) Program and Replacement Benefits (RB) Program. A Supplemental Benefit Maintenance Account (SBMA) exists within the STRP and provides purchasing power protection for DB Program benefits. The STRP holds assets for the exclusive purpose of providing benefits to members of these programs and their beneficiaries. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor and obligor of the trust. In addition, the state is both an employer and non-employer contributing entity to the STRP. The District contributes exclusively to the STRP Defined Benefit Program; thus, disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2023, are summarized as follows:

	STRP Defined Benefit Program	
	On or before	On or after
Hire Date	December 31, 2012	January 1, 2013
Benefit Formula	2% at 60	2% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	60	62
Monthly Benefits as a Percentage of Eligible Compensation	2.0%-2.4%	2.0%-2.4%
Required Member Contribution Rate	10.25%	10.205%
Required Employer Contribution Rate	19.10%	19.10%
Required State Contribution Rate	10.828%	10.828%

NOTE 9 – PENSION PLANS

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

Contributions
The parameters for member, employer and state contribution rates are set by the California Legislature and the Governor and detailed in the Teachers' Retirement Law. Current contribution rates were established by California Assembly Bill 1469 (CalSTRS Funding Plan), which was passed into law in June 2014, and various subsequent legislation.

The CalSTRS Funding Plan established a schedule of contribution rate increases shared among members, employers and the state to bring CalSTRS toward full funding by 2046. California Senate Bill 90 (Chapter 33, Statutes of 2019) and California Assembly Bill 84 (Chapter 16, Statutes of 2020) (collectively, special legislation)—signed into law in June 2019 and June 2020, respectively —provided supplemental contributions to the DB Program along with supplemental contribution rate relief to employers through fiscal year 2021–22.

The contribution rates for each program for the year ended June 30, 2023, are presented above, and the District's total contributions were $19,105,011.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of net pension liability	$	100,187,157
State's proportionate share of the net pension liability associated with the District		50,173,337
Total	$	150,360,494

The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportions of the net pension liability for the two most recent measurement periods were:

	Percentage Share of Risk Pool		
	Fiscal Year Ending June 30, 2023	**Fiscal Year Ending June 30, 2022**	**Change Increase/ (Decrease)**
Measurement Date	June 30, 2022	June 30, 2021	
Proportion of the Net Pension Liability	0.144183%	0.147523%	(0.003340%)

NOTE 9 – 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)

For the year ended June 30, 2023, the District recognized pension expense of $5,612,169. In addition, the District recognized pension expense and revenue of $(3,752,601) for support provided by the State. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Pension contributions subsequent to measurement date	$ 19,105,011	$ -
Net change in proportionate share of net pension liability	3,413,364	9,938,419
Difference between projected and actual earnings on pension plan investments	-	4,899,346
Changes of assumptions	4,968,554	-
Differences between expected and actual experience	82,185	7,511,946
Totals	$ 27,569,114	$ 22,349,711

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 7 years.

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
2024	$ 5,836,272	$ 7,413,352
2025	1,187,394	7,796,879
2026	1,187,394	9,021,053
2027	225,649	(5,674,101)
2028	13,697	2,111,105
Thereafter	13,697	1,681,423
Totals	$ 8,464,103	$ 22,349,711

NOTE 9 – PENSION PLANS (continued)

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

Actuarial Methods and Assumptions

The total pension liability for the STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2021 and rolling forward the total pension liability to June 30, 2022. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.00%
Inflation	2.75%
Payroll Growth	3.50%

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

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants as inputs to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study.

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, 2022, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public Equity	42.0%	4.8%
Real Estate	15.0%	3.6%
Private Equity	13.0%	6.3%
Fixed Income	12.0%	1.3%
Risk Mitigating Strategies	10.0%	1.8%
Inflation Sensitive	6.0%	3.3%
Cash/Liquidity	2.0%	(0.4%)

NOTE 9 – 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%, which was unchanged from prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments and administrative expenses occur midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

Discount Rate		Net Pension Liability
1% decrease (6.10%)	$	170,154,952
Current discount rate (7.10%)		100,187,157
1% increase (8.10%)		42,092,851

On Behalf Payments
The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS pursuant to Sections 22954, 22955, and 22955.1 of the Education Code and Public Resources Code Section 6217.5. Through the special legislation approved in June 2019 and June 2020, the State made supplemental contributions of approximately $2.2 billion to CalSTRS on behalf of employers to supplant the amounts submitted by employers for fiscal years 2019–20 through 2021–22. Under accounting principles generally accepted in the United States of America, these amounts are reported as revenues and expenditures in the fund financial statements. The total amount recognized by the District for its proportionate share of the State's on-behalf contributions is $8,048,860.

B. California Public Employees Retirement System (CalPERS)

Plan Description
Qualified employees are eligible to participate in the Schools Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021 annual actuarial valuation report, Schools Pool Accounting Report. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/employers/actuarial-resources/gasb.

NOTE 9 – PENSION PLANS (continued)

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

Benefits Provided

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

The CalPERS provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Schools Pool (CalPERS)	
	On or before	On or after
Hire Date	December 31, 2012	January 1, 2013
Benefit Formula	2% at 55	2% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	55	62
Required Employee Contribution Rate	7.00%	8.00%
Required Employer Contribution Rate	25.37%	25.37%

Contributions

The benefits for the defined benefit pension plans are funded by contributions from members, employers, non-employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. In some circumstances, contributions are made by the employer to satisfy member contribution requirements. Member and employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Non-employer contributions are not expected each year, but when provided they are accrued for. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2023 are presented above, and the total District contributions were $10,566,263.

NOTE 9 – PENSION PLANS (continued)

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

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

As of June 30, 2023, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $80,549,179. The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportions of the net pension liability for the two most recent measurement periods were:

	Percentage Share of Risk Pool		
	Fiscal Year Ending June 30, 2023	**Fiscal Year Ending June 30, 2022**	**Change Increase/ (Decrease)**
Measurement Date	June 30, 2022	June 30, 2021	
Proportion of the Net Pension Liability	0.234093%	0.240284%	(0.006191%)

For the year ended June 30, 2023, the District recognized pension expense of $9,520,758. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Pension contributions subsequent to measurement date	$ 10,566,263	$ -
Net change in proportionate share of net pension liability	7,018	4,791,006
Difference between projected and actual earnings on pension plan investments	24,752,735	15,242,068
Changes of assumptions	5,958,570	-
Differences between expected and actual experience	364,036	2,004,167
Totals	$ 41,648,622	$ 22,037,241

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.9 years.

NOTE 9 – PENSION PLANS (continued)

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

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

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

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2024	$ 9,066,027	$ 7,297,236
2025	8,568,581	7,297,236
2026	7,648,481	7,048,740
2027	5,799,270	394,029
2028	-	-
Thereafter	-	-
Totals	$ 31,082,359	$ 22,037,241

Actuarial Methods and Assumptions

Total pension liability for the Schools Pool was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2021 and rolling forward the total pension liability to June 30, 2022. The financial reporting actuarial valuation as of June 30, 2021 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2021
Experience Study	2000-2019
Actuarial Cost Method	Entry age normal
Discount Rate	6.9%
Inflation Rate	2.3%
Salary Increases	Varies by entry age and service

Post-retirement mortality rates are based on CalPERS' experience and include generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries. These tables are used to estimate the value of benefits expected to be paid for service and disability retirements. For disability retirements, impaired longevity is recognized by a separate table.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term.

NOTE 9 – PENSION PLANS (continued)

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

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

Asset Class	Assumed Asset Allocation	Real Return
Global Equity Cap-weighted	30.00%	4.54%
Global Equity Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

Discount Rate
The discount rate used to measure the total pension liability was 6.9%. The discount rate is not adjusted for administrative expenses. The fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return for the pension plan's investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Discount Rate	Net Pension Liability
1% decrease (5.9%)	$ 116,357,368
Current discount rate (6.9%)	80,549,179
1% increase (7.9%)	50,955,027

C. Social Security
As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use the Social Security as its alternative plan.

D. Payables to the Pension Plans
At June 30, 2023, the District did not have any outstanding payables for outstanding contributions to the CalSTRS and CalPERS pension plans, respectively, required for the fiscal year ended June 30, 2023.

NOTE 10 – JOINT VENTURES

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

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

NOTE 11 – RISK MANAGEMENT

Property and Liability and Workers' Compensation
The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2023, the District participated in the Ventura County Schools Self-Funding Authority public entity risk pool for property and liability insurance coverage and workers' compensation coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation
For fiscal year 2022-23, the District participated in the Ventura County Schools Self-Funding Authority public entity risk pool for workers' compensation, with excess coverage provided by the SCRMA public entity risk pool. The District maintains a $100,000 Self-Insured Retention (SIR) amount.

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

NOTE 12 – COMMITMENTS AND CONTINGENCIES

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

B. Litigation
The District is involved in certain legal matters that arose out of the normal course of business. The District has not accrued a liability for any potential litigation against it because it does not meet the criteria to be considered a liability at June 30, 2023.

C. Construction Commitments
At June 30, 2023, the District had commitments with respect to unfinished capital projects of approximately $8.3 million to be paid from bond proceeds and developer fees.

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Required Supplementary Information

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OXNARD SCHOOL DISTRICT

Budgetary Comparison Schedule – General Fund

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	(Budgetary Basis)	Pos (Neg)
Revenues				
LCFF Sources	$ 189,385,327	$ 197,934,106	$ 198,164,710	$ 230,604
Federal Sources	18,408,818	37,252,533	26,940,319	(10,312,214)
Other State Sources	20,030,442	78,227,371	84,187,768	5,960,397
Other Local Sources	13,401,393	14,734,823	20,377,476	5,642,653
Total Revenues	241,225,980	328,148,833	329,670,273	1,521,440
Expenditures				
Current:				
Certificated Salaries	97,309,058	103,417,381	108,319,896	(4,902,515)
Classified Salaries	33,348,877	38,046,621	38,853,905	(807,284)
Employee Benefits	54,031,112	55,077,318	63,334,073	(8,256,755)
Books and Supplies	15,646,250	18,726,915	13,710,095	5,016,820
Services and Other Operating Expenditures	41,068,131	52,683,726	41,017,268	11,666,458
Transfers of Indirect Costs	(704,228)	(318,345)	(284,804)	(33,541)
Capital Outlay	666,511	4,335,478	4,746,491	(411,013)
Other Outgo	2,301,660	2,301,660	2,173,973	127,687
Total Expenditures	243,667,371	274,270,754	271,870,897	2,399,857
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,441,391)	53,878,079	57,799,376	3,921,297
Fund Balances, July 1, 2022	82,646,383	83,396,683	83,396,683	-
Fund Balances, June 30, 2023	$ 80,204,992	$ 137,274,762	$ 141,196,059	$ 3,921,297

OXNARD SCHOOL DISTRICT

Schedule of Proportionate Share of the Net Pension Liability-CalSTRS
For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

	2021-22	2020-21	2019-20	2018-19	2017-18
CalSTRS					
District's proportion of the net pension liability	0.1442%	0.1475%	0.1520%	0.1529%	0.1570%
District's proportionate share of the net pension liability	$ 100,187,157	$ 67,134,816	$ 147,307,456	$ 138,136,433	$ 144,320,917
State's proportionate share of the net pension liability associated with the District	50,173,337	33,779,636	75,937,011	75,362,646	82,630,475
Totals	$ 150,360,494	$ 100,914,452	$ 223,244,467	$ 213,499,079	$ 226,951,392
District's covered payroll	$ 87,687,748	$ 81,326,155	$ 82,018,655	$ 84,292,598	$ 83,459,653
District's proportionate share of the net pension liability as a percentage of its covered payroll	114.25%	82.55%	179.60%	163.88%	172.92%
Plan fiduciary net position as a percentage of the total pension liability	81%	87%	72%	73%	71%

	2016-17	2015-16	2014-15	2013-14
District's proportion of the net pension liability	0.1485%	0.1547%	0.1500%	0.1270%
District's proportionate share of the net pension liability	$ 137,347,794	$ 125,365,550	$ 100,986,000	$ 74,214,990
State's proportionate share of the net pension liability associated with the District	$ 81,253,795	71,378,879	53,410,318	44,814,665
Totals	$ 218,601,589	$ 196,744,429	$ 154,396,318	$ 119,029,655
District's covered-employee payroll	$ 80,537,440	$ 76,798,239	$ 70,452,489	$ 63,059,794
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	170.54%	163.24%	143.34%	117.69%
Plan fiduciary net position as a percentage of the total pension liability	69%	70%	74%	77%

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

OXNARD SCHOOL DISTRICT

Schedule of Proportionate Share of the Net Pension Liability-CalPERS

For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

	2021-22	2020-21	2019-20	2018-19	2017-18
CalPERS					
District's proportion of the net pension liability	0.2341%	0.2403%	0.2532%	0.2557%	0.2556%
District's proportionate share of the net pension liability	$ 80,549,179	$ 48,860,366	$ 77,681,103	$ 74,525,983	$ 68,149,798
District's covered payroll	$ 36,028,691	$ 35,168,908	$ 36,539,369	$ 36,543,090	$ 33,887,773
District's proportionate share of the net pension liability as a percentage of its covered payroll	223.57%	138.93%	212.60%	203.94%	201.10%
Plan fiduciary net position as a percentage of the total pension liability	70%	81%	70%	73%	71%

	2016-17	2015-16	2014-15	2013-14
District's proportion of the net pension liability	0.2519%	0.2531%	0.2457%	0.2290%
District's proportionate share of the net pension liability	$ 60,128,107	$ 49,987,407	$ 36,216,423	$ 25,974,371
District's covered payroll	$ 32,092,252	$ 30,393,939	$ 27,191,989	$ 23,660,479
District's proportionate share of the net pension liability as a percentage of its covered payroll	187.36%	164.47%	133.19%	109.78%
Plan fiduciary net position as a percentage of the total pension liability	72%	74%	79%	83%

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

OXNARD SCHOOL DISTRICT

Schedule of Pension Contributions-CalSTRS
For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

	2022-23	2021-22	2020-21	2019-20	2018-19
CalSTRS					
Contractually required contribution	$ 19,105,011	$ 14,836,767	$ 13,134,174	$ 14,025,190	$ 13,722,835
Contributions in relation to the contractually required contribution	19,105,011	14,836,767	13,134,174	14,025,190	13,722,835
Contribution deficiency (excess):	$ -	$ -	$ -	$ -	$ -
District's covered payroll	100,026,236	87,687,748	81,326,155	82,018,655	$ 84,292,598
Contributions as a percentage of covered payroll	19.10%	16.92%	16.15%	17.10%	16.28%

	2017-18	2016-17	2015-16	2014-15
Contractually required contribution	$ 12,043,228	$ 10,131,610	$ 8,240,451	$ 6,256,181
Contributions in relation to the contractually required contribution	12,043,228	10,131,610	8,240,451	6,256,181
Contribution deficiency (excess):	$ -	$ -	$ -	$ -
District's covered payroll	$ 83,459,653	$ 80,537,440	$ 76,798,239	$ 70,452,489
Contributions as a percentage of covered payroll	14.43%	12.58%	10.73%	8.88%

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

OXNARD SCHOOL DISTRICT
Schedule of Pension Contributions-CalPERS
For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

	2022-23	2021-22	2020-21	2019-20	2018-19
CalPERS					
Contractually required contribution	$ 10,566,263	$ 8,254,173	$ 7,279,964	$ 7,205,929	$ 6,600,413
Contributions in relation to the contractually required contribution	10,566,263	8,254,173	7,279,964	7,205,929	6,600,413
Contribution deficiency (excess):	$ -	$ -	$ -	$ -	$ -
District's covered payroll	41,648,652	36,028,691	35,168,908	36,539,369	$ 36,543,090
Contributions as a percentage of covered payroll	25.37%	22.91%	20.70%	19.72%	18.06%

	2017-18	2016-17	2015-16	2014-15
Contractually required contribution	$ 5,263,110	$ 4,456,972	$ 3,600,770	$ 3,200,769
Contributions in relation to the contractually required contribution	5,263,110	4,456,972	3,600,770	3,200,769
Contribution deficiency (excess):	$ -	$ -	$ -	$ -
District's covered payroll	$ 33,887,773	$ 32,092,252	$ 30,393,939	$ 27,191,989
Contributions as a percentage of covered payroll	15.531%	13.888%	11.847%	11.771%

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

OXNARD SCHOOL DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

Employer's Financial Reporting Date	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**	**2017-18**
Measurement Period	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**	**2017-18**
Total OPEB liability						
Service cost	$ 4,771,822	$ 6,001,980	$ 5,104,422	$ 3,837,913	$ 4,987,643	$ 4,854,154
Interest	3,825,386	2,540,298	2,008,524	1,779,340	3,428,314	3,335,606
Differences between expected and actual experience	(23,566,124)	94,252	22,613,807	-	(14,858,061)	-
Changes of assumptions or other inputs	(912,140)	(13,512,255)	346,578	8,408,860	1,654,667	(2,267,105)
Expected benefit payments	-	(3,869,512)	-	-	-	(3,630,866)
Benefit payments	(3,009,140)	-	(4,366,240)	(4,400,693)	(3,928,421)	85,492
Other changes	-	-	-	-	374,367	-
Net change in total OPEB liability	(18,890,196)	(8,745,237)	25,707,091	9,625,420	(8,341,491)	2,377,281
Total OPEB liability - beginning	107,747,770	116,493,007	90,785,916	81,160,496	89,501,987	87,124,706
Total OPEB liability - ending	88,857,574	$ 107,747,770	$ 116,493,007	$ 90,785,916	$ 81,160,496	$ 89,501,987
Plan Fiduciary Net Position						
Contributions - employer	$ 3,776,658	$ 4,395,269	$ 4,964,792	$ -	$ 4,265,389	$ 4,339,503
Net investment income	(127,893)	29,936	-	284,231	154,831	79,553
Benefit payments	(3,009,140)	(3,869,512)	(4,366,240)	(3,564,682)	(3,928,421)	(3,630,865)
Investment Gains/(Losses)	285,012	-	27,407	(136,984)	-	-
Administrative expenses	-	-	-	-	-	85,492
Net change in plan fiduciary net position	924,637	555,693	625,959	(3,417,435)	491,799	873,683
Total fiduciary net position - beginning	7,667,433	7,111,740	6,485,781	9,903,216	9,411,417	8,537,734
Total fiduciary net position - ending	8,592,070	$ 7,667,433	$ 7,111,740	$ 6,485,781	$ 9,903,216	$ 9,411,417
District's net OPEB liability (asset) - ending	$ 80,265,504	$ 100,080,337	$ 109,381,267	$ 84,300,135	$ 71,257,280	$ 80,090,570
Plan fiduciary net position as a percentage of the total OPEB liability	9.7%	7.1%	6.1%	7.1%	12.2%	10.5%
Covered payroll	$ 123,520,208	$ 120,214,314	$ 116,996,899	$ 112,720,844	$ 114,428,198	$ 112,683,361
Total OPEB liability as a percentage of covered-payroll	65.0%	83.3%	93.5%	74.79%	62.27%	71.08%

Notes to Schedule:

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

OXNARD SCHOOL DISTRICT
Schedule of OPEB Contributions
For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Actuarially determined contribution	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	3,776,658	$ 4,395,269	$ 4,964,792	$ -	$ 4,265,389	$ 4,339,503
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A
Covered-employee payroll	123,520,208	120,214,314	116,996,899	112,720,844	114,428,198	112,683,361
Contributions as a percentage of covered-employee payroll	3.06%	3.66%	4.24%	0.00%	3.73%	3.85%

Note: The actuary does not calculate an actuarially determined contribution amount.
**This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

OXNARD SCHOOL DISTRICT

Schedule of the District's Proportionate Share of the Net OPEB Liability – MPP Program
For the Fiscal Year Ended June 30, 2023

Last Ten Fiscal Years*

Employer's Financial Reporting Date **Measurement Period**	**2022-23** **2021-22**	**2021-22** **2020-21**	**2020-21** **2019-20**	**2019-20** **2018-19**	**2018-19** **2017-18**	**2017-18** **2016-17**
District's proportion of net OPEB liability	0.2164%	0.2218%	0.2304%	0.2364%	0.2469%	0.2364%
District's proportionate share of net OPEB liability	$ 712,811	$ 884,485	$ 976,252	$ 880,313	$ 945,194	$ 994,457
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
District's net OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	(0.94%)	0.00%	(0.71%)	(0.81%)	0.40%	0.01%

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

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

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

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

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

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

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

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

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

Schedule of District Contributions

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

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

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

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

Change of assumptions – Liability changes resulting from changes in economic and demographic assumptions are deferred based on the average working life. The discount rate was changed from 3.54 percent to 3.65 percent since the previous valuation.

Schedule of OPEB Contributions

This schedule presents information on the District's contribution, the amounts actually contributed, and any excess or deficiency related to the contribution. The District does not have actuarially determined contributions. In the future, as data becomes available, ten years of information will be presented.

NOTE 1 – PURPOSE OF SCHEDULES (continued)

Schedule of the District's Proportionate Share of the Net OPEB Liability – MPP Program
This schedule presents information on the District's proportionate share of the net OPEB liability – MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented. As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP program; therefore, the covered payroll disclosure is not applicable.

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

Change of assumptions – The discount rate was changed from 2.16 percent to 3.54 percent since the previous valuation.

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Supplementary Information

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

GOVERNING BOARD

Member	Office	Term Expires
Mrs. Veronica Robles-Solis	President	November, 2026
Ms. Jarely Lopez	Clerk	November, 2026
Mrs. Rose Gonzalez	Member	November, 2026
Ms. Monica Madrigal Lopez	Member	November, 2024
Ms. MaryAnn Rodriguez	Member	November, 2024

DISTRICT ADMINISTRATORS

Karling Aguilera-Fort,
Superintendent

Valerie Mitchell, MPPA,
Assistant Superintendent, Business and Fiscal Services

Dr. Ana DeGenna,
Associate Superintendent, Educational Services

Dr. Natalia Torres,
Assistant Superintendent, Human Resources

OXNARD SCHOOL DISTRICT
Schedule of Average Daily Attendance
For the Fiscal Year Ended June 30, 2023

	Second Period Report	Annual Report
Regular ADA:		
Grades TK-3	5,620.48	5,656.29
Grades 4-6	4,345.27	4,349.90
Grades 7-8	3,040.58	3,036.08
Total Regular ADA	13,006.33	13,042.27
Total ADA	13,006.33	13,042.27

See accompanying note to supplementary information.

OXNARD SCHOOL DISTRICT
Schedule of Instructional Time
For the Fiscal Year Ended June 30, 2023

Grade Level	Minutes Requirement	Minutes Offered	Days Offered	Status
Kindergarten	36,000	48,177	180	Complied
Grade 1	50,400	53,925	180	Complied
Grade 2	50,400	53,925	180	Complied
Grade 3	50,400	53,925	180	Complied
Grade 4	54,000	54,775	180	Complied
Grade 5	54,000	54,775	180	Complied
Grade 6	54,000	59,065	180	Complied
Grade 7	54,000	59,065	180	Complied
Grade 8	54,000	59,065	180	Complied

OXNARD SCHOOL DISTRICT
Schedule of Financial Trends and Analysis
For the Fiscal Year Ended June 30, 2023

General Fund	(Budget) 2024 [2]	2023	2022	2021
Revenues and other financing sources	$ 280,066,330	$ 329,670,273	$ 276,291,181	$ 241,962,107
Expenditures	288,813,710	271,870,897	237,922,246	213,473,583
Other uses and transfers out	-	-	-	1,000,000
Total outgo	288,813,710	271,870,897	237,922,246	214,473,583
Change in fund balance (deficit)	(8,747,380)	57,799,376	38,368,935	27,488,524
Ending fund balance	$ 132,448,679	$ 141,196,059	$ 83,396,683	$ 45,027,748
Available reserves [1]	$ 28,881,371	$ 27,185,844	$ 23,792,226	$ 12,866,393
Available reserves as a percentage of total outgo	10.0%	10.0%	10.0%	6.0%
Total long-term debt	$ 622,829,876	$ 631,799,748	$ 517,198,810	$ 647,635,714
Average daily attendance at P-2	12,551	13,006	13,089	N/A

The General Fund balance has increased by $96.2 million over the past two years. The fiscal year 2023-24 adopted budget projects a decrease of $8.7 million. For a district of this size, the state recommends available reserves of at least 3% of total general fund expenditures, transfers out, and other uses (total outgo).

The District has incurred an operating surplus in each of the previous three years, but anticipates incurring an operating deficit during the 2023-24 fiscal year. Long-term debt has decreased by $15.8 million over the past two years.

Average daily attendance decreased by 83 ADA compared to 2021-22. Budgeted ADA for fiscal year 2023-24 is 12,551.

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

[2] Revised Final Budget August, 2023.

OXNARD SCHOOL DISTRICT

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements
For the Fiscal Year Ended June 30, 2023

	General Fund	Deferred Maintenance Fund
June 30, 2023, annual financial and budget report fund balance	$ 144,685,501	$ 6,413,208
Adjustments and reclassifications:		
Increase (decrease) in total fund balance:		
Accounts receivable understated	599,903	-
Accounts payable understated	(4,089,345)	(170,340)
June 30, 2023, audited financial statement fund balance	$ 141,196,059	$ 6,242,868

OXNARD SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Cluster Expenditures	Federal Expenditures
Federal Programs:				
U.S. Department of Agriculture:				
Passed through California Dept. of Education (CDE):				
Child Nutrition Cluster:				
School Breakfast Program - Especially Needy	10.553	13526	1,376,589	
National School Lunch Program	10.555	13523	6,590,120	
USDA Donated Foods	10.555	15655	689,235	
Total Child Nutrition Cluster				$ 8,655,944
Child and Adult Food Care Program	10.558	13393	712,309	
Cash in Lieu of Commodities	10.558	13393	84,469	
COVID-19 Emergency Operational Costs Reimbursement	10.558	15577	155,344	
Total Child and Adult Food Care Program				952,122
Total U.S.Department of Agriculture				9,608,066
U.S. Department of Education:				
Every Student Succeeds Act (ESSA):				
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329		4,583,138
Title II, Part A, Supporting Effective Instruction State Grant	84.367	14341		889,466
English Language Acquisition Grants:				
Title III, Immigrant Education Program	84.365	15146	10,635	
Title III, Limited English Proficiency	84.365	14346	1,307,109	
Total English Language Acquisition Grants				1,317,744
Title IV, Part A, Student Support and Academic Enrichment	84.424	15396		332,180
Title IV, Part F, Mental Health Services Professional Demonstration Grants	84.184X	Unknown		30,000
Passed through Ventura County SELPA:				
Individuals with Disabilities Education Act Cluster (IDEA):				
COVID-19 ARP-IDEA Part B, Sec. 611, Local Assistance Entitlement	84.027	15638	326,463	
COVID-19 ARP-IDEA Part B, Sec. 611, Local Assistance Private School ISPs	84.027	10169	2,050	
COVID-19ARP-IDEA Part B, Sec. 611, Local Assistance Coordinated Early Intervening Services	84.027	10170	94,720	
COVID-19 ARP-IDEA Part B, Sec. 619, Preschool Grants	84.173	15639	86,446	
COVID-19 ARP-IDEA Part B, Sec. 619, Preschool Grants Coordinated Early Intervening Services	84.173	10171	15,849	
IDEA Basic Local Assistance Entitlement, Part B, Section 611 (Formerly PL 94-142)	84.027	13379	2,868,355	
IDEA Local Assistance, Part B, Sec 611, Private School ISPs	84.027	10115	8,889	
IDEA Local Assistance, Part B, Sec 611, Early Intervening Services	84.027	10119	415,800	
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	128,544	
IDEA Part B, Sec 619, Preschool Grants Early Intervening Services	84.173	10131	4,644	
IDEA Mental Health Allocation Plan, Part B, Sec 611	84.027A	14468	167,177	
Total Special Education (IDEA) Cluster				4,118,937
COVID-19 - Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	1,322,081	
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425U	15559	12,973,751	
Governor's Emergency Education Relief (GEER) Fund: Learning Loss Mitigation	84.425C	15517	65,718	
Expanded Learning Opportunities (ELO) Grant ESSER II State Reserve	84.425C	15618	868,753	
Expanded Learning Opportunities (ELO) Grant GEER II	84.425C	15619	413,659	
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Emergency Needs	84.425U	15620	10,689	
American Rescue Plan-Homeless Children and Youth (ARP-HCY) Program	84.425	15564	14,204	
Total Education Stabilization Fund				15,668,855
Total U.S.Department of Education				26,940,320
Total Expenditures of Federal Awards				$ 36,548,386

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

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

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

Schedule of Financial Trends and Analysis

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

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

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

Schedule of Expenditures of Federal Awards

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

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

	Assistance Listing Number	Amount
Total Federal Revenues from the Statement of Revenues, Expenditures, and Changes in Fund Balances		$ 36,836,529
Differences between Federal Revenues and Expenditures:		
Child and Adult Food Care Program	10.558	(288,143)
Total Schedule of Expenditures of Federal Awards		$ 36,548,386

Other Independent Auditors' Reports

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NIGRO & NIGRO PC
A Professional Accountancy Corporation

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

Board of Trustees
Oxnard School District
Oxnard, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oxnard School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 13, 2023.

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

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

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

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA | Angelika Vartikyan, CPA

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Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nigro + Nigro, PC.

Murrieta, California
December 13, 2023

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

Board of Trustees
Oxnard School District
Oxnard, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Oxnard School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Oxnard School District's major federal programs for the year ended June 30, 2023. The Oxnard 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.

In our opinion, the Oxnard School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Oxnard School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Oxnard School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Oxnard School District's federal program.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Oxnard School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Oxnard School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Oxnard School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Oxnard School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Oxnard School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Nigro + Nigro, PC.

Murrieta, California
December 13, 2023

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Trustees
Oxnard School District
Oxnard, California

Report on Compliance

Opinion
We have audited the Oxnard School District's (District) compliance with the requirements specified in the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2023.

In our opinion, Oxnard School District complied in all material aspects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2023.

Basis for Opinion
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Oxnard School District's state programs.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the 2022-23 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and

- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

Description	Procedures Performed
Local Education Agencies Other Than Charter Schools:	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	No*
Continuation Education	Not Applicable
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
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Yes
Independent Study Certification for ADA Loss Mitigation	Yes

Description	Procedures Performed
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study – Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not Applicable
Transitional Kindergarten	Yes
Charter Schools:	
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom-Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

*We did not audit independent study as the amount reported is not material per the materiality levels set by the 2022-23 K-12 state audit guide.

Areas marked as "Not Applicable" were not operated by the District.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify in the audit.

Other Matter
The results of our auditing procedures disclosed an instance of noncompliance, which is described in the accompanying schedule of findings and questioned costs as Finding 2023-001.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance an, accordingly, we express no opinion on the response.

Report on 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, the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identity all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Nigro + Nigro, PC.

Murrieta, California
December 13, 2023

Schedule of Findings and Questioned Costs

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OXNARD SCHOOL DISTRICT
Summary of Auditors' Results
For the Fiscal Year Ended June 30, 2023

Financial Statements

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

Federal Awards

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

Identification of major programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
84.365	English Language Acquisition Grants
84.425, C, D, U	COVID-19 Education Stabilization Fund
84.027, 84.027A, 84.173	IDEA Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1,096,452
Auditee qualified as low-risk auditee?	Yes

State Awards

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

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

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

There were no financial statement findings in 2022-23.

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

There were no federal award findings or questioned costs in 2022-23.

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

FINDING 2023-001 (40000) AFTER SCHOOL EDUCATION AND SAFETY

Criteria: The After School Education and Safety Program (ASES) was established to serve pupils in kindergarten through grade nine. In accordance with Education Code Section 8483(a)(1), there are stringent regulations in operating and reporting attendance for the program. An early release policy documents the reason code to be used for early release of students from the program to allow the student to be counted for attendance for the day.

Condition: During our review of the sign-in/out sheets for the ASES program, we noticed that nine students were signed out early without an early release code as per the early release policy.

Context: The exceptions occurred in 9 instances across two sites. This is not a repeat finding.

Effect: There is no financial penalty for the finding.

Cause: The early release policy was not followed.

Recommendation: We recommend sites where the program operates follow the early release policy in place.

Views of Responsible Officials: The District will ensure the early release policy is adhered to, and that the proper codes are recorded on the sign in/out sheets.

Original Finding No.	Finding	Code	Recommendation	Current Status
Finding 2022-001: Attendance Accounting	California Education Code Section 46000 states: Attendance in all schools and classes shall be recorded and kept according to regulations prescribed by the State Board of Education, subject to the provisions of this chapter. Good internal controls require the District to review its pupil attendance reporting processes and ensure that attendance policies and procedures are maintained and followed at all school sites. During our review of ADA reported to CDE, we noted the following errors on the informational (B-1) lines: *P-2 Report of Attendance* • The District understated ADA (Line B-1) by 71.84 ADA in grades TK/K-3. • The District understated ADA (Line B-1) by 64.42 ADA in grades 4-6. • The District understated ADA (Line B-1) by 43.57 ADA in grades 7-8. *Annual Report of Attendance* • The District understated ADA (Line B-1) by 71.92 ADA in grades TK/K-3. • The District understated ADA (Line B-1) by 61.04 ADA in grades 4-6. • The District understated ADA (Line B-1) by 43.28 ADA in grades 7-8.	10000	We recommend that the District develop procedures to ensure that all informational lines are entered on the P2 and Annual principal apportionment data collection.	Implemented

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NIGRO & NIGRO PC

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To the Board of Trustees
Oxnard School District
Oxnard, California

In planning and performing our audit of the basic financial statements of Oxnard School District for the fiscal year ending June 30, 2023, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control structure.

However, during our audit we noted matters that are an opportunity for strengthening internal controls and operating efficiency. The following items represent conditions noted by our audit that we consider important enough to bring to your attention. This letter does not affect our report dated December 13, 2023, on the financial statements of Oxnard School District.

ASSOCIATED STUDENT BODY FUNDS

Observation:
During our testing of cash disbursements, we noted two of nine disbursements were not approved by the District representative, the ASB advisor, and/or the student representative until after the expenditure had already been incurred.

> ***Recommendation:***
> E.C. Section 48933(b) requires all expenditures from ASB funds be authorized by a student representative, an advisor, and a district representative (usually a principal or vice-principal) prior to disbursing the funds. As a "best practice", approval by required parties should be obtained before the actual commitment to purchase the items to ensure the expense is a proper use of student-body funds and falls within budgetary guidelines.

Observation:
At Curren we noted one of the disbursements was for an amazon delivery shipped to a personal address. We noted at one site only one signature was required on a check. At another school, the site did not have appropriate segregation of duties in that the bookkeeper is a signer on the account and there is no compensating control in place. Independent contract information is not obtained.

> ***Recommendation:***
> We recommend shipments be made only to the school site to ensure that the products are being used for the students' benefit. We recommend that all checks written require two signatures as a control in order to prevent the misuse of funds.

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Observation:
We identified that bank reconciliations were not prepared timely or at all.

Recommendation:
Timely and accurate bank reconciliations are prudent and necessary to ensure that the accounting records match the amounts held on deposit. We recommend the bookkeeper perform monthly bank reconciliations within two weeks after the statement arrives. Furthermore, the Principal or ASB Advisor should review the bank reconciliation and initial and date the bank statement and reconciliation as evidence they were reviewed. Review of the bank reconciliations by someone other than the ASB Bookkeeper is an important internal control to detect errors and possible questionable or suspicious activity.

Observation:
We noted that some ASB sites are not submitting financial statements to the District Office on a periodic basis. Financial statement review by the District office is an important oversight activity which will help strengthen internal controls and assist with proper financial reporting, especially now that ASB funds are reported in a District governmental fund.

Recommendation:
We recommend that periodic financial statements be prepared and submitted to the District office on a monthly basis for review and to ensure proper oversight.

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

Nigro + Nigro, PC.

Murrieta, California
December 13, 2023