

ACFR

2023

FOR THE YEAR ENDED JUNE 30, 2023
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

City of
BUENA PARK
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THEIR
SERVICE



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SACRIFICE

CITY OF BUENA PARK, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended June 30, 2023

Prepared by
Finance Division

**City of Buena Park
Annual Comprehensive Financial Report
Year Ended June 30, 2023**

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INTRODUCTORY SECTION

December 29, 2023

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

It is my pleasure to submit the Annual Comprehensive Financial Report (ACFR) of the City of Buena Park (the City) for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The City's financial statements have been audited by Van Lant & Fankhanel, LLP, a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2023. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the specific needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Buena Park's MD&A can be found immediately following the report of the independent auditors.

City of Buena Park Profile

The City of Buena Park was incorporated on January 27, 1953, as a General Law City. In November 2008, voters adopted a City Charter. The City of Buena Park is located at the northwest edge of Orange County, which is located in the southwestern part of the

California. It occupies a land area of 10.27 square miles and provides a full range of services, including police protection, street and other infrastructure construction and maintenance, and recreational activities to its population of 83,517.

The City of Buena Park operates under the council-manager form of government. In 2016, the City adopted a by-district voting system. The by-district voting system replaced the previous at-large electoral voting system. The new system includes five voting districts, which are represented by elected council members that live in each area. The City Council's five members provide the policy-setting and legislative functions of the City for four-year overlapping terms. Elections are held in November of even-numbered years, with either two or three seats to be filled. The Mayor is elected by City Council for a one-year term and is the presiding officer of the Council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Clerk, and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The annual budget serves as the foundation for the City's financial planning and policy making. The City Manager presents the proposed budget to the City Council for review prior to the beginning of each fiscal year. The budget is prepared according to fund, function (e.g., public safety), and department (e.g., police). The City Manager or Department Heads may make certain transfers of appropriations within a department. However, the City Manager's approval is required to transfer resources from an operating account to a capital account and to transfer appropriations between departments.

The financial activities of the Buena Park Public Financing Authority, for which the City serves as the governing body, are also included in this report.

Local Economy

Buena Park is home to the world-famous Knott's Berry Farm, one of the nation's most popular and largest theme amusement parks. Also located in Buena Park are the Medieval Times Dinner and Tournament, Pirate's Dinner Adventure, and Knott's Soak City. These attractions drive the tourism industry in the City.

In addition to the entertainment-type businesses, Buena Park also offers a complete selection of hotels, restaurants, commercial centers, office complexes, business parks, and the Buena Park Mall. Major nationally recognized employers in the City of Buena Park include Access Business Group, Leach Corporation, and Yamaha. The City's Auto Center includes dealers of BMW, Buick/GMC, Cadillac, Chevrolet, Chrysler/Dodge/Jeep/Ram, Ford, Honda, Mercedes-Benz, Nissan, Tesla, and Toyota vehicles, as well as a CarMax Auto Superstore.

The local economy continues to remain in moderately positive territory. Cautionary factors such as inflationary pressures and continued recessionary fears remain concerns that may affect economic growth. Global supply chain issues also remain a concern, as well as the continuing events in Europe and the Middle East. Overall, the outlook continues to be moderately positive, but staff continues to monitor the City's exposure to these potentially changing economic conditions.

Major Initiatives

The City is committed to maintaining the quality of life our residents expect and rely on. As a part of this continuing goal, the City rolled out “Speak Up Buena Park!”, a comprehensive survey of the City’s residents to identify the services and priorities that are the most important to the community. The ongoing survey is available through direct mailing, the City’s website, and at community events.

The City continues to address the growing impacts of homelessness by operating the Buena Park Navigation Center. This facility is a 150 bed homeless shelter that serves as transitional housing for those living on the streets and provides a stable setting with healthcare and other services. The long-term goal is to provide clients with the resources they need to permanently transition off the streets. The Center serves the North Orange County Service Planning Area (North SPA), which consists of 13 cities. Funding for the project was provided, largely in part, by the State through the Homeless Emergency Aid Program (HEAP) grant obtained by the North SPA.

The City has completed the following capital improvement projects in FY2022-23:

- Security Cameras and Lighting Upgrades
- Orangethorpe Ave. Rehabilitation, Indiana to Kass
- Dodds Street Rehabilitation
- Eighth Street Rehabilitation
- Local Roadway Safety Plan
- Ehlers Plaza Exterior Improvements
- Ehlers Heritage Hall Improvements
- Indiana Waterline Improvements
- Tree Tract Waterline Connection
- Waterline Abandonment @ Franklin
- Tenth Street Sewer Improvement
- Knott @ Orangethorpe Sewer Repair

Long-term Financial Planning

The City’s 2035 General Plan establishes policy direction for the long-range planning and growth of the City. As a part of the General Plan, the City adopted the following economic principles and goals:

- *FISCAL STABILITY*
 - The City of Buena Park seeks fiscal stability and continued financial growth. Stability will enhance opportunity for economic growth sectors of the community.
- *TAX BASE REVENUE GROWTH*
 - Economic growth can bring many benefits to the community, including jobs, housing, and new revenue. New growth will lead to higher tax revenue, thus benefiting residents and the community directly by enhancing many of the public services the City provides. The City will continue to collaborate with the business community to facilitate growth, development, and infrastructure improvements that benefit residents and businesses alike.

- **DIVERSITY**
 - Buena Park understands that part of its economic stronghold stems from its employment diversity of office, retail, manufacturing, and industrial businesses. Retaining and expanding these businesses will continue the economic benefits the City maintains, as well as those seeking employment opportunities in Buena Park.
- **BUSINESS RETENTION AND ATTRACTION**
 - Business retention and attraction are top priorities for Buena Park. The City takes great pride in the long, established history of the many business establishments in the City.
- **JOBS-HOUSING BALANCE**
 - Future mixed-use development in focus areas of the City will provide greater opportunity for jobs-housing balancing.
- **ENTERTAINMENT CORRIDOR AND TOURISM**
 - The Entertainment Corridor along Beach Boulevard provides multiple attractions and destinations for visitors to Buena Park. The City will continue to seek opportunities to grow and expand the experience for tourists who visit Buena Park.
- **REVITALIZATION OF AGING CENTERS**
 - Buena Park recognizes the need to revitalize its older commercial areas and support reinvestment and business growth in these areas. Encouraging economic growth can also help meet identified community needs.
- **RETAIL SECTOR**
 - The stability and growth of the retail sector is vital to the economic well being of the City. Retail opportunities need to respond to both the residents and visitors of Buena Park.
- **MIX OF INDUSTRIAL AND OFFICE USES**
 - A primary factor in identifying focus areas in the City is the need to revitalize and reinvent industrial and office uses to respond to the needs and interests that seek these uses.

There are policies within each principle and goal that provide direction for decision making that encourages economic growth while also maintaining and improving the quality of life in the community. Additionally, the City Council updated the City's Strategic Plan for 2018-2020. The City continues to identify fiscal stability as a major plan goal. It is one of the many guiding factors when preparing the City's annual budget.

The City Council's approved long-term financial planning policies and principles, along with other approved policies and goals, form the basis for allocating resources to provide quality services and sustaining fiscal health.

The continuing enhancement of the City's main corridor, Beach Boulevard, remains a priority, with plans for new restaurants, hotels, and venues.

Government Finance Officers Association of the United States and Canada (GFOA)
Certificate of Achievement Award

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Buena Park for its annual comprehensive financial report for the year ended June 30, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

The preparation and publication of this report could not be accomplished without the dedication, professionalism, and teamwork of the Finance Department staff. I would like to express my sincere appreciation to all the members of the Finance Department. In addition, I want to acknowledge the efforts of the City's independent auditors, Van Lant & Fankhanel, LLP, who assisted in the preparation of this report. Finally, I would like to thank the City Manager and the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Sung Hyun
Director of Finance

CITY OF BUENA PARK
List of Principal Officials

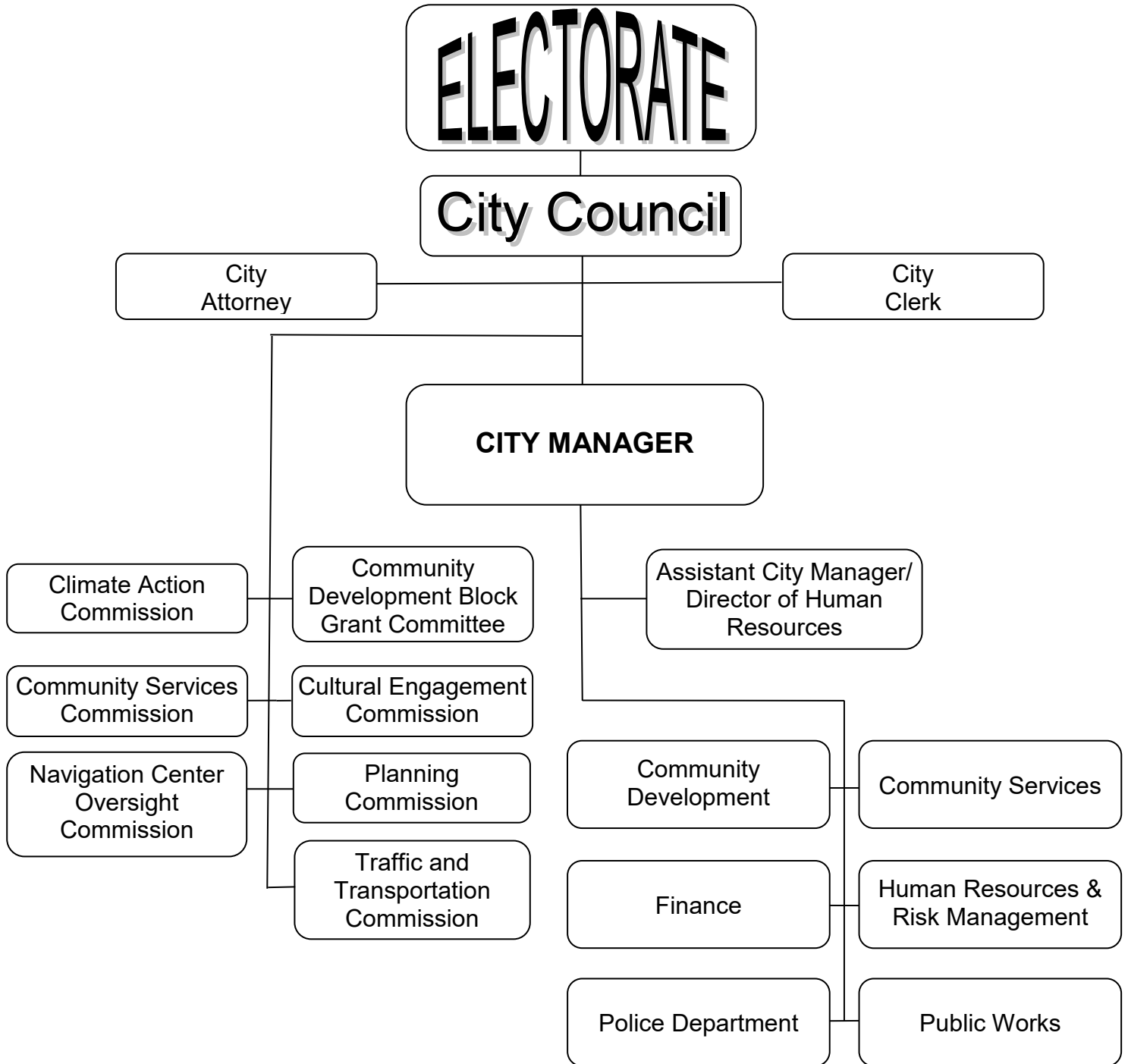
CITY COUNCIL

Mayor Susan Sonne
Mayor Pro-Tem Joyce Ahn
Council Member Arthur C. Brown
Council Member José Trinidad Castañeda
Council Member Connor Traut

ADMINISTRATION AND DEPARTMENT HEADS

City Manager Aaron France
City Attorney Christopher Cardinale
Director of Government and Community Relations (City Clerk) Adria M. Jimenez
Assistant City Manager/Director of Human Resources Eddie Fenton
Director of Community Development Matt Foulkes
Director of Community Services James Box
Director of Finance Sung Hyun
Police Chief Frank Nunes
Director of Public Works/City Engineer Mina Mikhael

CITY OF BUENA PARK
Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Buena Park
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

The Honorable City Council
City of Buena Park, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Buena Park (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Buena Park, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 15 to the financial statements, in 2023, the City adopted new accounting guidance, *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

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

Van Lant & Fankhanel, LLP

29970 Technology Drive, Suite 105 A
Murrieta, CA 92563
909.856.6879

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining statements and individual fund schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023, on our consideration of the City of Buena Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Van Lant & Fankhaed, LLP

December 29, 2023

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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, 2023. 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 2022-23 by \$307,654,000. Assets and deferred outflows for governmental activities and business-type activities exceeded liabilities and deferred inflows by \$251,119,000 and \$56,535,000, 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, \$283,906,000. 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 decreased by \$7,785,000, and the business-type activities increased by \$1,020,000. The change in net position in governmental and business-type activities is primarily due to increases in investment income, sales and use taxes, transient occupancy taxes (TOT), property taxes, franchise taxes and other taxes offset by decreases in operating grants and contributions and increases in employee salaries and public protection expenditures. The increase in transient occupancy tax stems from increases in tourism and hotel stays due to the easing of restrictions caused by the COVID-19 public health crisis and economic inflationary pressures. Increases in property taxes are primarily due to the continued increases in the City's assessed property valuation. General revenue increases were offset by decreases in operating grants and contributions primarily due to the receipt in the prior fiscal year 2021-22 of approximately \$10 million in American Rescue Plan Act (ARPA) funds that were not received in the current fiscal year. The decrease in net position was also affected by increases in employee salaries & benefits, and higher public safety contractual obligations. On August 17th, 2021 the City issued \$96,385,000 of Pension Obligation Bonds bearing one of the lowest interest rates in California to pay the Unfunded Accrued Liability (UAL) owed to CALPERS. It is anticipated that refinancing the pension obligation will significantly reduce the City's pension costs in the form of future annual debt service payments year over year.
- As of June 30, 2023, the City's governmental funds reported combined ending fund balances of \$135,469,000, an increase of \$15,122,000 compared to the prior fiscal year. Approximately 36% of the fund balance, or \$48,839,000, 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, 2023

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, 2023

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, 2023

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, 2023

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 17 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, and the Housing Successor Special Revenue Fund, both of which are considered to be major funds. Data from the remaining 15 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 Fund. 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

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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 Custodial 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, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets	\$ 482,352	\$ 468,629	\$ 13,723	2.93%
Liabilities	(183,424)	(222,197)	38,773	(17.45%)
Deferred Outflow of Resources	67,800	120,137	(52,337)	(43.56%)
Deferred Inflow of Resources	(59,074)	(52,149)	(6,925)	13.28%
Net Position	<u>\$ 307,654</u>	<u>\$ 314,419</u>	<u>\$ (6,765)</u>	(2.15%)
Unrestricted net position	<u>\$ (12,355)</u>	<u>\$ (2,935)</u>	<u>\$ (9,420)</u>	(320.95%)
Long-term debt	<u>\$ 162,578</u>	<u>\$ 200,886</u>	<u>\$ (38,308)</u>	(19.07%)
Program revenues	<u>\$ 46,778</u>	<u>\$ 54,729</u>	<u>\$ (7,951)</u>	(14.53%)
Taxes	<u>\$ 75,353</u>	<u>\$ 69,905</u>	<u>\$ 5,448</u>	7.79%
Other general revenues	<u>\$ 2,051</u>	<u>\$ (1,660)</u>	<u>\$ 3,711</u>	223.55%
Expenses	<u>\$ 130,985</u>	<u>\$ 108,962</u>	<u>\$ 22,023</u>	20.21%

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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, 2023, and 2022 is as follows:

Governmental Activities:

	June 30, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets:				
Current and other Assets	\$ 163,152	\$ 148,199	\$ 14,953	10.09%
Capital Assets, net	248,278	250,497	(2,219)	(0.89%)
Total Assets	<u>411,430</u>	<u>398,696</u>	<u>12,734</u>	3.19%
Deferred Outflows	<u>66,194</u>	<u>115,429</u>	<u>(49,235)</u>	(42.65%)
Liabilities:				
Current Liabilities	15,381	15,844	(463)	(2.92%)
Noncurrent Liabilities	152,050	188,823	(36,773)	(19.47%)
Total Liabilities	<u>167,431</u>	<u>204,667</u>	<u>(37,236)</u>	(18.19%)
Deferred Inflows	<u>59,074</u>	<u>50,554</u>	<u>8,520</u>	16.85%
Net Position:				
Net Investment in				
Capital Assets	239,675	241,497	(1,822)	(0.75%)
Restricted	49,291	45,961	3,330	7.25%
Unrestricted	<u>(37,847)</u>	<u>(28,554)</u>	<u>(9,293)</u>	(32.55%)
Total Net Position	<u>\$ 251,119</u>	<u>\$ 258,904</u>	<u>\$ (7,785)</u>	(3.01%)

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities:

	June 30, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets:				
Current and other Assets	\$ 35,294	\$ 35,146	\$ 148	0.42%
Capital Assets, net	35,628	34,786	842	2.42%
Total Assets	<u>70,922</u>	<u>69,932</u>	<u>990</u>	1.42%
Deferred Outflows	<u>1,606</u>	<u>4,708</u>	<u>(3,102)</u>	(65.89%)
Liabilities:				
Current Liabilities	5,465	5,468	(3)	(0.05%)
Noncurrent Liabilities	<u>10,528</u>	<u>12,062</u>	<u>(1,534)</u>	(12.72%)
Total Liabilities	<u>15,993</u>	<u>17,530</u>	<u>(1,537)</u>	(8.77%)
Deferred Inflows	<u>-</u>	<u>1,596</u>	<u>(1,596)</u>	(100.00%)
Net Position:				
Net Investment in				
Capital Assets	31,043	29,895	1,148	3.84%
Unrestricted	<u>25,492</u>	<u>25,620</u>	<u>(128)</u>	(0.50%)
Total Net Position	<u>\$ 56,535</u>	<u>\$ 55,515</u>	<u>\$ 1,020</u>	1.84%

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, \$49,291,000 for governmental activities, are subject to external (legally imposed or statutory) restrictions on how they may be used. This amount represents 20% of the net position for governmental activities. The unrestricted portion (\$37,847,000) for governmental activities and \$25,492,000 for business-type activities are the resources that can be used to finance day-to-day operations without constraints. The unrestricted net position represents (15%) and 45% of the net position for governmental and business-type activities, respectively.

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CITY OF BUENA PARK
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June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

For governmental and business-type activities, the net position decreased by \$6,765,000. The changes in net position in governmental and business-type activities are primarily due to increases in investment income, sales and use taxes, transient occupancy taxes (TOT), property taxes, franchise taxes and other taxes offset by decreases in operating grants and contributions, and an increase in public protection expenditures. Investment income increased by \$1,724,000, or 125%, over the prior fiscal year and is due to increased return on investments and an adjustment to the fair market value of city held investments. General tax revenues increased moderately over the previous fiscal year. Transient occupancy taxes increased by 14% over last fiscal year primarily due to the easing of COVID-19 restrictions and upward inflationary trends. Sales and use taxes increased moderately by 5% over the prior year compared to a 22% increase last year. Operating grants and contributions decreased by 54% primarily due to the receipt of \$10 million in American Rescue Plan Act (ARPA) funds received in the prior fiscal year but not in the current fiscal year.

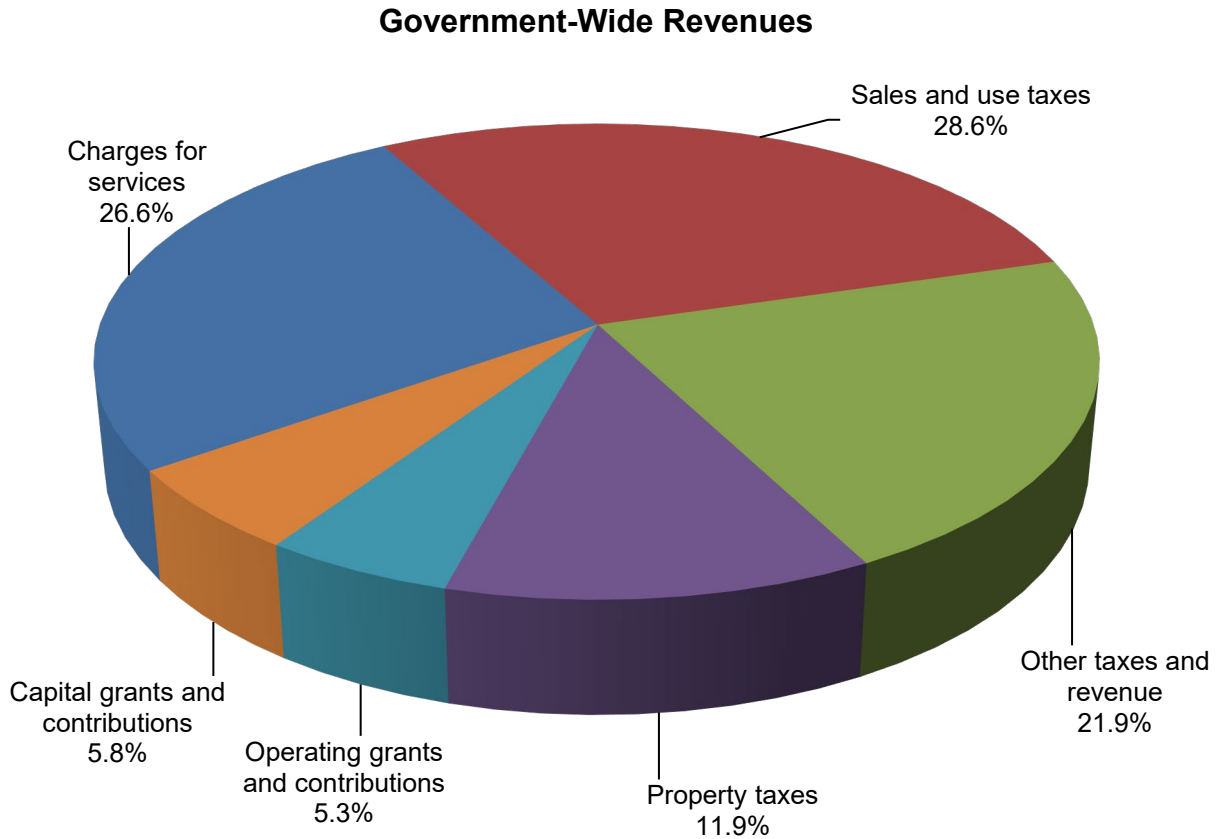
Expenses in the governmental activities increased by \$21,395 or 23% primarily due to increases in employee salaries and benefits, reduced employee turnover, and increases to the cost of contractual obligations for fire protection services paid to the Orange County Fire Authority. Increased expenditures 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 8 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. On August 17th, 2021 the City issued \$96,385,000 of Pension Obligation Bonds to pay the Unfunded Accrued Liability (UAL) owed to CALPERS. It is anticipated that refinancing these pension obligations will greatly reduce the City's pension costs in the form of future annual debt service payments year over year. 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).

Restricted net position increased by \$3,330,000 to \$49,291,000. These assets are committed for special programs or projects, and for contractor and vendor obligations. Unrestricted net position decreased by \$9,293,000, from \$(28,554,000) to \$(37,847,000). The total net position as of June 30, 2023, is \$307,654,000.

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

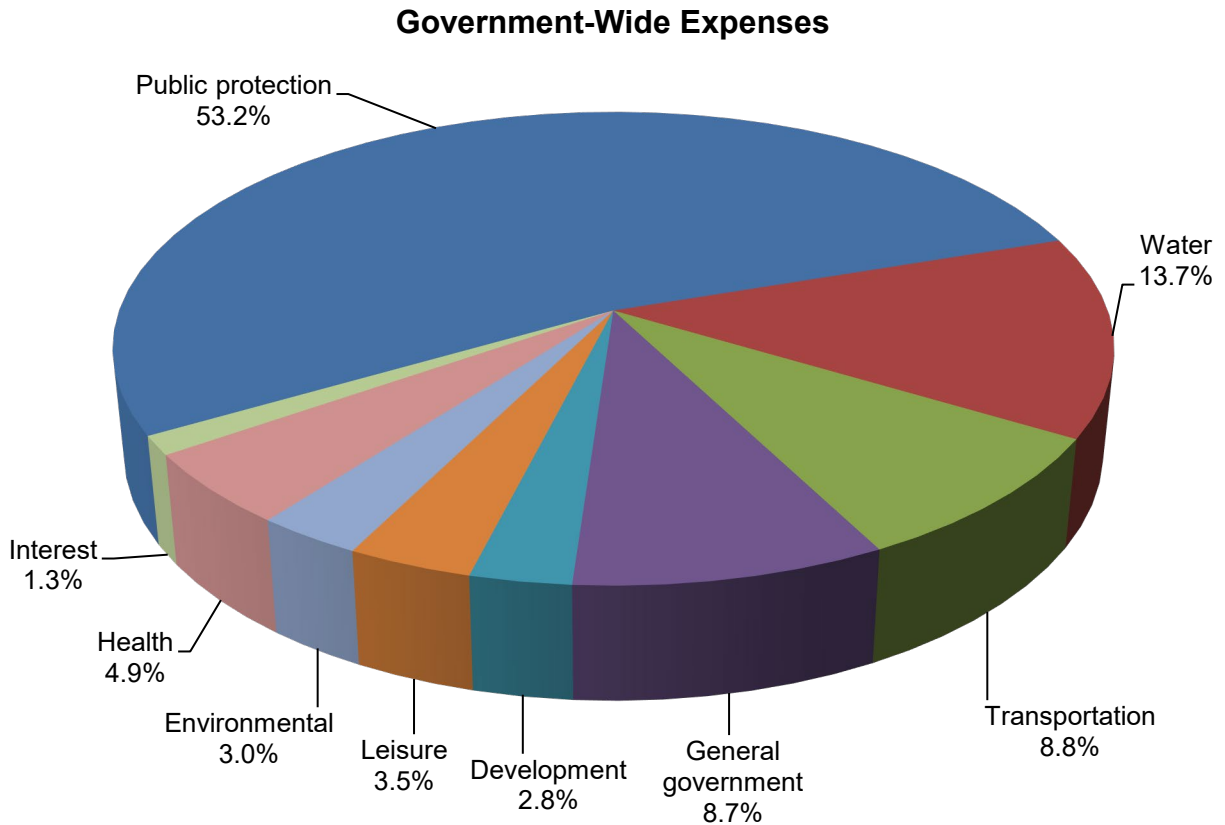


Total government-wide revenue for governmental and business-type activities is \$124,183,000 in FY 2022-23, an increase of \$1,210,000, or 1%, compared to \$122,973,000 in the prior year. Program revenue is \$46,778,000, or 38%, of the total revenue, which represents charges for services, grants, and contribution revenues. General revenue is the remaining \$77,405,000, or 62%, which is primarily comprised of various tax revenues.

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CITY OF BUENA PARK
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



Total government-wide expenses for governmental and business-type activities is \$130,985,000 in FY 2022-23, an increase of \$22,022,000, or 20%, compared to \$108,963,000 in the prior year. Consistent with the past years, the public protection expenses are the largest expense for the City, which is \$69,641,000, or 53%, of the total expenses. The water utility cost is the second largest expense, which represents \$17,963,000, or 14%, of the total expenses.

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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

	June 30, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Program Revenues:				
Charges for services	\$ 14,130	\$ 14,018	\$ 112	0.80%
Operating grants and contributions	6,588	14,170	(7,582)	(53.51%)
Capital grants and contributions	7,164	6,600	564	8.55%
Total Program Revenues	<u>27,882</u>	<u>34,788</u>	<u>(6,906)</u>	<u>(19.85%)</u>
General Revenues:				
Property taxes	14,778	13,816	962	6.96%
Sales and use taxes	35,466	33,640	1,826	5.43%
Transient occupancy taxes	7,481	6,572	909	13.83%
Franchise taxes	2,328	2,001	327	16.34%
Other taxes	15,300	13,876	1,424	10.26%
Investment income	347	(1,377)	1,724	125.20%
Other Revenue	1,425	553	872	157.69%
Total General Revenues	<u>77,125</u>	<u>69,081</u>	<u>8,044</u>	<u>11.64%</u>
Total Revenues	<u>105,007</u>	<u>103,869</u>	<u>1,138</u>	<u>1.10%</u>
Expenses:				
General government	11,457	10,385	1,072	10.32%
Leisure	4,593	4,112	481	11.70%
Health	6,456	6,525	(69)	(1.06%)
Transportation	11,554	10,738	816	7.60%
Public Protection	69,641	50,719	18,922	37.31%
Development	3,720	4,134	(414)	(10.01%)
Environmental	3,894	3,782	112	2.96%
Interest expense	1,706	1,232	474	38.47%
Total Expenses	<u>113,022</u>	<u>91,627</u>	<u>21,395</u>	<u>23.35%</u>
Increase in Net Position before before transfers	<u>(8,015)</u>	<u>12,242</u>	<u>(20,257)</u>	<u>(165.47%)</u>
Transfers	193	171	22	12.87%
Extraordinary Item	-	-	-	
Change in Net Position	<u>(7,822)</u>	<u>12,413</u>	<u>(20,235)</u>	<u>(163.01%)</u>
Net Position - Beginning of Year as Restated	<u>258,941</u>	<u>246,491</u>	<u>12,450</u>	<u>5.05%</u>
Net Position - End of Year	\$ 251,119	\$ 258,904	\$ (7,785)	(3.01%)

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The cost of all governmental activities for fiscal year 2022-23 is \$113,022,000. However, as reported in the Statement of Activities, the amount that the taxpayers ultimately financed for these activities is \$85,140,000. Some of the cost is borne by those who directly benefited from the programs (\$14,130,000), or by other governments and organizations that subsidized certain programs with operating grants and contributions (\$6,588,000), or with capital grants and contributions (\$7,164,000). The City's governmental program revenues are \$27,882,000. The City paid for the remaining "public benefit" portion of governmental activities with \$75,353,000 in taxes and general revenue (some of which could only be used for certain programs) and offset with \$1,722,000 in other revenues, such as interest and general entitlements.

Total resources available during the year to finance governmental operations is \$364,141,000, consisting of net position at July 1, 2022 of \$258,941,000, program revenues of \$27,882,000, general revenues of \$77,125,000, and transfers of \$193,000. Total expenses for governmental activities during the year are \$113,022,000, thus creating a net position of \$251,119,000 as of June 30, 2023.

Program revenues decreased by \$6,906,000, a change of (20%) from the prior year. The decrease is a temporary variance due to ARPA funding received in the prior year but not in the current fiscal year.

Total general revenues increased by \$8,044,000, a change of 12% from the previous year. This is primarily due to increases in sales and use taxes, transient occupancy taxes, property taxes, and franchise taxes. Sales and use taxes increased by \$1,826,000 or 5% over the previous year. The City's transient occupancy tax (TOT) increased by 909,000 or 14%, and property taxes increased by 962,000 or 7% compared to last year. Investment income increased by 125% due to realized returns on investments and the unrealized annual fair market value adjustment recorded for the City's investment portfolio.

Total expenses increased by \$21,395, a change of 23% from the previous year. This increase is mainly due to increases in employee salaries and benefits, the filling of employee vacancies, changes in actuarially determined pension costs, and increases to the cost of contractual obligations for fire protection services paid to the Orange County Fire Authority.

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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

	June 30, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Program Revenues:				
Charges for services	\$ 18,896	\$ 19,918	\$ (1,022)	(5.13%)
Operating grants & contributions	-	22		
Total Program Revenues	<u>18,896</u>	<u>19,940</u>	<u>(1,044)</u>	(5.24%)
General Revenues:				
Investment income	280	(836)	1,116	133.49%
Total General Revenues	<u>280</u>	<u>(836)</u>	<u>1,116</u>	133.49%
Total Revenues	<u>19,176</u>	<u>19,104</u>	<u>72</u>	0.38%
Expenses:				
Water utility	17,963	17,336	627	3.62%
Total Expenses	<u>17,963</u>	<u>17,336</u>	<u>627</u>	3.62%
Increase in Net Position before transfers	<u>1,213</u>	<u>1,768</u>	<u>(555)</u>	(31.39%)
Transfers	<u>(193)</u>	<u>(171)</u>	<u>(22)</u>	(12.87%)
Change in Net Position	<u>1,020</u>	<u>1,597</u>	<u>(577)</u>	(36.13%)
Net Position - Beginning of Year - As Restated	<u>55,515</u>	<u>53,918</u>	<u>1,597</u>	2.96%
Net Position - End of Year	<u>\$ 56,535</u>	<u>\$ 55,515</u>	<u>\$ 1,020</u>	1.84%

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The cost of all proprietary (business-type) activities in 2022-23 was \$17,963,000. As shown in the Statement of Activities and Changes in Net Position, the amount paid by users of the system is \$18,896,000, investment income totaled \$280,000, and transfers out are \$193,000. The beginning net position was \$55,515,000 and the ending net position was \$56,535,000. Of the ending net position, \$31,043,000, or 55%, was invested in capital assets, and \$25,492,000, or 45%, was unrestricted.

Total water revenues increased by \$72,000, a 1% change from the prior fiscal year. The change in water revenues is primarily due to a 5% decrease in water usage most likely due to an unusually rainy season in fiscal year 2022-23 that reduced the need for the irrigation of green spaces. This decrease was offset by an increase in investment income of \$1,116,000 or 133% compared to the previous fiscal year.

Water utility costs increased by \$627,000, or 4%, due to a combination of factors. These factors include an increase in salaries and benefits, a decrease in the wholesale cost to provide water to the public, and an increase in depreciation of capital assets. The change in the wholesale cost of water is due to an \$823,000 decrease in the cost of water purchased from the Metropolitan Water District. The reduction in purchased water is primarily due to a decreased irrigation water usage in fiscal year 2022-23 resulting from multiple atmospheric rivers that caused heavy rainfall from Dec 31st, 2022 to March 25th, 2023. 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 \$193,000. 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, \$22,000 to fund capital improvement projects, and \$69,000 to the Public Liability Fund for the Water Fund's portion of the earthquake insurance. Business type activities for the 2022-23 fiscal year increased net position by \$1,020,000.

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Total Fund Balances:				
General Fund	\$ 87,632	\$ 73,191	\$ 14,441	19.73%
Housing Successor Fund	25,911	25,650	261	1.02%
Other Governmental Funds	21,926	21,506	420	1.95%
 Total Fund Balances	 \$ 135,469	 \$ 120,347	 \$ 15,122	 12.57%

At the close of the current fiscal year, the City's governmental fund balances reported a combined ending balance of \$135,469,000, an increase of \$15,122,000 compared to the prior year.

The General Fund's fund balance is \$87,632,000, an increase of \$14,441,000 from the previous year. The increase in General Fund balances is primarily due to a increases in taxes, fines and forfeitures, and investment income, offset by increases in salaries and benefits and the termination of ARPA funding in fiscal year 2022-23. The Housing Successor fund increased by \$261,000 mostly due to increases in investment income and changes in deferred loans receivable. The purpose of these deferred loans is to provide funding for developers to provide low and moderate income housing to the population of Buena Park. Other Governmental Funds increased by \$420,000, or 2%, from the previous year primarily due to increases in State Gas Tax Funds, Measure M2 Funds, Park in Lieu Funds and the addition of State Opioid Settlement Funds. The balance in the State Gas tax fund, and the Measure M2 Fund will vary from year to year, depending on the costs incurred at various stages of different street projects. The Park in-lieu fund balance increased by \$804,000, or 35%, due to higher investment income and lower capital outlay offset by decreased park in-lieu fees received from developers for the acquisition, construction and improvement of City parks compared to prior years.

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

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CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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

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, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Total Net Position:				
Water Fund	\$ 56,535	\$ 55,515	\$ 1,020	1.84%
Internal Service Funds	8,576	7,892	684	8.67%
Total Net Position	\$ 65,111	\$ 63,407	\$ 1,704	2.69%
	June 30, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Unrestricted Net Position:				
Water Fund	\$ 25,492	\$ 25,620	\$ (128)	(0.50%)
Internal Service Funds	6,729	5,842	887	15.18%
Total Unrestricted Net Position	\$ 32,221	\$ 31,462	\$ 759	2.41%

The total net position of the Water Enterprise Fund increased \$1,020,000, and the unrestricted portion decreased by \$128,000.

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 \$640,000, or 9%, and the unrestricted portion increased by \$981,000, or 20%. The increase in net position is primarily due to decrease in the estimated outstanding claims payable in the public liability fund.

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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 6 of the financial statements.

As of June 30, 2023, the City's total debt decreased by \$37,846,000.

	Balance at June 30, 2022	Additions	Deletions	Balance at June 30, 2023
Governmental Activities:				
Claims payable	\$ 7,231	\$ 98	\$ (1,245)	\$ 6,084
Employee leave benefits	3,182	1,414	(1,334)	3,262
Net OPEB Liability	4,478	424	-	4,902
Net Pension Liability	79,236	-	(30,375)	48,861
2021 Pension Obligation Bonds	92,303	-	(4,937)	87,366
PFA-2017 Lease Revenue Bonds	8,625	-	(425)	8,200
Original Issuance Premium	376	-	(25)	351
Software Subscription Liability	-	106	(54)	52
Total Governmental Activities	<u>195,431</u>	<u>2,042</u>	<u>(38,395)</u>	<u>159,078</u>
Business-type Activities:				
Loans payable	4,890	-	(306)	4,584
Net Pension Liability	3,452	-	(982)	2,470
2021 Pension Obligation Bonds	4,082	-	(218)	3,864
Employee leave benefits	197	91	(78)	210
Total Business-type Activities	<u>12,621</u>	<u>91</u>	<u>(1,584)</u>	<u>11,128</u>
Total Long-Term Obligations	<u>\$ 208,052</u>	<u>\$ 2,133</u>	<u>\$ (39,979)</u>	<u>\$ 170,206</u>

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

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, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Governmental Activities:				
Rights-of-Way	\$ 48,894	\$ 48,894	\$ -	0.00%
Land	14,363	14,363	-	0.00%
Construction in progress	2,276	3,668	(1,392)	(37.95%)
Buildings	82,303	84,530	(2,227)	(2.63%)
Improvements	20,373	20,831	(458)	(2.20%)
Machinery and equipment	8,221	9,031	(810)	(8.97%)
Furniture and fixtures	998	1,121	(123)	(10.97%)
Infrastructure:				
Road system	67,395	64,509	2,886	4.47%
Storm drain system	3,365	3,551	(186)	(5.24%)
Right-to-Use Subscription Asset	90	-	90	N/A
Total Governmental Activities	248,278	250,498	(2,220)	(0.89%)

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

Capital Assets (Continued)

	June 30, 2023	June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Business-type Activities:				
Land	\$ 2	\$ 2	\$ -	0.00%
Construction in progress	1,402	726	676	93.11%
Buildings	35	39	(4)	(10.26%)
Improvements	2,171	1,566	605	38.63%
Pumps and reservoirs	6,953	7,320	(367)	(5.01%)
Hydrants, meters and connections	6,289	6,600	(311)	(4.71%)
Machinery and equipment	364	452	(88)	(19.47%)
Infrastructure:				
Wells	2,633	2,777	(144)	(5.19%)
Water and sewer lines	15,777	15,305	472	3.08%
Total Business type Activities	<u>35,627</u>	<u>34,786</u>	<u>841</u>	<u>2.42%</u>
Total Capital Assets	<u>\$ 283,905</u>	<u>\$ 285,284</u>	<u>\$ (1,379)</u>	<u>(0.48%)</u>

Capital assets from governmental activities decreased \$2,220,000, or 1%, and business-type activities increased by \$841,000, or 2%. Multiple projects began or were carried forward from previous years. The primary reason for the decrease in governmental activities is due to increases in the depreciation expense of the City's infrastructure and capital assets. Increases in business-type activities are attributable to increases in construction-in-progress, improvements, and maintenance of water and sewer lines. Further information on the City's capital assets can be found in note 5 of the financial statements.

Capital asset and infrastructure projects completed in 2022-23 totaled \$8,849,000. These improvements include:

- Annual Pavement Rehabilitation
- ARPA Security Camera & Lighting
- Orangethorpe Ave. Rehabilitation, Indiana to Kass
- Dodds Street Rehabilitation
- Malvern Ave. Rehabilitation
- Ehlers Plaza Exterior Improvements
- Ehlers Heritage Hall Improvements
- Indiana Water Line Improvements

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

Capital Assets (Continued)

- Franklin Water Line Abandonment
- Tree Tract Water Line Improvements
- Sewer Lining
- Tenth St. Sewer Improvement
- Knott Ave. & Orangethorpe Sewer Repair
- Manhold Replacement

General Fund Budgetary Highlights

Actual General Fund revenues are \$12,228,000 higher than the \$82,568,000 budgeted for 2022-23 due to increases in sales and use taxes, transient occupancy taxes, property taxes, and other taxes. Fines and forfeitures also exceeded appropriations due to a payout of past due parking citations receivable.

Actual expenditures for the General Fund are \$4,967,000 lower than the \$84,097,000 budgeted for 2022-23. Budget savings are primarily due to savings from unfilled vacant positions and turnover savings in some departments. The City fully budgets for salaries associated with vacancies and when these positions go unfilled, there are turnover savings. Also a contributing factor is the delay in the implementation of the financial management and utility software system that will be expended in 2023-24.

There were \$1,027,000 savings in general government, \$1,195,000 savings in public protection, \$670,000 savings in community development services, \$1,500,000 savings in capital outlay, and \$802,000 savings in transportation expenditures. Comparing the fiscal year 2022-23 General Fund original budget for expenditures and transfers in the amount of \$80,654,000 to the final budgeted amount of \$84,097,000 shows a net increase of \$3,443,000. The net increase from the total original budgeted expenditures to the final budget primarily comprises the following appropriation adjustments:

- Appropriations of \$82,000 for general government
- Appropriations of \$74,000 for leisure
- Appropriations of \$137,000 for transportation
- Appropriations of \$277,000 for public protection
- Appropriations of \$454,000 for development
- Appropriations of \$115,000 for environmental
- Appropriations of \$505,000 for health
- Appropriations of \$1,799,000 for capital outlay

The changes between the original and the amended budget are primarily due to the carryover of encumbrances from the prior fiscal year.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2023

Economic Factors and Next Year's Budgets and Rates

The key assumptions in the General Fund forecast for fiscal year 2023-24 are:

- Moderately positive economic conditions
- Positive but tapering Sales Tax revenues
- Continuing steady Property Tax revenues
- Moderate increases in Transient Occupancy Tax revenues
- Increasing 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 Director of Finance's Office, at City of Buena Park, 6650 Beach Boulevard, Buena Park, California 90622.

See independent auditors' report.

BASIC FINANCIAL STATEMENTS

City of Buena Park
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 83,799,164	\$ 31,578,744	\$ 115,377,908
Receivables:			
Accounts	5,525,649	2,939,124	8,464,773
Interest Receivable	1,752,803	131,192	1,883,995
Taxes Receivable	166,455	-	166,455
Loans Receivable, net	25,629,645	-	25,629,645
Due From Other Governments	9,241,196	-	9,241,196
Prepaid Items	167,100	21,830	188,930
Inventory	77,409	-	77,409
Lease Receivable	1,661,661	-	1,661,661
Property Held for Resale	28,011,710	-	28,011,710
Restricted Cash and Investments	7,119,544	623,163	7,742,707
Capital Assets, Not Being Depreciated:	65,533,261	1,404,934	66,938,195
Capital Assets, Net of Accumulated Depreciation:	182,744,625	34,222,594	216,967,219
Total Assets	<u>411,430,222</u>	<u>70,921,581</u>	<u>482,351,803</u>
DEFERRED OUTFLOWS OF RESOURCES			
OPEB Related Items	1,440,426	-	1,440,426
Pension Related Items	64,753,657	1,605,715	66,359,372
Total Deferred Outflows of Resources	<u>66,194,083</u>	<u>1,605,715</u>	<u>67,799,798</u>
LIABILITIES			
Accounts Payable	3,921,888	4,427,340	8,349,228
Accrued Liabilities	4,207,979	61,408	4,269,387
Interest Payable	51,808	-	51,808
Deposits Payable	117,089	375,239	492,328
Unearned Revenue	54,123	-	54,123
Noncurrent Liabilities:			
Due Within One Year	7,027,932	601,027	7,628,959
Due in More Than One Year	152,050,024	10,527,597	162,577,621
Total Liabilities	<u>167,430,843</u>	<u>15,992,611</u>	<u>183,423,454</u>
DEFERRED INFLOWS OF RESOURCES			
Lease Related	1,661,661	-	1,661,661
OPEB Related Items	241,319	-	241,319
Pension Related Items	57,171,295	-	57,171,295
Total Deferred Inflows of Resources	<u>59,074,275</u>	<u>-</u>	<u>59,074,275</u>
NET POSITION			
Net Investment in Capital Assets	239,674,824	31,042,924	270,717,748
Restricted for:			
Residential Housing	29,370,429	-	29,370,429
Transportation	8,699,893	-	8,699,893
Development	3,110,492	-	3,110,492
Environment	4,219,335	-	4,219,335
Pension	1,189,821	-	1,189,821
Public Protection	2,701,138	-	2,701,138
Unrestricted	(37,846,745)	25,491,761	(12,354,984)
Total Net Position	<u>\$ 251,119,187</u>	<u>\$ 56,534,685</u>	<u>\$ 307,653,872</u>

The accompanying notes are an integral part of this statement.

**City of Buena Park
Statement of Activities
Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 11,457,393	\$ 520,129	\$ 740,492	\$ -	\$ 1,260,621
Leisure	4,592,785	1,629,105	1,032,098	79,049	2,740,252
Health	6,455,886	4,423,150	10,200	137,009	4,570,359
Transportation	11,553,504	127,258	69,339	6,562,863	6,759,460
Public Protection	69,641,174	4,168,587	1,099,780	58,273	5,326,640
Development	3,720,344	2,995,162	3,635,740	326,578	6,957,480
Environmental	3,894,243	266,963	-	-	266,963
Interest on Long-Term Debt	1,706,482	-	-	-	-
Total Governmental Activities	<u>113,021,811</u>	<u>14,130,354</u>	<u>6,587,649</u>	<u>7,163,772</u>	<u>27,881,775</u>
Business-type Activities:					
Water	17,962,946	18,896,446	-	-	18,896,446
Total Business-type Activities	<u>17,962,946</u>	<u>18,896,446</u>	<u>-</u>	<u>-</u>	<u>18,896,446</u>
Total Primary Government	<u>\$ 130,984,757</u>	<u>\$ 33,026,800</u>	<u>\$ 6,587,649</u>	<u>\$ 7,163,772</u>	<u>\$ 46,778,221</u>

General Revenues:

Taxes:

- Property Taxes
- Sales Taxes
- Franchise Taxes
- Transient Occupancy Taxes
- Business License Tax
- Utility Users Taxes
- Motor Vehicle in-lieu
- Other Taxes

Miscellaneous Revenues

Investment Income

Transfers In/(Out)

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Restatement of Net Position

Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (10,196,772)	\$ -	\$ (10,196,772)
(1,852,533)	-	(1,852,533)
(1,885,527)	-	(1,885,527)
(4,794,044)	-	(4,794,044)
(64,314,534)	-	(64,314,534)
3,237,136	-	3,237,136
(3,627,280)	-	(3,627,280)
<u>(1,706,482)</u>	<u>-</u>	<u>(1,706,482)</u>
<u>(85,140,036)</u>	<u>-</u>	<u>(85,140,036)</u>
-	933,500	933,500
-	933,500	933,500
<u>(85,140,036)</u>	<u>933,500</u>	<u>(84,206,536)</u>
14,778,499	-	14,778,499
35,465,854	-	35,465,854
2,327,795	-	2,327,795
7,480,551	-	7,480,551
1,223,796	-	1,223,796
3,791,044	-	3,791,044
10,285,453	-	10,285,453
-	-	-
1,424,557	-	1,424,557
346,919	279,588	626,507
193,320	<u>(193,320)</u>	-
<u>77,317,788</u>	<u>86,268</u>	<u>77,404,056</u>
(7,822,248)	1,019,768	(6,802,480)
258,904,350	55,514,917	314,419,267
37,085	-	37,085
<u>\$ 251,119,187</u>	<u>\$ 56,534,685</u>	<u>\$ 307,653,872</u>

**City of Buena Park
Balance Sheet
Governmental Funds
June 30, 2023**

	General	Special Revenue Housing Successor	Other Governmental Funds	Total
ASSETS				
Cash and Investments	\$ 50,589,877	\$ 2,961,296	\$ 16,613,571	\$ 70,164,744
Restricted Cash	7,119,544	-	-	7,119,544
Receivables:				
Accounts	4,824,238	-	701,411	5,525,649
Interest Receivable	232,959	12,269	1,450,667	1,695,895
Taxes Receivable	166,455	-	-	166,455
Loans Receivable, net	-	19,351,845	6,259,531	25,611,376
Due from Other Governments	8,285,639	-	955,557	9,241,196
Due from Other Funds	735,611	-	-	735,611
Prepaid Items	134,614	-	-	134,614
Inventory	77,409	-	-	77,409
Lease Receivable	1,661,661	-	-	1,661,661
Property Held for Resale	24,409,990	3,601,720	-	28,011,710
Total Assets	\$ 98,237,997	\$ 25,927,130	\$ 25,980,737	\$ 150,145,864
LIABILITIES				
Accounts Payable	\$ 2,322,326	\$ 240	\$ 1,117,443	\$ 3,440,009
Accrued Liabilities	4,129,212	4,240	49,748	4,183,200
Deposits Payable	150	-	116,939	117,089
Unearned Revenue	42,123	12,000	-	54,123
Due to Other Funds	-	-	735,611	735,611
Total Liabilities	6,493,811	16,480	2,019,741	8,530,032
DEFERRED INFLOWS OF RESOURCES				
Lease Related	1,661,661	-	-	1,661,661
Unavailable Revenue	2,451,009	-	2,034,603	4,485,612
Total Deferred Inflows of Resources	4,112,670	-	2,034,603	6,147,273
FUND BALANCE (DEFICITS)				
Nonspendable	24,622,013	-	-	24,622,013
Restricted	7,119,544	25,910,650	22,488,531	55,518,725
Committed	-	-	-	-
Assigned	6,489,140	-	-	6,489,140
Unassigned	49,400,819	-	(562,138)	48,838,681
Total Fund Balances (Deficits)	87,631,516	25,910,650	21,926,393	135,468,559
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 98,237,997	\$ 25,927,130	\$ 25,980,737	\$ 150,145,864

The accompanying notes are an integral part of this statement.

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

Fund balances of governmental funds \$ 135,468,559

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets	365,765,098	
Accumulated Depreciation	<u>(119,334,062)</u>	246,431,036

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds. 4,485,612

Interest Payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the funds. (51,808)

Long term liabilities are not due and payable in the current period and are not reported in the funds.

Employee Leave Benefits		(3,182,973)
Software Subscription Liability		(52,493)
2017 Lease Revenue Bonds		(8,200,000)
Premium on Bonds		(350,569)
2021 Pension Obligation Bonds		(87,366,034)
Net Pension Liability		(47,880,220)
Net OPEB Liability		(4,901,702)

Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds.

Deferred Outflows Related to Pensions		64,116,292
Deferred Inflows Related to Pensions		(57,171,295)
Deferred Outflows Related to OPEB		1,440,426
Deferred Inflows Related to OPEB		(241,319)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position. 8,575,675

Net position of governmental activities \$ 251,119,187

The accompanying notes are an integral part of this statement.

City of Buena Park
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023

	General	Special Revenue Housing Successor	Other Governmental Funds	Total
REVENUES				
Taxes	\$ 74,874,121	\$ -	\$ 478,870	\$ 75,352,991
Licenses & Permits	1,334,753	-	-	1,334,753
Fines and Forfeitures	2,395,072	-	-	2,395,072
Intergovernmental	5,124,700	-	7,987,919	13,112,619
Charges for Services	8,933,543	407,847	953,206	10,294,596
Investment Income	701,635	125,445	496,183	1,323,263
Miscellaneous	1,431,557	-	53,753	1,485,310
	<u>94,795,381</u>	<u>533,292</u>	<u>9,969,931</u>	<u>105,298,604</u>
EXPENDITURES				
Current:				
General Government	8,010,787	-	10,696	8,021,483
Leisure	4,178,720	-	-	4,178,720
Health	7,108,211	-	-	7,108,211
Transportation	5,144,193	-	1,133,805	6,277,998
Public Protection	46,498,212	-	1,146,238	47,644,450
Development	2,626,556	273,055	1,105,489	4,005,100
Environmental	4,256,646	-	-	4,256,646
Capital Outlay	549,400	-	6,484,450	7,033,850
Debt Service:				
Principal	425,000	-	-	425,000
Interest	332,100	-	-	332,100
	<u>79,129,825</u>	<u>273,055</u>	<u>9,880,678</u>	<u>89,283,558</u>
Excess (Deficiency) of Revenues over Expenditures	<u>15,665,556</u>	<u>260,237</u>	<u>89,253</u>	<u>16,015,046</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	124,151	-	2,252,752	2,376,903
Transfers Out	(1,348,948)	-	(1,921,310)	(3,270,258)
	<u>(1,224,797)</u>	<u>-</u>	<u>331,442</u>	<u>(893,355)</u>
Net Change in Fund Balances	14,440,759	260,237	420,695	15,121,691
Fund Balances, Beginning	<u>73,190,757</u>	<u>25,650,413</u>	<u>21,505,698</u>	<u>120,346,868</u>
Fund Balances, Ending	<u>\$ 87,631,516</u>	<u>\$ 25,910,650</u>	<u>\$ 21,926,393</u>	<u>\$ 135,468,559</u>

The accompanying notes are an integral part of this statement.

City of Buena Park
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2023

Net change in fund balances-total governmental funds \$ 15,121,691

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Capital Expenditures	5,907,916
Depreciation Expense	(7,764,677)
Loss on Disposal of Capital Assets	(303,551)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (292,359)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The effect of these differences are as follows:

Principal Paid on Pension Obligation Bonds	4,936,665
Principal Paid on Lease Revenue Bonds	425,000
Amortization of Premium on Lease Revenue Bonds	25,342
Subscription Liability Payments	53,732

Accrued interest on bonds is not recorded in the governmental funds. This is the net change in accrued interest for the period. 911,662

Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as governmental fund expenditures:

Net Change in Employee Leave Benefits	(70,403)
Net Change in Net Pension Liability	29,985,791
Net Change in Net OPEB Liability	(423,908)
Net Change in Deferred Outflows Pension Related Amounts	(48,263,977)
Net Change in Deferred Inflows Pension Related Amounts	(9,431,691)
Net Change in Deferred Outflows OPEB Related Amounts	260,613
Net Change in Deferred Inflows OPEB Related Amounts	415,937

Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 683,969

Change in net position of governmental activities \$ (7,822,248)

The accompanying notes are an integral part of this statement.

**City of Buena Park
Statement of Net Position
Proprietary Funds
June 30, 2023**

	Business-type Activities Water Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	\$ 31,578,744	\$ 13,634,420
Accounts Receivable, Net	2,939,124	-
Interest Receivable	131,192	56,908
Loans Receivable	-	18,269
Prepaid Items	21,830	32,486
Total Current Assets	34,670,890	13,742,083
Noncurrent Assets:		
Restricted Cash and Investments	623,163	-
Capital Assets, Not Being Depreciated	1,404,934	-
Capital Assets, Net of Accumulated Depreciation	34,222,594	1,846,850
Total Noncurrent Assets	36,250,691	1,846,850
Total Assets	70,921,581	15,588,933
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Items	1,605,715	637,365
Total Deferred Outflows of Resources	1,605,715	637,365
LIABILITIES		
Current Liabilities:		
Accounts Payable	4,427,340	481,879
Accrued Liabilities	61,408	24,779
Deposits Payable	375,239	-
Current Portion of Long-Term Liabilities:		
Employee Leave Benefits	80,000	18,271
Loans Payable	305,640	-
Bonds Payable	215,387	-
Claims Payable	-	500,000
Total Current Liabilities	5,465,014	1,024,929
Noncurrent Liabilities:		
Employee Leave Benefits	130,136	61,107
Loans Payable	4,278,964	-
Bonds Payable	3,648,579	-
Claims Payable	-	5,584,191
Net Pension Liability	2,469,918	980,396
Total Noncurrent Liabilities	10,527,597	6,625,694
Total Liabilities	15,992,611	7,650,623
DEFERRED INFLOWS OF RESOURCES		
Pension Related Items	-	-
Total Deferred Outflows of Resources	-	-
NET POSITION		
Net Investment in Capital Assets	31,042,924	1,846,850
Unrestricted	25,491,761	6,728,825
Total Net Position	\$ 56,534,685	\$ 8,575,675

The accompanying notes are an integral part of this statement.

City of Buena Park
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2023

	Business-type Activities	Governmental Activities
	Water Enterprise Fund	Internal Service Funds
OPERATING REVENUES		
Charges for Services	\$ 18,896,446	\$ 7,722,758
 Total Operating Revenue	 <u>18,896,446</u>	 <u>7,722,758</u>
OPERATING EXPENSES		
Self-insurance	-	2,033,459
Employee Benefits	-	369,667
Maintenance and Supplies	-	4,572,860
Information Systems	-	681,871
Water Services	14,860,667	-
Health Services	1,169,823	-
Depreciation	1,738,436	617,209
 Total Operating Expenses	 <u>17,768,926</u>	 <u>8,275,066</u>
Operating Income (Loss)	<u>1,127,520</u>	<u>(552,308)</u>
NONOPERATING REVENUES (EXPENSES)		
Investment Income	279,588	123,143
Intergovernmental Grants	-	-
Interest Expense	(102,226)	-
Gain/ (Loss) on Disposal of Capital Assets	(91,794)	26,459
 Total Nonoperating Revenues (Expenses)	 <u>85,568</u>	 <u>149,602</u>
Income Before Contributions and Transfers	1,213,088	(402,706)
Transfers In	-	1,269,036
Transfers Out	(193,320)	(182,361)
Change in Net Position	1,019,768	683,969
Net Position, Beginning	<u>55,514,917</u>	<u>7,891,706</u>
Net Position, Ending	<u>\$ 56,534,685</u>	<u>\$ 8,575,675</u>

The accompanying notes are an integral part of this statement.

**City of Buena Park
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023**

	Business-type Activities	Governmental Activities
	Water	Internal
	Enterprise Fund	Service Funds
Cash Flows from Operating Activities		
Cash Received from Customers	\$ 19,493,500	\$ -
Cash Received from User Departments	-	7,690,272
Cash Paid to Suppliers for Goods and Services	(12,378,545)	(7,159,658)
Cash Paid to Employees for Services	(3,166,642)	(1,421,481)
Net Cash from Operating Activities	<u>3,948,313</u>	<u>(890,867)</u>
Cash Flows from Noncapital Financing Activities		
Cash Received from Employee Loans	-	(4,441)
Principal Paid on Debt	(218,335)	-
Cash Paid (to) from Other Funds	(193,320)	1,086,675
Net Cash from Noncapital Financing Activities	<u>(411,655)</u>	<u>1,082,234</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition and Construction of Capital Assets	(2,672,979)	(419,783)
Proceeds from the Sale of Assets	779	31,850
Principal Paid on Debt	(305,640)	-
Interest Paid on Debt	(102,226)	-
Net Cash from Capital and Related Financing Activities	<u>(3,080,066)</u>	<u>(387,933)</u>
Cash Flows from Investing Activities		
Interest on Investments	191,510	83,580
Net Cash from Investing Activities	<u>191,510</u>	<u>83,580</u>
Net Increase (Decrease) in Cash and Cash Equivalents		
	648,102	(112,986)
Cash and Cash Equivalents, Beginning of Year	<u>31,553,805</u>	<u>13,747,406</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 32,201,907</u></u>	<u><u>\$ 13,634,420</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating income (loss)	\$ 1,127,520	\$ (552,308)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	1,738,436	617,209
(Increase) Decrease in Accounts Receivable	600,592	(32,486)
(Increase) Decrease in Inventory and Prepaid Items	(11,830)	-
(Increase) Decrease in Deferred Outflows - Pensions	3,102,685	1,231,562
Increase (Decrease) in Accounts Payable	18,856	14,660
Increase (Decrease) in Accrued Liabilities	(60,499)	(9,627)
Increase (Decrease) in Deposits Payable	(3,538)	-
Increase (Decrease) in Employee Leave Benefits	13,306	9,555
Increase (Decrease) in Net Pension Liability	(981,679)	(389,662)
Increase (Decrease) in Deferred Inflows - Pensions	(1,595,536)	(633,324)
Increase (Decrease) in Claims and Judgments	-	(1,146,446)
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 3,948,313</u></u>	<u><u>\$ (890,867)</u></u>

The accompanying notes are an integral part of this statement.

**City of Buena Park
Statement of Net Position
Fiduciary Funds
June 30, 2023**

	Successor Agency Private-purpose Trust Fund	Custodial Funds
ASSETS		
Cash and Investments	\$ 10,423,781	\$ 583,233
Accounts Receivable	-	116,822
Restricted Cash and Investments	1,232,034	5,479,565
Interest Receivable	43,411	-
	11,699,226	6,179,620
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	1,770,049	-
LIABILITIES		
Accounts Payable	3,572	103,231
Accrued Liabilities	1,796	-
Deposits Payable	13,129	-
Interest Payable	546,368	-
Bonds Payable, due within one year	4,675,000	-
Bonds Payable, due in more than one year	39,222,182	-
	44,462,047	103,231
NET POSITION		
Restricted for:		
Successor Agency	(30,992,772)	-
Individuals and Organizations	-	6,076,389
	\$ (30,992,772)	\$ 6,076,389
	\$ (30,992,772)	\$ 6,076,389

The accompanying notes are an integral part of this statement.

City of Buena Park
Statement of Changes in Net Position
Fiduciary Funds
Year Ended June 30, 2023

	Successor Agency Private-purpose Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
Taxes and assessments collected for others	\$ 5,854,151	\$ 1,215,040
Investment Earnings:		
Interest Income	160,619	-
Total Additions	6,014,770	1,215,040
DEDUCTIONS		
Administrative Costs	1,692,877	1,820,135
Contractual Obligations	83,425	46,305
Interest on Bonds	1,296,931	-
Total Deductions	3,073,233	1,866,440
Change in Net Position	2,941,537	(651,400)
Net Position - Beginning of Year	(33,934,309)	6,727,789
Net Position - End of Year	\$ (30,992,772)	\$ 6,076,389

The accompanying notes are an integral part of this statement.

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

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 government units. 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 (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.

Buena Park Public Financing Authority

The Buena Park Public Financing Authority (Authority) 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 Financial Statements
Year Ended June 30, 2023

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – 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 Financial Statements
Year Ended June 30, 2023

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – 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 *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 funds:

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 Financial Statements
Year Ended June 30, 2023

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – 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, custodial funds and a private-purpose trust fund. Custodial 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:

Custodial Funds – account for funds in which the City is acting as a custodian for another agency. The specific nature of the activities reported in the custodial funds are the Buena Park Mall Community Facilities District and the Buena Park Tourism Marketing District.

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 and Investments

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. *Investment income* earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less. Cash equivalents represent the proprietary funds' share in the cash and investment pool of the City.

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 the General Fund. Property held for resale is valued at the lower of cost or expected net realizable value.

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are received within 60 days after year end. The property tax calendar is as follows:

Property Tax Calendar	
Lien date	January 1
Levy date	July 1 to June 30
Due date	November 1 and March 1
Delinquent dates	December 10 and April 10

G) Claims and Judgements

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability (including incurred but not reported) has been incurred prior to yearend and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the internal service fund that accounts for the City's self-insurance activities.

H) Compensated Absences 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 Statements and the Fund Financial Statements.

I) 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.

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

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 approach 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.

J) Notes and Loans Receivable

The accompanying financial statements report certain loans receivable for loans made to private developers, private homeowners, and other parties. Where applicable, an allowance for doubtful accounts has been recorded to reflect management's best estimate of probable losses associated with non-repayment.

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has certain items that qualify for reporting in this category: 1) a deferred charge on refunding resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is deferred and amortized over the shorter of the life of the refunded or refunding debt, and 2) deferred outflows relating to the City's net pension and OPEB liabilities.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows for certain items under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds balance sheet.

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The governmental funds report unavailable revenues related to interest earned on loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows relating to the net pension and OPEB liabilities.

L) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 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.

M) Other Postemployment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, 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: June 30, 2021 Valuation Date; June 30, 2022 Measurement Date; and July 1, 2021 through June 30, 2022 Measurement Period.

N) Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position.

O) Fund Balance

Nonspendable Fund Balance: 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.

Restricted Fund Balance: 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 Balance: 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.

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Assigned Fund Balance: 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.

P) Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements), as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive; inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

Q) Leases

Lessor: The City is a lessor for noncancellable leases of land owned by the City. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.
- The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

R) Use of Estimates

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

2) CASH AND INVESTMENTS

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

	Government-wide Statement of Net Position			
	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
	Cash and Investments	\$ 83,799,164	\$31,578,744	\$11,007,014
Restricted Cash and Investments	7,119,544	623,163	6,711,599	14,454,306
Total Cash and Investments	\$ 90,918,708	\$32,201,907	\$17,718,613	\$140,839,228

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

Cash on Hand	\$ 24,375
Deposits with Financial Institutions	2,478,360
Investments	138,336,493
Total Cash and Investments	\$ 140,839,228

Deposits

The carrying amount of the City's cash deposits was \$2,478,360 at June 30, 2023. Bank balances before reconciling items were a positive amount of \$2,701,270 at June 30, 2023. 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.

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

2) CASH AND INVESTMENTS – Continued

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.

Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer*
U.S. Treasury Obligations	5 years	No Limit	No Limit
U.S. Government Agency Obligations	5 years	No Limit	No Limit
Corporate Medium Term Notes	5 years	30%	5%
Bankers' Acceptances	180 days	20%	5%
Asset-Backed Securities, CMO's, and Mortgage pass-through securities	5 years	20%	No Limit
Commercial Paper	270 days	25%	5%
Repurchase Agreements	30 Days	15%	No Limit
Negotiable Certificates of Deposit	5 years	30%	5%
Federally-insured Time Deposits	5 years	20%**	5%
Time Deposits (collateralized)	5 years	20%**	5%
Supranational Securities	5 years	30%	10%
Municipal Securities	5 years	30%	5%
Mutual Funds	N/A	No Limit	10%***
Money Market Mutual Funds	N/A	20%	No Limit
Local Agency Investment Fund (LAIF)	N/A	35%	N/A

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

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

*** 10% maximum in any one mutual fund

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

2) CASH AND INVESTMENTS – Continued

changes in market interest rates. One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Total	Remaining Maturity (in Months)			
		12 Months Or Less	13 to 36 Months	37 to 60 Months	More than 60 Months
US Treasury Obligations	\$ 45,049,057	\$ 8,420,940	\$ 20,371,680	\$ 16,256,437	\$ -
U.S. Government Agency Securities	31,308,612	11,049,849	20,258,763	-	-
Medium-term Notes	16,891,765	3,569,627	5,114,348	8,207,790	-
Supranationals	3,770,295	-	3,770,295	-	-
Money Market Mutual Funds	1,471,146	1,471,146	-	-	-
CEPPT	1,593,849	1,593,849	-	-	-
Local Agency Investment Fund (LAIF)	25,770,762	25,770,762	-	-	-
Held by Fiscal Agent:					
Municipal Securities	4,455,000	295,000	-	-	4,160,000
Money Market Mutual Funds	8,026,007	8,026,007	-	-	-
Total Pooled Investments	\$ 138,336,493	\$ 60,197,180	\$ 49,515,086	\$ 24,464,227	\$ 4,160,000

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the City's Investment Policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	Minimum Rating				Exempt from Rating
			AAA	AA+ to AA-	A+ to A-	Not Rated	
US Treasury Obligations	\$ 45,049,057	N/A	\$ -	\$ 45,049,057	\$ -	\$ -	\$ -
U.S. Government Agency Securities	31,308,612	N/A	-	31,308,612	-	-	-
Medium-term Notes	16,891,765	A	942,164	2,924,402	13,025,199	-	-
Supranationals	3,770,295	AA	1,472,010	-	2,298,285	-	-
Money Market Mutual Funds	1,471,146	A	1,471,146	-	-	-	-
CEPPT	1,593,849	N/A	-	-	-	1,593,849	-
Local Agency Investment Fund (LAIF)	25,770,762	N/A	-	-	-	25,770,762	-
Held by Fiscal Agent							
Municipal Securities	4,455,000		-	-	-	4,455,000	-
Money Market Mutual Funds	8,026,007	A	8,026,007	-	-	-	-
Total Pooled Investments	\$ 138,336,493		\$ 11,911,327	\$ 79,282,071	\$ 15,323,484	\$ 31,819,611	\$ -

Concentration of Credit Risk

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. As of June 30, 2023, the City's investments with each of the following issuers exceed 5% of its total investments.

Issuer	Investment Type	Reported Amount
Federal National Mortgage Association	US Government Agency Securities	9,200,296
Federal Home Loan Bank	US Government Agency Securities	10,321,304

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

2) CASH AND INVESTMENTS – Continued

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 the 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.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City’s investment in this pool is reported in the accompanying financial statements at amounts based upon the City’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

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, 2023 are described below. Based upon the fair value measurements, the City held the following investments as of June 30, 2023:

Investment Type	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
US Treasury Obligations	\$ 45,049,057	\$ 45,049,057	\$ -	\$ -
U.S. Government Agency Securities	31,308,613	-	31,308,613	-
Medium-term Notes	16,891,765	-	16,891,765	-
Supranationals	3,770,295	-	3,770,295	-
Municipal Securities	4,455,000	-	4,455,000	-
CEPPT	1,593,849	1,593,849	-	-
Total	\$ 103,068,579	\$ 46,642,906	\$ 56,425,673	\$ -

Treasury obligations, US Government Agency Securities, Medium-Term Notes, Municipal Securities, and Supranationals, 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 Financial Statements
Year Ended June 30, 2023**

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due to/From

As of June 30, 2023, the General Fund has an outstanding receivable from non-major governmental funds of \$735,611 to cover current year operating deficits. These deficits will be repaid with future revenues and when receivables are collected.

Interfund transfers for the year ended June 30, 2023 are as follows:

<u>TRANSFERS OUT</u>	<u>TRANSFERS IN</u>			Total
	General Fund	Other Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 458,948	\$ 890,000	\$ 1,348,948
Other Governmental Funds	50,631	1,731,643	139,036	1,921,310
Water Enterprise Fund	73,520	21,000	98,800	193,320
Internal Service Funds	-	41,161	141,200	182,361
	<u>\$ 124,151</u>	<u>\$ 2,252,752</u>	<u>\$ 1,269,036</u>	<u>\$ 3,645,939</u>

The General Fund transferred \$458,948 to the other governmental funds to fund projects. In addition, the General Fund, Water Enterprise, and Other Governmental Funds transferred \$890,000, \$98,800 and \$139,036, respectively, to the Internal Service Funds for claims liabilities and information systems. The Water Enterprise Fund transferred \$73,520 to the General Fund for various services. The Other Governmental Funds transferred \$1,731,463 to Other Governmental Funds to fund various projects.

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. 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:

<u>Description</u>	<u>Balance June 30, 2023</u>
<u>Governmental Funds:</u>	
Home Improvement Loans	\$ 2,223,204
Low and Moderate Income Housing Loans	22,444,371
First Time Homebuyer Loans	4,110,284
Subtotal	<u>28,777,859</u>
Allowance for Uncollectible Accounts	(3,166,483)
Total Governmental Funds	<u>25,611,376</u>
<u>Internal Service Funds:</u>	
Employee Computer Loans	18,269
Total Primary Government	<u>\$ 25,629,645</u>
<u>Fiduciary Funds</u>	
Successor Agency Redevelopment Loans	<u>\$ 43,411</u>

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

5) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 is presented below:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Rights of Way	\$ 48,894,346	\$ -	\$ -	\$ 48,894,346
Land	14,363,166	-	-	14,363,166
Construction in Progress	3,667,776	5,671,531	(7,063,558)	2,275,749
Total Capital Assets, Not Being Depreciated	66,925,288	5,671,531	(7,063,558)	65,533,261
Capital Assets Being Depreciated:				
Buildings	109,531,157	-	-	109,531,157
Improvements	34,869,914	904,476	-	35,774,390
Machinery and Equipment	26,856,605	667,817	(254,736)	27,269,686
Furniture and Fixtures	2,137,804	-	-	2,137,804
Right-to-Use Subscription Asset	-	161,225	-	161,225
Infrastructure - Road System	122,791,309	6,147,431	(863,572)	128,075,168
Infrastructure - Storm Drain System	6,322,892	-	-	6,322,892
Total Capital Assets Being Depreciated	302,509,681	7,880,949	(1,118,308)	309,272,322
Less Accumulated Depreciation:				
Buildings	(25,000,806)	(2,226,929)	-	(27,227,735)
Improvements	(14,039,318)	(1,362,524)	-	(15,401,842)
Machinery and Equipment	(17,826,105)	(1,472,229)	249,345	(19,048,989)
Furniture and Fixtures	(1,016,526)	(123,176)	-	(1,139,702)
Right-to-Use Subscription Asset	-	(71,656)	-	(71,656)
Infrastructure - Road System	(58,282,737)	(2,957,391)	560,021	(60,680,107)
Infrastructure - Storm Drain System	(2,771,772)	(185,894)	-	(2,957,666)
Total Accumulated Depreciation	(118,937,264)	(8,399,799)	809,366	(126,527,697)
Total Capital Assets Being Depreciated, Net	183,572,417	(518,850)	(308,942)	182,744,625
Governmental Activities, Capital Assets, Net	<u>\$ 250,497,705</u>	<u>\$ 5,152,681</u>	<u>\$ (7,372,500)</u>	<u>\$ 248,277,886</u>

Included in the additions to capital assets is a prior period adjustment \$161,225 in Right-to-Use Subscription Assets and \$17,913 in accumulated amortization from the implementation of GASB 96.

Depreciation expense was charged to the following functions for governmental activities in the Statement of Activities:

General Government	\$ 776,468
Leisure	776,468
Transportation	4,425,865
Public Protection	1,708,229
Development	77,647
Internal Service Fund Depreciation	617,209
	<u>\$ 8,381,886</u>

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

5) CAPITAL ASSETS – Continued

Business Type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 2,500	\$ -	\$ -	\$ 2,500
Construction in Progress	726,385	2,672,979	(1,996,930)	1,402,434
Total Capital Assets, Not Being Depreciated	728,885	2,672,979	(1,996,930)	1,404,934
Capital Assets Being Depreciated:				
Buildings	92,578	-	-	92,578
Improvements	2,131,240	711,835	-	2,843,075
Pumps and reservoirs	9,038,292	-	-	9,038,292
Hydrants, meters, and connections	11,054,292	-	-	11,054,292
Machinery and Equipment	1,821,828	-	-	1,821,828
Infrastructure - Wells	5,637,659	-	-	5,637,659
Infrastructure - Water and Sewer Lines	35,407,831	1,205,312	(109,116)	36,504,027
Total Capital Assets Being Depreciated	65,183,720	1,917,147	(109,116)	66,991,751
Less Accumulated Depreciation:				
Buildings	(55,409)	(1,956)		(57,365)
Improvements	(565,376)	(106,562)		(671,938)
Pumps and reservoirs	(1,718,169)	(367,016)		(2,085,185)
Hydrants, meters, and connections	(4,454,677)	(311,109)		(4,765,786)
Machinery and Equipment	(1,369,355)	(88,547)		(1,457,902)
Infrastructure - Wells	(2,860,871)	(143,513)		(3,004,384)
Infrastructure - Water and Sewer Lines	(20,103,190)	(719,733)	96,326	(20,726,597)
Total Accumulated Depreciation	(31,127,047)	(1,738,436)	96,326	(32,769,157)
Total Capital Assets Being Depreciated, Net	34,056,673	178,711	(12,790)	34,222,594
Business Activities, Capital Assets, Net	\$ 34,785,558	\$ 2,851,690	\$ (2,009,720)	\$ 35,627,528

Depreciation expense was charged to the following programs for business-type activities in the Statement of Activities:

Water Utility	\$ 1,738,436
Total	\$ 1,738,436

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

6) LONG-TERM LIABILITIES

Changes in long-term liabilities for governmental activities are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due in one year
Governmental Activities					
Employee Leave Benefits	\$ 3,182,393	\$ 1,414,189	\$ 1,334,231	\$ 3,262,351	\$ 1,375,000
Net OPEB Liability	4,477,794	423,908	-	4,901,702	-
Net Pension Liability	79,236,069	-	30,375,453	48,860,616	-
Claims Payable	7,230,637	98,203	1,244,649	6,084,191	500,000
Software Subscription Liability	-	106,225	53,732	52,493	52,493
2021 Pension Obligation Bonds	92,302,699	-	4,936,665	87,366,034	4,654,613
PFA - 2017 Lease Revenue Bonds	8,625,000	-	425,000	8,200,000	445,000
Premium on Bonds	375,911	-	25,342	350,569	-
Total Government Activities	\$ 195,430,503	\$ 2,042,525	\$ 38,395,072	\$ 159,077,956	\$ 7,027,106

The liabilities for compensated absences, Net OPEB, and Net Pension are generally liquidated by the General Fund and internal service funds.

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.

Software Subscription Liability

The City has entered into subscription-based information technology arrangement (SBITA) with vendors for various City software systems. The systems are discounted at a rate of 2.36%. For the year ended June 30, 2023, the City reported a SBITA liability in the amount of \$52,493. For the year ended June 30, 2022, there was a principal reduction of \$53,732. As of June 30, 2023, the net SBITA right-to-use intangible asset was reported in the amount of \$89,569. The future payments on the SBITA liability are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 52,493	\$ 2,507	\$ 55,000
Totals	\$ 52,493	\$ 2,507	\$ 55,000

2021 Taxable Pension Obligation Bonds

On August 17, 2021, the City issued \$96,385,000 of Pension Obligation Bonds (Bonds) bearing interest rates of 2.045 to 3.000%, payable semi-annually on July 1 and January 1, maturing on July 1, 2043. The proceeds of the Bonds were used to refund all of the City's obligations to the California Public Employee's Retirement System (CalPERS) under the CalPERS contracts. A portion (4.24%) of the Bonds will be paid from the Water Enterprise fund and therefore, the outstanding balance in the Water Enterprise Fund is \$3,863,966 at June 30, 2023. The following represents the future annual debt service requirements:

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

6) LONG-TERM LIABILITIES – Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 4,870,000	\$ 1,792,241	\$ 6,662,241
2025	4,885,000	1,769,795	6,654,795
2026	4,915,000	1,733,488	6,648,488
2027	4,960,000	1,684,286	6,644,286
2028	5,015,000	1,622,655	6,637,655
2029-2033	26,315,000	6,797,783	33,112,783
2034-2038	27,060,000	3,747,455	30,807,455
2039-2043	13,180,000	814,200	13,994,200
2044	30,000	450	30,450
Totals	<u>\$ 91,230,000</u>	<u>\$ 19,962,353</u>	<u>\$ 111,192,353</u>

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%, payable semi-annually on November 1 and May 1, maturing on May 1, 2037. The proceeds of the Bonds were 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, 2023 was \$8,200,000.

The following represents the future annual debt service requirements:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 445,000	\$ 310,850	\$ 755,850
2025	465,000	288,600	753,600
2026	490,000	365,350	855,350
2027	515,000	240,850	755,850
2028	540,000	215,100	755,100
2029-2033	2,985,000	790,925	3,775,925
2034-2037	2,760,000	256,030	3,016,030
Totals	<u>\$ 8,200,000</u>	<u>\$ 2,467,705</u>	<u>\$ 10,667,705</u>

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

6) LONG-TERM LIABILITIES – Continued

Changes in long-term liabilities for business-type activities are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due in one year
Business-type Activities					
Employee Leave Benefits	\$ 196,830	\$ 91,091	\$ 77,785	\$ 210,136	\$ 80,000
Net Pension Liability	3,451,597	-	981,679	2,469,918	-
2021 Pension Obligation Bonds	4,082,301	-	218,335	3,863,966	215,387
Loans from Direct Borrowings:					
OCWD Loan Payable	4,890,244	-	305,640	4,584,604	305,640
Total Direct Borrowings	4,890,244	-	305,640	4,584,604	305,640
Total Business-type Activities	<u>\$ 12,620,972</u>	<u>\$ 91,091</u>	<u>\$ 1,583,439</u>	<u>\$ 11,128,624</u>	<u>\$ 601,027</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 up to an amount of \$6,000,000 to be used for the project. As of June 30, 2023 the City has drawn \$5,195,884 of the amount loaned. The loan is to be repaid over a twenty (20) year period in annual principal installments of \$305,640. The loan does not accrue interest.

The future debt service requirements are as follows:

Fiscal Year Ending	Principal	Interest	Total
June 30,			
2024	\$ 305,640	\$ -	\$ 305,640
2025	305,641	-	305,641
2026	305,640	-	305,640
2027	305,640	-	305,640
2028	305,640	-	305,640
2029-2033	1,528,202	-	1,528,202
2034-2038	1,528,201	-	1,528,201
Totals	<u>\$ 4,584,604</u>	<u>\$ -</u>	<u>\$ 4,584,604</u>

7) RISK MANAGEMENT

The City is exposed to various risks of loss related to its operation, including losses associated with errors and omissions, injuries to employees and members of the public. In the self-insurance internal service funds, the City has recorded liabilities in the amount of \$6,084,191 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.

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

7) RISK MANAGEMENT - Continued

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 \$4,817,324 for workers' compensation and \$1,266,867 for general liability. Losses for claims incurred but not reported are recorded when the probable amount of loss can be reasonably estimated.

In the past three years, no claims for general liability or workers' compensation have exceeded the City's purchased insurance coverage.

Changes in the claims and judgments payable amounts in the past three fiscal years for the Self-funded Insurance Fund are as follows:

Year Ended June 30,	Beginning of Year	Claims and Changes in Estimates	Claim Payments	End of Year
2023	\$ 7,230,637	\$ 98,203	\$ 1,244,649	\$ 6,084,191
2022	7,628,384	1,043,934	1,441,681	7,230,637
2021	6,781,301	1,528,946	681,863	7,628,384

8) EMPLOYEE RETIREMENT PLAN

General Information about the Pension Plans - Miscellaneous

Plan Descriptions: All qualified permanent and probationary employees are eligible to participate in the City's separate Miscellaneous Plan, an 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 Local Government 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.

Benefits Provided: The Plan is an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the plan's June 30, 2021 Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website.

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

8) EMPLOYEE RETIREMENT PLAN – Continued

The Plans' provisions that are in effect at June 30, 2023, are summarized as follows:

	Miscellaneous Plan		
	Classic	Tier II	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013*	On or after January 1, 2013
Hire date	January 1, 2013	January 1, 2013*	January 1, 2013
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50	52
Monthly benefits, as a % of eligible compensation	(1)	(1)	(1)
Required employee contribution rates	8.00%	7.00%	6.75%
Required employer contribution rates	9.24% + \$254,281	9.24%	6.75%

(1) - Depending on years of service

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

Employees Covered: At June 30, 2023, the following number of employees were covered by the benefit terms for the Plan:

	Miscellaneous
Inactive employees or beneficiaries	
currently receiving benefits	392
Inactive employees entitled to but not yet	
receiving benefits	287
Active employees	168

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. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer-Paid Member Contributions or situations where members are paying a portion of the employer contribution.

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

8) EMPLOYEE RETIREMENT PLAN – Continued

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 Plans is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 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, 2021 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous
Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Projected salary increase	(1)
Investment rate of return	6.90%
Mortality	(2)
Post Retirement Benefit Increase	(3)

- (1) Depending on age, service and type of employment
- (2) Derived using CalPERS’ Membership Data for all Funds.
- (3) The lesser contract COLA or 2.3% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.3% thereafter

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return - 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 rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

8) EMPLOYEE RETIREMENT PLAN – Continued

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.0% used for this period.

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

Discount Rate - The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

The changes in the Net Pension Liability for the Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Pension Plan Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2021	\$ 154,033,964	\$ 127,584,939	\$ 26,449,025
Changes in the year:			
Service cost	2,234,738	-	2,234,738
Interest on the total pension liability	10,730,177	-	10,730,177
Changes of benefit terms	-	-	-
Differences between expected and actual experience	495,639	-	495,639
Changes in assumptions	4,269,390	-	4,269,390
Net Plan to Plan Resource Movement	-	-	-
Contributions from the employer	-	35,856,980	(35,856,980)
Contributions from employees	-	965,501	(965,501)
Net investment income	-	(11,490,612)	11,490,612
Benefit payments, including refunds	(8,813,099)	(8,813,099)	-
Administrative/other expense	-	(79,478)	79,478
Net changes	8,916,845	16,439,292	(7,522,447)
Balance at June 30, 2022	\$ 162,950,809	\$ 144,024,231	\$ 18,926,578

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

8) EMPLOYEE RETIREMENT PLAN – Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Miscellaneous	
1% Decrease		5.90%
Net Pension Liability	\$	39,750,661
Current Discount Rate		6.90%
Net Pension Liability	\$	18,926,578
1% Increase		7.90%
Net Pension Liability	\$	1,717,709

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

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

For the year ended June 30, 2023, the City recognized pension expense of \$5,552,116 for the Miscellaneous Plan. At June 30, 2023, the City reported deferred outflows and deferred inflows for the Miscellaneous Plan from the following sources:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,542,364	\$ -
Differences between actual and expected experience	317,858	-
Changes in assumptions	2,328,758	-
Net differences between projected and actual earnings on plan investments	8,115,352	-
Total	\$ 12,304,332	\$ -

\$1,542,364 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 ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized as pension expense as follows:

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

8) EMPLOYEE RETIREMENT PLAN – Continued

Year Ending	Amount
June 30,	
2024	\$ 3,719,515
2025	1,831,465
2026	960,695
2027	4,250,293
2028	-
Thereafter	-

General Information about the Pension Plans – Safety

Plan Description - All 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). Plan assets may be used to pay benefits for any employer rate plan of the safety pool. Accordingly, rate plans within the safety pool are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the safety pool. The City sponsors five 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.

Benefits Provided - The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2021 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2021 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS’ website under Forms and Publications. The rate plan provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Safety		
	Classic	Tier II	PEPRA
	Prior to	On or after	On or after
	January 1, 2013	January 1, 2013*	January 1, 2013*
Hire date			
Benefit formula	3% @ 50	2.0% @ 50	2.7% @ 55
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50	50
Monthly benefits, as a % of eligible compensation	(1)	(1)	(1)
Required employee contribution rates	9%	9%	13.75%
Required employer contribution rates	25.64% + \$348,793	19.87% + \$1,308	13.66% + \$4,536

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

8) EMPLOYEE RETIREMENT PLAN – Continued

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the 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 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.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability was \$354,637 in fiscal year 2023.

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

As of June 30, 2023, the City reported a liability of \$32,403,956 for its proportionate share of the net pension liability. The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the Plan's net pension liability as of June 30, 2021 and 2022 was as follows:

Proportion - June 30, 2021	1.60248%
Proportion - June 30, 2022	0.47156%
Change - Increase (Decrease)	-1.13092%

For the year ended June 30, 2023, the City recognized pension expense of \$26,878,286. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the Safety pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,460,652	\$ -
Differences between actual and expected experience	1,341,082	351,881
Changes in assumptions	3,267,300	-
Change in employer's proportion and differences	235,316	54,839,551
Differences between the employer's contributions and the employer's proportionate share of contributions	41,633,652	1,979,863
Net differences between projected and actual earnings on plan investments	5,117,038	-
Total	\$ 54,055,040	\$ 57,171,295

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

8) EMPLOYEE RETIREMENT PLAN – Continued

The \$2,460,652 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 ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2024	\$ (3,206,646)
2025	(3,304,422)
2026	(2,187,297)
2027	3,121,458
2028	-
Thereafter	-

Actuarial Assumptions - The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	Safety
Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Projected salary increase	(1)
Investment rate of return	6.90%
Mortality	(2)
Post Retirement Benefit Increase	(3)

(1) Depending on age, service and type of employment (2) Derived using CalPERS's Membership Data for all funds (3) The lesser contract COLA 2.3% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.3% thereafter.

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return - 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

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

8) EMPLOYEE RETIREMENT PLAN – Continued

short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.0% used for this period.

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

Discount Rate - The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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	5.90%
Net Pension Liability	\$ 69,082,082
Current Discount Rate	6.90%
Net Pension Liability	\$ 32,403,956
1% Increase	7.90%
Net Pension Liability	\$ 2,427,874

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

Payable to the Pension Plan - At June 30, 2023, the City reported no payables to the pension plan, for outstanding contributions required for the year ended June 30, 2023.

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

9) OTHER POST EMPLOYMENT BENEFITS

General Information About the OPEB Plan

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.

Employees Covered by Benefit Terms - As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Retirees or spouses of retirees currently receiving benefits	191
Active employees	256
Total	447

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 2022-23, the City contributed \$751,336, including \$651,336 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.

Net OPEB Liability - The City's net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Actuarial Cost
Mortality	2017 CalPERS Mortality
Health Care Trend Rate	4.00%
Inflation Rate	2.50%
Salary Changes	2.75%
Discount Rate	6.75%

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:

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

9) OTHER POST EMPLOYMENT BENEFITS – Continued

Asset Class	Target Allocation	Assumed Gross Return
All Equities	59%	7.545%
All Fixed Income	25%	4.250%
Real Estate Investment Trusts	8%	7.250%
All Commodities	3%	7.545%
Treasury Inflation Protected Securities (TIPS)	5%	3.000%
Total	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total OPEB liability was 6.75 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

	Increase (Decrease)		
	Total OPEB Liability (TOL)	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022 (2021 Measurement Date)	\$ 7,483,004	\$ 3,005,210	\$ 4,477,794
Changes in the year:			
Service cost	147,464	-	147,464
Interest on the total OPEB liability	492,566	-	492,566
Employer contributions	-	765,819	(765,819)
Actual investment income	-	(402,052)	402,052
Administrative Expense	-	(762)	762
Benefit payments, including refunds	(518,936)	(665,819)	146,883
Net changes	<u>121,094</u>	<u>(302,814)</u>	<u>423,908</u>
Balance at June 30, 2023 (2022 Measurement Date)	<u>\$ 7,604,098</u>	<u>\$ 2,702,396</u>	<u>\$ 4,901,702</u>

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 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB liability (asset)	\$ 5,798,252	\$ 4,901,702	\$ 4,163,167

Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the District, as well as what the District's Net OPEB would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

9) OTHER POST EMPLOYMENT BENEFITS – Continued

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability (asset)	\$ 4,281,560	\$ 4,901,702	\$ 5,687,340

OPEB Expense and Recognition of Deferred Outflows/Inflows of Resources Related to OPEB

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.

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$498,694. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
OPEB Contributions Subsequent to the Measurement Date	\$ 751,336	\$ -
Changes of Assumptions	250,090	-
Differences between expected and actual experience	196,228	241,319
Net differences between projected and actual earnings on plan investments	242,772	-
Total	\$ 1,440,426	\$ 241,319

The \$751,336 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2022 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year Ending June 30,	Amount
2024	\$ 66,830
2025	63,091
2026	47,827
2027	140,524
2028	24,343
Thereafter	105,156

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

10) CLASSIFICATION OF FUND BALANCES

The City's governmental fund balances at June 30, 2023, are presented below:

	General Fund	Housing Successor	Other Governmental Funds	Total
Nonspendable:				
Prepaid Items	\$ 134,614	\$ -	\$ -	\$ 134,614
Inventory	77,409	-	-	77,409
Property Held for Resale	24,409,990	-	-	24,409,990
Restricted for:				
Low/Mod Housing	-	25,910,650	8,991,971	34,902,621
Public Protection	-	-	1,052,707	1,052,707
Environmental	-	-	598,927	598,927
Transportation	-	-	8,734,434	8,734,434
Pension	1,593,849	-	-	1,593,849
Debt Service	5,525,695	-	-	5,525,695
Development	-	-	3,110,492	3,110,492
Assigned:				
Economic Development	6,489,140	-	-	6,489,140
Unassigned	49,400,819	-	(562,138)	48,838,681
Total Fund Balances	\$ 87,631,516	\$ 25,910,650	\$ 21,926,393	\$ 135,468,559

11) DEFICIT FUND BALANCES

The City Capital Projects fund reported a deficit in fund balance of \$562,138 as of June 30, 2023. This deficit will be reduced when future revenues are received by the City.

The Workers' Compensation Internal Service Fund has a deficit of \$2,465,460 as a result of claims liabilities exceeding assets.

12) SUCCESSOR AGENCY ACTIVITIES

Changes in long-term liabilities for the Successor Agency are as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due in one year
Fiduciary Fund Long-term Debt					
2019 Tax Allocation Bonds, Series A	\$ 36,010,000	\$ -	\$ 1,880,000	\$ 34,130,000	\$ 1,935,000
2019 Tax Allocation Bonds, Series B	5,430,000	-	2,690,000	2,740,000	2,740,000
Unamortized Premium	7,484,612	-	457,430	7,027,182	-
Total Fiduciary Fund Debt	\$ 48,924,612	\$ -	\$ 5,027,430	\$ 43,897,182	\$ 4,675,000

**City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023**

12) SUCCESSOR AGENCY ACTIVITIES - 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 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 future debt service requirements for the bonds are as follows:

2019 Series A Tax Allocation Refunding Bonds			
Fiscal Year Ending	Principal	Interest	Total
June 30,			
2024	\$ 1,935,000	\$ 1,544,700	\$ 3,479,700
2025	2,580,000	1,454,400	4,034,400
2026	2,370,000	1,343,550	3,713,550
2027	2,485,000	1,222,175	3,707,175
2028	2,610,000	1,094,800	3,704,800
2029-2033	14,355,000	3,386,375	17,741,375
2034-2036	7,795,000	457,900	8,252,900
Totals	\$ 34,130,000	\$ 10,503,900	\$ 44,633,900

2019 Series B Tax Allocation Refunding Bonds			
Fiscal Year Ending	Principal	Interest	Total
June 30,			
2023	\$ 2,740,000	\$ 27,852	\$ 2,767,852
Totals	\$ 2,740,000	\$ 27,852	\$ 2,767,852

13) COMMITMENTS AND CONTINGENCIES

The City has been named as a defendant in certain other claims and litigation matters. In the opinion of City management, the outcome of such litigation is not expected to result in a material adverse effect to the financial condition of the City beyond that accrued in the City's Self-funded Insurance Fund.

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

Construction commitments at year-end were approximately \$8,986,344.

City of Buena Park
Notes to Financial Statements
Year Ended June 30, 2023

14) LEASES

Lease Receivable - In prior fiscal years, the City entered into various land lease agreements with third parties to lease pieces of land owned by the City. The initial lease terms ranged from 10 to 50 years. The City currently receives monthly payments from all leases of \$8,631. The City recognized \$100,904 in lease revenue and \$2,669 in interest revenue during the current fiscal year related to the various leases. As of June 30, 2023, the City's receivable for lease payments was \$1,661,661. Also, the City has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$1,661,661.

15) RESTATEMENT OF NET POSITION

The restatement of \$37,085 in the Statement of Activities is the net effect of the implementation of GASB 96, *Subscription-Based Information Technology*.

REQUIRED SUPPLEMENTARY INFORMATION

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 65,676,800	\$ 65,676,800	\$ 74,874,121	\$ 9,197,321
Licenses and Permits	1,283,770	1,283,770	1,334,753	50,983
Fines and Forfeitures	890,000	890,000	2,395,072	1,505,072
Intergovernmental	3,056,000	5,077,231	5,124,700	47,469
Charges for Services	8,554,870	8,617,258	8,933,543	316,285
Investment Income	570,000	570,000	701,635	131,635
Miscellaneous	445,820	452,820	1,431,557	978,737
	<u>80,477,260</u>	<u>82,567,879</u>	<u>94,795,381</u>	<u>12,227,502</u>
EXPENDITURES				
Current:				
General Government				
City Council	392,540	397,540	403,629	(6,089)
City Manager	947,580	947,580	922,722	24,858
Community Support Services	683,590	683,590	715,079	(31,489)
City Attorney	297,320	297,320	446,838	(149,518)
City Clerk	673,000	715,200	616,599	98,601
Internal Support Services	1,281,470	1,282,962	1,115,621	167,341
Finance	1,043,150	1,043,510	985,383	58,127
Public Works	1,826,200	1,859,500	1,722,369	137,131
Non-Departmental	1,811,050	1,811,050	1,082,547	728,503
Total General Government	<u>8,955,900</u>	<u>9,038,252</u>	<u>8,010,787</u>	<u>1,027,465</u>
Leisure:				
Recreation and Administration	3,650,140	3,723,966	4,178,720	(454,754)
Health:				
Navigation Center	2,735,000	3,238,901	2,910,376	328,525
Public Works	4,211,540	4,212,996	4,197,835	15,161
Total Health	<u>6,946,540</u>	<u>7,451,897</u>	<u>7,108,211</u>	<u>343,686</u>
Transportation:				
Public Works	5,809,790	5,946,321	5,144,193	802,128
Total Transportation	<u>5,809,790</u>	<u>5,946,321</u>	<u>5,144,193</u>	<u>802,128</u>
Public Protection:				
Community Development Services	609,940	683,037	660,191	22,846
Fire Department	14,205,710	14,205,710	14,200,536	5,174
Police Department	32,600,470	32,804,184	31,637,485	1,166,699
Total Public Protection	<u>47,416,120</u>	<u>47,692,931</u>	<u>46,498,212</u>	<u>1,194,719</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund - Continued
Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Development:				
Community Development Services	\$ 2,842,560	\$ 3,296,361	\$ 2,626,556	\$ 669,805
Environmental:				
Recreation, Parks, and Comm. Svcs.	4,026,250	4,140,811	4,256,646	(115,835)
Capital Outlay	250,000	2,049,097	549,400	1,499,697
Debt Service:				
Principal Retirement	425,000	425,000	425,000	-
Interest and Other Charges	332,100	332,100	332,100	-
Total Expenditures	80,654,400	84,096,736	79,129,825	4,966,911
Excess (Deficiency) of Revenues over Expenditures	(177,140)	(1,528,857)	15,665,556	17,194,413
OTHER FINANCING SOURCES (USES)				
Transfers In	147,670	1,102,314	124,151	(978,163)
Transfers Out	(1,039,650)	(5,288,099)	(1,348,948)	3,939,151
Total Other Financing Sources (Uses)	(891,980)	(4,185,785)	(1,224,797)	2,960,988
Net Change in Fund Balances	(1,069,120)	(5,714,642)	14,440,759	20,155,401
Fund Balances, Beginning	73,190,757	73,190,757	73,190,757	-
Fund Balances, Ending	\$ 72,121,637	\$ 67,476,115	\$ 87,631,516	\$ 20,155,401

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Housing Successor Special Revenue Fund
Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ -	\$ -	\$ 407,847	\$ 407,847
Investment Income	-	-	125,445	125,445
Total Revenues	-	-	533,292	533,292
EXPENDITURES				
Current:				
Development	317,340	317,406	273,055	44,351
Total Expenditures	317,340	317,406	273,055	44,351
Excess (Deficiency) of Revenues over Expenditures	(317,340)	(317,406)	260,237	577,643
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(250,000)	(250,000)	-	250,000
Total Other Financing Sources (Uses)	(250,000)	(250,000)	-	250,000
Net Change in Fund Balance	(567,340)	(567,406)	260,237	827,643
Fund Balance, Beginning	25,650,413	25,650,413	25,650,413	-
Fund Balance, Ending	<u>\$ 25,083,073</u>	<u>\$ 25,083,007</u>	<u>\$ 25,910,650</u>	<u>\$ 827,643</u>

City of Buena Park
Notes to Required Supplementary Information
Year Ended June 30, 2023

BUDGETS 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.

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City of Buena Park
Required Supplementary Information
Year Ended June 30, 2023

**Schedule of Changes in the Net Pension
Liability and Related Ratios
Agent Multiple-employer Plan - Miscellaneous**

	Measurement Period		
	2022	2021	2020
Total Pension Liability			
Service cost	\$ 2,234,738	\$ 2,154,848	\$ 2,196,854
Interest on total pension liability	10,730,177	10,487,791	10,165,401
Changes in assumptions	4,269,390	-	-
Differences between expected and actual experience	495,639	364,241	(1,945,520)
Benefit payments, including refunds	(8,813,099)	(8,427,293)	(7,965,791)
Net change in total pension liability	8,916,845	4,579,587	2,450,944
Total pension liability - beginning	154,033,964	149,454,377	147,003,433
Total pension liability - ending (a)	<u>\$ 162,950,809</u>	<u>\$ 154,033,964</u>	<u>\$ 149,454,377</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 35,856,980	\$ 4,448,078	\$ 4,195,356
Contributions - employee	965,501	972,705	1,103,870
Net investment income	(11,490,612)	23,961,580	5,166,628
Benefit payments	(8,813,099)	(8,427,293)	(7,965,791)
Administrative/Other Expense	(79,478)	(106,623)	(147,155)
Net change in plan fiduciary net position	16,439,292	20,848,447	2,352,908
Plan fiduciary net position - beginning	127,584,939	106,736,492	104,383,584
Plan fiduciary net position - ending (b)	<u>\$ 144,024,231</u>	<u>\$ 127,584,939</u>	<u>\$ 106,736,492</u>
Net pension liability - ending (a) - (b)	<u>\$ 18,926,578</u>	<u>\$ 26,449,025</u>	<u>\$ 42,717,885</u>
Plan fiduciary net position as a percentage of the total pension liability	88.39%	82.83%	71.42%
Covered payroll	\$ 15,051,613	\$ 14,578,447	\$ 13,479,498
Net pension liability as percentage of covered payroll	125.74%	181.43%	316.91%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2018 valuation date. This applies to voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions: In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflected an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

* Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

Measurement Period						
2019	2018	2017	2016	2015	2014	
\$ 2,213,426	\$ 2,236,898	\$ 2,148,370	\$ 1,992,348	\$ 2,394,505	\$ 2,495,555	
9,994,688	9,602,276	9,338,442	9,259,401	10,402,942	9,879,182	
-	(529,198)	7,411,183	-	(2,726,343)	-	
1,316,775	124,877	(2,072,201)	(1,430,631)	1,323,162	-	
(7,767,642)	(7,544,209)	(7,329,296)	(6,868,870)	(7,001,597)	(6,313,012)	
5,757,247	3,890,644	9,496,498	2,952,248	4,392,669	6,061,725	
141,246,186	137,355,542	127,859,044	124,906,796	139,692,888	133,631,163	
<u>\$ 147,003,433</u>	<u>\$ 141,246,186</u>	<u>\$ 137,355,542</u>	<u>\$ 127,859,044</u>	<u>\$ 144,085,557</u>	<u>\$ 139,692,888</u>	
\$ 3,589,027	\$ 3,184,075	\$ 2,959,042	\$ 2,571,401	\$ 2,006,400	\$ 3,816,628	
976,043	990,815	997,916	964,624	951,393	896,539	
6,561,383	8,127,473	9,957,029	452,819	2,115,027	14,795,183	
(7,767,642)	(7,544,209)	(7,329,296)	(6,868,870)	(6,786,470)	(6,313,012)	
(56,876)	(437,349)	(133,336)	(56,829)	(104,951)	-	
3,301,935	4,320,805	6,451,355	(2,936,855)	(1,818,601)	13,195,338	
101,081,649	96,760,844	90,309,489	93,246,344	95,064,945	85,979,077	
<u>\$ 104,383,584</u>	<u>\$ 101,081,649</u>	<u>\$ 96,760,844</u>	<u>\$ 90,309,489</u>	<u>\$ 93,246,344</u>	<u>\$ 99,174,415</u>	
<u>\$ 42,619,849</u>	<u>\$ 40,164,537</u>	<u>\$ 40,594,698</u>	<u>\$ 37,549,555</u>	<u>\$ 50,839,213</u>	<u>\$ 40,518,473</u>	
71.01%	71.56%	70.45%	70.63%	64.72%	70.99%	
\$ 14,823,350	\$ 14,391,602	\$ 12,895,891	\$ 12,045,152	\$ 11,636,737	\$ 8,870,562	
287.52%	279.08%	314.79%	311.74%	436.89%	456.77%	

**City of Buena Park
Required Supplementary Information
Year Ended June 30, 2023**

Defined Benefit Cost Sharing Multiple-Employer Plan - Safety

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

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2022	0.47156%	\$ 32,403,956	\$ 11,766,132	275.40%	87.79%
2021	1.03986%	56,238,642	11,253,447	499.75%	77.75%
2020	0.73669%	80,155,166	10,315,557	777.03%	67.45%
2019	0.72284%	74,069,585	8,760,412	845.50%	69.60%
2018	0.71541%	68,938,674	8,505,254	810.54%	75.26%
2017	0.68500%	67,933,536	9,280,685	731.99%	73.31%
2016	0.68943%	59,657,145	8,412,906	709.11%	74.06%
2015	0.67629%	46,420,099	8,024,373	578.49%	78.40%
2014	0.64148%	38,926,454	8,881,515	438.29%	79.82%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate changed from 7.65% to 7.15%.

**City of Buena Park
Required Supplementary Information
Year Ended June 30, 2023**

**Schedule of Contributions – Last 10 Years*
Agent Multiple-employer Plan – Miscellaneous Plan**

**Schedule of Plan Contributions
Last 10 Years***

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2023	\$ 1,542,364	\$ (1,542,364)	\$ -	\$ 15,199,900	10.15%
2022	4,591,817	(35,873,817)	(31,282,000)	15,051,613	30.51%
2021	4,448,078	(4,448,078)	-	14,578,447	30.51%
2020	4,193,814	(4,193,814)	-	13,479,498	31.11%
2019	3,587,318	(3,587,318)	-	14,823,350	24.20%
2018	3,184,856	(3,184,856)	-	14,391,602	22.13%
2017	2,853,983	(2,853,983)	-	12,895,891	22.13%
2016	2,571,401	(2,571,401)	-	12,045,152	21.35%
2015	2,006,400	(2,006,400)	-	11,636,737	17.24%
2014	1,880,762	(1,880,762)	-	11,030,619	17.05%

**Schedule of Contributions – Last 10 Years*
Cost-Sharing Plan – Safety Plan**

**Schedule of Plan Contributions
Last 10 Years***

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2023	\$ 2,460,652	\$ (2,460,652)	\$ -	\$ 11,177,135	22.02%
2022	8,016,447	(72,610,947)	(64,594,500)	11,766,132	68.13%
2021	7,149,910	(7,149,910)	-	11,253,447	63.54%
2020	6,501,781	(6,501,781)	-	10,315,557	63.03%
2019	5,512,848	(5,512,848)	-	8,760,412	62.93%
2018	4,735,608	(4,735,608)	-	8,505,254	55.68%
2017	4,131,562	(4,131,562)	-	9,280,685	44.52%
2016	3,615,462	(3,615,462)	-	8,412,906	42.98%
2015	2,299,785	(2,299,785)	-	8,024,373	28.66%

City of Buena Park
Required Supplementary Information
Year Ended June 30, 2023

Schedule of Changes in the Net OPEB Liability and Related Ratios
for the Measurement Periods Ended June 30
Last 10 Years'

	Measurement Period		
	2022	2021	2020
Total OPEB Liability			
Service cost	\$ 147,464	\$ 121,354	\$ 118,106
Interest on total OPEB liability	492,566	500,722	495,773
Changes in assumptions	-	318,610	-
Changes in benefits	-	-	-
Differences between expected and actual experience	146,883	(140,460)	98,835
Benefit payments, including refunds	(665,819)	(680,506)	(646,871)
Net change in total OPEB liability	121,094	119,720	65,843
Total OPEB liability - beginning	7,483,004	7,363,284	7,297,441
Total OPEB liability - ending (a)	<u>\$ 7,604,098</u>	<u>\$ 7,483,004</u>	<u>\$ 7,363,284</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 765,819	\$ 780,506	\$ 646,871
Net Investment Income	(402,052)	626,536	77,828
Benefit payments	(665,819)	(680,506)	(646,871)
Administrative Expense	(762)	(863)	(1,076)
Net change in plan fiduciary net position	(302,814)	725,673	76,752
Plan fiduciary net position - beginning	3,005,210	2,279,537	2,202,785
Plan fiduciary net position - ending (b)	<u>\$ 2,702,396</u>	<u>\$ 3,005,210</u>	<u>\$ 2,279,537</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 4,901,702</u>	<u>\$ 4,477,794</u>	<u>\$ 5,083,747</u>
Plan fiduciary net position as a percentage of the total OPEB liability	35.5%	40.2%	31.0%
Covered - employee payroll	26,817,745	25,831,894	23,795,055
Net OPEB liability as a percentage of covered-employee payroll	18.28%	17.33%	21.36%

*OPEB schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

Measurement Period		
2019	2018	2017
\$ 214,585	\$ 116,447	\$ 113,330
514,224	510,586	506,741
-	-	-
-	-	-
(335,231)	-	-
(669,809)	(578,455)	(558,051)
(276,231)	48,578	62,020
7,573,672	7,525,094	7,463,074
<u>\$ 7,297,441</u>	<u>\$ 7,573,672</u>	<u>\$ 7,525,094</u>
\$ 769,809	\$ 678,455	\$ 658,051
123,383	139,019	157,061
(669,809)	(578,455)	(558,051)
(425)	(2,004)	(1,323)
222,958	237,015	255,738
1,979,827	1,742,812	1,487,074
<u>\$ 2,202,785</u>	<u>\$ 1,979,827</u>	<u>\$ 1,742,812</u>
<u>\$ 5,094,656</u>	<u>\$ 5,593,845</u>	<u>\$ 5,782,282</u>
30.2%	26.1%	23.2%
23,583,762	22,841,873	22,176,576
21.60%	24.49%	26.07%

SUPPLEMENTARY INFORMATION

OTHER GOVERNMENTAL FUNDS

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**City of Buena Park
Other Governmental Funds
Year Ended June 30, 2023**

Gas Tax Fund

This fund accounts for State gasoline taxes received by the City. These funds may be used for street maintenance, right-of-way acquisition, and street construction. Gas Tax funds are used for capital projects established within the Gas Tax Fund.

Asset Forfeiture Fund

This fund accounts for the assets seized as a result of drug enforcement activities.

Proposition 172 Police Augmentation Fund

This 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

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

Local Law Enforcement Block Grant Fund

This fund accounts for grant monies received for local law enforcement activities.

Traffic Congestion Relief Fund

This fund accounts for the Governor's transportation congestion relief program revenue received for the repair and reconstruction of streets.

State OCATT Fund

This fund accounts for revenue received for investigation and prosecution of criminals belonging to major auto theft rings.

COPS/SLESF Fund

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

Housing and Community Development Fund

This 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

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

HOME Loans Fund

This fund accounts for grant monies received from the first-time homebuyer down payment assistance program.

CalHOME Loans Fund

This fund accounts for grant monies received from the CalHOME first-time homebuyer down payment assistance program.

Opioid Settlement Fund

This fund accounts for monies received as part of an opioid settlement case.

Park In-lieu Fund

This fund accounts for recreational development projects financed by developer fees paid in-lieu of park development.

City Capital Projects Fund

This 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, 2023**

	Special Revenue				
	State Gas Tax	Asset Forfeiture	Proposition 172 Police Augmentation	Measure M2	Local Law Enforcement Block Grant
ASSETS					
Cash and Investments	\$ 6,870,205	\$ 547,750	\$ 164,009	\$ 1,925,132	\$ 73,269
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Accounts	9,085	-	12,615	-	-
Interest Receivable	21,766	2,269	688	14,770	304
Loans Receivable	-	-	-	-	-
Due from Other Governments	516,822	-	94,723	344,012	-
Prepaid Items	-	-	-	-	-
Total Assets	<u>\$ 7,417,878</u>	<u>\$ 550,019</u>	<u>\$ 272,035</u>	<u>\$ 2,283,914</u>	<u>\$ 73,573</u>
LIABILITIES					
Accounts Payable	\$ 985,828	\$ -	\$ -	\$ 517	\$ -
Accrued Liabilities	8,778	-	11,036	6,776	224
Deposits Payable	-	116,939	-	-	-
Unearned Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	<u>994,606</u>	<u>116,939</u>	<u>11,036</u>	<u>7,293</u>	<u>224</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	12,615	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>12,615</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICITS)					
Nonspendable	-	-	-	-	-
Restricted	6,423,272	433,080	248,384	2,276,621	73,349
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	<u>6,423,272</u>	<u>433,080</u>	<u>248,384</u>	<u>2,276,621</u>	<u>73,349</u>
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	<u>\$ 7,417,878</u>	<u>\$ 550,019</u>	<u>\$ 272,035</u>	<u>\$ 2,283,914</u>	<u>\$ 73,573</u>

Special Revenue						
Traffic Congestion Relief	State OCATT	COPS/SLESF	Housing and Community Development	AB 2766/ AQMD	HOME Loans	CalHOME Loans
\$ 34,398	\$ -	\$ 143,156	\$ -	\$ 569,134	\$ 1,802,369	\$ 1,156,637
-	-	-	-	-	-	-
-	-	-	-	27,825	-	-
143	-	576	654,880	2,373	558,017	182,715
-	-	-	2,149,247	-	2,410,861	1,699,423
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 34,541</u>	<u>\$ -</u>	<u>\$ 143,732</u>	<u>\$ 2,804,127</u>	<u>\$ 599,332</u>	<u>\$ 4,771,247</u>	<u>\$ 3,038,775</u>
\$ -	\$ -	\$ -	\$ 31,906	\$ 405	\$ 800	\$ -
-	-	9,729	12,642	-	563	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	192,915	-	-	-
-	-	9,729	237,463	405	1,363	-
-	-	-	654,880	-	550,549	177,923
-	-	-	654,880	-	550,549	177,923
-	-	-	-	-	-	-
34,541	-	134,003	1,911,784	598,927	4,219,335	2,860,852
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>34,541</u>	<u>-</u>	<u>134,003</u>	<u>1,911,784</u>	<u>598,927</u>	<u>4,219,335</u>	<u>2,860,852</u>
<u>\$ 34,541</u>	<u>\$ -</u>	<u>\$ 143,732</u>	<u>\$ 2,804,127</u>	<u>\$ 599,332</u>	<u>\$ 4,771,247</u>	<u>\$ 3,038,775</u>

Continued

**City of Buena Park
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2023**

	Special Revenue	Capital Projects		Total
	Opioid Settlement	Park In-Lieu	City Capital Projects	
ASSETS				
Cash and Investments	\$ 163,891	\$ 3,163,621	\$ -	\$ 16,613,571
Restricted Cash and Investments	-	-	-	-
Receivables:				
Accounts	-	119,379	532,507	701,411
Interest Receivable	-	12,166	-	1,450,667
Loans Receivable	-	-	-	6,259,531
Due from Other Governments	-	-	-	955,557
Prepaid Items	-	-	-	-
Total Assets	\$ 163,891	\$ 3,295,166	\$ 532,507	\$ 25,980,737
LIABILITIES				
Accounts Payable	\$ -	\$ 78,545	\$ 19,442	\$ 1,117,443
Accrued Liabilities	-	-	-	49,748
Deposits Payable	-	-	-	116,939
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	542,696	735,611
Total Liabilities	-	78,545	562,138	2,019,741
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	106,129	532,507	2,034,603
Total Deferred Inflows of Resources	-	106,129	532,507	2,034,603
FUND BALANCE (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	163,891	3,110,492	-	22,488,531
Assigned	-	-	-	-
Unassigned	-	-	(562,138)	(562,138)
Total Fund Balances (Deficits)	163,891	3,110,492	(562,138)	21,926,393
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 163,891	\$ 3,295,166	\$ 532,507	\$ 25,980,737

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City of Buena Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
Year Ended June 30, 2023

	Special Revenue				
	State Gas Tax	Asset Forfeiture	Proposition 172 Police Augmentation	Measure M2	Local Law Enforcement Block Grant
REVENUES					
Taxes	\$ -	\$ -	\$ 478,870	\$ -	\$ -
Intergovernmental	4,114,032	199,199	-	2,097,880	21,000
Charges for Services	101,520	9,631	-	-	-
Investment Income	59,223	(565)	6,316	1,197	943
Miscellaneous	-	-	53,753	-	-
Total Revenues	4,274,775	208,265	538,939	2,099,077	21,943
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Transportation	718,321	-	-	415,484	-
Public Protection	-	14,171	696,518	-	27,549
Development	-	-	-	-	-
Capital Outlay	5,407,424	-	-	-	-
Total Expenditures	6,125,745	14,171	696,518	415,484	27,549
Excess (Deficiency) of Revenues Over Expenditures	(1,850,970)	194,094	(157,579)	1,683,593	(5,606)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,617,499	-	78,725	-	-
Transfers Out	(22,500)	-	(135,144)	(1,639,630)	-
Total Other Financing Sources (Uses)	1,594,999	-	(56,419)	(1,639,630)	-
Net Change in Fund Balances	(255,971)	194,094	(213,998)	43,963	(5,606)
Fund Balances - Beginning	6,679,243	238,986	462,382	2,232,658	78,955
Fund Balances - Ending	\$ 6,423,272	\$ 433,080	\$ 248,384	\$ 2,276,621	\$ 73,349

Special Revenue						
Traffic Congestion Relief	State OCATT	COPS/SLESF	Housing and Community Development	AB 2766/ AQMD	HOME Loans	CalHOME Loans
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	210,477	470,660	137,009	-	-
10,258	-	-	1,109	-	-	-
5,844	-	3,924	225,373	3,077	162,237	13,898
-	-	-	-	-	-	-
<u>16,102</u>	<u>-</u>	<u>214,401</u>	<u>697,142</u>	<u>140,086</u>	<u>162,237</u>	<u>13,898</u>
-	-	-	-	10,696	-	-
-	-	-	-	-	-	-
-	-	408,000	-	-	-	-
-	-	-	994,713	-	110,776	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>408,000</u>	<u>994,713</u>	<u>10,696</u>	<u>110,776</u>	<u>-</u>
<u>16,102</u>	<u>-</u>	<u>(193,599)</u>	<u>(297,571)</u>	<u>129,390</u>	<u>51,461</u>	<u>13,898</u>
-	135,144	194,174	-	-	-	-
-	-	-	-	(124,036)	-	-
<u>-</u>	<u>135,144</u>	<u>194,174</u>	<u>-</u>	<u>(124,036)</u>	<u>-</u>	<u>-</u>
16,102	135,144	575	(297,571)	5,354	51,461	13,898
<u>18,439</u>	<u>(135,144)</u>	<u>133,428</u>	<u>2,209,355</u>	<u>593,573</u>	<u>4,167,874</u>	<u>2,846,954</u>
<u>\$ 34,541</u>	<u>\$ -</u>	<u>\$ 134,003</u>	<u>\$ 1,911,784</u>	<u>\$ 598,927</u>	<u>\$ 4,219,335</u>	<u>\$ 2,860,852</u>

Continued

City of Buena Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds - Continued
Year Ended June 30, 2023

	Special Revenue	Capital Projects		Total
	Opioid Settlement	Park In-Lieu	City Capital Projects	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 478,870
Intergovernmental	162,420	532,359	42,883	7,987,919
Charges for Services	-	830,688	-	953,206
Investment Income	1,471	13,245	-	496,183
Miscellaneous	-	-	-	53,753
Total Revenues	<u>163,891</u>	<u>1,376,292</u>	<u>42,883</u>	<u>9,969,931</u>
EXPENDITURES				
Current:				
General Government	-	-	-	10,696
Transportation	-	-	-	1,133,805
Public Protection	-	-	-	1,146,238
Development	-	-	-	1,105,489
Capital Outlay	-	799,754	277,272	6,484,450
Total Expenditures	<u>-</u>	<u>799,754</u>	<u>277,272</u>	<u>9,880,678</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>163,891</u>	<u>576,538</u>	<u>(234,389)</u>	<u>89,253</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	227,210	-	2,252,752
Transfers Out	-	-	-	(1,921,310)
Total Other Financing Sources (Uses)	<u>-</u>	<u>227,210</u>	<u>-</u>	<u>331,442</u>
Net Change in Fund Balances	163,891	803,748	(234,389)	420,695
Fund Balances - Beginning	<u>-</u>	<u>2,306,744</u>	<u>(327,749)</u>	<u>21,505,698</u>
Fund Balances - Ending	<u>\$ 163,891</u>	<u>\$ 3,110,492</u>	<u>\$ (562,138)</u>	<u>\$ 21,926,393</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Gas Tax Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 4,241,370	\$ 4,114,032	\$ (127,338)
Charges for Services	62,000	101,520	39,520
Investment Income	16,000	59,223	43,223
	<u>4,319,370</u>	<u>4,274,775</u>	<u>(44,595)</u>
EXPENDITURES			
Current:			
Transportation	865,970	718,321	147,649
Capital Outlay	10,231,194	5,407,424	4,823,770
	<u>11,097,164</u>	<u>6,125,745</u>	<u>4,971,419</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(6,777,794)</u>	<u>(1,850,970)</u>	<u>4,926,824</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	2,697,709	1,617,499	(1,080,210)
Transfers Out	(37,448)	(22,500)	14,948
	<u>2,660,261</u>	<u>1,594,999</u>	<u>(1,065,262)</u>
Net Change in Fund Balances	(4,117,533)	(255,971)	3,861,562
Fund Balance, Beginning	<u>6,679,243</u>	<u>6,679,243</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,561,710</u>	<u>\$ 6,423,272</u>	<u>\$ 3,861,562</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Asset Forfeiture Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 150,000	\$ 199,199	\$ 49,199
Charges for Services	-	9,631	9,631
Investment Income	4,000	(565)	(4,565)
Total Revenues	<u>154,000</u>	<u>208,265</u>	<u>54,265</u>
EXPENDITURES			
Current:			
Public Protection	88,000	14,171	73,829
Total Expenditures	<u>88,000</u>	<u>14,171</u>	<u>73,829</u>
Excess (Deficiency) of Revenues over Expenditures	<u>66,000</u>	<u>194,094</u>	<u>128,094</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(9,264)	-	9,264
Total Other Financing Sources (Uses)	<u>(9,264)</u>	<u>-</u>	<u>9,264</u>
Net Change in Fund Balances	56,736	194,094	137,358
Fund Balance, Beginning	<u>238,986</u>	<u>238,986</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 295,722</u></u>	<u><u>\$ 433,080</u></u>	<u><u>\$ 137,358</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Proposition 172 Police Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Taxes	\$ 410,000	\$ 478,870	\$ 68,870
Intergovernmental	1,700	-	(1,700)
Investment Income	12,615	6,316	(6,299)
Miscellaneous	-	53,753	53,753
	<u>424,315</u>	<u>538,939</u>	<u>114,624</u>
EXPENDITURES			
Current:			
Public Protection	568,866	696,518	(127,652)
	<u>568,866</u>	<u>696,518</u>	<u>(127,652)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(144,551)</u>	<u>(157,579)</u>	<u>(13,028)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	36,520	78,725	42,205
Transfers Out	(102,520)	(135,144)	(32,624)
	<u>(66,000)</u>	<u>(56,419)</u>	<u>9,581</u>
Net Change in Fund Balances	(210,551)	(213,998)	(3,447)
Fund Balance, Beginning	<u>462,382</u>	<u>462,382</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 251,831</u>	<u>\$ 248,384</u>	<u>\$ (3,447)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Measure M2 Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,797,710	\$ 2,097,880	\$ 300,170
Investment Income	15,000	1,197	(13,803)
Total Revenues	<u>1,812,710</u>	<u>2,099,077</u>	<u>286,367</u>
EXPENDITURES			
Current:			
Transportation	573,970	415,484	158,486
Capital Outlay	242,516	-	242,516
Total Expenditures	<u>816,486</u>	<u>415,484</u>	<u>401,002</u>
Excess (Deficiency) of Revenues over Expenditures	<u>996,224</u>	<u>1,683,593</u>	<u>687,369</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(3,048,240)	(1,639,630)	1,408,610
Total Other Financing Sources (Uses)	<u>(3,048,240)</u>	<u>(1,639,630)</u>	<u>1,408,610</u>
Net Change in Fund Balances	(2,052,016)	43,963	2,095,979
Fund Balance, Beginning	<u>2,232,658</u>	<u>2,232,658</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 180,642</u>	<u>\$ 2,276,621</u>	<u>\$ 2,095,979</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - LLEBG Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 66,093	\$ 21,000	\$ (45,093)
Investment Income	-	943	943
Total Revenues	<u>66,093</u>	<u>21,943</u>	<u>(44,150)</u>
EXPENDITURES			
Current:			
Public Protection	<u>55,093</u>	<u>27,549</u>	<u>27,544</u>
Total Expenditures	<u>55,093</u>	<u>27,549</u>	<u>27,544</u>
Excess (Deficiency) of Revenues over Expenditures	<u>11,000</u>	<u>(5,606)</u>	<u>(16,606)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	11,000	(5,606)	(16,606)
Fund Balance, Beginning	<u>78,955</u>	<u>78,955</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 89,955</u></u>	<u><u>\$ 73,349</u></u>	<u><u>\$ (16,606)</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Traffic Congestion Relief Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Charges for Services	\$ 5,000	\$ -	\$ (5,000)
Investment Income	500	-	(500)
Total Revenues	<u>5,500</u>	<u>0</u>	<u>(5,500)</u>
EXPENDITURES			
Current:			
Engineering and Public Works	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,500</u>	<u>-</u>	<u>(5,500)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	135,144	135,144
Transfers Out	<u>(245,000)</u>	<u>-</u>	<u>245,000</u>
Total Other Financing Sources (Uses)	<u>(245,000)</u>	<u>135,144</u>	<u>380,144</u>
Net Change in Fund Balances	(239,500)	135,144	374,644
Fund Balance, Beginning	<u>(135,144)</u>	<u>(135,144)</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (374,644)</u>	<u>\$ -</u>	<u>\$ 374,644</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State OCATT Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 230,000	\$ 210,477	\$ (19,523)
Investment Income	-	3,924	3,924
	<u>230,000</u>	<u>214,401</u>	<u>(15,599)</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Protection	-	408,000	(408,000)
	<u>-</u>	<u>408,000</u>	<u>(408,000)</u>
Total Expenditures			
	<u>-</u>	<u>408,000</u>	<u>(408,000)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>230,000</u>	<u>(193,599)</u>	<u>(423,599)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	102,520	194,174	91,654
Transfers Out	-	-	-
	<u>102,520</u>	<u>194,174</u>	<u>91,654</u>
Total Other Financing Sources (Uses)			
	<u>102,520</u>	<u>194,174</u>	<u>91,654</u>
Net Change in Fund Balances	332,520	575	(331,945)
Fund Balance, Beginning	<u>133,428</u>	<u>133,428</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 465,948</u>	<u>\$ 134,003</u>	<u>\$ (331,945)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - COPS/SLESF Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 230,000	\$ 470,660	\$ 240,660
Investment Income	500	225,373	224,873
Total Revenues	<u>230,500</u>	<u>696,033</u>	<u>465,533</u>
EXPENDITURES			
Current:			
Public Protection	380,150	-	380,150
Total Expenditures	<u>380,150</u>	<u>-</u>	<u>380,150</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(149,650)</u>	<u>696,033</u>	<u>845,683</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	149,650	-	(149,650)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>149,650</u>	<u>-</u>	<u>(149,650)</u>
Net Change in Fund Balances	-	696,033	696,033
Fund Balance, Beginning	<u>2,209,355</u>	<u>2,209,355</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 2,209,355</u></u>	<u><u>\$ 2,905,388</u></u>	<u><u>\$ 696,033</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Housing and Comm. Devel. Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 923,130	\$ 137,009	\$ (786,121)
Charges for Services	-	-	-
Investment Income	-	3,077	3,077
Miscellaneous	349,319	-	(349,319)
Total Revenues	<u>1,272,449</u>	<u>140,086</u>	<u>(1,132,363)</u>
EXPENDITURES			
Current:			
Development	<u>1,272,553</u>	<u>-</u>	<u>1,272,553</u>
Total Expenditures	<u>1,272,553</u>	<u>-</u>	<u>1,272,553</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(104)</u>	<u>140,086</u>	<u>140,190</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>(124,036)</u>	<u>(124,036)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(124,036)</u>	<u>(124,036)</u>
Net Change in Fund Balances	(104)	16,050	16,154
Fund Balance, Beginning	<u>593,573</u>	<u>593,573</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 593,469</u>	<u>\$ 609,623</u>	<u>\$ 16,154</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - AB 2766/AQMD Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 100,000	\$ -	\$ (100,000)
Investment Income	5,000	162,237	157,237
Total Revenues	<u>105,000</u>	<u>162,237</u>	<u>57,237</u>
EXPENDITURES			
Current:			
General Government	13,120	-	13,120
Total Expenditures	<u>13,120</u>	<u>-</u>	<u>13,120</u>
Excess (Deficiency) of Revenues over Expenditures	<u>91,880</u>	<u>162,237</u>	<u>70,357</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(161,500)	-	161,500
Total Other Financing Sources (Uses)	<u>(161,500)</u>	<u>-</u>	<u>161,500</u>
Net Change in Fund Balances	(69,620)	162,237	231,857
Fund Balance, Beginning	<u>4,167,874</u>	<u>4,167,874</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 4,098,254</u></u>	<u><u>\$ 4,330,111</u></u>	<u><u>\$ 231,857</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - HOME Loans Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Investment Income	\$ 3,130	\$ 13,898	\$ 10,768
Total Revenues	<u>3,130</u>	<u>13,898</u>	<u>10,768</u>
EXPENDITURES			
Current:			
Development	670,520	-	670,520
Total Expenditures	<u>670,520</u>	<u>-</u>	<u>670,520</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(667,390)</u>	<u>13,898</u>	<u>681,288</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(667,390)	13,898	681,288
Fund Balance, Beginning	<u>2,846,954</u>	<u>2,846,954</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 2,179,564</u></u>	<u><u>\$ 2,860,852</u></u>	<u><u>\$ 681,288</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - CalHOME Loans Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	-	0	0
EXPENDITURES			
Current:			
Development	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Opioid Settlement Special Revenue Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 162,420	\$ 162,420
Investment Income	-	1,471	1,471
Total Revenues	-	163,891	163,891
EXPENDITURES			
Current:			
Development	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	163,891	163,891
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	-	163,891	163,891
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ 163,891	\$ 163,891

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Park In-lieu Capital Projects Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,315,702	\$ 532,359	\$ (2,783,343)
Charges for Services	4,290,000	830,688	(3,459,312)
Investment Income	10,000	13,245	3,245
	<u>7,615,702</u>	<u>1,376,292</u>	<u>(6,239,410)</u>
Total Revenues			
EXPENDITURES			
Capital Outlay	9,450,383	799,754	8,650,629
	<u>9,450,383</u>	<u>799,754</u>	<u>8,650,629</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(1,834,681)</u>	<u>576,538</u>	<u>2,411,219</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,289,610	227,210	(1,062,400)
Transfers Out	-	-	-
	<u>1,289,610</u>	<u>227,210</u>	<u>(1,062,400)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(545,071)	803,748	1,348,819
Fund Balance, Beginning	<u>2,306,744</u>	<u>2,306,744</u>	
Fund Balance, Ending	<u><u>\$ 1,761,673</u></u>	<u><u>\$ 3,110,492</u></u>	<u><u>\$ 1,348,819</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - City Capital Projects Fund
Year Ended June 30, 2023

	Final Budget	Actual Amounts	Variance - Positive (Negative)
REVENUES			
Intergovernmental	\$ 726,064	\$ 42,883	\$ (683,181)
Charges for Services	-	-	-
Miscellaneous Income	70,000	-	(70,000)
Total Revenues	<u>796,064</u>	<u>42,883</u>	<u>(753,181)</u>
EXPENDITURES			
Capital Outlay	<u>672,280</u>	<u>277,272</u>	<u>395,008</u>
Total Expenditures	<u>672,280</u>	<u>277,272</u>	<u>395,008</u>
Excess (Deficiency) of Revenues over Expenditures	<u>123,784</u>	<u>(234,389)</u>	<u>(358,173)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	14,948	-	(14,948)
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>14,948</u>	<u>-</u>	<u>(14,948)</u>
Net Change in Fund Balances	138,732	(234,389)	(373,121)
Fund Balance, Beginning	<u>(327,749)</u>	<u>(327,749)</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ (189,017)</u></u>	<u><u>\$ (562,138)</u></u>	<u><u>\$ (373,121)</u></u>

INTERNAL SERVICE FUNDS

**City of Buena Park
Internal Service Funds
Year Ended June 30, 2023**

INTERNAL SERVICE FUNDS

The internal service funds are used to account for goods and services provided by one City department to other City departments on a cost reimbursement basis.

Workers' Compensation Insurance Fund

This fund accounts for all workers' compensation self-insurance activities.

Public Liability Self-Insurance Fund

This 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

This fund accounts for vacation and sick leave pay-out to retiring employees.

Equipment Maintenance and Replacement Fund

This 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 Ground Maintenance Fund

This 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

This fund accounts for 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, 2023

	Workers' Compensation Insurance	Public Liability Self-Insurance	Accrued Leave	Equipment Maintenance & Replacement	Buildings & Grounds Maintenance
ASSETS					
Current Assets:					
Cash and Investments	\$ 2,360,674	\$ 1,008,249	\$ 10,597	\$ 7,707,259	\$ 928,709
Interest Receivable	10,163	4,055	44	31,918	4,020
Loans Receivable	-	-	-	18,269	-
Due from Other Governments	-	-	-	32,486	-
Total Current Assets	<u>2,370,837</u>	<u>1,012,304</u>	<u>10,641</u>	<u>7,789,932</u>	<u>932,729</u>
Noncurrent Assets:					
Capital Assets, Depreciable, Net	-	-	-	1,695,515	32,755
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,695,515</u>	<u>32,755</u>
Total Assets	<u>2,370,837</u>	<u>1,012,304</u>	<u>10,641</u>	<u>9,485,447</u>	<u>965,484</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension Related Items	-	-	-	310,071	187,505
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,071</u>	<u>187,505</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	18,973	20,244	-	32,610	272,215
Accrued Liabilities	-	-	-	10,813	10,331
Current Portion of Long-Term Liabilities:					
Employee Leave Benefits	-	-	-	2,062	16,209
Claims Payable	350,000	150,000	-	-	-
Total Current Liabilities	<u>368,973</u>	<u>170,244</u>	<u>-</u>	<u>45,485</u>	<u>298,755</u>
Noncurrent Liabilities:					
Employee Leave Benefits	-	-	-	15,914	45,193
Claims Payable	4,467,324	1,116,867	-	-	-
Net Pension Liability	-	-	-	476,950	384,210
Total Noncurrent Liabilities	<u>4,467,324</u>	<u>1,116,867</u>	<u>-</u>	<u>492,864</u>	<u>429,403</u>
Total Liabilities	<u>4,836,297</u>	<u>1,287,111</u>	<u>-</u>	<u>538,349</u>	<u>728,158</u>
DEFERRED INFLOWS OF RESOURCES					
Pension Related Items	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	-	-	-	1,695,515	32,755
Unrestricted	(2,465,460)	(274,807)	10,641	7,561,654	392,076
Total Net Position	<u>\$ (2,465,460)</u>	<u>\$ (274,807)</u>	<u>\$ 10,641</u>	<u>\$ 9,257,169</u>	<u>\$ 424,831</u>

Management Information Systems	Totals
\$ 1,618,932	\$ 13,634,420
6,708	56,908
-	18,269
-	32,486
<u>1,625,640</u>	<u>13,742,083</u>
<u>118,580</u>	<u>1,846,850</u>
<u>118,580</u>	<u>1,846,850</u>
<u>1,744,220</u>	<u>15,588,933</u>
<u>139,789</u>	<u>637,365</u>
<u>139,789</u>	<u>637,365</u>
137,837	481,879
3,635	24,779
-	18,271
-	500,000
<u>141,472</u>	<u>1,024,929</u>
-	61,107
-	5,584,191
<u>119,236</u>	<u>980,396</u>
<u>119,236</u>	<u>6,625,694</u>
<u>260,708</u>	<u>7,650,623</u>
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
118,580	1,846,850
<u>1,504,721</u>	<u>6,728,825</u>
<u>\$ 1,623,301</u>	<u>\$ 8,575,675</u>

City of Buena Park
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2023

	Workers' Compensation Insurance	Public Liability Self-Insurance	Accrued Leave	Equipment Maintenance & Replacement	Buildings & Grounds Maintenance
OPERATING REVENUES					
Charges for Services	\$ 1,346,580	\$ -	\$ 249,852	\$ 2,807,616	\$ 2,651,246
Total Operating Revenues	<u>1,346,580</u>	<u>-</u>	<u>249,852</u>	<u>2,807,616</u>	<u>2,651,246</u>
OPERATING EXPENSES					
Self-Insurance	474,196	1,559,263	-	-	-
Employee Benefits	-	-	369,667	-	-
Maintenance and Supplies	-	-	-	1,777,037	2,795,823
Information Systems	-	-	-	-	-
Depreciation	-	-	-	569,715	3,065
Total Operating Expenses	<u>474,196</u>	<u>1,559,263</u>	<u>369,667</u>	<u>2,346,752</u>	<u>2,798,888</u>
Operating Income (Loss)	<u>872,384</u>	<u>(1,559,263)</u>	<u>(119,815)</u>	<u>460,864</u>	<u>(147,642)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest Income	29,384	16,202	3,728	52,556	7,945
Gain/(Loss) on Disposal of Capital Assets	-	-	-	26,459	-
Total Nonoperating Revenues (Expenses)	<u>29,384</u>	<u>16,202</u>	<u>3,728</u>	<u>79,015</u>	<u>7,945</u>
Income (Loss) Before Operating Transfers	901,768	(1,543,061)	(116,087)	539,879	(139,697)
Transfers In	-	1,145,000	-	124,036	-
Transfers Out	<u>(126,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(56,161)</u>
Change in Net Position	775,568	(398,061)	(116,087)	663,915	(195,858)
Net Position - Beginning of Year	<u>(3,241,028)</u>	<u>123,254</u>	<u>126,728</u>	<u>8,593,254</u>	<u>620,689</u>
Net Position - End of Year	<u>\$ (2,465,460)</u>	<u>\$ (274,807)</u>	<u>\$ 10,641</u>	<u>\$ 9,257,169</u>	<u>\$ 424,831</u>

Management Information Systems	Totals
<u>\$ 667,464</u>	<u>\$ 7,722,758</u>
<u>667,464</u>	<u>7,722,758</u>
-	2,033,459
-	369,667
-	4,572,860
681,871	681,871
44,429	617,209
<u>726,300</u>	<u>8,275,066</u>
<u>(58,836)</u>	<u>(552,308)</u>
13,328	123,143
<u>-</u>	<u>26,459</u>
<u>13,328</u>	<u>149,602</u>
(45,508)	(402,706)
-	1,269,036
<u>-</u>	<u>(182,361)</u>
(45,508)	683,969
<u>1,668,809</u>	<u>7,891,706</u>
<u><u>\$ 1,623,301</u></u>	<u><u>\$ 8,575,675</u></u>

City of Buena Park
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2023

	Workers' Compensation Insurance	Public Liability Self-Insurance	Accrued Leave	Equipment Maintenance & Replacement	Buildings & Grounds Maintenance
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from User Departments	\$ 1,346,580	\$ -	\$ 249,852	\$ 2,775,130	\$ 2,651,246
Cash Paid to Suppliers for Goods and Services	(1,529,936)	(1,725,368)	-	(1,222,114)	(2,186,421)
Cash Paid to Employees for Services	-	-	(369,667)	(533,331)	(444,801)
Net Cash from Operating Activities	<u>(183,356)</u>	<u>(1,725,368)</u>	<u>(119,815)</u>	<u>1,019,685</u>	<u>20,024</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES					
Cash Paid (to) from Other Funds	(126,200)	1,145,000	-	124,036	(56,161)
Cash Paid (to) from Employee Loans	-	-	-	(4,441)	-
Net Cash from Noncapital and Related Financing Activities	<u>(126,200)</u>	<u>1,145,000</u>	<u>-</u>	<u>119,595</u>	<u>(56,161)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Cash Received from Sale of Capital Assets	-	-	-	31,850	-
Acquisition and Construction of Capital Assets	-	-	-	(379,447)	(15,304)
Net Cash from Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(347,597)</u>	<u>(15,304)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	23,029	12,733	3,856	29,983	5,270
Net Cash from Investing Activities	<u>23,029</u>	<u>12,733</u>	<u>3,856</u>	<u>29,983</u>	<u>5,270</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(286,527)	(567,635)	(115,959)	821,666	(46,171)
Cash and Cash Equivalents, Beginning of the Year	2,647,201	1,575,884	126,556	6,885,593	974,880
Cash and Cash Equivalents, End of the Year	<u>\$ 2,360,674</u>	<u>\$ 1,008,249</u>	<u>\$ 10,597</u>	<u>\$ 7,707,259</u>	<u>\$ 928,709</u>
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:					
Operating Income (Loss)	\$ 872,384	\$(1,559,263)	\$ (119,815)	\$ 460,864	\$ (147,642)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	-	-	-	569,715	3,065
Changes in Operating Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	-	-	-	(32,486)	-
(Increase) Decrease in Deferred Outflows - Pensions	-	-	-	599,138	482,639
Increase (Decrease) in Accounts Payable	18,909	(94,308)	-	(85,706)	86,782
Increase (Decrease) in Accrued Liabilities	-	-	-	(2,774)	(4,872)
Increase (Decrease) in Employee Leave Benefits	-	-	-	8,604	951
Increase (Decrease) in Net Pension Liability	-	-	-	(189,566)	(152,705)
Increase (Decrease) in Deferred Inflows - Pensions	-	-	-	(308,104)	(248,194)
Increase (Decrease) in Claims Payable	(1,074,649)	(71,797)	-	-	-
Net Cash from Operating Activities	<u>\$ (183,356)</u>	<u>\$ (1,725,368)</u>	<u>\$ (119,815)</u>	<u>\$ 1,019,685</u>	<u>\$ 20,024</u>

Management Information Systems	Totals
\$ 667,464	\$ 7,690,272
(495,819)	(7,159,658)
<u>(73,682)</u>	<u>(1,421,481)</u>
<u>97,963</u>	<u>(890,867)</u>
-	1,086,675
<u>-</u>	<u>(4,441)</u>
-	1,082,234
-	31,850
<u>(25,032)</u>	<u>(419,783)</u>
<u>(25,032)</u>	<u>(387,933)</u>
8,709	83,580
<u>8,709</u>	<u>83,580</u>
81,640	(112,986)
<u>1,537,292</u>	<u>13,747,406</u>
<u>\$ 1,618,932</u>	<u>\$ 13,634,420</u>
\$ (58,836)	\$ (552,308)
44,429	617,209
-	(32,486)
149,785	1,231,562
88,983	14,660
(1,981)	(9,627)
-	9,555
(47,391)	(389,662)
(77,026)	(633,324)
-	(1,146,446)
<u>\$ 97,963</u>	<u>\$ (890,867)</u>

CUSTODIAL FUNDS

**City of Buena Park
Custodial Funds
Year Ended June 30, 2023**

CUSTODIAL FUNDS

Custodial Funds are used to account for assets held by a government in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

CFD Mall Fund

This fund accounts for assets and liabilities related to the Community Facilities District Buena Park Mall.

Buena Park Tourism Marketing District Fund

This fund accounts for assets and liabilities related to the Buena Park Tourism Marketing District.

City of Buena Park
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	<u>Buena Park CFD Mall</u>	<u>Buena Park Tourism Marketing District</u>	<u>Total</u>
ASSETS			
Cash and Investments	\$ -	\$ 583,233	\$ 583,233
Accounts Receivable	-	116,822	116,822
Restricted Cash and Investments	<u>5,479,565</u>	<u>-</u>	<u>5,479,565</u>
 Total Assets	 <u>5,479,565</u>	 <u>700,055</u>	 <u>6,179,620</u>
LIABILITIES			
Accounts Payable	<u>-</u>	<u>103,231</u>	<u>103,231</u>
 Total Liabilities	 <u>-</u>	 <u>103,231</u>	 <u>103,231</u>
NET POSITION			
Restricted for:			
Organizations and Individuals	<u>5,479,565</u>	<u>596,824</u>	<u>6,076,389</u>
 Total Net Position	 <u><u>\$ 5,479,565</u></u>	 <u><u>\$ 596,824</u></u>	 <u><u>\$ 6,076,389</u></u>

City of Buena Park
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2023

	Buena Park CFD Mall	Buena Park Tourism Marketing District	Total
ADDITIONS			
Contributions:			
Taxes and assessments collected for others	\$ -	\$ 1,215,040	\$ 1,215,040
Total Additions	-	1,215,040	1,215,040
DEDUCTIONS			
General and Administrative	256,198	1,563,937	1,820,135
Contractual Obligations	-	46,305	46,305
Total Deductions	256,198	1,610,242	1,866,440
Net Increase (decrease) in fiduciary net position	(256,198)	(395,202)	(651,400)
Net Position, beginning of the year	5,735,763	992,026	6,727,789
Net Position, end of the year	<u>\$ 5,479,565</u>	<u>\$ 596,824</u>	<u>\$ 6,076,389</u>

STATISTICAL SECTION

City of Buena Park
Description of Statistical Section Contents
June 30, 2023

This part of the City of Buena Park's Annual Comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Contents:	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	114
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	124
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	129
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	133
<u>Operating Information</u> these schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs	135

City of Buena Park
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
Governmental Activities				
Net investment in capital assets	\$ 218,671	\$ 216,987	\$ 219,881	\$ 224,573
Restricted	45,392	45,733	45,437	55,406
Unrestricted	56,334	(12,168) ⁽¹⁾	(24,072)	(29,221)
Total governmental activities net position	\$ 320,397	\$ 250,552	\$ 241,246	\$ 250,758
Business-type Activities				
Net investment in capital assets	\$ 20,612	\$ 20,530	\$ 22,665	\$ 25,041
Restricted	-	-	-	-
Unrestricted	23,691	20,007	20,109	19,139
Total business-type activities net position	\$ 44,303	\$ 40,537	\$ 42,774	\$ 44,180
Primary Government				
Net investment in capital assets	\$ 239,283	\$ 237,517	\$ 242,546	\$ 249,614
Restricted	45,392	45,733	45,437	55,406
Unrestricted	80,025	7,839	(3,963)	(10,082)
Total primary government net position	\$ 364,700	\$ 291,089	\$ 284,020	\$ 294,938

(1) The City implemented Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and Financial Reporting for Pension, and Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date, for the fiscal year ended June 30, 2015. Implementation of these Statements required the City to restate prior period net position.

Source: City of Buena Park Finance Department

Fiscal Year					
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
\$ 244,051	\$ 233,088	\$ 242,220	\$ 243,360	\$ 241,497	\$ 239,675
41,631	43,242	45,510	47,492	45,961	49,291
(58,567)	(45,319)	(53,066)	(44,361)	(28,554)	(37,847)
<u>\$ 227,115</u>	<u>\$ 231,011</u>	<u>\$ 234,664</u>	<u>\$ 246,491</u>	<u>\$ 258,904</u>	<u>\$ 251,119</u>
\$ 33,550	\$ 32,082	\$ 31,917	\$ 30,254	\$ 29,895	\$ 31,043
-	-	-	-	-	-
12,065	16,259	19,380	23,664	25,620	25,492
<u>\$ 45,615</u>	<u>\$ 48,341</u>	<u>\$ 51,297</u>	<u>\$ 53,918</u>	<u>\$ 55,515</u>	<u>\$ 56,535</u>
\$ 277,601	\$ 265,170	\$ 274,137	\$ 273,614	\$ 271,392	\$ 270,718
41,631	43,242	45,510	47,492	45,961	49,291
(46,502)	(29,060)	(33,686)	(20,697)	(2,934)	(12,355)
<u>\$ 272,730</u>	<u>\$ 279,352</u>	<u>\$ 285,961</u>	<u>\$ 300,409</u>	<u>\$ 314,419</u>	<u>\$ 307,654</u>

City of Buena Park
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
Expenses				
Governmental activities:				
General government	\$ 6,491	\$ 7,125	\$ 8,098	\$ 7,659
Leisure	3,048	3,071	3,570	3,459
Health	3,018	3,000	3,155	3,025
Transportation	8,696	9,875	8,380	9,245
Public Protection	30,563	31,841	35,851	39,109
Development	2,763	12,700	5,055	3,695
Environmental	2,979	2,987	3,167	3,266
Interest	416	347	275	269
Total governmental activities net expenses	<u>57,974</u>	<u>70,946</u>	<u>67,551</u>	<u>69,727</u>
Business-type activities:				
Water	13,611	13,908	12,753	14,594
Total business-type activities net expenses	<u>13,611</u>	<u>13,908</u>	<u>12,753</u>	<u>14,594</u>
Total primary government expenses	<u>\$ 71,585</u>	<u>\$ 84,854</u>	<u>\$ 80,304</u>	<u>\$ 84,321</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 132	\$ 198	\$ 207	\$ 226
Leisure	824	774	893	857
Health	3,118	3,130	3,227	3,222
Transportation	226	213	227	260
Public Protection	3,649	2,642	3,315	8,368
Development	1,839	3,299	5,099	3,917
Environmental	183	209	227	253
Operating contributions and grants	6,506	6,122	5,521	6,664
Capital contributions and grants	3,492	2,134	2,485	2,832
Total governmental activities program revenues	<u>19,969</u>	<u>18,721</u>	<u>21,201</u>	<u>26,599</u>
Business-type activities:				
Charges for services:				
Water utility	16,462	15,270	14,124	16,010
Operating contributions and grants	-	-	-	124
Capital contributions and grants	-	-	-	-
Total business-type activities program revenues	<u>16,462</u>	<u>15,270</u>	<u>14,124</u>	<u>16,134</u>
Primary government program revenues	<u>\$ 36,431</u>	<u>\$ 33,991</u>	<u>\$ 35,325</u>	<u>\$ 42,733</u>
Net (Expense)/Revenue				
Governmental activities	\$ (38,005)	\$ (52,225)	\$ (46,350)	\$ (43,128)
Business-type activities	<u>2,851</u>	<u>1,362</u>	<u>1,371</u>	<u>1,540</u>
Total primary government net expense	<u>\$ (35,154)</u>	<u>\$ (50,863)</u>	<u>\$ (44,979)</u>	<u>\$ (41,588)</u>

Source: City of Buena Park Finance Department

Fiscal Year					
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
\$ 8,803	\$ 8,548	\$ 9,147	\$ 9,333	\$ 10,385	\$ 11,457
4,033	3,995	4,112	3,675	4,112	4,593
3,244	3,176	3,410	5,951	6,525	6,456
10,571	10,538	10,838	10,044	10,738	11,554
41,084	42,093	48,323	48,547	50,719	69,641
4,353	4,488	4,295	6,732	4,134	3,720
3,740	3,503	3,688	3,529	3,782	3,894
486	407	351	345	1,231	1,706
<u>76,314</u>	<u>76,748</u>	<u>84,164</u>	<u>88,156</u>	<u>91,626</u>	<u>113,021</u>
16,788	16,522	17,546	17,586	17,336	17,963
<u>16,788</u>	<u>16,522</u>	<u>17,546</u>	<u>17,586</u>	<u>17,336</u>	<u>17,963</u>
<u>\$ 93,102</u>	<u>\$ 93,270</u>	<u>\$ 101,710</u>	<u>\$ 105,742</u>	<u>\$ 108,962</u>	<u>\$ 130,984</u>
\$ 244	\$ 632	\$ 613	\$ 321	\$ 464	\$ 520
919	884	639	1,346	4,211	1,629
3,294	3,356	3,563	3,560	4,119	4,423
235	49	192	95	114	127
4,336	2,958	2,881	2,121	2,414	4,169
3,619	2,902	2,127	1,962	2,439	2,995
263	263	139	35	257	267
5,231	5,540	5,483	18,007	14,170	6,588
3,268	2,854	13,391	6,738	6,600	7,164
<u>21,409</u>	<u>19,438</u>	<u>29,028</u>	<u>34,185</u>	<u>34,788</u>	<u>27,882</u>
18,060	18,807	19,854	20,475	19,918	18,896
299	-	-	-	22	-
-	-	-	-	-	-
<u>18,359</u>	<u>18,807</u>	<u>19,854</u>	<u>20,475</u>	<u>19,940</u>	<u>18,896</u>
<u>\$ 39,768</u>	<u>\$ 38,245</u>	<u>\$ 48,882</u>	<u>\$ 54,660</u>	<u>\$ 54,728</u>	<u>\$ 46,778</u>
\$ (54,905)	\$ (57,310)	\$ (55,136)	\$ (53,971)	\$ (56,838)	\$ (85,140)
1,571	2,285	2,308	2,889	2,604	933
<u>\$ (53,334)</u>	<u>\$ (55,025)</u>	<u>\$ (52,828)</u>	<u>\$ (51,082)</u>	<u>\$ (54,234)</u>	<u>\$ (84,207)</u>

City of Buena Park
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 8,156	\$ 9,709	\$ 10,661	\$ 10,467
Sales taxes	20,420	15,889	17,701	20,841
Property taxes in lieu of sales taxes	6,842	7,355	2,533	-
Transient occupancy taxes	5,007	5,686	6,442	6,529
Franchise taxes	1,700	2,002	1,776	1,720
Business license taxes ¹	-	-	-	-
Utility users taxes ¹	-	-	-	-
Vehicle in-lieu taxes ¹	-	-	-	-
Other taxes	10,388	10,940	11,424	11,549
Investment income	609	590	1,025	10
Other	26	136	10	356
Transfers	102	76	98	139
Gain/loss on sale of property	-	-	-	-
Extraordinary item	-	-	-	-
Total governmental activities	<u>53,250</u>	<u>52,383</u>	<u>51,670</u>	<u>51,611</u>
Business-type activities:				
Investment income	188	135	300	5
Other	-	-	-	-
Transfers	(102)	(76)	(98)	(139)
Total business-type activities	<u>86</u>	<u>59</u>	<u>202</u>	<u>(134)</u>
Total primary government	<u>\$ 53,336</u>	<u>\$ 52,442</u>	<u>\$ 51,872</u>	<u>\$ 51,477</u>
Change in Net Position				
Governmental activities	\$ 15,245	\$ 158	\$ 5,321	\$ 8,483
Business-type activities	2,937	1,421	1,573	1,406
Total primary government	<u>\$ 18,182</u>	<u>\$ 1,579</u>	<u>\$ 6,894</u>	<u>\$ 9,889</u>

Source: City of Buena Park Finance Department

Fiscal Year					
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
\$ 10,870	\$ 11,705	\$ 11,856	\$ 12,016	\$ 13,816	\$ 14,778
20,943	25,740	24,154	27,472	33,640	35,466
-	-	-	-	-	-
6,591	6,605	5,313	3,704	6,572	7,481
1,871	1,809	1,875	1,846	2,001	2,328
-	-	1,055	1,009	1,104	1,224
-	-	2,443	2,425	3,073	3,791
-	-	8,990	9,368	9,698	10,285
11,965	12,720	616	594		
32	1,841	1,954	367	(1,377)	347
143	577	362	388	553	1,425
147	208	171	225	171	193
-	-	-	-	-	-
(7,191)	-	-	-	-	-
<u>45,371</u>	<u>61,205</u>	<u>58,789</u>	<u>59,414</u>	<u>69,251</u>	<u>77,318</u>
11	648	820	(44)	(836)	280
-	-	-	-	-	-
(147)	(208)	(171)	(225)	(171)	(193)
<u>(136)</u>	<u>440</u>	<u>649</u>	<u>(269)</u>	<u>(1,007)</u>	<u>87</u>
<u>\$ 45,235</u>	<u>\$ 61,645</u>	<u>\$ 59,438</u>	<u>\$ 59,145</u>	<u>\$ 68,244</u>	<u>\$ 77,405</u>
\$ (9,534)	\$ 3,895	\$ 3,653	\$ 5,443	\$ 12,414	\$ (7,822)
1,435	2,725	2,957	2,620	1,597	1,020
<u>\$ (8,099)</u>	<u>\$ 6,620</u>	<u>\$ 6,610</u>	<u>\$ 8,063</u>	<u>\$ 14,011</u>	<u>\$ (6,802)</u>

City of Buena Park
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year				
	2013-14	2014-15	2015-16	2016-17	2017-18
General Fund					
Nonspendable	\$ 5,848	\$ 5,882	\$ 9,305	\$ 10,735	\$ 4,942
Restricted	1,414	1,438	1,438	11,485	549
Assigned	4,043	5,126	5,705	7,381	6,486
Unassigned	48,428	55,697	51,697	42,771	27,201
Total general fund	<u>\$ 59,733</u>	<u>\$ 68,143</u>	<u>\$ 68,145</u>	<u>\$ 72,372</u>	<u>\$ 39,178</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	27,554	43,427	43,759	43,928	41,564
Assigned	609	664	560	-	55
Unassigned	(237)	-	(83)	(8)	(482)
Total all other governmental funds	<u>\$ 27,926</u>	<u>\$ 44,091</u>	<u>\$ 44,236</u>	<u>\$ 43,920</u>	<u>\$ 41,137</u>

Effective June 30, 2011 the City implemented GASB Statement No. 54 (refer to Notes to Financial Statements item 1-N). Fund balances in governmental funds are reported in the following classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Source: City of Buena Park Finance Department

Fiscal Year				
<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ 8,760	\$ 8,724	\$ 8,738	\$ 15,354	\$ 24,622
86	1,074	1,190	7,426	7,120
7,657	8,969	8,498	4,803	6,489
<u>27,836</u>	<u>25,079</u>	<u>36,951</u>	<u>45,608</u>	<u>49,401</u>
<u>\$ 44,339</u>	<u>\$ 43,846</u>	<u>\$ 55,377</u>	<u>\$ 73,191</u>	<u>\$ 87,632</u>
\$ -	\$ 1	\$ -	\$ -	\$ -
43,213	44,611	46,302	47,619	48,399
-	-	-	-	-
<u>(768)</u>	<u>(695)</u>	<u>(258)</u>	<u>(463)</u>	<u>(562)</u>
<u>\$ 42,445</u>	<u>\$ 43,917</u>	<u>\$ 46,044</u>	<u>\$ 47,156</u>	<u>\$ 47,837</u>

City of Buena Park
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Years				
	2013-14	2014-15	2015-16	2016-17	2017-18
Revenues					
Taxes	\$ 46,390	\$ 44,811	\$ 43,400	\$ 43,591	\$ 44,281
Licenses and permits	496	790	903	914	791
Fines and forfeitures	736	852	812	846	891
Intergovernmental	16,257	15,401	15,553	13,934	15,883
Charges for services	7,243	7,774	9,823	8,532	8,908
Investment income	763	789	1,137	256	369
Miscellaneous	1,400	532	966	3,796	1,488
Total revenues	73,285	70,949	72,594	71,869	72,611
Expenditures					
General government	5,852	6,493	7,282	7,506	7,332
Leisure	2,448	2,481	2,882	2,939	3,154
Health	2,960	2,962	3,029	3,046	3,153
Transportation	5,008	5,066	5,654	5,407	5,961
Public protection	28,754	29,642	33,337	34,515	36,999
Development	2,676	3,907	4,827	3,791	3,894
Environmental	2,920	2,945	3,046	3,247	3,524
Debt service:					
Principal retirement	1,633	1,702	4,059	22,818	18,078
Interest and other charges	422	353	281	210	525
Bond issuance costs	-	-	-	251	-
Capital Outlay	8,662	5,464	7,683	11,119	26,024
Total expenditures	61,335	61,015	72,080	94,849	108,644
Excess (deficiency) of revenues over (under) expenditures	11,950	9,934	514	(22,980)	(36,033)
Other Financing Sources (Uses)					
Transfers in	2,292	1,403	1,513	3,611	13,717
Transfers out	(3,124)	(2,262)	(2,408)	(4,442)	(14,573)
Insurance proceeds	-	-	-	5,626	1,481
Proceeds from sale of property	-	-	-	-	2
Loss on sale of property held for resale	-	(8,686)	-	-	-
Proceeds from long term debt	-	-	526	9,785	-
Proceeds from long term debt premium	-	-	-	507	-
Proceeds from sale of capital assets	86	-	1	-	-
Total other financing sources (uses)	(746)	(9,545)	(368)	15,087	627
Special items	-	-	-	10,775	6,621
Extraordinary item	-	-	-	-	(7,192)
Net change in fund balances	11,204	389	148	2,882	(35,977)
Fund balances - July 1, restated	76,456	104,145	112,234	113,410	116,292
Fund balances - June 30	\$ 87,660	\$ 104,534	\$ 112,382	\$ 116,292	\$ 80,315
Debt service as a percentage of noncapital expenditures	3.87%	3.61%	6.82%	27.33%	22.44%

Source: City of Buena Park Finance Department

Fiscal Years				
2018-19	2019-20	2020-21	2021-22	2022-23
\$ 50,005	\$ 47,312	\$ 58,433	\$ 69,904	\$ 75,353
517	538	673	942	1,335
929	859	546	313	2,395
17,147	26,746	24,555	19,054	13,113
8,285	7,666	8,011	12,547	10,295
1,837	1,884	1,067	(1,425)	1,323
2,017	1,663	389	554	1,485
<u>80,737</u>	<u>86,668</u>	<u>93,674</u>	<u>101,889</u>	<u>105,299</u>
7,212	7,589	6,854	7,876	8,021
3,184	3,137	2,959	3,368	4,179
3,161	3,314	5,951	6,525	7,108
5,355	5,637	5,963	6,498	6,278
38,238	40,689	42,231	44,278	47,644
4,125	3,885	4,343	3,350	4,005
3,343	3,489	3,529	3,782	4,257
2,107	480	490	400	425
439	384	368	352	332
-	-	-	-	-
7,060	15,851	6,506	6,202	7,034
<u>74,224</u>	<u>84,455</u>	<u>79,194</u>	<u>82,631</u>	<u>89,284</u>
6,513	2,213	14,480	19,258	16,015
3,417	2,785	1,174	4,204	2,377
(4,342)	(4,021)	(1,994)	(5,046)	(3,270)
495	-	-	-	-
386	2	-	-	-
-	-	-	-	-
-	-	-	92,303	-
-	-	-	-	-
<u>(44)</u>	<u>(1,234)</u>	<u>(820)</u>	<u>91,461</u>	<u>(893)</u>
-	-	-	(91,794)	-
-	-	-	-	-
6,469	979	13,660	18,925	15,122
<u>80,315</u>	<u>86,784</u>	<u>87,763</u>	<u>101,422</u>	<u>120,347</u>
<u>\$ 86,784</u>	<u>\$ 87,763</u>	<u>\$ 101,422</u>	<u>\$ 120,347</u>	<u>\$ 135,469</u>
3.74%	1.25%	1.15%	0.96%	0.89%

City of Buena Park
 Governmental Activities Tax Revenues By Source
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (amounts expressed in thousands)

Fiscal Year	Property Tax	Sales and Use Tax	Property Tax in Lieu of Sales Tax	Transient Occupancy Tax	Franchise Tax	Business License Tax ¹	Utility Users Tax ¹	Vehicle In-Lieu Tax ¹	Other Taxes
2013-14	8,156	20,420	6,842	5,007	1,700	-	-	-	10,388
2014-15	9,709	15,889	7,355	5,686	2,002	-	-	-	10,940
2015-16	10,661	17,701	2,533	6,442	1,776	-	-	-	11,424
2016-17	10,467	20,841	-	6,529	1,720	-	-	-	11,549
2017-18	10,870	20,943	-	6,591	1,871	-	-	-	11,965
2018-19	11,705	25,740	-	6,605	1,809	-	-	-	12,720
2019-20	11,856	24,154	-	5,313	1,875	1,055	2,443	8,990	616
2020-21	12,016	27,472	-	3,704	1,846	1,009	2,425	9,368	594
2021-22	13,816	33,640	-	6,572	2,001	1,104	3,073	9,698	-
2022-23	14,778	35,466	-	7,481	2,328	1,224	3,791	10,285	-

Source: City of Buena Park Finance Department

City of Buena Park
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rate	Overlapping Rates	
		Buena Park Schools	Metro Water District
2013-14	1.0000	0.2679	0.0035
2014-15	1.0000	0.2585	0.0035
2015-16	1.0000	0.2771	0.0035
2016-17	1.0000	0.3152	0.0035
2017-18	1.0000	0.3279	0.0035
2018-19	1.0000	0.3417	0.0035
2019-20	1.0000	0.3527	0.0035
2020-21	1.0000	0.3733	0.0035
2021-22	1.0000	0.3756	0.0035
2022-23	1.0000	0.3154	0.0035

Source: Orange County Auditor/Controller

City of Buena Park
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	<u>2022-23</u>			<u>2013-14</u>		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Knott's Berry Farm	\$ 380,699,209	1	27.91%	\$ 295,405,062	1	31.70%
The Source at Beach, LLC.	182,554,679	2	13.38%			
Comref So California Industiral Sub	164,521,923	3	12.06%	141,274,725	2	15.16%
Centerpoint Properties Trust	142,767,921	4	10.47%			
PRI Buena Park Indl California LLC	113,535,832	5	8.32%	88,472,065	4	9.49%
Alticor Inc	110,871,186	6	8.13%	104,825,550	3	11.25%
Newkoa LLC	86,893,719	7	6.37%			
6300 Regio LLC	70,582,450	8	5.17%			
Bottling Group LLC	55,992,869	9	4.10%	50,235,805	6	5.39%
Coventry II DDR Buena Park Place LLC	55,675,634	10	4.08%	82,639,590	5	8.87%
PP Tango California, LLC.				45,254,014	9	4.86%
Georgia-Pacific Corporation				46,416,658	8	4.98%
J.C. Penney Properties Inc				47,381,256	7	5.08%
Metropolitan Life Insurance Co				29,961,278	10	3.22%
HK Fullerton LLC						
	<u>\$ 1,364,095,422</u>		<u>100.00%</u>	<u>\$ 931,866,003</u>		<u>100.00%</u>

Source: HdL Companies

Excludes government and tax-exempt property owners

City of Buena Park
Secured Property Tax Levies and Collections (1)
Last Ten Fiscal Years

Fiscal year ended June 30	Total Tax Levy	Collected within the fiscal year of the levy		Collections in Subsequent Years	Total collections to date	
		Amount	% of Levy		Amount	% of Levy
2013-14	6,445,329	6,291,083	97.61%	50,680	6,341,763	98.39%
2014-15	6,615,614	6,444,393	97.41%	46,784	6,491,177	98.12%
2015-16	6,807,398	6,672,282	98.02%	45,115	6,672,282	98.02%
2016-17	6,952,697	6,838,928	98.36%	39,816	6,878,744	98.94%
2017-18	6,930,627	6,820,731	98.41%	39,448	6,860,179	98.98%
2018-19	7,184,347	7,058,654	98.25%	42,790	7,101,444	98.85%
2019-20	7,698,620	7,231,343	93.93%	56,847	7,288,190	94.67%
2020-21	7,574,088	7,459,984	98.49%	53,141	7,513,125	99.20%
2021-22	7,766,639	7,640,305	98.37%	187,223	7,640,305	98.37%
2022-23	8,117,989	7,988,195	98.40%	(2)	7,988,195	98.40%

(1) Property tax totals are net of 1915 act bond

(2) Information not available

Source: Orange County Auditor/Controller

City of Buena Park
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed value)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other* Property	Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2013-14	5,042,078	1,432,849	1,112,097	451,647	236,998	8,275,669	1.00
2014-15	5,415,224	1,456,247	1,122,370	474,918	226,042	8,694,801	1.00
2015-16	5,734,199	1,590,478	1,165,617	468,840	191,295	9,150,429	1.00
2016-17	6,003,197	1,740,740	1,182,750	489,028	203,841	9,619,556	1.00
2017-18	6,397,835	1,854,790	1,254,693	456,876	178,067	10,142,261	1.00
2018-19	6,783,616	2,080,416	1,338,189	536,919	178,729	10,917,869	1.00
2019-20	7,164,440	2,161,967	1,400,389	515,061	185,290	11,427,147	1.00
2020-21	7,499,298	2,240,680	1,463,376	507,178	191,885	11,902,417	1.00
2021-22	7,771,409	2,291,331	1,488,449	496,456	194,323	12,241,968	1.00
2022-23	8,292,285	2,356,165	1,559,184	632,113	198,206	13,037,953	1.00

*Other property includes recreational, institutional, vacant, and miscellaneous property.

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Orange County Assessor, HdL Coren & Cone

City of Buena Park
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

Fiscal Year	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		Total Primary Government	Restricted for Debt Service	Net Bonded Debt	% of Personal Income (1)	Per Capita (1)
	Revenue Bonds	Pension Obligation Bonds	Notes Payable	Pension Obligation Bonds	Notes Payable					
2013-14	-	-	9,255	-	25	9,280	-	-	0.49%	113
2014-15	-	-	7,552	-	15	7,567	-	-	0.39%	90
2015-16	-	-	5,780	-	5	5,785	-	-	0.29%	69
2016-17	10,288	-	4,351	-	-	14,639	-	10,288	0.51%	123
2017-18	10,262	-	2,318	-	4,985	17,565	-	10,262	0.49%	122
2018-19	10,237	-	210	-	4,736	15,183	-	10,237	0.48%	123
2019-20	9,837	-	105	-	4,486	14,428	-	9,837	0.42%	120
2020-21	9,426	-	-	-	5,196	14,622	-	9,426	0.39%	115
2021-22	9,001	92,303	-	4,082	4,890	110,276	-	105,386	4.15%	1,263
2022-23	8,551	87,366	-	3,864	4,585	104,366	-	99,781	3.61%	1,195

Note: Details regarding the outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: City of Buena Park Finance Department

City of Buena Park
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Share of Overlapping Debt</u>
City of Buena Park direct debt			
2017 Lease Revenue Bonds	\$ 8,200	100.00%	\$ 8,200
Original Issuance Premium	351	100.00%	351
2021 Pension Obligation Bonds	87,366	100.00%	<u>87,366</u>
Total Direct Debt			<u>95,917</u>
Overlapping debt			
Metropolitan Water District	19,215	0.34%	66
Orange County and School District	1,213,559	14.56%	<u>176,655</u>
Total Overlapping Debt			<u>176,721</u>
 Total direct and overlapping debt			 <u><u>\$ 272,638</u></u>

Source: Orange County Assessor, HdL Coren & Cone

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Buena Park. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

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City of Buena Park
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (amounts expressed in thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt limit	\$ 1,205,801	\$ 1,270,314	\$ 1,343,870	\$ 1,412,357	\$ 1,494,629
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 1,205,801</u>	<u>\$ 1,270,314</u>	<u>\$ 1,343,870</u>	<u>\$ 1,412,357</u>	<u>\$ 1,494,629</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2022-23

Assessed value	\$ 12,578,086
Add back: exempt real property	<u>\$ 261,660</u>
Total assessed value	\$ 12,839,746
Debt limit (15% of total assessed value)	\$ 1,925,962
Debt applicable to limit:	-
Legal debt margin	<u>\$ 1,925,962</u>

Note: Under state finance law, the City of Buena Park's outstanding general obligation debt should not exceed 15 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: Orange County Assessor, HdL Coren & Cone

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,610,871	\$ 1,686,278	\$ 1,756,580	\$ 1,807,147	\$ 1,925,962
-	-	-	-	-
<u>\$ 1,610,871</u>	<u>\$ 1,686,278</u>	<u>\$ 1,756,580</u>	<u>\$ 1,807,147</u>	<u>\$ 1,925,962</u>
0%	0%	0%	0%	0%

City of Buena Park
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2013-14	82,344	1,887,654	22,924	6.3%
2014-15	82,330	1,925,699	23,390	4.7%
2015-16	83,347	2,015,754	24,185	3.8%
2016-17	83,884	2,033,040	24,236	3.4%
2017-18	83,995	2,088,787	24,867	2.9%
2018-19	83,384	2,119,346	25,416	3.2%
2019-20	81,998	2,336,383	28,493	3.1%
2020-21	81,626	2,441,203	29,907	10.8%
2021-22	83,430	2,542,031	30,469	7.1%
2022-23	83,517	2,763,229	33,085	3.5%

Source: HdL, Coren & Cone

City of Buena Park
Principal Employers
Current Year and Nine Years Ago

Employer	2022-23			2013-14		
	Employees	Rank	% of Total City Employment*	Employees	Rank	% of Total City Employment
Knott's Berry Farm	4,069	1	10.65%	5,071	1	12.74%
Amazon.com Services LLC	736	2	1.93%			
Pepsi	477	3	1.25%	477	6	1.20%
RIA Financial/AFEX Money Express	413	4	1.08%			
Porto's Bakery	396	5	1.04%			
Access Business Group LLC	389	6	1.02%	479	5	1.20%
Yamaha Corporation of America	350	7	0.92%	350	8	0.88%
City of Buena Park	280	8	0.73%	274	9	0.69%
99 Ranch (Tawa Services, Inc.)	275	9	0.72%			
Wal-Mart Store #5032	232	10	0.61%	269	10	0.68%
Leach Corporation				483	4	1.21%
Prologis California I LLC				800	2	2.01%
J.C. Penney				526	3	1.32%
ADP				358	7	0.90%
Total	<u>7,617</u>		<u>20.42%</u>	<u>9,087</u>		<u>22.95%</u>

* Based upon U.S. Department of Labor's estimate of 38,200 residents employed in 2022-23 and 39,800 employed in 2013-14.

Sources: City of Buena Park Finance Department, State of California Employment Development Department

City of Buena Park
 Full-Time Equivalent City Employees by Function
 Last Ten Fiscal Years

Function	2013-14	2014-15	2015-16	2016-17
General Government	34	43	43	40.5
Public Safety	138	126	126	127
Public Works	40	41	41	37
Community Services	19	25	25	21.5
Community Development	16	16	16	16
Water	27	27	27	28
 Total	 <u>274</u>	 <u>278</u>	 <u>278</u>	 <u>270</u>

Source: City of Buena Park Budget

Note: Public Works and Community Services underwent a reorganization in fiscal year 2019-20 that re

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
40.5	40	40	39	35	35
131	135	135	136	136	136
37	47	50	49	50	50
22.5	14	14	14	13	14
16	16	16	16	20	20
<u>28</u>	<u>28</u>	<u>26</u>	<u>27</u>	<u>26</u>	<u>26</u>
<u><u>275</u></u>	<u><u>280</u></u>	<u><u>281</u></u>	<u><u>281</u></u>	<u><u>280</u></u>	<u><u>281</u></u>

sulted in a variance in staffing levels compared to prior fiscal years.

City of Buena Park
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function:	2013-14	2014-15	2015-16	2016-17	2017-18
Police					
Calls dispatched	43,650	43,051	56,163	66,096	76,955
Crime reports	9,883	9,540	9,831	9,874	10,283
Moving citations	5,572	8,973	8,803	7,124	9,096
Parking citations	14,560	16,221	14,589	18,566	16,617
Streets and Highways					
Asphalt repair (in tons)	269	270	283	211	97
Curb & gutter repair (lineal ft.)	1,022	1,000	422	417	726
Sidewalk repair (lineal ft.)	1,324	1,300	3,893	2,143	1,679
Water					
Number of customer accounts	19,300	19,300	19,481	19,391	19,520
Average daily consumption (millions of gallons)	13.6	10.9	10.6	11.1	12.1
Water samples taken (annual)	1,200	1,200	1,200	3,000	3,000
Sewers					
Feet of sewer mains root cut/ chemically treated	29,274	29,000	52,630	52,630	52,630
Maintenance					
Graffiti removals	9,240	7,172	8,160	8,708	5,439
Streetsweeping miles	23,000	23,000	2,300	23,350	23,350
Trees pruned per year	5,344	5,300	5,400	1,150	1,754
Culture and Recreation					
Youth sports	900	1,300	1,302	1,203	1,223
Aquatics	25,749	23,617	25,751	26,885	25,821
Picnic rentals	17,000	20,000	18,700	13,141	15,440
Leisure classes	5,095	3,752	3,655	3,709	3,969
Senior Center participants	110,410	116,112	122,216	132,410	132,504

Source: City of Buena Park

2018-19	2019-20	2020-21	2021-22	2022-23
62,111	69,554	62,960	66,061	63,952
9,639	8,568	8,915	6,883	7,187
8,395	6,156	7,142	4,072	3,546
18,378	18,014	17,799	17,517	12,902
184	188	215	147	160
579	734	1,008	609	257
2,389	1,295	1,805	1,974	1,637
19,573	19,478	19,547	19,565	19,565
11.6	11.5	10.6	10.6	10.6
3,000	3,000	3,000	3,000	3,000
52,630	52,630	52,630	52,630	52,630
2,234	3,097	3,475	4,608	6,259
23,350	23,350	23,350	23,350	23,350
1,078	1,078	1,272	1,272	1,026
1,109	370	397	1,070	1,274
21,228	1,863	2,015	1,526	1,546
18,400	12,160	9,920	23,760	25,840
3,762	2,449	1,116	2,211	2,622
135,048	118,426	59,213	115,321	121,816

City of Buena Park
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function:	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Public Safety						
Police stations	1	1	1	1	1	1
Number of patrol units	30	30	32	30	34	36
Highways and streets						
Miles of streets	147.6	147.6	147.6	191.3	191.3	191.3
Traffic Signals	70	70	73	83	85	85
Water						
Number of active water wells	8	8	8	8	8	8
Number of reservoirs	1	1	1	1	1	1
Miles of lines & mains	220	220	220	220	220	220
Sewer						
Miles of sanitary sewers	168	168	168	168	168	168
Miles of flood control channel	21	21	21	21	21	21
Culture and Recreation						
Number of parks	11	11	11	11	11	11
Number of community facilities	3	3	3	3	3	3

Source: City of Buena Park

2019-20	2020-21	2021-22	2022-23
1 36	1 36	1 33	1 35
191.3 85	191.3 85	191.3 85	191.3 84
8 1 220	8 1 220	8 1 220	8 1 220
168 21	168 21	168 21	168 21
11 3	11 3	12 3	12 3