



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Buena Park
Buena Park, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buena Park, California (City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, other postemployment benefit information, and budgetary comparison information on pages 5-26 and 99-106 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the budgetary comparison schedule for the City Capital Project Fund, combining and individual nonmajor fund financial statements, and other budgetary comparison schedules on pages 110-141, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

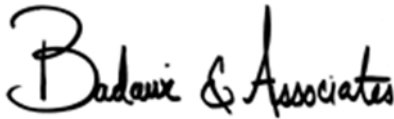
The budgetary comparison schedule for the City Capital Project Fund, combining and individual nonmajor fund financial statements, and other budgetary comparison schedules on pages 110-141 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule for the City Capital Project Fund, combining and individual nonmajor fund financial statements, and other budgetary comparison schedules on pages 110-141 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 City's internal control over financial reporting and compliance.

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Badawi and Associates
Certified Public Accountants
Berkeley, California
December 22, 2020

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

The following discussion and analysis of the financial performance of the City of Buena Park provides an overview of the City's financial activities for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in this report's introductory section.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2019-20 by \$285,961,000. Assets and deferred outflows for governmental activities and business-type activities exceeded liabilities and deferred inflows by \$234,663,000 and \$51,297,000, respectively. The net position represents the difference between all of the City's assets and liabilities, including infrastructure (roads, bridges, storm drains, sewers, traffic signals, and water system mains and lines) and other capital assets (buildings and improvements, vehicles, furniture, and equipment). Infrastructure and capital assets represent the most considerable portion of the City's net position, \$288,461,000. These assets are costly yet essential to the functioning of the City's business and residential populations. The restricted portion of net position is for resources earmarked for specific programs and therefore unavailable for general use. The unrestricted portion may be utilized for the City's ongoing obligations to its citizens and creditors.
- Governmental activities net position has increased by \$3,652,000, and the business-type activities increased by \$2,956,000. The changes in net position in governmental and business-type activities are primarily due to increased capital grants and contributions offset by reductions in property taxes, property transfer taxes, sales, and use taxes and charges for services. The increase in capital grants and contributions is due to the construction of the Navigation Center, which was funded by the Orange County Heap grant, SB2 funds, and funding from a collaboration with several North Orange County Cities. The novel coronavirus (COVID-19) pandemic had a detrimental impact on the City's sales and use taxes, transient occupancy taxes (TOT), and charges for services. Revenue decreases in charges for services include parking citation fines, zoning fees, recreation rental fees, and recreation program fees.
- As of June 30, 2020, the City's governmental funds reported combined ending fund balances of \$87,763,000, an increase of \$979,000 compared to the prior fiscal year. Approximately 28% of the fund balance, or \$24,502,000, is unassigned and available for use at the government's discretion.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Using the Accompanying Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Also included in the accompanying report are fund financial statements. For governmental activities, the fund financial statements tell how these services are financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Overview of the Financial Statements

The annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for non-major governmental funds and internal service funds. The basic financial statements comprise three components:

- *Government-wide financial statements*. These statements provide both *long-term* and *short-term* information about the City's overall financial status.
- *Fund financial statements*. These statements focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.
 - The *governmental funds'* statements tell how *general government* services like public safety are financed in the *short-term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short-term*, and *long-term* financial information about the activity the City operates like a private business, i.e., the Water Enterprise Fund.
- *Notes to financial statements*. - Explains some of the information in the financial statements and provides more detailed data.

The statements are followed by a section of *required supplementary information* that provides additional financial and budgetary information.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT’S DISCUSSION AND ANALYSIS

June 30, 2020

Overview of the Financial Statements (Continued)

Figure A-1

Major Features of the City’s Government-wide and Fund Financial Statements

	<u>Government-wide Statements</u>	<u>Fund Statements</u>	
		<u>Governmental Funds</u>	<u>Proprietary Funds</u>
Scope	Entire City government and the City’s component units	The activities of the City that are not proprietary	Activities the City operates similar to private businesses
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses and changes in net position • Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term debt included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

See independent auditors’ report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Reporting the City as a Whole

The accompanying **government-wide financial statements** include the Statement of Net Position and the Statement of Activities that present financial data for the City as a whole and are designed to provide readers with a broad overview of the City's financial condition. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in the net position. The City's net position – the difference between assets and liabilities – is one way to measure the City's financial health or financial position. Over time, increases and decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, however, should be considered, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported in this category, such as general government, development, public protection, transportation, environmental, health, and leisure. Sales taxes, property taxes, state subventions, charges for services, and other revenues finance most of these activities.
- **Business-type activity** – The City charges a fee to customers to help it cover all or most of the cost of the services accounted for in the Water Enterprise Fund. Customers pay the majority of the cost for water utility services; however, other governments and organizations sometimes subsidize certain water programs and capital projects with operating grants and contributions.

Reporting the City's Major Funds

The **fund financial statements** provide detailed information about the City's most significant funds – not the City as a whole. Some funds are required to be established by State law or by bond covenants. However, City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting administrative responsibilities for utilizing certain taxes, grants, or other money. The City's three fund types – *governmental, proprietary, and fiduciary*, utilize different accounting approaches.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Reporting the City's Major Funds (Continued)

- *Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on near-term inflows and outflows of resources available for spending, as well as balances of resources available for expenditure at the end of the fiscal year. These funds are reported using the *modified accrual* basis of accounting, which measures cash and all other *current financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship or differences between *governmental activities* (reported in the Statement of Net Position and the Statement of Activities) and *governmental funds* are described in a reconciliation following the fund financial statements.

The City maintains 16 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the State Gasoline Tax Fund, and the Housing Successor Special Revenue Fund, all of which are considered to be major funds. Data from the remaining 13 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in a combining statement elsewhere in this report.

- *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information, such as cash flows, for proprietary funds. The City's one enterprise fund, the Water Enterprise Fund, is considered to be a major fund of the City. The City uses internal service funds (the other component of proprietary funds) to account for its self-insurance, equipment replacement and maintenance, building maintenance, employee benefits, and information technology support. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.
- *Fiduciary funds* - When the City holds assets and acts as a custodian on behalf of another agency, this is reported as a fiduciary fund. Fiduciary funds are similar to governmental funds in that they are reported using the modified accrual basis of accounting. They differ from governmental funds in that they cannot be used to support the City's functions, and must be used only for those purposes required by that agency. The City has three fiduciary funds - the Successor Agency Fund, the CFD Mall Agency Fund, and the Buena Park Tourism Marketing District. The Successor Agency Fund is a private-purpose trust fund used to account for the assets and liabilities of the former Redevelopment Agency. When the Redevelopment Agency was dissolved in 2012, a fund was

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Reporting the City's Major Funds (Continued)

established to handle the remaining assets that were required to meet the long-term debts and other enforceable obligations of the former Redevelopment Agency. The CFD Mall Agency Fund was established to hold investments for the debt service related to the mall development. Although the City acts as a fiscal agent for this trust fund and holds the reserve funds for future debt payments, the City has no debt service obligation. The Buena Park Tourism Marketing District was established to improve business conditions and the business environment for tourism businesses in Buena Park through the development and operation of a tourism marketing district and other initiatives. Fiduciary funds are presented separately, and are not included in the government-wide financial statements as they do not support the City's programs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Below is a summary of the City's government-wide financial information (in thousands):

	Total Governmental and Business-type Activities			
	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets	\$ 432,028	\$ 412,871	\$ 19,157	4.64%
Liabilities	(161,172)	(149,193)	(11,979)	8.03%
Deferred Outflow of Resources	20,888	21,038	(150)	(0.71%)
Deferred Inflow of Resources	(5,783)	(5,364)	(419)	7.81%
Net Position	<u>\$ 285,961</u>	<u>\$ 279,352</u>	<u>\$ 6,609</u>	2.37%
Unrestricted net position	<u>\$ (33,686)</u>	<u>\$ (29,060)</u>	<u>\$ (4,626)</u>	(15.92%)
Long-term debt	<u>\$ 13,689</u>	<u>\$ 14,453</u>	<u>\$ (764)</u>	(5.29%)
Program revenues	<u>\$ 48,882</u>	<u>\$ 38,245</u>	<u>\$ 10,637</u>	27.81%
Taxes	<u>\$ 56,302</u>	<u>\$ 58,579</u>	<u>\$ (2,277)</u>	(3.89%)
Other general revenues	<u>\$ 3,136</u>	<u>\$ 3,066</u>	<u>\$ 70</u>	2.28%
Expenses	<u>\$ 101,710</u>	<u>\$ 93,269</u>	<u>\$ 8,441</u>	9.05%

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

As noted earlier, the net position is a useful indicator of a government's financial position. A summary of the Statement of Net Position (*in thousands*) at June 30, 2020, and 2019 is as follows:

Governmental Activities:

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets:				
Current and other Assets	\$ 114,301	\$ 108,460	\$ 5,841	5.39%
Capital Assets, net	252,057	243,325	8,732	3.59%
Total Assets	<u>366,358</u>	<u>351,785</u>	<u>14,573</u>	4.14%
Deferred Outflows	<u>20,238</u>	<u>20,390</u>	<u>(152)</u>	(0.75%)
Liabilities:				
Current Liabilities	10,747	6,859	3,888	56.68%
Noncurrent Liabilities	135,484	129,016	6,468	5.01%
Total Liabilities	<u>146,231</u>	<u>135,875</u>	<u>10,356</u>	7.62%
Deferred Inflows	<u>5,701</u>	<u>5,289</u>	<u>412</u>	7.79%
Net Position:				
Net Investment in				
Capital Assets	242,220	243,325	(1,105)	(0.45%)
Restricted	45,510	43,242	2,268	5.24%
Unrestricted	<u>(53,067)</u>	<u>(55,556)</u>	<u>2,489</u>	4.48%
Total Net Position	<u>\$ 234,663</u>	<u>\$ 231,011</u>	<u>\$ 3,652</u>	1.58%

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities:

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets:				
Current and other Assets	\$ 29,266	\$ 24,269	\$ 4,997	20.59%
Capital Assets, net	36,404	36,817	(413)	(1.12%)
Total Assets	65,670	61,086	4,584	7.50%
Deferred Outflows	650	647	3	0.46%
Liabilities:				
Current Liabilities	4,973	3,431	1,542	44.94%
Noncurrent Liabilities	9,968	9,886	82	0.83%
Total Liabilities	14,941	13,317	1,624	12.19%
Deferred Inflows	82	76	6	7.89%
Net Position:				
Net Investment in				
Capital Assets	31,917	32,082	(165)	(0.51%)
Unrestricted	19,380	16,259	3,121	19.20%
Total Net Position	\$ 51,297	\$ 48,341	\$ 2,956	6.11%

The largest portion of the City's assets reflects its investment in capital assets (i.e., land, buildings, machinery, equipment, and infrastructure) less any related debt utilized to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future expenditure. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's resources, \$45,510,000 for governmental activities, are subject to external (legally imposed or statutory) restrictions on how they may be used. This amount represents 19% of the net position for governmental activities. The unrestricted portion (\$53,067,000) for governmental activities and \$19,380,000 for business-type activities are the resources that can be used to finance day-to-day operations without constraints. The unrestricted net position represents (23%) and 38% of the net position for governmental and business-type activities, respectively.

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

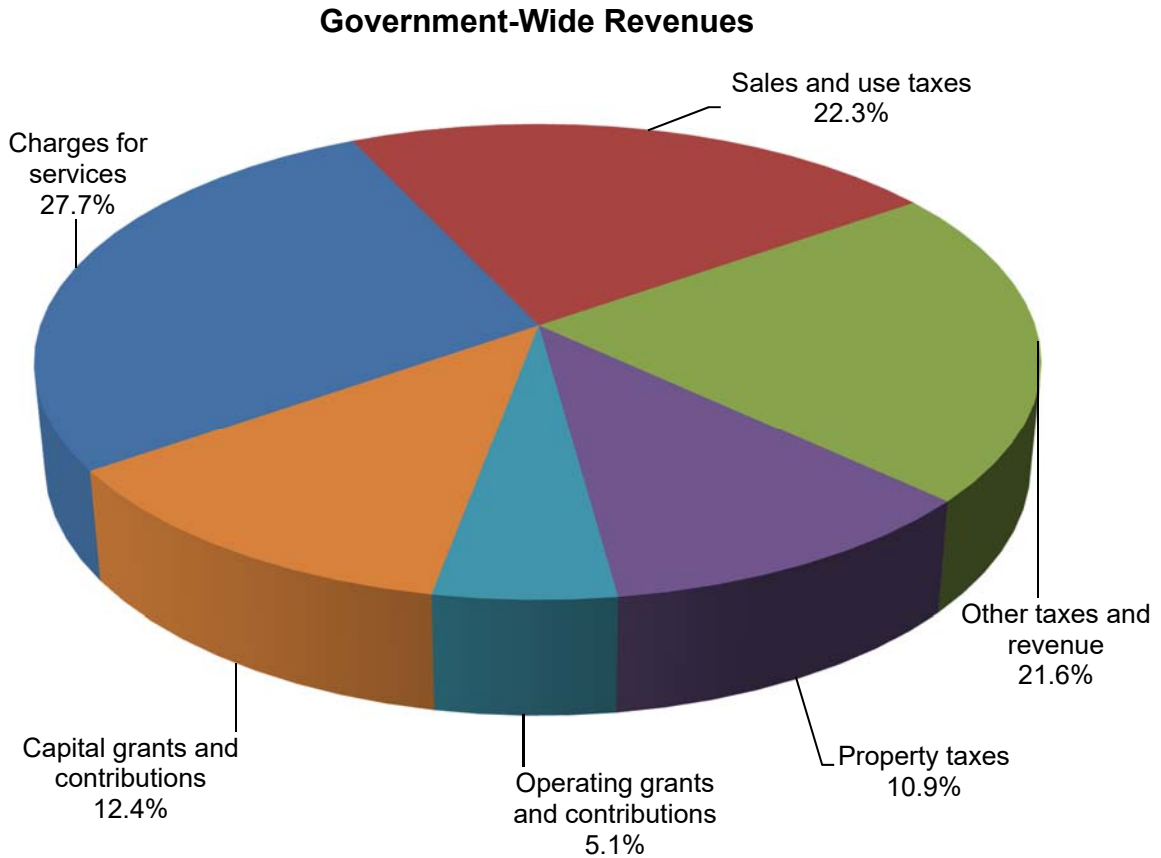
For governmental and business-type activities, the net position increased by \$6,609,000. The changes in net position in governmental and business-type activities are primarily due to an increase in grants and contributions, offset by decreases in sales and use tax, transient occupancy tax (TOT), property transfer tax and charges for services, and increases to Public Protection services. Grants and contributions increased primarily due to the construction of the City's Navigation Center, which was funded by a combination of the Orange County Heap Grant, SB2 funds, and funding from a collaboration with several north Orange County Cities. The Navigation Center facility serves as transitional housing for those living on the streets and provides a stable setting with healthcare and other services. Sales and use taxes decreased by 6% over last year. The City's transient occupancy tax (TOT), which was severely affected by the pandemic, reported a 20% reduction in revenues over last year. Property transfer taxes decreased by 47% over the previous year, primarily due to lower home sales. Program revenues from charges for services were also affected by the pandemic, including a 15% decrease in parking citation fines, a 59% decrease in zoning fees, a 45% decrease in recreational rental fees, and a 37% decrease in recreational program fees compared to the previous year. Increases in Public Protection expenditures are attributable to increases in salary, benefit, pension expenses for police protection services, and a rise in the cost of contractual obligations for fire protection services paid to the Orange County Fire Authority. Increased expenditures are also partly attributable to the GASB Statement No. 68 requirement to record the current year change of pension liability, deferred inflows, and deferred outflows of pension resources. (Refer to note 9 of the financial statements). The pension liability is the present value estimate of future benefits. Retirement benefits remain the largest liability for most municipalities, but it is important to note that the payment of this liability extends over decades. The City of Buena Park provides pension benefits to all qualified employees through pension plans administered by the California Public Employees' Retirement System (CalPERS). The City currently has three tiers of pension plans based on the date of hire. Most of the City's current employees are on the most costly tier. The City's retirement plans available to new employees are less costly and will significantly reduce the pension liability over a period of many years. Another significant factor in the change in net position is the implementation of GASB 75, which records a liability for other post-employment benefits (OPEB). The City's OPEB liability was measured as of June 30, 2020, and the total OPEB liability was determined, by an actuarial valuation, to be \$5,094,656.

Restricted net position increased by \$2,268,000 to \$45,510,000. These assets are committed for special programs or projects, and for contractor and vendor obligations. Unrestricted net position decreased by \$4,626,000, from \$(29,060,000) to \$(33,686,000). The total net position as of June 30, 2020 is \$285,961,000.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

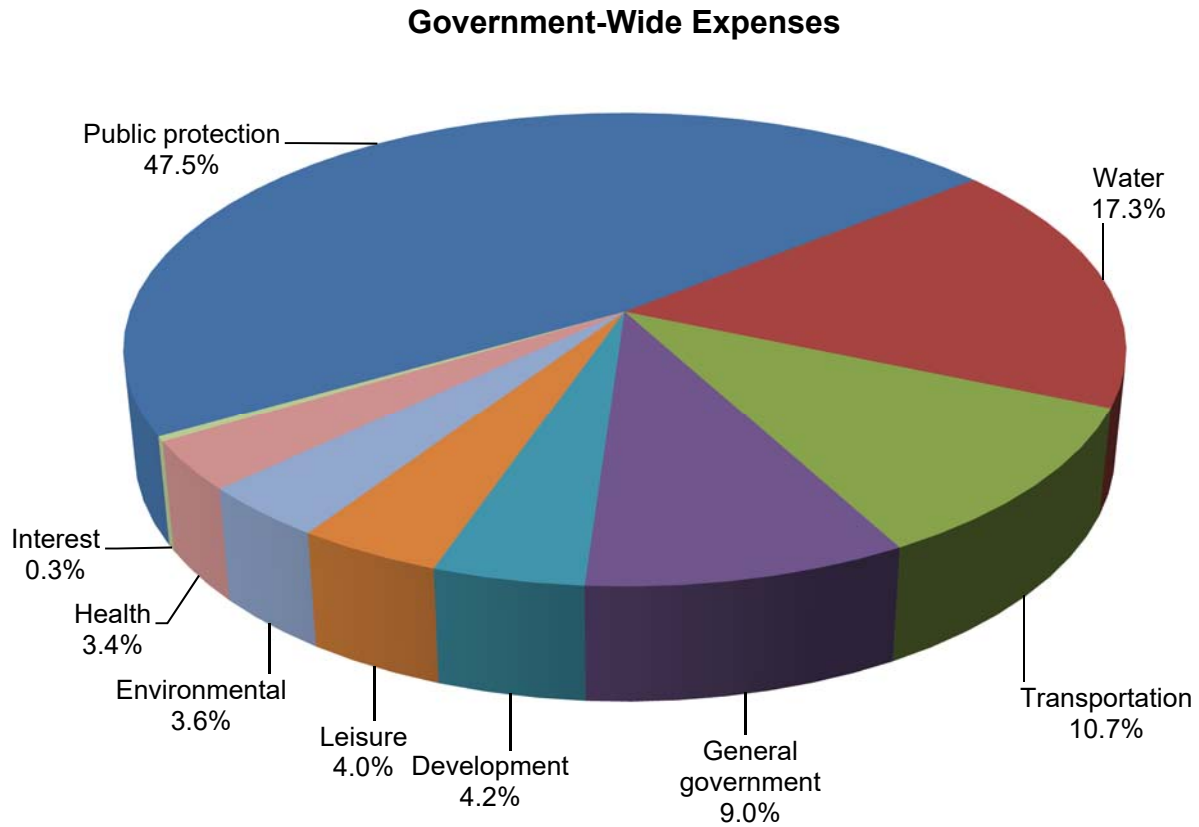


Total government-wide revenue for governmental and business-type activities is \$108,320,000 in FY 2019-20, an increase of \$8,430,000, or 8%, compared to \$99,890,000 in the prior year. Program revenue is \$48,882,000, or 28%, of the total revenue, which represents charges for services, grants, and contribution revenues. General revenue is the remaining \$59,438,000, or 72%, which is primarily comprised of various tax revenues.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



Total government-wide expenses for governmental and business-type activities is \$101,710,000 in FY 2019-20, an increase of \$8,440,000, or 9%, compared to \$93,270,000 in the prior year. Consistent with the past years, the public protection expenses are the largest expense for the City, which is \$48,323,000, or 48%, of the total expenses. The water utility cost is the second largest expense, which represents \$17,546,000, or 17%, of the total expenses.

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Change in net position of Governmental Activities (in thousands) is as follows:

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Program Revenues:				
Charges for services	\$ 10,153	\$ 11,044	\$ (891)	(8.07%)
Operating grants and contributions	5,483	5,540	(57)	(1.03%)
Capital grants and contributions	13,392	2,854	10,538	369.24%
Total Program Revenues	<u>29,028</u>	<u>19,438</u>	<u>9,590</u>	49.34%
General Revenues:				
Property taxes	11,856	11,705	151	1.29%
Sales and use taxes	24,154	25,740	(1,586)	(6.16%)
Transient occupancy taxes	5,313	6,605	(1,292)	(19.56%)
Franchise taxes	1,875	1,809	66	3.65%
Other taxes	13,104	12,720	384	3.02%
Investment income	1,954	1,841	113	6.14%
Other Revenue	362	577	(215)	(37.26%)
Total General Revenues	<u>58,618</u>	<u>60,997</u>	<u>(2,379)</u>	(3.90%)
Total Revenues	<u>87,646</u>	<u>80,435</u>	<u>7,211</u>	8.97%
Expenses:				
General government	9,147	8,548	599	7.01%
Leisure	4,112	3,995	117	2.93%
Health	3,410	3,176	234	7.37%
Transportation	10,838	10,538	300	2.85%
Public Protection	48,323	42,093	6,230	14.80%
Development	4,295	4,488	(193)	(4.30%)
Environmental	3,688	3,503	185	5.28%
Interest expense	351	407	(56)	(13.76%)
Total Expenses	<u>84,164</u>	<u>76,748</u>	<u>7,416</u>	9.66%
Increase in Net Position before before transfers	<u>3,482</u>	<u>3,687</u>	<u>(205)</u>	(5.56%)
Transfers	171	209	(38)	(18.18%)
Extraordinary Item	-	-	-	
Change in Net Position	<u>3,653</u>	<u>3,896</u>	<u>(243)</u>	(6.24%)
Net Position - Beginning of Year as Restated	<u>231,011</u>	<u>227,115</u>	<u>3,896</u>	1.72%
Net Position - End of Year	\$ 234,664	\$ 231,011	\$ 3,653	1.58%

See independent auditors' report.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The cost of all governmental activities for fiscal year 2019-20 is \$84,164,000. However, as reported in the Statement of Activities, the amount that the taxpayers ultimately financed for these activities is \$55,136,000. Some of the cost is borne by those who directly benefited from the programs (\$10,153,000), or by other governments and organizations that subsidized certain programs with operating grants and contributions (\$5,483,000), or with capital grants and contributions (\$13,392,000). The City's governmental program revenues are \$29,028,000. The City paid for the remaining "public benefit" portion of governmental activities with \$56,302,000 in taxes and general revenue (some of which could only be used for certain programs) and with \$2,418,000 in other revenues, such as interest and general entitlements.

Total resources available during the year to finance governmental operations is \$318,828,000, consisting of net position at July 1, 2019 of \$231,011,000, program revenues of \$29,028,000, general revenues of \$58,618,000, and transfers of \$171,000. Total expenses for governmental activities during the year are \$84,164,000, thus creating a net position of \$234,664,000 as of June 30, 2020.

Program revenues increased \$9,590,000, a change of 49% from the prior year. The increase is primarily due to grants and contributions used to fund the construction of the Navigation Center, offset by decreases in charges for services due to the economic downturn caused by the COVID-19 pandemic.

Total general revenues decreased by \$2,379,000, a change of 4% from the previous year. This is mostly due to a decrease in sales and use taxes, and transient occupancy taxes. Sales and use taxes decreased by 6%, largely due to the negative effects caused by the COVID-19 pandemic. The City's transient occupancy tax (TOT), which relies heavily on tourism, was especially hit hard by the pandemic, reporting a 20% decrease in revenues compared to the prior fiscal year. Property taxes were unaffected by the pandemic, reporting a modest increase of 1.3%, primarily due to the lien date (and change in the California Consumer Price Index) of January 1, 2019, which preceded the onset of the COVID-19 pandemic in March 2020.

Total expenses increased by \$7,416,000, a change of 10% from the previous year. This increase in expense is mainly due to a \$6,230,000 increase in public protection expense, and a \$1,186,000 increase in other governmental expenses. The increase in public protection is mostly attributable to the increases in the City's safety pension, salaries and benefits, and other post-employment benefits. In addition, there was also an increase in the City's contractual obligation for fire protection services with the Orange County Fire Authority. Increases in other governmental expenses are mostly due to cost of living adjustments negotiated for fiscal year 2019-20.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Change in net position of Business-type Activities (in thousands) is as follows:

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Program Revenues:				
Charges for services	\$ 19,854	\$ 18,807	\$ 1,047	5.57%
Total Program Revenues	<u>19,854</u>	<u>18,807</u>	<u>1,047</u>	5.57%
General Revenues:				
Investment income	820	648	172	26.54%
Total General Revenues	<u>820</u>	<u>648</u>	<u>172</u>	26.54%
Total Revenues	<u>20,674</u>	<u>19,455</u>	<u>1,219</u>	6.27%
Expenses:				
Water utility	17,546	16,522	1,024	6.20%
Total Expenses	<u>17,546</u>	<u>16,522</u>	<u>1,024</u>	6.20%
Increase in Net Position before transfers	<u>3,128</u>	<u>2,933</u>	<u>195</u>	6.65%
Transfers	<u>(171)</u>	<u>(208)</u>	<u>37</u>	17.79%
Change in Net Position	<u>2,957</u>	<u>2,725</u>	<u>232</u>	8.51%
Net Position - Beginning of Year - As Restated	<u>48,340</u>	<u>45,615</u>	<u>2,725</u>	5.97%
Net Position - End of Year	<u><u>\$ 51,297</u></u>	<u><u>\$ 48,340</u></u>	<u><u>\$ 2,957</u></u>	6.12%

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The cost of all proprietary (business-type) activities in 2019-20 was \$17,546,000. As shown in the Statement of Activities and Changes in Net Position, the amount paid by users of the system is \$19,854,000, investment income totaled \$820,000, and transfers are \$171,000. Beginning net position was \$48,340,000 and ending net position was \$51,297,000. Of the ending net position, \$31,917,000, or 62%, was invested in capital assets and \$19,380,000, or 38%, was unrestricted.

Total water revenues increased by \$1,219,000, a 6% change from the prior fiscal year. Revenues increased largely due to a water rate increase, which resulted in higher charges for services, and an increase in investment income.

Water utility costs increased by \$1,024,000, or 6%. The increase was due to a combination of factors. These factors include an increase in water and sewer master plan expenditures, increases in salaries and benefits, and increases in water and sewer fixed asset depreciation, offset by decreases in the wholesale cost to provide water to the public. The water and sewer master plan, which increased expenditures by \$363,000 and \$279,000, respectively, involves evaluating the existing water and sewer systems for improvements that can be implemented in future year capital improvement projects. The decrease in the wholesale cost of water is due to an increase in the cost of water pumped from the ground and a corresponding decrease in the cost of water purchased from the Metropolitan Water District. The change in water source resulted in a \$312,000 decrease in water cost, or a 3.5% change compared to the previous fiscal year. Water utility costs include all the costs to provide water to the public. These costs include labor, materials and supplies, water production, and water distribution charges. There are two water production methods: Pumping water from the ground and purchasing water from the Metropolitan Water District. Pumping water is 40% cheaper than purchasing water. However, there are restrictions that limit the amount of water that can be pumped. These restrictions consider various factors, including water demand, drought, rainfall, levels of groundwater, and conservation demands.

Net interfund transfers are \$171,000. Of that amount, \$72,000 is transferred to the General Fund for rent payment for City-owned well sites, \$30,000 to the Public Liability Fund for the Water Fund's portion of liability insurance, and \$69,000 to the Public Liability Fund for the Water Fund's portion of the earthquake insurance. Business type activities for the 2019-20 fiscal year increased net position by \$2,957,000.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Financial Analysis of the City's Governmental Funds

Below is an analysis of the City's governmental fund activities for the year (in thousands):

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Total Fund Balances:				
General Fund	\$ 43,846	\$ 44,338	\$ (492)	(1.11%)
State Gas Tax Fund	5,780	4,234	1,546	36.51%
Housing Successor Fund	25,191	25,269	(78)	(0.31%)
Other Governmental Funds	12,946	12,943	3	0.02%
 Total Fund Balances	 <u>\$ 87,763</u>	 <u>\$ 86,784</u>	 <u>\$ 979</u>	 1.13%

At the close of the current fiscal year, the City's governmental fund balances reported a combined ending balance of \$87,763,000, an increase of \$979,000 compared to the prior year.

The General Fund's fund balance is \$43,846,000, a decrease of \$492,000 from the previous year. The decrease in General fund balances is primarily due to a combination of a decline in sales and use taxes, and transient occupancy taxes, and an increase in the cost of Public Protection services and intergovernmental revenue. Sales and use tax and transient occupancy tax (TOT) revenues were severely affected by the economic downturn caused by the COVID-19 pandemic. Intergovernmental revenue increased due to funding from various agencies for the construction of the City's Navigation Center and a one-time payment incentive from Southern California Edison for the City's LED lighting upgrade project. The State Gas Tax Fund has a fund balance of \$5,780,000, a \$1,546,000 increase from the previous fiscal year. In 2017, Senate Bill (SB) 1, Chapter 5, Statutes of 2017, created the Road Maintenance and Rehabilitation Program (RMRP) to address deferred maintenance on the State Highway System and the local street and road system, and the Road Maintenance and Rehabilitation Account (RMRA) for the deposit of various funds for the program. A percentage of the new RMRA funding was apportioned by formula to the City's State Gas Tax Fund pursuant to Streets and Highways Code section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system. The State Gas Tax fund balance has increased due to the new RMRA revenues currently held for future projects. The balance in the State Gas tax fund will vary from year to year, depending on the costs incurred at various stages of different street projects. The Housing Successor Fund is a remnant of the previous Redevelopment Agency that was eliminated in 2012. The Housing Successor's purpose is to provide low and moderate-income housing to the population of Buena Park.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Financial Analysis of the City's Governmental Funds (CONTINUED)

Other Governmental Funds observed a modest increase in fund balance of \$3,000. Other Governmental Funds consist of multiple funds; the largest fund balances derive from the Measure M2 Fund, the Housing and Community Development Fund, the HOME Loans Fund, and the Park-in-lieu Fund. Measure M2 funds are derived from a portion of sales tax and distributed by the Orange County Transportation Authority for street projects and improvements. The Housing and Community Development Fund is supported by the federal Community Development Block Grant, assists community programs, and issues home improvement loans and grants to qualified homeowners. The HOME Loans Fund is a federal and state-funded program to assist first-time homebuyers and provide home improvement loans to current qualified homeowners. The Park-in-lieu Fund operates from the collection of developer fees that are used to improve the City's public parks. Spending for the Housing and Community Development Fund and the HOME Loans Fund is "grant driven," so these funds must be spent before collecting grant revenues. Measure M2 and Park-in-lieu cannot spend in excess of the revenues they collect, so spending may vary from year to year.

Financial Analysis of the City's Proprietary Funds

Below is an analysis of the net position of the City's proprietary funds (in thousands):

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Total Net Position:				
Water Fund	\$ 51,298	\$ 48,340	\$ 2,958	6.12%
Internal Service Funds	8,834	8,175	659	8.06%
Total Net Position	\$ 60,132	\$ 56,515	\$ 3,617	6.40%
	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Unrestricted Net Position:				
Water Fund	\$ 19,380	\$ 16,259	\$ 3,121	19.20%
Internal Service Funds	5,928	5,542	386	6.96%
Total Unrestricted Net Position	\$ 25,308	\$ 21,801	\$ 3,507	16.09%

The total net position of the Water Enterprise Fund increased \$2,958,000, and the unrestricted portion increased \$3,121,000. The increase in the unrestricted net position is due to lower operating expenses stemming from several water and sewer capital improvement projects in the early stages of implementation compared to the prior year.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Financial Analysis of the City's Proprietary Funds (CONTINUED)

The function of the Internal Service Funds is to provide services to other City departments. These services include the following: equipment/vehicle maintenance and replacement, worker's compensation, public liability, employee benefits, building, and grounds maintenance, and information technology support. The Internal Service Funds total net position increased by \$659,000, or 8%, and the unrestricted portion increased by \$386,000, or 7%. In comparison, the total net position and the unrestricted portion increased by 19% and 34%, respectively, in the last fiscal year. The reduction in percentages can be attributed to a \$924,000 increase in self-insurance expenditures.

Debt Administration

Below is a schedule of the changes to the City's long-term debt (in thousands). Additional information on the City's long-term debt is disclosed in note 8 of the financial statements.

	Balance at June 30, 2019	Additions	Deletions	Balance at June 30, 2020
Governmental Activities:				
Claims payable	\$ 6,825	\$ 1,834	\$ (1,878)	\$ 6,781
Employee leave benefits	2,889	782	(521)	3,150
PFA-2017 Lease Revenue Bonds	9,785	-	(375)	9,410
Original Issuance Premium	452	-	(25)	427
Note payable-OCTA	210	-	(105)	105
Total Governmental Activities	<u>20,161</u>	<u>2,616</u>	<u>(2,904)</u>	<u>19,873</u>
Business-type Activities:				
Loans payable	4,736	-	(249)	4,487
Employee leave benefits	200	22	(11)	211
Total Business-type Activities	<u>4,936</u>	<u>22</u>	<u>(260)</u>	<u>4,698</u>
Total Long-Term Obligations	<u>\$ 25,097</u>	<u>\$ 2,638</u>	<u>\$ (3,164)</u>	<u>\$ 24,571</u>

As of June 30, 2020, the City's total debt decreased by \$526,000.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Capital Assets

The capital assets of the City are the assets having a historical cost of more than \$1,000 and a useful life of greater than two years that are used in the performance of the City's functions, including infrastructure assets. The City has elected to use the "Basic Approach" as defined by GASB Statement No. 34 for infrastructure reporting. The following infrastructure networks are recorded as capital assets in the government-wide financial statements:

- Road system, which includes street and alley rights-of-way, pavement, alleys, medians, curbs, gutters, sidewalks, traffic signals, interconnect cables, and bridges.
- Storm drain system, which includes storm drain lines and storm drain catch basins.
- Sewer system, which includes sewer lines.
- Water system, which includes water lines, water wells, and booster pump stations.

Below is a schedule of the City's capital assets, net of accumulated depreciation (in thousands):

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Governmental Activities:				
Rights-of-Way	\$ 48,894	\$ 48,894	\$ -	0.00%
Land	12,147	12,041	106	0.88%
Construction in progress	19,810	20,093	(283)	(1.41%)
Buildings	78,897	68,333	10,564	15.46%
Improvements	14,376	15,137	(761)	(5.03%)
Machinery and equipment	10,651	10,769	(118)	(1.10%)
Furniture and fixtures	891	528	363	68.75%
Infrastructure:				
Road system	62,466	63,421	(955)	(1.51%)
Storm drain system	3,923	4,109	(186)	(4.53%)
Total Governmental Activities	252,055	243,325	8,730	3.59%

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Capital Assets (Continued)

	June 30, 2020	June 30, 2019	Amount Increase (Decrease)	Percent Increase (Decrease)
Business-type Activities:				
Land	\$ 2	\$ 2	\$ -	0.00%
Construction in progress	8,635	8,317	318	3.82%
Buildings	41	43	(2)	(4.65%)
Improvements	1,521	1,383	138	9.98%
Pumps and reservoirs	788	781	7	0.90%
Hydrants, meters, and connections	7,222	7,533	(311)	(4.13%)
Machinery and equipment	438	511	(73)	(14.29%)
Infrastructure:				
Wells	2,027	2,126	(99)	(4.66%)
Water and sewer lines	15,729	16,119	(390)	(2.42%)
Total Business type Activities	<u>36,403</u>	<u>36,815</u>	<u>(412)</u>	<u>(1.12%)</u>
Total Capital Assets	<u>\$ 288,458</u>	<u>\$ 280,140</u>	<u>\$ 8,318</u>	<u>2.97%</u>

Capital assets from governmental activities increased \$8,730,000, or 4%, and business-type activities increased \$8,318,000, or 3%. Multiple projects began or were carried forward from previous years. The primary reason for the increase in governmental activities is due to increases in construction in progress, which was largely due to the construction of the City's Navigation Center. Decreases in business-type activities are attributable to the normal depreciation of the City's water and sewer systems and equipment, offset by increases in construction in progress. Further information on the City's capital assets can be found in note 6 of the financial statements.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Capital Assets (Continued)

Capital asset and infrastructure projects completed in 2019-20 totaled \$15,852,000. These improvements include:

- Annual Pavement Rehabilitation
- Descanso to Caballero Street Rehabilitation
- City Wide Traffic Signal Improvements
- Beach Blvd. Improvements from 9th Street to Rose
- Fire Station #61 Replacement
- Ehlers Event Center Restroom Remodel
- Police Water Heater Replacement
- Entertainment Corridor Cameras and Phones
- Lindbergh Park Equipment
- Electric Vehicle Charging Stations at Ehlers Center and Community Center
- City Wide Sewer Lining
- City Wide Manhole Replacement

General Fund Budgetary Highlights

Actual General Fund revenues are \$1,525,000 lower than the \$70,115,000 budgeted for 2019-20. The decrease is primarily due to lower than expected taxes, fines and forfeitures, and an increase in intergovernmental revenue. Expected taxes, fines, and forfeitures were lower due to the negative economic impact caused by the Covid-19 pandemic. Intergovernmental revenues received were less than budgeted due to a change in the date of expected receipt of SB2 revenues that will be used to fund the Navigation Center operational expenses. The original budget for the General Fund revenues increased from \$66,787,000 to \$70,115,000. This increase of \$3,328,000 is largely due to an appropriation to fund the Navigation Center operational expenses, which did not begin operations until fiscal year 2020-21.

Actual expenditures for the General Fund are \$7,028,000 lower than the \$73,944,000 budgeted for 2019-20. Budget savings are primarily due to an appropriation made for the Navigation Center operating expenses, which will not incur any expenses until fiscal year 2020-21. Another reason for lower than expected expenditures is due to multi-year capital project budgeted expenditures carried over to the following fiscal year. Other factors include budgetary salary savings in the Police department and budgetary savings upon the completion of Fire Station #61. There was \$4,464,000 savings in general government, \$805,000 savings in public protection, \$725,000 savings in community development services, \$497,000 savings in capital outlay, and \$416,000 savings in transportation expenditures. Comparing the fiscal year 2019-20 General Fund original budget for expenditures and transfers in the amount of \$66,679,000 to the final budgeted amount of \$73,944,000 shows a net increase of \$7,265,000. The net increase from the total original budgeted expenditures to the final budget primarily comprises the following appropriation adjustments:

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Capital Assets (Continued)

- Appropriations of \$4,064,000 for general government
- Appropriations of \$18,000 for leisure
- Appropriations of \$233,000 for transportation
- Appropriations of \$281,000 for public protection
- Appropriations of \$606,000 for development
- Appropriations of \$42,000 for environmental
- Appropriations of \$2,021,000 for capital outlay

The changes between the original and the amended budget are primarily due to budget increases for the Navigation Center operating expenses and capital improvement projects. In addition, there are increases and adjustments for budget carryovers, police protection programs, and other public works projects.

Economic Factors and Next Year's Budgets and Rates

The key assumptions in the General Fund forecast for fiscal year 2020-21 are:

- Significant slowing in economic activity
- Significant decreases in Sales Tax and Transient Occupancy Tax revenues
- Static Property Tax revenues
- Static development and construction activity

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, separate reports of the City's component units, or need additional financial information, contact the Finance Director's Office, at City of Buena Park, 6650 Beach Boulevard, Buena Park, California 90622.

See independent auditors' report.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Buena Park
Statement of Net Position
June 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 61,895,745	\$ 25,709,354	\$ 87,605,099
Restricted cash and investments	1,103,715	231,222	1,334,937
Accounts receivable	4,204,231	3,242,929	7,447,160
Interest receivable	175,454	72,418	247,872
Taxes receivable	453,959	-	453,959
Due from other governments	7,557,466	-	7,557,466
Prepaid items	2,257	10,000	12,257
Inventory	102,998	-	102,998
Total current assets	75,495,825	29,265,923	104,761,748
Noncurrent assets:			
Property held for resale	12,221,185	-	12,221,185
Loans receivable, net	26,584,264	-	26,584,264
Capital assets:			
Non-depreciable	80,851,817	8,637,543	89,489,360
Depreciable, net	171,204,791	27,766,205	198,970,996
Total capital asset	252,056,608	36,403,748	288,460,356
Total noncurrent assets	290,862,057	36,403,748	327,265,805
Total assets	366,357,882	65,669,671	432,027,553
DEFERRED OUTFLOWS OF RESOURCES			
Deferred employer pension contributions	10,148,301	547,294	10,695,595
Deferred outflows of resources pension - actuarial	9,435,822	102,955	9,538,777
Deferred employer OPEB contributions	646,871	-	646,871
Deferred outflows of resources OPEB - actuarial	6,771	-	6,771
Total deferred outflows of resources	20,237,765	650,249	20,888,014

See accompanying Notes to Basic Financial Statements.

City of Buena Park
Statement of Net Position
June 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	3,125,425	3,826,420	6,951,845
Accrued liabilities	2,529,737	115,209	2,644,946
Interest payable	56,309	-	56,309
Deposits payable	1,699,724	457,037	2,156,761
Retention payable	324,660	282,858	607,518
Unearned revenue	2,399,730	-	2,399,730
Employee leave benefits - due within 1 year	21,000	42,000	63,000
Claims payable - due within 1 year	100,000	-	100,000
Long-term debt - due within one year	490,200	249,238	739,438
Total current liabilities	10,746,785	4,972,762	15,719,547
Noncurrent liabilities:			
Employee leave benefits - due in more than 1 yr	3,128,958	169,127	3,298,085
Claims payable - due in more than 1 yr	6,681,301	-	6,681,301
Long-term debt - due in more than one year	9,451,595	4,237,039	13,688,634
Net OPEB liability	5,094,656	-	5,094,656
Net pension liability	111,127,544	5,561,890	116,689,434
Total noncurrent liabilities	135,484,054	9,968,056	145,452,110
Total liabilities	146,230,839	14,940,818	161,171,657
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	5,488,259	81,536	5,569,795
Deferred inflows of resources - OPEB	212,988	-	212,988
Total deferred inflows of resources	5,701,247	81,536	5,782,783
NET POSITION			
Net investment in capital assets	242,220,013	31,917,471	274,137,484
Restricted for:			
Residential housing	35,152,498	-	35,152,498
Transportation	7,138,962	-	7,138,962
Development	884,296	-	884,296
Environment	447,545	-	447,545
Pension	1,007,999	-	1,007,999
Public protection	878,840	-	878,840
Total restricted	45,510,140	-	45,510,140
Unrestricted	(53,066,592)	19,380,095	(33,686,497)
Total net position	\$ 234,663,561	\$ 51,297,566	\$ 285,961,127

City of Buena Park
Statement of Activities
For the year ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
General government	\$ 9,147,370	\$ 612,556	\$ 450,056	\$ 625,000	\$ 1,687,612
Leisure	4,112,067	638,567	21,516	-	660,083
Health	3,409,974	3,563,339	-	6,412,300	9,975,639
Transportation	10,837,535	191,802	2,195,678	3,732,321	6,119,801
Public protection	48,323,468	2,881,575	1,337,917	27,083	4,246,575
Development	4,294,577	2,126,862	1,477,844	2,594,923	6,199,629
Environmental	3,687,855	138,542	-	-	138,542
Interest on long-term debt	351,168	-	-	-	-
Total governmental activities	84,164,014	10,153,243	5,483,011	13,391,627	29,027,881
Business-type activities:					
Water	17,546,098	19,854,152	-	-	19,854,152
Total business-type activities	17,546,098	19,854,152	-	-	19,854,152
Total primary government	\$ 101,710,112	\$ 30,007,395	\$ 5,483,011	\$ 13,391,627	\$ 48,882,033

General Revenues and transfers:

Taxes:

- Property taxes
- Sales taxes
- Transient occupancy taxes
- Franchise taxes
- Business license taxes
- Utility users taxes
- Vehicle in-lieu taxes
- Other taxes

Total taxes

Investment income

Other

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year

Net position - end of year

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (7,459,758)	\$ -	\$ (7,459,758)
(3,451,984)	-	(3,451,984)
6,565,665	-	6,565,665
(4,717,734)	-	(4,717,734)
(44,076,893)	-	(44,076,893)
1,905,052	-	1,905,052
(3,549,313)	-	(3,549,313)
(351,168)	-	(351,168)
<u>(55,136,133)</u>	<u>-</u>	<u>(55,136,133)</u>
-	2,308,054	2,308,054
-	2,308,054	2,308,054
<u>(55,136,133)</u>	<u>2,308,054</u>	<u>(52,828,079)</u>
11,855,736	-	11,855,736
24,154,145	-	24,154,145
5,312,725	-	5,312,725
1,875,280	-	1,875,280
1,054,615	-	1,054,615
2,443,393	-	2,443,393
8,990,155	-	8,990,155
615,947	-	615,947
<u>56,301,996</u>	<u>-</u>	<u>56,301,996</u>
1,953,911	820,284	2,774,195
362,039	-	362,039
170,970	(170,970)	-
<u>58,788,916</u>	<u>649,314</u>	<u>59,438,230</u>
3,652,783	2,957,368	6,610,151
<u>231,010,778</u>	<u>48,340,198</u>	<u>279,350,976</u>
<u>\$ 234,663,561</u>	<u>\$ 51,297,566</u>	<u>\$ 285,961,127</u>

See accompanying Notes to Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund accounts for resources traditionally associated with governmental which are not required legally or by sound financial management to be accounted for in another fund.

State Gas Tax Special Revenue Fund accounts for street and maintenance projects of the public works department. Financing is provided by the City's allocation of State gasoline taxes.

Housing Successor Special Revenue Fund accounts for future affordable housing projects.

Non-Major Governmental Funds is the aggregate of all the non-major governmental funds.

City of Buena Park
Balance Sheet
Governmental Funds
June 30, 2020

	Major Funds		
	General	State	
		Gasoline Tax Special Revenue	Housing Successor Special Revenue
ASSETS			
Cash and investments	\$ 32,472,276	\$ 5,396,852	\$ 2,703,137
Restricted cash and investments	1,073,715	-	-
Accounts receivable	2,758,779	872,273	-
Interest receivable	94,242	12,636	8,317
Taxes receivable	453,959	-	-
Loans receivable, net	-	-	18,883,016
Due from other governments	4,700,621	499,610	9,073
Prepaid items	1,677	-	-
Inventory	102,998	-	-
Property held for resale	8,619,465	-	3,601,720
Due from other funds	263,355	-	-
Total assets	\$ 50,541,087	\$ 6,781,371	\$ 25,205,263
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,334,110	\$ 123,917	\$ 7,862
Accrued liabilities	2,306,003	12,059	6,005
Deposits payable	1,699,724	-	-
Retention payable	48,934	2,480	-
Unearned revenue	852,404	-	-
Due to other funds	-	-	-
Total liabilities	6,241,175	138,456	13,867
Deferred Inflows of Resources			
Unavailable revenue	453,959	863,188	-
Total deferred inflows of resources	453,959	863,188	-
Fund Balances: (Note 11)			
Nonspendable	8,724,140	-	-
Restricted	1,073,715	5,779,727	25,191,396
Assigned	8,969,014	-	-
Unassigned	25,079,084	-	-
Total fund balances	43,845,953	5,779,727	25,191,396
Total liabilities, deferred inflows of resources, and fund balances	\$ 50,541,087	\$ 6,781,371	\$ 25,205,263

Other Governmental Funds	Total Governmental Funds
\$ 6,262,608	\$ 46,834,873
30,000	1,103,715
547,304	4,178,356
17,964	133,159
-	453,959
7,682,618	26,565,634
2,348,162	7,557,466
580	2,257
-	102,998
-	12,221,185
-	263,355
<u>\$ 16,889,236</u>	<u>\$ 99,416,957</u>

\$ 1,313,486	\$ 2,779,375
165,704	2,489,771
-	1,699,724
273,246	324,660
1,547,326	2,399,730
263,355	263,355
<u>3,563,117</u>	<u>9,956,615</u>

380,289	1,697,436
<u>380,289</u>	<u>1,697,436</u>

580	8,724,720
13,639,772	45,684,610
-	8,969,014
<u>(694,522)</u>	<u>24,384,562</u>
<u>12,945,830</u>	<u>87,762,906</u>
<u>\$ 16,889,236</u>	<u>\$ 99,416,957</u>

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City of Buena Park
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2020

Total Fund Balances - Total Governmental Funds \$ 87,762,906

Amounts reported for governmental activities in the Statement of Net Position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

	Government- Wide Statement of Net Position	Internal Service Funds	Total
Non-depreciable	\$ 80,851,817	\$ -	\$ 80,851,817
Depreciable, net	171,204,791	(2,905,703)	168,299,088
Total capital assets	<u>\$ 252,056,608</u>	<u>\$ (2,905,703)</u>	<u>249,150,905</u>

Unavailable revenue recorded in the fund financial statements resulting from activities in which revenues were earned but funds were not available are reclassified as revenues in the Government-Wide Financial Statements. 1,697,436

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (56,309)

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Position. 8,833,768

Employer contributions for pension and OPEB were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statements these contributions are deferred. 10,577,933

In the Government-Wide Financial Statements, certain differences between actuarial amounts and actual results for pension and OPEB are deferred and amortized over a period of time, however these differences do not impact the Governmental Funds Balance Sheet:

Deferred outflows of resources - pension	9,394,955
Deferred outflows of resources - OPEB	6,771
Deferred inflows of resources - pension	(5,455,894)
Deferred inflows of resources - OPEB	(212,988)

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

	Government- Wide Statement of Net Position	Internal Service Funds	Total
Claims and judgments payable - due within one year	\$ (100,000)	\$ 100,000	\$ -
Employee leave benefits - due within one year	(21,000)	21,000	-
Bonds payable - due within one year	(490,200)	-	(490,200)
Net OPEB liability	(5,094,656)	-	(5,094,656)
Net pension liability	(111,127,544)	2,207,707	(108,919,837)
Long term liabilities - due in more than one year	(19,261,854)	6,730,625	(12,531,229)
Total long-term liabilities	<u>\$ (136,095,254)</u>	<u>\$ 9,059,332</u>	<u>(127,035,922)</u>

Net Position of Governmental Activities \$ 234,663,561

City of Buena Park
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2020

	Major Funds		
	General	State Gasoline Tax Special Revenue	Housing Successor Special Revenue
REVENUES:			
Taxes	\$ 46,894,636	\$ -	\$ -
Licenses and permits	538,181	-	-
Fines and forfeitures	858,507	-	-
Intergovernmental	10,633,027	3,620,623	-
Charges for services	7,232,711	-	-
Investment income	1,411,513	146,486	108,213
Miscellaneous	1,021,520	-	641,378
Total revenues	68,590,095	3,767,109	749,591
EXPENDITURES:			
Current:			
General government	7,574,842	-	-
Leisure	3,137,248	-	-
Health	3,313,758	-	-
Transportation	4,609,951	509,516	-
Public protection	39,776,278	-	-
Development	2,178,313	-	577,180
Environmental	3,488,963	-	-
Capital outlay	1,973,460	2,524,070	-
Debt service:			
Principal retirement	480,200	-	-
Interest and other charges	383,326	-	-
Total expenditures	66,916,339	3,033,586	577,180
REVENUES OVER (UNDER) EXPENDITURES	1,673,756	733,523	172,411
OTHER FINANCING SOURCES (USES):			
Transfers in	79,670	909,908	-
Transfers out	(2,247,748)	(97,627)	(250,000)
Proceeds from sale of capital assets	2,027	-	-
Total other financing sources (uses)	(2,166,051)	812,281	(250,000)
Net change in fund balances	(492,295)	1,545,804	(77,589)
FUND BALANCES:			
Beginning of year	44,338,248	4,233,923	25,268,985
End of year	\$ 43,845,953	\$ 5,779,727	\$ 25,191,396

Non-Major Governmental Funds	Total Governmental Funds
\$ 417,204	\$ 47,311,840
-	538,181
-	858,507
12,492,809	26,746,459
433,356	7,666,067
217,345	1,883,557
-	1,662,898
<u>13,560,714</u>	<u>86,667,509</u>
14,300	7,589,142
-	3,137,248
-	3,313,758
517,453	5,636,920
912,983	40,689,261
1,129,749	3,885,242
-	3,488,963
11,352,975	15,850,505
-	480,200
-	383,326
<u>13,927,460</u>	<u>84,454,565</u>
<u>(366,746)</u>	<u>2,212,944</u>
1,795,698	2,785,276
(1,425,985)	(4,021,360)
-	2,027
<u>369,713</u>	<u>(1,234,057)</u>
2,967	978,887
<u>12,942,863</u>	<u>86,784,019</u>
<u>\$ 12,945,830</u>	<u>\$ 87,762,906</u>

City of Buena Park

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities For the year ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds	\$ 978,887
Amounts reported for governmental activities in the Statement of Activities were different because:	
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period, net of Internal Service Funds of \$855,299.	15,433,529
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds, net of Internal Service Funds of \$583,201.	(6,932,795)
In the statement of activities, only the gain or (loss) on the sale of capital assets is reported, whereas in the governmental funds proceeds from sales increases financial resources. The difference between proceeds and the loss on disposal of capital assets:	(41,464)
Accrued compensated leave payable was an expenditure in governmental funds, but the accrued payable increased compensated leave liabilities in the Government-Wide Statement of Net Position.	(253,555)
OPEB expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(465,929)
Bond proceeds provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
Long-term debt repayments	480,200
Amortization of bond premium	25,342
Long term receivables that did not meet the revenue recognition criteria in the governmental funds but were recognized as revenue in the Government-Wide Financial Statements.	500,334
Pension expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(17,315,140)
Employer contributions for pension and OPEB were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statements these contributions are deferred.	10,577,933
Interest expense on long-term debt is reported on the accrual basis on the Government-Wide Statements, but expenditures on long-term debt in the governmental funds statements are recorded when paid. The following amount represents the change in accrued interest from the prior year.	6,816
Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	658,625
Change in Net Position of Governmental Activities	\$ 3,652,783

PROPRIETARY FUND FINANCIAL STATEMENTS

Water Fund accounts for the activities of the water utilities system, which provides service to the residents of the City and some neighboring cities.

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

City of Buena Park
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-type Activities Water Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	\$ 25,709,354	\$ 15,060,872
Restricted cash and investments	231,222	-
Accounts receivable, net	3,242,929	25,875
Interest receivable	72,418	42,295
Loans receivable	-	18,630
Prepays items	10,000	-
Total current assets	29,265,923	15,147,672
Noncurrent assets:		
Capital assets:		
Non-depreciable	8,637,543	-
Depreciable, net	27,766,205	2,905,703
Total capital assets	36,403,748	2,905,703
Total noncurrent assets	36,403,748	2,905,703
Total assets	65,669,671	18,053,375
DEFERRED OUTFLOWS OF RESOURCES		
Deferred employer pension contributions	547,294	217,239
Deferred outflows of resources - pension	102,955	40,867
Total deferred outflows of resources	650,249	258,106
LIABILITIES		
Current Liabilities:		
Accounts payable	3,826,420	346,050
Accrued liabilities	115,209	39,966
Deposits payable	457,037	-
Retention payable	282,858	-
Employee leave benefits - due within one year	42,000	21,000
Loans payable - due within one year	249,238	-
Claims payable - due within one year	-	100,000
Total current liabilities	4,972,762	507,016
Noncurrent liabilities:		
Employee leave benefits - due in more than one year	169,127	49,324
Loans payable - due in more than one year	4,237,039	-
Claims payable - due in more than one year	-	6,681,301
Net pension liability	5,561,890	2,207,707
Total noncurrent liabilities	9,968,056	8,938,332
Total liabilities	14,940,818	9,445,348
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension	81,536	32,365
Total deferred inflows of resources	81,536	32,365
NET POSITION		
Net investment in capital assets	31,917,471	2,905,703
Unrestricted	19,380,095	5,928,065
Total net position	\$ 51,297,566	\$ 8,833,768

See accompanying Notes to Basic Financial Statements.

City of Buena Park
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the year ended June 30, 2020

	Business-type Activities Water Enterprise Fund	Governmental Activities Internal Service Funds
OPERATING REVENUES:		
Charges for services	\$ 19,854,152	\$ 5,565,257
Total operating revenues	19,854,152	5,565,257
OPERATING EXPENSES:		
Self-insurance	-	1,866,074
Employee benefits	-	222,035
Maintenance and supplies	-	3,687,167
Information systems	-	433,193
Water services	15,209,526	-
Health services	1,022,983	-
Depreciation	1,308,348	583,201
Total operating expenses	17,540,857	6,791,670
OPERATING INCOME (LOSS)	2,313,295	(1,226,413)
NONOPERATING REVENUES (EXPENSES):		
Investment income	820,284	477,984
Gain (loss) on sale of property	(5,241)	-
Total nonoperating revenues (expenses)	815,043	477,984
INCOME (LOSS) BEFORE TRANSFERS	3,128,338	(748,429)
Transfers in	-	1,548,254
Transfers out	(170,970)	(141,200)
Total transfers	(170,970)	1,407,054
Change in net position	2,957,368	658,625
agree		
Beginning of year	48,340,198	8,175,143
End of year	\$ 51,297,566	\$ 8,833,768

City of Buena Park
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2019

	Business-type Activities Water Enterprise Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from other funds	\$ -	\$ 5,550,977
Cash received from customers	19,208,536	-
Cash payments to suppliers for goods and services	(12,400,020)	(5,025,437)
Cash paid to employees	(1,885,749)	(906,361)
Net cash provided by (used in) operating activities	4,922,767	(380,821)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in	-	1,548,254
Transfers out	(170,970)	(141,200)
Net cash provided by (used in) noncapital financing activities	(170,970)	1,407,054
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	(902,343)	(855,299)
Proceed from sale of capital assets	2,108	-
Long-term debt repayment	(249,238)	-
Net cash (used in) capital and related financing activities	(1,149,473)	(855,299)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income received	834,850	489,529
Net cash provided by investing activities	834,850	489,529
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,437,174	660,463
CASH AND CASH EQUIVALENTS - Beginning of year	21,503,402	14,400,409
CASH AND CASH EQUIVALENTS - End of year	\$ 25,940,576	\$ 15,060,872
FINANCIAL STATEMENT PRESENTATION:		
Cash and investments	\$ 25,709,354	\$ 15,060,872
Restricted cash and investments	231,222	-
Total	\$ 25,940,576	\$ 15,060,872
RECONCILIATION OF OPERATING INCOME TO NET		
CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 2,313,295	\$ (1,226,413)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,308,348	583,201
Changes in assets and liabilities:		
Accounts receivable	(574,440)	(15,267)
Loans receivable	-	987
Prepaid items	-	14,284
Deferred outflows of resources - pension	(2,820)	(1,119)
Accounts payable	1,532,459	158,942
Accrued liabilities	28,387	11,650
Deposits payable	(71,176)	-
Retention payable	51,636	-
Employee leave benefits	10,682	7,402
Claims payable	-	(44,046)
Net pension liability	320,418	127,185
Deferred inflows of resources - pension	5,978	2,373
Total adjustments	2,609,472	845,592
Net cash provided by (used in) operating activities	\$ 4,922,767	\$ (380,821)

See accompanying Notes to Basic Financial Statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

Private Purpose Trust Funds

Successor Agency Trust Fund accounts for assets and liabilities transferred from the City to the Successor Agency Trust Fund.

Agency Funds

Agency Fund accounts for assets and liabilities related to the Community Facilities District Buena Park Mall and the Buena Park Tourism Marketing District.

City of Buena Park
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Successor Agency Private-Purpose	
	Trust Fund	Agency Funds
ASSETS		
Cash and investments	\$ 9,102,646	\$ 500,907
Accounts receivable	-	34,588
Interest receivable	25,805	-
Restricted cash and investments	1,436,785	6,288,520
Loans receivable	30,389	-
Construction in progress	4,214,388	-
Total assets	14,810,013	6,824,015
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	1,991,305	-
Total deferred outflows of resources	1,991,305	-
LIABILITIES		
Liabilities:		
Accounts payable	11,036	11,307
Accrued liabilities	3,642	-
Deposits payable	-	524,188
Interest payable	672,451	-
Unearned revenue	13,129	-
Bonds payable, due within one year	4,690,000	-
Bonds payable, due in more than one year	54,098,737	-
Due to bondholders	-	6,288,520
Total liabilities	59,488,995	\$ 6,824,015
NET POSITION		
Net Position held in trust for Successor Agency	<u><u>\$ (42,687,677)</u></u>	

City of Buena Park
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended June 30, 2020

	Successor Agency Private-Purpose Trust Fund
ADDITIONS:	
Taxes	\$ 8,946,500
Interest income	291,138
Total additions	<u>9,237,638</u>
DEDUCTIONS:	
Administrative cost	1,297,067
Contractual obligations	636,955
Interest on bonds	1,765,342
Total Deductions	<u>3,699,364</u>
NET POSITION:	
Beginning of year	<u>(48,225,951)</u>
End of year	<u>\$ (42,687,677)</u>

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NOTES TO BASIC FINANCIAL STATEMENTS

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City of Buena Park

Notes to Basic Financial Statements

For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Buena Park, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. *Financial Reporting Entity*

The City of Buena Park was incorporated January 27, 1953 under the general laws of the State of California. The City became a charter City in November 2008.

The accounting policies of the City of Buena Park (the "City") conform to accounting principles generally accepted in the United States of America as applicable to governments. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete. The accompanying financial statements include the financial activities of the City, and its component unit, the Buena Park Public Financing Authority.

The Buena Park Public Financing Authority (PFA) was formed for the purpose of financing acquisitions and infrastructure improvements. The PFA and the City have a financial and operational relationship, which requires that the PFA's financial statements be blended into the City's financial statements. The PFA's Board consists exclusively of all five members of the City Council. Separately issued financial statements of the PFA are not available.

B. *Basis of Accounting and Measurement Focus*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar programs are recognized as revenue as soon as all eligibility requirements imposed by providers have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Amounts are considered measurable when they can be estimated, or otherwise determined. Revenues are considered to be available if they are collected within the current period or soon enough thereafter to pay for liabilities in the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the City.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund and internal service funds are charges to customers for services provided. Operating expenses for the City's enterprise fund and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service fund are consolidated in the governmental activities column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public protection, development, etc.).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

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

Government-wide and Fund Financial Statements

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

The City's basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the City include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that are not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major governmental funds are reported as separate columns in the fund financial statements.

Fund Classifications

The City reports the following major governmental funds:

The *General Fund* - is the general operating fund of the City. This fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund.

The *State Gasoline Tax Fund* is used to account for street and maintenance projects of the public works department. Financing is provided by the City's allocation of State gasoline taxes.

The *Housing Successor Fund* - is used to account for future affordable housing projects. The majority of revenues recorded in the fund are loan repayments and proceeds for sale of properties held for low and moderate income housing purposes.

The City reports the following major proprietary fund:

The *Water Enterprise Fund* - is used to account for the costs (including depreciation) of providing water services to the general public and to account for the user charges by which these costs are recovered.

Additionally, the City reports the following fund types:

The *Internal Service Funds* - are used to finance and account for activities involved in rendering information technology, equipment replacement and maintenance, building maintenance, employee benefits and self-insurance services to departments within the City. Costs of materials and services used are accumulated in these funds and charged to the user departments as such goods are delivered or services are rendered.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City has two types of fiduciary funds, an agency fund and a private-purpose trust fund. Agency funds are used to account for the assets held for distribution by the City as an agent for another entity for which the City has custodial responsibility and accounts for the flow of assets. Private-purpose trust funds account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments (i.e. unclaimed property/escheat property). Fiduciary funds are accounted for using the accrual basis of accounting. The City reports the following fiduciary funds:

Agency Funds – account for funds in which the City is acting as agent for another agency. The specific nature of the activities reported in the agency funds are the Buena Park Mall Community Facilities District and the Buena Park Tourism Marketing District. Agency funds are custodial in nature and do not involve measurement of results of operations, however, they do use the full accrual basis of accounting to recognize receivables and payables.

Successor Agency Private Purpose Trust Fund – accounts for assets and liabilities transferred in fiscal year 2012 from the Redevelopment Agency of the City of Buena Park to the Successor Agency Trust Fund.

C. Cash, Cash Equivalents and Investments

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The City 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: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are measured using Level 3 inputs.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. *Cash, Cash Equivalents and Investments, Continued*

The City participates in an investment pool managed by the State of California entitled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying Basic Financial Statements.

Cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash. For the purpose of the statement of cash flows, the City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

D. *Inventories*

Inventories held by the General Fund are stated at cost on a first-in, first-out basis. The General Fund inventories are recorded as an expenditure when used (consumption method).

E. *Property Held for Resale*

Property held for resale is reported in Housing Successor special revenue fund and General Fund. Property held for resale is valued at the lower of cost or expected net realizable value.

F. *Capital Assets*

Capital assets, which include land, buildings, improvements, equipment, furniture, and infrastructure assets (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Donated assets, donated works of art and similar items, and capital assets received in service concession arrangements are valued at their acquisition value on the date received. Generally, capital asset purchases in excess of \$1,000 are capitalized if they have an expected useful life of two years or more.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Capital Assets, Continued

For capital assets, depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings	25 - 45 years
Pumping Plant, Reservoir, Wells	15 - 50 years
Distribution System	25 – 50 years
Sewer Lines	75 years
Water System	20 – 75 years
Improvements	10 – 40 years
Machinery and Equipment	2 – 20 years
Furniture and Fixtures	2 – 20 years
Infrastructure	25 – 75 years

The City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City conducted a valuation of its infrastructure assets as of July 1, 2002. This valuation determined the original cost using one of the following methods:

- Use of historical records where available.
- Standard unit costs appropriate for the construction/acquisition date.
- Present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date.

Accumulated depreciation is defined as the total depreciation from the date of construction/acquisition to the current date on a straight line method using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

Interest accrued during capital assets construction, if any, is capitalized for the business-type activities as part of the asset cost.

G. Interest Payable

In the Government-Wide Financial Statements, interest payable on long-term debt is recognized as the liability is incurred for governmental fund types and proprietary fund types.

In the Fund Financial Statements, proprietary fund types recognize the interest payable when the liability is incurred.

H. Unearned revenue

In the Government-Wide Financial Statements, unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are prepaid charges for services.

I. Claims and Judgments

The City records a liability for litigation, judgments and claims when it is probable that an asset has been impaired or a liability has been incurred prior to year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the internal service funds which account for the City’s self-insurance activities.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet 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(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet 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(s) and so will not be recognized as an inflow of resources (revenue) until that time.

K. Long-Term Debt

Government-Wide Financial Statements – Long-term debt and other long-term obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable is reported net of the applicable bond premium or discount. Issuance costs, except for prepaid bond insurance are expensed at the time of debt issuance.

Fund Financial Statements – The governmental fund financial statements do not present long-term debt. As such, long-term debt is shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Bond premiums and discounts, as well as issuance costs, are recognized during the current period as other financing sources or uses. Bond proceeds are reported as other financing sources.

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

L. Property Taxes

Property taxes are reported on the modified accrual basis. Accordingly, they are recognized as levied provided they meet the modified accrual criteria. Property taxes not meeting the criteria are deferred until they are received or otherwise meet the criteria.

Property taxes were levied on assessed valuations on March 1 and became a lien on the property assessed on that date. Taxes on the secured rolls are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Taxes on unsecured property were assessed and payable on March 1 and became delinquent the following August 31.

All property taxes are collected by the County of Orange Tax Collector and are apportioned to participating agencies in accordance with a prearranged schedule of apportionments as follows:

Lien Date	January 1	
Levy Date	July 1 to June 30	
Due Date	November 1	- 1st Installment
	March 1	- 2nd Installment
Collection Date	December 10	- 1st Installment
	April 10	- 2nd Installment

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

L. Property Taxes, Continued

The state constitutional amendment Proposition 13 (now Article XIII A to the Constitution) which became effective July 1, 1978, altered the method of property tax assessment. This amendment essentially reduces the total property tax levy to one percent of full cash value on the 1975-76 assessment adjusted upward by the lesser of the increase in CPI or per capita income indices or two percent compounded for each succeeding year except that property changing ownership subsequent to July 1, 1978 and improvements are reassessed at the time of the exchange or improvement and adjusted each year thereafter at the appropriate rate.

M. Net Position

Government-Wide Financial Statements

In the Government-Wide Financial Statements, net position are classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

Restricted – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of governments.

Unrestricted – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position” as defined above.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City’s policy is to apply restricted net position first.

N. Fund Balances

Fund Financial Statements

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). The new classification of fund balances is as follows:

Nonspendable Fund Balances

These include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, e.g., the principal of an endowment fund. Examples of “not in spendable form” include inventory, prepaid amounts, long-term notes and loans, property held for resale and other items not expected to be converted to cash. However, if the proceeds from the eventual sale or liquidation of the items would be considered restricted, committed or assigned (as defined further on) then these amounts would be included in the restricted, committed or assigned instead of the nonspendable classification. A debt service reserve fund held by a trustee is an example of fund balance in nonspendable form that is classified as restricted instead of nonspendable since the reserve is eventually liquidated to make the final debt service principal payment.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

N. Fund Balances, Continued

Restricted Fund Balances

Restricted fund balances have externally enforceable limitations on use. The limitations on use can be imposed by creditors, grantors, or contributors as well as by constitutional provisions, City charter, enabling legislation, laws and government regulations.

Committed Fund Balances

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (Resolution) of the City Council are classified as committed fund balances.

Assigned Fund Balances

Fund balance amounts for which the City Council has expressed intent for use but not taken formal action to commit are reported as assigned under GASB 54.

Unassigned Fund Balance

These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories, or negative balances. For all funds other than the General Fund, amounts expended in excess of resources that are restricted, committed, or assigned, negative unassigned fund balance may be necessary to report.

Hierarchy of Expenditures to Classify Fund Balance Amounts

To determine the composition of ending fund balances, the Council established the order in which restricted and unrestricted (committed, assigned and unassigned) funds are to be expended. To this purpose, for expenditures made in any governmental fund, the restricted amounts will be reduced first, followed by committed amounts, assigned amounts, and then unassigned amounts.

The City uses encumbrance accounting throughout the fiscal year to encumber appropriations based upon purchase orders issued to the City's vendors. Encumbrances outstanding at year-end are reported as expenditures in the budgetary financial statements reported in the Required Supplementary Information and the Supplementary Information. General fund encumbrances not lapsed at year-end are reported as assigned amounts. For all other funds, encumbrances not lapsed at year-end are reported as part of the funds' restricted or committed balances according to the original source of funds.

O. Compensated Leave Payable

For governmental funds, compensated leave payable is recorded as current and noncurrent liabilities and as expenses only on the Government-Wide Financial Statements. For proprietary funds, current and non-current liabilities for compensated leave payable are recorded as expenses in both the Government-Wide Financial Statement and the Fund Financial Statement.

P. Use of Estimates

The preparation of the Basic Financial Statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Pension

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 City’s California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by 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. For this report, the following timeframes are used:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

R. Other Postemployment Benefits (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 City’s plan (OPEB Plan) and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

S. New Pronouncements

The City did not adopt any new accounting pronouncements in the current year.

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool for all funds. Certain restricted funds that are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees.

A. Summary of Cash and Investments

The following is a summary of cash and investments at June 30, 2020:

	<u>Government-Wide Statement of Net Position</u>			
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and investments	\$ 61,895,745	\$ 25,709,354	\$ 9,603,553	\$ 97,208,652
Restricted cash and investments	1,103,715	231,222	7,725,305	9,060,242
Total cash and investments	\$ 62,999,460	\$ 25,940,576	\$ 17,328,858	\$ 106,268,894

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

2. CASH AND INVESTMENTS, Continued

A Summary of Cash and Investments, Continued

Cash and investments as of June 30, 2020 consist of the following:

Cash on hand	\$ 24,375
Deposits with financial institution	3,393,596
Total cash on hand and deposits	<u>3,417,971</u>
Local Agency Investment funds	31,986,778
Investments	61,803,903
Total investments	<u>93,790,681</u>
Total City Treasury	<u>97,208,652</u>
Cash and investments with fiscal agent	<u>9,060,242</u>
Total cash and investments	<u><u>\$ 106,268,894</u></u>

B. Deposits

The carrying amount of the City’s cash deposit was a positive amount of \$3,393,596 at June 30, 2020. Bank balances before reconciling items were a positive amount of \$3,751,157 at June 30, 2020. The City has waived the collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities held by the pledging financial institutions in the City’s name.

The California Government Code (Code) requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City’s name.

The market value of pledged securities must equal at least 110% of the City’s cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

2. CASH AND INVESTMENTS, Continued

C. Investments

Under the provisions of the City's investment policy, and in accordance with the Code, the following investments are authorized:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Securities issued by the U.S. Treasury	5 years	No limit	No limit
U.S. Agency Securities and Instrumentalities	5 years	No limit	No limit
Medium Term Notes	5 years	30%	5% of portfolio
Banker's acceptances	180 days	20%	5% of portfolio
Mortgage Pass-Through Securities, Collateralized Mortgage Obligations (CMO) and Asset-Backed Securities*	5 years	20%	20% of portfolio
Negotiable Certificates of Deposit	5 years	30%	5% of portfolio
Federally Insured Time Deposits	5 years	20%**	5% of portfolio
Time Deposits	5 years	20%**	5% of portfolio
Commercial Paper	270 days	25%	5% of portfolio
Repurchase Agreements	30 days	15%	15% of portfolio
Mutual Funds	5 years	20%	10% of portfolio
Local Agency Investment Fund (LAIF)	N/A	35%	N/A
Supranationals	5 years	30%	10% of portfolio
Municipal Securities	5 years	30%	5% of portfolio

* Issuers not defined in the U.S. Treasury Securities or U.S. Government Agency Obligations.

** 20% in combination of federally insured and collateralized time deposits.

Investments are stated at fair value using the aggregate method in all funds, resulting in the following investment income in all funds:

Interest income	\$ 1,216,571
Unrealized gain in changes in fair value of investments	<u>1,709,377</u>
Total investment income	<u><u>\$ 2,925,948</u></u>

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. Generally the City's practice is to buy and hold investments until maturity dates. Consequently, the City's investments are carried at fair value.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

2. CASH AND INVESTMENTS, Continued

C Investments, Continued

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2020, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2020, the City had \$31,986,778 invested in LAIF, which had invested 3.27% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 1.77% in the previous year. The LAIF fair value factor of 1.004912795 was used to calculate the fair value of the investments in LAIF.

D. Risk Disclosures

Interest Risk: Interest rate risk is the market value fluctuation due to overall changes in the interest rates. It is mitigated by limiting the average maturity of the City's portfolio not to exceed three years.

Investments held in the City Treasury grouped by maturity date at June 30, 2020, are shown below:

Investment Type	Total	Investment Maturities (in years)			
		12 months or less	13-36 months	37-60 months	61 months and later
United States Treasury Securities	\$ 18,298,993	\$ 3,267,305	\$ 13,636,625	\$ 1,395,063	\$ -
United States Government					
Sponsored Enterprise Securities	26,786,558	5,292,072	6,771,023	14,723,463	-
Medium Term Corporate Notes (MTN)	14,972,353	5,040,761	8,315,150	1,616,442	-
Supranational	1,643,245	-	1,643,245	-	-
Money Market Mutual Funds	102,754	102,754	-	-	-
Local Agency Investment Fund	31,986,778	31,986,778	-	-	-
Total	\$ 93,790,681	\$ 45,689,670	\$ 30,366,043	\$ 17,734,968	\$ -

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the Standard and Poor's rating as of year- end for each investment type.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

2. CASH AND INVESTMENTS, Continued

D. Risk Disclosures, Continued

At June 30, 2020, the City's deposits and investments were rated as follows:

Investment Type	Total	Standard and Poors							
		AAA	AA+	AA	AA-	A+	A	A-	NR/NA
United States Treasury Securities	\$ 18,298,993	\$ -	\$ 18,298,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
United States Government Sponsored Enterprise Securities	26,786,558	-	25,372,016	-	-	-	-	-	1,414,542
Medium Term Corporate Notes (MTN)	14,972,353	-	792,802	3,948,111	1,006,588	1,808,145	4,798,024	2,618,683	-
Supranational	1,643,245	-	-	-	-	-	-	-	1,643,245
Money Market Mutual Funds	102,754	102,754	-	-	-	-	-	-	-
Local Agency Investment Fund	31,986,778	-	-	-	-	-	-	-	31,986,778
Total	\$ 93,790,681	\$ 102,754	\$ 44,463,811	\$ 3,948,111	\$ 1,006,588	\$ 1,808,145	\$ 4,798,024	\$ 2,618,683	\$ 35,044,565

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2020, the City deposits (bank balances) were insured by the Federal Depository Insurance Corporation up to \$250,000 and the remaining balances were collateralized under California law.

Concentration of Credit Risks: The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer that represent 5% or more of total City's investments (excluding held by bond trustee) are as follows:

Issuer	Investment Type	Reported Amount	Percent of Investment
Government of United States	United States Treasury Securities	\$ 18,298,993	29.61%
Federal Home Loan Bank	United States Sponsored Government Enterprise Securities	10,514,049	17.01%
Federal National Mortgage Association	United States Sponsored Government Enterprise Securities	10,481,600	16.96%

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

2. CASH AND INVESTMENTS, Continued

E. Fair Value of Investments

Investments (except those that may be reported at amortized cost) are measured at fair value on a recurring basis. *Recurring* fair value measurements, are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2020 are described below.

Investments included in restricted cash and investments included money market accounts and guaranteed investment contracts are not subject to fair value measurement.

Investment Type	Total	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
United States Treasury Securities	\$ 18,298,993	\$ -	18,298,993	\$ -
United States Government				
Sponsored Enterprise Securities	26,786,558	-	26,786,558	-
Medium Term Corporate Notes (MTN)	14,972,353	-	14,972,353	-
Supranational	1,643,245	-	1,643,245	-
Total investments subject to levelling	61,701,149	\$ -	\$ 61,701,149	\$ -
Investments not subject to levelling:				
Local Agency Investment Fund	31,986,778			
Money Market Funds	102,754			
Total Investments	\$ 93,790,681			

Treasury securities, Federal Agriculture Mortgage Corporation, Federal Farm Credit Bank Bonds, Federal Home Loan Banks, Federal Home Loan Mortgage Corporate Notes, Federal National Mortgage Association Notes, Medium-Term Corporate Notes, Supranational, Negotiable Certificates of Deposit, and Commercial Paper categorized as Level 2 are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

3. INTERFUND TRANSACTIONS

A. Due To/From Other Funds

At June 30, 2020, the City had the following due to/from other funds:

<u>Due To Other Fund</u>	<u>Due From Other Funds</u>	
	<u>General Fund</u>	<u>Total</u>
Non-Major Governmental Funds	\$ 263,355	\$ 263,355
Total	<u>\$ 263,355</u>	<u>\$ 263,355</u>

The amounts due to the General Fund from other funds represent reclassified temporary negative cash balances pending grant reimbursements or other receivables. Current interfund balances arise in the normal course of operations and are expected to be repaid shortly after the end of the fiscal year.

B. Transfers

At June 30, 2020, the City had the following transfers in/out which arise in the normal course of operations.

<u>Transfers Out</u>	<u>Transfers In</u>				<u>Total</u>
	<u>General</u>	<u>Gas Tax Special Revenue</u>	<u>Non-major Gov't Funds</u>	<u>Internal Service Fund</u>	
Major Funds					
General Fund	\$ -	\$ -	\$ 1,357,748	\$ 890,000	\$ 2,247,748
State Gas Tax Special Revenue	7,500	-	-	90,127	97,627
Housing Successor Special Revenue	-	-	250,000	-	250,000
Non-major Govtl Funds	-	909,908	187,950	328,127	1,425,985
Total Govt Funds	<u>7,500</u>	<u>909,908</u>	<u>1,795,698</u>	<u>1,308,254</u>	<u>4,021,360</u>
Major Funds					
Water	72,170	-	-	98,800	170,970
Internal Service Funds	-	-	-	141,200	141,200
Total	<u>\$ 79,670</u>	<u>\$ 909,908</u>	<u>\$ 1,795,698</u>	<u>\$ 1,548,254</u>	<u>\$ 4,333,530</u>

Transfers from the General Fund to the internal service fund were to cover public liability claims. Transfers from the General Fund, Gas Tax Special Revenue Fund, and Housing Successor Special Revenue Fund to non major governmental funds were to supplement activities for special revenue funds as deficits were anticipated in those funds, and to fund various capital projects.

Transfers within non major funds were to cover anticipated deficits and for capital improvement projects.

Transfers from the Water Enterprise fund were to compensate the General Fund for rent of City owned property and public liability claims.

Transfers within internal service funds were to cover public liability claims.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

4. LOANS, NOTES, AND OTHER RECEIVABLES

The City acting as the successor agency of the former redevelopment agency engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City’s terms. In the governmental fund financial statements, these loans have been offset by deferred inflows of resources as they are not expected to be repaid immediately.

Loans and notes receivable, including accrued interest and related deferred inflows of resources, comprised balances from the following programs, all of which are discussed below:

Description	Balance June 30, 2020
Governmental Funds:	
Home Improvement Loans	\$ 2,698,892
Low and Moderate Income Housing Loans	24,670,975
First Time Home Buyer Loans	4,983,726
Subtotal	32,353,593
Allowance for uncollectible loans	(5,787,959)
Total governmental funds	\$ 26,565,634
Internal Service Funds:	
Employee Computer Loans	\$ 18,630
Total Primary Government	\$ 26,584,264
Fiduciary Funds:	
Successor Agency - Redevelopment Loans	\$ 30,389

5. UNEARNED REVENUE

Unearned revenues in the Government-Wide Financial Statements represent cash collected prior to June 30, 2020 for community classes and other activities that take place in the future, and grant advances for which expenditures are yet to be incurred. At June 30, 2020, unearned revenues in the Government-Wide Financial Statements were \$2,399,730.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

6. CAPITAL ASSETS

A. Government-Wide Financial Statements

The following is a summary of changes in the capital assets for the governmental activities during the fiscal year:

	Balance June 30, 2019	Additions	Retirements/ Transfers	Balance June 30, 2020
Non-depreciable assets:				
Right-of-way	\$ 48,894,346	\$ -	\$ -	\$ 48,894,346
Land	12,041,463	106,010	-	12,147,473
Construction in progress	20,093,268	15,314,271	(15,597,541)	19,809,998
Total non-depreciable assets	81,029,077	15,420,281	(15,597,541)	80,851,817
Depreciable assets:				
Buildings	87,287,821	12,354,334	-	99,642,155
Improvements	26,324,291	264,181	-	26,588,472
Machinery and equipment	24,663,956	1,514,157	-	26,178,113
Furniture and fixtures	1,337,334	418,287	-	1,755,621
Infrastructure				
Road system	114,760,479	1,915,129	(248,500)	116,427,108
Storm drain system	6,322,892	-	-	6,322,892
Total depreciable assets	260,696,773	16,466,088	(248,500)	276,914,361
Less accumulated depreciation:				
Buildings	(18,955,260)	(1,789,468)	-	(20,744,728)
Improvements	(11,187,724)	(1,024,723)	-	(12,212,447)
Machinery and equipment	(13,894,811)	(1,631,871)	-	(15,526,682)
Furniture and fixtures	(809,298)	(55,806)	-	(865,104)
Infrastructure				
Road system	(51,339,427)	(2,828,234)	207,036	(53,960,625)
Storm drain system	(2,214,090)	(185,894)	-	(2,399,984)
Total accumulated depreciation	(98,400,610)	(7,515,996)	207,036	(105,709,570)
Total depreciable assets, net	162,296,163	8,950,092	(41,464)	171,204,791
Total capital assets	\$ 243,325,240	\$ 24,370,373	\$ (15,639,005)	\$ 252,056,608

Depreciation expense by program for capital assets for the year ended June 30, 2020 was as follows:

General government	\$ 660,728
Leisure	698,506
Transportation	3,985,501
Public Protection	1,534,902
Development	53,158
Internal Service Fund Depreciation charged to Programs	583,201
Total depreciation expense	\$ 7,515,996

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

6. CAPITAL ASSETS, Continued

A. Government-Wide Financial Statements, Continued

The following is a summary of changes in the capital assets for business-type activities during the fiscal year:

	Balance June 30, 2019	Additions	Retirements/ Transfers	Balance June 30, 2020
Non-depreciable assets:				
Land	\$ 2,500	\$ -	\$ -	\$ 2,500
Construction in progress	8,317,402	860,316	(542,675)	8,635,043
Total non-depreciable assets	<u>8,319,902</u>	<u>860,316</u>	<u>(542,675)</u>	<u>8,637,543</u>
Depreciable assets:				
Buildings	92,578	-	-	92,578
Improvements	1,664,536	220,956	-	1,885,492
Pumps and reservoirs	2,394,883	42,027	-	2,436,910
Hydrants, meters, and connections	11,054,292	-	-	11,054,292
Machinery and equipment	1,634,517	-	-	1,634,517
Infrastructure				
Wells	4,691,845	-	-	4,691,845
Water and sewer lines	34,285,067	321,719	(63,482)	34,543,304
Total depreciable assets	<u>55,817,718</u>	<u>584,702</u>	<u>(63,482)</u>	<u>56,338,938</u>
Less accumulated depreciation:				
Buildings	(49,541)	(1,956)	-	(51,497)
Improvements	(281,312)	(83,227)	-	(364,539)
Pumps and reservoirs	(1,613,632)	(34,845)	-	(1,648,477)
Hydrants, meters, and connections	(3,521,349)	(311,110)	-	(3,832,459)
Machinery and equipment	(1,123,550)	(73,236)	-	(1,196,786)
Infrastructure				
Wells	(2,565,552)	(99,213)	-	(2,664,765)
Water and sewer lines	(18,165,582)	(704,761)	56,133	(18,814,210)
Total accumulated depreciation	<u>(27,320,518)</u>	<u>(1,308,348)</u>	<u>56,133</u>	<u>(28,572,733)</u>
Total depreciable assets, net	<u>28,497,200</u>	<u>(723,646)</u>	<u>(7,349)</u>	<u>27,766,205</u>
Total capital assets	<u><u>\$ 36,817,102</u></u>	<u><u>\$ 136,670</u></u>	<u><u>\$ (550,024)</u></u>	<u><u>\$ 36,403,748</u></u>

Depreciation expense for the year ended June 30, 2020 was as follows:

Business-Type Activities:	
Water	\$ 1,308,348
Total	<u><u>\$ 1,308,348</u></u>

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

6. CAPITAL ASSETS, Continued

B. Governmental Fund Financial Statements

The governmental fund financial statements do not present general government capital assets but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

7. LONG-TERM DEBT

A. Governmental Activities

The following is a summary of long-term debt transactions including amortization for the year ended June 30, 2020:

Governmental Activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020	Due within one year	Due in more than one year
PFA - 2017 Lease Rev. Bonds	\$ 9,785,000	\$ -	\$ (375,000)	\$ 9,410,000	\$ 385,000	\$ 9,025,000
PFA - 2017 Lease Rev. Bonds						
Original issue premium	451,937	-	(25,342)	426,595	-	426,595
Note payable - OCTA	210,400	-	(105,200)	105,200	105,200	-
Subtotal	10,447,337	-	(505,542)	9,941,795	490,200	9,451,595
Claims Payable	6,825,347	1,833,546	(1,877,592)	6,781,301	100,000	6,681,301
Employee Leave Benefits	2,889,001	781,506	(520,549)	3,149,958	21,000	3,128,958
Total Governmental Activities						
Long-Term Liabilities	\$ 20,161,685	\$ 2,615,052	\$ (2,903,683)	\$ 19,873,054	\$ 611,200	\$ 19,261,854

Buena Park Public Financing Authority 2017 Lease Revenue Bonds

(Fire Station Headquarters Project)

On March 23, 2017, the Buena Park Public Financing Authority (PFA) issued \$9,785,000 of Lease Revenue Bonds (Bonds) bearing interest rates of 3.0 to 5.0% and payable semi-annually on November 1 and May 1, maturing on May 1, 2037. The proceeds of the Bonds was used to (i) finance a portion of the costs of acquisition, construction and improvement of a new City-owned Fire Station No. 61 to be located at 7440 La Palma Avenue in the City, in replacement for the former fire station located at 8081 Western Avenue in the City, as well the construction and installation of additional improvements to Fire Station No, 63 located at 9120 Holder Street in the City; (ii) fund capitalized interest on the Bonds through and including May 1, 2019; and (iii) pay costs of issuance of the Bonds. The outstanding principal balance of the 2017 Lease Revenue Bonds at June 30, 2020 was \$9,410,000.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

7. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

The annual debt service requirements on this bond are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 385,000	\$ 367,500	\$ 752,500
2022	400,000	352,100	752,100
2023	425,000	332,100	757,100
2024	445,000	310,850	755,850
2025	465,000	288,600	753,600
2026-2030	2,685,000	1,091,500	3,776,500
2031-2035	3,180,000	596,375	3,776,375
2036-2037	1,425,000	79,751	1,504,751
Totals	<u>\$ 9,410,000</u>	<u>\$ 3,418,776</u>	<u>\$ 12,828,776</u>

Note Payable – OCTA

In April 2009, the City entered into an agreement with Orange County Transportation Authority (OCTA) to purchase three vacant parcels of land located on Auto Center Drive for the purposes of resale. The total purchase price of the land was \$1,040,000, which included a \$514,000 down payment and a promissory note of \$526,000. The promissory note is secured by a lien on the parcels. The promissory note is to be repaid over a five (5) year period in annual principal installments of \$105,200, and accrues interest at a rate of two percent (2%) adjusted for OCTA's short-term portfolio rate of return for the prior fiscal year.

The annual debt service requirements (assuming a 2% interest rate) are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 105,200	\$ 2,104	\$ 107,304
Totals	<u>\$ 105,200</u>	<u>\$ 2,104</u>	<u>\$ 107,304</u>

Claims Payable

Claims payable are typically paid from the Workers' Compensation Self-Insurance Fund and the Public Liability Self-Insurance Fund. There is no fixed payment schedule for claims liabilities.

Employee Leave Benefits

Employee leave benefits payable to employees upon termination. The City's policies relating to the payment of these benefits are discussed in Note 1 of the notes to the financial statements. The liability at June 30, 2020, in the amount of \$3,149,958 is expected to be paid primarily by the general fund transfers to the accrued leave internal service fund in future years. There is no fixed schedule for the employee leave benefits liability.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

7. LONG-TERM DEBT, Continued

B. Business-Type Activities

Business-Type Activities	Balance			Due in		
	June 30, 2019	Additions	Deletions	June 30, 2020	Due within one year	more than one year
Loan Payable	\$ 4,735,515	\$ -	\$ (249,238)	\$ 4,486,277	\$ 249,238	\$ 4,237,039
Employee Leave Benefits	200,445	22,176	(11,494)	211,127	42,000	169,127
Total Business-Type Activities						
Long-Term Liabilities	<u>\$ 4,935,960</u>	<u>\$ 22,176</u>	<u>\$ (260,732)</u>	<u>\$ 4,697,404</u>	<u>\$ 291,238</u>	<u>\$ 4,406,166</u>

Loan Payable

In February 27, 2018, the City entered into an agreement with Orange County Water District (OCWD) to construct the Rosecrans Booster Pump Station, which is expected to allow the City to increase its groundwater utilization by approximately 3200 acre feet per year, and give the City the ability to meet 100% of its total water demands by pumping groundwater, which has been previously identified as a strategic planning goal of the City. As part of the agreement, OCWD agreed to loan the City an amount of \$4,984,753 to be used for the project. The loan is to be repaid over a twenty (20) year period in annual principal installments of \$249,238. The loan does not accrue interest.

The annual debt service requirements are as follows:

Fiscal Year Ended June 30,	Principal
2021	\$ 249,238
2022	249,238
2023	249,238
2024	249,238
2025	249,238
2026-2030	1,246,187
2031-2035	1,246,187
2036-2038	747,713
Totals	<u>\$ 4,486,277</u>

Employee Leave Benefits

Employee leave benefits payable to employees upon termination. The City's policies relating to the payment of these benefits are discussed in Note 1 of the notes to the financial statements. The liability at June 30, 2020 was \$211,127. There is no fixed payment schedule for the employee leave benefits liability.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

8. RISK MANAGEMENT

A. Coverage

In the self-insurance internal service funds, the City has recorded liabilities in the amount of \$6,781,301 for lawsuits and other claims arising in the ordinary course of City operations. The City is self-insured in both workers' compensation and general liability for the first \$500,000 per claim. The City maintains coverage in excess of this self-insured retention limit through the California Insurance Pool Authority (CIPA) for workers' compensation and general liability claims. CIPA is a public entity risk pool which operates a risk management and insurance program for 13 member cities within California, and is self-sustaining through member premiums

The City has entered into contracts with claims administrators to process claims against the City for workers' compensation and general liability claims. Liabilities have been recorded for estimated losses from claims and judgments in the amount of \$6,131,466 for workers' compensation and \$649,835 for general liability. Losses for claims incurred but not reported are recorded when the probable amount of loss can be reasonably estimated.

B. Claims Activity

For the past three fiscal years, the City settled no cases at amounts in excess of the policy limits of applicable insurance coverage.

For the Years Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claim Payments	Claims Payable June 30	Due Within One Year	Due in More Than One Year
2017-2018	\$ 7,587,644	\$ 3,684,853	\$ (3,516,003)	\$ 7,756,494	\$ 100,000	\$ 7,656,494
2018-2019	7,756,494	419,750	(1,350,897)	6,825,347	100,000	6,725,347
2019-2020	6,825,347	1,833,546	(1,877,592)	6,781,301	100,000	6,681,301

9. EMPLOYEE RETIREMENT PLANS

A. Summary of Pension Plan Balances

Pension related balances presented on the Statement of Net Position as of June 30, 2020 by individual plan are described in the following table:

	Miscellaneous Agent Multiple Employer Plan	Safety Cost Sharing Plan	Total
Deferred employer contributions	\$ 4,193,814	\$ 6,501,781	\$ 10,695,595
Deferred outflows - pension	788,932	8,749,845	9,538,777
Total deferred outflows of resources	\$ 4,982,746	\$ 15,251,626	\$ 20,234,372
Net Pension Liability	\$ 42,619,849	\$ 74,069,585	\$ 116,689,434
Deferred inflows - pension	\$ 624,794	\$ 4,945,001	\$ 5,569,795
Pension Expense	\$ 6,675,037	\$ 11,858,360	\$ 18,533,397

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan

I. General Information about the Pension Plan

Plan Description – All miscellaneous qualified permanent and probationary employees are eligible to participate in the City’s Miscellaneous Plan, agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website (www.calpers.ca.gov).

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 credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 to 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

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

	City Miscellaneous Plan		
	Miscellaneous	Miscellaneous Tier II	Miscellaneous PEPRA
<u>Hire Date</u>	Prior to January 1, 2013	On or after January 1, 2013*	On or after January 1, 2013*
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	52
Monthly benefits, as a % of annual salary	2.5% @ 55	2.0% @ 60	2.0% @ 62
Required employee contribution rates	8.000%	7.000%	6.250%
Required employer contribution rates	9.594%	9.594%	9.594%
Required unfunded liability payment	\$ 2,902,401	\$ -	\$ -

* New hires who are already enrolled in CalPERS are eligible for benefits under the second tier, and other new hires are enrolled in the PEPRA rate plans.

Employees Covered – At June 30, 2020, the following employees were covered by the benefit terms for the Plan.

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	369
Inactive employees entitled to but not yet receiving benefits	287
Active employees	189
Total	845

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, Continued

I. General Information about the Pension Plan, Continued

Contributions – Section 20814(C) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2019 (the measurement date), the average active employee contribution rate is 6.6 percent of annual pay for the Miscellaneous Plan, and employer contribution rate is 24.2 percent of annual payroll for the Miscellaneous Plan.

II. Net Pension Liability

The City’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below:

Actuarial Assumptions – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return ⁽¹⁾	7.15%
Mortality ⁽²⁾	Derived using CalPERS' Membership
Post Retirement Benefit Increase	The lesser of COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

(1) - Net of investment expense

(2) - The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, Continued

II. Net Pension Liability, Continued

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website (www.calpers.ca.gov).

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class ^(a)	New Strategic Allocation	Real Return Years 1 - 10 ^(b)	Real Return Years 11+ ^(c)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100%		

(a) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.00% used for this period.

(c) An expected inflation of 2.92% used for this period.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, Continued

III. Changes in the Net Pension Liability

The changes in the net pension liability for the Plan follow:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 141,246,186	\$ 101,081,649	\$ 40,164,537
Changes in the year:			
Service cost	2,213,426	-	2,213,426
Interest on the total pension liability	9,994,688	-	9,994,688
Differences between actual and expected experience	1,316,775	-	1,316,775
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Plan to Plan Resource Movement	-	15,023	(15,023)
Contribution - employer	-	3,589,027	(3,589,027)
Contribution - employee	-	976,043	(976,043)
Net investment income	-	6,561,383	(6,561,383)
Administrative expenses	-	(72,134)	72,134
Benefit payments , including refunds of employee contributions	(7,767,642)	(7,767,642)	-
Other miscellaneous Income/(Expense)	-	235	(235)
Net changes	5,757,247	3,301,935	2,455,312
Balance at June 30, 2019	\$ 147,003,433	\$ 104,383,584	\$ 42,619,849

(1) – The fiduciary net position includes receivables for employee service buyback, deficiency reserve, fiduciary self-insurance, and other items.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, Continued

III. Changes in the Net Pension Liability, Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 61,149,938
Current Discount Rate	7.15%
Net Pension Liability	\$ 42,619,849
1% Increase	8.15%
Net Pension Liability	\$ 27,276,508

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

IV. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the City recognized pension expense of \$6,675,037. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 4,193,814	\$ -
Differences between actual and expected experience	788,932	-
Changes in assumptions	-	88,200
Net differences between projected and actual earnings on plan investments	-	536,594
Total	<u>\$ 4,982,746</u>	<u>\$ 624,794</u>

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, Continued

IV. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

\$4,193,814 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized as pension expense as follows:

Fiscal Year Ending June 30:		
2021	\$	894,229
2022		(673,652)
2023		(164,244)
2024		107,805

V. Payable to Pension Plan

As of June 30, 2020, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans

I. Plan Description

All safety qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three safety rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website (www.calpers.ca.gov).

II. 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 credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employee’s Retirement Law.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, Continued

II. Benefits Provided, Continued

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

Hire Date	City Cost Sharing Plan		
	Safety First Tier	Safety Second Tier	Safety PEPPRA
	Prior to January 1, 2013	On or after January 1, 2013*	On or after January 1, 2013*
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	50
Monthly benefits, as a % of annual salary	3% @ 50	2% @ 50	2.7% @ 57
Required employee contribution rates	9.000%	9.000%	12.750%
Required employer contribution rates	23.654%	18.183%	13.786%
Required payment for unfunded liability	\$ 4,406,537	\$ 1,405	\$ 2,183

* New hires who are already enrolled in CalPERS are eligible for benefits under the second tier, and other new hires are enrolled in the PEPPRA rate plan.

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are to be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City’s contributions to the Plan for the measurement period ended June 30, 2019 were \$5,512,848.

III. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$74,069,585.

The City’s net pension liability for the Plan is measured as the proportionate share of the total net pension liability of the Plan. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City’s proportionate of the net pension liability was based on the City’s plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, Continued

III. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

The City's proportionate share of the net pension liability for the Plan as of the measurement dates June 30, 2018 and 2019 were as follows:

Proportion - June 30, 2018	0.71541%
Proportion - June 30, 2019	0.72284%
Change - Increase (Decrease)	<u>0.00743%</u>

For the year ended June 30, 2020, the City recognized pension expense of \$11,858,360. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,501,781	\$ -
Differences between actual and expected experience	4,836,076	-
Changes in assumptions	3,035,983	592,469
Changes in employer's proportion	877,786	482,652
Differences between the employer's contribution and the employer's proportionate share of contributions	-	2,850,927
Net differences between projected and actual earnings on plan investments		
Investments	-	1,018,953
Total	<u>\$ 15,251,626</u>	<u>\$ 4,945,001</u>

\$6,501,781 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	
2021	\$ 3,879,876
2022	(847,072)
2023	573,783
2024	198,257

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, Continued

III. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

Actuarial Assumptions – The total pension liability in the June 30, 2018 actuarial valuations was determined using the following actuarial assumptions:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return ⁽¹⁾	7.15%
Mortality ⁽²⁾	Derived using CalPERS' Membership
Post Retirement Benefit Increase	The lesser of COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

(1) - Net of investment expense

(2) - The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website (www.calpers.ca.gov).

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, Continued

III. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class ^(a)	New Strategic Allocation	Real Return Years 1 - 10 ^(b)	Real Return Years 11+ ^(c)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100%		

(a) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.00% used for this period.

(c) An expected inflation of 2.92% used for this period.

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

1% Decrease	6.15%
Net Pension Liability	\$ 107,464,961
Current Discount Rate	7.15%
Net Pension Liability	\$ 74,069,585
1% Increase	8.15%
Net Pension Liability	\$ 46,690,609

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, Continued

III. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2020 the City reported a payable of \$0 for outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City provides post-employment medical benefits to retirees through the California Public Employees’ Retirement System California Employer’s Retiree Benefit Trust Fund (the PERS CERBT fund). The program is an agent multiple-employer defined benefit health care plan that provides health care insurance for eligible retirees. These benefits are available to employees who retire with the City at age 50 to 52 or older with at least 5 years of CalPERS service or those who satisfy certain disability requirements. The City pays monthly medical premiums ranging from \$136 to \$420 for each employees depending upon which group the employee belongs to and the number of individual covered by the policy. The Plan does not provide a publicly available financial report.

Contributions

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or the employee associations. Currently, contributions are not required from the plan members. For the measurement period 2018-19, the City contributed \$769,809, including \$669,809 in benefit payments and a \$100,000 deposit to CERBT.

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to prefund OPEB. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the City, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

Employees Covered

Inactive employees or beneficiaries currently receiving benefits	192
Inactive employees entitled to but not yet receiving benefits	0
Active employees	261
Total	<u>453</u>

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019, based on the following actuarial methods and assumptions

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal, Level % of pay
Actuarial Assumptions:	
Discount Rate	7.00%
General Inflation	2.75%
Contribution Policy	Contributes full ADC
Salary Increases	2.75%
Investment Rate of Return	7.00%
Mortality	CalPERS 1997-2015 Experience Study
Healthcare Cost Trend Rate	4.00%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table below.

Asset Class	Target Allocation	Expected Real Rate of Return
All Equities	59.00%	7.80%
All Fixed Income	25.00%	4.50%
Real Estate Investment Trusts	8.00%	7.50%
All Commodities	3.00%	7.80%
Treasury Inflation Protected Securities (TIPS)	5.00%	3.25%
Assumed Long-Term Rate of Inflation		2.75%
Assumed Long-Term Investment Expenses		n/a
Expected Long-Term Net Rate of Return, Rounded		7.00%
Discount Rate*		7.00%

*The fiduciary net position is projected to be sufficient to make projected benefit payments, and the plan assets are expected to be invested using the strategy to achieve the expected return.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that City 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 OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the net OPEB Liability

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2018	\$ 7,573,672	\$ 1,979,827	\$ 5,593,845
Changes in the year:			
Service cost	214,585	-	214,585
Interest on the total OPEB liability	514,224	-	514,224
Differences between actual and expected experience	(335,231)	-	(335,231)
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	769,809	(769,809)
Contribution - employee	-	-	-
Net investment income	-	123,383	(123,383)
Administrative expenses	-	(425)	425
Benefit payments , including refunds of employee contributions	(669,809)	(669,809)	-
Net changes	(276,231)	222,958	(499,189)
Balance at June 30, 2019	\$ 7,297,441	\$ 2,202,785	\$ 5,094,656

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

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
Net OPEB Liability	\$ 5,880,595	\$ 5,094,656	\$ 4,439,395

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease (3.0%)	Current Healthcare Trend Rate (4.0%)	1% Increase (5.0%)
Net OPEB Liability	\$ 4,440,034	\$ 5,094,656	\$ 5,945,664

Recognition of Deferred Outflow and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARSL)

OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of \$500,926. For the fiscal year ended June 30, 2020, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 646,871	\$ -
Differences between expected and actual experience	-	212,988
Net differences between projected and actual earnings on plan investments	6,771	-
Total	<u>\$ 653,642</u>	<u>\$ 212,988</u>

The \$646,871 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2021.

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as pension expense as follows:

Fiscal Year	
Ending June 30:	
2021	\$ (26,296)
2022	(26,296)
2023	(26,296)
2024	(23,569)
2025	(27,307)
Thereafter	(76,453)

11. CLASSIFICATION OF FUND BALANCES

In the fund financial statements, fund balances are classified in the following categories:

	Major Governmental Funds				Total Government
	General	State Gas Tax Special Revenue Fund	Housing Successor Special Revenue Fund	Non Major Government Funds	
Fund Balances					
Nonspendable fund balance:					
Prepays	\$ 1,677	\$ -	\$ -	\$ 580	\$ 2,257
Inventory	102,998	-	-	-	102,998
Property held for resale	8,619,465	-	-	-	8,619,465
	<u>8,724,140</u>	<u>-</u>	<u>-</u>	<u>580</u>	<u>8,724,720</u>
Restricted fund balance for:					
Low/Mod Housing	-	-	25,191,396	9,961,102	35,152,498
Public Protection	65,716	-	-	988,174	1,053,890
Environmental	-	-	-	446,965	446,965
Transportation	-	5,779,727	-	1,359,235	7,138,962
Pension	1,007,999	-	-	-	1,007,999
Development	-	-	-	884,296	884,296
	<u>1,073,715</u>	<u>5,779,727</u>	<u>25,191,396</u>	<u>13,639,772</u>	<u>45,684,610</u>
Assigned fund balance for:					
Economic Development	8,969,014	-	-	-	8,969,014
	<u>8,969,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,969,014</u>
Unassigned fund balance	<u>25,079,084</u>	<u>-</u>	<u>-</u>	<u>(694,522)</u>	<u>24,384,562</u>
Total Fund Balances	<u>\$ 43,845,953</u>	<u>\$ 5,779,727</u>	<u>\$ 25,191,396</u>	<u>\$ 12,945,830</u>	<u>\$ 87,762,906</u>

12. DEFICIT FUND BALANCES

The following funds reported deficits in fund balances at June 30, 2020:

State OCATT Special Revenue Fund	\$175,050
City Capital Projects Fund	\$519,472
Worker's Compensation Self Insurance Internal Service Fund	\$2,354,691

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

13. MORTGAGE REVENUE BONDS

In July 2000, the City of Buena Park issued, in conjunction with Walden Glen, LP, Variable Rate Demand Multifamily Housing Revenue Bonds, Series 2000 to provide funds for rehabilitation and permanent financing for a multifamily housing facility located in the City. The debt is a special obligation of the limited partnership and is payable solely from payments made on mortgage loans and are secured by a pledge of such mortgage loans. Neither the faith nor the taxing power of the City of Buena Park has been pledged to the payment of the bonds. Accordingly, the debt is not reported a liability in the accompanying financial statements.

14. SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. Many cities (and some counties) in California had established a redevelopment agency. In many cases, such redevelopment agencies were included within the reporting entity of the city or county as a blended component unit (since the governing board of the city or county, in many cases, also served as the governing board of the redevelopment agency).

The Bill provides that upon dissolution of a redevelopment agency, the entity that established the redevelopment agency may elect to serve as the "Successor Agency" to hold the assets of the former redevelopment agency until they are distributed to other units of state and local government after the payment of enforceable obligations that were in effect as of the signing of the Bill. If the entity that established the redevelopment agency declines to accept the role of Successor Agency, other local agencies may elect to perform this role. If no local agency accepts the role of Successor Agency, the Governor is empowered by the Bill to establish a "designated local authority" to perform this role. The City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City Resolution No. 12685

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the approval of a newly established Oversight Board, remaining assets can only be used to pay enforceable obligations in existence as of February 1, 2012, the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). The Bill sets forth a process for each agency to identify and report these enforceable obligations on an Enforceable Obligation Payment Schedule (EOPS) and a Recognized Obligation Payment Schedule (ROPS).

Upon the date of the dissolution (February 1, 2012), significant matters previously controlled by the city councils of the cities that created each redevelopment agency are now subject to the approval of a seven-member Oversight Board, including the following:

- Approval of the sale and distribution of all assets
- Approval of any change in obligation terms
- Approval of any prepayment or defeasance of debt
- Approval of acceptance of grants
- Approval of funding of debt service reserves
- Approval of the budget for any remaining activities

Many of these actions and determinations of the Successor Agency also require the approval of the California Department of Finance (DOF).

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

14. SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

In future fiscal years, Successor Agencies will only be allocated property tax revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Under AB 1X 26, agencies that accept the role of Successor Agency will serve as custodian for the assets of the dissolved redevelopment agency pending distribution to the appropriate taxing entities after the payment of enforceable obligations. Accordingly, the net position of the dissolved redevelopment agency that are held pending distribution are accounted for in a private-purpose trust fund.

In June 2012, the California legislature passed AB 1484. AB 1484 provided clarification regarding the dissolution process and imposed new requirements. AB 1484 declared that Successor Agencies are separate legal entities distinct from the sponsoring government, clarified matters pertaining to the affordable housing programs previously performed by the former redevelopment agency, clarified matters pertaining to EOPS and ROPS, established the requirement for all Successor Agencies to have a due diligence review, established a process to receive a Finding of Completion that will provide significant benefits to local agencies (allowing them to begin spending debt proceeds and providing a formula for the repayment of money previously borrowed from the sponsoring government), and made a number of other significant changes in the dissolution process and the post-dissolution activities of Successor Agencies.

A. Capital Assets

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Non-depreciable assets:				
Construction in progress	\$ 3,959,198	\$ 255,190	\$ -	\$ 4,214,388
Total non-depreciable assets	3,959,198	255,190	-	4,214,388
Total capital assets, net	\$ 3,959,198	\$ 255,190	\$ -	\$ 4,214,388

B. Long Term Debt

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due w within one year	Due in more than one year
Fiduciary Funds						
Tax Allocation Bonds:						
2003 Tax Allocation Bonds	\$ 8,735,459	\$ -	\$ (8,735,459)	\$ -	\$ -	\$ -
2008 Tax Allocation Bonds, Series A	45,613,480		(45,613,480)	-	-	-
2008 Tax Allocation Bonds, Series B	13,710,000		(13,710,000)	-	-	-
2019 Tax Allocation Refunding Bonds, Series A	-	48,073,737	-	48,073,737	2,050,000	46,023,737
2019 Tax Allocation Refunding Bonds, Series B	-	10,715,000	-	10,715,000	2,640,000	8,075,000
Total Tax Allocation Bonds	68,058,939	58,788,737	(68,058,939)	58,788,737	4,690,000	54,098,737
Total	\$ 68,058,939	\$ 58,788,737	\$(68,058,939)	\$ 58,788,737	\$ 4,690,000	\$ 54,098,737

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

14. SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

B. Long Term Debt, Continued

2019 Tax Allocation Refunding Bonds, Series A and B

On October 23, 2019, the Successor Agency to the Redevelopment Agency of the City of Buena Park (Agency) issued \$39,840,000 of Tax Allocation Refunding Bonds, Series A (Series A Bonds) and \$10,715,000 of Tax Allocation Refunding Bonds, Series B (Series B Bonds) to provide funds for a current refunding of the 2003 Tax Allocation Bonds and the 2008 Tax Allocation Bonds, Series A, and to advance refund the 2008 Tax Allocation Bond Series B that were previously issued by the now dissolved Redevelopment Agency of the City of Buena Park. The Series A Bonds were issued at a premium of \$8,233,737. This premium is being amortized on a straight-line basis as interest expense through 2036.

The advance refunding of the 2008 Tax Allocation Bonds, Series B met the requirements of an in-substance defeasance and were removed from the Agency's long-term debt. The principal balance on the 2008 Tax Allocation Bonds, Series B outstanding as of June 30, 2020 was \$9,410,000.

The Series A and Series B Bonds are special obligations of the Agency secured by tax increment revenues. The Bonds are payable in annual installments through maturity on September 1, 2035 and September 1, 2023 respectively. Interest is payable semiannually on March 1 and September 1, with rates ranging from 1.828% to 5.000% per annum. The Series A Bonds outstanding at June 30, 2020 were \$39,840,000, and the Series B Bonds outstanding at June 30, 2020 were \$10,715,000.

The difference in the total aggregate debt service between the refunded bonds and the refunding bonds was \$23,547,166, resulting in an economic gain of \$13,098,610. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,991,305. As of June 30, 2020 the unamortized balance of the deferred loss on refunding was \$1,991,305.

Future debt services requirements on these bonds are as follows:

Fiscal Year Ended June 30,	2019 Tax Allocation Refunding Bonds					
	Series A			Series B		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 2,050,000	\$ 1,770,800	\$ 3,820,800	\$ 2,640,000	\$ 181,424	\$ 2,821,424
2022	1,780,000	1,694,200	3,474,200	2,645,000	132,458	2,777,458
2023	1,880,000	1,621,000	3,501,000	2,690,000	81,663	2,771,663
2024	1,935,000	1,544,700	3,479,700	2,740,000	27,852	2,767,852
2025	2,580,000	1,454,400	4,034,400	-	-	-
2026-2030	13,085,000	5,442,125	18,527,125	-	-	-
2031-2035	14,130,000	2,014,675	16,144,675	-	-	-
2036	2,400,000	48,000	2,448,000	-	-	-
Subtotal	39,840,000	\$15,589,900	\$55,429,900	\$10,715,000	\$ 423,397	\$11,138,397
Bond Premium	8,233,737					
Total	\$48,073,737					

City of Buena Park
Notes to Basic Financial Statements
For the year ended June 30, 2020

15. EXCESS EXPENDITURES OVER APPROPRIATIONS

Actual expenditures for the Housing Successor Special Revenue Fund (Major Governmental Fund) were \$174,705 above budget, which is primarily due adjustment of allowances for uncollectible loans, which are not budgeted.

16. COVID-19 PANDEMIC

In December 2019, the Novel Corona Virus Disease (COVID-19) was discovered and was subsequently declared a worldwide pandemic by the World Health Organization on March 11, 2020. On March 4, 2020, California State Governor Gavin Newsom proclaimed a State of Emergency due to the threat of the COVID-19 in the State of California, leading to a statewide stay-at-home directive issued on March 19, 2020. The order halted all business within Orange County outside of essential activities. Although local governments that provide essential services to the community are specifically exempted from the stay at home directive, the City decided to discontinue certain services and close to the public. City officials reopened City facilities to the public on May 11, 2020, with enhanced health and safety protocols. Enhanced protocols included temperature screenings, face coverings, physical distancing, and limited occupancy inside of City Hall.

The COVID-19 pandemic had an immediate and severe impact on the City's sales tax, transient occupancy tax (TOT), and property transfer tax in the last quarter of the 2019-20 fiscal year. The City's transient occupancy tax (TOT), which relies heavily on tourism, was especially hard hit, reporting a 20% reduction in fiscal year 2019-20 revenues compared to the prior fiscal year. The City's Property tax revenues in 2019-20 were inoculated from COVID-19 due to the lien date (and change in California Consumer Price Index) of January 1, 2019, preceding the onset of COVID-19 in March 2020, as clearly evident in the City's basic financial statements.

Non-tax revenues were also impacted by COVID-19, primarily in charges for services reflected in reduced parking citation fines, zoning fees, and recreation rental & program fees.

In response to the economic impact and the resultant structural imbalance of the City's General Fund, the City utilized unassigned general fund balance to replenish the deficit caused by the pandemic without any reduction to essential services.

**REQUIRED
SUPPLEMENTARY INFORMATION**

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City of Buena Park
Required Supplementary Information
For the year ended June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING

A. *Budgetary Control and Budgetary Accounting*

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for governmental funds. The City's budget ordinance requires that in June of each year the City Manager to the City Council for the fiscal year commencing the following July 1. As modified during public study sessions, the preliminary budget becomes the proposed budget. Following public hearings on the proposed budget, the final annual budget is adopted by the City Council in June of the fiscal year. After adoption of the final budget, transfers of appropriations within the general fund departments may be done by the City Manager. Budget transfers within a department/fund may be done by department heads. Budget modifications between funds and increases or decreases to a fund's overall budget must be approved by the City Council. Numerous properly authorized amendments are made during the fiscal year.

Budgetary control is enhanced by integrating the budget into the general ledger accounts. Encumbrance accounting (e.g. purchase orders) is employed by the City.

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING, Continued

B. Budgetary Comparison Schedules

Budgetary Comparison Schedule, General Fund

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 47,314,200	\$ 47,314,200	\$ 46,894,636	\$ (419,564)
Licenses and permits	540,620	540,620	538,181	(2,439)
Fines and forfeitures	1,068,000	1,099,000	858,507	(240,493)
Intergovernmental	8,996,520	12,228,652	10,633,027	(1,595,625)
Charges for services	6,971,670	6,986,130	7,232,711	246,581
Investment income	490,890	490,890	1,411,513	920,623
Miscellaneous	1,405,140	1,455,140	1,021,520	(433,620)
Total revenues	66,787,040	70,114,632	68,590,095	(1,524,537)
EXPENDITURES:				
Current:				
General Government				
City Council	329,210	332,210	320,564	11,646
City Manager	871,330	871,330	805,836	65,494
Community Support Services	662,270	3,597,653	511,897	3,085,756
City Attorney	280,250	280,250	653,795	(373,545)
City Clerk	533,390	547,764	499,237	48,527
Internal Support Services	1,187,550	1,195,130	1,132,077	63,053
Finance	936,020	959,359	877,050	82,309
Public Works	2,199,190	2,279,054	1,988,183	290,871
Non-Departmental	976,530	1,976,530	786,203	1,190,327
Total General Government	7,975,740	12,039,280	7,574,842	4,464,438
Leisure:				
Recreation Administration	3,293,110	3,310,907	3,137,248	173,659
Health:				
Public Works	3,202,760	3,202,760	3,313,758	(110,998)
Transportation				
Police Department	89,550	89,550	71,922	17,628
Public Works	4,702,810	4,936,226	4,538,029	398,197
Total Transportation	4,792,360	5,025,776	4,609,951	415,825
Public Protection:				
Community Development Services	716,530	716,821	770,668	(53,847)
Fire Department	12,411,690	12,411,690	12,343,759	67,931
Police Department	27,185,650	27,466,481	26,661,851	804,630
Total Public Protection	40,313,870	40,594,992	39,776,278	818,714

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING, Continued

B. Budgetary Comparison Schedules, Continued

Budgetary Comparison Schedule, General Fund, Continued

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES: Continued				
Development:				
Community Development Services	2,297,320	2,903,082	2,178,313	724,769
Environmental:				
Recreation, Parks, and Community Services	3,491,280	3,533,633	3,488,963	44,670
Capital outlay	449,620	2,470,292	1,973,460	496,832
Debt service:				
Principal retirement	480,200	480,200	480,200	-
Interest and other charges	382,960	382,960	383,326	(366)
Total expenditures	66,679,220	73,943,882	66,916,339	7,027,543
REVENUES OVER (UNDER) EXPENDITURES	107,820	(3,829,250)	1,673,756	5,503,006
OTHER FINANCING SOURCES (USES):				
Transfers in	147,670	190,670	79,670	(111,000)
Transfers out	(1,038,070)	(3,421,318)	(2,247,748)	1,173,570
Proceeds from sale of capital assets	2,000	2,000	2,027	27
Total other financing sources (uses)	(888,400)	(3,228,648)	(2,166,051)	1,062,597
Net change in fund balance	\$ (780,580)	\$ (7,057,898)	(492,295)	\$ 6,565,603
FUND BALANCE:				
Beginning of year			44,338,248	
End of year			<u>\$ 43,845,953</u>	

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING, Continued

B. Budgetary Comparison Schedules, Continued

Budgetary Comparison Schedule, Gasoline Tax Special Revenue Fund

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 3,598,140	\$ 4,896,863	\$ 3,620,623	\$ (1,276,240)
Investment income	16,000	16,000	146,486	130,486
Total revenues	<u>3,614,140</u>	<u>4,912,863</u>	<u>3,767,109</u>	<u>(1,145,754)</u>
EXPENDITURES:				
Current:				
Transportation	668,410	668,410	509,516	158,894
Capital outlay	3,452,000	7,349,724	2,524,070	4,825,654
Total expenditures	<u>4,120,410</u>	<u>8,018,134</u>	<u>3,033,586</u>	<u>4,984,548</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(506,270)</u>	<u>(3,105,271)</u>	<u>733,523</u>	<u>3,838,794</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,060,000	1,510,587	909,908	(600,679)
Transfers out	(102,500)	(102,500)	(97,627)	4,873
Total other financing sources (uses)	<u>957,500</u>	<u>1,408,087</u>	<u>812,281</u>	<u>(595,806)</u>
Net change in fund balance	<u>\$ 451,230</u>	<u>\$ (1,697,184)</u>	<u>1,545,804</u>	<u>\$ 3,242,988</u>
FUND BALANCE:				
Beginning of year			<u>4,233,923</u>	
End of year			<u>\$ 5,779,727</u>	

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING, Continued

B. Budgetary Comparison Schedules, Continued

Budgetary Comparison Schedule, Housing Successor Special Revenue Fund

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 108,214	\$ 108,214
Miscellaneous	-	-	641,377	641,377
Total revenues	<u>-</u>	<u>-</u>	<u>749,591</u>	<u>749,591</u>
EXPENDITURES:				
Current:				
Development	402,400	402,475	577,180	(174,705)
Total expenditures	<u>402,400</u>	<u>402,475</u>	<u>577,180</u>	<u>(174,705)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(402,400)</u>	<u>(402,475)</u>	<u>172,411</u>	<u>574,886</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(293,000)	(250,000)	43,000
Total other financing sources (uses)	<u>-</u>	<u>(293,000)</u>	<u>(250,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (402,400)</u>	<u>\$ (695,475)</u>	<u>(77,589)</u>	<u>\$ 574,886</u>
FUND BALANCE:				
Beginning of year			<u>25,268,985</u>	
End of year			<u>\$ 25,191,396</u>	

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

2. DEFINED PENSION PLAN – AGENT MULTIPLE EMPLOYER PLAN

A. Schedule of Changes in Net Pension Liability and Related Ratios

During the Measurement Period

Miscellaneous Plan

Fiscal Year	2020	2019	2018	2017	2016	2015
Measurement Period ⁽¹⁾	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
TOTAL PENSION LIABILITY						
Service Cost	\$ 2,213,426	\$ 2,236,898	\$ 2,148,370	\$ 1,992,348	\$ 1,988,943	\$ 1,913,799
Interest	9,994,688	9,602,276	9,338,442	9,259,401	9,046,796	8,817,350
Difference Between Expected and Actual Experience	1,316,775	124,877	(2,072,201)	(1,430,631)	(1,277,341)	-
Changes of Assumptions	-	(529,198)	7,411,183	-	(2,091,915)	-
Benefit Payments, Including Refunds of Employee Contributions	(7,767,642)	(7,544,209)	(7,329,296)	(6,868,870)	(6,786,470)	(6,624,277)
Net Change in Total Pension Liability	5,757,247	3,890,644	9,496,498	2,952,248	880,013	4,106,872
Total Pension Liability - Beginning	141,246,186	137,355,542	127,859,044	124,906,796	124,026,783	119,919,911
Total Pension Liability - Ending (a)	\$ 147,003,433	\$ 141,246,186	\$ 137,355,542	\$ 127,859,044	\$ 124,906,796	\$ 124,026,783
PLAN FIDUCIARY NET POSITION						
Contributions - Employer	\$ 3,589,027	\$ 3,184,075	\$ 2,959,042	\$ 2,571,401	\$ 2,006,400	\$ 1,815,454
Contributions - Employee	976,043	990,815	997,916	964,624	951,393	887,335
Net Investment Income ⁽²⁾	6,561,383	8,127,473	9,957,029	452,819	2,115,027	14,422,158
Benefit Payments, Including Refunds of Employee Contributions	(7,767,642)	(7,544,209)	(7,329,296)	(6,868,870)	(6,786,470)	(6,624,277)
Other Changes in Fiduciary Net Position	(56,876)	(437,349)	(133,336)	(56,829)	(104,951)	-
Net Change in Fiduciary Net Position	3,301,935	4,320,805	6,451,355	(2,936,855)	(1,818,601)	10,500,670
Plan Fiduciary Net Position - Beginning	101,081,649	96,760,844	90,309,489	93,246,344	95,064,945	84,564,275
Plan Fiduciary Net Position - Ending (b)	\$ 104,383,584	\$ 101,081,649	\$ 96,760,844	\$ 90,309,489	\$ 93,246,344	\$ 95,064,945
Plan Net Position Liability (Asset) - Ending (a) - (b)	\$ 42,619,849	\$ 40,164,537	\$ 40,594,698	\$ 37,549,555	\$ 31,660,452	\$ 28,961,838
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.01%	71.56%	70.45%	70.63%	74.65%	76.65%
Covered Payroll	\$ 14,823,350	\$ 14,391,602	\$ 12,895,891	\$ 12,045,152	\$ 11,636,737	\$ 11,292,848
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	287.52%	279.08%	314.79%	311.74%	272.07%	256.46%

(1) – Historical information is required only for measurement periods for which GASB 68 is applicable. The schedule is intended to show information for ten years; additional years' information will be displayed as it becomes available.

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

2. DEFINED BENEFIT PENSION PLANS – AGENT MULTIPLE EMPLOYER PLAN, Continued

A Schedule of Changes in Net Pension Liability and Related Ratios, Continued

Notes to Schedules

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes of Assumptions: In 2016, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent. In 2017, the discount rate was changed from 7.65 percent to 7.15 percent.

B. Schedule of Plan Contributions

	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
Actuarially determined contribution	\$ 4,193,814	\$ 3,587,318	\$ 3,184,856	\$ 2,853,983	\$ 2,571,401	\$ 2,006,400
Contribution in relation to the actuarially determined contributions	(4,193,814)	(3,587,318)	(3,184,856)	(2,853,983)	(2,571,401)	(2,006,400)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 13,479,498	\$ 14,823,350	\$ 14,391,602	\$ 12,895,891	\$ 12,045,152	\$ 11,636,737
Contributions as a percentage of covered payroll	31.11%	24.20%	22.13%	22.13%	21.35%	17.24%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable

3. DEFINED BENEFIT PENSION PLANS – COST SHARING PLAN

A. Schedule of the City's Proportionate Share of the Net Pension Liability – Last 10 Years*

Fiscal year:	2020	2019	2018	2017	2016	2015
Measurement date:	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	0.72284%	0.71541%	0.68500%	0.68943%	0.67629%	0.64148%
Proportionate share of the net pension liability	\$ 74,069,585	\$ 68,938,674	\$ 67,933,536	\$ 59,657,145	\$ 46,420,099	\$ 38,926,454
Covered payroll	\$ 8,760,412	\$ 8,505,254	\$ 9,280,685	\$ 8,412,906	\$ 8,024,373	\$ 8,881,515
Proportionate share of the net pension liability as a percentage of covered payroll	846%	811%	732%	709%	578%	438%
Plan's share of fiduciary net position as a percentage of total pension liability	75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

City of Buena Park
Required Supplementary Information, Continued
For the year ended June 30, 2020

3. DEFINED BENEFIT PENSION PLANS – COST SHARING PLAN, Continued

B. Schedule of Contributions – Last 10 Years*

	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
Actuarially determined contribution	\$ 6,501,781	\$ 5,512,848	\$ 4,735,608	\$ 4,131,562	\$ 3,615,462	\$ 2,299,785
Contribution in relation to the actuarially determined contributions	(6,501,781)	(5,512,848)	(4,735,608)	(4,131,562)	(3,615,462)	(2,299,785)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,315,557	\$ 8,760,412	\$ 8,505,254	\$ 9,280,685	\$ 8,412,906	\$ 8,024,373
Contributions as a percentage of covered payroll	63.03%	62.93%	55.68%	44.52%	42.98%	28.66%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable

4. OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. Schedule of Changes in Net OPEB Liability and Related Ratios*

<i>Measurement Period</i>	2019	2018	2017
Total OPEB Liability			
Service Cost	\$ 214,585	\$ 116,447	\$ 113,330
Interest on the total OPEB liability	514,224	510,586	506,741
Differences between expected and actual experience	(335,231)	-	-
Benefit payments, including refunds of employee contributions	(669,809)	(578,455)	(558,051)
Net change in total OPEB liability	(276,231)	48,578	62,020
Total OPEB liability - beginning	7,573,672	7,525,094	7,463,074
Total OPEB liability - ending (a)	\$ 7,297,441	\$ 7,573,672	\$ 7,525,094
Plan Fiduciary Net Position			
Contributions - employer	\$ 769,809	\$ 678,455	\$ 658,051
Net investment income	123,383	139,019	157,061
Benefit payments, including refunds of employee contributions	(669,809)	(578,455)	(558,051)
Administrative expense	(425)	(2,004)	(1,323)
Net change in plan fiduciary net position	222,958	237,015	255,738
Plan fiduciary net position - beginning	1,979,827	1,742,812	1,487,074
Plan fiduciary net position - ending (b)	\$ 2,202,785	\$ 1,979,827	\$ 1,742,812
Net OPEB liability/(asset) - ending (a) - (b)	\$ 5,094,656	\$ 5,593,845	\$ 5,782,282
Plan fiduciary net position as a percentage of the total OPEB liability	30.19%	26.14%	23.16%
Covered-employee payroll	\$ 23,583,762	\$ 22,841,873	\$ 22,176,576
Net OPEB liability as a percentage of covered-employee payroll	21.60%	24.49%	26.07%

(1) Historical information is required only for measurement periods for which GASB 75 is applicable

SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Asset Forfeiture Fund accounts for the assets seized as a result of drug enforcement activities.

Proposition 172 Police Augmentation Fund accounts for the half-cent sales tax remitted to the City from other governmental agencies to be expended for public safety.

Measure M2 Fund accounts for Measure M2 funds restricted for transportation facility and service improvements.

Local Law Enforcement Block Grant Fund accounts for grant monies received for local law enforcement activities.

Orange County Anti-Drug Abuse Fund accounts for revenue received for multi-jurisdiction anti-drug task force.

Traffic Congestion Relief Fund accounts for the Governor's transportation congestion relief program revenue received for the repair and reconstruction of streets.

State OCATT Fund accounts for revenue received for investigation and prosecution of criminals belonging to major auto theft rings.

COPS/SLESF Fund accounts for COPS/SLESF revenue received for policing and law enforcement activities.

Housing and Community Development Fund accounts for commercial and residential improvement projects of the planning, economic development, and public works departments. Financing is provided by a federal grant from the Department of Housing and Urban Development.

AB 2766/AQMD Fund accounts for AB 2766/AQMD revenue received for air quality improvement projects.

HOME Loans Special Revenue Fund accounts for grant monies received from the first-time homebuyer down payment assistance program.

Park-in-Lieu Fund accounts for recreational development projects financed by developer fees paid in-lieu of park development.

City Capital Projects Fund accounts for the acquisition or construction of major capital facilities in the City.

City of Buena Park
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2020

	Special Revenue			
	Asset Forfeiture	Proposition 172 Police Augmentation	Measure M2	Local Law Enforcement Block Grant
ASSETS				
Cash and investments	\$ 418,928	\$ 372,150	\$ 943,531	\$ 94,529
Restricted cash and investments	-	-	-	-
Accounts receivable	307	10,558	-	13,480
Interest receivable	1,180	1,048	5,353	266
Loans receivable, net	-	-	-	-
Due from other governments	-	63,510	186,150	-
Prepaid items	-	-	-	-
Total assets	\$ 420,415	\$ 447,266	\$ 1,135,034	\$ 108,275
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 31,564	\$ -	\$ 17,795	\$ -
Accrued liabilities	94,289	15,954	16,274	966
Retention payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	125,853	15,954	34,069	966
Deferred Inflows of Resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances: (Note 11)				
Nonspendable	-	-	-	-
Restricted	294,562	431,312	1,100,965	107,309
Unassigned	-	-	-	-
Total fund balances	294,562	431,312	1,100,965	107,309
Total liabilities, deferred inflows of resources, and fund balances	\$ 420,415	\$ 447,266	\$ 1,135,034	\$ 108,275

Special Revenue

Orange County Anti-Drug Abuse	Traffic Congestion Relief	State OCATT	COPS/SLESF	Housing and Community Development	AB 2766/ AQMD	HOME Loans
\$ 21,502	\$ 257,545	\$ -	\$ 140,914	\$ -	\$ 279,812	\$ 2,267,544
-	-	-	-	-	-	-
-	-	-	-	-	140,000	-
61	725	-	397	-	1,182	6,711
-	-	-	-	2,698,892	-	4,983,726
-	-	-	-	150,695	26,096	-
-	-	-	-	-	580	-
<u>\$ 21,563</u>	<u>\$ 258,270</u>	<u>\$ -</u>	<u>\$ 141,311</u>	<u>\$ 2,849,587</u>	<u>\$ 447,670</u>	<u>\$ 7,257,981</u>
\$ -	\$ -	\$ -	\$ -	\$ 27,823	\$ 125	\$ -
-	-	9,588	7,883	20,750	-	-
-	-	-	-	-	-	-
-	-	165,462	-	97,893	-	-
-	-	175,050	7,883	146,466	125	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	580	-
21,563	258,270	-	133,428	2,703,121	446,965	7,257,981
-	-	(175,050)	-	-	-	-
<u>21,563</u>	<u>258,270</u>	<u>(175,050)</u>	<u>133,428</u>	<u>2,703,121</u>	<u>447,545</u>	<u>7,257,981</u>
<u>\$ 21,563</u>	<u>\$ 258,270</u>	<u>\$ -</u>	<u>\$ 141,311</u>	<u>\$ 2,849,587</u>	<u>\$ 447,670</u>	<u>\$ 7,257,981</u>

City of Buena Park
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2020

	Capital Projects		Total Non-Major Governmental Funds
	Park In-lieu	City Capital Projects	
ASSETS			
Cash and investments	\$ 1,002,193	\$ 463,960	\$ 6,262,608
Restricted cash and investments	-	30,000	30,000
Accounts receivable	157,839	225,120	547,304
Interest receivable	1,041	-	17,964
Loans receivable	-	-	7,682,618
Due from other governments	-	1,921,711	2,348,162
Prepaid items	-	-	580
Total assets	\$ 1,161,073	\$ 2,640,791	\$ 16,889,236
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 100,089	\$ 1,136,090	\$ 1,313,486
Accrued liabilities	-	-	165,704
Retention payable	21,519	251,727	273,246
Unearned revenue	-	1,547,326	1,547,326
Due to other funds	-	-	263,355
Total liabilities	121,608	2,935,143	3,563,117
Deferred Inflows of Resources:			
Unavailable revenue	155,169	225,120	380,289
Total deferred inflows of resources	155,169	225,120	380,289
Fund Balances: (Note 11)			
Nonspendable	-	-	580
Restricted	884,296	-	13,639,772
Unassigned	-	(519,472)	(694,522)
Total fund balances	884,296	(519,472)	12,945,830
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,161,073	\$ 2,640,791	\$ 16,889,236

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City of Buena Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2020

	Special Revenue			
	Asset Forfeiture	Proposition 172 Police Augmentation	Measure M2	Local Law Enforcement Block Grant
REVENUES:				
Taxes	\$ -	\$ 417,204	\$ -	\$ -
Intergovernmental	99,712	10,558	1,562,511	13,480
Charges for services	1,593	-	-	-
Investment income	13,314	12,362	54,948	2,985
Total revenues	114,619	440,124	1,617,459	16,465
EXPENDITURES:				
Current:				
General government	-	-	-	-
Transportation	-	-	515,903	-
Public protection	87,918	357,384	-	34,786
Development	-	-	-	-
Capital outlay	28,371	-	-	-
Total expenditures	116,289	357,384	515,903	34,786
REVENUES OVER (UNDER) EXPENDITURES	(1,670)	82,740	1,101,556	(18,321)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	34,231
Transfers out	-	(34,231)	(957,127)	-
Total other financing sources (uses)	-	(34,231)	(957,127)	34,231
Net change in fund balances	(1,670)	48,509	144,429	15,910
FUND BALANCES:				
Beginning of year	296,232	382,803	956,536	91,399
End of year	\$ 294,562	\$ 431,312	\$ 1,100,965	\$ 107,309

Special Revenue						
Orange County Anti-Drug Abuse	Traffic Congestion Relief	State OCATT	COPS/SLESF	Housing and Community Development	AB 2766/ AQMD	HOME Loans
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	86,186	197,867	1,107,342	439,890	75,134
-	8,932	-	-	714	-	-
700	8,367	-	5,109	-	13,966	79,119
700	17,299	86,186	202,976	1,108,056	453,856	154,253
-	-	-	-	-	11,265	3,035
-	-	-	-	-	-	-
-	-	203,439	229,456	-	-	-
-	-	-	-	1,011,716	-	118,033
-	-	-	-	-	238,437	-
-	-	203,439	229,456	1,011,716	249,702	121,068
700	17,299	(117,253)	(26,480)	96,340	204,154	33,185
-	-	-	30,148	-	-	-
-	-	-	-	-	(434,627)	-
-	-	-	30,148	-	(434,627)	-
700	17,299	(117,253)	3,668	96,340	(230,473)	33,185
20,863	240,971	(57,797)	129,760	2,606,781	678,018	7,224,796
\$ 21,563	\$ 258,270	\$ (175,050)	\$ 133,428	\$ 2,703,121	\$ 447,545	\$ 7,257,981

City of Buena Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2020

	<u>Capital Projects</u>		Total
	<u>Park In-lieu</u>	<u>City Capital Projects</u>	<u>Non-Major Governmental Funds</u>
REVENUES:			
Taxes	\$ -	\$ -	\$ 417,204
Intergovernmental	296,118	8,604,011	12,492,809
Charges for services	272,039	150,078	433,356
Investment income	14,594	11,881	217,345
Total revenues	<u>582,751</u>	<u>8,765,970</u>	<u>13,560,714</u>
EXPENDITURES:			
Current:			
General government:	-	-	14,300
Transportation	-	1,550	517,453
Public protection	-	-	912,983
Development	-	-	1,129,749
Capital outlay	1,413,554	9,672,613	11,352,975
Total expenditures	<u>1,413,554</u>	<u>9,674,163</u>	<u>13,927,460</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(830,803)</u>	<u>(908,193)</u>	<u>(366,746)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	632,400	1,098,919	1,795,698
Transfers out	-	-	(1,425,985)
Total other financing sources (uses)	<u>632,400</u>	<u>1,098,919</u>	<u>369,713</u>
Net change in fund balances	(198,403)	190,726	2,967
FUND BALANCES:			
Beginning of year	1,082,699	(710,198)	12,942,863
End of year	<u>\$ 884,296</u>	<u>\$ (519,472)</u>	<u>\$ 12,945,830</u>

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Asset Forfeiture Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 99,712	\$ (50,288)
Charges for services	-	-	1,593	1,593
Investment income	2,000	2,000	13,314	11,314
Total revenues	<u>152,000</u>	<u>152,000</u>	<u>114,619</u>	<u>(37,381)</u>
EXPENDITURES:				
Current:				
Public protection	91,190	109,961	87,918	22,043
Capital outlay	8,400	23,750	28,371	(4,621)
Debt service:				
Interest and other charges	1,000	1,000	-	1,000
Total expenditures	<u>100,590</u>	<u>134,711</u>	<u>116,289</u>	<u>18,422</u>
Net change in fund balance	<u>\$ 51,410</u>	<u>\$ 17,289</u>	(1,670)	<u>\$ (18,959)</u>
FUND BALANCE:				
Beginning of year			<u>296,232</u>	
End of year			<u>\$ 294,562</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Proposition 172 Police Augmentation Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 400,000	\$ 400,000	\$ 417,204	\$ 17,204
Intergovernmental	-	10,558	10,558	-
Investment income	1,700	1,700	12,362	10,662
Total revenues	401,700	412,258	440,124	27,866
EXPENDITURES:				
Current:				
Public protection	362,000	362,000	357,384	4,616
Total expenditures	362,000	362,000	357,384	4,616
REVENUES OVER (UNDER) EXPENDITURES	39,700	50,258	82,740	32,482
OTHER FINANCING SOURCES (USES):				
Transfers out	(53,740)	(53,740)	(34,231)	19,509
Total other financing sources (uses)	(53,740)	(53,740)	(34,231)	19,509
Net change in fund balance	\$ (14,040)	\$ (3,482)	48,509	\$ 51,991
FUND BALANCE:				
Beginning of year			382,803	
End of year			<u>\$ 431,312</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Measure M2 Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,520,580	\$ 1,520,580	\$ 1,562,511	\$ 41,931
Investment income	-	-	54,948	54,948
Total revenues	<u>1,520,580</u>	<u>1,520,580</u>	<u>1,617,459</u>	<u>96,879</u>
EXPENDITURES:				
Current:				
Transportation	546,590	581,940	515,903	66,037
Capital outlay	-	98,569	-	98,569
Total expenditures	<u>546,590</u>	<u>680,509</u>	<u>515,903</u>	<u>164,606</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>973,990</u>	<u>840,071</u>	<u>1,101,556</u>	<u>261,485</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(1,097,500)</u>	<u>(1,561,806)</u>	<u>(957,127)</u>	<u>604,679</u>
Total other financing sources (uses)	<u>(1,097,500)</u>	<u>(1,561,806)</u>	<u>(957,127)</u>	<u>604,679</u>
Net change in fund balance	<u>\$ (123,510)</u>	<u>\$ (721,735)</u>	144,429	<u>\$ 866,164</u>
FUND BALANCE:				
Beginning of year			<u>956,536</u>	
End of year			<u>\$ 1,100,965</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Local Law Enforcement Block Grant Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 13,480	\$ 13,480
Investment income	-	-	2,985	2,985
Total revenues	-	-	16,465	16,465
EXPENDITURES:				
Current:				
Public protection	53,740	53,740	34,786	18,954
Total expenditures	53,740	53,740	34,786	18,954
REVENUES OVER (UNDER) EXPENDITURES	(53,740)	(53,740)	(18,321)	35,419
OTHER FINANCING SOURCES (USES):				
Transfers in	53,740	53,740	34,231	(19,509)
Total other financing sources (uses)	53,740	53,740	34,231	(19,509)
Net change in fund balance	\$ -	\$ -	15,910	\$ 15,910
FUND BALANCE:				
Beginning of year			91,399	
End of year			<u>\$ 107,309</u>	

City of Buena Park

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Orange County Anti-Drug Abuse Special Revenue Fund
 For the year ended June 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 700	\$ 700
Total revenues	-	-	700	700
Net change in fund balance	\$ -	\$ -	700	\$ 700
FUND BALANCE:				
Beginning of year			20,863	
End of year			\$ 21,563	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Traffic Congestion Relief Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 5,000	\$ 5,000	\$ 8,932	\$ 3,932
Investment income	500	500	8,367	7,867
Total revenues	5,500	5,500	17,299	11,799
Net change in fund balance	\$ 5,500	\$ 5,500	17,299	\$ 11,799
FUND BALANCE:				
Beginning of year			240,971	
End of year			<u>\$ 258,270</u>	

City of Buena Park

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
State OCATT Special Revenue Fund
For the year ended June 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 233,850	\$ 233,850	\$ 86,186	\$ (147,664)
Total revenues	233,850	233,850	86,186	(147,664)
EXPENDITURES:				
Current:				
Public protection	233,850	233,850	203,439	30,411
Total expenditures	233,850	233,850	203,439	30,411
Net change in fund balance	\$ -	\$ -	(117,253)	\$ (117,253)
FUND BALANCE:				
Beginning of year			(57,797)	
End of year			<u>\$ (175,050)</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual COPS/SLESF Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 170,000	\$ 170,000	\$ 197,867	\$ 27,867
Investment income	500	500	5,109	4,609
Total revenues	170,500	170,500	202,976	32,476
EXPENDITURES:				
Current:				
Public protection	250,570	250,570	229,456	21,114
Total expenditures	250,570	250,570	229,456	21,114
REVENUES OVER (UNDER) EXPENDITURES	(80,070)	(80,070)	(26,480)	53,590
OTHER FINANCING SOURCES (USES):				
Transfers in	80,070	80,070	30,148	(49,922)
Total other financing sources (uses)	80,070	80,070	30,148	(49,922)
Net change in fund balance	\$ -	\$ -	3,668	\$ 3,668
FUND BALANCE:				
Beginning of year			129,760	
End of year			\$ 133,428	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Housing and Community Development Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,107,830	\$ 1,622,733	\$ 1,107,342	\$ (515,391)
Charges for services	-	-	714	714
Total revenues	<u>1,107,830</u>	<u>1,622,733</u>	<u>1,108,056</u>	<u>(514,677)</u>
EXPENDITURES:				
Current:				
Development	<u>1,107,830</u>	<u>1,622,810</u>	<u>1,011,716</u>	<u>611,094</u>
Total expenditures	<u>1,107,830</u>	<u>1,622,810</u>	<u>1,011,716</u>	<u>611,094</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (77)</u>	96,340	<u>\$ 96,417</u>
FUND BALANCE:				
Beginning of year			<u>2,606,781</u>	
End of year			<u>\$ 2,703,121</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual AB 2766/AQMD Special Revenue Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 100,000	\$ 441,124	\$ 439,890	\$ (1,234)
Investment income	-	-	13,966	13,966
Total revenues	100,000	441,124	453,856	12,732
EXPENDITURES:				
Current:				
General government	13,120	13,120	11,265	1,855
Capital outlay	-	238,437	238,437	-
Total expenditures	13,120	251,557	249,702	1,855
REVENUES OVER (UNDER) EXPENDITURES	86,880	189,567	204,154	14,587
OTHER FINANCING SOURCES (USES):				
Transfers out	(90,000)	(211,836)	(434,627)	(222,791)
Total other financing sources (uses)	(90,000)	(211,836)	(434,627)	(222,791)
Net change in fund balance	\$ (3,120)	\$ (22,269)	(230,473)	\$ (208,204)
FUND BALANCE:				
Beginning of year			678,018	
End of year			<u>\$ 447,545</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

HOME Special Revenue Fund

For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,130	\$ 1,130	\$ 75,134	\$ 74,004
Investment income	2,000	2,000	79,119	77,119
Total revenues	3,130	3,130	154,253	151,123
EXPENDITURES:				
Current:				
General government	3,130	78,130	3,035	75,095
Development	-	925,000	118,033	806,967
Total expenditures	3,130	1,003,130	121,068	882,062
Net change in fund balance	\$ -	\$ (1,000,000)	33,185	\$ 1,033,185
FUND BALANCE:				
Beginning of year			7,224,796	
End of year			<u>\$ 7,257,981</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Park-in-Lieu Capital Projects Fund For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 485,000	\$ 296,118	\$ (188,882)
Charges for services	2,262,120	2,262,120	272,039	(1,990,081)
Investment income	10,000	10,000	14,594	4,594
Total revenues	2,272,120	2,757,120	582,751	(2,174,369)
EXPENDITURES:				
Capital outlay	1,956,000	2,811,428	1,413,554	1,397,874
Total expenditures	1,956,000	2,811,428	1,413,554	1,397,874
REVENUES OVER (UNDER) EXPENDITURES	316,120	(54,308)	(830,803)	(776,495)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	384,639	632,400	247,761
Total other financing sources (uses)	-	384,639	632,400	247,761
Net change in fund balance	\$ 316,120	\$ 330,331	(198,403)	\$ (528,734)
FUND BALANCE:				
Beginning of year			1,082,699	
End of year			<u>\$ 884,296</u>	

City of Buena Park

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

City Capital Projects Fund

For the year ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 11,522,390	\$ 8,604,011	\$ (2,918,379)
Charges for services	-	150,078	150,078	-
Investment income	-	-	11,881	11,881
Miscellaneous	-	70,000	-	(70,000)
Total revenues	-	11,742,468	8,765,970	(2,976,498)
EXPENDITURES:				
Current:				
Transportation	-	-	1,550	(1,550)
Capital outlay	-	13,440,193	9,672,613	3,767,580
Total expenditures	-	13,440,193	9,674,163	3,766,030
REVENUES OVER (UNDER) EXPENDITURES	-	(1,697,725)	(908,193)	789,532
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,402,328	1,098,919	(1,303,409)
Total other financing sources (uses)	-	2,402,328	1,098,919	(1,303,409)
Net change in fund balance	\$ -	\$ 704,603	190,726	\$ (513,877)
FUND BALANCE:				
Beginning of year			(710,198)	
End of year			<u>\$ (519,472)</u>	

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INTERNAL SERVICE FUNDS

Workers' Compensation Insurance Fund accounts for all workers' compensation self-insurance activities.

Public Liability Self-Insurance Fund accounts for the cost of providing general liability insurance coverage to the various City departments. Such costs are charged to the departments at a fixed rate.

Accrued Leave Fund accounts for vacation and sick leave pay-out to retiring employees.

Equipment Maintenance and Replacement Fund accounts for the costs of movable equipment used by other City departments. Such costs are based upon actual usage at a fixed rate throughout the year.

Buildings and Grounds Maintenance Fund accounts for the costs of maintaining City buildings and grounds. Such costs are charged to the various departments based upon each department's estimated usage of the buildings and surrounding grounds.

Management Information Systems Fund accounts for the the costs of providing computer equipment and maintenance to the various City departments. Such costs are based upon the number of computer users in each department.

City of Buena Park
Combining Statement of Net Position
Internal Service Funds
June 30, 2020

	Workers' Compensation Insurance	Public Liability Self -Insurance
ASSETS		
Current assets:		
Cash and investments	\$ 3,768,745	\$ 1,935,006
Accounts receivable, net	25,512	-
Interest receivable	10,587	5,450
Loans receivable	-	-
Total current assets	<u>3,804,844</u>	<u>1,940,456</u>
Noncurrent assets:		
Capital assets:		
Depreciable, net	-	-
Total capital assets	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>-</u>	<u>-</u>
Total assets	<u>3,804,844</u>	<u>1,940,456</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred employer pension contributions	-	-
Deferred outflows of resources - pension	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable	28,069	26,597
Accrued liabilities	-	-
Employee leave benefits - due within one year	-	-
Claims payable - due within one year	100,000	-
Total current liabilities	<u>128,069</u>	<u>26,597</u>
Noncurrent liabilities:		
Employee leave benefits - due in more than one year	-	-
Claims payable - due in more than one year	6,031,466	649,835
Net pension liability	-	-
Total noncurrent liabilities	<u>6,031,466</u>	<u>649,835</u>
Total liabilities	<u>6,159,535</u>	<u>676,432</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>
NET POSITION		
Investment in capital assets	-	-
Unrestricted	<u>(2,354,691)</u>	<u>1,264,024</u>
Total Net Position	<u>\$ (2,354,691)</u>	<u>\$ 1,264,024</u>

Accrued Leave	Equipment Maintenance & Replacement	Buildings and Grounds Maintenance	Management Information System	Total
\$ 696,347	\$ 5,588,478	\$ 1,349,734	\$ 1,722,562	\$ 15,060,872
-	363	-	-	25,875
1,961	15,739	3,801	4,757	42,295
-	18,630	-	-	18,630
698,308	5,623,210	1,353,535	1,727,319	15,147,672
-	2,755,398	11,587	138,718	2,905,703
-	2,755,398	11,587	138,718	2,905,703
-	2,755,398	11,587	138,718	2,905,703
698,308	8,378,608	1,365,122	1,866,037	18,053,375
-	105,684	85,134	26,421	217,239
-	19,882	16,015	4,970	40,867
-	125,566	101,149	31,391	258,106
-	58,230	158,361	74,793	346,050
-	18,473	16,356	5,137	39,966
-	10,000	11,000	-	21,000
-	-	-	-	100,000
-	86,703	185,717	79,930	507,016
-	2,332	46,992	-	49,324
-	-	-	-	6,681,301
-	1,074,021	865,182	268,504	2,207,707
-	1,076,353	912,174	268,504	8,938,332
-	1,163,056	1,097,891	348,434	9,445,348
-	15,745	12,683	3,937	32,365
-	15,745	12,683	3,937	32,365
-	2,755,398	11,587	138,718	2,905,703
698,308	4,569,975	344,110	1,406,339	5,928,065
\$ 698,308	\$ 7,325,373	\$ 355,697	\$ 1,545,057	\$ 8,833,768

City of Buena Park
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the year ended June 30, 2020

	Workers' Compensation Insurance	Public Liability Self -Insurance
OPERATING REVENUES		
Charges for services	\$ 744,307	\$ -
Total operating revenues	744,307	-
OPERATING EXPENSES		
Self-insurance	673,214	1,192,860
Employee benefits	-	-
Maintenance and supplies	-	-
Information systems	-	-
Depreciation	-	-
Total operating expenses	673,214	1,192,860
Operating income (loss)	71,093	(1,192,860)
NONOPERATING REVENUES		
Investment income	119,487	56,527
Total nonoperating revenues (expenses)	119,487	56,527
INCOME (LOSS) BEFORE TRANSFERS	190,580	(1,136,333)
Transfers in	-	1,145,000
Transfers out	(126,200)	-
Total transfers	(126,200)	1,145,000
Change in net position	64,380	8,667
NET POSITION:		
Beginning of year	(2,419,071)	1,255,357
End of Year	\$ (2,354,691)	\$ 1,264,024

Accrued Benefits	Equipment Maintenance & Replacement	Buildings and Grounds Maintenance	Management Information System	Total
\$ 178,143	\$ 2,034,855	\$ 2,393,522	\$ 214,430	\$ 5,565,257
178,143	2,034,855	2,393,522	214,430	5,565,257
-	-	-	-	1,866,074
222,035	-	-	-	222,035
-	1,377,149	2,310,018	-	3,687,167
-	-	-	433,193	433,193
-	525,060	1,810	56,331	583,201
222,035	1,902,209	2,311,828	489,524	6,791,670
(43,892)	132,646	81,694	(275,094)	(1,226,413)
23,436	179,695	44,009	54,830	477,984
23,436	179,695	44,009	54,830	477,984
(20,456)	312,341	125,703	(220,264)	(748,429)
-	369,754	-	33,500	1,548,254
-	-	(15,000)	-	(141,200)
-	369,754	(15,000)	33,500	1,407,054
(20,456)	682,095	110,703	(186,764)	658,625
718,764	6,643,278	244,994	1,731,821	8,175,143
\$ 698,308	\$ 7,325,373	\$ 355,697	\$ 1,545,057	\$ 8,833,768

City of Buena Park
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2020

	Workers' Compensation Insurance	Public Liability Self -Insurance
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from other funds	\$ 729,403	\$ -
Cash payments to suppliers for goods and services	(792,193)	(1,085,399)
Cash paid to employees	-	-
Net cash provided by (used in) operating activities	(62,790)	(1,085,399)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in	-	1,145,000
Transfers out	(126,200)	-
Net cash provided by (used in) noncapital financing activities	(126,200)	1,145,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	-	-
Net cash (used in) capital and related financing activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income received	125,044	53,817
Net cash provided by investing activities	125,044	53,817
Net increase (decrease) in cash and cash equivalents	(63,946)	113,418
CASH AND CASH EQUIVALENTS:		
Beginning of year	3,832,691	1,821,588
End of year	\$ 3,768,745	\$ 1,935,006
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 71,093	\$ (1,192,860)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	-	-
Changes in assets and liabilities:		
Accounts receivable	(14,904)	-
Loans receivable	-	-
Prepaid items	14,284	-
Deferred outflows of resources - pension	-	-
Accounts payable	27,140	(8,896)
Accrued liabilities	-	-
Employee leave benefits	-	-
Claims payable	(160,403)	116,357
Net pension liability	-	-
Deferred inflows of resources - pension	-	-
Total adjustments	(133,883)	107,461
Net cash provided by (used in) operating activities	\$ (62,790)	\$ (1,085,399)

Accrued Benefits	Equipment Maintenance & Replacement	Buildings and Grounds Maintenance	Management Information System	Total
\$ 178,143	\$ 2,035,479	\$ 2,393,522	\$ 214,430	\$ 5,550,977
10,705	(994,408)	(1,843,980)	(320,162)	(5,025,437)
(232,740)	(289,334)	(305,078)	(79,209)	(906,361)
(43,892)	751,737	244,464	(184,941)	(380,821)
-	369,754	-	33,500	1,548,254
-	-	(15,000)	-	(141,200)
-	369,754	(15,000)	33,500	1,407,054
-	(803,304)	-	(51,995)	(855,299)
-	(803,304)	-	(51,995)	(855,299)
24,376	184,332	44,624	57,336	489,529
24,376	184,332	44,624	57,336	489,529
(19,516)	502,519	274,088	(146,100)	660,463
715,863	5,085,959	1,075,646	1,868,662	14,400,409
<u>\$ 696,347</u>	<u>\$ 5,588,478</u>	<u>\$ 1,349,734</u>	<u>\$ 1,722,562</u>	<u>15,060,872</u>
\$ (43,892)	\$ 132,646	\$ 81,694	\$ (275,094)	\$ (1,226,413)
-	525,060	1,810	56,331	583,201
-	(363)	-	-	(15,267)
-	987	-	-	987
-	-	-	-	14,284
-	(545)	(438)	(136)	(1,119)
-	29,526	94,177	16,995	158,942
-	5,456	4,988	1,206	11,650
-	(4,059)	11,461	-	7,402
-	-	-	-	(44,046)
-	61,875	49,842	15,468	127,185
-	1,154	930	289	2,373
-	556,062	111,998	74,396	845,592
<u>\$ (43,892)</u>	<u>\$ 751,737</u>	<u>\$ 244,464</u>	<u>\$ (184,941)</u>	<u>\$ (380,821)</u>

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AGENCY FUNDS

CFD Mall Agency Fund accounts for assets and liabilities related to the Community Facilities District Buena Park Mall.

Buena Park Tourism Marketing District Agency Fund accounts for assets and liabilities related to the Buena Park Tourism Marketing District.

City of Buena Park
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2020

	Buena Park CFD Mall	Buena Park Tourism Marketing District	Total Agency Funds
Assets:			
Cash and investments	\$ -	\$ 500,907	\$ 500,907
Accounts receivable	-	34,588	34,588
Restricted cash and investments	6,288,520	-	6,288,520
Total assets	\$ 6,288,520	\$ 535,495	\$ 6,824,015
Liabilities:			
Accounts payable	\$ -	\$ 11,307	\$ 11,307
Deposits payable	-	524,188	524,188
Due to bondholders	6,288,520	-	6,288,520
Total liabilities	\$ 6,288,520	\$ 535,495	\$ 6,824,015

City of Buena Park
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
CFD Mall Agency Fund				
Assets:				
Restricted cash and investments	\$ 6,526,222	\$ -	\$ 237,702	\$ 6,288,520
Total assets	\$ 6,526,222	\$ -	\$ 237,702	\$ 6,288,520
Liabilities:				
Due to bondholders	\$ 6,526,222	\$ -	\$ 237,702	\$ 6,288,520
Total liabilities	\$ 6,526,222	\$ -	\$ 237,702	\$ 6,288,520
Buena Park Tourism Marketing District				
Assets:				
Cash and investments	\$ 578,250	\$ 1,130,994	\$ 1,208,337	\$ 500,907
Accounts receivable	142,549	34,588	142,549	34,588
Restricted cash and investments	25,000	-	25,000	-
Total assets	\$ 745,799	\$ 1,165,582	\$ 1,375,886	\$ 535,495
Liabilities:				
Accounts payable	\$ 39,894	\$ 11,307	\$ 39,894	\$ 11,307
Deposits payable	705,905	1,154,275	1,335,992	524,188
Total liabilities	\$ 745,799	\$ 1,165,582	\$ 1,375,886	\$ 535,495
Total Agency Funds				
Assets:				
Cash and investments	\$ 578,250	\$ 1,130,994	\$ 1,208,337	\$ 500,907
Accounts receivable	142,549	34,588	142,549	34,588
Restricted cash and investments	6,551,222	-	262,702	6,288,520
Total assets	\$ 7,272,021	\$ 1,165,582	\$ 1,613,588	\$ 6,824,015
Liabilities:				
Accounts payable	\$ 39,894	\$ 11,307	\$ 39,894	\$ 11,307
Deposits payable	705,905	1,154,275	1,335,992	524,188
Due to bondholders	6,526,222	-	237,702	6,288,520
Total liabilities	\$ 7,272,021	\$ 1,165,582	\$ 1,613,588	\$ 6,824,015

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