



CITY OF CULVER CITY, CALIFORNIA

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

City of Culver City, California



Annual Comprehensive Financial Report

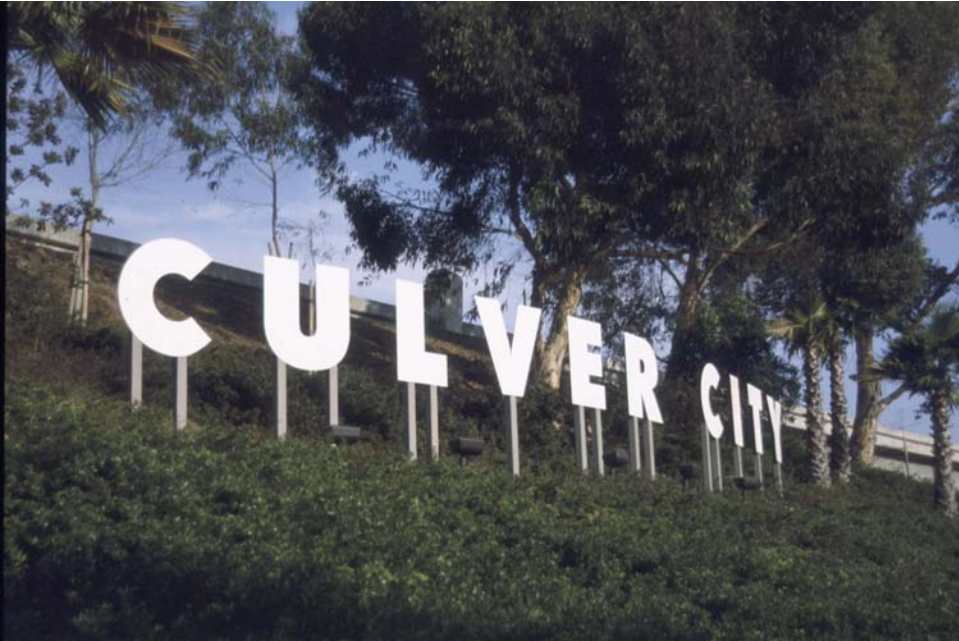
For the Fiscal Year Ended June 30, 2021

Prepared by:

Finance Department



Introductory Section





**City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2021**

Table of Contents

	<u>PAGE</u>
INTRODUCTORY SECTION (Unaudited)	
Table of Contents	i
Letter of Transmittal	v
Officials of the City of Culver City, California.....	xx
Organization Chart	xxi
GFOA Certificate of Achievement for Excellence in Financial Reporting	xxii
 FINANCIAL SECTION	
Independent Auditor’s Report on Financial Statements	1
Management’s Discussion and Analysis (Required Supplementary Information) (Unaudited)	5
 Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	26
Statement of Activities.....	28
 Fund Financial Statements:	
Governmental Fund Financial Statements:	
Balance Sheet.....	34
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.....	37
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	38
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities	40
 Proprietary Fund Financial Statements:	
Statement of Net Position.....	44
Statement of Revenues, Expenses, and Changes in Net Position.....	48
Statement of Cash Flows.....	50
 Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	57
Statement of Changes in Fiduciary Net Position.....	58
 Index to the Notes to the Basic Financial Statements	 61
Notes to the Basic Financial Statements	63

**City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2021**

Table of Contents (Continued)

	<u>PAGE</u>
FINANCIAL SECTION (Continued)	
Required Supplementary Information (Unaudited):	
Schedule of Changes in Net Pension Liabilities and Related Ratios	
CalPERS Miscellaneous Plan	116
CalPERS Safety Plan	118
Schedule of Contributions – Pensions	
CalPERS Miscellaneous Plan	120
CalPERS Safety Plan.....	122
Schedule of Changes in Net OPEB Liabilities and Related Ratios	124
Schedule of Contributions - OPEB.....	126
 Budgetary Comparison Schedule:	
General Fund	128
Culver City Housing Authority Special Revenue Fund	129
Note to the Required Supplementary Information (Unaudited) Budgetary Comparison Schedule	130
 Supplementary Information:	
 Nonmajor Governmental Funds:	
Combining Balance Sheet	133
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	134
 Nonmajor Special Revenue Funds:	
Combining Balance Sheet	138
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	142
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Gas Tax Special Revenue Fund	146
Proposition A Local Return Special Revenue Fund	147
Proposition C Local Return Special Revenue Fund	148
Measure R Special Revenue Fund.....	149
Operating Grants Special Revenue Fund.....	150
Section 8 Housing Special Revenue Fund.....	151
Art in Public Places Special Revenue Fund	152
Community Development Special Revenue Fund.....	153
Community Development Block Grant (CDBG) Special Revenue Fund	154
Special Assessment Special Revenue Fund.....	155
Park Facilities Special Revenue Fund	156
Asset Seizure Special Revenue Fund	157
Parking Authority Special Revenue Fund	158
Safe/Clean Water Protection Special Revenue Fund.....	159
Building Surcharge Special Revenue Fund	160
Paratransit Special Revenue Fund	161
Measure M Special Revenue Fund.....	162
AQMD.....	163
Board of State and Community Corrections Special Revenue Fund.....	164

**City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2021**

Table of Contents (Continued)

	<u>PAGE</u>
<u>FINANCIAL SECTION (Continued)</u>	
Supplementary Information(Continued):	
Major and Nonmajor Capital Projects Funds:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Capital Improvement and Acquisition Capital Projects Fund	167
Capital Improvement Grants Capital Projects Fund.....	168
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	169
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	170
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Cooperative Projects Capital Projects Fund	171
CDBG Capital Projects Fund.....	172
Internal Service Funds:	
Combining Statement of Net Position.....	174
Combining Statement of Revenues, Expenditures, and Changes in Net Position.....	177
Combining Statement of Cash Flows.....	178
Agency Fund Financial Statements:	
Combining Statement of Agency Assets and Liabilities.....	183
Combining Statement of Changes in Agency and Liabilities.....	184
<u>STATISTICAL SECTION (Unaudited)</u>	
Description of Statistical Section Contents	187
Net Position by Component	188
Changes in Net Position	190
Program Revenues by Revenue Function.....	194
Fund Balances, Governmental Funds.....	196
Changes in Fund Balances, Governmental Funds.....	198
Tax Revenues by Source.....	200
Assessed Value and Estimated Actual Value of Taxable Property.....	202
Direct and Overlapping Property Tax Rates	203
Principal Property Taxpayers.....	204
Property Tax Levies and Collections.....	205
Ratios of Outstanding Debt by Type.....	206
Direct and Overlapping Governmental Activities Debt.....	207
Legal Debt Margin Information.....	208
Pledged-Revenue Coverage.....	210
Demographic and Economic Statistics.....	211
Principal Employers.....	212
Full-Time Equivalent City Government Employees by Function/Program.....	217
Operating Indicators by Function.....	218
Capital Asset Statistics by Function	220

This page intentionally left blank.



Culver **CITY**

FINANCE DEPARTMENT

PHONE (310) 253-5865

FAX (310) 253-6010

9770 CULVER BOULEVARD, CULVER CITY, CALIFORNIA 90232-0507

January 28, 2022

Honorable Mayor, Members of the City Council, and Citizens of Culver City:

It is our pleasure to submit the Annual Comprehensive Financial Report (ACFR) of the City of Culver City (the City) for the fiscal year ended June 30, 2021. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. In our opinion, the data is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and contains all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs.

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management's representations concerning the finances of the City of Culver City, California. 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 of the City 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 GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Vasquez & Company LLP, a public accounting firm duly licensed and qualified to perform audits of the State and local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Culver City, California for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Culver City, California's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This ACFR is legally required by the City Charter, various bond covenants, and a number of granting agencies. The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special 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 the audited government's internal controls and compliance with legal requirements, with special emphasis 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 requires 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's MD&A can be found immediately following the report of the independent auditors in the financial section of the ACFR.

Profile of the City of Culver City

The City of Culver City, located on the Westside of Los Angeles County, California, was incorporated in 1917. The City Charter, which was adopted in 1947, establishes the form of government, states the powers and duties of the City Council, and establishes various City offices. The City operates under a Mayor/City Council-City Manager form of government. Under this system, the people elect a City Council of five citizens who serve a term of four years and who, in turn, elect the Mayor from among themselves. The City Council appoints the City Manager, City Attorney, Police Chief and Fire Chief. Other department heads are appointed by the City Manager.

Culver City is a full-service City, serving a resident population of 40,000 and a daytime population of approximately 60,000¹. Services provided include police, fire, general maintenance, public improvements, planning and zoning, refuse collection, municipal bus lines, park, recreation and community services, and general administrative services.

The annual budget serves as the foundation for the City financial planning and control. The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year for the General Fund and Special Revenue Funds. It also adopts a project life budget for Capital Projects Funds and an operating plan for Proprietary Funds. These budgets are adopted and presented for reporting purposes on a basis consistent with generally accepted accounting principles.

The City of Culver City is also financially accountable for the legally separate Culver City Housing Authority and Culver City Parking Authority, which are blended into the City's financial statements. Pursuant to legislation enacted by the State, the Redevelopment Agency was dissolved on January 31, 2012. Additional information on all of these entities can be found in Note 1 of the Notes to the Financial Statements. Additional information on the dissolution of the Redevelopment Agency can be found in Note 16 of the Notes to the Financial Statements.

The level of appropriated budgetary control is the total adopted budget, which is defined as the total budget for all funds and divisions and includes all revisions and amendments approved by the City Council subsequent to the initial budget adoption. The City Manager may authorize transfers of appropriations within the adopted budget. Supplemental appropriations during the year must be approved by the City Council, with certain exceptions delegated to the City Manager in the Budget Resolution adopted annually by City Council. Unexpended or unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are reappropriated in the ensuing year's budget. The City utilizes an encumbrance accounting system, whereby commitments such as purchase orders and unperformed contracts are recorded as restricted fund balances at year-end.

¹ Population estimates from the U.S. Census Bureau; Census 2010 PHC-T-40; "Estimated Daytime Population and Employment-Residence Ratios: 2010"

History of Culver City

Native Americans of Shoshonean origins were the first known inhabitants of the area which became Culver City. Although Cabrillo anchored his small ship in the port of San Diego in 1542, it was not until the threat of aggression by other countries, that King Carlos III of Spain mandated colonization in 1769. Franciscan Father Junípero Serra began to establish the missions from San Diego northward. The natives became known as the "Gabrielino Indians", due to their proximity to the San Gabriel Mission (est. 1771). In 1781, the "Pueblo de Nuestra Señora la Reina de Los Angeles" was established by eleven families and an escort of Spanish soldiers. On a later expedition that year, a young soldado, José Manuel Machado arrived in California with his wife. Machado was destined to complete his military duty and retire with his family to the pueblo in 1797. After Machado's death in 1810, two of his sons, José Agustín and José Ygnacio joined Felipe Talamantes and his son Tomás to graze cattle to the west, where they claimed the 14,000 acre Rancho La Ballona. By 1865, when Agustín Machado, (the most prominent owner), died, Rancho La Ballona had functioned under three governments: Spain, Mexico and the United States.

The Gold Rush and the Railroad moved people west. Abbot Kinney bought the land to develop his "Venice of America" in 1904. A young man from Nebraska, named Harry H. Culver arrived in California in 1910 and went to work in real estate for I. N. Van Nuys. Culver studied the area and in 1913 announced his plans for a city halfway between the pueblo of Los Angeles and Kinney's resort of Venice. Culver envisioned a balanced community with a residential/commercial mix.

Culver, who was already enamored by the movie industry, saw Thomas Ince making a movie with "painted Indians" in canoes on La Ballona Creek. He convinced the moviemakers to move from "Inceville" north of Santa Monica to property on Washington Boulevard. This first major movie studio became a "city within a city", eventually six lots, covering more than 180 acres. What began as Ince/Triangle Studios became Goldwyn, then successively Metro Goldwyn Mayer, Lorimar and Columbia Pictures. In 1989, electronics and information technology giant Sony Corporation purchased Columbia Pictures and the site is now the global headquarters for Sony Pictures Entertainment.

Ince had moved east on Washington Boulevard to establish his second studio in 1919. After he died in 1924, this studio prospered as De Mille Studios, Selznick Studios, R.K.O., Pathe, R.K.O.-Pathe, Desilu, Culver Studios, Laird International, and most currently, The Culver Studios. It was on this studio's back lot that Atlanta was burned for "Gone with the Wind". The third major studio was Hal Roach Studios, which existed from 1919 through 1963. It was known as the "Laugh Factory of the World", where the Our Gang Comedies and Laurel and Hardy were filmed. Hence, the "Heart of Screenland" appears on our City Seal.

The first City offices where the early "Board of Trustees" met were located on the second floor of the local theater, which Harry Culver moved to build his six-story Hunt Hotel in 1924. "City Hall" relocated to Van Buren Place until 1928 when the New City Hall was dedicated at 9770 Culver Boulevard. That structure made way for another new City Hall that was completed in 1995. Through a series of more than 40 annexations over the years, Culver City grew from 1.2 to 5.13 square miles.

In the twenties, Culver City was known for its nightspots like Fatty Arbuckle's Plantation Cafe and Frank Sebastian's Cotton Club. Western Stove on Hays (National) marked the beginning of industry in 1922. Despite the Depression, building continued with endeavors like Helms Bakery which supplied foodstuffs for the 1932 Olympics in Los Angeles. The first Industrial tract, the Hayden Tract, became a reality in the forties. In the late forties, Culver City became a Charter City with a Unified School District. Our Junior and Senior High Schools were built to complement what eventually numbered eight elementary schools (presently there are five.) Hughes Aircraft located nearby and became a major employer of Culver City residents, like Helms and the studios. In 1950, the Veterans' Memorial Building was completed, Culver Center was built, car dealerships lined Washington Boulevard and the Fiesta La Ballona celebrated the

Spanish heritage of the area beginning in 1951. In the fall of 1975, Fox Hills Mall was completed as the first major Redevelopment project. The Filmland Corporate Center, Meralta Plaza and the beginnings of Corporate Pointe were projects of the 80's.

Redevelopment efforts continued in Downtown Culver City in the early 2000's. With the redevelopment of the Helms and Beacon Laundry buildings into the Helms Furniture District, new theatres in the center of the City including the redevelopment of the Culver Theatre into the Kirk Douglas Theatre, the 12 screen Arclight Theater Complex and the Actor's Gang at the Ivy Substation, a number of highly rated new restaurants, a thriving arts district on the eastside and development of the western portion of the City, Culver City continues to move forward. Redevelopment efforts were significantly thwarted with the elimination of redevelopment agencies throughout the State of California. In December 2013, the Successor Agency to the Culver City

Redevelopment Agency (Successor Agency) received a 'finding of completion' from the State's Department of Finance (DOF). This allowed the Successor Agency to submit a Long Range Property Management Plan (LRPMP) to the DOF that details how the former Redevelopment Agency properties will be disposed of. The LRPMP was approved in March of 2014. As a result, significant projects such as the Culver Steps (formerly referred to as "Parcel B"), Culver Public Market and the Ivy Station Complex are now underway.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Culver City, California operates.

Nationally, reports continued to demonstrate signs of continued modest economic growth as real gross domestic product (GDP) increased to an annual rate of 6.6% in the fourth quarter of 2021, from 6.5% in the third quarter per the Bureau of Economic Analysis.

The largest single relief package in U.S. history, the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 appropriated \$2.3 trillion was signed into law on March 27, 2020, to provide aid during the pandemic. The Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act of 2021 was signed into law on December 27, 2020. The Transportation Department received \$6.25 million of CARES funds and \$6.0 million of CRRSA funds in FY2020-21.

Also, Congress signed the \$1.9 trillion American Rescue Plan Act (ARPA) of 2021 on March 11, 2021. Culver City received \$4.69M of ARPA funds during FY 2020/2021 and will receive another \$4.69M in the following fiscal year.

The federal Reserve lowered the federal funds rate to a 0.09% as of Oct 2020 as part of an ongoing attempt to maintain the economic expansion. The Bureau of Labor Statistics reported that the U.S. inflation rate rose 6.8% in 2021, the highest increase since 1982. According to Clear Capital, which supplies average home prices for metro areas across the U.S., home prices rose 15.5% nationally in June 2021, compared with an increase of 5.7% in 2019 and an increase of 7.4% in 2018.

Per S&P Global: The U.S. GDP growth forecast is lowered to 5.5% for 2021 and 3.9% for 2022 (from 5.7% and 4.1%, respectively) due to an acceleration in new COVID-19 cases associated with the Delta variant and the emergence of the Omicron variant, concerns related to supply chains, product shortages and labor issues, and record-high consumer prices. Despite the slowdown, GDP is still likely to rise to a 37-

year high in 2021, with solid readings for 2022, on continued economic demand from healthy balance sheets.

The political climate continues to pose uncertainty for the national economic outlook due in part to contentious federal trade policies, a surge in COVID-19 cases due to Delta and Omicron, and the global parts shortages resulting in record-high consumer prices which may extend into the next year or two. City staff will be cautiously monitoring these critical political decisions and their effect on national, state and local economies.

Local Economy

Culver City has a relatively diverse and strong economy. The City's business community is comprised of a diverse collection of businesses that range from traditional retail and manufacturing businesses to a major film studio. Mainstay firms as Costco, Westfield-Culver City Mall and Sony Pictures Entertainment occupy a traditional niche as large institutional property owners, tax producers and employers. Companies, including Apple, have added employees in a new development in Culver City. Apple has occupied creative office space at the corner of Washington and National Boulevards. Both Apple's new office space and the adjacent \$350 million Ivy Station were completed in 2021. Amazon has inhabited the historic Culver Studios to increase their mixed-used studio and office space and other ventures and has taken over space in the brand new Culver Steps completed in late-summer 2021.

The dissolution of the Redevelopment Agency was effective on January 31, 2012, at which time all of the assets held by the former Redevelopment Agency were transferred to the Successor Agency to the Culver City Redevelopment Agency. Pursuant to the Dissolution bill, the City of Culver City elected to serve as the Successor Agency charged with winding down the affairs of the Redevelopment Agency. The Successor Agency will only receive enough property tax increment to repay debt and enforceable obligations that were incurred prior to June 26, 2011. Any property tax increment in excess of the former Agency's enforceable obligations will be disbursed to taxing entities.

As the City previously was a pioneer in the motion picture industry, Culver City has now pioneered a way forward in the regulated cannabis industry. In December 2017, the Culver City Council voted to legalize cannabis sales within the City. Cannabis business tax received was \$1.7million, \$1.4 million higher than the previous fiscal year.

Major Initiatives and Improvements for Fiscal Year 2020-2021

While several years past, it is of importance to note during the most recent recessionary period, City management took a number of steps to address the City's fiscal challenges. Many of these improvements persist in the City's current financial structure. Initiatives included increasing cost recovery, utilizing assessment districts, eliminating positions, and renegotiating labor agreements. Despite efforts to balance the budget without significantly impacting services, an ongoing structural budget deficit still exists. To address the structural deficit, the City put forth three revenue measures for consideration by the electorate. An increase of the City's Transient Occupancy Tax from 12% to 14% was approved by voters in April 2012. More significantly, a half-cent transaction and use tax was placed on the ballot (Measure Y) in November 2012. Residents overwhelmingly approved the transaction and use tax, which became effective on April 1, 2013 and raised approximately \$9.1 million during FY2019/2020. Measure Y was set to automatically expire in 2023 if not extended by voters. During the March 2020 election, Culver City residents voted to extend the sunset date of Measure CC (formerly Measure Y), from March 31, 2023 to March 31, 2033. An additional quarter-cent sales tax (Measure C) was approved on November 6, 2018,

which went into effect beginning April 1, 2019 and is expected to generate an estimated \$5 million per year. The City received \$4.7 million during FY2020/2021.

At the November 3, 2020 election, Culver City residents also voted to approve Measure RE. Measure RE establishes a marginal tax rate with four brackets, based on sales price or value, for the City's real estate transfer tax effective April 1, 2021. This marginal tax will add 1.5% on amounts from \$1,500,000 to \$2,999,999, 3% on amounts from \$3,000,000 to \$9,999,999, and 4% on amounts \$10 million and above. Measure RE would not apply to sales under \$1.5 million affordable housing, and first transfer of new multi-family properties. It is anticipated that this tax will provide the City with an additional \$6 million or more in annual revenue.

The City plans to continue taking steps to become more efficient, and ensure that operating revenues cover operating expenditures.

The original FY2020/2021 Adopted Budget contained major work plans for each department and a citywide capital project plan to address the highest priorities of the community and the goals of the City Council. Although, the City had to shift its General Fund resources to address costs associated with COVID-19, the following are major work programs and community reinvestment and improvement projects that received funding from other funding sources:

1. Community Service Improvements
 - a. Continue the City's strategy as a component of the Enhanced Watershed Management Program (EWMP) Regional Infiltration BMP. Through this initiative, an infiltration and retention site will be developed using the median on Culver Boulevard between Elenda Street to Sepulveda Boulevard to divert stormwater and urban run-off from the surrounding drainage area within Culver City and City of LA.
 - b. Continue with the realignment of Culver Boulevard from Commonwealth Ave to Elenda Street.
 - c. Complete the design and installation of real-time monitoring equipment to communicate to and guide motorists to available parking spaces in the three parking structures in the downtown area of Culver City. This project will include four message boards located along Washington Bl and Culver Bl that summarize the availability of parking in the various structures. This project will also provide level by level availability signs at the entrance to each structure and a space availability sign at the entrance to each level.
2. Community Reinvestment
 - a. Continue negotiations with enterprise businesses within the City for dark fiber leases, and customer leases, and with Internet Service Providers to enhance broadband service.
 - b. Continue with a Wi-Fi strategy leveraging the municipal fiber infrastructure to extend the City's Wi-Fi to municipal locations.
 - c. Completed the construction of Bankfield Pump Station and the project for the design and construction of the diversion piping and closure of the Mesmer and Overland sewer pump stations.

- d. Completed the project that involves striping, resurfacing and restriping sport courts at Fox Hills, Lindberg, Kronenthal, El Marino, Culver West Alexander, Blair Hills and Vet's Parks. Sports courts include tennis, paddle tennis, handball, and basketball courts.
 - e. Completed the project to replace existing outdated playground with new 100% accessible challenging play equipment.
3. Internal Operational Improvements
- a. Continue to implement and replace existing timekeeping software.
 - b. Continue to work with consultants to complete review of City cash handling, enterprise risk assessment, grant management, fleet management and internal control.

All of the City's operations, including the community service improvements, community reinvestment, and internal operational improvements identified above, are funded by various taxes, fees and fines levied on consumers, residents, businesses, and developers operating within the City.

A brief historical discussion of the City's major revenue sources is contained in the following section.

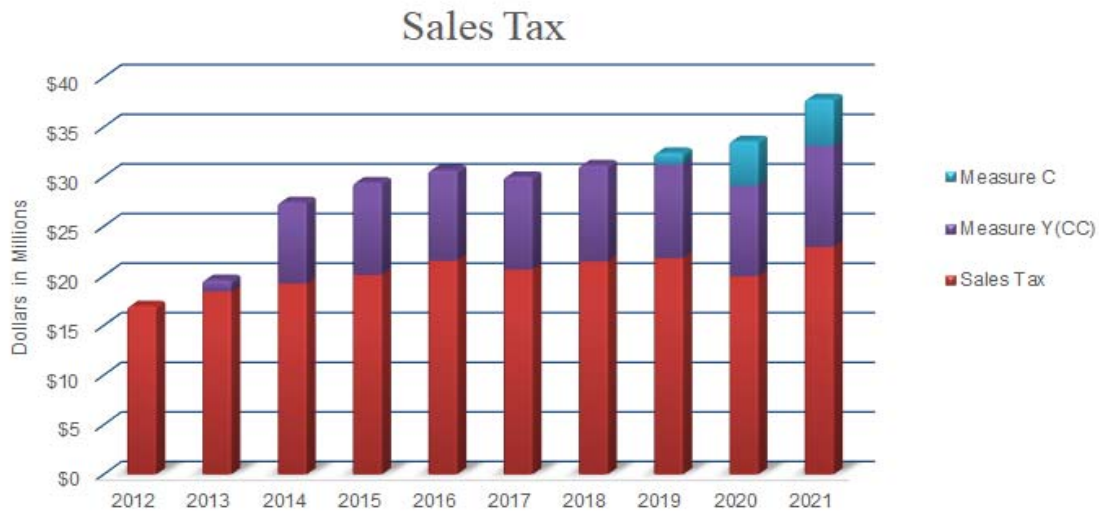
Major General Fund Revenues

Major sources of General Fund revenue for the City include Sales Tax, Business Tax, Utility User Tax (UUT), Property Tax and Transient Occupancy Tax (TOT).

Sales Tax

Sales Tax is Culver City's single largest revenue source. The State of California imposes a 10.25% sales and use tax on all taxable sales in the City, of which the City receives 1.0% of the transactions subject to the sales and use tax. Due to its reliance on consumer spending, this revenue source is highly volatile. The City's sales tax and Measure C/CC receipts increased in FY2020/2021 from on-line general consumer goods and sales tax revenue, as reported through the State and County Pools.

Sales tax accounted for 18.6% of General Fund revenue for FY2020/2021, closing the year at \$22.9 million. With Measure Y taking effect in April 2013, FY2020/2021 was the eighth full year of the local sales tax measure with receipts totaling \$ 10.2 million, accounting for 8.3% of General Fund revenue. With Measure C taking effect in April 2019, the receipts totaled \$4.7 million in FY2020/2021 accounting for 3.8% of General Fund revenue.

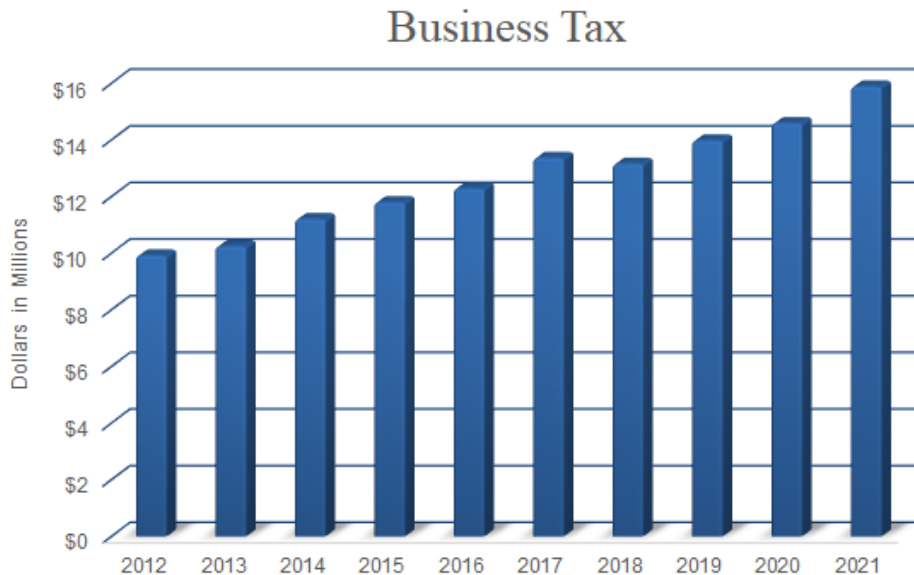


Business Tax

Business Tax revenue accounts for approximately 12.9 % of the General Fund revenue. Annually, all entities conducting business in Culver City are required to pay business taxes. Like Sales Tax, Business Tax revenue is highly dependent on national and regional economic forces. Consequently, Business Tax revenue is relatively volatile. Business Tax revenue is based on a businesses' gross receipts, which is a measure of the amount of business they do in the City.

FY2020/2021 Business Tax receipts, including penalties, were \$15.9 million, a modest increase of 8.9% from the previous fiscal year. The Business Tax revenues have come in higher than anticipated. It was anticipated that Business Tax would be lower than the prior year due to many small and large businesses being closed and other businesses experiencing large reductions to their gross receipts during the pandemic. Fortunately, the total business license tax (incl. fees and penalties) was only \$0.1 million lower than the previous fiscal year.

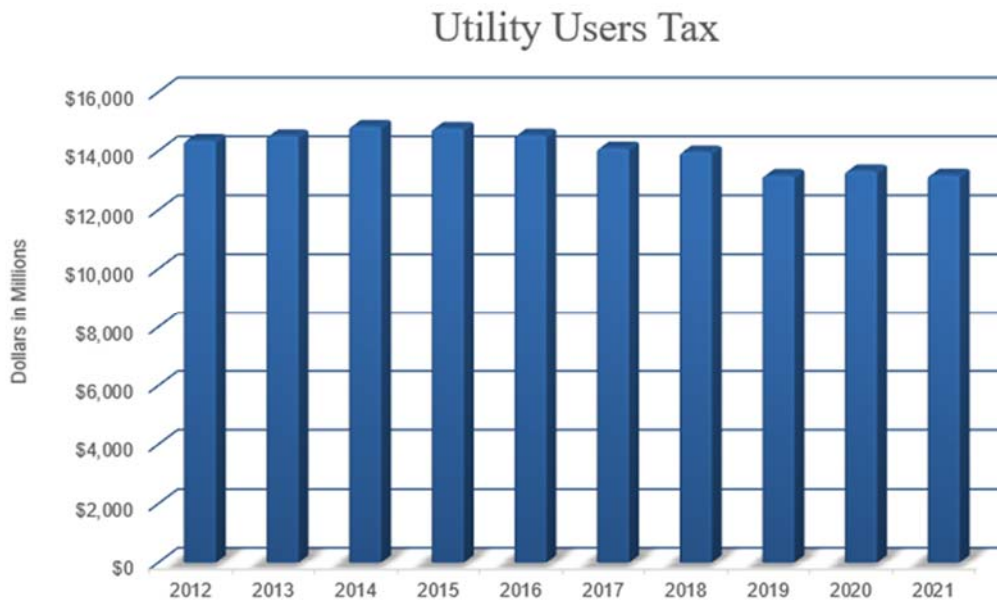
On a separate note, Cannabis business tax received was \$1.7 million and is \$1.4 million higher than the previous fiscal year.



Utility User Tax

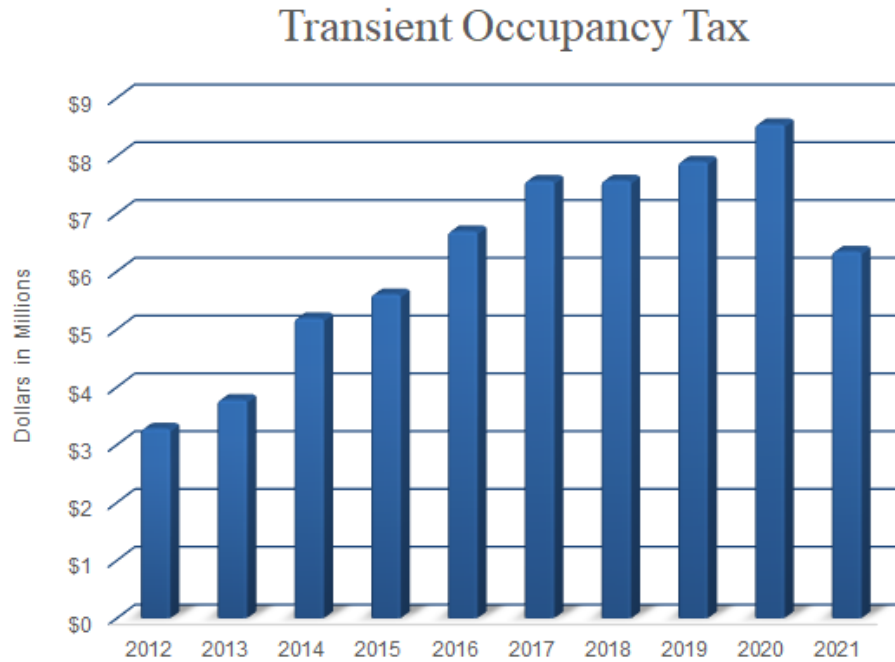
Utility User Tax receipts make up approximately 10.7% of the General Fund revenue. The City charges Utility User Tax (UUT) on electricity, water, telephone, cable, and natural gas utilities. The current UUT rate is 9% for prepaid wireless and 11% for all other utility categories. Economic fluctuations have less impact on UUTs because users still need electricity, natural gas, water, etc. However, after years of consistent growth, UUT revenues have started to gradually decline over the last five years.

UUT receipts for FY2020/2021 were \$13.2 million, a 1.1% decline from the prior fiscal year. Electricity, Gas, Water, and Cable revenues increased slightly, while Telecommunication declined. Telecommunications UUT revenue declined due to land lines being on a sharp decline and an exponential increase in cell phones with competitive cell phone plans. Prepaid wireless telephone services continue to be a growing trend in the industry. Previously, taxation of these services was uneven and difficult to enforce. In January 2016, legislation took effect to ensure more equal taxation of these services. As wireless users transition to prepaid services, the lesser rate of 9% is applied which impacts overall UUT revenue.



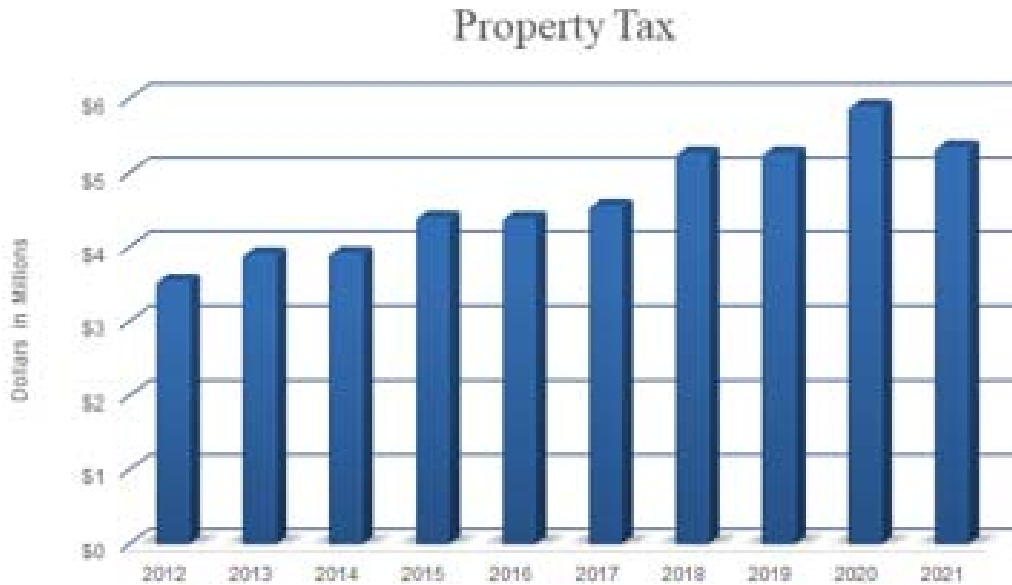
Transient Occupancy Tax

Transient Occupancy Tax is levied on occupied hotel/motel rooms at a rate of 14%. FY2020/2021 TOT revenue deteriorated by 51.6% over the prior year due to recommended COVID-related travel restrictions for travelers and an acceleration in new COVID-19 cases in December largely associated with the Delta variant and the emergence of the Omicron variant.



Property Tax

Culver City is a “low property tax” city and receives only 10.25% of the 1.0% property tax rate paid by property owners. Consequently, property taxes only account for about 3.5% to 5% of General Fund revenues, on average. Continued growth in this revenue is anticipated to continue due to improvements to the City’s assessed valuation, which increased by 10.0% over the prior year.

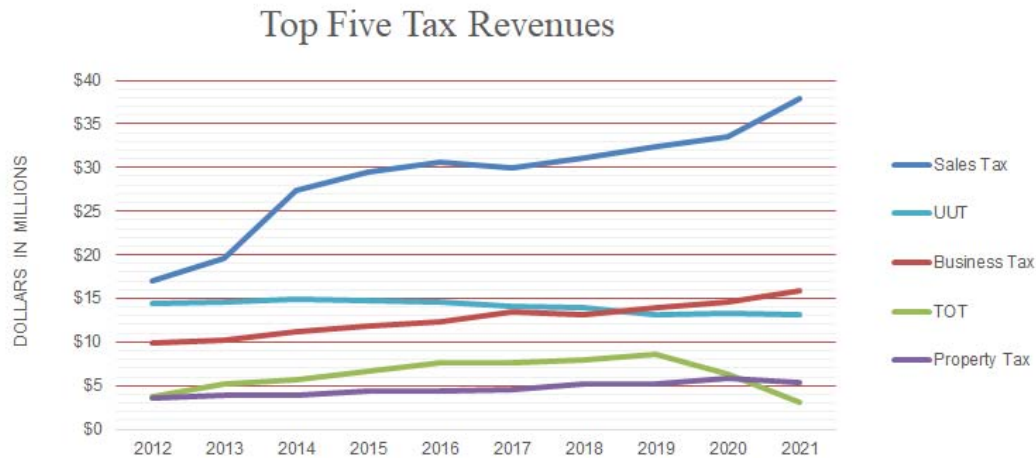


Property Tax receipts, excluding the amount of property tax increment collected in the former Redevelopment Agency project area and the amount of real property tax transfer taxes, ended FY2020/2021 at \$5.3 million, a decline of 9.4% over prior fiscal year revenues. The decrease in the property tax revenue was due to the adjustments imposed by the County of Los Angeles. Additionally, the City received \$6.5 million in property tax increment of the former Redevelopment Agency. This funding is from additional property tax increment received when the amount of property tax increment collected in the former Redevelopment Agency project areas exceeds the amount of enforceable obligations. Going forward, the amount available will vary widely and, therefore, should be treated as one-time funds until the wind-down of the former Agency is substantially complete.

Total Major Tax Revenues

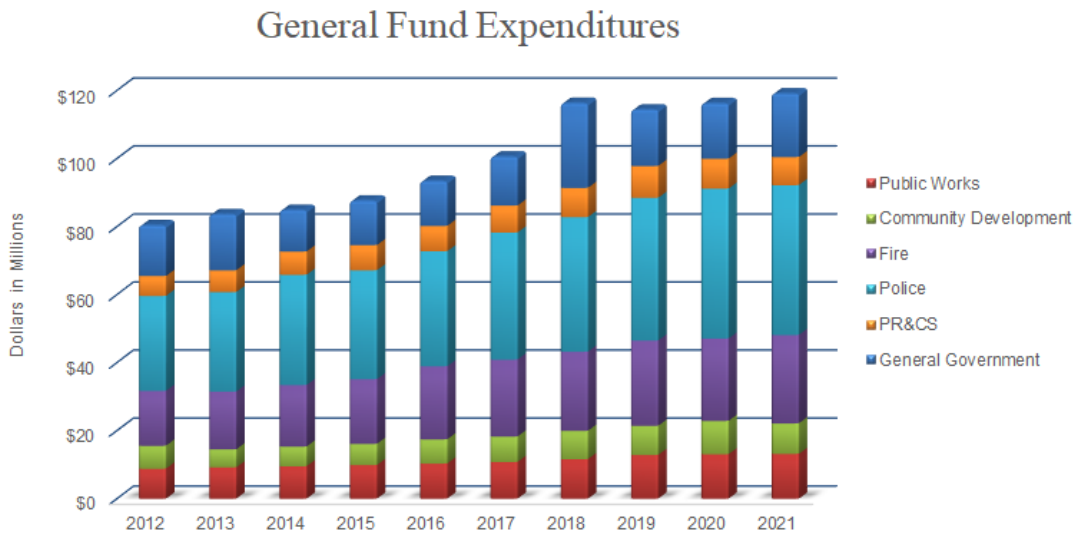
From the chart below, the correlation between the economy and the City's major tax revenues is evident. The sharp rise in sales tax revenue in FY2012/2013 is due to the inclusion of one-time increases from State Sales Triple-Flip proceeds, which concluded in FY2015/2016. Utility users tax revenue continue to trend downward, in large part due to declines in Telecommunications and Cable TV utility users tax revenues from changing technologies. Transient occupancy taxes had demonstrated a steady upward trend until FY2018/2019, and then slightly plateaued in FY 2019/2020 due to recommended travel restrictions for travelers during the COVID-19 pandemic.

The City's sales tax and Measure C/CC receipts increased in FY2020/2021 from on-line general consumer goods and sales tax revenue that were reported through the State and County Pools. Property taxes had experienced with some modest increases in past years; however as previously discussed the property revenue decreased in FY 2020/2021 due to adjustment by Los Angeles County. Business taxes increased slightly in FY2020/2021 aided by Cannabis business tax received higher than the prior year.



General Fund Expenditures

Overall, despite significant increases in expenditures, beyond the City’s control, (i.e. CalPERS pension costs, Unfunded Accrued Liability, and Worker’s Compensation) the total General Fund operations and maintenance decreased from the prior year, due to the extreme efforts of the City Manager and Department Heads to make significant budget cuts after the pandemic hit in March 2020. Other expense containment measures included elimination of OPEB prefunding, elimination of the equipment and vehicle replacement allocation to the General Fund and canceling of any new General Fund capital projects.



General Fund Reserve Percentage

Perhaps the best measure of the City’s effectiveness in weathering an economic downturn and building sustained growth for the future is its ability to build a fund reserve. It is a policy of the City to maintain a general operating reserve of, at a minimum, 30% of projected General Fund operating expenditures for each fiscal year (excluding debt service, fund transfers, and encumbered funds). These reserves are designed to be used in the event of a significant financial emergency, as defined in the City’s financial policies.

The City was able to maintain a relatively healthy reserve due in large part to one-time revenues from major developments occurring within the city, and conservative budgeting practices by City Council and staff. As of June 30, 2021, the City has established committed General Fund balances of \$39.8 million for contingencies/emergencies, \$11.6 million for future facility improvements / replacements and \$1.6 million for recreational facility improvements. Beyond these amounts, the City has an additional \$21.9 million in unassigned General Fund balance. Monies in excess of the required reserves are used to fund one-time projects and programs or reduce long-term liabilities, and are most often transferred to the City’s capital improvement fund to fund much needed capital projects.

Long-Term Financial Planning

A General Fund Financial Forecast was developed and is presented in conjunction with the mid-year budget review and is included in the Adopted Budget. The Financial Forecast included in the FY2021/2022 Adopted Budget is a long-term forecast through FY2030/2031 and it projects the possible impact of COVID-19 to the City’s financial position. This is a valuable financial management tool, especially in

challenging financial times, to assist the City Council in setting priorities and educate the community on the long-term state of the City's finances.

Over the past several years, the City's long-term financial plan has consistently illustrated the mounting fiscal pressures created primarily by increasing costs required to pay down unfunded pension liabilities. With significant increases in required employer contributions for pension being phased in by the California Public Employee's Retirement System, the City continues to take a conservative approach towards new spending while concurrently exploring additional revenue opportunities.

Despite the slowdown rising from supply-chain disruptions and an acceleration in new COVID-19 cases in December largely associated with the Delta variant and the emergence of the Omicron variant, FY2021/2022 is expected to be a year with a continued moderate GDP growth and recovery. The City is well positioned with sufficient General Fund reserves. The passing of Measure RE in November 2020 provides additional ongoing revenue.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Culver City for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2020. This was the thirty-sixth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

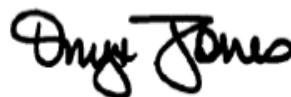
The Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. This report was made possible by the talented and highly dedicated services of the staff of the Finance Department. Each member of the department has our sincere appreciation for the contribution made in the preparation of this report. This report was only possible through perseverance and teamwork.

In closing, without the leadership and guidance of the City Council, the preparation of this report would not have been possible.

Respectfully,



John Nachbar
City Manager



Onyx Jones
Chief Financial Officer



City of Culver City, California City Officials

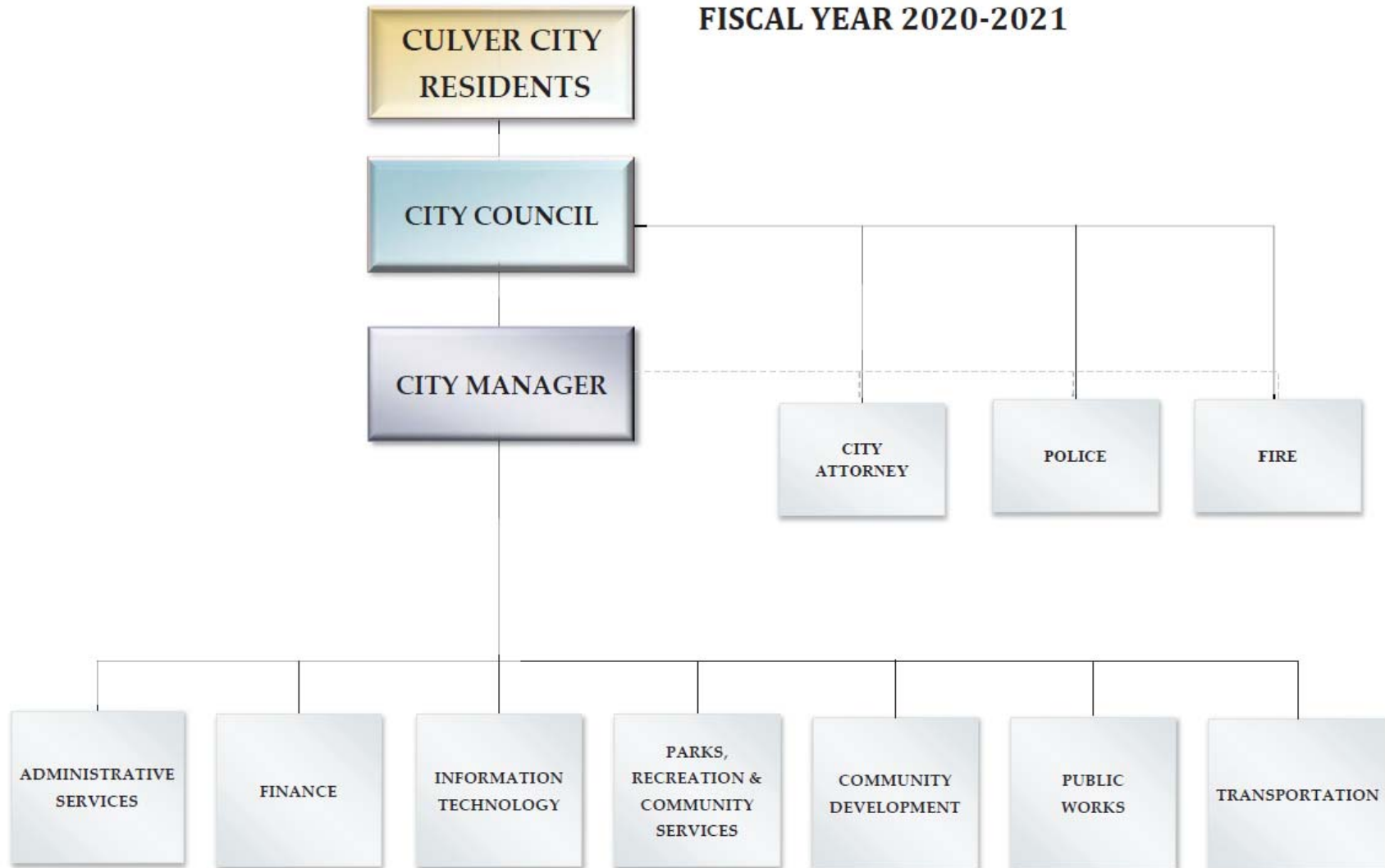
City Council

Harden Alexander Fisch, Mayor
Daniel Wayne Lee, Vice Mayor
Göran Eriksson
Yasmine-Imani McMorris
Albert Vera

Administration

John Nachbar	City Manager
Serena Wright	Assistant City Manager
Jesse Mays	Assistant City Manager
Onyx Jones	Chief Financial Officer
Carol Schwab	City Attorney
Sol Blumenfeld	Community Development Director
Kenneth Powell	Fire Chief
Michele Williams	Information Technology
Armando Abrego	Parks, Recreation & Community Services Director
Manuel Cid	Police Chief
Charles Herbertson	Public Works Director
Rolando Cruz	Transportation Director

**CITY OF CULVER CITY, CALIFORNIA
OVERVIEW ORGANIZATIONAL CHART
FISCAL YEAR 2020-2021**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Culver City
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Merrill

Executive Director/CEO

Financial Section





Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

**The Honorable Mayor and Members of the City Council
of the City of Culver City,
Culver City, California**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Culver City, California (the "City") as of and for the year ended June 30, 2021, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules, the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Contributions – Pensions, the Schedules of Changes in OPEB Liability and Related Ratios, and the Schedule of Contributions - OPEB on pages 5 to 21 and 116 to 130 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, the Combining and Individual Nonmajor Fund Financial Statements, Budgetary Comparison Schedules, Internal Services Funds Combining Financial Statements, Agency Fund Combining Financial Statements, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Nonmajor Fund Financial Statements, Budgetary Comparison Schedules, Internal Services Funds Combining Financial Statements, and Agency Fund Combining Financial Statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Nonmajor Fund Financial Statements, Budgetary Comparison Schedules, Internal Services Funds Combining Financial Statements, and Agency Fund Combining Financial Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



The Introductory and the Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2022, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Glendale, California
January 28, 2022

This page intentionally left blank.

Management's Discussion & Analysis





City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

As management of the City of Culver City (City), we offer readers of the City's basic financial statements this overview and analysis of the financial activities of the City for the year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our transmittal letter, which is found on pages v-xviii of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The City's government-wide assets and deferred outflows of resources exceeded its liabilities and deferred inflows at the close of the 2020-21 fiscal year by \$159.3 million (*net position*). Of this amount, \$264.0 million is net investment in capital assets, \$104.1 million is restricted and (\$208.7) million is unrestricted deficit. The City's unrestricted net position was negatively impacted with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the City to record its unfunded pension liabilities for pension plans and other postemployment benefits (OPEB) in which it participates. More information on the City's pension and OPEB plans can be found in Notes 10 and 11 on pages 92 – 106 of this report.
- The City's total net position, including all activities, increased by \$18.0 million in the 2020-21 fiscal year. Of the \$18.0 million increase, \$12.4 million increase was from governmental activities and \$5.6 million was from business-type activities.
- As of June 30, 2021, the City's governmental funds reported combined ending fund balances of \$190.0 million. Approximately 6.8% of the current year amount or \$12.9 million is unassigned and available fund balance.
- At the end of the 2020-21 fiscal year, unrestricted fund balance (*the total of committed, assigned and unassigned components of fund balance*) for the General Fund was \$80.2 million, or approximately 67.3% of total General Fund expenditures of \$119.2 million. Additional information on the City's General Fund balances is in Note 14.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements are comprised of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. Each of these sections is discussed below. This report also contains other required and supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to present financial information about the City as a whole in a manner similar to the private sector, including the use of accrual-based accounting to recognize its revenues and expenses. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on user fees and charges to fund their operations. Governmental activities include those traditionally associated

City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

with local government, such as public safety (fire and police), community development, public works, parks and recreation, and general government (administrative) functions.

Business-type activities include the City’s Refuse Disposal, utility operations (Sanitation and Wastewater), Municipal Bus Lines and Municipal Fiber Network.

The *Statement of Net Position* presents information on all the City’s assets, including capital assets, deferred outflows of resources, all related current liabilities and long-term obligations, and deferred inflows or resources. The difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources is presented as net position, which serves as a measure of the financial health of the City. Over time, an increase in net position generally indicates that the financial health of the City is improving.

The *Statement of Activities* presents information showing how the government’s net position changed during the most recent fiscal year. Decreases in net position are presented as “Expenses”; increases in net position are presented as “Revenues”. Revenues directly attributable to a particular function within the City are presented as “Program Revenues”. Tax revenues, including those restricted to a particular program function, are reported as “General Revenues” unless specifically required to be reported as program revenues (i.e. gas and transportation taxes).

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (such as, revenues pertaining to uncollected taxes, or expenses pertaining to earned, but unused, vacation and sick leave).

The government-wide financial statements include not only the City of Culver City, California (known as the primary government), but also three legally separate component units: The Parking Authority, the Housing Authority, and the Public Financing Authority. The governing board of each of these entities is comprised entirely of members of the City Council, and their financial activity has been included as an integral part of the primary government. The Successor Agency is reported as a Private Purpose Trust Fund in the Fiduciary Fund statements.

The government-wide financial statements are located on pages 26-29 of this report.

Fund Financial Statements

The City, like other state and local governments, uses fund accounting for recording its financial activities. In general, fund accounting provides a mechanism to separately account for a variety of different funding sources and enables the City to demonstrate compliance with legal and/or contractual requirements that may be associated with these funds. Thus, the accompanying fund financial statements present individual funds organized into one of three categories: Governmental, Proprietary, and Fiduciary Funds. Note that the fund financial statements only present information on the most significant (i.e. “major”) funds on the face of the statements. Nonmajor funds are grouped and presented in total on the face of the statements. In addition, the fund financial statements include a schedule that reconciles the fund financial statements to the government-wide financial statements. This is designed to explain the differences created by the integrated approach to ensure and demonstrate compliance with finance-related legal requirements.

City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Governmental funds - Most of the City’s basic services are reported in governmental funds. Governmental funds include the General Fund, Special Revenue Funds and Capital Projects Funds. In the fund financial statements, all governmental fund types are reported using the modified accrual basis of accounting, whereby revenues are generally recognized when measurable and available to finance current operating costs, and expenditures are recognized when the related liability is incurred. In addition, the focus is on inflow (revenues) and outflow (expenditures) of the current period. As such, the balance sheets of governmental funds are intended to present only short-term assets and liabilities.

The fund financial statements include separate columns, by fund type, for all “major” governmental funds of the City. All “nonmajor” governmental funds are consolidated into a single column labeled “total nonmajor funds.” The details of these funds are included in the Combining and Individual Fund Statements and schedules located in the supplementary information section of this report on pages 133-172.

Since the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing this comparison, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The City adopts an annual appropriated budget for its funds. A budgetary comparison is provided for all of the City’s Governmental Funds to demonstrate compliance with this budget.

Proprietary funds – Proprietary funds are used to account for services provided to external customers or other City departments and funds that are primarily funded from user fees and charges. Proprietary funds use the accrual basis of accounting and measure the balance and change in *economic resources*. Accordingly, statement of net position of proprietary funds includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including long-term receivables, capital assets, and long-term liabilities. The basis of accounting and measurement focus used to prepare proprietary fund statements is the same that is used to prepare the government-wide statements. Thus, proprietary fund statements provide the same, but more detailed, information about these funds, which are included in the “Business-Type Activity” column of the government-wide statements.

The City maintains two different types of proprietary funds: *Enterprise and Internal Service*.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Refuse Disposal, Municipal Bus Lines, Sewer Enterprise, and Municipal Fiber Network Funds, all of which are considered major funds.
- **Internal Service funds** are used by the City to account for its intra-city services: equipment replacement, equipment maintenance, risk management, and central stores.

In the prior years, because internal service funds predominantly benefit governmental rather than business-type functions, they were included within *governmental activities* in the government-wide financial statements. In FY2020-21, the beginning net position for the governmental activities and business type activities were restated due to the internal service fund allocation (Note 17). Internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

fund data for the internal service funds is provided in the form of *combining statements* in the supplementary information section.

Fiduciary funds are used to account for resources held by the City as trustee on behalf of other agencies or individuals. Fiduciary funds are *not* presented in the accompanying government-wide financial statements since the resources of those funds are *not* available to support the City's programs. The basis of accounting used for the fiduciary funds is similar to what is used for the proprietary funds. The fiduciary funds financial statements are in the basic financial statements section of this report.

The City uses private-purpose trust funds to account for the activities of the Successor Agency to the Culver City Redevelopment Agency and the Revitalization Corporation. Additionally, one small agency fund is maintained to account for assets and liabilities where the City serves as custodian.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and are located on pages 63 through 114.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary comparison schedules for the General Fund and major special revenue funds in the Required Supplementary Information section of this report and are located on pages 128 through 129.

The combining statements, referred to earlier in connection with non-major governmental funds, internal service funds, and fiduciary funds are presented following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. As shown in the table below, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$159.3 million at June 30, 2021.

Approximately 165.7% of the City's net position is attributable to its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens and consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets alone may not be used to liquidate these liabilities.

Approximately 65.3% of the City's net position is subject to restrictions imposed by external parties, and their use is determined by those restrictions and contractual agreements. The remaining amount may be used by the City to meet ongoing operations, subject to applicable federal and state laws and regulations.

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

The significant liabilities recorded for pensions and OPEB with the implementation of GASB 68 and 75 resulted in a negative unrestricted net position of the City of (\$208.7) million.

Statement of Net Position
As of June 30, 2021 and 2020
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 230,400	\$ 224,023	\$ 30,201	\$ 35,373	\$ 260,601	\$ 259,396
Capital assets	187,933	175,115	98,539	91,502	286,472	266,617
Total assets	418,333	399,138	128,740	126,875	547,073	526,013
Deferred Outflows of Resources :						
Pension and OPEB-related amounts	30,632	33,471	4,961	5,278	35,593	38,749
Total deferred outflows of resources	30,632	33,471	4,961	5,278	35,593	38,749
Liabilities:						
Current and other liabilities	25,571	26,337	8,294	11,188	33,865	37,525
Long-term liabilities	295,506	291,322	65,312	66,479	360,818	357,801
	321,077	317,659	73,606	77,667	394,683	395,326
Deferred Inflows of Resources :						
Pension and OPEB-related amounts	24,800	24,302	3,845	3,791	28,645	28,093
Total deferred inflows of resources	24,800	24,302	3,845	3,791	28,645	28,093
Net Position:						
Net investment in capital assets	187,809	174,822	76,208	74,664	264,017	249,486
Restricted	104,054	79,921	-	14	104,054	79,935
Unrestricted	(188,775)	(164,095)	(19,958)	(23,983)	(208,733)	(188,078)
Total net position	\$ 103,088	\$ 90,648	\$ 56,250	\$ 50,695	\$ 159,338	\$ 141,343

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Statement of Activities

As discussed earlier, the Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e. year-end). In contrast, the Statement of Activities provides details of how net position changed from the prior fiscal year. For the fiscal year ended June 30, 2021, total net position increased by \$18.0 million.

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2021, with comparative totals for the fiscal year ended June 30, 2020.

Statement of Activities						
Years ended June 30, 2021 and 2020						
(In Thousands)						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Program revenues:						
Charges for services	\$ 23,263	\$ 31,669	\$ 29,776	\$ 30,317	\$ 53,039	\$ 61,986
Operating grants and contributions	19,916	7,631	27,188	22,144	47,104	29,775
Capital grants and contributions	11,631	4,065	2,218	5,665	13,849	9,730
General revenues:						
Taxes	93,040	86,389	-	-	93,040	86,389
Investment earnings	3,940	3,733	5	975	3,945	4,708
Other	630	6,014	-	120	630	6,134
Total revenues	152,420	139,501	59,187	59,221	211,607	198,722
Expenses:						
General government	26,650	18,343	-	-	26,650	18,343
Parks, recreation and community services	8,990	9,442	-	-	8,990	9,442
Police	44,929	49,821	-	-	44,929	49,821
Fire	26,963	27,389	-	-	26,963	27,389
Community development	15,711	16,239	-	-	15,711	16,239
Public works	15,459	16,024	-	-	15,459	16,024
Transportation	248	227	-	-	248	227
Capital outlay	38	-	-	-	38	-
Refuse disposal	-	-	15,437	17,502	15,437	17,502
Municipal bus lines	-	-	27,442	34,013	27,442	34,013
Sewer enterprise	-	-	8,719	9,276	8,719	9,276
Municipal fiber network	-	-	2,102	3,227	2,102	3,227
Internal service fund allocation to BTA	-	-	924	-	924	-
Total expenses	138,988	137,485	54,624	64,018	193,612	201,503
Excess (deficiency) before transfers	13,432	2,016	4,563	(4,797)	17,995	(2,781)
Transfers	(992)	(1,169)	992	1,169	-	-
Change in net position	12,440	847	5,555	(3,628)	17,995	(2,781)
Net position - beginning of year	90,648	89,801	50,695	54,323	141,343	144,124
Net position - end of year	\$ 103,088	\$ 90,648	\$ 56,250	\$ 50,695	\$ 159,338	\$ 141,343

**City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Governmental Activities

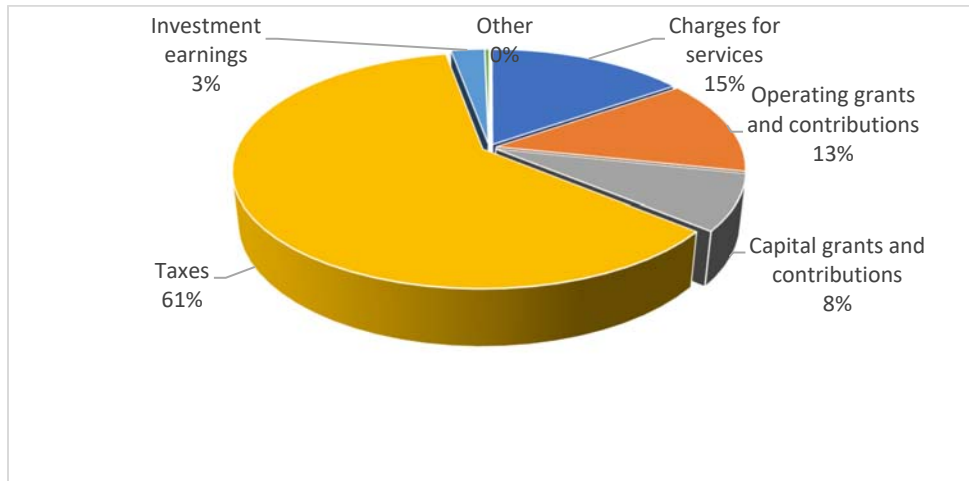
The City’s net position from governmental activities increased approximately \$12.4 million accounting for 69.1% of the total increase in the net position of the City. Key elements of this increase are a combination of factors highlighted below.

Revenue Highlights

Total revenues of governmental activities were \$152.3 million. The largest component of total revenue is taxes at \$93.0 million, making up 61.1% of total revenues. This is consistent with the nature and purpose of governmental funds, particularly in the General Fund, where programs are largely supported by general taxes. The highest tax revenues received by the General Fund include sales tax (\$37.8 million), business tax (\$15.9 million), property tax (\$20.4 million), utility users tax (\$13.2 million), and transient occupancy tax (\$3.1 million). Some of the key changes in revenues are:

- Capital and Operating Grants and Contributions increased by \$19.8 million, primarily due to increase in reimbursable capital and operating grant expenditures in FY2020-21, and the receipt of the American Rescue Plan Act (ARPA) funds of \$4.69 million during the fiscal year.
- While sales tax revenues were impacted by COVID, the City’s sales tax and Measure C/CC receipts increased by \$4.2 million in FY2020/2021 from on-line general consumer goods and sales tax revenue, as reported through the State and County Pools.
- Total Property tax increased by \$6.0 million, aided by \$2.1 million of tax increment of the Redevelopment Agency and \$4.5 million of real property transfer taxes received in FY2020/2021.

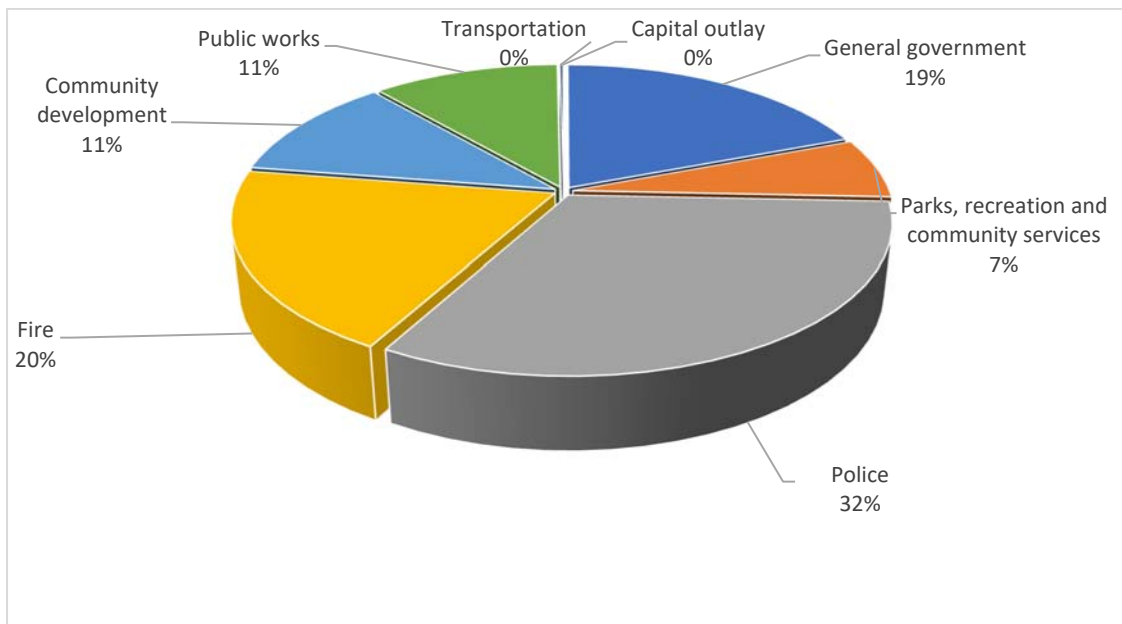
The governmental activities’ chart below illustrates operating revenues by source. Sales, business, property, utility users, transient occupancy, and other taxes are general revenues used to support overall government functions. These sources account for approximately \$93.0 million or 61.1% of total governmental revenue. Operating and capital grants make up 20.7% of revenues while charges for services amount to 15.3% of total governmental revenues.



City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Expense Highlights

Functional expenses for the year totaled approximately \$138.8 million in the governmental funds, an increase of \$1.4 million over the prior year due to increase of \$8.3 million for General Government expenses offset by decreases in Public Safety (\$5.3 million), Community development (\$0.7 million) and Public Works (\$0.6 million). Public Safety activities consumed approximately \$71.9 million (51.8%) of the total expenses in the governmental activities. Almost all public safety costs are funded from general revenues, primarily taxes. Expenses for Public Works totaled \$15.4 million, Community Development \$15.6 million, and Parks, Recreation and Community services \$9.0 million, and Transit \$0.2 million. General Government Expenses (including City Council, City Manager, City Clerk, Information Technology, Finance, Human Resources and City Attorney) and Interest and Other Charges, consumed a total of \$26.7 million (19.2%).



Business-Type Activities

The City’s business-type activities reported a \$5.6 million increase in net position, largely resulting from lower expenses and additional grants received funding the City's transit operations. The Transportation Department received in FY2020/2021 \$6.25 million of CARES (Coronavirus Aid, Relief and Economic Security) funds and \$6.0 million of CRRSA (Coronavirus Response and Relief Supplemental Appropriations) funds.

The City’s Municipal Bus Lines is the largest business-type operation, with operating and capital contributions and grants from federal and county sources mainly funding its operations, in addition to fare revenues. Refuse Disposal is second largest, followed by Sewer Enterprise, with fees for services mainly funding the two utilities.

In November 2015, the City Council approved a new Municipal Fiber Network enterprise fund. Funding for this project was appropriated through a loan from the General Fund to design and construct an open access network where Internet Service Providers (ISPs) will utilize the City’s fiber infrastructure to service

City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

the business community. At the end of the 2020/2021 fiscal year, net position increased by \$0.5 million. The construction for Municipal Fiber Network was completed for the Municipal Fiber Network (Culver Connect) backbone in FY2019/2020 and construction was initiated for network laterals in FY2020/2021. The fund began generating revenues in FY2018/2019.

The chart on the next page shows a comparison of program revenues to expenses and to the prior fiscal year for each of the City’s business-type activities.

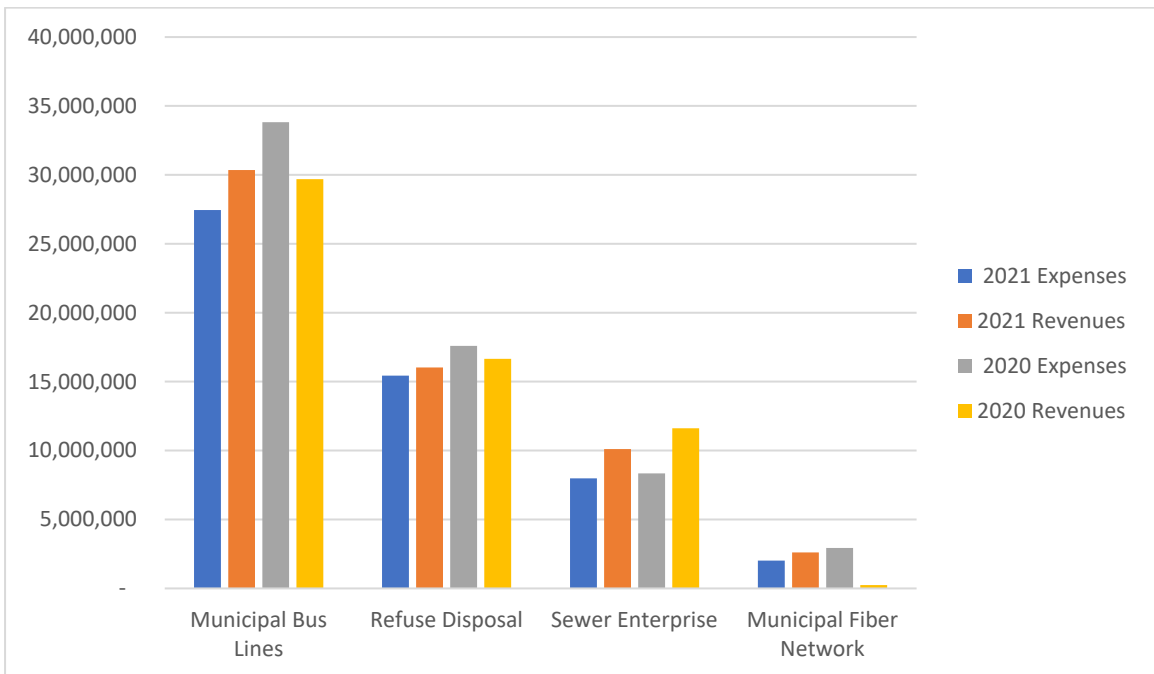
Revenue Highlights

Total program revenues as of June 30, 2021, were \$59.1 million which increased by \$1.0 million from the prior fiscal year. The change is primarily attributed to \$2.4 million increase in Municipal Fiber Network revenues during the year, offset by \$1.1 million decrease in fare revenues reported in Municipal Bus Line resulting from COVID-19.

Expense Highlights

Municipal Bus Line expenses decreased by \$6.4 million, or 18.8%, and Refuse Disposal expenses decreased by \$2.2 million, largely resulting from reduced personnel costs.

Business-type Activities
Expenses and Program Revenues
For the Fiscal Years Ended June 30, 2021 and 2020



City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

GOVERNMENT FUNDS FINANCIAL ANALYSIS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2021, the City's governmental funds reported a combined ending fund balance of \$190 million, a decrease of \$0.2 million in comparison with the prior year. Increased revenues of \$10 million (\$6.7 million in taxes, (\$4) million in licenses and permits, (\$0.9) million in fines and forfeitures, \$12.2 million in intergovernmental, (\$1.6) million in charges for services, and (\$2.2) million in investment and (\$0.2) miscellaneous) were offset by a \$15.9 million increase in expenditures: \$2.2 million in general government and \$12.7 million in capital outlay, \$1.9 million in police and fire, (\$0.8) million in parks and recreation services, (\$0.01) million in public works, (\$0.01) million in transportation, and (\$0.01) million in community development) as compared to the prior fiscal year. Of the total \$190.0 million fund balance, \$14.8 million was non-spendable, \$80.5 million was restricted, \$76.6 million was committed, \$5.2 million was assigned, and \$12.9 million was unassigned.

The following is a summary of significant changes to fund balance in the major governmental funds.

General Fund

The General Fund is the City's chief operating fund. It showed an increase of \$6.4 million in fund balance for the 2020/2021 fiscal year, primarily due to the \$4.69 million in ARPA funds received in FY2020/2021. As per Note 14, \$5.2 million of the total increase has been assigned for contracts and purchase orders of committed projects in the General Fund. There is \$108.8 million total in fund balance as of June 30, 2021.

Culver City Housing Authority Fund

With the dissolution of the Redevelopment Agency, the Culver City Housing Authority was formed to serve as the Successor Housing entity. All former Low/Moderate Income Housing assets and liabilities were transferred to the Housing Authority. During the 2020/2021 fiscal year, project expenditures outpaced revenues and transfers by \$2.0 million for this fund, largely due to increased expenditures to provide assistance for the homeless.

Capital Improvement and Acquisition

This fund is used to account for former capital projects that are not otherwise funded by a special revenue fund or other specifically identified source of funding. The General Fund is the main contributor to projects in this fund. Project expenditures outpaced revenues and transfers by \$1.2 million for this fund, partially due to increased expenditures for street realignment and improvements, and to replace sidewalks.

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Capital Improvement Grants

This fund is used to account for grant funds awards to the City by federal, state, and local grant agencies for capital improvements, and the qualified expenditures of those restricted funds. Project expenditures outpaced revenues and transfers by \$4.5 million. This deficit will be eliminated after grant reimbursements are received in the subsequent years. For example, \$5.1 million was spent in FY2020/2021 for Culver Blvd Infiltration Project, of which \$4.8 million reimbursements were received in FY2021/2022.

Proprietary Funds

Unlike governmental funds, proprietary funds use the accrual basis of accounting for financial statement purposes. Accordingly, information reported for the individual fund statements is very similar to that presented as Business-Type Activities in the government-wide statements. Government-wide reporting requires the inclusion of activities of the City's internal service funds related to proprietary fund activities in the Business-Type Activities. Therefore, the following analysis is very similar to that presented for Business-Type Activities.

The net position of the Refuse Disposal, Municipal Bus Lines, Sewer Enterprise and Municipal Fiber Network funds were (\$5.2) million, \$22.7 million, \$48.2, and (\$5.7) million respectively. Total net position of these funds increased by \$6.5 million during the year ended June 30, 2021, largely due to the \$6.25 million of Coronavirus Aid, Relief and Economic Security (CARES) and 6.0 million of Coronavirus Response and Relief Supplemental Appropriations (CRRSA) funds received by the Transportation Department. Within this total, Refuse Disposal, Municipal Bus Lines, Sewer Enterprise and Municipal Fiber Network funds' net position increased by \$0.7 million, \$3.9 million, \$1.4 million and \$0.5 million, respectively during FY2020/2021.

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the main operating fund of the City. Its revenues are primarily derived from taxes and charges for services, which are used to pay for the traditional services provided by local government - public safety, parks and recreation, community development (building and planning), and public works.

Revenues

SUMMARY OF GENERAL FUND REVENUES
BUDGET AND ACTUAL
Year Ended June 30 2021
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance from</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 65,890	\$ 76,699	\$ 93,040	\$ 16,341
Licenses and permits	6,143	3,925	3,266	(659)
Fines and forfeitures	4,152	2,303	3,563	1,260
Intergovernmental	5,917	6,099	11,390	5,291
Charges for services	10,831	8,671	8,693	22
Investment earnings	1,389	1,384	3,091	1,707
Miscellaneous	391	677	411	(266)
Total revenues	<u>94,713</u>	<u>99,758</u>	<u>123,454</u>	<u>23,696</u>
Other Financing Sources:				
Transfers in	3,142	3,142	2,717	(425)
Proceeds from sale of property	-	-	-	-
Total other financing	<u>3,142</u>	<u>3,142</u>	<u>2,717</u>	<u>(425)</u>
Total Revenues	<u>\$ 97,855</u>	<u>\$ 102,900</u>	<u>\$ 126,171</u>	<u>\$ 23,271</u>

The amended General Fund revenue budget for the 2020/2021 fiscal year reflects amendments that were approved by the City Council during the year. The most significant amendments included increases to taxes and investment earnings.

As shown on the table above, actual revenues totaled \$126.2 million, exceeding the amended budget by \$23.3 million. Taxes, fines and forfeitures, intergovernmental and investment earnings exceeded the amended budget while licenses and permits fell below the amended budget by \$0.7 million. Investment earnings exceeded the amended budget by \$1.7 million. This was primarily due to the investment earnings and gains on the tax-exempt Section 115 Trust and general investment portfolio, and interest income and investment earnings on the Fiber Network working capital loan.

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Expenditures

SUMMARY OF GENERAL FUND EXPENDITURES
BUDGET AND ACTUAL
Year Ended June 30 2021
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance from</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
General government	\$ 18,786	\$ 16,236	\$ 18,706	\$ (2,470)
Parks, recreation and community services	9,481	9,339	8,269	1,070
Police	44,510	45,865	44,079	1,786
Fire	24,969	25,909	25,967	(58)
Community development	8,209	11,463	8,969	2,494
Public works	12,350	13,814	12,891	923
Capital outlay	117	117	281	(164)
Total expenditures	<u>118,422</u>	<u>122,743</u>	<u>119,162</u>	<u>3,581</u>
Other Financing (Uses):				
Transfers out	(686)	(730)	(619)	(111)
Total other financing sources (uses)	<u>(686)</u>	<u>(730)</u>	<u>(619)</u>	<u>(111)</u>
Total Expenditures	\$ <u>(119,108)</u>	\$ <u>(123,473)</u>	\$ <u>(119,781)</u>	\$ <u>3,692</u>

The amended General Fund expenditure budget for the 2020/2021 fiscal year reflects amendments approved by the City Council during the year. The amended budget also reflects appropriations carried over from the prior year related to outstanding encumbrances as of June 30, 2021.

Since the COVID pandemic hit in March 2020, the City Manager has directed all Departments to make significant budget cuts including elimination of OPEB prefunding, the equipment and vehicle replacement allocation to the General Fund, and canceling of any new General Fund capital projects.

Despite significant increases in expenditures beyond the City's control such as the CalPERS Unfunded Accrued Liability (UAL), there was a total \$3.7 million in total budget savings.

City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City owns hundreds of millions of dollars’ worth of capital assets that require ongoing maintenance, improvement and renovation. As a result, the City undertakes millions of dollars in capital improvement and construction projects each year.

The capital improvement projects undertaken in those operations in the Governmental Activities category typically include improvements to the City’s infrastructure (roads, curbs, storm drains, bridges, sidewalks, gutters, etc.) and improvements to City public facilities, such as parks, restrooms, community facilities, and playgrounds. Starting in 2004, governmental funds have been required to capitalize and report the costs of acquiring or constructing infrastructure assets acquired or constructed after 1982. Where information was readily available, or if a value could be reasonably estimated, the City capitalized infrastructure assets acquired or constructed prior to 1982.

Summary of Capital Assets (Net)
June 30 2021
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 21,539	\$ 21,539	\$ 3,083	\$ 3,083	\$ 24,622	\$ 24,622
Buildings	40,905	42,364	14,109	14,669	55,014	57,033
Improvements	15,264	14,758	4,924	5,142	20,188	19,900
Machinery and equipment	13,377	14,899	18,730	19,668	32,107	34,567
Furniture and fixtures	-	-	13	19	13	19
Infrastructure	52,831	54,313	33,029	27,895	85,860	82,208
Investment in Hyperion	-	-	8,012	8,676	8,012	8,676
Construction in progress	44,017	27,242	16,639	12,350	60,656	39,592
Total	\$ 187,933	\$ 175,115	\$ 98,539	\$ 91,502	\$ 286,472	\$ 266,617

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$286.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and related systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Capital asset additions included vehicle replacements, street repair and replacement, and sewer system improvements in the current year. Depreciation expenses in the Governmental and Business-Type activities totaled \$7.7 million and \$5.8 million, respectively.

Additional information is available in Note 6 of the Notes to the Basic Financial Statements.

City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Long-Term Obligations

At the end of the 2020/2021 fiscal year, the City had total net long-term outstanding obligations of \$52.8 million, an increase of \$1.0 million over the prior fiscal year. In October 2019, the City was successful in refinancing the 2009 Wastewater Facilities Revenue Bonds, acquiring an additional \$12 million in new bond proceeds and lowering the annual debt service payment. The \$12 million in bonds proceeds was fully spent in FY2020/2021 to fund a Sewer Pipeline Diversion project, the Bankfield Pump Station improvements and other miscellaneous capital improvement projects.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Compensated absences payable	\$ 12,378	\$ 13,058	\$ 1,500	\$ 1,718	\$ 13,878	\$ 14,776
Claims and judgments	16,560	14,216	-	-	16,560	14,216
Wastewater Facilities Revenue Bonds, 2019 Series A	-	-	18,935	19,360	18,935	19,360
Bond premium	-	-	3,396	3,515	3,396	3,515
Total	\$ 28,938	\$ 27,274	\$ 23,831	\$ 24,593	\$ 52,769	\$ 51,867

Additional information is available in Note 7 of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Economy

Nationally, reports continued to demonstrate signs of continued modest economic growth. The U.S. GDP growth forecast, per S&P Global, is lowered to 5.5% for 2021 and 3.9% for 2022 (from 5.7% and 4.1%, respectively) due to persistent inflation, disruptions associated with Delta and Omicron Covid-19 variants, concerns related to supply chains, product shortages and labor issues.

The largest single relief package in U.S. history, The Coronavirus Aid, Relief, and Economic Security Act (CARES) of appropriated \$2.3 trillion was signed into law on March 27, 2020, to provide aid during the pandemic. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) of 2021 was signed into law on December 27, 2020. The Transportation Department of the City received \$6.25 million of CARES funds and \$6.0 million CRRSA funds in FY2020-21.

Also, Congress signed the \$1.9 trillion American Rescue Plan Act (ARPA) Act of 2021 on March 11, 2021. The City received \$4.69 million of the ARPA funds during FY2020-2021 and is expected to receive the second tranche of \$4.69 million in FY2021-2022.

During FY2020-21, The City adopted a new administrative Mandatory Vaccination Policy which requires all City employees as well as volunteers, interns and certain contractors be fully vaccinated against COVID-19 to reduce likelihood of hospitalization, intensive care unit admissions, and deaths in the County.

The political climate continues to pose uncertainty on the national economic outlook due in part to contentious federal trade policies, concerns related to record-high consumer prices which may extend into the next year or two, and disruptions due to the Delta and Omicron variants of COVID-19. City staff will be cautiously monitoring critical political decisions and their effect on national, state and local economies.

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Budget Outlook

Culver City prides itself on the outstanding quality of services it provides to the community and has taken all efforts to preserve services during these economically challenging times. Over the course of the past several years, numerous positions in the General Fund have been eliminated. This was accomplished without layoffs by eliminating position vacated through regular turnover or retirement incentives. Active and retiree health benefits were reduced and converted to defined benefit.

The City's financial forecast currently shows operating deficits when factoring in necessary funding for rising pension costs, appropriately pre-funding retiree healthcare costs and including the estimated financial impact of COVID-19 and an acceleration in new COVID-19 cases from the Delta and the Omicron variants. The City has been proactive in its response to these challenging economic conditions and has successfully implemented four revenue measures over the years. First, there was a 2% increase to the Transient Occupancy Tax (Measure X) which was approved by voters on April 10, 2012. The approval of this measure increased this tax rate from 12% to 14%, resulting in approximately \$1.0 million in additional revenue. Second, a one-half cent local sales tax (Measure Y) was approved on November 6, 2012, becoming effective on April 1, 2013. This tax was extended by the voters for another ten years, until 2033 as Measure CC. An additional quarter-cent sales tax (Measure C) was approved on November 6, 2018, which went into effect beginning April 1, 2019. Most recently, in November 2020, the voters passed Measure RE. Measure RE establishes a marginal tax rate with four brackets, based on sales price or value, for the City's real estate transfer tax, effective April 1, 2021. This marginal tax will add 1.5% on amounts from \$1,500,000 to \$2,999,999, 3% on amounts from \$3,000,000 to \$9,999,999, and 4% on amounts \$10 million and above. Measure RE would not apply to sales under \$1.5 million, affordable housing, and first transfer of new multi-family properties. It is anticipated that this tax will provide the City with an additional \$6 million or more in annual revenue.

Despite the City's sound management and disciplined control of its financial health, the City's ability to sustain local services is seriously threatened by rising pension costs. Increasing retirement and pension costs related to rates charged by CalPERS have a significant impact on the General Fund's increasing expenditures as PERS costs are expected to rise from \$25 million in FY2020-2021 to \$44 million in FY2029-2030, which is an increase of 76%. In addition, there are additional budget needs that have not been included in the financial forecast which include increased maintenance and capital improvement projects for City infrastructure (streets, roads, pavements, traffic safety projects, city buildings, etc.) and capital and maintenance expenditures to support updating network infrastructure, cloud-based software deployments and replacement of end-of-life hardware which are critical to supporting secure and reliable operations.

In addition to these fiscal difficulties, the City seeks to continue to provide the same level of essential City services for the benefit of its residents, which services include police, fire, street maintenance, traffic improvements, emergency preparedness, maintenance of parks and recreation areas, all of which are deemed very important by an overwhelming majority of City residents, as indicated by a recent survey. Despite the emerging Omicron variant of COVID-19 and concerns related to supply chains and product shortages, FY2021/2022 is expected to be a year with continued moderate GDP growth. The City is currently well positioned with sufficient General Fund reserves, and the passing of Measure RE in November 2020 strengthens that position.

City of Culver City
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Remaining financially sustainable will continue to be a responsibility of City leadership. Living within our means; maintaining healthy reserves; safeguarding our current quality of life and standard of living without sacrificing the future; creating a healthier and “greener” economy; prudently investing in long-term facilities and assets; partnering with our community to work together toward common goals; and making wise decisions despite political pressures to defer or deny them – all these are vital to working toward “sustainable prosperity” for Culver City.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Culver City’s finances for all those with an interest in the government’s finances. Questions concerning any of the information contained herein should be addressed to the Finance Department, at finance.dept@culvercity.org or 9770 Culver Blvd., Culver City, CA 90232, (310) 253-5865.

This page intentionally left blank.

Basic Financial Statements

GOVERNMENT -WIDE FINANCIAL STATEMENTS





BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

City of Culver City
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 132,147,780	\$ 40,865,277	\$ 173,013,057
Accounts receivables, net	3,554,864	1,630,233	5,185,097
Interest receivables	4,677,802	106,901	4,784,703
Internal balances	21,047,722	(21,047,722)	-
Due from other governments	27,361,523	8,645,241	36,006,764
Inventories	757,768	-	757,768
Due from Successor Agency	7,982,045	-	7,982,045
Total current assets	<u>197,529,504</u>	<u>30,199,930</u>	<u>227,729,434</u>
Noncurrent assets:			
Cash and investments held with fiscal agents	-	1	1
Restricted investments held by Pension Trust	13,875,468	-	13,875,468
Notes receivables, net	18,995,658	1,195	18,996,853
Capital assets:			
Not being depreciated	65,556,045	19,722,004	85,278,049
Being depreciated, net	<u>122,377,052</u>	<u>78,817,036</u>	<u>201,194,088</u>
Total noncurrent assets	<u>220,804,223</u>	<u>98,540,236</u>	<u>319,344,459</u>
Total assets	<u>418,333,727</u>	<u>128,740,166</u>	<u>547,073,893</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	28,551,373	4,651,719	33,203,092
Other postemployment benefits related amounts	<u>2,080,734</u>	<u>309,266</u>	<u>2,390,000</u>
Total deferred outflows of resources	<u>30,632,107</u>	<u>4,960,985</u>	<u>35,593,092</u>

(Continued)

City of Culver City
Statement of Net Position (Continued)
June 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 4,572,298	\$ 2,788,288	\$ 7,360,586
Salaries and benefits payable	2,446,906	662,756	3,109,662
Interest payable	-	283,267	283,267
Deposits payable	10,724,051	384,970	11,109,021
Retention payable	124,432	-	124,432
Due to other government	38,820	-	38,820
Unearned revenues	759,324	2,506,618	3,265,942
Compensated absences, due within one year	2,961,299	928,262	3,889,561
Claims payable, due within one year	3,944,154	-	3,944,154
Revenue bonds payable, due within one year	-	740,000	740,000
Total current liabilities	25,571,284	8,294,161	33,865,445
Noncurrent liabilities:			
Compensated absences, due in more than one year	9,416,558	572,067	9,988,625
Claims payable, due in more than one year	12,615,835	-	12,615,835
Revenue bonds payable, due in more than one year	-	21,590,677	21,590,677
Net pension liabilities	226,288,853	36,135,859	262,424,712
Net other postemployment benefits related liabilities	47,185,078	7,013,266	54,198,344
Total noncurrent liabilities	295,506,324	65,311,869	360,818,193
Total liabilities	321,077,608	73,606,030	394,683,638
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	828,430	282,232	1,110,662
Other postemployment benefits related amounts	23,971,838	3,563,009	27,534,847
Total deferred inflows of resources	24,800,268	3,845,241	28,645,509
NET POSITION			
Net investment in capital assets	187,808,665	76,208,363	264,017,028
Restricted for:			
Road construction	8,132,492	-	8,132,492
Housing authority	40,328,688	-	40,328,688
Public safety	1,088,953	-	1,088,953
Public works and capital projects	35,698,869	-	35,698,869
Debt service	-	1	1
Community development	4,929,427	-	4,929,427
Pension trust	13,875,468	-	13,875,468
Total restricted	104,053,897	1	104,053,898
Unrestricted (deficit)	(188,774,604)	(19,958,484)	(208,733,088)
Total net position	\$ 103,087,958	\$ 56,249,880	\$ 159,337,838

(Concluded)

City of Culver City
Statement of Activities
Year Ended June 30, 2021

Functions/Programs:	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues
Primary government:					
Governmental activities:					
General government	\$ 26,649,962	\$ 1,758,493	\$ 5,061,680	\$ -	\$ 6,820,173
Parks, recreation and community services	8,990,167	1,765,446	33,247	-	1,798,693
Police	44,928,502	3,757,843	550,106	-	4,307,949
Fire	26,962,832	4,107,120	479,606	-	4,586,726
Community development	15,711,383	6,911,883	1,734,790	64,419	8,711,092
Public works	15,459,474	4,962,272	3,968,875	11,567,154	20,498,301
Transportation	247,806	-	2,000,887	-	2,000,887
Capital outlay	38,053	-	-	-	-
Total governmental activities	138,988,179	23,263,057	13,829,191	11,631,573	48,723,821
Business-type activities:					
Refuse disposal	15,436,971	16,027,123	120,875	-	16,147,998
Municipal bus lines	27,441,047	1,024,500	27,067,118	2,218,360	30,309,978
Sewer enterprise	8,719,314	10,111,096	199	-	10,111,295
Municipal fiber network	2,102,185	2,612,865	-	-	2,612,865
Internal service fund allocated to business-type activities	924,172	-	-	-	-
Total business-type activities	54,623,689	29,775,584	27,188,192	2,218,360	59,182,136
Total primary government	\$ 193,611,868	\$ 53,038,641	\$ 41,017,383	\$ 13,849,933	\$ 107,905,957

City of Culver City
Statement of Activities (Continued)
Year Ended June 30, 2021

Functions/Programs:	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Primary government:			
Governmental activities:			
General government	\$ (19,829,789)	\$ -	\$ (19,829,789)
Parks, recreation and community services	(7,191,474)	-	(7,191,474)
Police	(40,620,553)	-	(40,620,553)
Fire	(22,376,106)	-	(22,376,106)
Community development	(7,000,291)	-	(7,000,291)
Public works	5,038,827	-	5,038,827
Transportation	1,753,081	-	1,753,081
	<u>(38,053)</u>	-	<u>(38,053)</u>
Total governmental activities	<u>(90,264,358)</u>	-	<u>(90,264,358)</u>
Business-type activities:			
Refuse disposal	-	711,027	711,027
Municipal bus lines	-	2,868,931	2,868,931
Sewer enterprise	-	1,391,981	1,391,981
Municipal fiber network	-	510,680	510,680
Internal service fund allocated to business-type activities	-	(924,172)	(924,172)
Total business-type activities	<u>-</u>	<u>4,558,447</u>	<u>4,558,447</u>
Total primary government	<u>(90,264,358)</u>	<u>4,558,447</u>	<u>(85,705,911)</u>
General revenues:			
Taxes:			
Property taxes	20,364,416	-	20,364,416
Sales taxes	37,830,897	-	37,830,897
Utility users taxes	13,184,794	-	13,184,794
Franchise taxes	2,298,715	-	2,298,715
Business license taxes	15,895,304	-	15,895,304
Transient occupancy taxes	3,073,676	-	3,073,676
Other taxes	391,788	-	391,788
Total taxes	<u>93,039,590</u>	-	<u>93,039,590</u>
Intergovernmental revenues, unrestricted	6,087,286		6,087,286
Investment earnings	3,939,952	4,718	3,944,670
Miscellaneous	629,659	-	629,659
Transfers	(991,789)	991,789	-
Total general revenues and transfers	<u>102,704,698</u>	<u>996,507</u>	<u>103,701,205</u>
Change in net position	12,440,340	5,554,954	17,995,294
Net position - beginning of year	<u>90,647,618</u>	<u>50,694,926</u>	<u>141,342,544</u>
Net position - ending of year	<u>\$ 103,087,958</u>	<u>\$ 56,249,880</u>	<u>\$ 159,337,838</u>

This page intentionally left blank.

Basic Financial Statements

FUND FINANCIAL STATEMENTS





FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements
Proprietary Fund Financial Statements
Fiduciary Fund Financial Statements

This page intentionally left blank.

GOVERNMENTAL FUND

FINANCIAL STATEMENTS

General Fund - This is the primary operating fund of the City. It accounts for all activities of the general government, except those required to be accounted for in another fund.

Culver City Housing Authority Special Revenue Fund - This fund is used to account for the former Low/Moderate Income Housing Funds transferred to the City under the 2011 Cooperation and Implementation agreements. It is also anticipated that future funding will be provided from the Successor Agency from the past redevelopment agency repayment obligations. These funds are restricted to be used for qualified low/moderate income housing projects identified in the Agreement.

Capital Improvement and Acquisition Capital Projects Fund - To account for capital projects that are not otherwise funded by a special revenue fund or other specifically identified by the sources of funding. Project funding is mainly from general revenues allocated by action of the City Council.

Capital Improvement Grants Capital Projects Fund - To account for grant funds awards to the City by federal, state, and local grant agencies for capital improvements, and the qualified expenditures of those restricted funds.

**City of Culver City
Balance Sheet
Governmental Funds
June 30, 2021**

	Major Funds		
	General	Culver City Housing Authority	Capital Improvement and Acquisition
ASSETS			
Cash and investments	\$ 54,608,062	\$ 12,572,965	\$ 10,558,798
Restricted investments held by Pension Trust	13,875,468	-	-
Accounts receivables, net	3,299,890	1,347	-
Interest receivables	202,722	3,353,001	28,809
Notes receivables, net	86,098	15,475,740	-
Due from other funds	14,337,486	25,674	-
Due from other governments	14,958,617	-	-
Due from Successor Agency	-	7,982,045	-
Advances to other funds	14,680,229	-	-
Total assets	\$ 116,048,572	\$ 39,410,772	\$ 10,587,607
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,430,024	\$ 25,277	\$ 149,138
Salaries and benefits payable	2,207,797	-	-
Due to other governments	-	-	-
Due to other funds	-	75,448	-
Deposits payable	1,814,240	6,685	8,672,495
Retention payable	-	-	19,642
Unearned revenues	759,324	-	-
Total liabilities	7,211,385	107,410	8,841,275
Deferred Inflows of Resources:			
Unavailable revenue	29,156	-	-
Total deferred inflows of resources	29,156	-	-
Fund Balances:			
Nonspendable	14,766,327	-	-
Restricted	13,875,468	39,303,362	1,746,332
Committed	53,001,673	-	-
Assigned	5,234,293	-	-
Unassigned (deficit)	21,930,270	-	-
Total fund balances	108,808,031	39,303,362	1,746,332
Total liabilities, deferred inflows of resources and fund balances	\$ 116,048,572	\$ 39,410,772	\$ 10,587,607

See accompanying Notes to the Basic Financial Statements.

**City of Culver City
Balance Sheet (Continued)
Governmental Funds
June 30, 2021**

	Major Funds		
	Capital Improvement Grants	Total Nonmajor Funds	Total Governmental Funds
ASSETS			
Cash and investments	\$ -	\$ 43,883,286	\$ 121,623,111
Restricted investments held by Pension Trust	-	-	13,875,468
Accounts receivables, net	-	197,148	3,498,385
Interest receivables	-	1,073,295	4,657,827
Notes receivables, net	-	3,433,820	18,995,658
Due from other funds	-	-	14,363,160
Due from other governments	9,088,712	3,314,194	27,361,523
Due from Successor Agency	-	-	7,982,045
Advances to other funds	-	-	14,680,229
Total assets	\$ 9,088,712	\$ 51,901,743	\$ 227,037,406
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 787,113	\$ 874,393	\$ 4,265,945
Salaries and benefits payable	-	22,673	2,230,470
Due to other governments	-	38,820	38,820
Due to other funds	8,145,000	1,454,651	9,675,099
Deposits payable	-	230,631	10,724,051
Retention payable	80,214	24,576	124,432
Unearned revenues	-	-	759,324
Total liabilities	9,012,327	2,645,744	27,818,141
Deferred Inflows of Resources:			
Unavailable revenue	7,886,811	1,314,206	9,230,173
Total deferred inflows of resources	7,886,811	1,314,206	9,230,173
Fund Balances:			
Nonspendable	-	-	14,766,327
Restricted	-	25,558,544	80,483,706
Committed	-	23,570,191	76,571,864
Assigned	-	-	5,234,293
Unassigned (deficit)	(7,810,426)	(1,186,942)	12,932,902
Total fund balances	(7,810,426)	47,941,793	189,989,092
Total liabilities, deferred inflows of resources and fund balances	\$ 9,088,712	\$ 51,901,743	\$ 227,037,406

See accompanying Notes to the Basic Financial Statements.

This page intentionally left blank.

City of Culver City
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2021

Total Fund Balances - Total Governmental Funds	\$ 189,989,092
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 are not reported in the funds:	
Capital assets, not being depreciated	65,556,045
Capital assets, depreciable (net of \$27,333,088 reported in Internal Service Funds)	217,407,927
Less accumulated depreciation (net of \$(18,598,724) reported in Internal Service Funds)	(103,765,239)
Long-term liabilities and related deferred outflows of resources and deferred inflows of resources were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds' Balance Sheet:	
Compensated absences (net of \$645,548 reported in Internal Service Funds)	(11,732,309)
Net pension liability (net of \$10,829,285 reported in Internal Service Funds)	(215,815,284)
Pension related deferred outflows of resources (net of \$1,348,247 reported in Internal Service Funds)	27,203,126
Pension related deferred inflows of resources (net of \$81,802 reported in Internal Service Funds)	(746,628)
Net OPEB liability (net of \$1,967,400 reported in Internal Service Funds)	(45,217,678)
OPEB related deferred outflows of resources (net of \$86,757 reported in Internal Service Funds)	1,993,977
OPEB related deferred inflows of resources (net of \$999,515 reported in Internal Service Funds)	(22,972,323)
Internal service funds are used by management to charge the costs of equipment replacement, fleet management, risk management, and central store to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Government-Wide Statement of Net Position (net of \$2,707,286 allocated to business-type activities).	(8,042,921)
Revenues earned but not available to pay for current expenditures for governmental funds are unavailable.	9,230,173
Net Position of Governmental Activities	<u>\$ 103,087,958</u>

City of Culver City
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	Major Funds		
	General	Culver City Housing Authority	Capital Improvement and Acquisition
REVENUES:			
Taxes	\$ 93,039,590	\$ -	\$ -
Licenses and permits	3,266,410	-	-
Fines and forfeitures	3,562,963	-	-
Intergovernmental	11,390,216	-	253,996
Charges for services	8,693,400	-	-
Investment earnings	3,090,696	386,328	360,449
Miscellaneous	410,970	156,005	-
Total revenues	123,454,245	542,333	614,445
EXPENDITURES:			
Current:			
General government	18,706,024	-	-
Parks, recreation, and community services	8,268,396	-	-
Police	44,078,619	-	-
Fire	25,967,335	-	-
Community development	8,969,068	1,696,682	-
Public works	12,891,303	-	325,112
Transportation	-	-	-
Capital outlay	281,223	-	2,086,760
Total expenditures	119,161,968	1,696,682	2,411,872
REVENUES OVER (UNDER) EXPENDITURES	4,292,277	(1,154,349)	(1,797,427)
OTHER FINANCING SOURCES (USES):			
Capital contributions	-	-	15,000
Transfers in	2,717,225	-	619,000
Transfers out	(619,000)	(817,225)	-
Proceeds from sale of property	101	-	-
Total other financing sources (uses)	2,098,326	(817,225)	634,000
CHANGES IN FUND BALANCES	6,390,603	(1,971,574)	(1,163,427)
FUND BALANCES (DEFICIT):			
Beginning of year	102,417,428	41,274,936	2,909,759
End of year	\$ 108,808,031	\$ 39,303,362	\$ 1,746,332

See accompanying Notes to the Basic Financial Statements.

City of Culver City
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
Year Ended June 30, 2021

	Capital Improvement Grants	Total Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:			
Taxes	\$ -	\$ -	\$ 93,039,590
Licenses and permits	-	669,472	3,935,882
Fines and forfeitures	-	-	3,562,963
Intergovernmental	5,933,105	8,907,202	26,484,519
Charges for services	-	7,070,812	15,764,212
Investment earnings	-	110,714	3,948,187
Miscellaneous	-	19,300	586,275
Total revenues	5,933,105	16,777,500	147,321,628
EXPENDITURES:			
Current:			
General government	-	431,301	19,137,325
Parks, recreation, and community services	-	64,679	8,333,075
Police	-	360,212	44,438,831
Fire	-	587,813	26,555,148
Community development	-	3,889,326	14,555,076
Public works	-	136,549	13,352,964
Transportation	-	247,806	247,806
Capital outlay	10,463,825	7,084,175	19,915,983
Total expenditures	10,463,825	12,801,861	146,536,208
REVENUES OVER (UNDER) EXPENDITURES	(4,530,720)	3,975,639	785,420
OTHER FINANCING SOURCES (USES):			
Capital contributions	-	-	15,000
Transfers in	-	193,100	3,529,325
Transfers out	-	(3,084,889)	(4,521,114)
Proceeds from sale of property	-	1,156	1,257
Total other financing sources (uses)	-	(2,890,633)	(975,532)
CHANGES IN FUND BALANCES	(4,530,720)	1,085,006	(190,112)
FUND BALANCES (DEFICIT):			
Beginning of year	(3,279,706)	46,856,787	190,179,204
End of year	\$ (7,810,426)	\$ 47,941,793	\$ 189,989,092

See accompanying Notes to the Basic Financial Statements.

City of Culver City
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Government-Wide Statement of Activities
Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ (190,112)

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

Acquisition of capital assets was reported as expenditures in the governmental funds. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over the estimated useful lives as depreciation expense. The following was the amount of capital assets recorded in the current period:

Capital outlay (\$40,548 of capital outlay expenditures were for current public works expenditures for repairs and maintenance and therefore, were not capitalized), net of \$768,825 reported in Internal Service Funds. 19,876,986

Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as an expenditure in the governmental funds. (Net of \$2,306,083 reported in Internal Service Funds.) (5,439,473)

Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the increase in long-term compensated absences was not reported as an expenditure in the governmental funds. (Net of \$298,232 reported in Internal Service Funds.) 381,373

Other postemployment benefits and pension expenses were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, the increase or decrease in other postemployment benefits liability and net pension liabilities were not reported as an expenditure or (credit) in the governmental funds.

Other postemployment benefit expense, net of \$(248,647) reported in the Internal Service Funds 5,657,629

Pension expense, net of \$31,694 pension contribution made after measurement date and \$306,324 pension expense reported in the Internal Service Funds (10,837,565)

Internal service funds were used by management to charge the costs of certain activities, such as equipment and fleet management, insurance, and central stores to individual funds. The net revenue of the internal service funds was reported with governmental activities (net of \$924,172 allocated to business - type activities). (2,057,029)

Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year. 5,048,531

Change in Net Position of Governmental Activities \$ 12,440,340

**PROPRIETARY FUND
FINANCIAL STATEMENTS**

This page intentionally left blank.

PROPRIETARY FUNDS

Enterprise Funds are used to account and report activities for which fees are charges to external users for goods and/or services.

Enterprise Funds include:

Refuse Disposal Fund - This fund is used to account for the operation and the capital assets of the City's refuse disposal service.

Municipal Bus Lines Fund - This fund is used to account for the operation and the capital assets of the City's transportation system.

Sewer Enterprise Fund - This fund is used to account for the maintenance and operation, and the capital assets of the City's sewage disposal service.

Municipal Fiber Network Fund - This fund is used to account for the installation of open access network where Internet Service Providers ("ISP") will utilize the City's fiber infrastructure to service the business community.

City of Culver City
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
ASSETS					
Current assets:					
Cash and investments	\$ 3,911,799	\$ 11,669,170	\$ 25,284,308	\$ -	\$ 40,865,277
Accounts receivables, net	1,182,278	436,903	152	10,900	1,630,233
Interest receivables	10,171	31,343	65,387	-	106,901
Due from other funds	-	-	-	-	-
Due from other governments	103,900	8,287,644	253,697	-	8,645,241
Inventory	-	-	-	-	-
Total current assets	<u>5,208,148</u>	<u>20,425,060</u>	<u>25,603,544</u>	<u>10,900</u>	<u>51,247,652</u>
Noncurrent assets:					
Cash and investments with fiscal agent	-	-	1	-	1
Notes receivables, net	-	-	1,195	-	1,195
Capital assets:					
Not being depreciated	3,170	5,608,530	12,066,732	2,043,572	19,722,004
Being depreciated	8,792,860	68,602,155	75,180,735	11,433,233	164,008,983
Less accumulated depreciation	(6,540,650)	(38,541,489)	(39,153,846)	(955,962)	(85,191,947)
Total capital assets, net	<u>2,255,380</u>	<u>35,669,196</u>	<u>48,093,621</u>	<u>12,520,843</u>	<u>98,539,040</u>
Total noncurrent assets	<u>2,255,380</u>	<u>35,669,196</u>	<u>48,094,817</u>	<u>12,520,843</u>	<u>98,540,236</u>
Total assets	<u>7,463,528</u>	<u>56,094,256</u>	<u>73,698,361</u>	<u>12,531,743</u>	<u>149,787,888</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	1,137,585	3,252,121	262,013	-	4,651,719
Other postemployment benefits related amounts	112,091	186,659	10,516	-	309,266
Total deferred outflows of resources	<u>1,249,676</u>	<u>3,438,780</u>	<u>272,529</u>	<u>-</u>	<u>4,960,985</u>

(Continued)

City of Culver City
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2021

	Governmental Activities
	Internal Service Funds
ASSETS	
Current assets:	
Cash and investments	\$ 10,524,669
Accounts receivables, net	56,479
Interest receivables	19,975
Due from other funds	6,339
Due from other governments	-
Inventory	757,768
Total current assets	11,365,230
Noncurrent assets:	
Cash and investments with fiscal agent	-
Notes receivables, net	-
Capital assets:	
Not being depreciated	-
Being depreciated	27,333,088
Less accumulated depreciation	(18,598,724)
Total capital assets, net	8,734,364
Total noncurrent assets	8,734,364
Total assets	20,099,594
DEFERRED OUTFLOWS OF RESOURCES	
Pension related amounts	1,348,247
Other postemployment benefits related amounts	86,757
Total deferred outflows of resources	1,435,004

(Continued)

City of Culver City
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 467,343	\$ 1,065,478	\$ 659,876	\$ 595,591	\$ 2,788,288
Salaries and benefits payable	155,300	477,975	29,481	-	662,756
Due to other funds	-	-	-	2,736,035	2,736,035
Interest payable	-	-	283,267	-	283,267
Deposits payable	182,750	-	-	202,220	384,970
Retention payable	-	-	-	-	-
Unearned revenue	55	2,506,563	-	-	2,506,618
Compensated absences, due within one year	258,230	615,854	54,178	-	928,262
Claims payable, due within one year	-	-	-	-	-
Revenue bonds payable, due within one year	-	-	740,000	-	740,000
Total current liabilities	<u>1,063,678</u>	<u>4,665,870</u>	<u>1,766,802</u>	<u>3,533,846</u>	<u>11,030,196</u>
Noncurrent liabilities:					
Advances from other funds	-	-	-	14,680,229	14,680,229
Compensated absences, due in more than one year	162,435	359,850	49,782	-	572,067
Claims payable, due in more than one year	-	-	-	-	-
Revenue bonds payable, due in more than one year	-	-	21,590,677	-	21,590,677
Net pension liabilities	8,837,074	25,263,394	2,035,391	-	36,135,859
Net other postemployment benefits liabilities	2,541,902	4,232,891	238,473	-	7,013,266
Total noncurrent liabilities	<u>11,541,411</u>	<u>29,856,135</u>	<u>23,914,323</u>	<u>14,680,229</u>	<u>79,992,098</u>
Total liabilities	<u>12,605,089</u>	<u>34,522,005</u>	<u>25,681,125</u>	<u>18,214,075</u>	<u>91,022,294</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	69,020	197,315	15,897	-	282,232
Other postemployment benefits related amounts	1,291,384	2,150,472	121,153	-	3,563,009
Total deferred inflows of resources	<u>1,360,404</u>	<u>2,347,787</u>	<u>137,050</u>	<u>-</u>	<u>3,845,241</u>
NET POSITION					
Net investment in capital assets	2,255,380	35,669,196	25,762,944	12,520,843	76,208,363
Restricted for debt service	-	-	1	-	1
Unrestricted (Deficit)	(7,507,669)	(13,005,952)	22,389,770	(18,203,175)	(16,327,026)
Total net position	<u>\$ (5,252,289)</u>	<u>\$ 22,663,244</u>	<u>\$ 48,152,715</u>	<u>\$ (5,682,332)</u>	<u>\$ 59,881,338</u>
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities					<u>(3,631,458)</u>
Net position of business-type activities					<u>\$ 56,249,880</u>

(Continued)

City of Culver City
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2021

	Governmental Activities
	Internal Service Funds
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 306,353
Salaries and benefits payable	216,436
Due to other funds	1,958,365
Interest payable	-
Deposits payable	-
Retention payable	-
Unearned revenue	-
Compensated absences, due within one year	180,091
Claims payable, due within one year	3,944,154
Revenue bonds payable, due within one year	-
Total current liabilities	6,605,399
Noncurrent liabilities:	
Advances from other funds	-
Compensated absences, due in more than one year	465,457
Claims payable, due in more than one year	12,615,835
Revenue bonds payable, due in more than one year	-
Net pension liabilities	10,473,569
Net other postemployment benefits liabilities	1,967,400
Total noncurrent liabilities	25,522,261
Total liabilities	32,127,660
DEFERRED INFLOWS OF RESOURCES	
Pension related amounts	81,802
Other postemployment benefits related amounts	999,515
Total deferred inflows of resources	1,081,317
NET POSITION	
Net investment in capital assets	8,734,364
Restricted for debt service	-
Unrestricted (Deficit)	(20,408,743)
Total net position	\$ (11,674,379)

(Concluded)

City of Culver City
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
OPERATING REVENUES:					
Charges for services	\$ 16,019,836	\$ 775,096	\$ 10,111,096	\$ 2,598,045	\$ 29,504,073
Other	7,287	249,404	-	14,820	271,511
Total operating revenues	16,027,123	1,024,500	10,111,096	2,612,865	29,775,584
OPERATING EXPENSES:					
Salaries and benefits	5,915,707	16,521,399	1,167,857	-	23,604,963
Supplies	283,973	349,330	2,861,684	70,367	3,565,354
Repairs and maintenance	2,658,396	3,849,206	56,350	13,672	6,577,624
Insurance	169,450	648,476	67,878	-	885,804
Claims and settlements	-	-	-	-	-
Administrative services	2,028,230	1,922,765	809,515	-	4,760,510
Rent and lease expenses	298,932	-	360,000	-	658,932
Consulting and contractual services	3,820,673	663,056	821,336	1,701,708	7,006,773
Depreciation and amortization	261,610	3,486,815	1,840,916	228,664	5,818,005
Total operating expenses	15,436,971	27,441,047	7,985,536	2,014,411	52,877,965
OPERATING INCOME (LOSS)	590,152	(26,416,547)	2,125,560	598,454	(23,102,381)
NONOPERATING REVENUES (EXPENSES):					
Interest expense	-	-	(733,778)	(87,774)	(821,552)
Investment earnings	(1,589)	24,144	(17,837)	-	4,718
Intergovernmental	120,875	27,067,118	199	-	27,188,192
Gain (loss) on sales of property	-	-	-	-	-
Total nonoperating revenues (expenses)	119,286	27,091,262	(751,416)	(87,774)	26,371,358
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	709,438	674,715	1,374,144	510,680	3,268,977
CONTRIBUTIONS AND TRANSFERS:					
Capital contributions	-	2,218,360	-	-	2,218,360
Transfers in	-	1,291,789	-	-	1,291,789
Transfers out	-	(300,000)	-	-	(300,000)
Total contributions and transfers	-	3,210,149	-	-	3,210,149
Changes in net position	709,438	3,884,864	1,374,144	510,680	6,479,126
NET POSITION:					
Beginning of year	(5,961,727)	18,778,380	46,778,571	(6,193,012)	53,402,212
End of year	<u>\$ (5,252,289)</u>	<u>\$ 22,663,244</u>	<u>\$ 48,152,715</u>	<u>\$ (5,682,332)</u>	<u>\$ 59,881,338</u>
Adjustment to reflect the consolidation of internal service funds activities related to business-type activities					(924,172)
Changes in net position of business-type activities					<u>\$ 5,554,954</u>

(Continued)

City of Culver City
Statement of Revenues, Expenses, and Changes in Net Position (Continued)
Proprietary Funds
Year Ended June 30, 2021

	Governmental Activities
	Internal Service Funds
OPERATING REVENUES:	
Charges for services	\$ 20,927,597
Other	77,920
Total operating revenues	21,005,517
OPERATING EXPENSES:	
Salaries and benefits	6,859,689
Supplies	2,053,009
Repairs and maintenance	2,915,451
Insurance	2,523,091
Claims and settlements	6,738,045
Administrative services	-
Rent and lease expenses	-
Consulting and contractual services	625,242
Depreciation and amortization	2,306,083
Total operating expenses	24,020,610
OPERATING INCOME (LOSS)	(3,015,093)
NONOPERATING REVENUES (EXPENSES):	
Interest expense	-
Investment earnings	(8,235)
Intergovernmental	-
Gain (loss) on sales of property	42,127
Total nonoperating revenues (expenses)	33,892
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(2,981,201)
CONTRIBUTIONS AND TRANSFERS:	
Capital contributions	-
Transfers in	-
Transfers out	-
Total contributions and transfers	-
Changes in net position	(2,981,201)
NET POSITION:	
Beginning of year	(8,693,178)
End of year	\$ (11,674,379)

(Concluded)

City of Culver City
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$ 16,133,172	\$ 698,510	\$ 10,112,073	\$ 2,683,570	\$ 29,627,325
Receipts from user departments	-	-	-	-	-
Payments to suppliers	(9,212,393)	(8,508,452)	(7,685,129)	(1,463,946)	(26,869,920)
Payments to employees	(6,037,606)	(16,273,265)	(1,130,839)	-	(23,441,710)
Net cash provided by (used in) operating activities	883,173	(24,083,207)	1,296,105	1,219,624	(20,684,305)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Grants received	80,121	24,918,191	(127,619)	-	24,870,693
Cash received from (paid to) other funds	-	991,789	-	337,691	1,329,480
Net cash provided (used in) by noncapital financing activities	80,121	25,909,980	(127,619)	337,691	26,200,173
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants received	-	2,218,360	-	-	2,218,360
Acquisition of capital assets	(498,927)	(3,628,835)	(7,209,580)	(1,557,315)	(12,894,657)
Advances from other funds	-	-	-	87,774	87,774
Proceeds from sales of capital assets	-	-	-	-	-
Interest paid	-	-	(857,876)	(87,774)	(945,650)
Principal paid on revenue bonds	-	-	(425,000)	-	(425,000)
Net cash used in capital and related financing activities	(498,927)	(1,410,475)	(8,492,456)	(1,557,315)	(11,959,173)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	988	27,144	12,947	-	41,079
Cash provided by investing activities	988	27,144	12,947	-	41,079
Net increase (decrease) in cash and cash equivalents	465,355	443,442	(7,311,023)	-	(6,402,226)
CASH AND CASH EQUIVALENTS:					
Beginning of year	3,446,444	11,225,728	32,595,332	-	47,267,504
End of year	\$ 3,911,799	\$ 11,669,170	\$ 25,284,309	\$ -	\$ 40,865,278
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:					
Cash and investments	\$ 3,911,799	\$ 11,669,170	\$ 25,284,308	\$ -	\$ 40,865,277
Cash and investments held with fiscal agent	-	-	1	-	1
Total	\$ 3,911,799	\$ 11,669,170	\$ 25,284,309	\$ -	\$ 40,865,278

(Continued)

City of Culver City
Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended June 30, 2021

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers and users	\$ 77,920
Receipts from user departments	20,982,391
Payments to suppliers	(12,721,225)
Payments to employees	(7,011,329)
Net cash provided by (used in) operating activities	1,327,757
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Grants received	-
Cash to other funds	1,060,547
Net cash provided (used in) by noncapital financing activities	1,060,547
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Capital grants received	-
Acquisition of capital assets	(768,825)
Advances from other funds	-
Proceeds from sales of capital assets	124,259
Interest paid	-
Principal paid on revenue bonds	-
Net cash provided by (used in) capital and related financing activities	(644,566)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	3,427
Net cash provided by investing activities	3,427
Net increase (decrease) in cash and cash equivalents	1,747,165
CASH AND CASH EQUIVALENTS:	
Beginning of year	8,777,504
End of year	\$ 10,524,669
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:	
Cash and investments	\$ 10,524,669
Cash and investments held with fiscal agent	-
Total	\$ 10,524,669

(Continued)

City of Culver City
Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	\$ 590,152	\$ (26,416,547)	\$ 2,125,560	\$ 598,454	\$ (23,102,381)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	261,610	3,486,815	1,840,916	228,664	5,818,005
(Increase) decrease in:					
Accounts receivable	48,049	(325,990)	977	8,600	(268,364)
Customer deposits	58,000	-	-	62,105	120,105
Inventory	-	-	-	-	-
Deferred outflows of resources - pensions	39,786	113,743	9,164	-	162,693
Deferred outflows of resources - OPEB	56,023	93,525	5,299	-	154,847
Increase (decrease) in:					
Accounts payable	47,261	(1,075,619)	(2,539,878)	321,801	(3,246,435)
Salaries and benefits payable	23,440	64,872	6,415	-	94,727
Retention payable	-	-	(168,488)	-	(168,488)
Compensated absences	(113,882)	(99,236)	(4,349)	-	(217,467)
Net pension liabilities	327,909	937,423	75,525	-	1,340,857
Net other postemployment benefits liabilities	(515,058)	(861,881)	(49,100)	-	(1,426,039)
Deferred inflows of resources - pensions	(82,495)	(235,834)	(19,000)	-	(337,329)
Deferred inflows of resources - OPEB	142,378	235,522	13,064	-	390,964
Claims payable	-	-	-	-	-
Total adjustments	<u>31,411</u>	<u>(1,153,475)</u>	<u>(2,670,371)</u>	<u>392,506</u>	<u>(3,399,929)</u>
Net cash provided by (used in) operating activities	<u>\$ 883,173</u>	<u>\$ (24,083,207)</u>	<u>\$ 1,296,105</u>	<u>\$ 1,219,624</u>	<u>\$ (20,684,305)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Accrued interest on advances	\$ -	\$ -	\$ -	\$ 87,774	\$ 87,774

(Continued)

Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended June 30, 2021

	Governmental Activities
	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	
Operating income (loss)	\$ (3,015,093)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation and amortization	2,306,083
(Increase) decrease in:	
Accounts receivable	54,794
Customer deposits	-
Inventory	(81,658)
Deferred outflows of resources - pensions	47,156
Deferred outflows of resources - OPEB	43,510
Increase (decrease) in:	
Accounts payable	(128,345)
Salaries and benefits payable	57,220
Retention payable	-
Compensated absences	(298,232)
Net pension liabilities	388,633
Net other postemployment benefits liabilities	(401,343)
Deferred inflows of resources - pensions	(97,770)
Deferred inflows of resources - OPEB	109,186
Claims payable	2,343,616
Total adjustments	2,036,767
Net cash provided by (used in) operating activities	\$ 1,327,757
NONCASH NONCAPITAL FINANCING ACTIVITIES	
Accrued interest on advances	\$ -
	(Concluded)

This page intentionally left blank.

FIDUCIARY FUND FINANCIAL STATEMENTS

Successor Agency to the Culver City Redevelopment Agency Private Purpose Trust Fund - To account for the winding down of the former Redevelopment Agency, including disposition of real properties held by the Agency and payment of enforceable obligations. Reflected in the Basic Financial Statements section.

OPEB Trust Plan Fund - To account for the assets of the City's Retiree Health Insurance Program (the Plan), a single - employer defined benefit plan for the City's eligible retired employees and their spouses.

Agency Funds - To account for assets held by the City as an agent for individuals, private organizations, other government units, and/or other funds. An agency fund such as Treasurer's Trust is used to account for refundable deposits entrusted with the City Treasurer/Finance department.

This page intentionally left blank.

City of Culver City
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Private Purpose Trust Fund	OPEB Trust Plan	Agency Funds
ASSETS			
Cash and investments	\$ 8,086,678	\$ -	\$ 72,980
Cash and investments held with fiscal agent	15,814,341	-	-
Restricted cash and investments held with OPEB Trust	-	65,342,357	-
Interest receivables	1,279	3	-
Prepaid items	68,576	-	-
Notes receivables, net	928,140	-	-
Capital assets:		-	
Not being depreciated	8,316,229	-	-
Being depreciated, net	4,625,474	-	-
Total assets	<u>37,840,717</u>	<u>65,342,360</u>	<u>\$ 72,980</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding, net	1,541,051	-	-
Total deferred loss on refunding	<u>1,541,051</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts payable	20,034	-	\$ -
Deposits payable	-	-	72,980
Interest payable	543,542	-	-
Due to Culver City Housing Authority	7,982,045	-	-
Bonds payable, due within one year	11,530,000	-	-
Bonds payable, due more than one year	67,836,888	-	-
Total liabilities	<u>87,912,509</u>	<u>-</u>	<u>\$ 72,980</u>
NET POSITION (DEFICIT)			
Held in trust	<u>\$ (48,530,741)</u>	<u>\$ 65,342,360</u>	

See accompanying Notes to the Basic Financial Statements.

City of Culver City
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2021

	Private Purpose Trust Fund	OPEB Trust Plan
ADDITIONS		
Redevelopment property taxes trust funds	\$ 21,375,424	\$ -
Contributions	-	6,071,864
Investment earnings:		
Interest	49,979	57
Dividend	-	1,212,950
Net appreciation in fair value of investments	(9,935)	13,353,761
Total additions	<u>21,415,468</u>	<u>20,638,632</u>
DEDUCTIONS		
Benefit payments	-	6,058,893
General and administrative	881,530	29,346
Depreciation	138,902	-
Interest expense	3,686,073	-
Reimbursement to the City	1,469,731	-
Total deductions	<u>6,176,236</u>	<u>6,088,239</u>
Change in net position	15,239,232	14,550,393
NET POSITION		
Beginning of year	(63,769,973)	50,791,967
End of year	<u>\$ (48,530,741)</u>	<u>\$ 65,342,360</u>

See accompanying Notes to the Basic Financial Statements.

Basic Financial Statements

NOTES TO THE BASIC FINANCIAL STATEMENTS





NOTES TO THE BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

City of Culver City
Index to the Notes to the Basic Financial Statements
Year Ended June 30, 2021

	<u>Page</u>
Note 1 – Summary of Significant Accounting Policies	63
A. Reporting Entity.....	63
B. Basis of Accounting and Measurement Focus.....	64
C. Fund Classifications.....	68
D. Cash and Investments	68
E. Cash Equivalents.....	69
F. Fair Value Measurement.....	69
G. Inventories	69
H. Interfund Transactions	69
I. Capital Assets	69
J. Interest Payable.....	70
K. Unearned Revenue.....	70
L. Deferred Outflows and Inflows of Resources.....	70
M. Long-Term Debt	70
N. Pension Plans	71
O. Other Postemployment Benefits (“OPEB”).....	71
P. Employee Leave Benefits	72
Q. Claims and Judgments	72
R. Property Taxes	72
S. Net Position	73
T. Fund Balances.....	73
U. Spending Policy	75
V. Use of Estimates	75
W. New Accounting Pronouncements.....	75
Note 2 – Stewardship, Compliance, and Accountability.....	76
A. Deficit Fund Balances/Net Position.....	76
B. Excess of Expenditures Over Appropriations by Department in Individual Funds.....	77
Note 3 – Cash and Investments	78
Note 4 – Interfund Balances	82
A. Internal Balances.....	82
B. Due From and To Other Funds.....	82
C. Advances To and From Other Funds	83
D. Transfers In and Out	83
Note 5 – Notes Receivables	85
A. Culver City Mobile Home Owners, Inc.....	85
B. MAP Loans	85
C. Tilden Terrace - Residential	86
D. Home Ownership Made Easy	86
E. Exceptional Children’s Foundation ERAS Loans	86
F. Exceptional Children’s Foundation Westside Opportunity Workshop.....	86
G. Habitat For Humanity of Greater Los Angeles.....	86

City of Culver City
Index to the Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

	<u>Page</u>
Note 5 – Notes Receivables (Continued)	
H. Tilden Terrace - Commercial.....	86
Note 6 – Capital Assets.....	87
A. Governmental Activities.....	87
B. Business-Type Activities.....	88
Note 7 – Long-Term Liabilities.....	89
A. Governmental Activities.....	89
B. Business-Type Activities.....	89
Note 8 – Bonds Payable.....	89
Note 9 – Claims and Judgments.....	91
Note 10 – Pension Plans.....	92
A. California Public Employees’ Retirement System (“CalPERS”).....	92
B. Public Agency Retirement Services (“PARS”).....	101
Note 11 – Other Postemployment Benefits (“OPEB”).....	102
Note 12 – Deferred Compensation Plan.....	107
Note 13 – Contingencies.....	107
Note 14 – Classification of Fund Balances.....	108
Note 15 – Subsequent Events.....	108
Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency.....	109
Note 17 – Governmental Accounting Standards Board (GASB) Statements Issued, Not Yet Effective.....	113

City of Culver City
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Culver City, California (the “City”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. 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. Reporting Entity

The City of Culver City was incorporated in 1917 and adopted its current City Charter in 1947. The City Charter establishes the form of government, states the powers and duties of the City Council, and establishes the City’s various executive offices. The City operates under a City Council/City Manager form of government. Under this system, the people elect a City Council of five citizens who serve a term of four years and who in turn appoint a City Manager, Police Chief, Fire Chief and City Attorney. The City provides the following services as authorized in its charter: public safety (police and fire), planning, public works, human services, bus lines, refuse collection, sewers, and community development.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body’s financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization’s governing body and it is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

The accompanying basic financial statements present the activity of the City and its component units, the Culver City Housing Authority, and the Culver City Parking Authority, and the Culver City Financing Authority.

Blended Component Units

Management determined that the following component units should be blended based on the criteria above.

Although the following component units are legally separate from the City, they have been “blended” as though they are part of the City because the component units’ governing body are substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component units; and the management of the City has operational responsibilities for the component units; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though they do not provide services directly to City.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

The Culver City Housing Authority (the “Housing Authority”) was established in January 2012 to serve as the Housing Successor Agency for the dissolved Redevelopment Agency and is governed by a board comprised of the City Council. The Housing Authority received the housing assets of the Redevelopment Agency and performs the housing functions of the dissolved Redevelopment Agency. The Housing Authority is reported as a special revenue fund. Separate financial statements are not prepared.

The Culver City Parking Authority (the “Parking Authority”) was created in 1965 pursuant to Section 32500 of the California Streets and Highways Code for the purpose of creating public parking facilities and undertaking activities incidental thereto for which public money may be spent and private property acquired. The Parking Authority is governed by a board comprised of the City Council and is reported as a special revenue fund. Separate financial statements are not prepared.

The Culver City Financing Authority (the “Financing Authority”) is a joint powers authority between the City and the former Redevelopment Agency and was created to provide financing for capital projects. The Financing Authority is governed by a board comprised of the City Council and is a blended component unit of the City. Separate financial statements are not prepared.

B. Basis of Accounting and Measurement Focus

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

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

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units). Governmental activities include governmental funds and proprietary internal service funds. Business-type activities include proprietary enterprise funds. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the “*economic resources*” measurement focus and the accrual basis of accounting. Under the *economic resources* measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

B. Basis of Accounting and Measurement Focus

Government-wide Financial Statements (Continued)

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Taxes and other items not included among program revenues are reported instead as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenses. The issuance of long-term debt is recorded as a liability in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenses.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about the major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary funds of the City primarily represent assets held by the City as a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Revenue recognition is subject to the measurable and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transactions upon which they are based takes place. Imposed nonexchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary nonexchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Funds (Continued)

In the fund financial statements, governmental funds are presented using the “*current financial resources*” measurement focus. This means that only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate; however, that they should not be considered “available spendable resources,” since they do not represent net current assets.

Revenues, expenses, assets, liabilities, and deferred inflows resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 and 65 which requires that local governments defer grant revenue that is not received within 60 days after the fiscal year end to meet the “available” criteria of revenue recognition.

Therefore, recognition of governmental fund type revenues represented by non-current receivables are deferred until they become current receivables. Non-current portions of other long-term receivables are offset by fund balance nonspendable accounts for General Fund.

Sales taxes, property taxes, franchise taxes, intergovernmental, rental income, transient occupancy taxes and special assessments are all considered to be susceptible to accrual and have been recognized as revenues in 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 government.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The issuance of long-term debt is recorded as other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Proprietary Funds

The City’s enterprise and internal service funds are proprietary funds. In the fund financial statements, the proprietary funds are presented using the “*economic resources*” measurement focus and the accrual basis of accounting.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Funds (Continued)

Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, the proprietary funds are presented using the *economic resources* measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statements of net position. The proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange fund transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the enterprise financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the enterprise fund financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the enterprise fund are reported as a reduction of the related liability, rather than as expenses.

Internal service funds are also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. These internal service funds account for charges to other funds and departments for insurance, equipment, maintenance, and equipment acquisition.

Fiduciary Funds

Fiduciary fund financial statements include a Statement of Net position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent agency funds and private purpose trust funds. Both agency funds and the private purpose trust funds are accounted for on the full accrual basis of accounting.

➤ Successor Agency to the Culver City Redevelopment Agency Trust Fund

The fund is used to account for the winding down of the former Redevelopment Agency, including disposition of real property held by the Agency and payment of enforceable obligations.

➤ OPEB Trust Plan Fund

The fund is used to account for the assets of the City's Retiree Health Insurance Program (the Plan), a single - employer defined benefit plan for the City's eligible retired employees and their spouses.

➤ Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other government units, and/or other funds. An agency fund such as Treasurer's Trust is used to account for refundable deposits entrusted with the City Treasurer/Finance department. The Culver City Revitalization Corp is a non-profit corporation created to allow certain funding to be expended on improvements to out-of-city properties adjacent to or abutting in-city properties in Component Area No. 2 of the former Culver City Redevelopment Project Area. The agency funds are purely custodial in nature (assets equal liabilities) and thus, does not involve measurement of results of operations.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Fund Classifications

The City reports the following major governmental funds:

- General Fund
This is the primary operating fund of the City. It accounts for all activities of the general government, except those required to be accounted for in another fund.
- Culver City Housing Authority Special Revenue Fund
The fund is used to account for the former Low/Moderate Income Housing Funds transferred to the City under the 2011 Cooperation and Implementation Agreement. It is also anticipated that future funding will be provided from the Successor Agency from the past redevelopment agency repayment obligations. These funds are restricted to be used for qualified low/moderate income housing projects identified in the Agreement.
- Capital Improvement and Acquisition Capital Projects Fund
The fund is used to account for capital projects that are not otherwise funded by a special revenue fund or other specifically identified by the sources of funding. Project funding is mainly from general revenues allocated by action of the City Council.
- Capital Improvement Grants Capital Projects Fund
The fund is used to account for grant funds awards to the City by federal, state, and local grant agencies for capital improvements, and the qualified expenditures of those restricted funds.

The City reports the following major enterprise funds:

- Refuse Disposal Fund – This fund is used to account for the operation and the capital assets of the City's refuse disposal service.
- Municipal Bus Lines Fund – This fund is used to account for the operation and the capital assets of the City's transportation system.
- Sewer Enterprise Fund – This fund is used to account for the maintenance and operation, and the capital assets of the City's sewage disposal service.
- Municipal Fiber Network – This fund is used to account for the installation of open access network where Internet Service Providers ("ISP") will utilize the City's fiber infrastructure to service the business community.

D. Cash and Investments

The City pools its available cash for investment purpose. Cash includes cash on hand and demand deposits with financial institutions.

Investments are reported in the accompanying balance sheet at fair value. 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 the 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*.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

E. Cash Equivalents

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.

F. Fair Value Measurement

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosure about fair value measurement. Investments, unless otherwise specified at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets and liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets and liabilities at the measurement date.

G. Inventories

Inventories are stated at cost. Physical counts of inventories are taken on a cyclical basis during each fiscal year with perpetual records adjusted to actual at that time. The City uses the consumption method of accounting for inventories.

H. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred as either "due to/from other funds" or "advances to/from" (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Governmental-Wide Financial Statement as "*internal balances*".

I. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated acquisition value on the date of donation. Capital assets subject to lease obligations are valued at the net present value of future lease payments at the inception of the lease. The City has reported all capital assets including infrastructure in the government-wide statement of net position. The City's policy is to capitalize assets over \$5,000 with a useful life of at least three years.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Capital Assets (Continued)

Depreciation of all exhaustible capital assets used by the governmental and business-type activities is charged as an expense against their operations. Accumulated depreciation is reported on the statement of net position.

Depreciation has been calculated using the straight-line method over the following estimated useful lives.

Buildings and infrastructure	50-65 years
Other improvements	20 years
Refuse transfer station	50 years
Transportation equipment	5-12 years
Other equipment	3-25 years

J. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability is incurred for governmental activities and business-type activities. In the fund financial statements, only proprietary fund types recognize the interest payable when the liability is incurred.

K. Unearned Revenue

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues are prepaid charges for services and grants received but not yet earned/expended.

L. Deferred Outflows and Inflows of Resources

The City reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position that is applicable to a future period.

Under the modified accrual basis of accounting, revenue susceptible to accrual must be both measurable and available to finance expenditures of the current fiscal period. If assets are reported in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources.

M. Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, the governmental fund financial statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the reconciliation of the governmental funds balance sheet to the government-wide statement of net position.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 10). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

<u>Pension Plan Valuation</u>	
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

O. Other Postemployment Benefits (“OPEB”)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Culver City Retiree Benefits Plan (“OPEB Plan”) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are used for pension reporting:

<u>OPEB Plan Valuation</u>	
Valuation Date	June 30, 2019
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Employee Leave Benefits

A liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

A liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

A proprietary fund liability is accrued for all leave benefits relating to the operations of the Proprietary funds. A current liability is accrued in the governmental funds for material leave benefits due on demand to governmental fund employees that have terminated prior to fiscal year end. All other amounts are recorded in the government-wide financial statements. These non-current amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees.

The City's employees earn vacation leave (vary depending on years of service) based on days employed. Upon retirement or termination, payment of accumulated vacation may not exceed that which can be accumulated within two years for employees. Unused sick leave, based on days employed, may be accumulated up to certain limits. Upon retirement or termination, employees will be paid a maximum of 720 hours of sick pay.

Q. Claims and Judgments

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability (including incurred but not reported) has been incurred prior to fiscal year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the Risk Management Internal Service Fund.

R. 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 the county pool, and are then apportioned 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:

Lien Date:	January 1
Levy Date:	June 30
Due Date:	First Installment – November 1 Second Installment – February 1
Delinquent Date:	First Installment – December 10 Second Installment – April 10

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets (including reported intangible assets) net of accumulated depreciation/amortization and reduced by outstanding debt that is attributed to the acquisition, construction or improvement of the assets (net of unspent debt proceeds), retention payable and related deferred outflows and inflows of resources.

Restricted – This component of net position consists of restricted assets, and reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

T. Fund Balances

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the City’s highest level of decision-making authority (the City Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period. Resolution is the highest level of the City Council’s approval. The City Council establishes, modifies or rescinds fund balance commitments by passage of a resolution.
- *Assigned fund balance* – amounts that are constrained by the City’s *intent* to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose. The officials designated for authorizing assigned fund balances are the Chief Financial Officer and the City Manager by Council Resolution approved in the July 25, 2011 City Council Meeting and by City Fund Balance Policy.
- *Unassigned fund balance* – the residual classification for the City’s funds that include amounts not contained in the other classification. The General fund is the only fund that reports a positive unassigned fund balance amount. However, if governmental funds other than the General Fund, had expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

T. Fund Balances (Continued)

Financial Reserves Policy

Prudent financial management dictates that some portion of the funds available to the City be reserved for future use.

As a general budget principle concerning the use of reserves, the City Council decides whether to appropriate funds from Reserve accounts. Even though a project or other expenditure qualifies as a proper use of Reserves, the Council may decide that it is more beneficial to use current year operating revenues or bond proceeds instead, thereby retaining the Reserve funds for future use. Reserve funds will not be spent for any function other than the specific purpose of the Reserve account from which they are drawn without specific direction in the annual budget; or by a separate City Council action. Information regarding annual budget adoption and administration is contained in City Council Policy 5001, included in the annual budget document.

The City Council has imposed the following commitments of fund balance in the General Fund to establish reserves:

1. Contingency Reserve: The Contingency Reserve shall have a target balance of thirty percent (30%) of General Fund “Operating Budget” as originally adopted. Operating Budget for this purpose shall include current expenditure appropriations and shall exclude Capital Improvement Projects and Transfers Out. Appropriation and/or access to these funds are reserved for emergency situations only. The parameters by which the Contingency Reserve could be accessed would include the following circumstances:
 - a. A catastrophic loss of critical infrastructure requiring an expenditure of greater than or equal to five percent (5%) of the General Fund, Operating Budget, as defined above.
 - b. A State or Federally declared state of emergency where the City response or related City loss is greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - c. Any settlement arising from a claim or judgment where the loss exceeds the City’s insured policy coverage by an amount greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - d. Deviation from budgeted revenue projections in the top three General Fund revenue categories, namely, Sales Taxes, Utility Users’ Taxes and Business Taxes in a cumulative amount greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - e. Any action by another government that eliminates or shifts revenues from the City amounting to greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - f. Inability of the City to meet its debt service obligations in any given year.
 - g. Any combination of factors a.-f. amounting to greater than or equal to five percent (5%) of the General Fund, Operating Budget in any one fiscal year.

Use of the Contingency Reserve must be approved by the City Council. Should the Contingency Reserve commitment reserve be used, the City Manager shall present a plan to City Council to replenish the reserve within five years.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

T. Fund Balances (Continued)

Financial Reserves Policy (Continued)

2. Facilities Planning Reserve: The Facilities Planning Reserve has been established to offset the cost of replacement or major refurbishment to critical City facilities such as, but not limited to, the City Hall building and Police Department buildings, Fire Stations, and other Facility Improvement Projects. Use of this Reserve must be approved by City Council. This Reserve shall be funded by allocations of General Fund surplus revenues, as defined later in this policy, or by specific City Council allocations. The eligible uses of this reserve include the cash funding of public facility improvements or the servicing of related debt.
3. Recreational Facilities: City Council Policy 5003 requires ten percent (10%) of gross annual revenues derived from specified recreational classes and rentals to be set aside for the refurbishment of certain recreational facilities, fee-based activity programs and equipment used in connection with fee-based recreation classes.

U. Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balances first, then apply unrestricted fund balances as needed.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the order of committed, assigned then unassigned, except for instances wherein an ordinance specifies the fund balance.

V. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

W. Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2021, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

GASB No. 84

In January 2017, the GASB issued Statement No. 84 "Fiduciary Activities". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

W. Implementation of New Accounting Pronouncements (Continued)

GASB No. 90

In August 2018, the GASB issued Statement No. 90, “Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61.” The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB No. 95

In May 2020, the Governmental Accounting Standards Board issued Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance.” The Statement postponed the effective dates of certain Statements to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

Note 2 – Stewardship, Compliance, and Accountability

A. Deficit Fund Balances/Net Position

As of June 30, 2021, (deficit) fund balances/net position were reported in the following funds:

Major Governmental Fund:	
Capital Projects Fund:	
Capital Improvement Grants	\$ (7,810,426)
Major Proprietary Funds:	
Refuse Disposal Fund	(5,252,289)
Municipal Fiber Network Fund	(5,682,332)
Nonmajor Governmental Funds:	
Operating Grants	(837,515)
Paratransit Grant	(59,569)
CDBG Capital Projects Fund	(289,858)
Internal Service Funds:	
Equipment Maintenance Fund	(11,898,005)
Risk Management Fund	(15,765,429)
Fiduciary Fund:	
Private Purpose Trust Fund	(48,530,741)

The material deficits are expected to be eliminated as follows:

Capital Improvement Grants Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue being recognized as revenue.

Refuse Disposal Fund – The deficit is due to inclusion of the net pension liability and net OPEB liability totaled to \$11,378,976. The City will develop a plan to reduce deficit.

Municipal Fiber Network Fund – The deficit is due to the construction of an open access network where internet service providers will be able to utilize City’s fiber infrastructure to serve business community. The City is expecting that this will generate revenue for them and allow them to operate with surplus soon.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 2 – Stewardship, Compliance, and Accountability (Continued)

A. Deficit Fund Balances/Net Position (Continued)

CDBG Capital Projects and Operating Grants Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue being recognized as revenue.

Paratransit Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue being recognized as revenue.

Equipment Maintenance Fund – The City intends to implement a plan to increase charges to user departments to reduce the deficit fund balance over the upcoming several years. The deficit is due to inclusion of the net pension liability and net OPEB liability totaled to \$9,978,107.

Risk Management Fund – The City is analyzing the trend for recent increases in the incurred, but not reported claims liability as determined by its actuary. The deficit is partially due to the estimated claims liability in the amount of \$16,559,989. The deficit will be recovered from charging the user departments in the future.

Private Purpose Trust Fund – The deficit will be eliminated after tax increment revenue are distributed to City’s Successor Agency.

The City also had a deficit unrestricted net position for governmental activities and business-type activities at June 30, 2021 in the amount of \$(188,774,604) and \$(19,958,484), respectively. It was mainly due to the net pension related liabilities and net other postemployment benefits related liabilities. The net pension liabilities for governmental activities and business-type activities at June 30, 2021 were \$226,288,853 and \$36,135,859, respectively. The net other postemployment benefits related liabilities for governmental activities and business-type activities at June 30, 2021 were \$47,185,078 and \$7,013,266, respectively.

B. Excess of Expenditures Over Appropriations by Department in Individual Funds

Fund	Expenditures	Appropriations	Excess of Expenditures over Appropriations
Nonmajor Governmental Fund:			
Special Revenue Fund:			
CDBG Operating Fund	\$ 33,247	\$ 28,500	\$ (4,747)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 3 – Cash and Investments

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

	<u>Government-Wide Financial Statement</u>			
	<u>Governmental</u>	<u>Business-Type</u>	<u>Fiduciary</u>	<u>Total</u>
	<u>Activities</u>	<u>Activites</u>	<u>Funds</u>	
Cash and investments	\$ 132,147,780	\$ 40,865,277	\$ 8,159,658	\$ 181,172,715
Cash and investments held with fiscal agents and trustee	-	1	15,814,341	15,814,342
Restricted investments held by OPEB Trust	-	-	65,342,357	65,342,357
Restricted investments held by Pension Trust	13,875,468	-	-	13,875,468
Total cash and investments	<u>\$ 146,023,248</u>	<u>\$ 40,865,278</u>	<u>\$ 89,316,356</u>	<u>\$ 276,204,882</u>

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

Cash:	
Petty cash	\$ 4,550
Demand deposits	24,493,960
Total cash	24,498,510
Investments	251,706,372
Total	<u>\$ 276,204,882</u>

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

This table identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate 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 of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<u>Investment Types Authorized by State Law</u>	<u>Authorized</u>		<u>*Maximum</u>	<u>*Maximum</u>
	<u>By Investment</u>	<u>*Maximum</u>	<u>Percentage</u>	<u>Investment in</u>
	<u>Policy</u>	<u>Maturity</u>	<u>of Portfolio *</u>	<u>One Issuer</u>
Local agency bonds	Yes	3-5 years	30%	5%
U.S. treasury obligations	Yes	5 years	N/A	No Limit
U.S. government sponsored enterprise securities	Yes	5 years	N/A	30%
Banker's acceptances	Yes	180 days	25%	5%
Commercial paper	Yes	270 days	25%	5%
Repurchase agreements	Yes	75 days	25%	No Limit
Reverse repurchase agreements	Yes	75 days	15%	No Limit
Corporate medium-term notes	Yes	3-5 years	30%	5%
Money market mutual funds	Yes	N/A	20%	10%
Local agency investment fund ("LAIF")	Yes	N/A	N/A	\$50 million
Cal Trust money market funds and short-term funds	Yes	N/A	N/A	No Limit
Cal Trust medium-term funds	Yes	N/A	15%	No Limit

N/A - Not Applicable

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 3 – Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by fiscal agent is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. treasury obligations	None	None	None
U.S. government sponsored enterprise securities	None	None	None
Banker's acceptances	360 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	None	None	None
Investment agreements	None	None	None
Local agency bonds	None	None	None
Medium term notes	None	None	None
Negotiable certificate of deposits	None	None	None
Local agency investment fund ("LAIF")	None	None	None

Fair Value Measurement

At June 30, 2021, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within the fair value hierarchy in which the fair value measurements fall at June 30, 2021:

Investment Type	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Investments not subject to the measurement inputs	Total
Treasury obligations	\$ -	\$ 18,914,949	\$ -	\$ 18,914,949
State investment pool	-	-	63,443,131	63,443,131
U.S. government sponsored enterprise securities (1)	-	57,880,591	-	57,880,591
Money market mutual funds (1)	-	-	3,232,530	3,232,530
Medium-term notes (1)	-	13,203,005	-	13,203,005
Cash and investment held with fiscal agents:				
Money market mutual funds	-	15,814,341	-	15,814,341
Restricted investments held by Pension and OPEB Trusts:				
Money market mutual funds	-	-	281,537	281,537
Mutual funds	78,936,288	-	-	78,936,288
Total	\$ 78,936,288	\$ 105,812,886	\$ 66,957,198	\$ 251,706,372

(1) Priced based on institutional bond quotes.

For Level 2 investments, the City and the third-party trustees that hold the City’s assets utilize the Market Approach in valuing the investment portfolio through the use of a pricing service that utilized matrix pricing. The market approach utilizes prices and other relevant data from market transactions for similar assets.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 3 – Cash and Investments (Continued)

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 changes in market interest rates. One of the ways that 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 trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity. For purposes of the schedule shown below, any callable securities are assumed to be held to maturity.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years
Treasury obligations	\$ 18,914,949	\$ 5,069,650	\$ 6,652,800	\$ 7,192,499	\$ -
State investment pool	63,443,131	63,443,131	-	-	-
U.S. government sponsored enterprise securities	57,880,591	12,462,792	12,724,467	23,243,268	9,450,064
Money market mutual funds	3,232,530	3,232,530	-	-	-
Medium-term notes	13,203,005	-	3,110,280	10,092,725	-
Cash and investment held with fiscal agents:					
Money market mutual funds	15,814,341	15,814,341	-	-	-
Restricted investments held by Pension and OPEB Trusts:					
Money market mutual funds	281,537	281,537	-	-	-
Mutual funds	78,936,288	78,936,288	-	-	-
Total	\$ 251,706,372	\$ 179,240,269	\$ 22,487,547	\$ 40,528,492	\$ 9,450,064

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 on the following page is the minimum rating required by (where applicable) 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	Amount	Minimum Legal Rating	Rating as of June 30, 2021					Not Rated
			AAA	AA+	AA	A		
Treasury obligations	\$ 18,914,949	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,914,949
State investment pool	63,443,131	N/A	-	-	-	-	-	63,443,131
U.S. government sponsored enterprise securities	57,880,591	N/A	-	57,880,591	-	-	-	-
Money market mutual funds	3,232,530	AAA	3,232,530	-	-	-	-	-
Medium-term notes	13,203,005	A	-	2,115,180	7,420,655	3,667,170	-	-
Cash and investment held with fiscal agents:								
Money market mutual funds	15,814,341	AAA	15,814,341	-	-	-	-	-
Restricted investments held by Pension and OPEB Trusts:								
Money market mutual funds	281,537	AAA	281,537	-	-	-	-	-
Mutual funds	78,936,288	AAA	78,936,288	-	-	-	-	-
Total	\$ 251,706,372		\$ 98,264,696	\$ 59,995,771	\$ 7,420,655	\$ 3,667,170		\$ 82,358,080

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 3 – Cash and Investments (Continued)

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. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment type	Reported Amount	Maturity	% of the Portfolio
Federal Home Loan Bank	U.S. government sponsored enterprise securities	13,505,295	2021-2024	8.62%
Federal Farm Credit Bank	U.S. government sponsored enterprise securities	12,079,677	2023-2024	7.71%
Fannie Mae	U.S. government sponsored enterprise securities	23,266,879	2021-2024	14.85%
Freddie Mac	U.S. government sponsored enterprise securities	9,028,740	2022-2024	5.76%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments,

Disclosures Relating to Credit Risk

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 may waive collateral requirements for cash deposits, deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (“FDIC”). The City did not waive the collateral requirement for deposits insured by FDIC.

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Investment in State Investment Pool

The City is a participant in Local Agency Investment Fund (“LAIF”) which is regulated by California Code Section 16429 under the oversight of the Treasurer of the State of California. The City’s investments in LAIF at June 30, 2021 included a portion of pool funds invested in Structured Notes and Asset-Backed Securities:

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

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 3 – Cash and Investments (Continued)

Investment in State Investment Pool (Continued)

As of June 30, 2021, the City had \$63,443,131 invested in LAIF, which had invested 2.31% of the pool investment funds in Structured Notes and Asset-Backed Securities. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The investment in LAIF is reported at amortized cost. The credit quality rating of LAIF is unrated as of June 30, 2021.

Restricted Investments Held by Pension and OPEB Trust

The City established a Section 115 Post-Employment Trust (the “Trust”) in 2018. The investment was held by the trustee and the trust is irrevocable. As of June 30, 2021, the City reported restricted investments held by the Pension Trust in the amount of \$13,875,468.

The OPEB trust reported total investment of \$65,342,357 at June 30, 2021. The OPEB Trust Plan is reported as a fiduciary fund.

Note 4 – Interfund Balances

A. Internal Balances

At June 30, 2021, the City had following internal receivable and payable, which represents internal service charges between the governmental activities and business-type activities:

Internal Receivable	Internal Payable
Governmental Activities	Business-Type Activities
\$	\$ 21,047,722

B. Due From and To Other Funds

At June 30, 2021, the individual fund interfund receivable payable balances are as follows:

Due to Other Funds	Due From Other Funds					Total
	Governmental Funds		Proprietary Funds			
	General Fund	Culver City Housing Authority Special Revenue Fund	Nonmajor Governmental Funds	Municipal Fiber Network Fund	Internal Service Fund	
Governmental Funds:						
Capital Improvement Grants	\$ 8,145,000	\$ -	\$ -	\$ -	\$ -	\$ 8,145,000
Culver City Housing Authority	75,448	-	-	-	-	75,448
Nonmajor Governmental Funds	1,422,638	25,674	-	-	6,339	1,454,651
Proprietary Funds:						
Municipal Fiber Network	2,736,035	-	-	-	-	2,736,035
Internal Service Funds	1,958,365	-	-	-	-	1,958,365
Total	\$ 14,337,486	\$ 25,674	\$ -	\$ -	\$ 6,339	\$ 14,369,499

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 4 – Interfund Balances (Continued)

B. Due From and To Other Funds (Continued)

Interfund balances are the result of short term borrowing to cover negative cash balances and operating shortages at June 30, 2021 as well as from the time lag between the dates that reimbursable expenditures occur and the dates the related revenues are received. All balances are expected to be reimbursed within the subsequent year.

The Successor Agency Fund owes Culver City Housing Authority Fund \$7,982,045 for the SERAF which can only be paid pursuant to the maximum repayment amount defined in Health and Safety Code Section 34176(6)B. Because of this, the number of years it will take to repay this short-term loan to the Successor Agency is unknown. The payments will be based on the California Department of Finance approved Recognized Obligation Payments Schedule.

C. Advances To and From Other Funds

At June 30, 2021, the individual fund advances to from balances are as follows:

Advances From Other Funds	Advances to Other Funds
	General Fund
Proprietary Funds:	
Municipal Fiber Network Fund	\$ <u>14,680,229</u>

At June 30, 2021, the Municipal Fiber Network Fund owes the General Fund \$14,680,229 including accrued interest of \$277,634 to cover the initial construction costs, one year of operating costs and for a number of initial lateral connections.

The advance is structured to allow repayment at the point where revenues exceed operating and depreciation costs. The loan accrues interest at the rates ranging from 1.29% to 2.54%. The advance was increased to cover additional accrued interest of \$87,774.

D. Transfers In and Out

Government-Wide Financial Statements

Transfers Out	Transfers In Business-Type Activities
Governmental Activities	\$ <u>991,789</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 4 – Interfund Balances (Continued)

D. Transfers In and Out (Continued)

Fund Financial Statements

For the year ended June 30, 2021, transfers in and out consisted of the following:

	Transfers In				Total
	Governmental Funds		Proprietary Fund		
Transfers Out	General Fund	Capital Improvement Grants and Acquisition Fund	Nonmajor Governmental Funds	Municipal Bus Lines Fund	
Governmental Funds:					
General Fund	\$ -	\$ 619,000	\$ -	\$ -	\$ 619,000
Culver City Housing Authority Fund	817,225	-	-	-	817,225
Nonmajor Governmental Funds	1,600,000	-	193,100	1,291,789	3,084,889
Proprietary Funds:					
Municipal Bus Lines Fund	300,000	-	-	-	300,000
Total	<u>\$ 2,717,225</u>	<u>\$ 619,000</u>	<u>\$ 193,100</u>	<u>\$ 1,291,789</u>	<u>\$ 4,821,114</u>

- Transfers from Culver City Housing Authority Fund to General Fund in the amount of \$817,225 were to support housing administration costs.
- Transfers from General Fund to Capital Improvement Grants Acquisition Fund in the amount of \$619,000 were to provide funding sources for the capital improvement related projects.
- Transfers from Nonmajor Governmental Funds (Special Gas Tax Fund in the amount of \$400,000, Culver City Parking Authority Fund in the amount of \$1,200,000) to General Fund in the amount of \$1,600,000 were to support street and parking related maintenance costs and parking related costs.
- Transfers from Nonmajor Governmental Funds to Nonmajor Governmental Funds in the amount of \$193,100 were to offset operating and personnel costs of the Paratransit Program reported under the Operating Grants Fund, consolidate parking related costs, and set up funds.
- Transfers from Nonmajor Governmental Funds to Municipal Bus Lines Fund in the amount of \$1,291,789 were to pay for eligible transit related expenses.
- Transfers from Municipal Bus Lines Fund to General Fund in the amount of \$300,000 were to support police overtime services for Bus Safety.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 5 – Notes Receivables

At June 30, 2021, the City had \$18,996,853 including both Governmental Activities and Business-Type Activities in various notes receivable as follows:

Governmental Activities	Amount
General Fund:	
All others under \$200,000 individually	\$ 86,098
Total General Fund	86,098
Culver City Housing Authority Special Revenue Fund:	
Tilden Terrace - Residential	11,805,000
Habitat For Humanity of Greater Los Angeles	3,100,000
Culver City Mobile Home Owners, Inc.	1,223,104
MAP Loans	570,740
Exceptional Children's Foundation Westside Opportunity Workshop	387,500
Home Ownership Made Easy	412,250
Exceptional Children's Foundation ERAS Loans	305,060
Subtotal	17,803,654
Less: allowance	(2,327,914)
Total Culver City Housing Authority Special Revenue Fund, net	15,475,740
Nonmajor Funds:	
CDBG Program Loans	\$ 38,820
Tilden Terrace - Commercial	3,395,000
Total Nonmajor Funds	3,433,820
Total Governmental Activities	\$ 18,995,658
Business-Type Activities:	
Other Notes Receivable	\$ 1,195
Total Sewer Enterprise Fund	1,195
Total Business-Type Activities	\$ 1,195

A. Culver City Mobile Home Owners, Inc.

On December 17, 1990, the former Culver City Redevelopment Agency entered into a promissory note with Culver City Mobile Home Owners, Inc. with a maximum loan amount in the amount of \$880,500 with 7% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note with accrued interest at June 30, 2021 was \$1,223,104.

B. MAP Loans

The Housing Authority provides loan programs to the home owners of the City. The deferred loans are to be repaid upon sales of the home. As of June 30, 2021, all outstanding balances totaled to \$570,740.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 5 – Notes Receivables (Continued)

C. Tilden Terrace - Residential

On February 22, 2012, the former Culver City Redevelopment Agency entered into a promissory note with Tilden Terrace, L.P. in the amount of \$11,805,000 with 3% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note at June 30, 2021 was \$11,805,000.

D. Home Ownership Made Easy

On April 20, 1992, the former Culver City Redevelopment Agency entered into a home loan agreement with Home Ownership Made Easy in the amount of \$412,250 with no interest. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the home loan at June 30, 2021 was \$412,250.

E. Exceptional Children's Foundation ERAS Loans

On October 1, 1990, the former Culver City Redevelopment Agency entered into loan agreement with Educational Resources and Services Center Home (“ERAS”), a not-for-profit organization for the development of 6-unit group home for the developmentally disabled low and moderate income persons. On May 12, 2008, an assignment and assumption agreement were entered into, and the loan was assigned by ERAS to Exceptional Children’s Foundation, another not-for-profit organization. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2021, the outstanding balance of the loan was in the amount of \$305,060.

F. Exceptional Children's Foundation Westside Opportunity Workshop

On February 11, 1991, the former Culver City Redevelopment Agency entered into Financing Assistance Agreement with Westside Opportunity Workshop (“WOW”), a not-for-profit organization, to purchase a property in the City in the amount of \$390,500. The property is to be used as a group home for developmentally disabled low and moderate income persons. On March 8, 2014, an assignment and assumption agreement was entered into, and the loan was assigned by WOW to Exceptional Children’s Foundation, another not-for-profit organization. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2021, the outstanding balance of the loan was in the amount of \$387,500.

G. Habitat For Humanity of Greater Los Angeles

The Housing Authority provides loan programs to the homeowners of the City. The deferred loans are to be repaid upon the sale of the home. As of June 30, 2021, all outstanding balances totaled to \$3,100,000.

H. Tilden Terrace - Commercial

On February 22, 2012, the former Culver City Redevelopment Agency entered into a promissory note with Tilden Terrace, L.P. in the amount of \$3,395,000 with 3% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note at June 30, 2021 was \$3,395,000. The principal is not due until June 30, 2067.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 6 – Capital Assets

A. Governmental Activities

Summary of changes in capital assets for governmental activities for the year ended June 30, 2021 are as follows:

	Governmental Activities				Balance June 30, 2021
	Balance July 1, 2020	Additions	Deletions	Transfers	
Capital assets, not being depreciated					
Land	\$ 21,538,464	\$ -	\$ -	\$ -	\$ 21,538,464
Construction in progress	27,242,271	17,785,007	(213)	(1,009,484)	44,017,581
Total capital assets, not being depreciated	<u>48,780,735</u>	<u>17,785,007</u>	<u>(213)</u>	<u>(1,009,484)</u>	<u>65,556,045</u>
Capital assets, being depreciated					
Building	75,634,605	5,250	-	-	75,639,855
Improvements	35,378,738	801,111	-	1,009,484	37,189,333
Machinery and equipment	50,994,418	2,055,513	(3,932,694)	-	49,117,237
Infrastructure	82,794,503	87	-	-	82,794,590
Total capital assets, being depreciated	<u>244,802,264</u>	<u>2,861,961</u>	<u>(3,932,694)</u>	<u>1,009,484</u>	<u>244,741,015</u>
Less accumulated depreciation:					
Building	(33,269,972)	(1,464,863)	-	-	(34,734,835)
Improvements	(20,620,737)	(1,304,184)	-	-	(21,924,921)
Machinery and equipment	(36,095,354)	(3,495,024)	3,849,618	-	(35,740,760)
Infrastructure	(28,481,962)	(1,481,485)	-	-	(29,963,447)
Total accumulated depreciation	<u>(118,468,025)</u>	<u>(7,745,556)</u>	<u>3,849,618</u>	<u>-</u>	<u>(122,363,963)</u>
Total capital assets, being depreciated, net	<u>126,334,239</u>	<u>(4,883,595)</u>	<u>(83,076)</u>	<u>1,009,484</u>	<u>122,377,052</u>
Governmental activities capital assets, net	<u>\$ 175,114,974</u>	<u>\$ 12,901,412</u>	<u>\$ (83,289)</u>	<u>\$ -</u>	<u>\$ 187,933,097</u>

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

General government	\$ 622,209
Parks, recreation, and community services	657,092
Police	489,671
Fire	407,684
Community development	1,156,307
Public works	2,106,510
Internal service funds	2,306,083
Total	<u>\$ 7,745,556</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 6 – Capital Assets (Continued)

B. Business-Type Activities

Summary of changes in capital assets for business-type activities for the year ended June 30, 2021 are as follows:

	Business-Type Activities				Balance June 30, 2021
	Balance July 1, 2020	Additions	Deletions	Transfers	
Capital assets, not being depreciated					
Land	\$ 3,082,760	\$ -	\$ -	\$ -	\$ 3,082,760
Construction in progress	12,349,648	10,727,981	-	(6,438,385)	16,639,244
Total capital assets, not being depreciated	<u>15,432,408</u>	<u>10,727,981</u>	<u>-</u>	<u>(6,438,385)</u>	<u>19,722,004</u>
Capital assets, being depreciated					
Building	28,075,733	-	-	-	28,075,733
Improvements and other buildings	12,147,320	304,044	-	-	12,451,364
Machinery and equipment	52,448,906	1,644,605	(858,082)	530,020	53,765,449
Furniture and fixtures	430,852	-	-	-	430,852
Infrastructure	36,593,609	178,241	-	5,908,365	42,680,215
Investment in Hyperion	26,605,373	-	-	-	26,605,373
Total capital assets, being depreciated	<u>156,301,793</u>	<u>2,126,890</u>	<u>(858,082)</u>	<u>6,438,385</u>	<u>164,008,986</u>
Less accumulated depreciation:					
Building	(13,407,197)	(559,947)	-	-	(13,967,144)
Improvements and other buildings	(7,005,148)	(522,639)	-	-	(7,527,787)
Machinery and equipment	(32,781,050)	(3,111,978)	858,082	-	(35,034,946)
Furniture and fixtures	(411,804)	(5,642)	-	-	(417,446)
Infrastructure	(8,698,275)	(952,666)	-	-	(9,650,941)
Investment in Hyperion	(17,928,552)	(665,134)	-	-	(18,593,686)
Total accumulated depreciation	<u>(80,232,026)</u>	<u>(5,818,006)</u>	<u>858,082</u>	<u>-</u>	<u>(85,191,950)</u>
Total capital assets, being depreciated, net	<u>76,069,767</u>	<u>(3,691,116)</u>	<u>-</u>	<u>6,438,385</u>	<u>78,817,036</u>
Business-type activities capital assets, net	<u>\$ 91,502,175</u>	<u>\$ 7,036,865</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,539,040</u>

Depreciation expense was charged in the following functions in the Statement of Activities:

Refuse Disposal	\$ 261,610
Municipal Bus Lines	3,486,815
Sewer Enterprise	1,840,916
Municipal Fiber Network	228,665
Total depreciation expense	<u><u>\$ 5,818,006</u></u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 7 – Long-Term Liabilities

A. Governmental Activities

Summary of changes in governmental activities long-term liabilities for the year ended June 30, 2021 are as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in more than One Year
Compensated absences	\$ 13,057,462	\$ 6,885,928	\$ (7,565,533)	\$ 12,377,857	\$ 2,961,299	\$ 9,416,558
Claims and judgments	14,216,373	6,557,378	(4,213,762)	16,559,989	3,944,154	12,615,835
Total	\$ 27,273,835	\$ 13,443,306	\$ (11,779,295)	\$ 28,937,846	\$ 6,905,453	\$ 22,032,393

The general fund and internal services funds are typically used to liquidate the compensated absences payable.

B. Business-Type Activities

Summary of changes in business-type activities long-term liabilities for the year ended June 30, 2021 are as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in more than One Year
Compensated absences	\$ 1,717,796	\$ 1,154,928	\$ (1,372,395)	\$ 1,500,329	\$ 928,262	\$ 572,067
Wastewater Facilities Revenue Bonds, 2019 Series A	19,360,000	-	(425,000)	18,935,000	740,000	18,195,000
Bond premium	3,515,525	-	(119,848)	3,395,677	-	3,395,677
Total	\$ 24,593,321	\$ 1,154,928	\$ (1,917,243)	\$ 23,831,006	\$ 1,668,262	\$ 22,162,744

The refuse disposal, municipal bus lines, and sewer fund are are typically used to liquidate the compensated absences payable.

Note 8 – Bonds Payable

Business-Type Activities

Wastewater Facilities Revenue Bonds, 2019 Series A

The Wastewater Facilities Revenue Bonds, 2019 Series A dated October 1, 2020 were issued in the amount of \$19,360,000 with a final maturity date of September 1, 2049. The 2019 Bonds were issued to provide funds to (a) current refund all of the outstanding Wastewater Facilities Refunding Revenue Bonds, 2009 Series A, (b) finance certain capital improvements to the sewer system of the City, and (c) pay costs of issuance of the 2019 bonds.

The 2019 Bonds were being issued pursuant to the Indenture of Trust, dated as of October 2019, by and between the City and U.S. Bank National Association, as trustee. The 2019 Bonds are limited obligations of the City payable solely from net revenues, which consist of revenues of the City's sewer system remaining after payment of operation and maintenance costs, and from amounts on deposit in certain funds and accounts created under the indenture. No reserve fund is established for the 2019 Bonds.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 8 – Bonds Payable (Continued)

Business-Type Activities (Continued)

The City has covenanted that it shall at all times prescribe, revise and collect rates, fees and charges for the use or service of the Sewer Enterprise Fund so that in each 12-month period such rates, fees and charges, together with other revenues reasonably expected to yield net revenues equal to at least 1.20 times the maximum annual debt service. The City is in compliance with such covenant at June 30, 2021.

The 2019 Bonds mature beginning September 1, 2021 with final payment of principal due on September 1, 2049. Interest rate is 4% in 2021 and 4% to 5% from 2022 to 2049.

Future amounts to amortize the 2019 Wastewater Revenue Bonds are as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 740,000	\$ 835,000	\$ 1,575,000
2023	805,000	800,075	1,605,075
2024	850,000	758,700	1,608,700
2025	895,000	715,075	1,610,075
2026	940,000	669,200	1,609,200
2027-2031	4,635,000	2,589,875	7,224,875
2032-2036	1,950,000	1,843,275	3,793,275
2037-2041	2,405,000	1,391,100	3,796,100
2042-2046	2,925,000	859,700	3,784,700
2047-2050	2,790,000	228,800	3,018,800
Total	\$ 18,935,000	\$ 10,690,800	\$ 29,625,800

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 9 – Claims and Judgments

Self-Insurance

At June 30, 2021, the City was self-insured for workers’ compensation claims, unemployment insurance, general automobile and public liability. The self- insurance program is accounted for in the Risk Management Internal Service Fund. At June 30, 2021, the City has recorded a liability in the amount of \$16,559,989 for unpaid workers’ compensation and general liability claims, representing estimated amounts to be paid for actual claims and claims incurred but not reported, based upon actuarial evaluations for each plan.

The City pays all workers’ compensation claims up to \$1,000,000 per occurrence with excess insurance coverage up to statutory limits. Claims over a \$1,000,000 self-insured retention up to statutory limits are covered by insurance policies secured through AON. The City also pays all liability claims up to \$3,000,000 per occurrence with excess insurance coverage up to \$30,000,000 limits. Claims over \$3,000,000 self-insured retention up to \$30,000,000 are covered by insurance policies secured through Aon.

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from the prior fiscal year.

Changes in the claims and judgments payable amounts in three years ended June 30, 2021 are as follows:

Fiscal Year	Balance at Beginning of Fiscal Year Liability	Current Year Claims and Change in Estimates	Claim Payments	Balance at End of Fiscal Year Liability
2018-19	\$ 15,730,950	\$ 2,432,895	\$ (2,193,224)	\$ 15,970,621
2019-20	15,970,621	1,789,752	(3,544,000)	14,216,373
2020-21	14,216,373	6,557,378	(4,213,762)	16,559,989

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans

A. California Public Employees’ Retirement System (“CalPERS”)

At June 30, 2021, net pension liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred outflows of resources:			
Pension contribution made after measurement date:			
Miscellaneous	\$ 6,322,905	\$ 3,454,280	\$ 9,777,185
Safety	14,649,802	-	14,649,802
Difference between expected and actual experience:			
Miscellaneous	930,227	508,195	1,438,422
Safety	3,287,463	-	3,287,463
Difference in projected and actual earnings on pension investments:			
Miscellaneous	1,261,630	689,244	1,950,874
Safety	2,099,346	-	2,099,346
Total deferred outflows of resources	<u>\$ 28,551,373</u>	<u>\$ 4,651,719</u>	<u>\$ 33,203,092</u>
Net pension liabilities:			
Miscellaneous	\$ 66,145,087	\$ 36,135,859	\$ 102,280,946
Safety	160,143,766	-	160,143,766
Total net pension liabilities	<u>\$ 226,288,853</u>	<u>\$ 36,135,859</u>	<u>\$ 262,424,712</u>
Deferred inflows of resources:			
Difference between expected and actual experience:			
Miscellaneous	\$ 516,615	\$ 282,232	\$ 798,847
Changes of assumptions:			
Safety	311,815	-	311,815
Total deferred inflows of resources	<u>\$ 828,430</u>	<u>\$ 282,232</u>	<u>\$ 1,110,662</u>
Pension Expense:			
Miscellaneous	\$ 8,461,622	\$ 4,622,676	\$ 13,084,298
Safety	23,685,961	-	23,685,961
	<u>\$ 32,147,583</u>	<u>\$ 4,622,676</u>	<u>\$ 36,770,259</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

General Information about the Pension Plan

Plan Description

The City contributes to the California Public Employees’ Retirement System (“CalPERS”), an agent multiple-employer public employee defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. 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 June 30, 2019 Annual Actuarial Valuation Report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

The plans’ provisions and benefits in effect for the measurement period ended June 30, 2020 are summarized as follows:

	City Miscellaneous Plan			
	Tier I	Tier II	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 2, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	2.5% @ 55	2% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-63	50-63	52-67
Monthly benefites, as a % of eligibile compensation	2.0%-2.5%	1.092%-2.418%	1.092%-2.418%	1.0%-2.5%
Required employee contribution rates	8.00%	7.00%	7.00%	6.25%
Required employer contribution rates	9.324%	9.324%	9.324%	9.324%

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

General Information about the Pension Plan (Continued)

Benefit Provided (Continued)

	City Safety Plan - Police			
	Tier I	Tier II	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 2, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	3% @ 55	3% @ 55	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-55	50-55	50-57
Monthly benefites, as a % of eligibile compensation	3%	2.4%-3.0%	2.4%-3.0%	2.0%-2.7%
Required employee contribution rates	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	11.00%
Required employer contribution rates	Total 19.326%. Management employees pay 9% of employer cost through cost-sharing	Total 19.326%. Management employees pay 9% of employer cost through cost-sharing	Total 19.326%. Management employees pay 9% of employer cost through cost-sharing	19.326%

	City Safety Plan - Fire			
	Tier I	Tier II	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 2, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	3% @ 55	3% @ 55	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-55	50-55	50-57
Monthly benefites, as a % of eligibile compensation	2.4%-3.0%	2.4%-3.0%	2.4%-3.0%	2.0%-2.7%
Required employee contribution rates	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	11.00%
Required employer contribution rates	Total 19.326%. Management employees pay 9% of employer cost through cost-sharing	Total 19.326%. Management employees pay 9% of employer cost through cost-sharing	Total 19.326%. Management employees pay 9% of employer cost through cost-sharing	19.326%

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

General Information about the Pension Plan (Continued)

Benefit Provided (Continued)

Participant is eligible for non-industrial disability retirement if becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8 percent of final compensation, multiplied by service. Industrial disability benefits are not offered.

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.0 percent per year, plus a lump sum in the amount of one-month salary for each completed year of current service, up to a maximum of six months’ salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee’s retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2 percent.

Employees Covered by Benefit Terms

At June 30, 2019, the valuation date, the following employees were covered by the benefit terms:

	Plans	
	Miscellaneous	Safety
Active employees	479	159
Transferred and terminated employees	698	67
Retired Employees and Beneficiaries	639	292
Total	1,816	518

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. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.500%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.5% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Changes of Assumptions

There were no changes of assumptions in 2020.

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 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 of the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Net Pension Liability (Continued)

Long-Term Expected Rate of Return (Continued)

The expected real rates of return by asset class are as followed:

<u>Asset class ⁽¹⁾</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10 ⁽²⁾</u>	<u>Real Return Years 11+ ⁽³⁾</u>
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	-	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	-0.92%

- ⁽¹⁾ In the System's ACFR, Fixed Income is included in Global Debt Securities;
Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- ⁽²⁾ An expected inflation of 2.00% used for this period.
- ⁽³⁾ An expected inflation of 2.92% used for this period.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. 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.

Liquidating Net Pension Liability

Pension liabilities are liquidated by all the funds.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Changes in the Net Pension Liability

The following tables show the changes in net pension liability recognized over the measurement period.

	Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2019 (Valuation Date)	\$ 323,035,003	\$ 224,549,292	\$ 98,485,711
Changes Recognized for the Measurement Period:			
Service Cost	6,152,289	-	6,152,289
Interest on the total pension liability	22,694,983	-	22,694,983
Diference between expected and actual experience	(1,298,128)	-	(1,298,128)
Contributions from the employer	-	10,092,870	(10,092,870)
Contributions from employees	-	2,804,801	(2,804,801)
Net investment income	-	11,172,797	(11,172,797)
Benefit payments, including refunds of employee contribution	(14,801,355)	(14,801,355)	-
Administrative expenses	-	(316,559)	316,559
Net Changes during July 1, 2019 to June 30, 2020	<u>12,747,789</u>	<u>8,952,554</u>	<u>3,795,235</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 335,782,792</u>	<u>\$ 233,501,846</u>	<u>\$ 102,280,946</u>

	Safety Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2019 (Valuation Date)	\$ 409,918,431	\$ 258,834,484	\$ 151,083,947
Changes Recognized for the Measurement Period:			
Service Cost	6,677,059	-	6,677,059
Interest on the total pension liability	28,910,372	-	28,910,372
Diference between expected and actual experience	1,935,553	-	1,935,553
Contributions from the employer	-	13,635,532	(13,635,532)
Contributions from employees	-	2,334,755	(2,334,755)
Net investment income	-	12,857,771	(12,857,771)
Benefit payments, including refunds of employee contribution	(21,703,315)	(21,703,315)	-
Administrative expenses	-	(364,893)	364,893
Net Changes during July 1, 2019 to June 30, 2020	<u>15,819,669</u>	<u>6,759,850</u>	<u>9,059,819</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 425,738,100</u>	<u>\$ 265,594,334</u>	<u>\$ 160,143,766</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Changes in the Net Pension Liability (Continued)

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

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

<u>Net Pension Liability</u>	<u>Discount Rate</u>		
	<u>1% Decrease (6.15%)</u>	<u>Current Rate (7.15%)</u>	<u>1% Increase (8.15%)</u>
Miscellaneous Plan	\$ 145,982,301	\$ 102,280,946	\$ 66,056,949
Safety Plan	\$ 216,589,306	\$ 160,143,766	\$ 113,720,348

Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report.

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

For the measurement period ended June 30, 2020, the City incurred a pension expense of \$13,084,298 and \$23,685,961 for Miscellaneous and Safety plans, respectively.

As of measurement date of June 30, 2020, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

<u>Miscellaneous Plan</u>		
	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Pension contributions made after measurement date	\$ 9,777,185	\$ -
Difference between expected and actual experience	1,438,422	(798,847)
Net difference between projected and actual earning on pension plan investments	1,950,874	-
Balance at June 30, 2020 (Measurement Date)	\$ 13,166,481	\$ (798,847)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

Safety Plan		
	Deferred outflows of resources	Deferred inflows of resources
Pension contributions made after measurement date	\$ 14,649,802	\$ -
Difference between expected and actual experience	3,287,463	-
Changes of assumptions	-	(311,815)
Net difference between projected and actual earning on pension plan investments	2,099,346	-
Balance at June 30, 2020 (Measurement Date)	\$ 20,036,611	\$ (311,815)

The expected average remaining service lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSL for the miscellaneous plan and safety plan for the 2019-20 measurement period is 2.6 and 3.9 years, which was obtained by dividing the total service years of 4,711 and 2,008 (the sum of remaining service lifetimes of the active employees) by 1,788 and 518 (the total number of participants: active, inactive, and retired), respectively.

The \$9,777,185 and \$14,649,802 reported as deferred outflows of resources related to pension resulting from the City’s contributions subsequent to the measurement date during the year ended June 30, 2021 will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30	Deferred outflows/ (Inflows) of Resources Miscellaneous Plan	Deferred outflows/ (Inflows) of Resources Safety Plan
2021	\$ 124,422	\$ 241,880
2022	335,114	1,957,967
2023	1,179,364	1,795,409
2024	951,549	1,079,738
Total	\$ 2,590,449	\$ 5,074,994

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 10 – Pension Plans (Continued)

B. Public Agency Retirement Services (“PARS”)

The City established the City of Culver City Alternative Retirement System, with PARS. Under PARS, the City participates in the defined contribution plan to benefit part time, seasonal and temporary employees not currently eligible for CalPERS. Pursuant to the PARS agreement, the PARS trust is administered by Phase II Systems with Union Bank of California acting as trustee. In accordance with the PARS trust agreement, the City does not manage the plan’s assets or perform distributions to employees out of the plan. Phase II Systems and Union Bank of California perform these functions.

The PARS trust, authorized under the Internal Revenue Code Section 401(a) and Government Code Sections 53215-53224 and 2000, maintains the following general provisions.

- Eligibility – Part-time employees who work less than 1,000 hours per fiscal year
- Eligible employees shall participate while not accruing a benefit under social security or PERS.
- Eligible employees and the City contribute 4 and 3.5 percent of compensation on a pre-tax basis, respectively.
- Contributions and distributions of the plan are not obligations of the City, and
- Amendments to the plan are subject to the discretion of the City

The City recognized pension expenses related to PARS plan in the amount of \$82,188 for the year ended June 30, 2021.

Note 11 – Other Postemployment Benefits (“OPEB”)

At June 30, 2021, net OPEB liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred outflows of resources			
Change in assumption	\$ 2,080,734	\$ 309,266	\$ 2,390,000
Total deferred outflows of resources	<u>\$ 2,080,734</u>	<u>\$ 309,266</u>	<u>\$ 2,390,000</u>
Net OPEB liabilities:	\$ 47,185,078	\$ 7,013,266	\$ 54,198,344
Total net OPEB liabilities	<u>\$ 47,185,078</u>	<u>\$ 7,013,266</u>	<u>\$ 54,198,344</u>
Deferred inflows of resources			
Net difference between projected and actual			
earning on plan investments	\$ 7,783,888	\$ 1,156,944	\$ 8,940,832
Change in assumption	1,232,555	183,199	1,415,754
Difference between expected and actual experience	14,955,395	2,222,866	17,178,261
Total deferred inflows of resources	<u>\$ 23,971,838</u>	<u>\$ 3,563,009</u>	<u>\$ 27,534,847</u>
Pension Expense (Credit)	<u>\$ (622,166)</u>	<u>\$ (92,475)</u>	<u>\$ (714,641)</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Plan Description

In addition to the retirement plan described in Note 10, the City of Culver City’s Retiree Health Insurance Program (“OPEB Plan”) provides retiree healthcare benefits for eligible City employees and their spouses who retire with CalPERS pension benefits immediately upon termination of employment from the City. Benefit provisions are established and may be amended by the City Council.

Under the program, the City pays a portion of the premiums for retiree medical coverage as follows:

- Participants who retired before January 1, 2007 are eligible for a City contribution up to 100% of the average of Kaiser Permanente Health Plans and PERS Care Premiums.
- Participants who retired between January 1, 2007 and December 31, 2011 are eligible for a City contribution up to 70% of the PERS Care premium or 95% of the premium for all other plans. Additionally, participants meeting the following additional criteria are also eligible for this benefit level (excluding members of the Culver City Police Officers Association):
 - Employed with the City as of July 1, 2011.
 - Earned a minimum of twenty years of CalPERS service credit (excluding additional retirement service credit purchased under California Government Code Section 20909, i.e., “Air-Time”) as of December 31, 2011.
 - Earn twenty-five years of service with Culver City and retire from the City prior to January 1, 2022.
- Participants employed by the City as of July 1, 2011 and retired after December 31, 2011 earning a minimum of five years of City service are eligible for the following benefit:
 - A monthly premium reimbursement of up to \$649 for single coverage, increasing by up to 4% per year.
 - An additional monthly reimbursement of up to \$547 for his or her enrolled spouse/domestic partner/dependent based on a vesting schedule. This additional reimbursement ends when a spouse or domestic partner becomes Medicare eligible, or when a dependent ages out. This amount is subject to an annual increase of up to 4%.
 - Participants with at least twenty years of City service that were members of the Culver City Police Officers Association with more than one enrolled dependent are eligible for an additional \$300 per month reimbursement.
- Employees hired after July 1, 2011 are not considered participants, and are only eligible for the legally required Public Employees’ Medical and Hospital Care Act minimum, as stipulated by CalPERS.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Eligibility

Employees of the City are eligible for retiree health benefits if they are between 50-55 years of age as of the last day of work prior to retirement and are a vested member of CalPERS. Membership in the plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

Active plan members	634
Inactive employees or beneficiaries currently receiving benefit payments	561
Inactive employees entitled to but not yet receiving benefit payments	75
Total	1,270

Contribution

The obligation of the City to contribute to the plan is established and may be amended by the City Council. For the fiscal year ended June 30, 2021, the City’s average contribution rate was not applicable. Employees are not required to contribute to the plan.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

Actuarial assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	6.50%	
Inflation	2.75%	
Aggregate payroll increases	3.00%	
Expected long-term investment rate of return	6.50%	
Mortality, termination, and disability	CalPERS 1997-2015 Experience Study	
Mortality improvement	Mortality projected fully generational with Scale MP-2019	
PEM HCA Minimum Increases	4.25% annually	
Medical trend	Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.00% in 2076; Medicare: 6.30% for 2021, decreasing to an ultimate rate of 4.00% in 2076	

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Net OPEB Liability (Continued)

The long-term expected rates of return on OPEB plan investments were presented as geometric means and determined using a building-block method in which best-estimate ranges of 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 following table:

<u>Asset Class Component:</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Domestic Equity	44%	4.53%
Foreign Equity	23%	4.93%
Fixed Income	33%	1.47%
Assumed long-term rate of inflation		2.75%
Assumed long-term investment expenses		0.40%
Expected long-term net rate of return, rounded		6.50%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50 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. 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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Net OPEB Liability (Continued)

Liquidating Net OPEB Liability

The OPEB liabilities are liquidated by all the funds.

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2020	\$ 115,998,695	\$ 50,791,967	\$ 65,206,728
Changes Recognized for the Measurement Period:			
Service Cost	2,120,093	-	2,120,093
Interest on the total OPEB liability	7,480,807	-	7,480,807
Contributions from the employer	-	6,071,864	(6,071,864)
Net investment income	-	14,566,766	(14,566,766)
Benefit payments	(6,058,893)	(6,058,893)	-
Administrative expenses	-	(29,346)	29,346
Net Changes during July 1, 2020 to June 30, 2021	<u>3,542,007</u>	<u>14,550,391</u>	<u>(11,008,384)</u>
Balance at June 30, 2021	<u>\$ 119,540,702</u>	<u>\$ 65,342,358</u>	<u>\$ 54,198,344</u>

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current discount rate:

	Discount Rate		
	1% Decrease (5.50%)	Current Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ <u>68,817,478</u>	\$ <u>54,198,344</u>	\$ <u>42,057,348</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Change in the Net OPEB Liability (Continued)

Sensitivity of the net OPEB liability to changes in the health care cost trend rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.25 percent decreasing to 4.00 percent) or 1-percentage-point higher (8.25 percent decreasing to 4.00 percent) than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
Net OPEB Liability	\$ 40,824,902	\$ 54,198,344	\$ 69,309,237

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

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

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$(714,641). At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earning on plan investments	\$ -	\$ (8,940,832)
Difference between expected and actual experience	-	(17,178,261)
Changes in assumption	2,390,000	(1,415,754)
Total	\$ 2,390,000	\$ (27,534,847)

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 6.0 years, which was determined as of July 1, 2020, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

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

Measurement Period Ending June 30	Deferred Outflows/ (Inflows) of Resources
2022	\$ (6,755,941)
2023	(6,631,943)
2024	(5,864,048)
2025	(5,892,915)
Total	\$ (25,144,847)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 12 – Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits employees to defer a portion of their salary until future years. In addition, there is a 401(a) plan allowed for one individual.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts are held in trust for the exclusive benefit of the employee participants and their beneficiaries. Therefore, the accumulated assets of the plan are not reported in the funds of the City. Pursuant to guidelines applicable to 401(a) plans, these assets are also not reported.

While the City has full power and authority to administer and to adopt rules and regulations for the plan, all investment decisions under the plan are the responsibility of the plan participants. The City has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. Under certain circumstances, employees may modify their arrangements with the plan to provide for greater or lesser contributions or to terminate their participation. If participants retire under the plan or terminate service with the City, they may be eligible to receive payments under the plan in accordance with provisions thereof. In the event of serious financial emergency, the City may approve, upon request, withdrawals from the plan by participants, along with their allocated contributions. The plan assets are not included in the accompanying financial statements.

Note 13 – Contingencies

Litigations

The City is a defendant in various lawsuits which have arisen in the normal course of business. While damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

Covid-19 Pandemic

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of City could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The ultimate financial impact and duration cannot be estimated at this time.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 14 – Classification of Fund Balances

At June 30, 2021, fund balances are classified as follows:

	General Fund	Culver City Housing Authority	Capital Improvement and Acquisition	Capital Improvement Grants	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable						
Notes receivable	\$ 86,098	\$ -	\$ -	\$ -	\$ -	\$ 86,098
Advances to other funds	14,680,229	-	-	-	-	14,680,229
Total nonspendable	<u>14,766,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,766,327</u>
Restricted						
Road construction	-	-	-	-	8,132,492	8,132,492
Housing authority	-	39,303,362	-	-	1,025,326	40,328,688
Public safety	-	-	-	-	1,088,953	1,088,953
Other purposes	-	-	-	-	270,725	270,725
Redevelopment	-	-	-	-	8,154,602	8,154,602
Street maintenance	-	-	-	-	-	-
Equipment purchases	-	-	-	-	820,856	820,856
Construction of capital assets	-	-	1,746,332	-	1,136,163	2,882,495
Community development	-	-	-	-	4,929,427	4,929,427
Pension trust	13,875,468	-	-	-	-	13,875,468
Total restricted	<u>13,875,468</u>	<u>39,303,362</u>	<u>1,746,332</u>	<u>-</u>	<u>25,558,544</u>	<u>80,483,706</u>
Committed						
Contingency	39,743,416	-	-	-	-	39,743,416
Facility Planning	11,631,606	-	-	-	9,209,214	20,840,820
Recreation facilities	1,626,651	-	-	-	14,360,977	15,987,628
Total committed	<u>53,001,673</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,570,191</u>	<u>76,571,864</u>
Assigned						
Encumbered contracts	5,234,293	-	-	-	-	5,234,293
Total assigned	<u>5,234,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,234,293</u>
Unassigned						
	21,930,270	-	-	(7,810,426)	(1,186,942)	12,932,902
Total fund balance	<u>\$ 108,808,031</u>	<u>\$ 39,303,362</u>	<u>\$ 1,746,332</u>	<u>\$ (7,810,426)</u>	<u>\$ 47,941,793</u>	<u>\$ 189,989,092</u>

NOTE 15 – Subsequent Events

The City has evaluated events subsequent to June 30, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through January 28, 2022, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency

On June 29, 2011, Assembly Bills 1x 26 (the “Dissolution Act”) and 1x 27 (the “Continuation Act”) were enacted as part of the FY 2011-12 state budget package. The Dissolution Act required each California redevelopment agency to suspend nearly all activities except to implement existing contracts, meet already-incurred obligations, preserve its assets and prepare for impending dissolution. Assembly Bill 1x 27 provided a means for redevelopment agencies to continue to exist and operate by means of a Voluntary Alternative Redevelopment Program.

The League of California Cities and the California Redevelopment Association (CRA) filed a lawsuit on July 18, 2011 on behalf of cities, counties and redevelopment agencies petitioning the California Supreme Court to overturn the Dissolution Act and Assembly Bill 1x 27 on the grounds that these bills violate the California Constitution.

On December 29, 2011, the California Supreme Court upheld the Dissolution Act and struck down the Continuation Act.

On June 27, 2012, as part of the FY 2012-13 state budget package, the Legislature passed and the Governor signed AB 1484, which made technical and substantive amendments to the Dissolution Act based on experience to-date at the state and local level in implementing the Dissolution Act.

Under the Dissolution Act, each California redevelopment agency (each a “Dissolved RDA”) was dissolved as of February 1, 2012, and the sponsoring community that formed the Dissolved RDA, together with other designated entities, have initiated the process under the Dissolution Act to unwind the affairs of the Dissolved RDA. A Successor Agency was created for each Dissolved RDA which is the sponsoring community of the Dissolved RDA unless it elected not to serve as the Successor Agency. On January 9, 2012, the City adopted a Resolution electing to serve as the Successor Agency to the Culver City Redevelopment Agency.

The Dissolution Act allowed the sponsoring community that formed the Dissolved RDA to elect to assume the housing functions and take over the certain housing assets of the Dissolved RDA. AB 1484 modified and provided some clarifications on the treatment of housing assets under the Dissolution Act. The Culver City Housing Authority elected to serve as the Housing Successor Agency on January 9, 2012. Prior to February 1, 2012, the activities of the Dissolved RDA were reported in the governmental funds statements of the City. After the date of dissolution, the housing assets, obligations, and activities of the Dissolved RDA are reported in a fiduciary fund in the financial statements of the City.

All other assets, obligations, and activities of the Dissolved RDA have also been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The Dissolution Act and AB 1484 also establish roles for the County Auditor-Controller, the California Department of Finance (the “DOF”) and the California State Controller’s office in the dissolution process and the satisfaction of enforceable obligations of the Dissolved RDAs.

The County Auditor-Controller is charged with establishing a Redevelopment Property Tax Trust Fund (the “RPTFF”) for each successor agency and depositing into the RPTFF for each six-month period the amount of property taxes that would have otherwise been paid to the Dissolved RDA as property tax increment. The deposit in the RPTFF fund is to be used to pay to the successor agency the amounts due on the successor agency’s enforceable obligations for the upcoming six-month period.

The successor agency is required to prepare an annual recognized obligation payment schedule (the “ROPS”) approved by the oversight board setting forth the amounts due for each enforceable obligation during each of two six month periods during the fiscal year. The ROPS is submitted to the DOF for approval. The County Auditor-Controller will make payments to the successor agency from the RPTFF based on the ROPS amount approved by the DOF. The ROPS is prepared in advance for the enforceable obligations due over the next twelve months.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

The process of making RPTFF deposits to be used to pay enforceable obligations of the Dissolved RDA will continue until all enforceable obligations have been paid in full and all non-housing assets of the Dissolved RDA have been liquidated.

The State Controller of the State of California has been directed to review the propriety of any transfers of assets between Dissolved RDA and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency.

CAPITAL ASSETS

Summary of changes in capital asset for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets, not being depreciated				
Land	\$ 8,316,229	\$ -	\$ -	\$ 8,316,229
Total capital assets, not being depreciated	<u>8,316,229</u>	<u>-</u>	<u>-</u>	<u>8,316,229</u>
Capital assets, being depreciated				
Building	3,429,740	-	-	3,429,740
Improvements	363,598	-	-	363,598
Infrastructure	2,606,379	-	-	2,606,379
Total capital assets, being depreciated	<u>6,399,717</u>	<u>-</u>	<u>-</u>	<u>6,399,717</u>
Less accumulated depreciation:				
Building	(848,010)	(68,596)	-	(916,606)
Improvements	(216,440)	(18,179)	-	(234,619)
Infrastructure	(570,891)	(52,127)	-	(623,018)
Total accumulated depreciation	<u>(1,635,341)</u>	<u>(138,902)</u>	<u>-</u>	<u>(1,774,243)</u>
Total capital assets, being depreciated, net	<u>4,764,376</u>	<u>(138,902)</u>	<u>-</u>	<u>4,625,474</u>
Fiduciary Fund				
capital assets, net	<u>\$ 13,080,605</u>	<u>\$ (138,902)</u>	<u>\$ -</u>	<u>\$ 12,941,703</u>

DUE TO THE CULVER CITY HOUSING AUTHORITY

The advance of \$7,982,045 for SERAF can only be repaid pursuant to the maximum repayment amount defined in Health and Safety Code Section 34176(6)(B). Because of this, the number of years it will take to repay this short-term loan is unknown.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

LONG-TERM LIABILITIES

Summary of changes in long-term liabilities for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in more than One Year
2011 A Tax Exempt Tax Allocation Revenue Bonds (CABS)	\$ 2,194,185	\$ -	\$ -	\$ 2,194,185	\$ -	\$ 2,194,185
Accreted Interest on 2011 A Tax Allocation	2,185,945	336,040	-	2,521,985	-	2,521,985
2017 A Tax Allocation Bonds	74,785,000	-	(9,560,000)	65,225,000	11,530,000	53,695,000
2017 B Tax Allocation Bonds	1,560,000	-	(1,560,000)	-	-	-
Subtotal	<u>80,725,130</u>	<u>336,040</u>	<u>(11,120,000)</u>	<u>69,941,170</u>	<u>11,530,000</u>	<u>58,411,170</u>
Unamortized original issue discount	(8,024)	-	8,024	-	-	-
Unamortized original issue premium	10,711,043	-	(1,285,325)	9,425,718	-	9,425,718
Total	<u>\$ 91,428,149</u>	<u>\$ 336,040</u>	<u>\$ (12,397,301)</u>	<u>\$ 79,366,888</u>	<u>\$ 11,530,000</u>	<u>\$ 67,836,888</u>

2011 Tax Allocation Revenue Bonds Series A

On March 4, 2011, the Agency issued \$13,827,887 of Series A Tax Allocation Capital Appreciation Bonds. The proceeds were used to: 1) pay costs of issuance 2) provide a reserve, and 3) finance certain redevelopment activity within the project area.

These bonds are secured and payable from tax increment revenue of the Agency.

In November 2017, the Agency issued a total of \$98,435,000 in bonds consisting of \$74,785,000 in 2017 Series A Tax-Exempt Bonds and \$23,650,000 in 2017 Series B Taxable Bonds. A portion of the 2017 Series A and B Bonds were used to defease all of the outstanding \$6,739,593 original principal amount Culver City Redevelopment Agency Tax Allocation Capital Appreciation Bonds, 2011 Series A maturing on and after November 1, 2025, with an aggregate accreted outstanding value of \$11,644,155 as of December 4, 2017.

Concurrent with the issuance of the 2017 Bonds, the Successor Agency irrevocably directed the trustee to transfer approximately \$9.3 million on deposit with the trustee to the Principal Account in order to pay scheduled future debt service on the 2011A Bonds maturing November 1, 2019 through November 1, 2022 with original principal in the amount of \$4,894,109 and accreted value of \$7,735,931 as of December 4, 2017. As result of the refunding, outstanding original principal for the 2011 Tax Allocation Capital Appreciation Bonds, Series A was in the amount of \$2,194,185 with accreted value of \$3,621,934 as of December 4, 2017.

Per the terms of the bond indenture, a reserve of \$1,095,033 is required to be maintained. At June 30, 2021, the reserve with fiscal agent was in the amount of \$1,410,537 and this amount will be applied to the November 1, 2024 debt service payment. The total amount of the 2011 TAB Series A outstanding as of June 30, 2021 was \$2,194,185. The accreted interest amount on the Capital Appreciation Bonds at June 30, 2021 was \$2,521,985.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

LONG-TERM LIABILITIES (CONTINUED)

2011 Tax Allocation Revenue Bonds Series A (Continued)

The annual debt service requirements on the remaining 2011 Tax Allocation Revenue Bonds Series A are as follows:

Fiscal Year	2011 Series A Tax Allocation Revenue Bond		
	Principal	Interest	Total
2022	\$ -	\$ -	\$ -
2023	308,696	294,896	603,592
2024	1,075,621	1,063,778	2,139,399
2025	809,868	827,271	1,637,139
Total	\$ 2,194,185	\$ 2,185,945	\$ 4,380,130

2017 Tax Allocation Refunding Bonds Series A and B

On December 4, 2017, the Agency issued a total of \$98,435,000 in bonds consisting of \$74,785,000 in 2017 Series A Tax-Exempt Bonds and \$23,650,000 in 2017 Series B Taxable Bonds. The Bonds were issued to refund all of the outstanding 1999A, 2002A, 2004A, and 2005A bonds and part of 2011A bond and 2011B bonds. The transaction achieves 33 million in debt service cash flow savings, or \$18 million in net present value savings. Total outstanding balance of the defeased debt was in the amount of \$22,737,480.

2017 Series A Tax Allocation Bonds mature beginning November 1, 2020 with final payment of principal due on November 1, 2028. Interest rate is 5% from 2021 to 2028.

2017 Series B Tax Allocation Bonds mature beginning November 1, 2018 with final payment of principal due on November 1, 2020. Interest rate was 2% in 2020. This debt was fully paid on November 1, 2020.

Both 2017 Series A and Series B Tax Allocation Bonds are secured by and payable from tax revenues and were issued in denominations of \$5,000 and are not subject to optional redemption prior to their maturity dates.

The annual debt service requirements on these bonds are as follows:

Fiscal Year	2017 A Tax Allocation Bonds		
	Principal	Interest	Total
2022	\$ 11,530,000	\$ 2,973,000	\$ 14,503,000
2023	11,165,000	2,405,625	13,570,625
2024	9,770,000	1,882,250	11,652,250
2025	10,495,000	1,375,625	11,870,625
2026	5,870,000	966,500	6,836,500
2027 - 2029	16,395,000	1,256,375	17,651,375
Total	\$ 65,225,000	\$ 10,859,375	\$ 76,084,375

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

LONG-TERM LIABILITIES (CONTINUED)

Pledged Revenues for Tax Allocation Bonds

The Trust has a number of Tax Allocation bonds outstanding that are collateralized by the pledging of property tax increment revenues. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in the accompanying notes.

NOTE 17 – Governmental Accounting Standards Board (GASB) Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the City.

GASB No. 87

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 “Leases”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 89

In June 2018, the Governmental Accounting Standards Board issued Statement No. 89 “Accounting for Interest Cost Incurred before the End of a Construction Period”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB No. 91

In May 2019, the Governmental Accounting Standards Board issued Statement No. 91, “Conduit Debt Obligations.” The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB No. 92

In January 2020, the Governmental Accounting Standards Board issued Statement No. 92, “Omnibus 2020.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 93

In March 2020, the Governmental Accounting Standards Board issued Statement No. 93, “Replacement of Interbank Offered Rates.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 94

In May 2020, the Governmental Accounting Standards Board issued Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 17 – Governmental Accounting Standards Board (GASB) Statements Issued, Not Yet Effective

GASB No. 96

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, “Subscription-Based Information Technology Arrangements.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 97

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan – an amendment of GASB Statements No. 14, 84, and a suppression of GASB Statement No. 32.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Required Supplementary Information





**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liabilities and Related Ratios
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Measurement period	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Total pension liability					
Service cost	\$ 4,942,736	\$ 4,911,950	\$ 5,035,714	\$ 5,654,517	\$ 5,840,702
Interest	17,556,597	18,310,677	19,172,836	19,754,857	20,506,704
Changes of benefit terms	-	-	-	-	143,405
Changes of assumptions	-	(4,429,450)	-	16,345,262	(2,546,031)
Differences between expected and actual experience	-	(1,386,409)	(294,797)	(3,129,611)	164,388
Benefit payments, including refunds of employee contributions	(11,157,496)	(11,644,085)	(11,795,228)	(12,339,176)	(13,158,591)
Net change in total pension liability	11,341,837	5,762,683	12,118,525	26,285,849	10,950,577
Total pension liability - beginning	237,195,341	248,537,178	254,299,861	266,418,386	292,704,235
Total pension liability - ending (a)	\$ 248,537,178	\$ 254,299,861	\$ 266,418,386	\$ 292,704,235	\$ 303,654,812
Pension fiduciary net position					
Contributions - employer	\$ 6,638,283	\$ 5,915,829	\$ 6,864,716	\$ 7,347,239	\$ 7,730,160
Contributions - employee	3,171,457	2,494,358	2,591,939	2,680,792	2,694,597
Net investment income ²	27,091,117	4,025,216	922,415	20,132,561	16,834,787
Benefit payments, including refunds of employee contributions	(11,157,496)	(11,644,085)	(11,795,228)	(12,339,176)	(13,158,591)
Net plan to plan resource movement	-	-	(69)	(25,198)	(495)
Administrative expense	-	(207,377)	(112,253)	(269,686)	(311,946)
Other miscellaneous expense ³	-	-	-	-	(592,391)
Net change in plan fiduciary net position	25,743,361	583,941	(1,528,480)	17,526,532	13,196,121
Plan fiduciary net position - beginning	157,861,480	183,604,841	184,188,782	182,660,302	200,186,834
Plan fiduciary net position - ending (b)	\$ 183,604,841	\$ 184,188,782	\$ 182,660,302	\$ 200,186,834	\$ 213,382,955
Plan net pension liability - ending (a) - (b)	\$ 64,932,337	\$ 70,111,079	\$ 83,758,084	\$ 92,517,401	\$ 90,271,857
Plan fiduciary net position as a percentage of the total pension liability	73.87%	72.43%	68.56%	68.39%	70.27%
Covered payroll⁴	\$ 29,867,279	\$ 31,064,702	\$ 32,319,580	\$ 33,069,286	\$ 34,541,974
Plan net pension liability as a percentage of covered payroll	217.40%	225.69%	259.16%	279.77%	261.34%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

² Net of administrative expenses for 2013-14.

³ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

⁴ Includes one year's payroll growth using 2.875 percent payroll growth assumption for fiscal years ended June 30, 2019-20; 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Measurement period	2018-19	2019-20
Total pension liability		
Service cost	\$ 6,100,488	\$ 6,152,289
Interest	21,824,037	22,694,983
Changes of benefit terms	48,596	-
Changes of assumptions	-	-
Differences between expected and actual experience	5,548,202	(1,298,128)
Benefit payments, including refunds of employee contributions	(14,141,132)	(14,801,355)
Net change in total pension liability	19,380,191	12,747,789
Total pension liability - beginning	303,654,812	323,035,003
Total pension liability - ending (a)	<u>\$ 323,035,003</u>	<u>\$ 335,782,792</u>
Pension fiduciary net position		
Contributions - employer	\$ 8,759,782	\$ 10,092,870
Contributions - employee	2,735,156	2,804,801
Net investment income ²	13,964,311	11,172,797
Benefit payments, including refunds of employee contributions	(14,141,132)	(14,801,355)
Net plan to plan resource movement	-	-
Administrative expense	(152,275)	(316,559)
Other miscellaneous expense ³	495	-
Net change in plan fiduciary net position	11,166,337	8,952,554
Plan fiduciary net position - beginning	213,382,955	224,549,292
Plan fiduciary net position - ending (b)	<u>\$ 224,549,292</u>	<u>\$ 233,501,846</u>
Plan net pension liability - ending (a) - (b)	<u>\$ 98,485,711</u>	<u>\$ 102,280,946</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>69.51%</u>	<u>69.54%</u>
Covered payroll⁴	<u>\$ 35,965,617</u>	<u>\$ 36,664,416</u>
Plan net pension liability as a percentage of covered payroll	<u>273.83%</u>	<u>278.97%</u>

Notes to Schedule:

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 for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: None in 2019 and 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect 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.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Measurement period	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Total pension liability					
Service cost	\$ 5,059,461	\$ 4,743,829	\$ 5,119,113	\$ 6,129,038	\$ 6,298,282
Interest	23,063,095	23,705,339	24,915,561	25,705,374	26,642,025
Changes of benefit terms	-	-	-	-	-
Changes of assumptions	-	(5,729,967)	-	21,337,731	(1,351,192)
Differences between expected and actual experience	-	(3,360,555)	4,495,216	(16,644)	1,418,628
Benefit payments, including refunds of employee contributions	(16,067,896)	(16,949,000)	(17,675,231)	(18,402,022)	(19,370,885)
Net change in total pension liability	12,054,660	2,409,646	16,854,659	34,753,477	13,636,858
Total pension liability - beginning	313,012,150	325,066,810	327,476,456	344,331,115	379,084,592
Total pension liability - ending (a)	\$ 325,066,810	\$ 327,476,456	\$ 344,331,115	\$ 379,084,592	\$ 392,721,450
Pension fiduciary net position					
Contributions - employer	\$ 8,194,801	\$ 7,389,950	\$ 8,873,934	\$ 10,184,688	\$ 10,375,287
Contributions - employee	2,880,898	1,948,457	2,392,965	2,060,064	2,163,272
Net investment income ²	34,116,579	4,990,457	1,115,225	24,081,093	19,871,943
Benefit payments, including refunds of employee contributions	(16,067,896)	(16,949,000)	(17,675,231)	(18,402,022)	(19,370,885)
Net plan to plan resource movement	-	-	69	25,198	(581)
Administrative expense	-	(253,316)	(137,163)	(324,271)	(369,710)
Other miscellaneous expense ³	-	-	-	-	(702,086)
Net change in plan fiduciary net position	29,124,382	(2,873,452)	(5,430,201)	17,624,750	11,967,240
Plan fiduciary net position - beginning	198,810,600	227,934,982	225,061,530	219,631,329	237,256,079
Plan fiduciary net position - ending (b)	\$ 227,934,982	\$ 225,061,530	\$ 219,631,329	\$ 237,256,079	\$ 249,223,319
Plan net pension liability - ending (a) - (b)	\$ 97,131,828	\$ 102,414,926	\$ 124,699,786	\$ 141,828,513	\$ 143,498,131
Plan fiduciary net position as a percentage of the total pension liability	70.12%	68.73%	63.78%	62.59%	63.46%
Covered payroll⁴	\$ 18,261,249	\$ 18,014,087	\$ 19,489,503	\$ 21,045,353	\$ 21,848,552
Plan net pension liability as a percentage of covered payroll	531.90%	568.53%	639.83%	673.92%	656.79%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

² Net of administrative expenses for 2013-14.

³ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

⁴ Includes one year's payroll growth using 2.875 percent payroll growth assumption for fiscal years ended June 30, 2019-20; 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Measurement period	2018-19	2019-20
Total pension liability		
Service cost	\$ 6,716,477	\$ 6,677,059
Interest	27,808,946	28,910,372
Changes of benefit terms	-	-
Changes of assumptions	-	-
Differences between expected and actual experience	3,041,661	1,935,553
Benefit payments, including refunds of employee contributions	(20,370,103)	(21,703,315)
Net change in total pension liability	17,196,981	15,819,669
Total pension liability - beginning	392,721,450	409,918,431
Total pension liability - ending (a)	\$ 409,918,431	\$ 425,738,100
Pension fiduciary net position		
Contributions - employer	\$ 11,760,090	\$ 13,635,532
Contributions - employee	2,192,763	2,334,755
Net investment income ²	16,205,685	12,857,771
Benefit payments, including refunds of employee contributions	(20,370,103)	(21,703,315)
Net plan to plan resource movement	-	-
Administrative expense	(177,851)	(364,893)
Other miscellaneous expense ³	581	-
Net change in plan fiduciary net position	9,611,165	6,759,850
Plan fiduciary net position - beginning	249,223,319	258,834,484
Plan fiduciary net position - ending (b)	\$ 258,834,484	\$ 265,594,334
Plan net pension liability - ending (a) - (b)	\$ 151,083,947	\$ 160,143,766
Plan fiduciary net position as a percentage of the total pension liability	63.14%	62.38%
Covered payroll⁴	\$ 23,257,305	\$ 23,313,753
Plan net pension liability as a percentage of covered payroll	649.62%	686.91%

Notes to Schedule:

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 for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: None in 2019 and 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect 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.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Reporting period	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 6,638,283	\$ 5,915,829	\$ 6,665,996	\$ 7,198,199	\$ 7,730,160
Contributions in relation to the actuarially determined contribution ²	(6,638,283)	(5,915,829)	(6,864,716)	(7,347,239)	(7,730,160)
Contribution deficiency (excess)	\$ -	\$ -	\$ (198,720)	\$ (149,040)	\$ -
Covered payroll ³	\$29,867,279	\$31,064,702	\$32,319,580	\$33,069,286	\$34,541,974
Contributions as a percentage of covered payroll	22.23%	19.04%	21.24%	22.22%	22.38%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Includes one year's payroll growth using 2.875 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule:

Valuation date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	Market value
Inflation	2.625%
Salary increases	Varies by entry age and service
Payroll Growth	2.875%
Investment rate of return	7.25% net of pension plan investment and administrative expenses, including inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Reporting period	2018-19	2019-20	2020-2021
Actuarially determined contribution	\$ 8,759,782	\$ 10,092,870	\$ 977,185
Contributions in relation to the actuarially determined contribution	(8,759,782)	(10,092,870)	(977,185)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll ^{2,3}	\$ 35,965,617	\$ 36,664,416	\$ 37,970,925
Contributions as a percentage of covered payroll ²	24.36%	27.53%	2.57%

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Reporting Period	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 8,194,801	\$ 7,389,950	\$ 8,873,934	\$ 10,184,688	\$ 10,375,287
Contributions in relation to the actuarially determined contribution	(8,194,801)	(7,389,950)	(8,873,934)	(10,184,688)	(10,375,287)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ^{2,3}	\$18,261,249	\$18,014,087	\$19,489,503	\$21,045,353	\$21,848,552
Contributions as a percentage of covered payroll ²	44.88%	41.02%	45.53%	48.39%	47.49%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule:

Valuation date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	Market value
Inflation	2.625%
Salary increases	Varies by entry age and service
Payroll Growth	2.875%
Investment rate of return	7.25% net of pension plan investment and administrative expenses, including inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Reporting Period	2018-19	2019-20	2020-21
Actuarially determined contribution	\$ 11,760,090	\$ 13,635,532	\$ 14,649,802
Contributions in relation to the actuarially determined contribution	<u>(11,760,090)</u>	<u>(13,635,532)</u>	<u>(14,649,802)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll ^{2, 3}	\$ 23,257,305	\$ 23,313,753	\$ 24,554,045
Contributions as a percentage of covered payroll ²	50.57%	58.49%	59.66%

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liabilities and Related Ratios
Year Ended June 30, 2021

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

Measurement period	2014-15 ¹	2015-16	2016-17	2017-18	2018-19
Total OPEB liability					
Service cost	\$ 3,094,000	\$ 2,722,000	\$ 2,528,000	\$ 2,244,000	\$ 2,525,145
Interest	7,905,000	8,258,000	8,560,000	8,884,000	8,285,252
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(11,811,000)	(436,000)	(12,111,000)	-
Changes of assumptions	-	(795,000)	-	7,174,000	-
Benefit payments, including refunds of employee contributions	(5,387,000)	(5,759,000)	(5,673,000)	(5,795,000)	(5,941,435)
Net change in total OPEB liability	5,612,000	(7,385,000)	4,979,000	396,000	4,868,962
Total OPEB liability - beginning	124,309,000	129,921,000	122,536,000	127,515,000	127,911,000
Total OPEB liability - ending (a)	<u>\$ 129,921,000</u>	<u>\$ 122,536,000</u>	<u>\$ 127,515,000</u>	<u>\$ 127,911,000</u>	<u>\$ 132,779,962</u>
OPEB fiduciary net position					
Contributions - employer	\$ 9,865,000	\$ 11,263,000	\$ 11,037,000	\$ 10,940,000	\$ 11,176,363
Net investment income	289,000	319,000	3,037,000	3,191,000	2,661,837
Benefit payments, including refunds of employee contributions	(5,387,000)	(5,759,000)	(5,673,000)	(5,795,000)	(5,941,435)
Administrative expense	(56,000)	(81,000)	(15,000)	(17,000)	(12,236)
Net change in plan fiduciary net position	4,711,000	5,742,000	8,386,000	8,319,000	7,884,529
Plan fiduciary net position - beginning	12,785,000	17,496,000	23,238,000	31,624,000	39,943,000
Plan fiduciary net position - ending (b)	<u>\$ 17,496,000</u>	<u>\$ 23,238,000</u>	<u>\$ 31,624,000</u>	<u>\$ 39,943,000</u>	<u>\$ 47,827,529</u>
Plan net OPEB liability - ending (a) - (b)	<u>\$ 112,425,000</u>	<u>\$ 99,298,000</u>	<u>\$ 95,891,000</u>	<u>\$ 87,968,000</u>	<u>\$ 84,952,433</u>
Plan fiduciary net position as a percentage of the total OPEB liability	13.47%	18.96%	24.80%	31.23%	36.02%
Covered payroll	<u>\$ 47,105,000</u>	<u>\$ 52,215,000</u>	<u>\$ 56,415,000</u>	<u>\$ 57,411,000</u>	<u>\$ 58,966,981</u>
Plan net OPEB liability as a percentage of covered-employee payroll	238.67%	190.17%	169.97%	153.22%	144.07%

¹ Historical information is presented only for measurement periods for which GASB 75 is presented for periods after GASB 75 implementation in 2014-15.

Notes to Schedule:

Changes of Assumption: In 2021 and 2020, mortality assumptions were updated to CalPERS 1997-2015 Experience Study, Mortality improvement scale was updated to Scale MP-2019, and Tier IV participation at retirement. Assumption for waived retirees over age 65 was reduced from 60% to 40%. In 2018, the accounting discount rate reduced from 7.00 percent to 6.50 percent.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liabilities and Related Ratios (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2019-20	2020-21
Measurement period		
Total OPEB liability		
Service cost	\$ 2,519,161	\$ 2,120,093
Interest	8,597,512	7,480,807
Changes of benefit terms	-	-
Differences between expected and actual experience	(19,714,893)	-
Changes of assumptions	(2,123,632)	-
Benefit payments, including refunds of employee contributions	(6,059,415)	(6,058,893)
Net change in total OPEB liability	(16,781,267)	3,542,007
Total OPEB liability - beginning	132,779,962	115,998,695
Total OPEB liability - ending (a)	\$ 115,998,695	\$ 119,540,702
OPEB fiduciary net position		
Contributions - employer	\$ 6,073,330	\$ 6,071,864
Net investment income	2,964,438	14,566,766
Benefit payments, including refunds of employee contributions	(6,059,415)	(6,058,893)
Administrative expense	(13,915)	(29,346)
Net change in plan fiduciary net position	2,964,438	14,550,391
Plan fiduciary net position - beginning	47,827,529	50,791,967
Plan fiduciary net position - ending (b)	\$ 50,791,967	\$ 65,342,358
Plan net OPEB liability - ending (a) - (b)	\$ 65,206,728	\$ 54,198,345
Plan fiduciary net position as a percentage of the total OPEB liability	43.79%	54.66%
Covered payroll	\$ 64,408,288	\$ 63,028,918
Plan net OPEB liability as a percentage of covered-employee payroll	101.24%	85.99%

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - OPEB
Year Ended June 30, 2021

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2011-12 ¹	2012-13	2013-14	2014-15	2015-16
Actuarially determined contribution ²	\$ 8,456,000	\$ 8,621,000	\$ 9,778,000	\$ 9,945,000	\$ 9,241,000
Contributions in relation to the actuarially determined contribution	(7,635,000)	(7,631,000)	(10,028,000)	(9,865,000)	(11,263,000)
Contribution deficiency (excess)	\$ 821,000	\$ 990,000	\$ (250,000)	\$ 80,000	\$ (2,022,000)
Covered payroll	N/A	\$46,399,000	N/A	\$47,105,000	\$52,215,000
Contributions as a percentage of covered-employee payroll ²	N/A	16.45%	N/A	20.94%	21.57%

¹ GASB 75 requires this information for plans funding with OPEB trusts be reported in the employer's Required Supplementary Information for 10 years or as many years as are available upon implementation. The plan was not funded with an OPEB trust prior to 6/30/12.

² The June 30, 2015 actuarial valuation provided the Actuarially Determined Contributions for fiscal years ended 6/30/16 and 6/30/17, the June 30, 2017 actuarial valuation provided the Actuarially Determined Contributions for fiscal year ended 6/30/18 and 6/30/19, and the June 30, 2019 actuarial valuation provided the Actuarially Determined Contributions for fiscal year ended 6/30/20 and 6/30/21.

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, 2019, two years prior to the end of the fiscal year in which contribution are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal, Level % of Pay
Amortization method	Level percentage of pay
Remaining amortization period	19-year fixed period for the 2020/21
Asset valuation method	Investment gains and losses spread over 5-year rolling period.
Inflation	2.75%
Medical Trend	Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.00% in 2076; Medicare: 6.30% for 2021, decreasing to an ultimate rate of 4.00% in 2076.
Salary increases	3.00%
Investment rate of return	6.50%
Retirement age	Based on CalPERS 1997-2015 Experience Study.
Mortality	Mortality rates were based on CalPERS 1997-2015 Healthy Annuitant Mortality Table for Male or Females, as appropriate, with adjustments for mortality improvements based on MP-2019.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - OPEB (Continued)
Year Ended June 30, 2021

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2016-17	2017-18	2018-19	2019-20	2020-21
Actuarially determined contribution ²	\$ 9,422,000	\$ 8,885,000	\$ 9,049,000	\$ 9,219,000	\$ 7,144,000
Contributions in relation to the actuarially determined contribution	(11,037,000)	(10,940,000)	(11,176,363)	(6,073,330)	(6,071,864)
Contribution deficiency (excess)	\$ (1,615,000)	\$ (2,055,000)	\$ (2,127,363)	\$ 3,145,670	\$ 1,072,136
Covered payroll	\$ 56,415,000	\$ 57,411,000	\$ 58,966,981	\$ 64,408,288	\$ 63,028,918
Contributions as a percentage of covered-employee payroll ²	19.56%	19.06%	18.95%	9.43%	9.63%

City of Culver City
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
Year Ended June 30, 2021

General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 65,889,943	\$ 76,699,212	\$ 93,039,590	\$ 16,340,378
Licenses and permits	6,143,670	3,924,670	3,266,410	(658,260)
Fines and forfeitures	4,152,500	2,302,500	3,562,963	1,260,463
Intergovernmental	5,916,785	6,098,785	11,390,216	5,291,431
Charges for services	10,830,842	8,671,324	8,693,400	22,076
Investment earnings	1,388,768	1,384,248	3,090,696	1,706,448
Miscellaneous	390,800	677,270	410,970	(266,300)
Total revenues	94,713,308	99,758,009	123,454,245	23,696,236
EXPENDITURES:				
Current:				
General government	18,785,744	19,073,857	18,706,024	367,833
Parks, recreation, and community services	9,480,758	9,339,313	8,268,396	1,070,917
Police	44,510,234	45,864,897	44,078,619	1,786,278
Fire	24,969,152	25,909,231	25,967,335	(58,104)
Community development	8,209,207	11,462,511	8,969,068	2,493,443
Public works	12,349,902	10,976,041	12,891,303	(1,915,262)
Capital outlay	117,116	117,116	281,223	(164,107)
Total expenditures	118,422,113	122,742,966	119,161,968	3,580,998
REVENUE OVER (UNDER) EXPENDITURES	(23,708,805)	(22,984,957)	4,292,277	27,277,234
OTHER FINANCING SOURCES (USES):				
Transfers in	3,142,225	3,142,225	2,717,225	(425,000)
Transfers out	(686,120)	(730,370)	(619,000)	111,370
Proceeds from sale of property	-	-	101	101
Total other financing sources (uses)	2,456,105	2,411,855	2,098,326	(313,529)
CHANGE IN FUND BALANCE	(21,252,700)	(20,573,102)	6,390,603	26,963,705
FUND BALANCE:				
Beginning of year	102,417,428	102,417,428	102,417,428	-
End of year	\$ 81,164,728	\$ 81,844,326	\$ 108,808,031	\$ 26,963,705

City of Culver City
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule (Continued)
Year Ended June 30, 2021

Culver City Housing Authority Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment earnings	\$ 96,000	\$ 96,000	\$ 386,328	\$ 290,328
Miscellaneous	5,000	5,000	156,005	151,005
Total revenues	<u>101,000</u>	<u>101,000</u>	<u>542,333</u>	<u>441,333</u>
EXPENDITURES:				
Current:				
Community development	8,130,291	8,428,311	1,696,682	6,731,629
Total expenditures	<u>8,130,291</u>	<u>8,428,311</u>	<u>1,696,682</u>	<u>6,731,629</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>(8,029,291)</u>	<u>(8,327,311)</u>	<u>(1,154,349)</u>	<u>7,172,962</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	4,908,776	4,908,776	-	(4,908,776)
Transfers out	(817,225)	(817,225)	(817,225)	-
Total other financing sources (uses)	<u>4,091,551</u>	<u>4,091,551</u>	<u>(817,225)</u>	<u>(4,908,776)</u>
CHANGE IN FUND BALANCE	<u>(3,937,740)</u>	<u>(4,235,760)</u>	<u>(1,971,574)</u>	<u>2,264,186</u>
FUND BALANCE:				
Beginning of year	41,274,936	41,274,936	41,274,936	-
End of year	<u>\$ 37,337,196</u>	<u>\$ 37,039,176</u>	<u>\$ 39,303,362</u>	<u>\$ 2,264,186</u>

City of Culver City
Note to the Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
Year Ended June 30, 2021

Note 1 - Budgets and Budgetary Data

The adopted budget of the City consists of a resolution specifying the total appropriation for each departmental activity, such as Police Administration, Street Maintenance, and other activities.

Total appropriations for each fund may only be increased or decreased by the City Council by passage of a resolution amending the budget, with the exception of budget adjustments which involve offsetting revenues and expenditures. In cases involving offsetting revenues and expenditures, the Chief Financial Officer is authorized to increase or decrease an appropriation for a specific purpose where said appropriation is offset by unbudgeted revenue which is designated for said specific purpose.

The City Manager has the authority to adjust the amounts appropriated between the departments and activities of a fund, objects within each departmental activity and between accounts within the objects, provided; however, that the total appropriations for each fund do not exceed the amounts provided in the budget resolution.

The level at which expenditures may not legally exceed appropriations is the fund level.

All appropriations lapse at the fiscal year-end unless City Council takes formal action in the form of a resolution to continue the appropriation into the following year.

Budgets for the various funds are adopted on a basis consistent with generally accepted accounting principles in the United States. Annual appropriated budgets are legally adopted for the general, special revenue, debt service, capital projects, and proprietary fund types except for the AQMD Special Revenue Fund.

Non-Major Funds / Other Financial Information





SUPPLEMENTARY INFORMATION

This page intentionally left blank.

**City of Culver City
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021**

	Special Revenue Funds	Capital Projects Funds	Total
ASSETS			
Cash and investments	\$ 39,984,486	\$ 3,898,800	\$ 43,883,286
Accounts receivables, net	197,147	1	197,148
Interest receivables	98,984	974,311	1,073,295
Notes receivables, net	38,820	3,395,000	3,433,820
Due from other governments	3,024,336	289,858	3,314,194
Total assets	\$ 43,343,773	\$ 8,557,970	\$ 51,901,743
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 863,915	\$ 10,478	\$ 874,393
Salaries and benefits payable	22,673	-	22,673
Due to other funds	1,189,499	265,152	1,454,651
Deposits payable	117,386	113,245	230,631
Retention payable	10,083	14,493	24,576
Due to other governments	38,820	-	38,820
Total liabilities	2,242,376	403,368	2,645,744
Deferred inflows of resources:			
Unavailable grant revenues	1,024,348	289,858	1,314,206
Total deferred inflows of resources	1,024,348	289,858	1,314,206
Fund Balances:			
Restricted	17,403,942	8,154,602	25,558,544
Committed	23,570,191	-	23,570,191
Unassigned (deficit)	(897,084)	(289,858)	(1,186,942)
Total fund balances	40,077,049	7,864,744	47,941,793
Total liabilities, deferred inflows of resources and fund balances	\$ 43,343,773	\$ 8,557,970	\$ 51,901,743

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue Funds	Capital Projects Funds	Total
REVENUES:			
Licenses and permits	\$ 669,472	\$ -	\$ 669,472
Intergovernmental	8,907,202	-	8,907,202
Charges for services	7,070,812	-	7,070,812
Investment earnings	6,806	103,908	110,714
Miscellaneous	19,300	-	19,300
Total revenues	16,673,592	103,908	16,777,500
EXPENDITURES:			
Current:			
General government	431,301	-	431,301
Parks, recreation and community services	64,679	-	64,679
Police	360,212	-	360,212
Fire	587,813	-	587,813
Community development	3,889,326	-	3,889,326
Public works	136,549	-	136,549
Transportation	247,806	-	247,806
Capital outlay	6,791,374	292,801	7,084,175
Total expenditures	12,509,060	292,801	12,801,861
REVENUES OVER EXPENDITURES	4,164,532	(188,893)	3,975,639
OTHER FINANCING SOURCES (USES):			
Transfers in	193,100	-	193,100
Transfers out	(3,084,889)	-	(3,084,889)
Proceeds from sale of property	1,156	-	1,156
Total other financing sources (uses)	(2,890,633)	-	(2,890,633)
CHANGES IN FUND BALANCES	1,273,899	(188,893)	1,085,006
FUND BALANCES:			
Beginning of year	38,803,150	8,053,637	46,856,787
End of year	\$ 40,077,049	\$ 7,864,744	\$ 47,941,793

NONMAJOR

SPECIAL REVENUE FUNDS

Gas Tax Fund - To account for state gasoline taxes received by the City. These funds may be used for street maintenance, right-of-way acquisition and street construction.

Proposition A Local Return Fund - To account for Proposition A funds received from the state. Proposition A funds are voter approved local sales taxes for transportation-related activities. Proposition A, approved by voters in 1980, is a one half of one percent (0.5%) tax on retail sales in Los Angeles County. The collection of this tax is administered by the County, which returns twenty five percent (25%) of the collections to cities within the County. The balance of Proposition A tax funds are used for rail development (35%) and discretionary purposes (40%). Almost the entire discretionary portion is used to fund bus service provided by Metro and 16 other municipal bus operators within the County, including Culver City Municipal Bus Lines.

Proposition C Local Return Fund - To account for Proposition C funds received from the state. Proposition C, approved by voters in 1990, is an additional one-half of one percent (0.5%) tax on retail sales in Los Angeles County. The County returns twenty percent (20%) of the Proposition C tax to the cities in the County for transportation purposes. The balance of the Proposition C tax is restricted (40%) for construction and operation of the bus transit and rail system; (5%) to expand rail and bus security; (10%) for commuter rail, construction of transit centers, park and ride lots and freeway bus stops; and (25%) for transit-related improvements to freeways and state highways.

Measure R Fund - To account for Measure R funds. Measure R is a one-half cent sales tax approved by Los Angeles County voters in November 2008 and is used to fund new transportation projects and programs. The Transportation and Public Works departments utilize the majority of this funding.

Operating Grants Fund - To account for operating grant funds resulting from the City's federal, state and local operating grants, and the qualified expenditures of these restricted funds.

Section 8 Housing Fund - To account for assistance provided by the federal government dedicated to sponsoring subsidized housing for low-income families and individuals. The Housing Division in the Community Development Department is responsible for managing and administering Culver City's Section 8 Housing Choice Voucher Program (HCVP) to provide retail subsidies for qualified low-income households.

Art in Public Places Fund - To account for the "Art in Public Places" program. The revenues for this fund come from developer in-lieu fees.

Community Development Fund - To account for funds received from new development impact fees collected on non-residential construction in excess of 5,000 square feet. These fees may only be used to fund street improvements, traffic controls, and traffic management projects.

CDBG Fund - To account for Community Development Block Grant (CDBG) funds, and the qualified expenditures of these restricted funds for administrative expenditures such as personnel costs.

Special Assessment Fund - To account for benefit assessment district funds received from homeowners for special landscaping services of certain properties within the City.

This page intentionally left blank.

NONMAJOR SPECIAL REVENUE FUNDS

Park Facilities Fund - To account for funds received from development impact fees assessed on subdivision/residential development. These fees may be used for the improvement and expansion of public parks and park facilities throughout the City.

Asset Seizure Fund - To account for funds received from federal and local seized and forfeited properties. Such funds may be used for the detection and prevention of criminal activity, and the apprehension of criminals through Drug Abuse Resistance Education (D.A.R.E.), and other law enforcement programs.

Parking Authority Fund - To account for the operations of the Culver City Parking Authority, which currently includes the Cardiff Parking Structure. These funds may be used for parking related operations and infrastructure improvements.

Safe/Clean Water Protection Fund - To account for all activities associated with watershed management program plan. (Previously referred to as 'storm water' and 'Urban Runoff Mitigation.

Building Surcharge Fund - To account for funds received from a four percent (4%) surcharge on certain development related permit fees. The surcharge is used by City to fund digital imaging and storage plans and documents and technology improvements and maintenance to enhance customer service.

Paratransit Fund - To account for the portion of sales tax to be used to transport seniors and people with disabilities.

Measure M Fund - To account for Measure M funds. Measure M is a one-half cent sales tax approved by Los Angeles County voters in November 2016 and is used to fund new transportation projects and programs. The Transportation and Public Works departments utilize the majority of this funding.

AQMD Fund - To account for funds received from the Air Quality Management District for air quality planning, monitoring, and stationary source and facility permitting. Funds are also used to offset costs for alternative fuel vehicle and equipment purchases.

Board of State and Community Corrections Fund - To account for funds received from the Youth Reinvestment Grant Program. The City acts as a pass-through agency to fund the development of a youth diversion program which provides Culver City youth facing expulsion and/or arrest with an individualized care plan to include arrest alternatives and educational and mental health services.

**City of Culver City
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021**

	Gas Tax	Proposition A Local Return	Proposition C Local Return	Measure R	Operating Grants
ASSETS					
Cash and investments	\$ 3,107,454	\$ 1,076,424	\$ 1,221,436	\$ 507,391	\$ -
Accounts receivables, net	-	-	-	-	-
Interest receivables	7,686	2,898	3,558	1,230	-
Notes receivables, net	-	-	-	-	-
Due from other governments	134,134	-	-	-	1,260,703
Total assets	\$ 3,249,274	\$ 1,079,322	\$ 1,224,994	\$ 508,621	\$ 1,260,703
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	87	-	-	99,313	30,783
Salaries and benefits payable	-	-	-	-	-
Due to other funds	-	-	-	-	1,095,661
Deposits payable	-	-	-	-	-
Retention payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Total liabilities	87	-	-	99,313	1,126,444
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	971,774
Total deferred inflows of resources	-	-	-	-	971,774
Fund Balances:					
Restricted	3,249,187	1,079,322	1,224,994	409,308	-
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(837,515)
Total fund balances	3,249,187	1,079,322	1,224,994	409,308	(837,515)
Total liabilities, deferred inflows of resources and fund balances	\$ 3,249,274	\$ 1,079,322	\$ 1,224,994	\$ 508,621	\$ 1,260,703

(Continued)

City of Culver City
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2021

	Section 8 Housing	Art in Public Places	Community Development	CDBG	Special Assessment
ASSETS					
Cash and investments	\$ 1,208,784	\$ 3,440,657	\$ 946,568	\$ -	\$ 570,605
Accounts receivables, net	-	-	-	-	1,415
Interest receivables	-	8,770	2,436	-	1,459
Notes receivables, net	-	-	-	38,820	-
Due from other governments	-	-	-	31,227	1,531
Total assets	\$ 1,208,784	\$ 3,449,427	\$ 949,004	\$ 70,047	\$ 575,010
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	124,270	20,296	-	-	8,679
Salaries and benefits payable	6,823	1,127	-	-	-
Due to other funds	9,687	-	-	31,227	-
Deposits payable	42,678	-	-	-	13,912
Retention payable	-	-	-	-	-
Due to other governments	-	-	-	38,820	-
Total liabilities	183,458	21,423	-	70,047	22,591
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances:					
Restricted	1,025,326	3,428,004	949,004	-	552,419
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	1,025,326	3,428,004	949,004	-	552,419
Total liabilities, deferred inflows of resources and fund balances	\$ 1,208,784	\$ 3,449,427	\$ 949,004	\$ 70,047	\$ 575,010

(Continued)

City of Culver City
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2021

	Park Facilities	Asset Seizure	Parking Authority	Safe/Clean Water Protection	Building Surcharge
ASSETS					
Cash and investments	\$ 1,161,912	\$ 893,035	\$ 14,333,832	\$ 8,126,872	\$ 841,326
Accounts receivables, net	-	-	97,281	-	67
Interest receivables	3,060	2,294	36,587	20,481	2,169
Notes receivables, net	-	-	-	-	-
Due from other governments	-	-	-	1,544,329	-
Total assets	\$ 1,164,972	\$ 895,329	\$ 14,467,700	\$ 9,691,682	\$ 843,562
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	18,726	-	45,927	482,468	14,520
Salaries and benefits payable	-	-	-	-	8,186
Due to other funds	-	-	-	-	-
Deposits payable	-	-	60,796	-	-
Retention payable	10,083	-	-	-	-
Due to other governments	-	-	-	-	-
Total liabilities	28,809	-	106,723	482,468	22,706
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances:					
Restricted	1,136,163	895,329	-	-	820,856
Committed	-	-	14,360,977	9,209,214	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	1,136,163	895,329	14,360,977	9,209,214	820,856
Total liabilities, deferred inflows of resources and fund balances	\$ 1,164,972	\$ 895,329	\$ 14,467,700	\$ 9,691,682	\$ 843,562

(Continued)

City of Culver City
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2021

	Paratransit	Measure M	AQMD	Board of State Community Corrections	Total
ASSETS					
Cash and investments	\$ -	\$ 2,164,271	\$ 256,965	\$ 126,954	\$ 39,984,486
Accounts receivables, net	748	-	13,183	84,453	197,147
Interest receivables	-	5,410	637	309	98,984
Notes receivables, net	-	-	-	-	38,820
Due from other governments	52,412	-	-	-	3,024,336
Total assets	\$ 53,160	\$ 2,169,681	\$ 270,785	\$ 211,716	\$ 43,343,773
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	694	-	60	18,092	\$ 863,915
Salaries and benefits payable	6,537	-	-	-	22,673
Due to other funds	52,924	-	-	-	1,189,499
Deposits payable	-	-	-	-	117,386
Retention payable	-	-	-	-	10,083
Due to other governments	-	-	-	-	38,820
Total liabilities	60,155	-	60	18,092	2,242,376
Deferred inflows of resources:					
Unavailable revenues	52,574	-	-	-	1,024,348
Total deferred inflows of resources	52,574	-	-	-	1,024,348
Fund Balances:					
Restricted	-	2,169,681	270,725	193,624	17,403,942
Committed	-	-	-	-	23,570,191
Unassigned (deficit)	(59,569)	-	-	-	(897,084)
Total fund balances	(59,569)	2,169,681	270,725	193,624	40,077,049
Total liabilities, deferred inflows of resources and fund balances	\$ 53,160	\$ 2,169,681	\$ 270,785	\$ 211,716	\$ 43,343,773

(Concluded)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Gas Tax	Proposition A Local Return	Proposition C Local Return	Measure R	Operating Grants
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,601,174	808,285	670,444	503,530	774,614
Charges for services	-	-	-	-	-
Investment earnings	10,920	(11,646)	(2,994)	(1,960)	61
Miscellaneous	-	-	-	-	(1)
Total revenues	1,612,094	796,639	667,450	501,570	774,674
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Parks, recreation, and community services	-	-	-	-	-
Police	-	-	-	-	151,779
Fire	-	-	-	-	587,813
Community development	-	-	-	-	55,196
Public works	-	-	-	-	104,894
Transportation	-	-	-	-	896
Capital outlay	231,749	-	-	254,286	-
Total expenditures	231,749	-	-	254,286	900,578
REVENUES OVER (UNDER) EXPENDITURES	1,380,345	796,639	667,450	247,284	(125,904)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	896
Transfers out	(400,000)	(721,022)	(538,658)	(225,209)	-
Proceeds from sale of property	-	-	-	-	-
Total other financing sources (uses)	(400,000)	(721,022)	(538,658)	(225,209)	896
CHANGES IN FUND BALANCES	980,345	75,617	128,792	22,075	(125,008)
FUND BALANCES (DEFICIT):					
Beginning of year	2,268,842	1,003,705	1,096,202	387,233	(712,507)
End of year	\$ 3,249,187	\$ 1,079,322	\$ 1,224,994	\$ 409,308	\$ (837,515)

(Continued)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Section 8 Housing	Art in Public Places	Community Development	CDBG	Special Assessment
REVENUES:					
Licenses and permits	\$ -	\$ 309,990	\$ -	\$ -	\$ -
Intergovernmental	1,528,745	35,075	-	33,247	-
Charges for services	-	-	584	-	76,710
Investment earnings	16	59	(2,310)	-	813
Miscellaneous	734	-	-	-	-
Total revenues	1,529,495	345,124	(1,726)	33,247	77,523
EXPENDITURES:					
Current:					
General government	-	389,325	-	-	-
Parks, recreation, and community services	-	-	-	33,247	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Community development	1,769,724	2,990	-	-	24,743
Public works	-	-	-	-	-
Transportation	-	-	-	-	-
Capital outlay	-	108	-	-	-
Total expenditures	1,769,724	392,423	-	33,247	24,743
REVENUES OVER (UNDER) EXPENDITURES	(240,229)	(47,299)	(1,726)	-	52,780
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of property	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
CHANGES IN FUND BALANCES	(240,229)	(47,299)	(1,726)	-	52,780
FUND BALANCES (DEFICIT):					
Beginning of year	1,265,555	3,475,303	950,730	-	499,639
End of year	\$ 1,025,326	\$ 3,428,004	\$ 949,004	\$ -	\$ 552,419

(Continued)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Park Facilities	Asset Seizure	Parking Authority	Safe/Clean Water Protection	Building Surcharge
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ 176,308	\$ -	\$ 183,174
Intergovernmental	-	35,087	-	2,009,098	-
Charges for services	182,805	-	3,233,847	3,576,866	-
Investment earnings	(3,838)	173	30,865	(18,417)	(3,687)
Miscellaneous	-	-	18,567	-	-
Total revenues	178,967	35,260	3,459,587	5,567,547	179,487
EXPENDITURES:					
Current:					
General government	-	-	37,796	-	-
Parks, recreation, and community services	31,432	-	-	-	-
Police	-	29,565	-	-	-
Fire	-	-	-	-	-
Community development	-	-	1,634,682	13,136	388,855
Public works	-	-	-	-	31,655
Transportation	-	-	-	-	-
Capital outlay	501,281	-	217,452	5,544,261	6,237
Total expenditures	532,713	29,565	1,889,930	5,557,397	426,747
REVENUES OVER (UNDER) EXPENDITURES	(353,746)	5,695	1,569,657	10,150	(247,260)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(1,200,000)	-	-
Proceeds from sale of property	-	1,156	-	-	-
Total other financing sources (uses)	-	1,156	(1,200,000)	-	-
CHANGES IN FUND BALANCES	(353,746)	6,851	369,657	10,150	(247,260)
FUND BALANCES (DEFICIT):					
Beginning of year	1,489,909	888,478	13,991,320	9,199,064	1,068,116
End of year	\$ 1,136,163	\$ 895,329	\$ 14,360,977	\$ 9,209,214	\$ 820,856

(Continued)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Paratransit	Measure M	AQMD	Board of State Community Corrections	Total
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 669,472
Intergovernmental	18,628	570,518	64,419	254,338	8,907,202
Charges for services	-	-	-	-	7,070,812
Investment earnings	-	8,342	349	60	6,806
Miscellaneous	-	-	-	-	19,300
Total revenues	18,628	578,860	64,768	254,398	16,673,592
EXPENDITURES:					
Current:					
General government	4,180	-	-	-	431,301
Parks, recreation, and community services	-	-	-	-	64,679
Police	-	-	-	178,868	360,212
Fire	-	-	-	-	587,813
Community development	-	-	-	-	3,889,326
Public works	-	-	-	-	136,549
Transportation	246,910	-	-	-	247,806
Capital outlay	-	-	36,000	-	6,791,374
Total expenditures	251,090	-	36,000	178,868	12,509,060
REVENUES OVER (UNDER) EXPENDITURES	(232,462)	578,860	28,768	75,530	4,164,532
OTHER FINANCING SOURCES (USES):					
Transfers in	192,204	-	-	-	193,100
Transfers out	-	-	-	-	(3,084,889)
Proceeds from sale of property	-	-	-	-	1,156
Total other financing sources (uses)	192,204	-	-	-	(2,890,633)
CHANGES IN FUND BALANCES	(40,258)	578,860	28,768	75,530	1,273,899
FUND BALANCES (DEFICIT):					
Beginning of year	(19,311)	1,590,821	241,957	118,094	38,803,150
End of year	\$ (59,569)	\$ 2,169,681	\$ 270,725	\$ 193,624	\$ 40,077,049

(Concluded)

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Gas Tax
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,754,999	\$ 1,493,686	\$ 1,601,174	\$ 107,488
Investment earnings	14,000	7,222	10,920	3,698
Miscellaneous	-	-	-	-
Total revenues	<u>1,768,999</u>	<u>1,500,908</u>	<u>1,612,094</u>	<u>111,186</u>
EXPENDITURES:				
Capital outlay	2,472,588	3,072,588	231,749	2,840,839
Total expenditures	<u>2,472,588</u>	<u>3,072,588</u>	<u>231,749</u>	<u>2,840,839</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(703,589)</u>	<u>(1,571,680)</u>	<u>1,380,345</u>	<u>2,952,025</u>
OTHER FINANCING USES:				
Transfers out	-	(400,000)	(400,000)	-
Total other financing uses	<u>-</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>(703,589)</u>	<u>(1,971,680)</u>	<u>980,345</u>	<u>2,952,025</u>
FUND BALANCE:				
Beginning of year	2,268,842	2,268,842	2,268,842	-
End of year	<u>\$ 1,565,253</u>	<u>\$ 297,162</u>	<u>\$ 3,249,187</u>	<u>\$ 2,952,025</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Proposition A Local Return
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 846,755	\$ 846,755	\$ 808,285	\$ (38,470)
Investment earnings	11,000	11,000	(11,646)	(22,646)
Total revenues	<u>857,755</u>	<u>857,755</u>	<u>796,639</u>	<u>(61,116)</u>
OTHER FINANCING USES:				
Transfers out	(846,755)	(846,755)	(721,022)	125,733
Total other financing uses	<u>(846,755)</u>	<u>(846,755)</u>	<u>(721,022)</u>	<u>125,733</u>
CHANGE IN FUND BALANCE	11,000	11,000	75,617	64,617
FUND BALANCE:				
Beginning of year	1,003,705	1,003,705	1,003,705	-
End of year	<u>\$ 1,014,705</u>	<u>\$ 1,014,705</u>	<u>\$ 1,079,322</u>	<u>\$ 64,617</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Proposition C Local Return
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 442,361	\$ 442,361	\$ 670,444	\$ 228,083
Investment earnings	12,000	12,000	(2,994)	(14,994)
Total revenues	<u>454,361</u>	<u>454,361</u>	<u>667,450</u>	<u>213,089</u>
OTHER FINANCING USES:				
Transfers out	(692,361)	(692,361)	(538,658)	153,703
Total other financing uses	<u>(692,361)</u>	<u>(692,361)</u>	<u>(538,658)</u>	<u>153,703</u>
CHANGE IN FUND BALANCE	(238,000)	(238,000)	128,792	366,792
FUND BALANCE:				
Beginning of year	1,096,202	1,096,202	1,096,202	-
End of year	<u>\$ 858,202</u>	<u>\$ 858,202</u>	<u>\$ 1,224,994</u>	<u>\$ 366,792</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Measure R
June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 251,000	\$ 2,209,632	\$ 503,530	\$ (1,706,102)
Investment earnings	2,000	4,155	(1,960)	(6,115)
Total revenues	<u>253,000</u>	<u>2,213,787</u>	<u>501,570</u>	<u>(1,712,217)</u>
EXPENDITURES:				
Capital outlay	325,204	576,204	254,286	321,918
Total expenditures	<u>325,204</u>	<u>576,204</u>	<u>254,286</u>	<u>321,918</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(72,204)</u>	<u>1,637,583</u>	<u>247,284</u>	<u>(1,390,299)</u>
OTHER FINANCING USES:				
Transfers out	(495,361)	(495,361)	(225,209)	270,152
Total other financing uses	<u>(495,361)</u>	<u>(495,361)</u>	<u>(225,209)</u>	<u>270,152</u>
CHANGE IN FUND BALANCE	(567,565)	1,142,222	22,075	(1,120,147)
FUND BALANCE:				
Beginning of year	387,233	387,233	387,233	-
End of year	<u>\$ (180,332)</u>	<u>\$ 1,529,455</u>	<u>\$ 409,308</u>	<u>\$ (1,120,147)</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Operating Grants
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 915,837	\$ 1,454,735	\$ 774,614	\$ 680,121
Investment earnings	3,000	3,000	61	2,939
Miscellaneous	43,200	43,200	(1)	43,201
Total revenues	<u>962,037</u>	<u>1,500,935</u>	<u>774,674</u>	<u>(726,261)</u>
EXPENDITURES:				
Current:				
Parks, recreation, and community services	334,029	336,605	-	336,605
Police	131,378	218,057	151,779	66,278
Fire	8,000	123,938	587,813	(463,875)
Community development	24,750	296,414	55,196	241,218
Public works	106,000	208,447	104,894	103,553
Transportation	-	779	896	(117)
Total expenditures	<u>604,157</u>	<u>1,184,240</u>	<u>900,578</u>	<u>283,662</u>
REVENUES (UNDER) EXPENDITURES	<u>357,880</u>	<u>316,695</u>	<u>(125,904)</u>	<u>(442,599)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	67,120	67,120	896	(66,224)
Transfers out	(425,000)	(425,000)	-	425,000
Total other financing sources (uses)	<u>(357,880)</u>	<u>(357,880)</u>	<u>896</u>	<u>358,776</u>
CHANGE IN FUND BALANCE	-	(41,185)	(125,008)	(83,823)
FUND BALANCE (DEFICIT):				
Beginning of year	(712,507)	(712,507)	(712,507)	-
End of year	<u>\$ (712,507)</u>	<u>\$ (753,692)</u>	<u>\$ (837,515)</u>	<u>\$ (83,823)</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Section 8 Housing
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,372,000	\$ 1,372,000	\$ 1,528,745	\$ 156,745
Investment earnings	7,000	7,000	16	(6,984)
Miscellaneous	-	-	734	734
Total revenues	<u>1,379,000</u>	<u>1,379,000</u>	<u>1,529,495</u>	<u>150,495</u>
EXPENDITURES:				
Current:				
Community development	1,763,541	1,813,114	1,769,724	43,390
Total expenditures	<u>1,763,541</u>	<u>1,813,114</u>	<u>1,769,724</u>	<u>43,390</u>
CHANGE IN FUND BALANCE	(384,541)	(434,114)	(240,229)	193,885
FUND BALANCE:				
Beginning of year	1,265,555	1,265,555	1,265,555	-
End of year	<u>\$ 881,014</u>	<u>\$ 831,441</u>	<u>\$ 1,025,326</u>	<u>\$ 193,885</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Art in Public Places
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 35,075	\$ 35,075
Licenses and permits	350,000	350,000	309,990	(40,010)
Investment earnings	29,000	29,000	59	(28,941)
Total revenues	<u>379,000</u>	<u>379,000</u>	<u>345,124</u>	<u>(33,876)</u>
EXPENDITURES:				
Current:				
General government	665,313	1,317,665	389,325	928,340
Community development	-	-	2,990	(2,990)
Capital outlay	20,300	366,620	108	366,512
Total expenditures	<u>685,613</u>	<u>1,684,285</u>	<u>392,423</u>	<u>1,291,862</u>
CHANGE IN FUND BALANCE	(306,613)	(1,305,285)	(47,299)	1,257,986
FUND BALANCE:				
Beginning of year	3,475,303	3,475,303	3,475,303	-
End of year	<u>\$ 3,168,690</u>	<u>\$ 2,170,018</u>	<u>\$ 3,428,004</u>	<u>\$ 1,257,986</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Community Development
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Charges for services	-	67,989	584	(67,405)
Investment earnings	6,000	21,880	(2,310)	(24,190)
Total revenues	<u>6,000</u>	<u>89,869</u>	<u>(1,726)</u>	<u>(91,595)</u>
EXPENDITURES:				
Capital outlay	281,135	714,588	-	714,588
Total expenditures	<u>281,135</u>	<u>714,588</u>	<u>-</u>	<u>714,588</u>
CHANGE IN FUND BALANCE	(275,135)	(624,719)	(1,726)	622,993
FUND BALANCE:				
Beginning of year	950,730	950,730	950,730	-
End of year	<u>\$ 675,595</u>	<u>\$ 326,011</u>	<u>\$ 949,004</u>	<u>\$ 622,993</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Community Development Block Grant (CDBG)
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 28,500	\$ 28,500	\$ 33,247	\$ 4,747
Total revenues	<u>28,500</u>	<u>28,500</u>	<u>33,247</u>	<u>4,747</u>
EXPENDITURES:				
Current:				
Parks, recreation, and community services	28,500	28,500	33,247	(4,747)
Total expenditures	<u>28,500</u>	<u>28,500</u>	<u>33,247</u>	<u>(4,747)</u>
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE:				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Special Assessment
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 72,189	\$ 77,939	\$ 76,710	\$ (1,229)
Investment earnings	4,000	4,000	813	(3,187)
Total revenues	<u>76,189</u>	<u>81,939</u>	<u>77,523</u>	<u>(4,416)</u>
EXPENDITURES:				
Current:				
Community development	142,544	152,739	24,743	127,996
Total expenditures	<u>142,544</u>	<u>152,739</u>	<u>24,743</u>	<u>127,996</u>
CHANGE IN FUND BALANCE	(66,355)	(70,800)	52,780	123,580
FUND BALANCE:				
Beginning of year	499,639	499,639	499,639	-
End of year	<u>\$ 433,284</u>	<u>\$ 428,839</u>	<u>\$ 552,419</u>	<u>\$ 123,580</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Park Facilities
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 50,000	\$ 210,197	\$ 182,805	\$ (27,392)
Investment earnings	14,000	6,169	(3,838)	(10,007)
Total revenues	<u>64,000</u>	<u>216,366</u>	<u>178,967</u>	<u>(37,399)</u>
EXPENDITURES:				
Current:				
Parks, recreation, and community services	238,091	117,940	31,432	86,508
Capital outlay	625,356	745,507	501,281	244,226
Total expenditures	<u>863,447</u>	<u>863,447</u>	<u>532,713</u>	<u>330,734</u>
CHANGE IN FUND BALANCE	(799,447)	(647,081)	(353,746)	293,335
FUND BALANCE:				
Beginning of year	1,489,909	1,489,909	1,489,909	-
End of year	<u>\$ 690,462</u>	<u>\$ 842,828</u>	<u>\$ 1,136,163</u>	<u>\$ 293,335</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Asset Seizure
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 35,087	\$ 35,087
Investment earnings	11,000	11,000	173	(10,827)
Total revenues	<u>11,000</u>	<u>11,000</u>	<u>35,260</u>	<u>24,260</u>
EXPENDITURES:				
Current:				
Police	-	65,688	29,565	36,123
Total expenditures	<u>-</u>	<u>65,688</u>	<u>29,565</u>	<u>36,123</u>
REVENUES (UNDER) EXPENDITURES	<u>11,000</u>	<u>(54,688)</u>	<u>5,695</u>	<u>60,383</u>
OTHER FINANCING SOURCES:				
Proceeds from sale of property	-	-	1,156	1,156
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,156</u>	<u>1,156</u>
CHANGE IN FUND BALANCE	<u>11,000</u>	<u>(54,688)</u>	<u>6,851</u>	<u>61,539</u>
FUND BALANCE:				
Beginning of year	888,478	888,478	888,478	-
End of year	<u>\$ 899,478</u>	<u>\$ 833,790</u>	<u>\$ 895,329</u>	<u>\$ 61,539</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Parking Authority
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 150,000	\$ 150,000	\$ 176,308	\$ 26,308
Charges for services	4,641,988	4,636,988	3,233,847	(1,403,141)
Investment earnings	123,000	123,000	30,865	(92,135)
Miscellaneous	184,830	184,830	18,567	(166,263)
Total revenues	<u>5,099,818</u>	<u>5,094,818</u>	<u>3,459,587</u>	<u>(1,635,231)</u>
EXPENDITURES:				
Current:				
General government	150,000	150,000	37,796	112,204
Community development	1,642,100	1,555,609	1,634,682	(79,073)
Capital outlay	850,198	5,700,377	217,452	5,482,925
Total expenditures	<u>2,642,298</u>	<u>7,405,986</u>	<u>1,889,930</u>	<u>5,516,056</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,457,520</u>	<u>(2,311,168)</u>	<u>1,569,657</u>	<u>3,880,825</u>
OTHER FINANCING USES:				
Transfers out	(1,200,000)	(1,200,000)	(1,200,000)	-
Total other financing uses	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>
CHANGE IN FUND BALANCE	1,257,520	(3,511,168)	369,657	3,880,825
FUND BALANCE:				
Beginning of year	13,991,320	13,991,320	13,991,320	-
End of year	<u>\$ 15,248,840</u>	<u>\$ 10,480,152</u>	<u>\$ 14,360,977</u>	<u>\$ 3,880,825</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Safe/Clean Water Protection
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 4,509,098	\$ 2,009,098	\$ (2,500,000)
Charges for services	2,050,000	3,487,500	3,576,866	89,366
Investment earnings	83,000	83,000	(18,417)	(101,417)
Total revenues	<u>2,133,000</u>	<u>8,079,598</u>	<u>5,567,547</u>	<u>(2,512,051)</u>
EXPENDITURES:				
Current:				
Community development	-	347	13,136	(12,789)
Capital outlay	2,110,000	15,476,543	5,544,261	9,932,282
Total expenditures	<u>2,110,000</u>	<u>15,476,890</u>	<u>5,557,397</u>	<u>9,919,493</u>
CHANGE IN FUND BALANCE	23,000	(7,397,292)	10,150	7,407,442
FUND BALANCE:				
Beginning of year	9,199,064	9,199,064	9,199,064	-
End of year	<u>\$ 9,222,064</u>	<u>\$ 1,801,772</u>	<u>\$ 9,209,214</u>	<u>\$ 7,407,442</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Building Surcharge
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 200,000	\$ 200,000	\$ 183,174	\$ (16,826)
Investment earnings	11,000	11,000	(3,687)	(14,687)
Total revenues	<u>211,000</u>	<u>211,000</u>	<u>179,487</u>	<u>(31,513)</u>
EXPENDITURES:				
Current:				
Community development	336,576	927,279	388,855	538,424
Public works	34,832	34,832	31,655	3,177
Capital outlay	7,000	133,165	6,237	126,928
Total expenditures	<u>378,408</u>	<u>1,095,276</u>	<u>426,747</u>	<u>668,529</u>
CHANGE IN FUND BALANCE	(167,408)	(884,276)	(247,260)	637,016
FUND BALANCE:				
Beginning of year	1,068,116	1,068,116	1,068,116	-
End of year	<u>\$ 900,708</u>	<u>\$ 183,840</u>	<u>\$ 820,856</u>	<u>\$ 637,016</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Paratransit
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 64,867	\$ 64,867	\$ 18,628	\$ (46,239)
Total revenues	<u>64,867</u>	<u>64,867</u>	<u>18,628</u>	<u>(46,239)</u>
EXPENDITURES:				
Current:				
General government	-	-	4,180	(4,180)
Transportation	242,642	250,237	246,910	3,327
Total expenditures	<u>242,642</u>	<u>250,237</u>	<u>251,090</u>	<u>(853)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(177,775)</u>	<u>(185,370)</u>	<u>(232,462)</u>	<u>(47,092)</u>
OTHER FINANCING SOURCES:				
Transfers in	250,000	250,000	192,204	(57,796)
Total other financing sources	<u>250,000</u>	<u>250,000</u>	<u>192,204</u>	<u>(57,796)</u>
CHANGE IN FUND BALANCE	72,225	64,630	(40,258)	(104,888)
FUND BALANCE (DEFICIT):				
Beginning of year	(19,311)	(19,311)	(19,311)	-
End of year	<u>\$ 52,914</u>	<u>\$ 45,319</u>	<u>\$ (59,569)</u>	<u>\$ (104,888)</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Measure M
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 597,007	\$ 597,007	\$ 570,518	\$ (26,489)
Investment earnings	8,000	8,000	8,342	342
Total revenues	605,007	605,007	578,860	(26,147)
EXPENDITURES:				
Capital outlay	1,448,723	1,448,723	-	1,448,723
Total expenditures	1,448,723	1,448,723	-	1,448,723
CHANGE IN FUND BALANCE	(843,716)	(843,716)	578,860	1,422,576
FUND BALANCE:				
Beginning of year	1,590,821	1,590,821	1,590,821	-
End of year	\$ 747,105	\$ 747,105	\$ 2,169,681	\$ 1,422,576

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - AQMD
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 64,419	\$ 14,419
Investment earnings	-	-	349	349
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>64,768</u>	<u>14,768</u>
EXPENDITURES:				
Current:				
Transportation	35,000	35,000	-	35,000
Capital outlay	<u>50,000</u>	<u>50,000</u>	<u>36,000</u>	<u>14,000</u>
Total expenditures	<u>85,000</u>	<u>85,000</u>	<u>36,000</u>	<u>49,000</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(35,000)</u>	<u>(35,000)</u>	<u>28,768</u>	<u>63,768</u>
OTHER FINANCING USES:				
Transfers in	<u>35,000</u>	<u>35,000</u>	-	<u>(35,000)</u>
Total other financing uses	<u>35,000</u>	<u>35,000</u>	-	<u>(35,000)</u>
CHANGE IN FUND BALANCE	-	-	28,768	28,768
FUND BALANCE:				
Beginning of year	<u>241,957</u>	<u>241,957</u>	<u>241,957</u>	<u>-</u>
End of year	<u>\$ 241,957</u>	<u>\$ 241,957</u>	<u>\$ 270,725</u>	<u>\$ 28,768</u>

City of Culver City
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - Board of State and Community Corrections
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 205,086	\$ 205,086	\$ 254,338	\$ 49,252
Investment earnings	-	-	60	60
Total revenues	<u>205,086</u>	<u>205,086</u>	<u>254,398</u>	<u>49,312</u>
EXPENDITURES:				
Current:				
Police	<u>205,086</u>	<u>205,086</u>	<u>178,868</u>	<u>26,218</u>
Total expenditures	<u>205,086</u>	<u>205,086</u>	<u>178,868</u>	<u>26,218</u>
CHANGE IN FUND BALANCE	-	-	75,530	75,530
FUND BALANCE:				
Beginning of year	<u>118,094</u>	<u>118,094</u>	<u>118,094</u>	-
End of year	<u>\$ 118,094</u>	<u>\$ 118,094</u>	<u>\$ 193,624</u>	<u>\$ 75,530</u>

MAJOR AND NONMAJOR CAPITAL PROJECTS FUNDS

Major Capital Project Fund Includes:

Capital Improvement and Acquisition Fund - To account for capital projects that are not otherwise funded by a special revenue fund or other specifically identified by the sources of funding. Project funding is mainly from general revenues allocated by action of the City Council.

Capital Improvement Grants Capital Projects Fund - To account for grant funds awarded to the City by federal, state, and local agencies for capital improvements, and the eligible and qualified expenditures of these restricted funds.

Nonmajor Capital Project Fund Includes:

Cooperative Projects Fund - To account for former Redevelopment Agency unrestricted tax increment funds. These funds were transferred to the City under the 2011 Cooperation and Implementation Agreement (Agreement) and may only be used for qualified capital projects identified in the Agreement.

CDBG Capital Projects Fund - To account for Community Development Block Grant (CDBG) funds, and the qualified expenditures of these restricted funds for capital improvement projects. The fund was closed during the year ended June 30, 2020.

This page intentionally left blank.

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund - Capital Improvement and Acquisition
June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 253,996	\$ 253,996
Investment earnings	170,438	414,438	360,449	(53,989)
Capital contributions	-	15,000	15,000	-
Miscellaneous	6,033,421	6,275,016	-	(6,275,016)
Total revenues	<u>6,203,859</u>	<u>6,704,454</u>	<u>629,445</u>	<u>(6,075,009)</u>
EXPENDITURES:				
Current:				
Public works	-	-	325,112	(325,112)
Capital outlay	8,101,771	10,049,922	2,086,760	7,963,162
Total expenditures	<u>8,101,771</u>	<u>10,049,922</u>	<u>2,411,872</u>	<u>7,638,050</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,897,912)</u>	<u>(3,345,468)</u>	<u>(1,782,427)</u>	<u>1,563,041</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	5,876,567	6,539,817	619,000	(5,920,817)
Transfers out	(2,918,284)	(2,918,284)	-	2,918,284
Total other financing sources (uses)	<u>2,958,283</u>	<u>3,621,533</u>	<u>619,000</u>	<u>(3,002,533)</u>
CHANGE IN FUND BALANCE	1,060,371	276,065	(1,163,427)	(1,439,492)
FUND BALANCE:				
Beginning of year	2,909,759	2,909,759	2,909,759	-
End of year	<u>\$ 3,970,130</u>	<u>\$ 3,185,824</u>	<u>\$ 1,746,332</u>	<u>\$ (1,439,492)</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund - Capital Improvement Grants
June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 33,301,733	\$ 33,301,733	\$ 5,933,105	\$ (27,368,628)
Total revenues	<u>33,301,733</u>	<u>33,301,733</u>	<u>5,933,105</u>	<u>(27,368,628)</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	25,526,035	28,714,819	10,463,825	18,250,994
Total expenditures	<u>25,526,035</u>	<u>28,714,819</u>	<u>10,463,825</u>	<u>18,250,994</u>
CHANGE IN FUND BALANCE	<u>7,775,698</u>	<u>4,586,914</u>	<u>(4,530,720)</u>	<u>(9,117,634)</u>
FUND BALANCE (DEFICIT):				
Beginning of year	(3,279,706)	(3,279,706)	(3,279,706)	-
End of year	<u>\$ 4,495,992</u>	<u>\$ 1,307,208</u>	<u>\$ (7,810,426)</u>	<u>\$ (9,117,634)</u>

City of Culver City
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021

	Cooperative Projects	CDBG Capital Projects	Total
ASSETS			
Cash and investments	\$ 3,898,800	\$ -	\$ 3,898,800
Accounts receivables, net	1	-	1
Interest receivables	974,311	-	974,311
Note receivables, net	3,395,000	-	3,395,000
Due from other governments	-	289,858	289,858
Total assets	\$ 8,268,112	\$ 289,858	\$ 8,557,970
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 265	\$ 10,213	\$ 10,478
Deposits payable	113,245	-	113,245
Retention payable	-	14,493	14,493
Due to other funds	-	265,152	265,152
Total liabilities	113,510	289,858	403,368
Deferred inflows of resources:			
Unavailable grant revenues	-	289,858	289,858
Total deferred inflows of resources	-	289,858	289,858
Fund Balances:			
Restricted	8,154,602	-	8,154,602
Unassigned (deficit)	-	(289,858)	(289,858)
Total fund balances	8,154,602	-	7,864,744
Total liabilities, deferred inflows of resources and fund balances	\$ 8,268,112	\$ 579,716	\$ 8,557,970

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2021

	Cooperative Projects	CDBG Capital Projects	Total
REVENUES:			
Investment earnings	\$ 103,908	\$ -	\$ 103,908
Total revenues	103,908	-	103,908
EXPENDITURES:			
Current:			
Capital outlay	2,943	289,858	292,801
Total expenditures	2,943	289,858	292,801
CHANGES IN FUND BALANCES	100,965	(289,858)	(188,893)
FUND BALANCES:			
Beginning of year	8,053,637	-	8,053,637
End of year	\$ 8,154,602	\$ (289,858)	\$ 7,864,744

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund - Cooperative Projects
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment earnings	\$ 143,981	\$ 143,981	\$ 103,908	\$ (40,073)
Total revenues	<u>143,981</u>	<u>143,981</u>	<u>103,908</u>	<u>(40,073)</u>
EXPENDITURES:				
Current:				
General government	998,986	998,986	-	998,986
Capital outlay	2,231,243	2,231,243	2,943	2,228,300
Total expenditures	<u>3,230,229</u>	<u>3,230,229</u>	<u>2,943</u>	<u>3,227,286</u>
CHANGE IN FUND BALANCE	(3,086,248)	(3,086,248)	100,965	3,187,213
FUND BALANCE:				
Beginning of year	4,637,046	4,637,046	8,053,637	3,416,591
End of year	<u>\$ 1,550,798</u>	<u>\$ 1,550,798</u>	<u>\$ 8,154,602</u>	<u>\$ 6,603,804</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund - CDBG
June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 652,936	\$ 652,936	\$ -	\$ (652,936)
Total revenues	<u>652,936</u>	<u>652,936</u>	<u>-</u>	<u>(652,936)</u>
EXPENDITURES:				
Capital outlay	612,773	612,773	289,858	322,915
Debt service: Principal payments	5,000	5,000	-	5,000
Debt service: Interest and fiscal charges	25,435	25,435	-	25,435
Total expenditures	<u>643,208</u>	<u>643,208</u>	<u>289,858</u>	<u>353,350</u>
CHANGE IN FUND BALANCE	9,728	9,728	(289,858)	(299,586)
FUND BALANCE (DEFICIT):				
Beginning of year	-	-	-	-
End of year	<u>\$ 9,728</u>	<u>\$ 9,728</u>	<u>\$ (289,858)</u>	<u>\$ (299,586)</u>

INTERNAL SERVICE FUNDS

The Internal Service Fund accounts for financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis.

Internal Service Funds include:

Equipment Replacement Fund - Used to hold annual replacement payments from designated user departments and to use those funds to purchase equipment for general City purposes.

Equipment Maintenance Fund - Accounts for all activities of the City's central fleet maintenance operations, the costs of which are distributed among the designated user departments.

Risk Management Fund - Receives and disburses funds pertaining to the public liability and workers' compensation insurance programs. It also funds the Employee Disability (Injured On Duty) program for employee long-term work-related disabilities.

Central Stores Fund - Accounts for the timely purchase of needed materials, supplies and auto parts in advance of actual need. Departments are billed as items are issued for use.

City of Culver City
Combining Statement of Net Position
All Internal Service Funds
June 30, 2021

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
ASSETS					
Current assets:					
Cash and investments	\$ 7,267,701	\$ -	\$ 3,256,968	\$ -	\$ 10,524,669
Accounts receivables, net	8,640	27,578	20,261	-	56,479
Interest receivables	18,589	-	1,386	-	19,975
Due from other funds	-	-	5,670	669	6,339
Inventory	-	138,184	-	619,584	757,768
Total current assets	<u>7,294,930</u>	<u>165,762</u>	<u>3,284,285</u>	<u>620,253</u>	<u>11,365,230</u>
Noncurrent assets:					
Capital assets:					
Machinery and equipment	26,937,958	352,911	42,219	-	27,333,088
Less accumulated depreciation	<u>(18,236,414)</u>	<u>(320,091)</u>	<u>(42,219)</u>	<u>-</u>	<u>(18,598,724)</u>
Capital assets, net	<u>8,701,544</u>	<u>32,820</u>	<u>-</u>	<u>-</u>	<u>8,734,364</u>
Total noncurrent assets	<u>8,701,544</u>	<u>32,820</u>	<u>-</u>	<u>-</u>	<u>8,734,364</u>
Total assets	<u>15,996,474</u>	<u>198,582</u>	<u>3,284,285</u>	<u>620,253</u>	<u>20,099,594</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	-	1,073,068	275,179	-	1,348,247
Other postemployment benefits related amounts	-	72,417	14,340	-	86,757
Total deferred outflows of resources	<u>-</u>	<u>1,145,485</u>	<u>289,519</u>	<u>-</u>	<u>1,435,004</u>

(Continued)

City of Culver City
Combining Statement of Net Position (Continued)
All Internal Service Funds
June 30, 2021

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
LIABILITIES					
Current liabilities:					
Accounts payable	7,419	206,189	33,295	59,450	\$ 306,353
Salaries and benefits payable	-	123,308	93,128	-	216,436
Due to other funds	-	1,397,562	-	560,803	1,958,365
Compensated absences - due within one year	-	175,881	4,210	-	180,091
Claims payable - due within one year	-	-	3,944,154	-	3,944,154
Total current liabilities	<u>7,419</u>	<u>1,902,940</u>	<u>4,074,787</u>	<u>620,253</u>	<u>6,605,399</u>
Noncurrent liabilities:					
Compensated absences - due in more than one year	-	461,613	3,844	-	465,457
Claims payable - due in more than one year	-	-	12,615,835	-	12,615,835
Net pension liabilities	-	8,335,897	2,137,672	-	10,473,569
Net other postemployment benefits liabilities	-	1,642,210	325,190	-	1,967,400
Total noncurrent liabilities	<u>-</u>	<u>10,439,720</u>	<u>15,082,541</u>	<u>-</u>	<u>25,522,261</u>
Total liabilities	<u>7,419</u>	<u>12,342,660</u>	<u>19,157,328</u>	<u>620,253</u>	<u>32,127,660</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	-	65,106	16,696	-	81,802
Other postemployment benefits related amounts	-	834,306	165,209	-	999,515
Total deferred inflows of resources	<u>-</u>	<u>899,412</u>	<u>181,905</u>	<u>-</u>	<u>1,081,317</u>
NET POSITION					
Investment in capital assets	8,701,544	32,820	-	-	8,734,364
Unrestricted (deficit)	7,287,511	(11,930,825)	(15,765,429)	-	(20,408,743)
Total net position	<u>\$ 15,989,055</u>	<u>\$ (11,898,005)</u>	<u>\$ (15,765,429)</u>	<u>\$ -</u>	<u>\$ (11,674,379)</u>

(Concluded)

This page intentionally left blank.

City of Culver City
Combining Statement of Revenues, Expenses and Changes in Net Position
All Internal Service Funds
Year Ended June 30, 2021

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
OPERATING REVENUES:					
Sales and service charges	980,297	7,019,819	11,417,903	1,509,578	\$ 20,927,597
Miscellaneous	8,641	324	66,321	2,634	77,920
Total operating revenues	988,938	7,020,143	11,484,224	1,512,212	21,005,517
OPERATING EXPENSES:					
Salaries and benefits	-	4,404,501	2,455,188	-	6,859,689
Supplies	-	1,666,615	61,024	325,370	2,053,009
Repairs and maintenance	206,462	1,522,147	-	1,186,842	2,915,451
Insurance	-	100,943	2,422,148	-	2,523,091
Claims and settlements	-	-	6,738,045	-	6,738,045
Consulting and contractual services	-	62,874	562,368	-	625,242
Depreciation	2,287,900	18,183	-	-	2,306,083
Total operating expenses	2,494,362	7,775,263	12,238,773	1,512,212	24,020,610
OPERATING INCOME (LOSS)	(1,505,424)	(755,120)	(754,549)	-	(3,015,093)
NONOPERATING REVENUES:					
Investment earnings	7,563	-	(15,798)	-	(8,235)
Gain on sales of property	42,127	-	-	-	42,127
Total nonoperating revenues	49,690	-	(15,798)	-	33,892
CHANGES IN NET POSITION	(1,455,734)	(755,120)	(770,347)	-	(2,981,201)
NET POSITION (DEFICIT):					
Beginning of year	17,444,789	(11,142,885)	(14,995,082)	-	(8,693,178)
End of year	\$ 15,989,055	\$ (11,898,005)	\$ (15,765,429)	\$ -	\$ (11,674,379)

City of Culver City
Combining Statement of Cash Flows
All Internal Service Funds
Year Ended June 30, 2021

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from user departments	\$ 1,029,107	\$ 6,994,648	\$ 11,446,130	\$ 1,512,506	\$ 20,982,391
Receipts from operating revenue	8,641	324	66,321	2,634	77,920
Payments to suppliers for goods and services	(200,831)	(3,369,377)	(7,567,953)	(1,583,064)	(12,721,225)
Payments to employees	-	(4,607,796)	(2,403,533)	-	(7,011,329)
Net cash provided by (used in) operating activities	836,917	(982,201)	1,540,965	(67,924)	1,327,757
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash received from (paid to) other funds	-	998,293	(5,670)	67,924	1,060,547
Net cash provided by (used in) noncapital financing activities	-	998,293	(5,670)	67,924	1,060,547
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(752,733)	(16,092)	-	-	(768,825)
Capital grants	-	-	-	-	-
Proceeds from sale of capital assets	124,259	-	-	-	124,259
Net cash (used in) capital and related financing activities	(628,474)	(16,092)	-	-	(644,566)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	14,589	-	(11,162)	-	3,427
Net cash provided by investing activities	14,589	-	(11,162)	-	3,427
Net change in cash and cash equivalents	223,032	-	1,524,133	-	1,747,165
CASH AND CASH EQUIVALENTS:					
Beginning of year	7,044,669	-	1,732,835	-	8,777,504
End of year	<u>\$ 7,267,701</u>	<u>\$ -</u>	<u>\$ 3,256,968</u>	<u>\$ -</u>	<u>\$ 10,524,669</u>

City of Culver City
Combining Statement of Cash Flows (Continued)
All Internal Service Funds
Year Ended June 30, 2021

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
RECONCILIATION OF OPERATING INCOME					
(LOSS) TO NET CASH PROVIDED BY (USED IN)					
OPERATING ACTIVITIES:					
Operating income (loss)	\$ (1,505,424)	\$ (755,120)	\$ (754,549)	\$ -	\$ (3,015,093)
Depreciation	2,287,900	18,183	-	-	2,306,083
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
(Increase) decrease in accounts receivable	48,810	(25,171)	28,227	2,928	54,794
(Increase) decrease in inventories	-	(57,549)	-	(24,109)	(81,658)
(Increase) decrease in deferred outflows of resources:					
Pension related	-	37,531	9,625	-	47,156
OPEB related	-	36,247	7,263	-	43,510
Increase (decrease) in accounts payable	5,631	40,751	(127,984)	(46,743)	(128,345)
Increase (decrease) in accrued liabilities	-	510	56,710	-	57,220
Increase (decrease) in compensated absences	-	(267,005)	(31,227)	-	(298,232)
Increase (decrease) in net pension liabilities	-	309,312	79,321	-	388,633
Increase (decrease) in OPEB	-	(333,703)	(67,640)	-	(401,343)
Increase (decrease) in claims payable	-	-	2,343,616	-	2,343,616
(Increase) decrease in deferred inflows of resources:					
Pension related	-	(77,815)	(19,955)	-	(97,770)
OPEB related	-	91,628	17,558	-	109,186
Total adjustments	54,441	(245,264)	2,295,514	(67,924)	2,036,767
Net cash provided by (used in) operating activities	\$ 836,917	\$ (982,201)	\$ 1,540,965	\$ (67,924)	\$ 1,327,757

This page intentionally left blank.

AGENCY FUND FINANCIAL STATEMENTS

Treasurer's Trust Agency Fund - to account for refundable deposits entrusted with the City Treasurer/Finance.

Revitalization Corporation Agency Fund - A non-profit corporation created to allow certain funding to be expended on improvements to out-of-city properties adjacent to or abutting in-city properties in Component Area Number 2 of the Culver City Redevelopment Project Area. The fund is reported as part of the Successor Agency to the Culver City Redevelopment Agency Private Purpose Trust Fund effectively July 1, 2019.

This page intentionally left blank.

City of Culver City
Combining Statement of Agency Assets and Liabilities
Agency Funds
June 30, 2021

	Agency Funds		
	Treasurer's Trust	Revitalization Corporation	Total
ASSETS			
Cash and investments	\$ 11,623	\$ 61,357	\$ 72,980
Total assets	\$ 11,623	\$ 61,357	\$ 72,980
LIABILITIES			
Deposits	\$ 11,623	\$ 61,357	\$ 72,980
Total liabilities	\$ 11,623	\$ 61,357	\$ 72,980

City of Culver City
Combining Statement of Changes in Agency Assets and Liabilities
Agency Funds
Year Ended June 30, 2021

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
<u>Treasurer's Trust</u>				
Assets:				
Cash and investments	\$ 11,623	\$ -	\$ -	\$ 11,623
Total assets	\$ 11,623	\$ -	\$ -	\$ 11,623
Liabilities:				
Deposits payable	\$ 11,623	\$ -	\$ -	\$ 11,623
Total liabilities	\$ 11,623	\$ -	\$ -	\$ 11,623
<u>Revitalization Corporation</u>				
Assets:				
Cash and investments	\$ -	\$ 61,357	\$ -	\$ 61,357
Total assets	\$ -	\$ 61,357	\$ -	\$ 61,357
Liabilities:				
Deposits payable	\$ -	\$ 61,357	\$ -	\$ 61,357
Total liabilities	\$ -	\$ 61,357	\$ -	\$ 61,357
<u>Total All Agency Funds</u>				
Assets:				
Cash and investments	\$ 11,623	\$ 61,357	\$ -	\$ 72,980
Total assets	\$ 11,623	\$ 61,357	\$ -	\$ 72,980
Liabilities:				
Deposits payable	\$ 11,623	\$ 61,357	\$ -	\$ 72,980
Total liabilities	\$ 11,623	\$ 61,357	\$ -	\$ 72,980

Statistical Section





STATISTICAL SECTION

This page intentionally left blank.

City of Culver City
Description of Statistical Section Contents
June 30, 2021

This part of the City of Culver City's comprehensive annual 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:	Pages
Financial Trends - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	188 - 199
Revenue Capacity - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	200 - 205
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	206 - 210
Demographic and Economic Information - These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.	211 - 215
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and activities it performs.	217 - 220

City of Culver City
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016
Governmental activities					
Net investment in capital assets	\$ 151,247,364	\$ 143,056,650	\$ 143,775,699	\$ 138,194,791	\$ 136,967,403
Restricted	128,661,077	96,457,750	96,157,539	80,777,328	83,083,502
Unrestricted	12,084,442	21,999,556	33,896,113	(171,257,691)	(156,905,843)
Total governmental activities net position	<u>\$ 291,992,883</u>	<u>\$ 261,513,956</u>	<u>\$ 273,829,351</u>	<u>\$ 47,714,428</u>	<u>\$ 63,145,062</u>
Business-type activities					
Net investment in capital assets	\$ 51,007,687	\$ 50,787,094	\$ 55,216,555	\$ 54,690,405	\$ 57,051,460
Restricted	2,147,433	2,171,794	2,176,609	2,185,415	1,652,641
Unrestricted	34,373,274	33,449,555	31,679,756	(3,173,794)	(4,995,724)
Total business-type activities net position	<u>\$ 87,528,394</u>	<u>\$ 86,408,443</u>	<u>\$ 89,072,920</u>	<u>\$ 53,702,026</u>	<u>\$ 53,708,377</u>
Primary government					
Net investment in capital assets	\$ 202,255,051	\$ 193,843,744	\$ 198,992,254	\$ 192,885,196	\$ 194,018,863
Restricted	130,808,510	98,629,544	98,334,148	82,962,743	84,736,143
Unrestricted	46,457,716	55,449,111	65,575,869	(174,431,485)	(161,901,567)
Total primary government net position	<u>\$ 379,521,277</u>	<u>\$ 347,922,399</u>	<u>\$ 362,902,271</u>	<u>\$ 101,416,454</u>	<u>\$ 116,853,439</u>

Note: The City of Culver City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

City of Culver City
Net Position by Component(Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2017	2018	2019	2020	2021
Governmental activities					
Net investment in capital assets	\$ 144,639,910	\$ 162,634,242	\$ 174,897,818	\$ 174,821,730	\$ 187,808,665
Restricted	90,048,591	70,969,965	65,586,867	79,921,054	104,053,897
Unrestricted	(159,583,947)	(162,306,355)	(150,684,028)	(164,095,166)	(188,774,604)
Total governmental activities net position	<u>\$ 75,104,554</u>	<u>\$ 71,297,852</u>	<u>\$ 89,800,657</u>	<u>\$ 90,647,618</u>	<u>\$ 103,087,958</u>
Business-type activities					
Net investment in capital assets	\$ 72,309,196	\$ 71,580,562	\$ 72,974,924	\$ 74,664,009	\$ 76,208,363
Restricted	1,608,838	1,658,185	1,663,167	13,866	1
Unrestricted	(13,213,561)	(15,089,840)	(20,314,978)	(23,982,949)	(19,958,484)
Total business-type activities net position	<u>\$ 60,704,473</u>	<u>\$ 58,148,907</u>	<u>\$ 54,323,113</u>	<u>\$ 50,694,926</u>	<u>\$ 56,249,880</u>
Primary government					
Net investment in capital assets	\$ 216,949,106	\$ 234,214,804	\$ 247,872,742	\$ 249,485,739	\$ 264,017,028
Restricted	91,657,429	72,628,150	67,250,034	79,934,920	104,053,898
Unrestricted	(172,797,508)	(177,396,195)	(170,999,006)	(188,078,115)	(208,733,088)
Total primary government net position	<u>\$ 135,809,027</u>	<u>\$ 129,446,759</u>	<u>\$ 144,123,770</u>	<u>\$ 141,342,544</u>	<u>\$ 159,337,838</u>

Note: The City of Culver City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

City of Culver City
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016
Expenses					
Governmental activities:					
General government	\$ 12,279,581	\$ 8,445,889	\$ 7,862,533	\$ 22,383,141	\$ 13,358,925
Parks, recreation and community services	7,476,362	7,367,387	7,780,264	8,325,466	8,775,491
Police	29,939,290	30,336,287	33,869,176	32,806,197	36,045,013
Fire	18,048,628	18,077,245	19,179,679	19,167,988	20,374,502
Community development	28,707,314	9,661,939	10,013,569	10,460,975	13,645,410
Public works	16,484,258	11,360,132	11,789,014	14,477,308	12,586,907
Transportation	-	291,612	286,165	263,200	364,621
Capital outlay	-	-	-	-	-
Interest on long-term debt	3,786,951	74,649	47,962	11,520	-
Total governmental activities expenses	<u>116,722,384</u>	<u>85,615,140</u>	<u>90,828,362</u>	<u>107,895,795</u>	<u>105,150,869</u>
Business-type activities:					
Refuse disposal	10,605,613	10,841,375	11,549,661	11,783,785	11,192,703
Municipal bus lines	19,591,642	22,752,400	21,491,866	22,324,977	23,080,082
Sewer enterprise	7,834,922	7,401,222	9,357,548	9,765,471	9,875,998
Municipal fiber network	-	-	-	-	1,963
Internal service fund allocated to business-type activities	-	-	-	-	-
Total business-type activities expenses	<u>38,032,177</u>	<u>40,994,997</u>	<u>42,399,075</u>	<u>43,874,233</u>	<u>44,150,746</u>
Total primary government expenses	<u>154,754,561</u>	<u>126,610,137</u>	<u>133,227,437</u>	<u>151,770,028</u>	<u>149,301,615</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 325,001	\$ 556,792	\$ 1,479,181	\$ 2,238,222	\$ 3,420,061
Parks and recreation	2,398,033	2,448,788	2,660,125	2,926,314	2,981,697
Police	3,591,328	3,896,275	4,547,121	4,455,096	4,661,925
Fire	2,447,007	2,533,844	3,001,288	2,786,350	3,469,803
Community development	7,217,615	6,841,558	8,633,692	7,478,274	10,055,969
Public works	1,637,526	1,619,054	1,896,937	2,126,165	2,152,282
Transportation	-	4,352	5,009	5,776	4,348
Operating contributions and grants	8,667,062	6,844,461	6,577,663	6,077,562	6,887,267
Capital grants and contributions	4,182,936	4,991,312	2,493,998	2,825,117	1,195,595
Total governmental activities program revenues	<u>30,466,508</u>	<u>29,736,436</u>	<u>31,295,014</u>	<u>30,918,876</u>	<u>34,828,947</u>
Business-type activities:					
Charges for services:					
Refuse disposal	11,555,536	11,419,668	11,732,899	11,745,590	12,559,906
Municipal bus lines	3,803,136	4,011,320	3,796,169	3,760,517	3,582,271
Sewer enterprise	7,874,554	8,141,464	8,999,538	9,185,121	9,936,490
Municipal fiber network	-	-	-	-	-
Operating grants and contributions	15,087,791	14,496,326	15,781,669	15,906,511	16,165,460
Capital grants and contributions	11,066,909	1,938,724	4,224,835	729,378	1,220,528
Total business-type activities program revenues	<u>49,387,926</u>	<u>40,007,502</u>	<u>44,535,110</u>	<u>41,327,117</u>	<u>43,464,655</u>
Total primary government program revenues	<u>\$ 79,854,434</u>	<u>\$ 69,743,938</u>	<u>\$ 75,830,124</u>	<u>\$ 72,245,993</u>	<u>\$ 78,293,602</u>

Note: The City of Culver City implemented GASB 34 for the fiscal year ended 2003.

City of Culver City
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2017	2018	2019	2020	2021
Expenses					
Governmental activities:					
General government	\$ 14,990,643	\$ 26,854,930	\$ 17,862,641	\$ 18,343,391	\$ 26,649,962
Parks, recreation and community services	9,022,335	11,501,839	11,838,330	9,441,755	8,990,167
Police	40,121,314	45,463,577	45,771,756	49,820,605	44,928,502
Fire	23,019,797	26,764,984	27,136,117	27,388,529	26,962,832
Community development	24,698,337	13,250,693	13,649,676	16,239,189	15,711,383
Public works	12,948,758	14,132,972	15,572,218	16,024,316	15,459,474
Transportation	485,925	1,009,270	970,326	226,814	247,806
Capital outlay	-	-	-	-	38,053
Interest on long-term debt	-	-	-	-	-
Total governmental activities expenses	<u>125,287,109</u>	<u>138,978,265</u>	<u>132,801,064</u>	<u>137,484,599</u>	<u>138,988,179</u>
Business-type activities:					
Refuse disposal	12,254,241	14,811,894	15,905,856	17,502,230	15,436,971
Municipal bus lines	24,242,317	27,546,738	27,317,029	34,013,345	27,441,047
Sewer enterprise	9,076,812	8,144,996	9,583,110	9,276,555	8,719,314
Municipal fiber network	1,430,316	1,720,771	2,713,855	3,226,780	2,102,185
Internal service fund allocated to business-type activities	-	-	-	-	924,172
Total business-type activities expenses	<u>47,003,686</u>	<u>52,224,399</u>	<u>55,519,850</u>	<u>64,018,910</u>	<u>54,623,689</u>
Total primary government expenses	<u>172,290,795</u>	<u>191,202,664</u>	<u>188,320,914</u>	<u>201,503,509</u>	<u>193,611,868</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 2,465,017	\$ 5,100,366	\$ 5,590,272	\$ 4,942,337	\$ 1,758,493
Parks and recreation	3,099,475	3,510,388	3,771,176	2,281,142	1,765,446
Police	5,640,905	6,380,868	5,984,564	4,810,715	3,757,843
Fire	3,639,515	4,099,395	4,464,004	3,682,521	4,107,120
Community development	10,372,275	14,267,654	12,481,979	13,257,557	6,911,883
Public works	2,554,688	3,056,562	3,207,741	2,554,779	4,962,272
Transportation	4,426	30,193	67,263	140,424	-
Operating contributions and grants	5,200,729	5,936,262	6,660,280	7,630,779	13,829,191
Capital grants and contributions	6,235,656	4,659,933	2,668,902	4,065,265	11,631,573
Total governmental activities program revenues	<u>39,212,686</u>	<u>47,041,621</u>	<u>44,896,181</u>	<u>43,365,519</u>	<u>48,723,821</u>
Business-type activities:					
Charges for services:					
Refuse disposal	13,086,289	14,644,140	16,011,416	16,573,869	16,027,123
Municipal bus lines	3,188,558	3,041,100	2,908,933	2,594,270	1,024,500
Sewer enterprise	9,003,222	9,724,306	11,020,326	10,903,349	10,111,096
Municipal fiber network	-	-	35,655	245,650	2,612,865
Operating grants and contributions	25,844,886	19,329,775	20,011,475	22,143,916	27,188,192
Capital grants and contributions	1,621,358	1,272,523	510,463	5,665,166	2,218,360
Total business-type activities program revenues	<u>52,744,313</u>	<u>48,011,844</u>	<u>50,498,268</u>	<u>58,126,220</u>	<u>59,182,136</u>
Total primary government program revenues	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>	<u>\$ 95,394,449</u>	<u>\$ 101,491,739</u>	<u>\$ 107,905,957</u>

Note: The City of Culver City implemented GASB 34 for the fiscal year ended 2003.

City of Culver City
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016
Net (Expense)/Revenue					
Governmental activities	\$ (86,255,876)	\$ (55,878,704)	\$ (59,533,348)	\$ (76,976,919)	\$ (70,321,922)
Business-type activities	11,355,749	(987,495)	2,136,035	(2,547,116)	(686,091)
Total primary government net expense	<u>\$ (74,900,127)</u>	<u>\$ (56,866,199)</u>	<u>\$ (57,397,313)</u>	<u>\$ (79,524,035)</u>	<u>\$ (71,008,013)</u>
General Revenues and Other Changes in Net Position					
Governmental activities :					
Taxes					
Property taxes	\$ 22,211,508	\$ 8,674,103	\$ 7,308,615	\$ 10,009,164	\$ 10,627,556
Sales taxes	16,970,122	19,791,627	27,692,291	28,284,352	30,172,506
Utility users tax	14,363,708	14,518,808	14,839,873	14,774,331	14,544,069
Franchise taxes	1,271,563	1,399,727	1,449,956	1,516,279	1,408,672
Business license taxes	9,930,602	10,253,802	11,214,234	11,808,710	12,299,395
Transient occupancy taxes	3,781,092	5,195,349	5,608,151	6,699,816	7,572,077
Other taxes	555,444	743,702	1,313,693	1,374,938	1,228,747
Motor vehicle in lieu taxes (Intergov't revenue)	3,423,230	3,449,068	3,735,235	3,908,299	4,109,366
Use of money and property	802,047	1,446,295	2,070,913	1,280,825	849,088
Gain (Loss) on sale of capital assets	30,743	-	(293,338)	211	-
Other	1,261,723	731,825	342,257	14,781,529	617,494
Transfers	(343,073)	(398,441)	(760,438)	(919,357)	12,786
Transfers from fiduciary	-	-	-	-	2,310,800
Extraordinary gain - transfer of assets and liabilities to RDA Successor trust funds	167,852,017	-	-	-	-
Special Items	-	-	-	(12,541,852)	-
Total governmental activities	<u>\$ 242,110,726</u>	<u>\$ 65,805,865</u>	<u>\$ 74,521,442</u>	<u>\$ 80,977,245</u>	<u>\$ 85,752,556</u>
Business-type activities:					
Sales taxes- Measure R	\$ 1,700,105	\$ -	\$ -	\$ -	\$ -
Use of money and property	179,540	(16,248)	277,385	216,904	320,931
Other	306,834	346,317	342,457	300,209	384,297
(Loss) on sale of capital assets	-	-	-	-	-
Transfers	343,073	398,441	760,438	919,357	(12,786)
Total business-type activities	<u>2,529,552</u>	<u>728,510</u>	<u>1,380,280</u>	<u>1,436,470</u>	<u>692,442</u>
Total primary government	<u>\$ 244,640,278</u>	<u>\$ 66,534,375</u>	<u>\$ 75,901,722</u>	<u>\$ 82,413,715</u>	<u>\$ 86,444,998</u>
Change in Net Position					
Governmental activities	\$ 155,854,850	\$ 9,927,161	\$ 14,988,094	\$ 4,000,326	\$ 15,430,634
Business-type activities	13,885,301	(258,985)	3,516,315	(1,110,646)	6,351
Total primary government	<u>\$ 169,740,151</u>	<u>\$ 9,668,176</u>	<u>\$ 18,504,409</u>	<u>\$ 2,889,680</u>	<u>\$ 15,436,985</u>

Note: The City of Culver City implemented GASB Statement 34 for the fiscal year ended June 30, 2003.

City of Culver City
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2017	2018	2019	2020	2021
Net (Expense)/Revenue					
Governmental activities	\$ (86,074,423)	\$ (91,936,644)	\$ (87,904,883)	\$ (94,119,080)	\$ (90,264,358)
Business-type activities	5,740,627	(4,212,555)	(5,021,582)	(5,892,690)	4,558,447
Total primary government net expense	<u>\$ (80,333,796)</u>	<u>\$ (96,149,199)</u>	<u>\$ (92,926,465)</u>	<u>\$ (100,011,770)</u>	<u>\$ (85,705,911)</u>
General Revenues and Other Changes in Net Position					
Governmental activities :					
Taxes					
Property taxes	\$ 11,011,319	\$ 13,790,871	\$ 13,488,817	\$ 14,318,618	\$ 20,364,416
Sales taxes	29,997,495	31,162,345	32,402,882	33,606,943	37,830,897
Utility users tax	14,104,504	13,970,775	13,173,647	13,329,640	13,184,794
Franchise taxes	1,408,686	1,439,743	1,412,810	1,435,516	2,298,715
Business license taxes	13,373,055	13,168,013	13,991,391	14,599,849	15,895,304
Transient occupancy taxes	7,566,579	7,903,787	8,551,849	6,347,604	3,073,676
Other taxes	631,600	1,731,434	2,668,453	2,750,778	391,788
Motor vehicle in lieu taxes (Intergov't revenue)	4,475,719	4,764,501	5,086,293	5,541,021	6,087,286
Use of money and property	692,450	760,686	3,230,772	3,732,582	3,939,952
Gain (Loss) on sale of capital assets	-	-	-	-	-
Other	417,212	588,897	1,539,459	472,933	629,659
Transfers	(1,093,863)	(1,151,110)	(1,472,842)	(1,169,443)	(991,789)
Transfers from fiduciary	-	-	-	-	-
Extraordinary gain - transfer of assets and liabilities to RDA Successor trust funds	-	-	-	-	-
Special Items	11,599,118	-	-	-	-
Total governmental activities	<u>\$ 94,183,874</u>	<u>\$ 88,129,942</u>	<u>\$ 94,073,531</u>	<u>\$ 94,966,041</u>	<u>\$ 102,704,698</u>
Business-type activities:					
Sales taxes- Measure R	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	80,471	113,536	807,284	975,089	4,718
Other	411,639	392,343	2,199,819	119,971	-
(Loss) on sale of capital assets	(330,504)	-	-	-	-
Transfers	1,093,863	1,151,110	1,472,842	1,169,443	991,789
Total business-type activities	<u>1,255,469</u>	<u>1,656,989</u>	<u>4,479,945</u>	<u>2,264,503</u>	<u>996,507</u>
Total primary government	<u>\$ 95,439,343</u>	<u>\$ 89,786,931</u>	<u>\$ 98,553,476</u>	<u>\$ 97,230,544</u>	<u>\$ 103,701,205</u>
Change in Net Position					
Governmental activities	\$ 8,109,451	\$ (3,806,702)	\$ 6,168,648	\$ 846,961	\$ 12,440,340
Business-type activities	6,996,096	(2,555,566)	(541,637)	(3,628,187)	5,554,954
Total primary government	<u>\$ 15,105,547</u>	<u>\$ (6,362,268)</u>	<u>\$ 5,627,011</u>	<u>\$ (2,781,226)</u>	<u>\$ 17,995,294</u>

Note: The City of Culver City implemented GASB Statement 34 for the fiscal year ended June 30, 2003.

City of Culver City
Program Revenues By Revenue Function
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016
Function/Program					
Governmental activities:					
General government	\$ 561,872	\$ 2,689,305	\$ 3,455,983	\$ 4,195,371	\$ 4,860,813
Parks, recreation and community services	3,993,130	2,891,150	2,870,838	3,247,541	3,272,059
Police	4,280,253	4,481,542	5,337,377	5,254,336	5,258,049
Fire	2,447,007	2,777,379	3,230,169	2,867,360	3,647,791
Community development	9,353,786	9,228,830	10,580,562	9,174,202	13,009,788
Public Works	9,830,460	7,577,994	5,682,998	5,979,216	4,632,178
Transportation	-	90,236	137,087	200,850	148,269
Subtotal governmental activities	<u>30,466,508</u>	<u>29,736,436</u>	<u>31,295,014</u>	<u>30,918,876</u>	<u>34,828,947</u>
Business-type activities:					
Refuse disposal	12,299,423	11,442,218	11,772,165	11,796,339	12,604,319
Municipal bus lines	29,213,226	20,422,157	23,762,329	20,344,349	20,923,156
Sewer enterprise	7,875,277	8,143,127	9,000,616	9,186,429	9,937,180
Municipal fiber network	-	-	-	-	-
Subtotal business-type activities	<u>49,387,926</u>	<u>40,007,502</u>	<u>44,535,110</u>	<u>41,327,117</u>	<u>43,464,655</u>
Total primary government	<u>\$ 79,854,434</u>	<u>\$ 69,743,938</u>	<u>\$ 75,830,124</u>	<u>\$ 72,245,993</u>	<u>\$ 78,293,602</u>

City of Culver City
Program Revenues By Revenue Function (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2017	2018	2019	2020	2021
Function/Program					
Governmental activities:					
General government	\$ 3,865,385	\$ 6,609,126	\$ 7,708,839	\$ 7,549,835	\$ 6,820,173
Parks, recreation and community services	3,381,557	3,792,927	4,037,386	2,590,460	1,798,693
Police	6,127,591	7,218,778	6,712,644	5,557,882	4,307,949
Fire	3,745,887	4,411,810	4,564,864	3,734,458	4,586,726
Community development	12,256,628	16,714,423	14,686,222	15,364,424	8,711,092
Public Works	9,676,224	7,891,194	7,169,941	8,154,846	20,498,301
Transportation	159,414	403,363	16,285	413,614	2,000,887
Subtotal governmental activities	<u>39,212,686</u>	<u>47,041,621</u>	<u>44,896,181</u>	<u>43,365,519</u>	<u>48,723,821</u>
Business-type activities:					
Refuse disposal	13,086,289	14,760,456	16,039,981	16,763,476	16,147,998
Municipal bus lines	30,654,802	23,524,754	23,402,059	29,506,830	30,309,978
Sewer enterprise	9,003,222	9,726,634	11,020,573	10,903,509	10,111,295
Municipal fiber network	-	-	35,655	952,405	2,612,865
Subtotal business-type activities	<u>52,744,313</u>	<u>48,011,844</u>	<u>50,498,268</u>	<u>58,126,220</u>	<u>59,182,136</u>
Total primary government	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>	<u>\$ 95,394,449</u>	<u>\$ 101,491,739</u>	<u>\$ 107,905,957</u>

City of Culver City
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2013	2014	2015	2016
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	6,192,311	7,621,370	7,545,451	8,797,076	18,651,241
Restricted	-	-	-	-	-
Committed	-	-	30,189,148	34,909,456	37,778,333
Assigned	218,307	564,382	655,548	100,659	225,888
Unassigned	42,583,643	42,939,543	18,636,897	36,885,749	25,422,152
Total General Fund	<u>\$ 48,994,261</u>	<u>\$ 51,125,295</u>	<u>\$ 57,027,044</u>	<u>\$ 80,692,940</u>	<u>\$ 82,077,614</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds-RDA	-	-	-	-	-
Capital projects funds-CITY	-	-	-	-	-
Capital projects funds-RDA	-	-	-	-	-
Debt service funds	-	-	-	-	-
Non-Major funds - Special revenue funds	-	-	-	-	-
Non-Major funds - Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted (includes COOP)	128,661,077	95,927,506	95,919,140	80,663,848	81,872,220
Committed	-	-	-	-	14,114,312
Assigned	4,872,542	3,939,545	4,171,163	5,201,207	-
Unassigned	(1,357,834)	(332,930)	(1,787,933)	(2,639,282)	(2,116,848)
Total all other Governmental Funds	<u>\$ 132,175,785</u>	<u>\$ 99,534,121</u>	<u>\$ 98,302,370</u>	<u>\$ 83,225,773</u>	<u>\$ 93,869,684</u>

Note: This schedule has been modified pursuant to GASB Statement No. 54 which establishes the following classifications (effective FY2011) : nonspendable, restricted, committed, assigned and unassigned.

City of Culver City
Fund Balances, Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2017	2018	2019	2020	2021
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	14,390,734	14,262,847	15,246,847	15,739,306	14,766,327
Restricted	-	-	10,602,535	11,193,366	13,875,468
Committed	40,472,141	44,250,119	48,905,672	51,371,732	53,001,673
Assigned	98,046	121,839	102,866	5,731,509	5,234,293
Unassigned (deficit)	<u>22,009,527</u>	<u>22,127,231</u>	<u>20,709,758</u>	<u>18,381,515</u>	<u>21,930,270</u>
Total General Fund	<u>\$ 76,970,448</u>	<u>\$ 80,762,036</u>	<u>\$ 95,567,678</u>	<u>\$ 102,417,428</u>	<u>\$ 108,808,031</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds-RDA	-	-	-	-	-
Capital projects funds-CITY	-	-	-	-	-
Capital projects funds-RDA	-	-	-	-	-
Debt service funds	-	-	-	-	-
Non-Major funds - Special revenue funds	-	-	-	-	-
Non-Major funds - Capital projects funds	-	-	-	-	-
Nonspendable	29,508,555	-	-	-	-
Restricted (includes COOP)	63,126,537	76,659,696	70,657,761	68,582,916	66,608,238
Committed	13,543,461	16,488,882	20,467,461	23,190,384	23,570,191
Assigned	-	-	-	-	-
Unassigned (deficit)	<u>(4,338,625)</u>	<u>(1,500,668)</u>	<u>(2,047,587)</u>	<u>(4,011,524)</u>	<u>(8,997,368)</u>
Total all other Governmental Funds	<u>\$ 101,839,928</u>	<u>\$ 91,647,910</u>	<u>\$ 89,077,635</u>	<u>\$ 87,761,776</u>	<u>\$ 81,181,061</u>

Note: This schedule has been modified pursuant to GASB Statement No. 54 which establishes the following classifications (effective FY2011) : nonspendable, restricted, committed, assigned and unassigned.

City of Culver City
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2013	2014	2015	2016
Revenues					
Taxes	\$ 69,084,039	\$ 60,044,744	\$ 68,741,259	\$ 75,200,587	\$ 78,337,955
Licenses and permits	2,959,552	3,040,943	4,664,551	4,301,740	5,088,964
Fines and forfeitures	3,107,415	3,574,853	4,174,721	4,104,462	4,323,432
Investment income	1,168,004	2,852,792	3,451,821	2,958,972	2,315,628
Intergovernmental	17,639,544	11,926,258	10,453,476	11,932,021	11,641,261
Charges for services	11,331,314	10,063,004	11,937,412	12,589,262	15,994,025
Sale of land for resale	285,956	-	-	-	-
Other revenues	1,514,011	1,323,474	695,241	15,215,908	1,488,349
Total revenues	<u>107,089,835</u>	<u>92,826,068</u>	<u>104,118,481</u>	<u>126,302,952</u>	<u>119,189,614</u>
Expenditures					
General government	7,493,714	11,905,828	12,190,249	16,881,178	13,210,888
Parks, recreation and community services	6,682,893	6,762,595	7,178,243	7,736,234	7,761,720
Police	28,233,992	29,478,847	32,912,122	32,784,324	34,305,688
Fire	16,588,046	17,199,564	18,121,240	19,097,947	21,531,923
Community development	28,262,728	9,135,006	9,481,641	9,825,125	13,415,458
Public works & transportation	9,880,269	9,638,661	10,002,080	10,349,275	11,526,943
Capital outlay	13,962,974	5,551,098	5,620,204	6,260,467	7,426,995
Debt service					
Debt issuance costs	-	-	-	-	-
Principal payment	7,257,273	278,416	296,605	335,510	-
Interest and fiscal charges	5,275,844	74,649	47,962	11,520	-
SERAF payments	-	-	-	-	-
Pass-through payments	-	-	-	-	-
Payment of refunding bond escrow - prior issue	-	-	-	-	-
Total expenditures	<u>123,637,733</u>	<u>90,024,664</u>	<u>95,850,346</u>	<u>103,281,580</u>	<u>109,179,615</u>
Excess of revenues over (under) expenditures	<u>(16,547,898)</u>	<u>2,801,404</u>	<u>8,268,135</u>	<u>23,021,372</u>	<u>10,009,999</u>
Other Financing Sources (Uses)					
Capital contributions	-	-	-	-	-
Transfers in	18,698,313	3,193,169	3,474,210	5,322,403	15,769,002
Transfers out	(18,928,680)	(3,491,610)	(4,399,648)	(6,546,760)	(16,061,216)
Other financing sources					2,310,800
Long-term debt issued	-	-	-	-	-
Payment to refunded bond escrow - current issue	-	-	-	-	-
Original issue premium (discount)	-	-	-	-	-
Total other financing sources (uses)	<u>(230,367)</u>	<u>(298,441)</u>	<u>(925,438)</u>	<u>(1,224,357)</u>	<u>2,018,586</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	(8,459,809)	-	-	-	-
Special Items				(12,541,852)	-
Net change in fund balances	<u>\$ (25,238,074)</u>	<u>\$ 2,502,963</u>	<u>\$ 7,342,697</u>	<u>\$ 9,255,163</u>	<u>\$ 12,028,585</u>
Debt service as a percentage of noncapital expenditures (a)	11.0%	0.4%	0.4%	0.3%	0.0%

Note:

(a) Debt service as a percent of noncapital expenditures is restated as follows: The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the same as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance. Also only the principal and interest components of debt service expenditures are used in the calculation of the ratio of total debt service expenditures to noncapital

City of Culver City
Changes in Fund Balances, Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2017	2018	2019	2020	2021
Revenues					
Taxes	\$ 78,093,238	83,166,967	\$ 85,689,848	\$ 86,360,835	\$ 93,039,590
Licenses and permits	4,910,124	8,174,187	8,734,454	7,887,677	3,935,882
Fines and forfeitures	5,080,610	5,822,781	5,468,942	4,478,030	3,562,963
Investment income	1,827,323	2,198,158	5,433,125	6,165,210	3,948,187
Intergovernmental	13,531,055	16,672,290	13,898,876	14,315,212	26,484,519
Charges for services	16,461,731	21,358,952	19,366,008	17,315,109	15,764,212
Sale of land for resale	-	-	-	-	-
Other revenues	652,582	955,418	1,772,685	772,079	586,275
Total revenues	<u>120,556,663</u>	<u>138,348,753</u>	<u>140,363,938</u>	<u>\$ 137,294,152</u>	<u>\$ 147,321,628</u>
Expenditures					
General government	14,502,021	25,402,021	17,005,110	16,910,700	19,137,325
Parks, recreation and community services	8,273,036	9,153,817	9,838,098	9,117,856	8,333,075
Police	37,924,974	40,012,677	42,308,470	44,812,950	44,438,831
Fire	22,677,676	23,407,204	25,121,591	24,250,141	26,555,148
Community development	24,163,346	12,144,088	12,866,296	14,609,370	14,555,076
Public works & transportation	11,562,147	12,202,528	13,544,167	13,629,568	13,600,770
Capital outlay	12,945,681	21,275,738	15,971,997	7,268,707	19,915,983
Debt service					
Debt issuance costs	-	-	-	-	-
Principal payment	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
SERAF payments	-	-	-	-	-
Pass-through payments	-	-	-	-	-
Payment of refunding bond escrow - prior issue	-	-	-	-	-
Total expenditures	<u>132,048,881</u>	<u>143,598,073</u>	<u>136,655,729</u>	<u>130,599,292</u>	<u>146,536,208</u>
Excess of revenues over (under) expenditures	<u>(11,492,218)</u>	<u>(5,249,320)</u>	<u>3,708,209</u>	<u>6,694,860</u>	<u>785,420</u>
Other Financing Sources (Uses)					
Capital contributions	-	-	-	-	15,000
Transfers in	11,434,526	38,487,071	5,832,085	6,118,640	3,529,325
Transfers out	(12,528,389)	(39,638,181)	(7,304,927)	(7,288,083)	(4,521,114)
Other financing sources	-	-	-	8,474	1,257
Long-term debt issued	-	-	-	-	-
Payment to refunded bond escrow - current issue	-	-	-	-	-
Original issue premium (discount)	-	-	-	-	-
Total other financing sources (uses)	<u>(1,093,863)</u>	<u>(1,151,110)</u>	<u>(1,472,842)</u>	<u>(1,160,969)</u>	<u>(975,532)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	-				
Special Items	11,599,118	-	-	-	-
Net change in fund balances	<u>\$ (986,963)</u>	<u>\$ (6,400,430)</u>	<u>\$ 2,235,367</u>	<u>\$ 5,533,891</u>	<u>\$ (190,112)</u>
Debt service as a percentage of noncapital expenditures (a)	0.0%	0.0%	0.0%	0.0%	0.0%

Note:

(a) Debt service as a percent of noncapital expenditures is restated as follows: The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the same as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance. Also only the principal and interest components of debt service expenditures are used in the calculation of the ratio of total debt service expenditures to noncapital expenditures.

**City of Culver City
Tax Revenues by Source
Governmental Funds
(Modified Accrual Basis of Accounting)**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Utility Users Tax</u>	<u>Other Tax</u>	<u>Licenses, Permits</u>	<u>Fines, Forfeitures, Penalties</u>
2012	\$ 22,211,508	\$ 16,970,122	\$ 14,363,708	\$ 15,538,701	\$ 2,959,552	\$ 3,107,415
2013	8,674,103	19,791,627	14,518,808	17,060,206	3,040,943	3,574,853
2014	7,308,615	27,692,291	14,839,873	18,900,480	4,664,551	4,174,721
2015	10,009,164	28,284,352	14,774,331	22,132,740	4,301,740	4,104,462
2016	10,627,556	30,172,506	14,544,069	22,993,824	5,088,964	4,323,432
2017	11,011,319	29,997,495	14,104,504	22,979,920	4,910,124	5,080,610
2018	13,790,871	31,162,345	13,970,775	24,242,976	8,174,187	5,822,781
2019	13,488,817	32,402,882	13,173,647	26,624,502	8,734,454	5,468,942
2020	14,318,618	33,606,943	13,329,640	25,105,634	7,887,677	4,478,030
2021	20,364,416	37,830,897	13,184,794	21,659,483	3,935,882	3,562,963

City of Culver City
Tax Revenues by Source (Continued)
Governmental Funds
(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>Use of Money, Property</u>	<u>Revenue from other Agencies</u>	<u>Charges for Services</u>	<u>Sale of Property</u>	<u>Other</u>	<u>Total</u>
2012	\$ 1,168,004	\$ 17,639,544	\$ 11,331,314	\$ 285,956	\$ 1,514,011	\$ 107,089,835
2013	2,852,792	11,926,258	10,063,004	-	1,323,474	92,826,068
2014	3,451,821	10,453,476	11,937,412	-	695,241	104,118,481
2015	2,958,972	11,932,021	12,589,262	14,214,806	1,001,102	126,302,952
2016	2,315,628	11,641,261	15,994,025	-	1,488,349	119,189,614
2017	1,827,323	13,531,055	16,461,731	-	652,582	120,556,663
2018	2,198,158	16,672,290	21,358,952	-	955,418	138,348,753
2019	5,433,125	13,898,876	19,366,008	-	1,772,685	140,363,938
2020	6,165,210	14,315,212	17,315,109	-	772,079	137,294,152
2021	3,948,187	26,484,519	15,764,212	-	586,275	147,321,628

City of Culver City
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Secured Property	Nonunitary Utilities	Unsecured Property	Net (a) Total Taxable Assessed Value	Total Direct Tax % Rate (b)
2012	\$ 6,943,479,065	\$ 384,975	\$ 454,552,366	\$ 7,398,416,406	0.544%
2013	7,079,607,625	384,975	423,766,963	7,503,759,563	0.543%
2014	7,606,284,627	384,975	454,513,567	8,061,183,169	0.095%
2015	8,005,172,894	384,975	456,369,172	8,461,927,041	0.095%
2016	8,449,411,432	606,355	454,726,389	8,904,744,176	0.096%
2017	9,156,963,717	606,355	544,833,320	9,702,403,392	0.096%
2018	9,750,572,579	606,355	578,532,418	10,329,711,352	0.095%
2019	10,423,299,210	606,355	617,105,418	11,041,010,983	0.094%
2020	11,280,888,119	606,355	730,011,764	12,011,506,238	0.098%
2021	12,479,754,473	1,515,888	729,684,416	13,210,954,777	0.098%

Source: HdL Coren & Cone

Note:

- (a) Exemptions are netted directly against the individual property categories.
- (b) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

In 1978 the voters of the State of California passed Proposition 13 which limited 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 of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value 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.

City of Culver City
Direct and Overlapping Property Tax Rates
(Rate per \$100 of Assessed Values)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City's Share of 1% Levy Per Prop 13 (a)	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043
Development Rate	1.0037	-	-	-	-	-	-	-	-	-
Total Direct Tax Rate (b)	0.5444	0.5426	0.0946	0.0952	0.0957	0.0962	0.0950	0.0974	0.0979	0.0984
Direct & Overlapping Rates										
Basic Levy (c):										
City's Share of 1% Levy Per Prop 13	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043
Los Angeles County General	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471
Culver City Unified School District	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328
Educational Augmentation Fund Impound	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584
Educational Revenue Augmentation Fund	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641
Los Angeles Community College District	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320
Los Angeles County Library	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251
County Flood Control Maintenance	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107
County School Services Fund	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088
County Fire - FFW	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
Children's Institutional Tuition Fund	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030
Co. Flood Control District Imp Dist. Maint	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019
County School Services Fund	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015
Development Center Handicapped Minors	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010
Culver City Children's Center Fund	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006
LA Community College Children's Cntr Fund	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
LA Co West Vector Control Dist.	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
Co. Accumulative Capital Outlay	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Basic Levy	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
County Detention Facilities 1987 Debt	-	-	-	-	-	-	-	-	-	-
Culver City Unified	0.0352	0.0361	0.0314	0.0778	0.0717	0.0663	0.0649	0.0644	0.0495	0.0483
El Camino community college	0.0169	0.0185	0.0175	0.0174	0.0175	0.0229	0.0212	0.0222	0.0216	0.0236
Glendale Unified School District	0.1128	0.1214	0.1561	0.1499	0.1276	0.1135	0.1168	0.1308	0.0983	0.0929
Granddads 2008 2012 Series F	-	0.0112	-	-	-	-	-	-	-	-
Granddads Community college District	0.0353	0.0376	0.0445	0.0402	0.0358	0.0360	0.0460	0.0462	0.0272	0.0402
Granddads County Flood Control	-	-	-	-	-	-	-	-	-	-
Los Angeles Unified School District	0.1682	0.1756	0.1464	0.1469	0.1297	0.1311	0.1222	0.1232	0.1255	0.1399
Metropolitan Water District	0.0037	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
Total Direct & Overlapping (d) Tax Rates	1.3721	1.4039	1.3994	1.4357	1.3857	1.3733	1.3746	1.3904	1.3256	1.3485

Prepared by: HdL Coren & Cone

Notes:

City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City.

Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within.

Overlapping rates are those of local and county governments that apply to property owners within the City.

Not all overlapping rates apply to all city property owners.

**City of Culver City
Principal Property Taxpayers
Current Year and Nine Years Ago**

	<u>2021</u>		<u>2012</u>			
Total Net Assessed Value	<u>\$13,210,954,777</u>	<u>100.00%</u>	<u>\$ 7,398,416,406</u>	<u>100.00%</u>		
<u>Taxpayer</u>	<u>Net Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Net Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Lot, Inc.	\$ 518,535,596	1	3.93%	\$ 296,910,724	1	4.01%
Fox Hills Mall LLC/Westfield	229,333,143	2	1.74%	93,450,475	5	1.26%
LBA RV Company IX LP	174,731,338	3	1.32%			0.00%
Equity One Culver LLC	172,340,146	4	1.30%	65,141,558	9	0.88%
Ivy Station LLC	162,138,664	5	1.23%			0.00%
Sony Pictures Entertainment Inc.	154,165,729	6	1.17%	104,576,787	4	1.41%
Reep Ofc Corporate Pointe CA LLC	142,075,215	7	1.08%			0.00%
VCP CP Culver City LLC	119,646,000	8	0.91%			0.00%
900 CP Owner LLC	118,942,233	9	0.90%			0.00%
Higuera Office LLC	118,685,430	10	0.90%			0.00%
Symantec Corporation				123,763,623	2	1.67%
Transwestern Corporate Pointe LLC				106,859,905	3	1.44%
TCE Filmland Holdings LLC				91,175,033	6	1.23%
PCCP Studio City Los Angeles TCS				83,795,135	7	1.13%
Sy Culver City Portfolio Limited Partnership				72,372,546	8	0.98%
Raintree Realty LLC				56,423,906	10	0.76%
Total	<u>\$ 1,910,593,494</u>		<u>14.46%</u>	<u>\$ 1,094,469,692</u>		<u>14.79%</u>

Source: Los Angeles County Assessor 2020/21 Combined Tax Rolls

**City of Culver City
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (a)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount (b)	Percentage of Levy
2012	\$ 3,501,754	\$ 3,228,955	92.2%	\$ 211,908	\$ 3,440,863	98.3%
2013	3,567,169	3,279,095	91.9%	257,919	3,537,014	99.2%
2014	3,728,144	3,615,637	97.0%	83,828	3,699,465	99.2%
2015	3,967,342	3,927,081	99.0%	24,676	3,951,757	99.6%
2016	4,206,744	4,077,754	96.9%	76,381	4,154,135	98.7%
2017	4,502,642	4,351,205	96.6%	135,489	4,486,694	99.6%
2018	4,819,004	4,760,227	98.8%	32,365	4,792,592	99.5%
2019	5,034,210	4,868,637	96.7%	132,427	5,001,064	99.3%
2020	5,545,156	5,275,583	95.1%	225,575	5,501,158	99.2%
2021	5,958,387	5,172,380	86.8%	172,400	5,344,780	89.7%

Source: HdL Coren & Cone, Los Angeles County Assessor

Notes:

- (a) Prior year data has been revised to include Base Year Revenue. The amount of each year's levy does not include Increment Revenue or Debt Revenue of the Redevelopment Agency. The Redevelopment Agency is not a blended component unit of the City due to AB 1x 26 - Redevelopment Agencies Dissolution effective February 1, 2012.
- (b) Starting FY2008, penalty charges are excluded in total collections to date and delinquent taxes are reported by levy year rather than by collection year.
- (c) The decrease in percentage collected is the result of the State partial shift of financial responsibility for education funding to local governments by allocating local property tax revenues to Education Revenue Augmentation Fund (ERAF) directing that these local agency property taxes be deposited into funds to support schools.

City of Culver City
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities				Percentage of Personal Income (b)	Debt Per Capita (b)	
	Redevelopment Bonds	Capital Leases	Loans	Total Governmental Activities	Wastewater Revenue Bonds	Certificates of Participation	Capital Leases	Total Business-type Activities			Total Primary Government
2012	\$ -	\$ -	\$ 910,531	\$ 910,531	\$ 18,795,000	\$ 2,805,000	\$ -	\$ 21,600,000	\$ 22,510,531	1.4%	577
2013	-	-	632,115	632,115	18,075,000	2,160,000	-	20,235,000	20,867,115	1.3%	532
2014	-	-	335,510	335,510	17,335,000	1,480,000	-	18,815,000	19,150,510	1.1%	484
2015	-	-	-	-	16,575,000	760,000	-	17,335,000	17,335,000	1.0%	438
2016	-	-	-	-	15,785,000	-	-	15,785,000	15,785,000	0.9%	390
2017	-	-	-	-	14,970,000	-	-	14,970,000	14,970,000	0.8%	373
2018	-	-	-	-	14,120,000	-	-	14,120,000	14,120,000	0.8%	354
2019	-	-	-	-	13,235,000	-	-	13,235,000	13,235,000	0.7%	329
2020	-	-	-	-	22,875,525	-	-	22,875,525	22,875,525	1.1%	576
2021	-	-	-	-	22,330,677	-	-	22,330,677	22,330,677	1.0%	561

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

For the 10 years ending June 30, 2021, the City had no General Obligation Bonds.

- (a) Due to the dissolution of the Culver City Redevelopment Agency (CCRA) on February 1, 2012, all of the CCRA's debt has been moved to the Successor Agency (Fiduciary Fund)
- (b) See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

City of Culver City
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

City Assessed Valuation	\$ 6,086,969,624
Successor Agency Incremental Valuation	7,123,985,153
Total Net Taxable Assessed Valuation	<u>\$ 13,210,954,777</u>

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Overlapping Debt Repaid with Voter-Approved Property Taxes:			
Los Angeles County	\$ -		\$ -
Los Angeles County Flood Control District	-		-
Metropolitan Water District	13,101,783	0.829%	108,676
El Camino College District	442,085,305	0.004%	16,716
Los Angeles Community College District	4,405,250,000	1.371%	60,374,328
Culver City Unified School District	115,585,000	99.602%	115,125,168
Inglewood Unified School District	138,470,000	0.032%	44,093
Los Angeles Unified School District	10,709,685,000	0.007%	<u>755,967</u>
Subtotal, overlapping debt		2.90%	176,424,948
City direct debt		0.00%	<u>-</u>
Total direct and overlapping debt		2.90%	<u>\$ 176,424,948</u>

Source: HdL Coren & Cone, Los Angeles County Assessor 2020/2021 Combined Lien Date Tax Rolls

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Culver City. This process recognizes that, when considering the city'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. The overlapping debt represents 2.90% of the City's 2020/2021 assessed valuation or \$ 176.4 million.

**City of Culver City
Legal Debt Margin Information
Last Ten Fiscal Years**

	2012	2013	2014	2015	2016
Total assessed valuation	\$ 7,652,983,856	\$ 7,752,446,647	\$ 8,323,791,063	\$ 8,732,804,582	\$ 9,169,218,845
Debt Limit percentage	15%	15%	15%	15%	15%
Debt Limit	\$ 1,147,947,578	\$ 1,162,866,997	\$ 1,248,568,659	\$ 1,309,920,687	\$ 1,375,382,827
Amount of debt applicable to the limit:	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	<u>\$ 1,147,947,578</u>	<u>\$ 1,162,866,997</u>	<u>\$ 1,248,568,659</u>	<u>\$ 1,309,920,687</u>	<u>\$ 1,375,382,827</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: In accordance with California Government Code, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation. **For the 10 years ended June 30, 2021, the City was not obligated in any manner for general obligation bonds.**

City of Culver City
Legal Debt Margin Information (Continued)
Last Ten Fiscal Years

	2017	2018	2019	2020	2021
Total assessed valuation	\$9,949,044,594	\$ 10,555,362,319	11,323,006,988	12,281,599,213	13,423,021,867
Debt Limit percentage	15%	15%	15%	15%	15%
Debt Limit	\$1,492,356,689	\$ 1,583,304,348	\$ 1,698,451,048	\$1,842,239,882	\$ 2,013,453,280
Amount of debt applicable to the limit:	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	<u>\$1,492,356,689</u>	<u>\$ 1,583,304,348</u>	<u>\$ 1,698,451,048</u>	<u>\$1,842,239,882</u>	<u>\$ 2,013,453,280</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: In accordance with California Government Code, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation. **For the 10 years ended June 30, 2021, the City was not obligated in any manner for general obligation bonds.**

City of Culver City Pledge-Revenue Coverage Last Ten Fiscal Years

Fiscal Year	Wastewater Facilities Revenue Bonds (b)								Tax Allocation Bonds			
	Utility Service Charges	Interest Earnings (a)	Less: Operating Expenses	Net Available Revenue	Debt Service			Tax Increment Collections	Debt Service			
					Principal	Interest	Coverage		Principal	Interest	Coverage	
2012	\$ 7,863,788	\$ 135,302	\$ 5,280,044	\$ 2,719,046	\$ 700,000	\$ 895,550	1.70	16,254,000 (c)	6,995,000	5,168,751	1.34	
2013	8,087,378	15,288	4,870,305	3,232,361	720,000	876,000	2.03	-	-	-	-	
2014	8,955,665	182,820	6,908,976	2,229,509	740,000	854,100	1.40	-	-	-	-	
2015	9,148,771	143,890	7,305,113	1,987,548	760,000	830,650	1.25	-	-	-	-	
2016	9,899,422	157,496	7,432,671	2,624,247	790,000	804,475	1.65	-	-	-	-	
2017	8,966,730	53,257	6,524,897	2,495,090	815,000	773,431	1.57	-	-	-	-	
2018	9,722,970	92,353	5,762,856	4,052,467	850,000	739,213	2.55	-	-	-	-	
2019	11,019,497	524,297	7,255,209	4,288,585	885,000	700,650	2.70	-	-	-	-	
2020	10,903,349	712,362	6,783,730	4,831,981	925,000	754,258	2.88	-	-	-	-	
2021	10,111,096 (d)	(17,837)	6,144,619	3,948,640	425,000	856,175	3.08	-	-	-	-	

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest expense, depreciation, or amortization expenses.

(a) Per the Wastewater Facilities Revenue Bond covenant, interest earnings are included when computing net available revenue for bond compliance purposes.

(b) The 1999 Wastewater Facilities Revenue Bonds were issued on December 8, 1999. The 1999 Bonds were defeased and replaced by the 2009 Bonds issued on July 21, 2009. By November 2019, the 2009 Bonds were paid off and replaced by 2019 Bonds.

(c) Due to the dissolution of the Culver City Redevelopment Agency (CCRA) on February 1, 2012, Tax Increment collections are through January 31, 2012.

(d) The investment earning of (\$17,837) was caused by the reversal of the \$403,008 FMV gain for FY212019-20, which exceeded the \$126,162 FMV gain for FY2020-21.

City of Culver City
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate
2011	39,004	\$ 1,573,382	\$ 40,339	8.5%
2012	39,210	1,666,111	42,492	6.3%
2013	39,579	1,710,881	43,227	5.2%
2014	39,597	1,759,809	44,443	6.1%
2015	40,448	1,802,070	44,552	4.9%
2016	40,103	1,835,056	45,758	3.8%
2017	39,860	1,849,593	46,402	3.3%
2018	40,173	1,942,963	48,364	4.4%
2019	39,705	2,032,826	51,198	4.1%
2020	39,805	2,256,856	56,697	10.8%

Source: HDL 2020-21 ACFR Statistical Basic Package for City of Culver City

**City of Culver City
Principal Employers
Last Ten Fiscal Years**

Employer	2012			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	6,000	1	26.55%	6,000	1	25.75%
Westfield Shoppingtown-Fox Hills						
Goldrich & Kest Industries, LLC	1,100	2	4.87%	1,100	2	4.72%
Southern CA Hospital (Brontman Medical Ctr)	860	4	3.81%	860	4	3.69%
Culver City Unified School District	1,084	3	4.80%	1,084	3	4.65%
Symantec				800	5	3.43%
City of Culver City	644	5	2.85%	638	6	2.74%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists	400	6	1.77%	400	7	1.72%
West Los Angeles College						
NFL Media						
Target	400	7	1.77%	400	8	1.72%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center	300	8	1.33%	300	9	1.29%
Moldex-Metric	300	9	1.33%	300	10	1.29%
JC Penny	274	10	1.21%			
Beats by Dre/Apple, Inc.						
Total Top 10 Employers	<u>11,362</u>		<u>50.27%</u>	<u>11,882</u>		<u>51.00%</u>
Total City Labor Force (1)	<u>22,600</u>			<u>23,300</u>		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2014			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,200	1	12.90%	3,200	1	12.92%
Westfield Shoppingtown-Fox Hills						
Goldrich & Kest Industries, LLC	717	6	2.89%	717	6	2.90%
Southern CA Hospital (Brontman Medical Ctr)	1,000	2	4.03%	1,000	2	4.04%
Culver City Unified School District	771	4	3.11%	771	4	3.11%
Symantec	900	3	3.63%	900	3	3.63%
City of Culver City	760	5	3.06%	767	5	3.10%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists						
West Los Angeles College	575	7	2.32%	575	7	2.32%
NFL Media	500	8	2.02%	500	8	2.02%
Target	475	9	1.92%	475	9	1.92%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center						
Moldex-Metric						
JC Penny						
Beats by Dre/Apple, Inc.	450	10	1.81%	411	10	1.66%
Total Top 10 Employers	<u>8,898</u>		<u>37.69%</u>	<u>9,316</u>		<u>37.62%</u>
Total City Labor Force (1)	<u>24,800</u>			<u>24,761</u>		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2016			2017		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,400	1	14.98%	3,000	1	12.24%
Westfield Shoppingtown-Fox Hills				1,500	2	6.12%
Goldrich & Kest Industries, LLC	717	6	3.16%	700	5	2.86%
Southern CA Hospital (Brontman Medical Ctr)	1,167	2	5.14%	720	4	2.94%
Culver City Unified School District	760	4	3.35%	760	3	3.10%
Symantec	700	5	3.08%	700	5	2.86%
City of Culver City	871	3	3.84%	650	6	2.65%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists						
West Los Angeles College	600	7	2.64%	600	7	2.45%
NFL Media	525	8	2.31%	525	9	2.14%
Target	575	9	2.53%	575	8	2.35%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center						
Moldex-Metric						
JC Penny						
Beats by Dre/Apple, Inc.	460	10	2.03%	500	10	2.04%
Total Top 10 Employers	9,775		43.06%	10,230		41.76%
Total City Labor Force (1)	22,700			24,500		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2018			2019		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,000	1	11.66%	3,563	1	14.43%
Westfield Shoppingtown-Fox Hills	1,550	2	6.03%	1,539	2	6.23%
Goldrich & Kest Industries, LLC	675	6	2.62%	675	7	2.73%
Southern CA Hospital (Brontman Medical Ctr)	730	5	2.84%	1,121	3	4.54%
Culver City Unified School District	750	4	2.92%	870	4	3.52%
Symantec	550	9	2.14%			
City of Culver City	800	3	3.11%	823	6	3.33%
Metric Products				11	10	0.04%
Radisson Hotel				145	9	0.59%
Kaiser Permanente						
Security Industry Specialists						
West Los Angeles College	625	7	2.43%	833	5	3.37%
NFL Media	515	10	2.00%			
Target	590	8	2.29%	531	7	2.15%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center						
Moldex-Metric				360	8	1.46%
JC Penny						
Beats by Dre/Apple, Inc.	490		1.90%			
Total Top 10 Employers	10,275		39.94%	10,471		42.42%
Total City Labor Force (1)	25,725			24,686		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2020			2021		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,000	1	11.63%	3,000	1	11.92%
Westfield Shoppingtown-Fox Hills	1,500	2	5.81%	1,500	2	5.96%
Goldrich & Kest Industries, LLC	670	7	2.60%	670	8	2.66%
Southern CA Hospital (Brontman Medical Ctr)	1,116	3	4.33%	1,116	3	4.44%
Culver City Unified School District	800	4	3.10%	800	6	3.18%
Symantec	373	9	1.45%			
City of Culver City	798	5	3.09%	808	5	3.21%
Metric Products	4			4		
Radisson Hotel /Doubletree	42			68		
Kaiser Permanente				84		
Security Industry Specialists	291	10	1.13%			
West Los Angeles College				739	7	2.94%
NFL Media	692	6	2.68%	957	4	3.80%
Target	484	8	1.88%	507	9	2.02%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center	131			159	10	0.63%
Moldex-Metric	263					
JC Penny	189			143		
Beats by Dre/Apple, Inc.						
Total Top 10 Employers	<u>10,353</u>		<u>37.69%</u>	<u>10,555</u>		<u>40.76%</u>
Total City Labor Force (1)	<u>25,803</u>			<u>25,160</u>		

Source: Finance Department

City of Culver City
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General government	68	68	68	69	68	75	73	74	78	83
Parks, recreation and community services	30	31	31	31	31	32	33	33	33	33
Police	153	156	157	157	160	162	150	150	159	156
Fire	69	71	69	71	72	72	72	72	79	79
Community development	52	36	36	36	36	37	39	40	40	46
Public works	49	48	48	49	51	53	53	54	56	58
Grants operating	9	7	6	6	6	7	7	8	8	6
Internal service	41	41	41	42	43	43	44	44	44	37
Refuse	40	40	40	41	42	46	46	50	50	52
Transit	122	129	129	151	152	153	155	157	160	161
Sewer	11	11	11	11	11	12	12	12	12	12
Total	<u><u>644</u></u>	<u><u>638</u></u>	<u><u>636</u></u>	<u><u>663</u></u>	<u><u>673</u></u>	<u><u>692</u></u>	<u><u>684</u></u>	<u><u>694</u></u>	<u><u>718</u></u>	<u><u>721</u></u>

Source: City Budget Office

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

City of Culver City
Operating Indicators by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016
General government					
Building permits issued	2,240	2,488	2,336	2,756	3,029
Building inspections conducted	8,209	9,590	9,609	10,925	12,614
Police					
Arrestees Processed	1,372	1,491	1,611	1,239	1,242
Parking citations	30,705	37,236	37,681	38,681	40,009
Traffic citations	12,414	19,027	10,028	9,003	8,981
Fire					
Emergency responses	4,471	4,681	4,969	5,375	5,684
Fire Emergency Incidents	194	197	210	215	215
Commercial Fire Safety Inspections	2,106	2,653	2,742	2,810	2,800
Refuse collection					
Residential Refuse & Greenwaste collected (tons per day)	43	42	42	43	43
Commercial Refuse Collected (tons per day)	121	143	143	130	141
Responses to Customer Service Requests	200	120	120	120	120
Public Works					
Traffic Engineering Investigations	4,619	4,601	4,601	4,685	4,721
Tons of Asphalt Placed	300	325	325	230	207
Damaged Sidewalk removed/replaced (sq ft)	8,040	8,100	8,100	10,084	9,103
Trees Trimmed	3,172	3,200	3,200	4,958	4,350
Parks and recreation					
Park picnic permits issued	963	1,300	1,276	1,026	933
Participation in Youth Sports	3,500	5,345	5,328	4,950	4,480
Participation in Adults Sports	44,200	36,800	43,766	45,456	48,312
Transit - Municipal buses					
Total service miles	1,497,434	1,585,103	1,589,108	1,593,248	1,658,913
Passengers	5,331,071	5,550,045	5,416,010	4,979,334	5,653,192

Source: Annual Budgets and various city departments.

City of Culver City
Operating Indicators by Function (Continued)
Last Ten Fiscal Years

	2017	2018	2019	2020	2021
General government					
Building permits issued	2,930	2,954	3,023	2,548	2,752
Building inspections conducted	12,948	12,638	14,212	14,318	11,781
Police					
Arrestees Processed	1,166	2,513	1,986	1,451	947
Parking citations	36,961	41,038	39,081	28,713	11,414
Traffic citations	5,347	8,612	6,106	3,100	3,205
Fire					
Emergency responses	6,106	6,857	6,753	6,505	6,236
Fire Emergency Incidents	206	270	221	250	299
Commercial Fire Safety Inspections	3,032	2,929	2,825	2,781	2,802
Refuse collection					
Residential Refuse & Greenwaste collected (tons per day)	43	41	40	44	46
Commercial Refuse Collected (tons per day)	105	76	85	84	76
Responses to Customer Service Requests	150	150	88	83	86
Public Works					
Traffic Engineering Investigations	4,816	4,782	4,800	5,202	5,420
Tons of Asphalt Placed	555	85	128	119	1,751
Damaged Sidewalk removed/replaced (sq ft)	32,795	3,620	4,052	2,000	13,540
Trees Trimmed	3,938	3,106	3,517	3,209	3,518
Parks and recreation					
Park picnic permits issued	1,018	1,148	1,114	523	83
Participation in Youth Sports	10,984	32,333	34,021	15,601	193,186
Participation in Adults Sports	49,572	57,295	52,727	87,718	47,784
Transit - Municipal buses					
Total service miles	1,686,317	1,658,633	1,656,768	1,551,211	1,443,703
Passengers	5,070,970	4,864,138	4,600,876	3,388,031	1,692,993

Source: Annual Budgets and various city departments.

City of Culver City
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	26	25	27	21	21	23	23	28	31	28
Motorcycle units	13	11	13	14	11	11	11	7	8	8
Detective Units	30	30	34	38	38	38	38	39	32	29
Parking Enforcement Units	8	8	8	9	8	8	8	11	11	11
Fire stations	3	3	3	3	3	3	3	3	3	3
Refuse collection										
Collection trucks	19	22	22	22	22	22	22	23	23	23
Other public works										
Streets (miles)	119.6	119.6	119.6	119.6	119.6	119.6	119.6	119.6	120	120
Highways (miles)	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2	2
Streetlights	3,596	3,596	3,596	3,596	3,596	3,661	3,653	3,654	3,655	3,681
Traffic signals	104	104	104	105	105	106	106	107	108	108
Parks and recreation										
Acreage	100	100	100	100	100	100	100	100	92	92
Community parks	8	8	8	8	8	8	8	8	2	1
Neighborhood parks	6	6	6	6	6	6	4	4	7	10
Mini parks	4	4	4	4	4	4	2	2	5	2
Wastewater										
Sanitary sewers (miles)	90	90	90	90	90	90	90	91	91	91
Pumping (lift) stations	7	7	7	7	7	7	7	7	7	7
Transit - Municipal buses	52	52	52	54	54	56	56	54	54	54

Source: Various city departments