








# CITY OF CULVER CITY

## Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

# City of Culver City, California

## Comprehensive Annual Financial Report

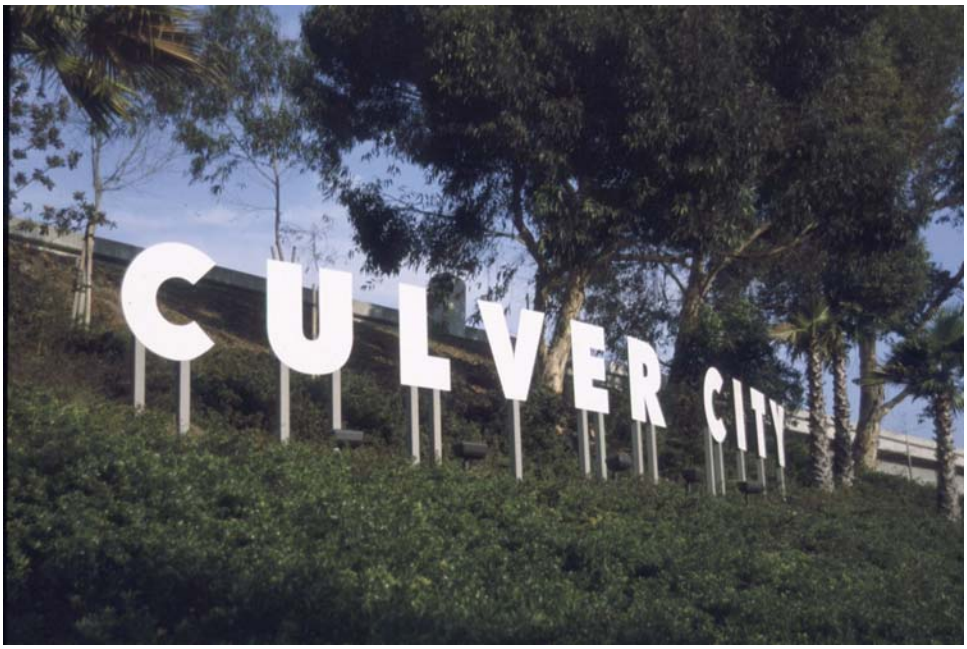
For the Fiscal Year Ended June 30, 2020

Prepared by:

Finance Department


CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# Introductory Section




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# City of Culver City
## Comprehensive Annual Financial Report
## For the Year Ended June 30, 2020

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Culver CITY

FINANCE DEPARTMENT

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December 29, 2020

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

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Culver City for the fiscal year ended June 30, 2020. 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 The Pun Group, 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, 2020, 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, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

This CAFR 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 CAFR.

**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 60,000[1]. 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

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

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.

**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 at an annual rate of 2.1% in the fourth quarter of 2019 according to the third estimate released by the Bureau of Economic Analysis. In the third quarter of 2019, real GDP also increased 2.1%. On September 18, 2019, the Federal Reserve cut the target range for its benchmark interest rate by 0.25%. It was the second time the Fed had cut rates in 2019, and part of an ongoing attempt to keep the economic expansion from slowing amid many signs that a slowdown had already begun. Then at the beginning of 2020, the global Coronavirus (COVID-19) pandemic brought our economy to a screeching halt and the Fed cut interest rates even further on March 15, 2020, in a dramatic move to near 0%. According to Clear Capital, which supplies average home prices for metro areas across the U.S., home prices rose 5.7% in 2019, compared with an increase of 7.4% in 2018. According to Attom Data Solutions, a property database provider, the median home price increased 6.2% in 2019, hitting an all-time high of $258,000. The political climate continues to pose uncertainty on the national economic outlook due in part to contentious federal trade policies, and major projections have the economy growing with a tepid GDP growth

and recovery within the next year or two. We will be cautiously monitoring these critical political decisions and their effect on our 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 ranging from traditional retail and manufacturing businesses to a major film studio. Mainstay firms such as Costco, Westfield-Culver City Mall and Sony Pictures Entertainment occupy a traditional niche as large institutional property owners, tax producers and employers. Additions to the business community also include Amazon, which has taken occupancy at the Culver Steps, as well as Apple which has occupied creative office space at the corner of Washington and National Boulevards.

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 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.

In the U.S., the first Coronavirus (COVID-19) infection case was reported in January 2020 and by March 2020 the COVID-19 infection spread quickly across the US. The fast advancing COVID-19 pandemic brought our economy to a screeching halt. The United States Congress and the Senate passed a $2 trillion stimulus aid bill in March 2020 to assist those citizens and businesses negatively impacted by the pandemic. Governor Gavin Newsome of California declared a State of emergency on March 4, 2020 to help the state plan and prepare for a broader spread of the COVID-19. The City Manager of Culver City issued a Proclamation of Local Emergency as a response to the outbreak and spread of COVID-19. In March of 2020, downtown Culver City was visibly quiet and empty as non-essential businesses were shut down and essential businesses could only operate with limited capacity. For example, bars, nightclubs, wineries, brewpubs, sports and recreation areas were closed in the state until further notice. Restaurants could be open for take-out, delivery or drive-thru only with enforced social distancing measures maintaining a least six (6) feet distance with a facial mask covering required. In addition, in March 2020, under the "Safer at Home" emergency order, residents were required to stay inside their homes unless engaged in certain "essential activities" while practicing social distancing and wearing a mask. Starting April 2020, following directives from Governor Gavin Newsom and the Los Angeles County Superintendent, public students were directly affected by the pandemic as public schools in Los Angeles County were closed. Small businesses which relied on physical retail sales were financially devastated as sales pummeled by the lock downs mandated during the pandemic. Consequently, the local economy directly experienced a significant corresponding shortfall in Transient Occupancy Tax (TOT), Charge for Services and License and Permit revenues for the City.

**Major Initiatives and Improvements for Fiscal Year 2019-2020**

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 deficit still existed. 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 FY2019-20 to solidify the City's financial position. Measure Y is set to automatically expire in 2023 if not extended by voters. This year City Council approved the ballot measure to extend and amend the expiration date from March 31, 2023 to March 31. 2033 for inclusion in the special election to be held on March 3, 2020. In the special election on March 3, 2020, voters approved the local half-percent sales tax (Measure CC) which expires in March of 2033. additional quarter-cent sales tax (Measure C) was approved in November 6, 2018, which went into effect beginning April 1, 2019 and is expected to generate an estimated $5 million per year and the City received $4.48 million during FY2019-20.

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 $10,000,000 and above. Measure RE would not apply to sales under $1,500,000, affordable housing, and first transfer of new multi-family properties. It is anticipated that this tax will provide the City with an additional $6,000,000 or more in revenue.

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

The original FY 2019/2020 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 cost 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 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. Continue with 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 down- town 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, will 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, customer leases, and Internet Service Providers to enhance broadband service

    b. Implement a Wi-Fi strategy leveraging the municipal fiber instrastructure to extend the City's Wi-Fi to municipal locations

    c. Continue the construction of Bankfield Pump Station

    d. Completed a new building for the Recreation Staff to supervise the Skate Park. Building plans include a single unisex restroom for use by the Recreation staff and the public.

3. Internal Operational Improvements
    a. Continue to implement and replace for existing timekeeping software

    b. Continue to work with consultant 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**

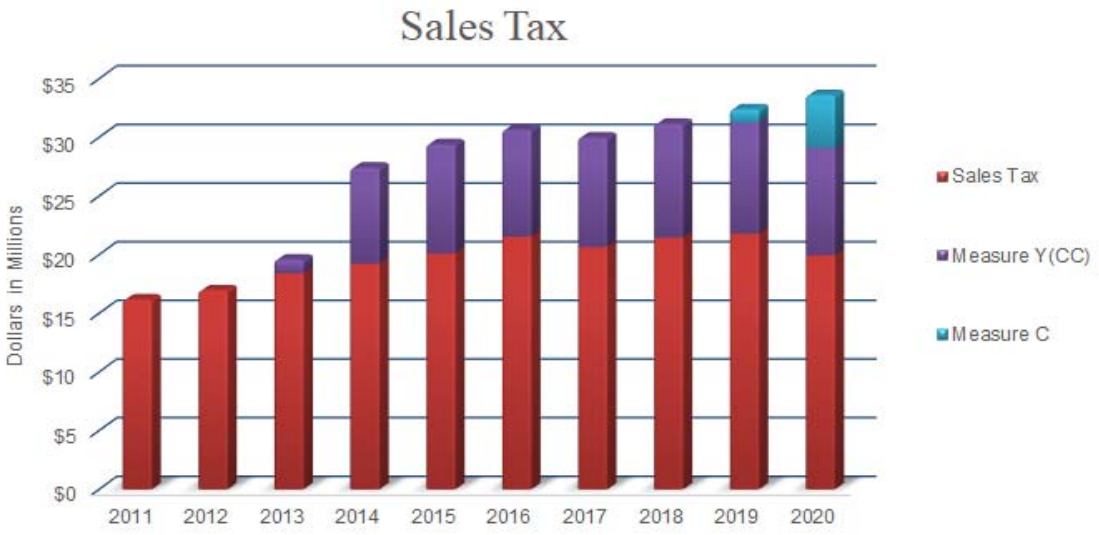
Major sources of General Fund revenue for the City include Sales Tax, Business Tax, Utility User Tax (UUT), Property Tax and Transient Occupancy Tax (TOT).

**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. Despite the City's diverse economic base, the City's sales taxes decreased in FY2019-20 due to the Coronavirus (COVID-19) pandemic. In March of 2020, the downtown of the City of Culver City was visibly very quiet as non-essential businesses were shut down and essential businesses could conduct business with limited capacity. Small businesses which relied on physical retail sales got pummeled by the lock downs during the pandemic.

Sales tax accounted for 17.0% of General Fund revenue for FY2019-20, closing the year at $20 million. With Measure Y taking effect in April 2013, FY2019-20 was the seventh full year of the

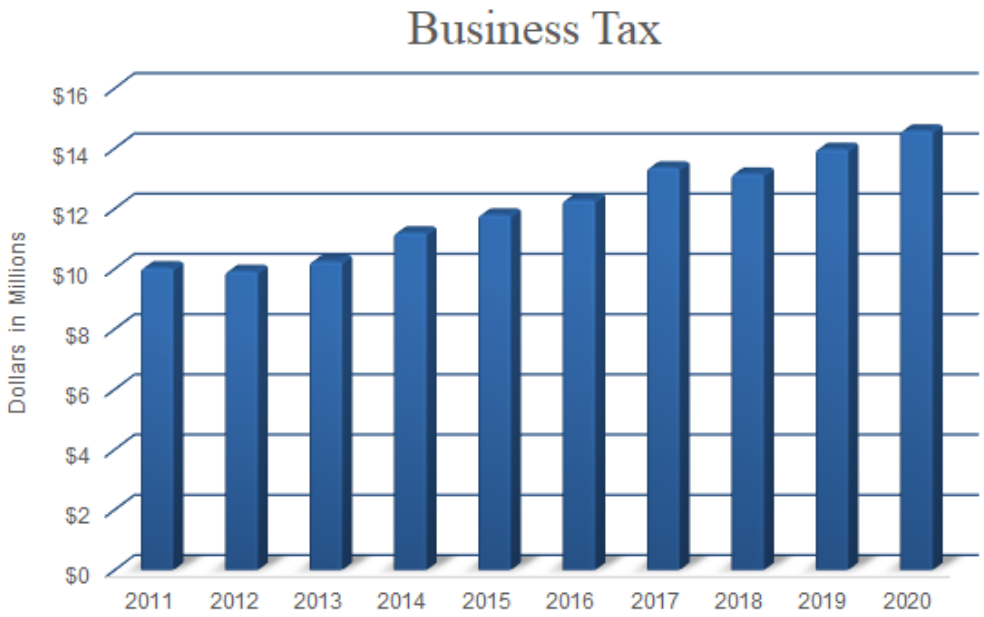
local sales tax measure with receipts totaling $9.15 million, accounting for 7.79% of General Fund revenue. With Measure C taking effect in April 2019, the receipts totaled $4.48 million in FY2019-20 accounting for 3.82% of General Fund revenue.




**Business Tax**

Business Tax revenue accounts for approximately 12.43 % 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.

FY 2019-20 Business Tax receipts, including penalties, were $14.6 million, a modest incline of 4.35% from the previous fiscal year.

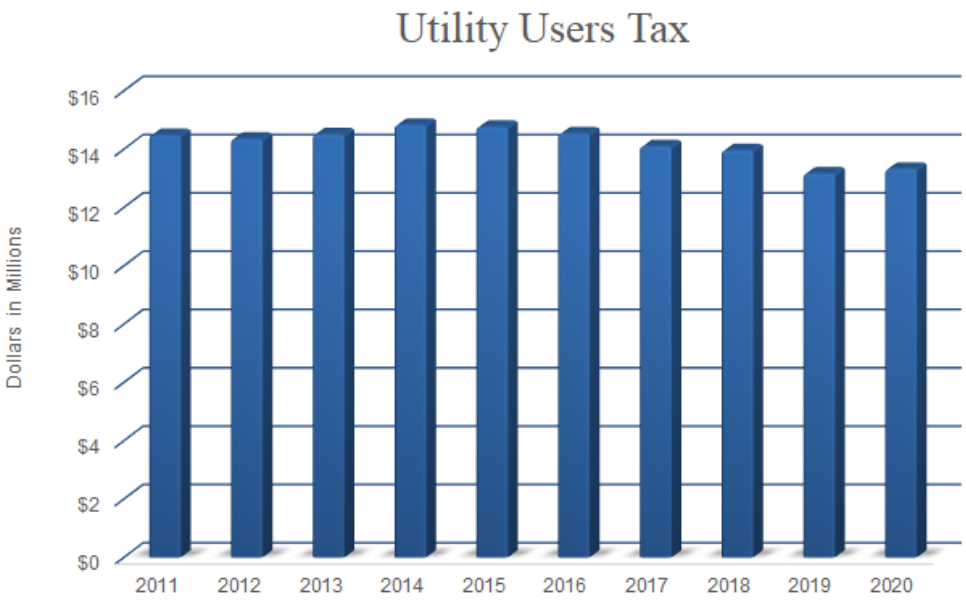



**Utility User Tax**

Utility User Tax receipts make up approximately 11.3 % 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.

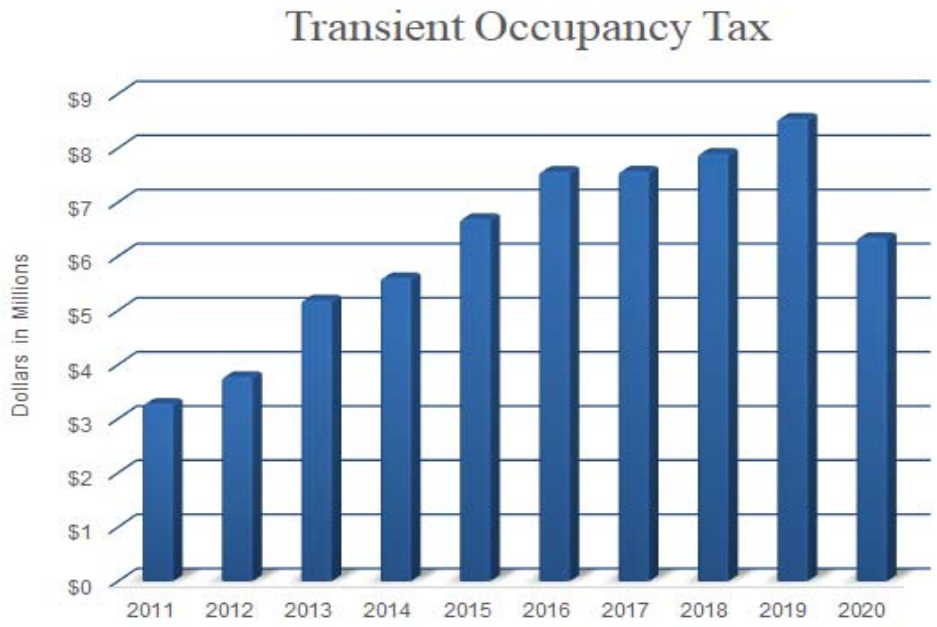
UUT receipts for FY2019-20 were $13.33 million, a 1.18% incline from the prior fiscal year. Electricity, Gas and Water UUT revenues increased slightly, while Telecommunication and Cable revenues declined. Cable and Telecommunications UUT revenue declined due to land lines on the sharp decline and exponential 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.

Additional declines in UUT are anticipated in future years as technologies continue to evolve and become more cost-effective, resulting in more people 'cutting the cord' to cable services. This trend is expected to continue to affect future utility consumption trends.



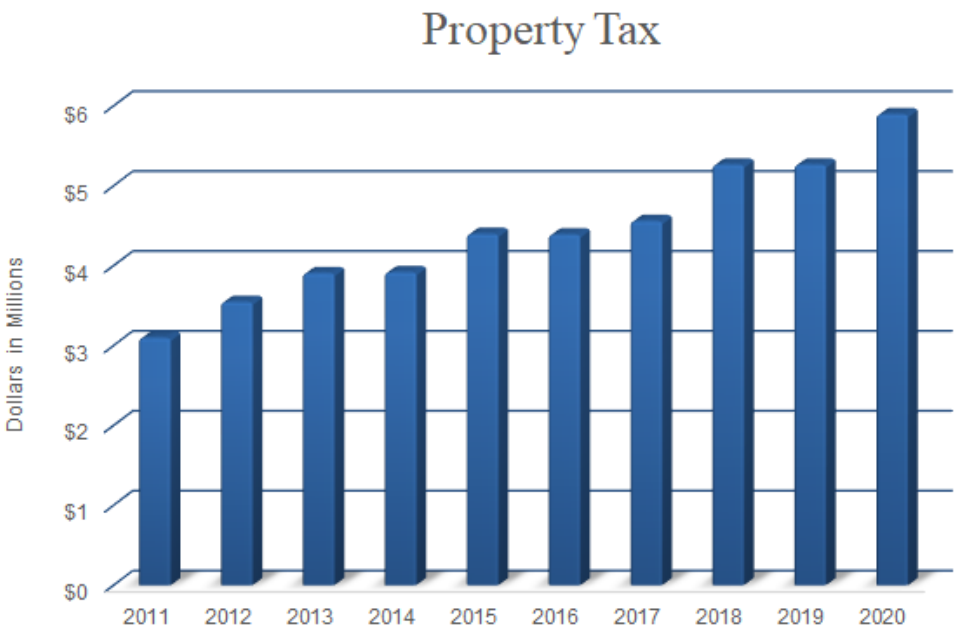

**Transient Occupancy Tax**

Transient Occupancy Tax is levied on occupied hotel/motel rooms at a rate of 14%. FY2019-20 TOT revenue deteriorated by 25.8% over the prior year due to recommended travel restrictions for travelers during the COVID-19 pandemic in the latter part of FY2019-20.



**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 8.8% over the prior year.

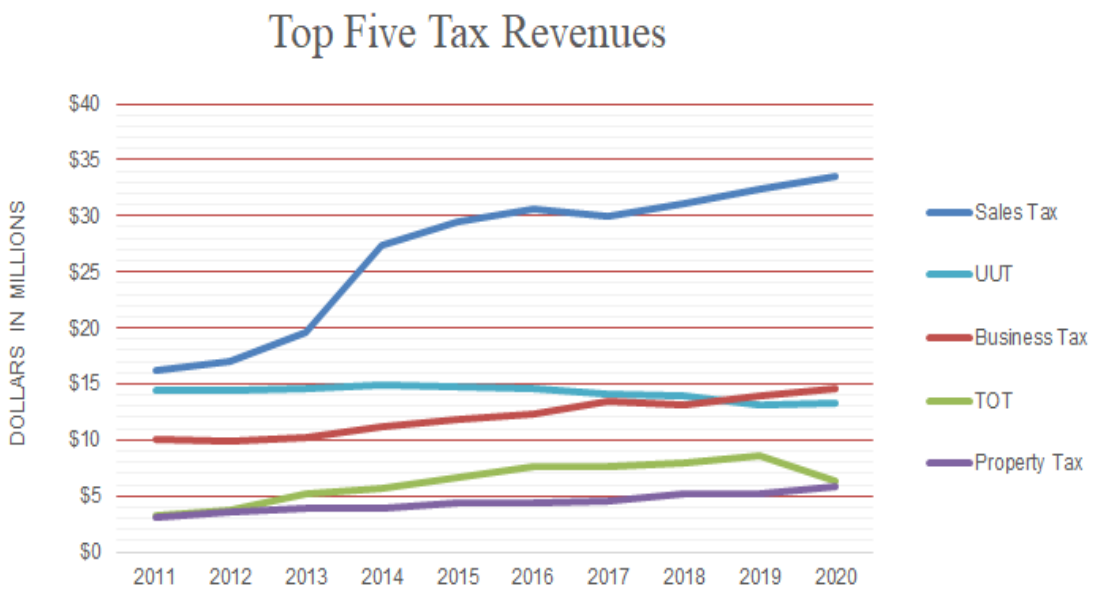



Property Tax receipts ended FY2019-20 at $5.9 million, an improvement of 12% over prior fiscal year revenues. Additionally, the City received $4.35 million in former tax increment of the Redevelopment Agency. This funding is from additional property tax increment received when the amount of property tax increment collected in the former Redevelopment Agency project areas exceeds the amount of enforceable obligations due during a 6-month period. 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**

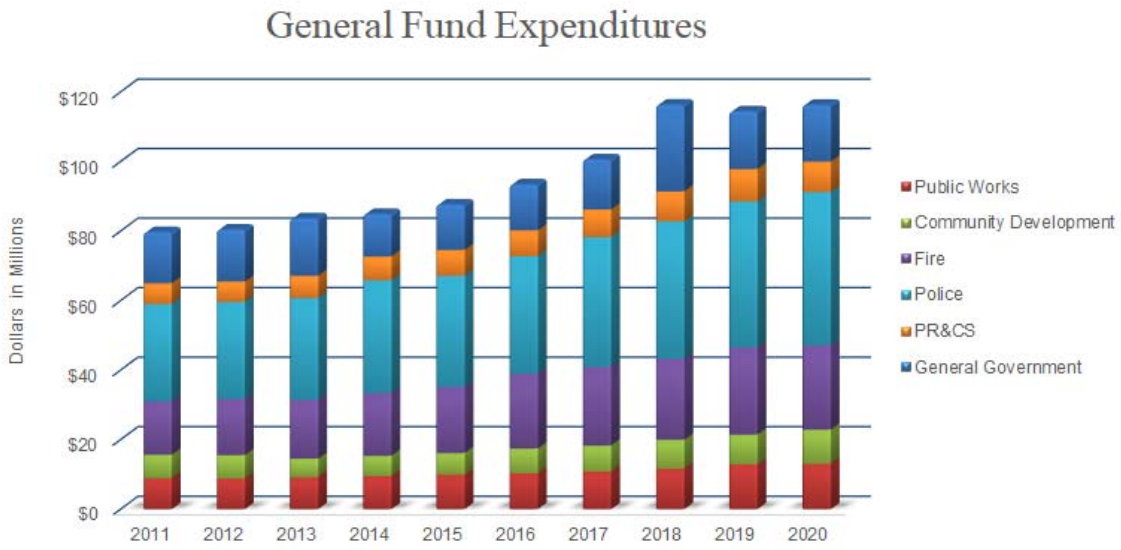
From the chart below, the correlation between the economy and the City's major tax revenues is evident. The sharp rise in sales tax revenue in FY2012/2013 is due to the inclusion of one-time increases from State Sales Triple-Flip proceeds, which concluded in FY2015/2016. Utility users tax revenue continue 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 FY2018-19, then declined sharply primary due to recommended travel restrictions for travelers during the COVID-19 pandemic in the latter part of FY2019-20. Sales tax for FY 2019-20 started out strong in the first three quarter of the fiscal year; however due to the pandemic, there was only a $1.2 million increase by fiscal year end. Property

taxes have been historical level, with some modest increases in the past years. Business taxes increased Business taxes increased slightly in the fiscal year but are expected drop significantly in FY2020-21 due to the lockdowns during the pandemic.




## General Fund Expenditures

Over 80% of the City's General Fund expenditures are personnel related costs, with Police and Fire accounting for over 50% of the overall General Fund expenditures. Like most municipalities, the City grapples with rising retirement, medical, and workers' compensation costs on an annual basis.




**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 has been 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. While modest amounts of reserves were used to support the budget during the recession, the City has able to bolster its General Fund reserves in each of the last several fiscal years.

As of June 30, 2020, the City has established committed General Fund balances of $38.3 million for contingencies/emergencies, $11.4 million for future facility improvements / replacements and $1.7 million for recreational facility improvements. Beyond these amounts, the City has an additional $18.4 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 FY 2020-21 Adopted Budget is a ten year forecast through FY2029-30 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.

Although, FY2020-21 is expected to be a very challenging year with a tepid GDP growth and recovery due to the pandemic with the projected revenue declines in the TOT taxes, License & Permits fees, and Charges for Services, the City is positioned with sufficient General Fund reserves and the passing of Measure RE in November 2020.

**Awards and Acknowledgements**

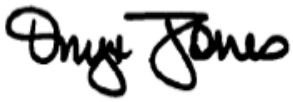
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Culver City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the thirty-fifth 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 comprehensive annual 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
## City Officials

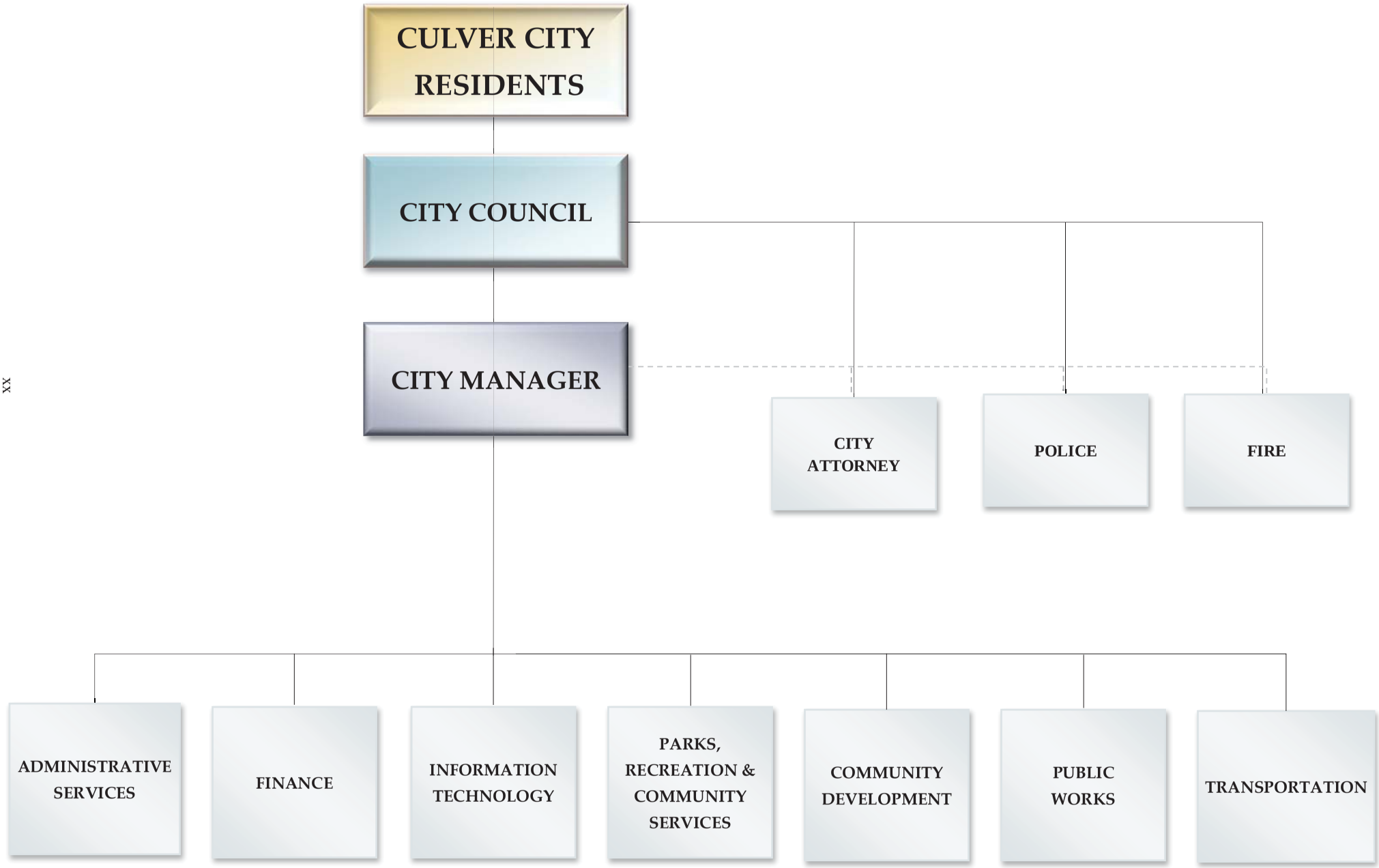
### City Council

Göran Eriksson, Mayor
Harden Alexander Fisch, Vice Mayor
Daniel Wayne Lee
Thomas Aujero Small
Meghan Sahli-Wells

### 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 |
| David White | Fire Chief |
| Michele Williams | Information Technology |
| Corey Lakin | Parks, Recreation & Community Services Director |
| Scott Bixby | Police Chief |
| Charles Herbertson | Public Works Director |
| Rolando Cruz | Transportation Director |

# CULVER CITY OVERVIEW ORGANIZATIONAL CHART FISCAL YEAR 2019-2020



Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Culver City**
**California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

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# Financial Section




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# Independent Auditor's Report




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

THE PUN GROUP
ACCOUNTANTS & ADVISORS

# INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and the Members of the City Council
of the City of Culver City
Culver City, California

## Report on 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 City of Culver City, California (the "City") as of and for the year ended June 30, 2020, 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.

### *Auditors' 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, 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, 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 19 and 112 to 126 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, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund 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 and Individual Nonmajor Fund 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 December 29, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

The Pun Group, LLP

Santa Ana, California
December 29, 2020

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# Management's Discussion & Analysis




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

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, 2020. 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 2019-20 fiscal year by $141.3 million (*net position*). Of this amount, $249.5 million is net investment in capital assets, $79.9 million is restricted and ($188.1) million is unrestricted. 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 89 – 102 of this report.
- The City's total net position, including all activities, decreased by $2.78 million in the 2019-20 fiscal year. Of the $2.78 million decrease, $0.85 million increase was from governmental activities to net with a ($3.63) million decrease from business-type activities. The beginning net position for the governmental and business type activities was restated by $2.33 million. There was a reallocation of the internal service fund moving a deficit of $2.33 million from the governmental activities to the business type activities to reflect the activity of the internal service fund more accurately. (See Note 17).
- As of June 30, 2020, the City's governmental funds reported combined ending fund balances of $190.2 million. Approximately 7.6% of the current year amount or $14.4 million is unassigned and available fund balance.
- At the end of the 2019-20 fiscal year, unrestricted fund balance (*the total of committed, assigned and unassigned components of fund balance)* for the General Fund was $75.5 million, or approximately 64.9% of total General Fund expenditures of $116.3 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 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 24-27 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.

***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 129-168.

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 include 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 fiscal 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 FY2019-20, 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 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 61 through 109.

**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 124 through 126.

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 exceed liabilities and deferred inflows of resources by $141.3 million at June 30, 2020. The beginning net position for the governmental activities increased by $2.33 million and the beginning net position for the business type activities decreased by $2.33 million due to the internal service fund allocation (Note 17).

Approximately 172.1% 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 61.0% 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. The significant liabilities recorded for pensions and OPEB with the implementation of GASB 68 and 75 result in a negative unrestricted net position of the City of ($188.1) million.

**City of Culver City's Net Position**
**As of June 30, 2020 and 2019**
**(In Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019* | 2020 | 2019* | 2020 | 2019 |
| **Assets:** | | | | | | |
| Current and other assets | $ 224,023 | $ 218,593 | $ 35,373 | $ 25,995 | $ 259,396 | $ 244,588 |
| Capital assets | 175,115 | 174,898 | 91,502 | 86,209 | 266,617 | 261,107 |
| **Total assets** | **399,138** | **393,491** | **126,875** | **112,204** | **526,013** | **505,695** |
| **Deferred Outflows of Resources:** | | | | | | |
| Pension and OPEB related amounts | 33,471 | 38,867 | 5,278 | 4,853 | 38,749 | 43,720 |
| **Total deferred outflows of resources** | **33,471** | **38,867** | **5,278** | **4,853** | **38,749** | **43,720** |
| **Liabilities:** | | | | | | |
| Current and other liabilities | 26,337 | 30,652 | 11,188 | 8,565 | 37,525 | 39,217 |
| Long-term liabilities | 291,322 | 299,730 | 66,479 | 52,007 | 357,801 | 351,737 |
| | **317,659** | **330,382** | **77,667** | **60,572** | **395,326** | **390,954** |
| **Deferred Inflows of Resources:** | | | | | | |
| Pension and OPEB related amounts | 24,302 | 12,175 | 3,791 | 2,162 | 28,093 | 14,337 |
| **Total deferred inflows of resources** | **24,302** | **12,175** | **3,791** | **2,162** | **28,093** | **14,337** |
| **Net Position:** | | | | | | |
| Net investment in capital assets | 174,822 | 174,898 | 74,664 | 72,975 | 249,486 | 247,873 |
| Restricted | 79,921 | 65,587 | 14 | 1,663 | 79,935 | 67,250 |
| Unrestricted | (164,095) | (150,684) | (23,983) | (20,315) | (188,078) | (170,999) |
| **Total net position** | **$ 90,648** | **$ 89,801** | **$ 50,695** | **$ 54,323** | **$141,343** | **$144,124** |

* 2019 balances were restated due to internal service fund allocation (see Note 17)

## 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, 2020, total net position decreased by $2.78 million. The beginning net position for the governmental activities increased by $2.33 million and the beginning net position for the business type activities decreased by $2.33 million due to the internal service fund allocation (Note 17).

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2020, with comparative totals for the fiscal year ended June 30, 2019.

**City of Culver City's Changes in Net Position**
**As of June 30, 2020 and 2019**
**(In Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| **Revenues:** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $31,669 | $35,567 | $30,317 | $29,976 | $61,986 | $65,543 |
| Operating grants and contributions | $7,631 | 6,660 | 22,144 | 20,012 | 29,775 | 26,672 |
| Capital grants and contributions | 4,065 | 2,669 | 5,665 | 510 | 9,730 | 3,179 |
| General revenues: | | | | | | |
| Taxes | 86,389 | 85,690 | - | - | 86,389 | 85,690 |
| Investment earnings | 3,733 | 3,231 | 975 | 807 | 4,708 | 4,038 |
| Other | 6,014 | 6,626 | 120 | 2,200 | 6,134 | 8,826 |
| **Total revenues** | **139,501** | **140,443** | **59,221** | **53,505** | **198,722** | **193,948** |
| **Expenses:** | | | | | | |
| General government | 18,343 | 17,863 | - | - | 18,343 | 17,863 |
| Parks, recreation and community services | 9,442 | 11,838 | - | - | 9,442 | 11,838 |
| Police | 49,821 | 45,772 | - | - | 49,821 | 45,772 |
| Fire | 27,389 | 27,136 | - | - | 27,389 | 27,136 |
| Community development | 16,239 | 13,650 | - | - | 16,239 | 13,650 |
| Public works | 16,024 | 15,572 | - | - | 16,024 | 15,572 |
| Transit | 227 | 970 | - | - | 227 | 970 |
| Interest on long-term debt | | | | | - | - |
| Refuse disposal | - | - | 17,502 | 15,906 | 17,502 | 15,906 |
| Municipal bus lines | - | - | 34,013 | 27,317 | 34,013 | 27,317 |
| Sewer enterprise | - | - | 9,276 | 9,583 | 9,276 | 9,583 |
| Municipal fiber network | - | - | 3,227 | 2,714 | 3,227 | 2,714 |
| **Total expenses** | **137,485** | **132,801** | **64,018** | **55,520** | **201,503** | **188,321** |
| **Excess (deficiency) before transfers** | **2,016** | **7,642** | **(4,797)** | **(2,015)** | **(2,781)** | **5,627** |
| Transfers | (1,169) | (1,473) | 1,169 | 1,473 | - | - |
| **Change in net position** | **847** | **6,169** | **(3,628)** | **(542)** | **(2,781)** | **5,627** |
| **Net position - beginning of year** | 89,801 | 71,298 | 54,323 | 58,149 | 144,124 | 129,447 |
| Internal Service Fund Allocation | - | 2,334 | - | (2,334) | | |
| Cash and Investments - Section 115 Trust | - | 10,000 | - | - | - | 10,000 |
| Unearned revenue - Municipal Bus Lines | - | - | - | (950) | - | (950) |
| **Net position - end of year** | **$ 90,648** | **$ 89,801** | **$ 50,695** | **$ 54,323** | **$141,343** | **$144,124** |

**Governmental Activities**

The City's net position from governmental activities increased approximately $3.18 million (including the prior period adjustment of $2.33 million) accounting for 3.64% of the total increase in the net position of the City. Key elements of this increase are a combination of factors highlighted below.

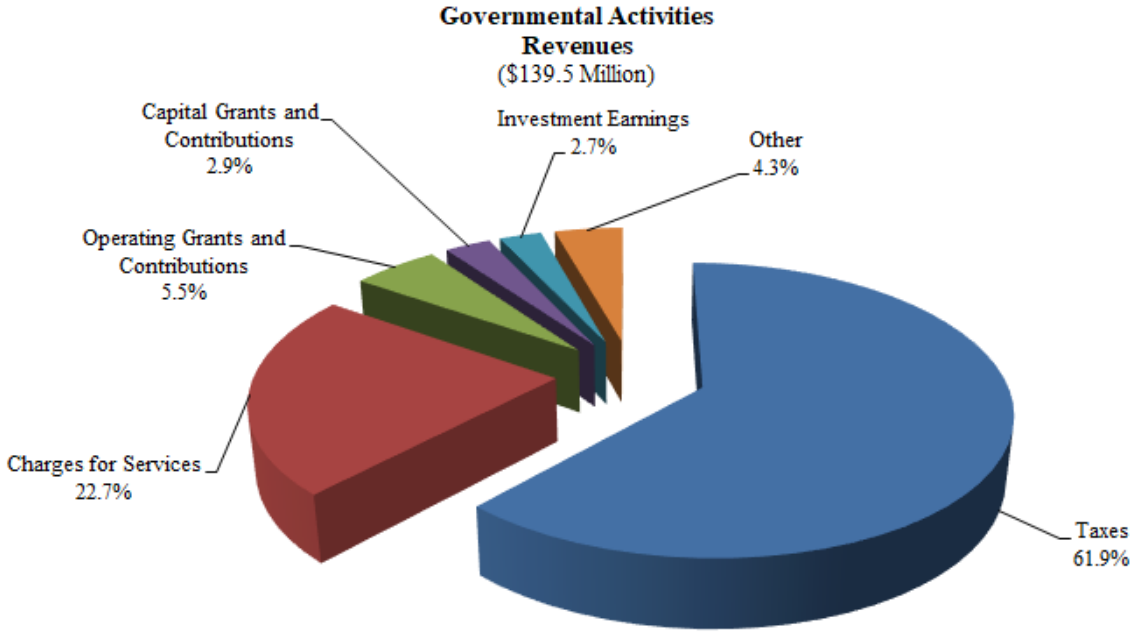
*Revenue Highlights*

Total revenues of governmental activities were $139.5 million. The largest component of total revenue is taxes at $86.4 million, making up 61.9% 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 ($33.6 million), business tax ($14.6 million), property tax ($14.3 million), utility users tax ($13.3 million), and transient occupancy tax ($6.3 million). Some of the key changes in revenues are:

- Capital and Operating Grants and Contributions increased by $2.37 million, primarily due to increase in reimbursable capital and operating grant expenditures in FY 2019-20.

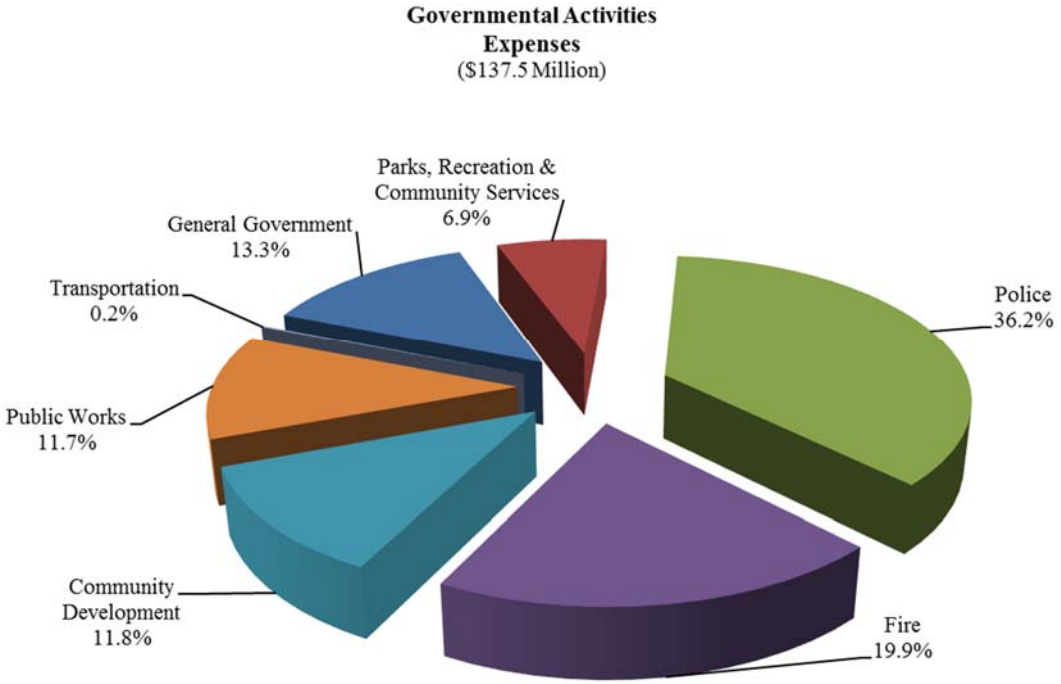
- Sales tax revenues were impacted by COVID in the last quarter for FY 2019-20. Revenues received for the month of June 2020 were down by 24% from June 2019 and Measure Y revenues were down by 15%. However, despite the impacts of the pandemic, there was still an increase of $1.2 million primarily due to the quarter-cent sales taxes (Measure C) of $4.48 million received in FY2019-20. Property tax increased by $0.83 million due to the robust housing market.

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 $86.4 million or 61.9% of total governmental revenue. Operating and capital grants make up 8.4% of revenues while charges for services amount to 22.7% of total governmental revenues.



*Expense Highlights*

Functional expenses for the year totaled approximately $137.5 million in the governmental funds, an increase of $4.69 million over the prior year due to increased personnel and pension expenditures of $2.8 million for Public Safety and contractual services of $1.3 million for Community Development. Public Safety activities consumed approximately $77.2 million (56.2%) 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 $16.0 million, Community Development $16.2 million, and Parks, recreation and community services $9.4 million, and Transit $0.3 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 $18.4 million (13.3%).




**Business-Type Activities**

The City's business-type activities realized a $3.63 million decrease in net position, largely resulting from increased pension expenses of $4.3 million for Municipal Bus Lines .

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, as well as 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 open access network where Internet Service Providers (ISPs) will utilize the City's fiber infrastructure to service the business community. At the end of the 2019-20 fiscal year, net position decreased by $2.27 million. The construction for Municipal Fiber Network was completed for the Municipal Fiber Network (Culver Connect) backbone in FY2018-19 and construction was initiated for network laterals in FY2019-20. The fund began generating revenues in FY2018-19.

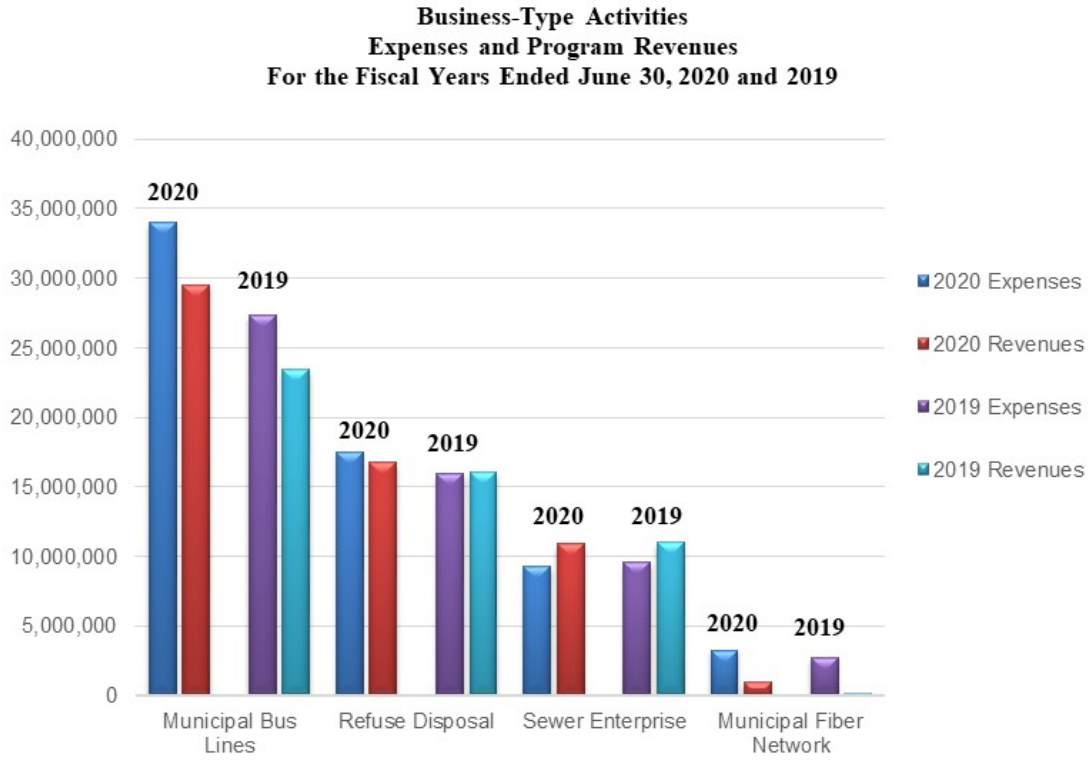
The chart on the next page shows a comparison of program revenues to expenses and to the prior fiscal year for each of the City's business-type activities.

*Revenue Highlights*

Total program revenues as of June 30, 2020, were $58.1 million which increased by $7.63 million from the prior fiscal year. The change is primarily attributed to $6.42 million increase in Municipal Bus Line capital and operating grants and contributions.

*Expense Highlights*

Municipal Bus Line expenses increased by $6.7 million, or 24.5%, and Refuse Disposal expenses increased by $1.6 million largely due to an increase in pension expenses and internal service fund allocation.




## 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, 2020, the City's governmental funds reported a combined ending fund balance of $190.2 million, an increase of $5.53 million in comparison with the prior year. Decreased revenues of $3.07 million ($0.67 million in taxes, ($0.85) million in licenses and permits, ($0.99) million in fines and forfeitures, $0.42 million in intergovernmental, ($2.05) million in charges for services, and ($0.27) million in investment and miscellaneous) were offset by a $6.06 million decrease in expenditures ($0.1) million in general government and ($8.71) million in capital outlay, ($0.72) million in parks and recreation services, and increases of $1.63 million in police and fire, $0.11 million in public works, $(0.02) million in transportation, and $1.74 million in community development) as compared to the prior fiscal year. Of the total $190.2 million fund balance, $15.7 million was non-spendable, $79.8 million was restricted, $74.6 million was committed, $5.73 million was assigned, and $14.4 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 $6.85 million in fund balance for 2019-20 fiscal year. As per Note 14, $5.7M of the total increase has been assigned for contracts and purchase orders of committed projects in the General Fund. There is $102.42 million total in fund balance as of June 30, 2020.

*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 2019-20 fiscal year, project expenditures outpaced revenues and transfers by $1.37 million for this fund.

*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 $4.08 million for this fund.

*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 $1.83 million for this fund.

**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 ($6.0) million, $18.8 million, $46.8 million, and ($6.2) million respectively. Total net position of these funds decreased by $3.25 million in the year ended June 30, 2020. Within this total, Sewer Enterprise fund's net position improved by $2.3 million. The Refuse Disposal, Municipal Bus Lines, and Municipal Fiber Network funds' net positions decreased by $5.55 and net position in the Internal Service Funds increased by $0.69 million from the prior year due to operations.

## 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**
**Fiscal Year Ended June 30, 2020**

| | Budgeted Amounts | | Actual | Variance from |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| Revenues: | | | | |
| Taxes | $ 87,973,000 | $ 90,447,647 | $ 86,360,835 | $ (4,086,812) |
| Licenses and permits | 6,347,000 | 6,171,258 | 6,129,732 | (41,526) |
| Fines and forfeitures | 5,304,500 | 5,368,500 | 4,478,030 | (890,470) |
| Intergovernmental | 5,702,046 | 5,863,934 | 6,094,042 | 230,108 |
| Charges for services | 12,678,899 | 12,660,251 | 10,101,535 | (2,558,716) |
| Investment earnings | 982,000 | 1,538,682 | 3,710,587 | 2,171,905 |
| Miscellaneous | 421,750 | 643,675 | 606,514 | (37,161) |
| Total revenues | 119,409,195 | 122,693,947 | 117,481,275 | (5,212,672) |
| Other Financing Sources: | | | | |
| Transfers in | 3,293,394 | 3,293,394 | 5,671,678 | 2,378,284 |
| Proceeds from sale of property | | | 1,779 | 1,779 |
| Total other financing | 3,293,394 | 3,293,394 | 5,673,457 | 2,380,063 |
| **Total Revenues** | **$122,702,589** | **$125,987,341** | **$123,154,732** | **$ (2,832,609)** |

The amended General Fund revenue budget for the 2019-20 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 $123.2 million, short of the amended budget by $2.83 million. Taxes and charges for services fell below the amended budget by $4.09 million and $2.59 million respectively, resulting from the impact of the COVID-19 pandemic. Investment earnings exceeded the amended budget by $2.17 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.

***Expenditures***

**SUMMARY OF GENERAL FUND EXPENDITURES**
**BUDGET AND ACTUAL**
**Fiscal Year Ended June 30, 2020**

| | Budgeted Amounts | | Actual | Variance from |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| Expenditures: | | | | |
| General government | $ 15,244,598 | $ 16,374,107 | $ 16,332,666 | $ 41,441 |
| Parks, recreation and community services | 10,465,840 | 10,923,389 | 8,783,455 | 2,139,934 |
| Police | 46,655,980 | 47,646,514 | 44,069,062 | 3,577,452 |
| Fire | 27,104,608 | 27,630,549 | 24,226,486 | 3,404,063 |
| Community development | 9,603,467 | 15,290,537 | 9,803,786 | 5,486,751 |
| Public works | 14,028,944 | 15,162,829 | 13,063,006 | 2,099,823 |
| Total expenditures | 123,103,437 | 133,027,925 | 116,278,461 | 16,749,464 |
| Other Financing (Uses): | | | | |
| Transfers out | (6,961,775) | (6,968,444) | (26,521) | (6,941,923) |
| Total other financing sources (uses) | (6,961,775) | (6,968,444) | (26,521) | (6,941,923) |
| **Total Expenditures** | **$130,065,212** | **$139,996,369** | **$116,304,982** | **$ 23,691,387** |

The amended General Fund expenditure budget for the 2019-20 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, 2020.

When the COVID-19 pandemic hit, the City Manager directed all Departments to immediately reign-in spending, especially that related to training, conferences and conventions, special events and capital outlay. A hiring freeze was also put in place, prefunding of OPEB was cancelled, and transfers from the General Fund for capital projects was eliminated. Each department ended the year within their respective spending authority and there was a total $23.69 million in total budget savings.

## 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)**
**Fiscal Year Ended June 30, 2020**
**(In Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Land | $ 21,539 | $ 21,539 | $ 3,083 | $ 3,083 | $ 24,622 | $ 24,622 |
| Buildings | 42,364 | 43,611 | 14,669 | 15,228 | 57,033 | 58,839 |
| Improvements | 14,758 | 15,096 | 5,142 | 6,949 | 19,900 | 22,045 |
| Machinery and equipment | 14,899 | 12,656 | 19,668 | 17,355 | 34,567 | 30,011 |
| Furniture and fixtures | - | - | 19 | 25 | 19 | 25 |
| Infrastructure | 54,313 | 52,705 | 27,895 | 17,673 | 82,208 | 70,378 |
| Investment in Hyperion | - | - | 8,676 | 9,342 | 8,676 | 9,342 |
| Construction in progress | 27,242 | 29,291 | 12,350 | 16,555 | 39,592 | 45,846 |
| **Total** | **$ 175,115** | **$ 174,898** | **$ 91,502** | **$ 86,210** | **$ 266,617** | **$ 261,108** |

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to $266.6 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 $7.67 million and $5.78 million, respectively.

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

### Long-Term Obligations

At the end of the 2019-20 fiscal year, the City had total net long-term outstanding obligations of $51.9 million, an increase of $8.9 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 will be used to fund a Sewer Pipeline Diversion project, the Bankfield Pump Station improvements and other miscellaneous capital improvement projects.

**Summary of Long-Term Liabilities**
**Fiscal Year Ended June 30, 2020**
**(In Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Compensated absences payable | $ 13,058 | $ 12,181 | $ 1,718 | $ 1,579 | $ 14,776 | $ 13,760 |
| Claims and judgments | 14,216 | 15,970 | - | - | 14,216 | 15,970 |
| 2009 Wastewater Facilities Revenue Bonds | - | - | - | 13,235 | - | 13,235 |
| Watewater Facilities Revenues Bonds, 2019 Seeries A | - | - | 19,360 | - | 19,360 | - |
| Bond premium | - | - | 3,515 | - | 3,515 | - |
| **Total** | **$ 27,274** | **$ 28,151** | **$ 24,593** | **$ 14,814** | **$ 51,867** | **$ 42,965** |

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

In the U.S., the first Coronavirus (COVID-19) infection case was reported in January 2020 in a traveler returning from China, and by March 2020 the COVID-19 infection spread quickly across the US. The fast advancing COVID-19 pandemic brought our economy to a screeching halt. The United States Congress and the Senate passed a $2 trillion stimulus aid bill in March 2020 to assist those citizens and businesses negatively impacted by the pandemic. Governor Gavin Newsome of California declared a State of emergency on March 4, 2020 to help the state plan and prepare for a broader spread of the COVID-19. The City Manager of Culver City issued a Proclamation of Local Emergency as a response to the outbreak and spread of COVID-19. In March of 2020, downtown Culver City was visibly quiet and empty as non-essential businesses were shut down and essential businesses could only operate with limited capacity. For example, bars, nightclubs, wineries, brewpubs, sports and recreation areas were closed in the state until further notice. Restaurants could be open for take-out, delivery or drive-thru only with enforced social distancing measures maintaining a least six (6) feet distance with a facial mask covering required. In addition, in March 2020, under the "Safer at Home" emergency order, residents were required to stay inside their homes unless engaged in certain "essential activities" while practicing social distancing and wearing a mask. Starting April 2020, following directives from Governor Gavin Newsom and the Los Angeles County Superintendent, public students were directly affected by the pandemic as public schools in Los Angeles County were closed. Small businesses which relied on physical retail sales were financially devastated as sales pummeled by the lock downs mandated during the pandemic. Consequently, the local economy directly experienced a significant corresponding shortfall in the TOT and Sales Tax revenues for the City. The new socio-economic trend and norm is that employees increasingly tele-commute as they work from home and conduct meetings via video communication using the WebEx or Zoom.

In response to the fiscal challenges due to the pandemic, the City took immediate action by eliminating all nonessential purchases, implementing a hiring freeze of 31.5 vacant positions, eliminating $4.4M of OPEB pre-funding, and cancelling a total of $8M in capital improvement projects, which allowed the City to transfer $2.92 million of unspent funds from the Capital Improvement Fund back to the General Fund. Due to the ongoing nature of the pandemic, FY2020-21 is expected to be a challenging year with tepid GDP growth, slow recovery of some General Fund revenues and possible sharp declines in Transient Occupancy Tax (TOT) taxes, Business License Revenue, License & Permits fees, and Charges for Services.

**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. The City has been proactive in its's response to these 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 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 and it was extended by the voters 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. The most recent measure passed by the voters in November 2020 was Mares 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 $10,000,000 and above. Measure RE would not apply to sales under $1,500,000, affordable housing, and first transfer of new multi-family properties. It is anticipated that this tax will provide the City with an additional $6,000,000 or more in 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 $24 million in FY 2019/2020 to $44 million in FY2029/2030, which is an increase of 77% during this time period. 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. Although, FY2020-21 is expected to be a challenging year with tepid GDP growth and slow recovery due to the pandemic, the City is currently positioned with sufficient General Fund reserves and the passing of Measure RE in November 2020.

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.

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# Basic Financial Statements

## GOVERNMENT -WIDE FINANCIAL STATEMENTS




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# BASIC FINANCIAL STATEMENTS

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# GOVERNMENT-WIDE FINANCIAL STATEMENTS

# City of Culver City
## Statement of Net Position
## June 30, 2020

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **ASSETS** | | | |
| Current assets: | | | |
| Cash and investments | $ 145,413,457 | $ 41,008,004 | $ 186,421,461 |
| Accounts receivables, net | 4,044,600 | 1,361,869 | 5,406,469 |
| Interest receivables | 4,393,277 | 143,262 | 4,536,539 |
| Internal balances | 19,698,085 | (19,698,085) | - |
| Due from other governments | 10,565,222 | 6,297,512 | 16,862,734 |
| Inventories | 676,110 | - | 676,110 |
| Due from Successor Agency | 7,982,045 | - | 7,982,045 |
| Total current assets | 192,772,796 | 29,112,562 | 221,885,358 |
| Noncurrent assets: | | | |
| Cash and investments held with fiscal agents | - | 6,259,500 | 6,259,500 |
| Restricted investments held by Pension Trust | 11,193,366 | - | 11,193,366 |
| Notes receivables, net | 20,056,411 | 1,195 | 20,057,606 |
| Capital assets: | | | |
| Not being depreciated | 48,780,735 | 15,432,408 | 64,213,143 |
| Being depreciated, net | 126,334,239 | 76,069,767 | 202,404,006 |
| Total noncurrent assets | 206,364,751 | 97,762,870 | 304,127,621 |
| **Total assets** | 399,137,547 | 126,875,432 | 526,012,979 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Pension related amounts | 30,349,266 | 4,814,412 | 35,163,678 |
| Other postemployment benefits related amounts | 3,121,887 | 464,113 | 3,586,000 |
| **Total deferred outflows of resources** | 33,471,153 | 5,278,525 | 38,749,678 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Net Position (Continued)
## June 30, 2020

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **LIABILITIES** | | | |
| Current liabilities: | | | |
| Accounts payable | 5,209,894 | 6,034,723 | 11,244,617 |
| Salaries and benefits payable | 2,141,253 | 568,030 | 2,709,283 |
| Interest payable | - | 287,517 | 287,517 |
| Deposits payable | 9,572,274 | 264,865 | 9,837,139 |
| Retention payable | 293,244 | 208,275 | 501,519 |
| Due to Successor Agency | 350,000 | - | 350,000 |
| Due to other government | 38,820 | - | 38,820 |
| Unearned revenues | 1,237,825 | 2,476,387 | 3,714,212 |
| Compensated absences, due within one year | 4,106,872 | 923,664 | 5,030,536 |
| Claims payable, due within one year | 3,387,088 | - | 3,387,088 |
| Revenue bonds payable, due within one year | - | 425,000 | 425,000 |
| Total current liabilities | 26,337,270 | 11,188,461 | 37,525,731 |
| Noncurrent liabilities: | | | |
| Compensated absences, due in more than one year | 8,950,590 | 794,132 | 9,744,722 |
| Claims payable, due in more than one year | 10,829,285 | - | 10,829,285 |
| Revenue bonds payable, due in more than one year | - | 22,450,525 | 22,450,525 |
| Net pension liabilities | 214,774,656 | 34,795,002 | 249,569,658 |
| Net other postemployment benefits related liabilities | 56,767,423 | 8,439,305 | 65,206,728 |
| Total noncurrent liabilities | 291,321,954 | 66,478,964 | 357,800,918 |
| **Total liabilities** | 317,659,224 | 77,667,425 | 395,326,649 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Pension related amounts | 2,964,936 | 619,561 | 3,584,497 |
| Other postemployment benefits related amounts | 21,336,922 | 3,172,045 | 24,508,967 |
| **Total deferred inflows of resources** | 24,301,858 | 3,791,606 | 28,093,464 |
| **NET POSITION** | | | |
| Net investment in capital assets | 174,821,730 | 74,664,009 | 249,485,739 |
| Restricted for: | | | |
| Road construction | 4,090,534 | - | 4,090,534 |
| Housing authority | 42,540,491 | - | 42,540,491 |
| Public safety | 1,006,572 | - | 1,006,572 |
| Public works and capital projects | 16,109,176 | - | 16,109,176 |
| Debt service | - | 13,866 | 13,866 |
| Community development | 4,980,915 | - | 4,980,915 |
| Pension trust | 11,193,366 | - | 11,193,366 |
| Total restricted | 79,921,054 | 13,866 | 79,934,920 |
| Unrestricted (deficit) | (164,095,166) | (23,982,949) | (188,078,115) |
| **Total net position** | $ 90,647,618 | $ 50,694,926 | $ 141,342,544 |

(Concluded)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Activities
## For the Year Ended June 30, 2020

| Functions/Programs: | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Program Revenues: Total Program Revenues |
|---|---|---|---|---|---|
| **Primary government:** | | | | | |
| **Governmental activities:** | | | | | |
| General government | $ 18,343,390 | $ 4,942,337 | $ 2,591,509 | $ 15,989 | $ 7,549,835 |
| Parks, recreation and community services | 9,441,755 | 2,281,142 | 309,318 | - | 2,590,460 |
| Police | 49,820,606 | 4,810,715 | 747,167 | - | 5,557,882 |
| Fire | 27,388,529 | 3,682,521 | 51,937 | - | 3,734,458 |
| Community development | 16,239,189 | 13,257,557 | 1,874,415 | 232,452 | 15,364,424 |
| Public works | 16,024,316 | 2,554,779 | 1,783,243 | 3,816,824 | 8,154,846 |
| Transportation | 226,814 | 140,424 | 273,190 | - | 413,614 |
| **Total governmental activities** | 137,484,599 | 31,669,475 | 7,630,779 | 4,065,265 | 43,365,519 |
| **Business-type activities:** | | | | | |
| Refuse disposal | 17,502,230 | 16,573,869 | 189,607 | - | 16,763,476 |
| Municipal bus lines | 34,013,345 | 2,594,270 | 21,247,394 | 5,665,166 | 29,506,830 |
| Sewer enterprise | 9,276,555 | 10,903,349 | 160 | - | 10,903,509 |
| Municipal fiber network | 3,226,780 | 245,650 | 706,755 | - | 952,405 |
| **Total business-type activities** | 64,018,910 | 30,317,138 | 22,143,916 | 5,665,166 | 58,126,220 |
| **Total primary government** | $ 201,503,509 | $ 61,986,613 | $ 29,774,695 | $ 9,730,431 | $ 101,491,739 |

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Activities (Continued)
## For the Year Ended June 30, 2020

| Functions/Programs: | Net (Expense) Revenue and Changes in Net Position<br>Primary Government<br>Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **Primary government:** | | | |
| **Governmental activities:** | | | |
| General government | $ (10,793,555) | $ - | $ (10,793,555) |
| Parks, recreation and community services | (6,851,295) | - | (6,851,295) |
| Police | (44,262,724) | - | (44,262,724) |
| Fire | (23,654,071) | - | (23,654,071) |
| Community development | (874,765) | - | (874,765) |
| Public works | (7,869,470) | - | (7,869,470) |
| Transportation | 186,800 | - | 186,800 |
| **Total governmental activities** | (94,119,080) | - | (94,119,080) |
| **Business-type activities:** | | | |
| Refuse disposal | - | (738,754) | (738,754) |
| Municipal bus lines | - | (4,506,515) | (4,506,515) |
| Sewer enterprise | - | 1,626,954 | 1,626,954 |
| Municipal fiber network | - | (2,274,375) | (2,274,375) |
| **Total business-type activities** | - | (5,892,690) | (5,892,690) |
| **Total primary government** | (94,119,080) | (5,892,690) | (100,011,770) |
| **General revenues:** | | | |
| Taxes: | | | |
| Property taxes | 14,318,618 | - | 14,318,618 |
| Sales taxes | 33,606,943 | - | 33,606,943 |
| Utility users taxes | 13,329,640 | - | 13,329,640 |
| Franchise taxes | 1,435,516 | - | 1,435,516 |
| Business license taxes | 14,599,849 | - | 14,599,849 |
| Transient occupancy taxes | 6,347,604 | - | 6,347,604 |
| Other taxes | 2,750,778 | - | 2,750,778 |
| Total taxes | 86,388,948 | - | 86,388,948 |
| Intergovernmental revenues, unrestricted | 5,541,021 | - | 5,541,021 |
| Investment earnings | 3,732,582 | 975,089 | 4,707,671 |
| Miscellaneous | 472,933 | 119,971 | 592,904 |
| **Transfers** | (1,169,443) | 1,169,443 | - |
| **Total general revenues and transfers** | 94,966,041 | 2,264,503 | 97,230,544 |
| **Change in net position** | 846,961 | (3,628,187) | (2,781,226) |
| **Net position - beginning of year, as restated (Note 17)** | 89,800,657 | 54,323,113 | 144,123,770 |
| **Net position - ending of year** | $ 90,647,618 | $ 50,694,926 | $ 141,342,544 |

See accompanying Notes to the Basic Financial Statements.

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# Basic Financial Statements

## FUND FINANCIAL STATEMENTS




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# FUND FINANCIAL STATEMENTS

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

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# GOVERNMENTAL FUND FINANCIAL STATEMENTS

***General Fund*** - 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 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 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 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, 2020

| | Major Funds | | |
|---|---|---|---|
| | General | Culver City Housing Authority | Capital Improvement and Acquisition |
| **ASSETS** | | | |
| Cash and investments | $ 66,922,913 | $ 15,031,045 | $ 10,665,439 |
| Restricted investments held by Pension Trust | 11,193,366 | - | - |
| Accounts receivables, net | 3,501,213 | 36,439 | - |
| Interest receivables | 305,439 | 2,998,851 | 35,130 |
| Notes receivables, net | 1,146,851 | 15,475,740 | - |
| Due from other funds | 7,252,615 | 1,000 | - |
| Due from other governments | 5,925,466 | - | - |
| Due from Successor Agency | - | 7,982,045 | - |
| Advances to other funds | 14,592,455 | - | - |
| **Total assets** | $ 110,840,318 | $ 41,525,120 | $ 10,700,569 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ 2,707,895 | $ 209,284 | $ 433,588 |
| Salaries and benefits payable | 1,960,009 | - | - |
| Due to other governments | - | - | - |
| Due to other funds | - | 34,215 | - |
| Due to Successor Agency | 350,000 | - | - |
| Deposits payable | 2,139,048 | 6,685 | 7,213,918 |
| Retention payable | - | - | 143,304 |
| Unearned revenues | 1,237,825 | - | - |
| **Total liabilities** | 8,394,777 | 250,184 | 7,790,810 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | 28,113 | - | - |
| **Total deferred inflows of resources** | 28,113 | - | - |
| **Fund Balances:** | | | |
| Nonspendable | 15,739,306 | - | - |
| Restricted | 11,193,366 | 41,274,936 | 2,909,759 |
| Committed | 51,371,732 | - | - |
| Assigned | 5,731,509 | - | - |
| Unassigned (deficit) | 18,381,515 | - | - |
| **Total fund balances** | 102,417,428 | 41,274,936 | 2,909,759 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 110,840,318 | $ 41,525,120 | $ 10,700,569 |

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Balance Sheet (Continued)
## Governmental Funds
## June 30, 2020

| | Major Funds | | |
|---|---|---|---|
| | Capital Improvement Grants | Total Nonmajor Funds | Total Governmental Funds |
| **ASSETS** | | | |
| Cash and investments | $ - | $ 44,016,556 | $ 136,635,953 |
| Restricted investments held by Pension Trust | - | - | 11,193,366 |
| Accounts receivables, net | - | 395,675 | 3,933,327 |
| Interest receivables | - | 1,022,220 | 4,361,640 |
| Notes receivables, net | - | 3,433,820 | 20,056,411 |
| Due from other funds | - | - | 7,253,615 |
| Due from other governments | 3,539,253 | 1,100,503 | 10,565,222 |
| Due from Successor Agency | - | - | 7,982,045 |
| Advances to other funds | - | - | 14,592,455 |
| **Total assets** | $ 3,539,253 | $ 49,968,774 | $ 216,574,034 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ 141,920 | $ 1,282,509 | $ 4,775,196 |
| Salaries and benefits payable | - | 22,028 | 1,982,037 |
| Due to other governments | - | 38,820 | 38,820 |
| Due to other funds | 3,292,864 | 636,713 | 3,963,792 |
| Due to Successor Agency | - | - | 350,000 |
| Deposits payable | - | 212,623 | 9,572,274 |
| Retention payable | 28,083 | 121,857 | 293,244 |
| Unearned revenues | - | - | 1,237,825 |
| **Total liabilities** | 3,462,867 | 2,314,550 | 22,213,188 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | 3,356,092 | 797,437 | 4,181,642 |
| **Total deferred inflows of resources** | 3,356,092 | 797,437 | 4,181,642 |
| **Fund Balances:** | | | |
| Nonspendable | - | - | 15,739,306 |
| Restricted | - | 24,398,221 | 79,776,282 |
| Committed | - | 23,190,384 | 74,562,116 |
| Assigned | - | - | 5,731,509 |
| Unassigned (deficit) | (3,279,706) | (731,818) | 14,369,991 |
| **Total fund balances** | (3,279,706) | 46,856,787 | 190,179,204 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 3,539,253 | $ 49,968,774 | $ 216,574,034 |

See accompanying Notes to the Basic Financial Statements.

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

| | |
|---|---|
| **Total Fund Balances - Total Governmental Funds** | $ 190,179,204 |
| 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 | 48,780,735 |
| Capital assets, depreciable (net of $28,758,822 reported in Internal Service Funds) | 216,043,441 |
| Less accumulated depreciation (net of $(18,405,068) reported in Internal Service Funds) | (100,062,956) |
| 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 $943,780 reported in Internal Service Funds) | (12,113,682) |
| Net pension liability (net of $10,084,936 reported in Internal Service Funds) | (204,689,720) |
| Pension related deferred outflows of resources (net of $1,395,403 reported in Internal Service Funds) | 28,953,863 |
| Pension related deferred inflows of resources (net of $179,572 reported in Internal Service Funds) | (2,785,364) |
| Net OPEB liability (net of $2,368,743 reported in Internal Service Funds) | (54,398,680) |
| OPEB related deferred outflows of resources (net of $130,267 reported in Internal Service Funds) | 2,991,620 |
| OPEB related deferred inflows of resources (net of $890,329 reported in Internal Service Funds) | (20,446,593) |
| 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). | (5,985,892) |
| Revenues earned but not available to pay for current expenditures for governmental funds are unavailable. | 4,181,642 |
| **Net Position of Governmental Activities** | $ 90,647,618 |

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Revenues, Expenditures, and Changes in Fund Balances
## Governmental Funds
## For the Year Ended June 30, 2020

| | Major Funds | | |
|---|---|---|---|
| | General | Culver City Housing Authority | Capital Improvement and Acquisition |
| **REVENUES:** | | | |
| Taxes | $ 86,360,835 | $ - | $ - |
| Licenses and permits | 6,129,732 | - | - |
| Fines and forfeitures | 4,478,030 | - | - |
| Intergovernmental | 6,094,042 | - | 374,047 |
| Charges for services | 10,101,535 | - | - |
| Investment earnings | 3,710,587 | 438,275 | 665,209 |
| Miscellaneous | 606,514 | 5,000 | 25,825 |
| **Total revenues** | 117,481,275 | 443,275 | 1,065,081 |
| **EXPENDITURES:** | | | |
| Current: | | | |
| General government | 16,332,666 | - | - |
| Parks, recreation, and community services | 8,783,455 | - | - |
| Police | 44,069,062 | - | - |
| Fire | 24,226,486 | - | - |
| Community development | 9,803,786 | 955,401 | - |
| Public works | 13,063,006 | - | 20,838 |
| Transportation | - | - | - |
| Capital outlay | - | - | 2,203,584 |
| **Total expenditures** | 116,278,461 | 955,401 | 2,224,422 |
| **REVENUES OVER (UNDER) EXPENDITURES** | 1,202,814 | (512,126) | (1,159,341) |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfers in | 5,671,678 | - | - |
| Transfers out | (26,521) | (853,394) | (2,918,284) |
| Proceeds from sale of property | 1,779 | - | - |
| **Total other financing sources (uses)** | 5,646,936 | (853,394) | (2,918,284) |
| **CHANGES IN FUND BALANCES** | 6,849,750 | (1,365,520) | (4,077,625) |
| **FUND BALANCES:** | | | |
| Beginning of year | 95,567,678 | 42,640,456 | 6,987,384 |
| End of year | $ 102,417,428 | $ 41,274,936 | $ 2,909,759 |

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
## Governmental Funds
## For the Year Ended June 30, 2020

| | Capital Improvement Grants | Total Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes | $ - | $ - | $ 86,360,835 |
| Licenses and permits | - | 1,757,945 | 7,887,677 |
| Fines and forfeitures | - | - | 4,478,030 |
| Intergovernmental | 595,141 | 7,251,982 | 14,315,212 |
| Charges for services | - | 7,213,574 | 17,315,109 |
| Investment earnings | - | 1,351,139 | 6,165,210 |
| Miscellaneous | - | 134,740 | 772,079 |
| **Total revenues** | 595,141 | 17,709,380 | 137,294,152 |
| **EXPENDITURES:** | | | |
| Current: | | | |
| General government | - | 578,034 | 16,910,700 |
| Parks, recreation, and community services | - | 334,401 | 9,117,856 |
| Police | - | 743,888 | 44,812,950 |
| Fire | - | 23,655 | 24,250,141 |
| Community development | - | 3,850,183 | 14,609,370 |
| Public works | - | 230,137 | 13,313,981 |
| Transportation | - | 315,587 | 315,587 |
| Capital outlay | 2,427,603 | 2,637,520 | 7,268,707 |
| **Total expenditures** | 2,427,603 | 8,713,405 | 130,599,292 |
| **REVENUES OVER (UNDER) EXPENDITURES** | (1,832,462) | 8,995,975 | 6,694,860 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfers in | - | 446,962 | 6,118,640 |
| Transfers out | - | (3,489,884) | (7,288,083) |
| Proceeds from sale of property | | 6,695 | 8,474 |
| **Total other financing sources (uses)** | - | (3,036,227) | (1,160,969) |
| **CHANGES IN FUND BALANCES** | (1,832,462) | 5,959,748 | 5,533,891 |
| **FUND BALANCES:** | | | |
| Beginning of year | (1,447,244) | 40,897,039 | 184,645,313 |
| End of year | $ (3,279,706) | $ 46,856,787 | $ 190,179,204 |

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 and Changes in Net Position
## For the Year Ended June 30, 2020

| | |
|---|---|
| **Net Change in Fund Balances - Total Governmental Funds** | $ 5,533,891 |
| 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 ($261,484 of capital outlay expenditures were for current public works expenditures for repairs and maintenance and therefore, were not capitalized), net of $485,687 reported in Internal Service Funds. | 7,502,013 |
| Net effect on disposal of capital assets | (8,864) |
| 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 $1,949,855 reported in Internal Service Funds.) | (5,719,722) |
| 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 $79,918 reported in Internal Service Funds.) | (796,806) |
| 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 $6,073,330 OPEB contribution during measurement period and $(178,627) reported in the Internal Service Funds | 4,102,266 |
| Pension expense, net of $(20,163,303) pension contribution made after measurement date and $(409,792) pension expense reported in the Internal Service Funds | (13,039,188) |
| 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 $373,129 allocated to business-type activities). | 1,066,520 |
| Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year. | 2,206,851 |
| **Change in Net Position of Governmental Activities** | $ 846,961 |

See accompanying Notes to the Basic Financial Statements.

# PROPRIETARY FUND FINANCIAL STATEMENTS

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# 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, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Refuse Disposal | Municipal Bus Lines | Sewer Enterprise | Municipal Fiber Network | Total Enterprise Funds |
| **ASSETS** | | | | | |
| Current assets: | | | | | |
| Cash and investments | $ 3,446,444 | $ 11,225,728 | $ 26,335,832 | $ - | $ 41,008,004 |
| Accounts receivables, net | 1,230,327 | 110,913 | 1,129 | 19,500 | 1,361,869 |
| Interest receivables | 12,748 | 34,343 | 96,171 | - | 143,262 |
| Due from other funds | - | - | - | - | - |
| Due from other governments | 63,147 | 6,108,486 | 125,879 | - | 6,297,512 |
| Inventory | - | - | - | - | - |
| Total current assets | 4,752,666 | 17,479,470 | 26,559,011 | 19,500 | 48,810,647 |
| Noncurrent assets: | | | | | |
| Cash and investments with fiscal agent | - | - | 6,259,500 | - | 6,259,500 |
| Notes receivables, net | - | - | 1,195 | - | 1,195 |
| Capital assets: | | | | | |
| Not being depreciated | 1,790 | 3,957,539 | 10,986,823 | 486,256 | 15,432,408 |
| Being depreciated | 8,508,413 | 67,309,082 | 69,051,064 | 11,433,234 | 156,301,793 |
| Less accumulated depreciation | (6,492,140) | (35,699,658) | (37,312,930) | (727,298) | (80,232,026) |
| Total capital assets, net | 2,018,063 | 35,566,963 | 42,724,957 | 11,192,192 | 91,502,175 |
| Total noncurrent assets | 2,018,063 | 35,566,963 | 48,985,652 | 11,192,192 | 97,762,870 |
| **Total assets** | 6,770,729 | 53,046,433 | 75,544,663 | 11,211,692 | 146,573,517 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Pension related amounts | 1,177,371 | 3,365,864 | 271,177 | - | 4,814,412 |
| Other postemployment benefits related amounts | 168,114 | 280,184 | 15,815 | - | 464,113 |
| **Total deferred outflows of resources** | 1,345,485 | 3,646,048 | 286,992 | - | 5,278,525 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Net Position (Continued)
## Proprietary Funds
## June 30, 2020

| | Governmental Activities Internal Service Funds |
|---|---|
| **ASSETS** | |
| Current assets: | |
| Cash and investments | $ 8,777,504 |
| Accounts receivables, net | 111,273 |
| Interest receivables | 31,637 |
| Due from other funds | 112 |
| Due from other governments | - |
| Inventory | 676,110 |
| Total current assets | 9,596,636 |
| Noncurrent assets: | |
| Cash and investments with fiscal agent | - |
| Notes receivables, net | - |
| Capital assets: | |
| Not being depreciated | - |
| Being depreciated | 28,758,822 |
| Less accumulated depreciation | (18,405,068) |
| Total capital assets, net | 10,353,754 |
| Total noncurrent assets | 10,353,754 |
| **Total assets** | 19,950,390 |
| **DEFERRED OUTFLOWS OF RESOURCES** | |
| Pension related amounts | 1,395,403 |
| Other postemployment benefits related amounts | 130,267 |
| **Total deferred outflows of resources** | 1,525,670 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Net Position (Continued)
## Proprietary Funds
## June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Refuse Disposal | Municipal Bus Lines | Sewer Enterprise | Municipal Fiber Network | Total Enterprise Funds |
| **LIABILITIES** | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 420,082 | 2,141,097 | 3,199,754 | 273,790 | 6,034,723 |
| Salaries and benefits payable | 131,861 | 413,103 | 23,066 | - | 568,030 |
| Due to other funds | - | - | - | 2,398,344 | 2,398,344 |
| Interest payable | - | - | 287,517 | - | 287,517 |
| Deposits payable | 124,750 | - | - | 140,115 | 264,865 |
| Retention payable | - | 39,787 | 168,488 | - | 208,275 |
| Unearned revenue | 55 | 2,476,332 | - | - | 2,476,387 |
| Compensated absences, due within one year | 241,428 | 584,999 | 97,237 | - | 923,664 |
| Claims payable, due within one year | - | - | - | - | - |
| Revenue bonds payable, due within one year | - | - | 425,000 | - | 425,000 |
| Total current liabilities | 918,176 | 5,655,318 | 4,201,062 | 2,812,249 | 13,586,805 |
| Noncurrent liabilities: | | | | | |
| Advances from other funds | - | - | - | 14,592,455 | 14,592,455 |
| Compensated absences, due in more than one year | 293,119 | 489,941 | 11,072 | - | 794,132 |
| Claims payable, due in more than one year | - | - | - | - | - |
| Revenue bonds payable, due in more than one year | - | - | 22,450,525 | - | 22,450,525 |
| Net pension liabilities | 8,509,165 | 24,325,971 | 1,959,866 | - | 34,795,002 |
| Net other postemployment benefits liabilities | 3,056,960 | 5,094,772 | 287,573 | - | 8,439,305 |
| Total noncurrent liabilities | 11,859,244 | 29,910,684 | 24,709,036 | 14,592,455 | 81,071,419 |
| **Total liabilities** | 12,777,420 | 35,566,002 | 28,910,098 | 17,404,704 | 94,658,224 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Pension related amounts | 151,515 | 433,149 | 34,897 | - | 619,561 |
| Other postemployment benefits related amounts | 1,149,006 | 1,914,950 | 108,089 | - | 3,172,045 |
| **Total deferred inflows of resources** | 1,300,521 | 2,348,099 | 142,986 | - | 3,791,606 |
| **NET POSITION** | | | | | |
| Net investment in capital assets | 2,018,063 | 35,527,176 | 25,926,578 | 11,192,192 | 74,664,009 |
| Restricted for debt service | - | - | 13,866 | - | 13,866 |
| Unrestricted (Deficit) | (7,979,790) | (16,748,796) | 20,838,127 | (17,385,204) | (21,275,663) |
| **Total net position** | $ (5,961,727) | $ 18,778,380 | $ 46,778,571 | $ (6,193,012) | $ 53,402,212 |
| Adjustment to reflect the consolidation of internal service fund activities related to business-type activities | | | | | (2,707,286) |
| Net position of business-type activities | | | | | $ 50,694,926 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Net Position (Continued)
## Proprietary Funds
## June 30, 2020

| | Governmental Activities Internal Service Funds |
|---|---|
| **LIABILITIES** | |
| Current liabilities: | |
| Accounts payable | 434,698 |
| Salaries and benefits payable | 159,216 |
| Due to other funds | 891,591 |
| Interest payable | - |
| Deposits payable | - |
| Retention payable | - |
| Unearned revenue | - |
| Compensated absences, due within one year | 170,081 |
| Claims payable, due within one year | 3,387,088 |
| Revenue bonds payable, due within one year | - |
| Total current liabilities | 5,042,674 |
| Noncurrent liabilities: | |
| Advances from other funds | - |
| Compensated absences, due in more than one year | 773,699 |
| Claims payable, due in more than one year | 10,829,285 |
| Revenue bonds payable, due in more than one year | - |
| Net pension liabilities | 10,084,936 |
| Net other postemployment benefits liabilities | 2,368,743 |
| Total noncurrent liabilities | 24,056,663 |
| **Total liabilities** | 29,099,337 |
| **DEFERRED INFLOWS OF RESOURCES** | |
| Pension related amounts | 179,572 |
| Other postemployment benefits related amounts | 890,329 |
| **Total deferred inflows of resources** | 1,069,901 |
| **NET POSITION** | |
| Net investment in capital assets | 10,353,754 |
| Restricted for debt service | - |
| Unrestricted (Deficit) | (19,046,932) |
| **Total net position** | $ (8,693,178) |

(Concluded)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Revenues, Expenses, and Changes in Net Position
## Proprietary Funds
## For the Year Ended June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Refuse Disposal | Municipal Bus Lines | Sewer Enterprise | Municipal Fiber Network | Total Enterprise Funds |
| **OPERATING REVENUES:** | | | | | |
| Charges for services | $ 16,544,538 | $ 1,867,775 | $ 10,903,349 | $ 245,650 | $ 29,561,312 |
| Other | 29,331 | 726,495 | - | - | 755,826 |
| **Total operating revenues** | 16,573,869 | 2,594,270 | 10,903,349 | 245,650 | 30,317,138 |
| **OPERATING EXPENSES:** | | | | | |
| Salaries and benefits | 7,137,647 | 20,860,940 | 734,967 | - | 28,733,554 |
| Supplies | 264,440 | 436,424 | 3,663,179 | 16,235 | 4,380,278 |
| Repairs and maintenance | 3,075,145 | 3,366,173 | 513,003 | - | 6,954,321 |
| Insurance | 162,129 | 565,172 | 74,967 | - | 802,268 |
| Claims and settlements | - | - | - | - | - |
| Administrative services | 1,969,421 | 1,789,210 | 872,638 | - | 4,631,269 |
| Rent and lease expenses | 307,495 | - | 360,000 | - | 667,495 |
| Consulting and contractual services | 4,420,333 | 934,583 | 564,976 | 2,197,177 | 8,117,069 |
| Depreciation and amortization | 255,838 | 3,194,849 | 1,604,946 | 727,298 | 5,782,931 |
| **Total operating expenses** | 17,592,448 | 31,147,351 | 8,388,676 | 2,940,710 | 60,069,185 |
| **OPERATING INCOME (LOSS)** | (1,018,579) | (28,553,081) | 2,514,673 | (2,695,060) | (29,752,047) |
| **NONOPERATING REVENUES (EXPENSES):** | | | | | |
| Interest expense | - | - | (931,072) | (286,070) | (1,217,142) |
| Investment earnings | 82,574 | 180,153 | 712,362 | - | 975,089 |
| Intergovernmental | 189,607 | 18,870,628 | 160 | - | 19,060,395 |
| Measure R sales Tax | - | 2,376,766 | - | - | 2,376,766 |
| Gain (loss) on sales of property | 8,421 | (2,367,875) | - | - | (2,359,454) |
| Grant revenue | - | - | - | 706,755 | 706,755 |
| Other income | - | 119,971 | - | - | 119,971 |
| **Total nonoperating revenues (expenses)** | 280,602 | 19,179,643 | (218,550) | 420,685 | 19,662,380 |
| **INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS** | (737,977) | (9,373,438) | 2,296,123 | (2,274,375) | (10,089,667) |
| **CONTRIBUTIONS AND TRANSFERS:** | | | | | |
| Capital contributions | - | 5,665,166 | - | - | 5,665,166 |
| Transfers in | - | 1,469,443 | - | - | 1,469,443 |
| Transfers out | - | (300,000) | - | - | (300,000) |
| **Total contributions and transfers** | - | 6,834,609 | - | - | 6,834,609 |
| **Changes in net position** | (737,977) | (2,538,829) | 2,296,123 | (2,274,375) | (3,255,058) |
| **NET POSITION:** | | | | | |
| Beginning of year | (5,223,750) | 21,317,209 | 44,482,448 | (3,918,637) | 56,657,270 |
| End of year | $ (5,961,727) | $ 18,778,380 | $ 46,778,571 | $ (6,193,012) | $ 53,402,212 |
| Adjustment to reflect the consolidation of internal service funds activities related to business-type activities | | | | | (373,129) |
| **Changes in net position of business-type activities** | | | | | $ (3,628,187) |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Revenues, Expenses, and Changes in Net Position (Continued)
## Proprietary Funds
## For the Year Ended June 30, 2020

| | Governmental Activities Internal Service Funds |
|---|---|
| **OPERATING REVENUES:** | |
| Charges for services | $ 18,590,155 |
| Other | 189,567 |
| **Total operating revenues** | 18,779,722 |
| **OPERATING EXPENSES:** | |
| Salaries and benefits | 7,024,897 |
| Supplies | 1,958,842 |
| Repairs and maintenance | 3,131,595 |
| Insurance | 1,686,955 |
| Claims and settlements | 2,379,700 |
| Administrative services | - |
| Rent and lease expenses | - |
| Consulting and contractual services | 506,290 |
| Depreciation and amortization | 1,949,855 |
| **Total operating expenses** | 18,638,134 |
| **OPERATING INCOME (LOSS)** | 141,588 |
| **NONOPERATING REVENUES (EXPENSES):** | |
| Interest expense | - |
| Investment earnings | 232,308 |
| Intergovernmental | 51,000 |
| Measure R sales Tax | - |
| Gain (loss) on sales of property | 268,495 |
| Grant revenue | - |
| Other income | - |
| **Total nonoperating revenues (expenses)** | 551,803 |
| **INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS** | 693,391 |
| **CONTRIBUTIONS AND TRANSFERS:** | |
| Capital contributions | - |
| Transfers in | - |
| Transfers out | - |
| **Total contributions and transfers** | - |
| **Changes in net position** | 693,391 |
| **NET POSITION:** | |
| Beginning of year | (9,386,569) |
| End of year | $ (8,693,178) |

See accompanying Notes to the Basic Financial Statements.

(Concluded)

# City of Culver City
## Statement of Cash Flows
## Proprietary Funds
## For the Year Ended June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Refuse Disposal | Municipal Bus Lines | Sewer Enterprise | Municipal Fiber Network | Total Enterprise Funds |
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | | | |
| Receipts from customers and users | $16,556,383 | $ 2,788,463 | $10,903,614 | $ 366,265 | $ 30,614,725 |
| Receipts from user departments | - | - | - | - | - |
| Payments to suppliers | (10,374,123) | (4,097,396) | (3,641,685) | (2,731,608) | (20,844,812) |
| Payments to employees | (5,905,774) | (17,563,040) | (1,130,019) | - | (24,598,833) |
| **Net cash provided by (used in) operating activities** | 276,486 | (18,871,973) | 6,131,910 | (2,365,343) | (14,828,920) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:** | | | | | |
| Grants received | 193,540 | 19,265,188 | 160 | - | 19,458,888 |
| Transit assistance funds received | - | 119,971 | - | - | 119,971 |
| Cash from other funds | - | 1,469,443 | - | 1,723,813 | 3,193,256 |
| Cash to other funds | - | (300,000) | (18,811) | - | (318,811) |
| **Net cash provided (used in) by noncapital financing activities** | 193,540 | 20,554,602 | (18,651) | 1,723,813 | 22,453,304 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:** | | | | | |
| Capital grants received | - | 5,665,166 | - | - | 5,665,166 |
| Acquisition of capital assets | (254,722) | (6,472,804) | (6,312,787) | (326,177) | (13,366,490) |
| Advances from other funds | - | - | - | 967,707 | 967,707 |
| Proceeds from sales of capital assets | 38,910 | 6,721 | 1,500 | - | 47,131 |
| Interest paid | - | - | (949,816) | - | (949,816) |
| Proceeds from revenue bonds | - | - | 22,955,423 | - | 22,955,423 |
| Principal paid on revenue bonds | - | - | (13,235,000) | - | (13,235,000) |
| **Net cash provided by (used in) capital and related financing activities** | (215,812) | (800,917) | 2,459,320 | 641,530 | 2,084,121 |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | | | |
| Interest received | 84,891 | 194,376 | 716,655 | - | 995,922 |
| **Net cash provided by investing activities** | 84,891 | 194,376 | 716,655 | - | 995,922 |
| **Net increase (decrease) in cash and cash equivalents** | 339,105 | 1,076,088 | 9,289,234 | - | 10,704,427 |
| **CASH AND CASH EQUIVALENTS:** | | | | | |
| Beginning of year | 3,107,339 | 10,149,640 | 23,306,098 | - | 36,563,077 |
| End of year | $ 3,446,444 | $ 11,225,728 | $32,595,332 | $ - | $ 47,267,504 |
| **RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:** | | | | | |
| Cash and investments | $ 3,446,444 | $ 11,225,728 | $26,335,832 | $ - | $ 41,008,004 |
| Cash and investments held with fiscal agent | - | - | 6,259,500 | - | 6,259,500 |
| **Total** | $ 3,446,444 | $ 11,225,728 | $32,595,332 | $ - | $ 47,267,504 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Cash Flows (Continued)
## Proprietary Funds
## For the Year Ended June 30, 2020

| | Governmental Activities Internal Service Funds |
|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | |
| Receipts from customers and users | $ 189,567 |
| Receipts from user departments | 18,543,620 |
| Payments to suppliers | (14,066,841) |
| Payments to employees | (6,671,795) |
| **Net cash provided by (used in) operating activities** | (2,005,449) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:** | |
| Grants received | - |
| Transit assistance funds received | - |
| Cash from other funds | - |
| Cash to other funds | (37,732) |
| **Net cash provided (used in) by noncapital financing activities** | (37,732) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:** | |
| Capital grants received | 51,000 |
| Acquisition of capital assets | (485,687) |
| Advances from other funds | - |
| Proceeds from sales of capital assets | 360,598 |
| Interest paid | - |
| Proceeds from revenue bonds | - |
| Principal paid on revenue bonds | - |
| **Net cash provided by (used in) capital and related financing activities** | (74,089) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | |
| Interest received | 246,475 |
| **Net cash provided by investing activities** | 246,475 |
| **Net increase (decrease) in cash and cash equivalents** | (1,870,795) |
| **CASH AND CASH EQUIVALENTS:** | |
| Beginning of year | 10,648,299 |
| End of year | $ 8,777,504 |
| **RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:** | |
| Cash and investments | $ 8,777,504 |
| Cash and investments held with fiscal agent | - |
| **Total** | $ 8,777,504 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Cash Flows (Continued)
## Proprietary Funds
## For the Year Ended June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Refuse Disposal | Municipal Bus Lines | Sewer Enterprise | Municipal Fiber Network | Total Enterprise Funds |
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:** | | | | | |
| Operating income (loss) | $ (1,018,579) | $(28,553,081) | $ 2,514,673 | $ (2,695,060) | $(29,752,047) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation and amortization | 255,838 | 3,194,849 | 1,604,946 | 727,298 | 5,782,931 |
| (Increase) decrease in: | | | | | |
| Accounts receivable | (41,501) | 194,193 | 265 | (19,500) | 133,457 |
| Customer deposits | 24,000 | - | - | 140,115 | 164,115 |
| Inventory | - | - | - | - | - |
| Unearned revenue | 15 | - | - | - | 15 |
| Deferred outflows of resources - pensions | (111,550) | (558,468) | 90,048 | - | (579,970) |
| Deferred outflows of resources - OPEB | 56,070 | 93,446 | 5,274 | - | 154,790 |
| Increase (decrease) in: | | | | | |
| Accounts payable | (175,160) | 1,204,956 | 2,407,078 | (518,196) | 2,918,678 |
| Salaries and benefits payable | 32,917 | 134,470 | 5,249 | - | 172,636 |
| Compensated absences | 75,425 | 88,152 | (24,892) | - | 138,685 |
| Net pension liabilities | 1,504,069 | 5,874,403 | (414,284) | - | 6,964,188 |
| Net other postemployment benefits liabilities | (925,699) | (1,542,783) | (87,081) | - | (2,555,563) |
| Deferred inflows of resources - pensions | (38,459) | (67,245) | (29,488) | - | (135,192) |
| Deferred inflows of resources - OPEB | 639,100 | 1,065,135 | 60,122 | - | 1,764,357 |
| Claims payable | - | - | - | - | - |
| **Total adjustments** | 1,039,227 | 6,486,259 | 2,012,291 | (397,581) | 9,140,196 |
| **Net cash provided by (used in) operating activities** | $ 276,486 | $(18,871,973) | $ 6,131,910 | $ (2,365,343) | $(14,828,920) |
| **NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | |
| Accrued interest on advances | $ - | $ - | $ - | $ 286,070 | $ 286,070 |
| Loan forgiveness | $ - | $ - | $ - | $ 706,755 | $ 706,755 |

(Continued)

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Cash Flows (Continued)
## Proprietary Funds
## For the Year Ended June 30, 2020

| | Governmental Activities Internal Service Funds |
|---|---|
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:** | |
| Operating income (loss) | $ 141,588 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | |
| Depreciation and amortization | 1,949,855 |
| (Increase) decrease in: | |
| Accounts receivable | (46,535) |
| Customer deposits | - |
| Inventory | 29,300 |
| Unearned revenue | - |
| Deferred outflows of resources - pensions | 75,593 |
| Deferred outflows of resources - OPEB | 43,448 |
| Increase (decrease) in: | |
| Accounts payable | (2,678,511) |
| Salaries and benefits payable | 42,019 |
| Compensated absences | 79,918 |
| Net pension liabilities | 416,820 |
| Net other postemployment benefits liabilities | (717,295) |
| Deferred inflows of resources - pensions | (82,621) |
| Deferred inflows of resources - OPEB | 495,220 |
| Claims payable | (1,754,248) |
| **Total adjustments** | (4,096,892) |
| **Net cash provided by (used in) operating activities** | $ (2,005,449) |
| **NONCASH NONCAPITAL FINANCING ACTIVITIES** | |
| Accrued interest on advances | $ - |
| Loan forgiveness | $ - |

(Concluded)

See accompanying Notes to the Basic Financial Statements.

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# 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.

***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.

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# City of Culver City
## Statement of Fiduciary Net Position
## Fiduciary Funds
## June 30, 2020

| | Private Purpose Trust Fund | Agency Funds |
|---|---|---|
| **ASSETS** | | |
| Cash and investments | $ 3,372,421 | $ 11,623 |
| Cash and investments held with fiscal agent | 15,600,746 | - |
| Interest receivables | 7,475 | - |
| Prepaid items | 103,259 | - |
| Due from City of Culver City | 350,000 | - |
| Notes receivables, net | 1,082,973 | - |
| Capital assets: | | |
| Not being depreciated | 8,316,229 | - |
| Being depreciated, net | 4,764,376 | - |
| **Total assets** | 33,597,479 | $ 11,623 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | |
| Deferred loss on refunding, net | 2,767,268 | |
| **Total deferred loss on refunding** | 2,767,268 | |
| **LIABILITIES** | | |
| Accounts payable | $ 50,694 | $ - |
| Deposits payable | 61,357 | 11,623 |
| Interest payable | 612,475 | - |
| Due to Culver City Housing Authority | 7,982,045 | - |
| Bonds payable, due within one year | 11,120,000 | - |
| Bonds payable, due more than one year | 80,308,149 | - |
| **Total liabilities** | 100,134,720 | $ 11,623 |
| **NET POSITION (DEFICIT)** | | |
| Held in trust for Successor Agency | $ (63,769,973) | |

See accompanying Notes to the Basic Financial Statements.

# City of Culver City
## Statement of Changes in Fiduciary Net Position
## Fiduciary Funds
## For the Year Ended June 30, 2020

| | Private Purpose Trust Fund |
|---|---|
| **ADDITIONS** | |
| Redevelopment property taxes trust funds | $ 20,741,765 |
| Investment earnings | 296,303 |
| Miscellaneous | 35 |
| **Total additions** | 21,038,103 |
| **DEDUCTIONS** | |
| General and administrative | 524,037 |
| Depreciation | 138,902 |
| Interest expense | 4,867,894 |
| Reimbursement to the City | 1,422,954 |
| **Total deductions** | 6,953,787 |
| **Change in net position** | 14,084,316 |
| **NET POSITION** | |
| Beginning of year, as restated (Note 17) | (77,854,289) |
| End of year | $ (63,769,973) |

See accompanying Notes to the Basic Financial Statements.

# Basic Financial Statements

## NOTES TO THE BASIC FINANCIAL STATEMENTS




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# NOTES TO THE BASIC FINANCIAL STATEMENTS

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# City of Culver City
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## For the Year Ended June 30, 2020


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# City of Culver City
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## 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.

*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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**A. Reporting Entity (Continued)**

Blended Component Units (Continued)

*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.

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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

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.

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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

Governmental Funds (Continued)

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.

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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

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.

- 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.

**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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**C. Fund Classifications (Continued)**

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.*

**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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**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.

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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**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.

**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:

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

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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**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:

| OPEB | |
|---|---|
| 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 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.

**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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**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 |

**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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**T. Fund Balances (Continued)**

- *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.

*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.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**T. Fund Balances (Continued)**

*Financial Reserves Policy (Continued)*

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.

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.

## Note 1 – Summary of Significant Accounting Policies (Continued)

### W. New Accounting Pronouncements

GASB Statement No. 89, Accounting for Interest Cost Incurred before the end of a Construction Period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5−22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity.

In May 2020, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB Statement No. 95), to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of provisions in certain GASB Statements and Implementation Guides which became effective or were scheduled to become effective for periods beginning after June 15, 2018, and later. The City implemented GASB Statement No. 95 in the fiscal year ended June 30, 2020 and postponed the effective dates of the following GASB Statements:

- GASB Statement No. 84, Fiduciary Activities
- GASB Statement No. 87, Leases
- GASB Statement No. 90, Majority Equity Interests
- GASB Statement No. 92, Omnibus 2020

## Note 2 – Stewardship, Compliance, and Accountability

### A. Deficit Fund Balances/Net Position

As of June 30, 2020, (deficit) fund balances/net position were recorded in the following funds:

| | | |
|---|---|---|
| **Major Governmental Funds:** | | |
| Capital Projects Funds: | | |
| Capital Improvement Grants Fund | $ | (3,279,706) |
| **Major Proprietary Funds:** | | |
| Refuse Disposal Fund | | (5,961,727) |
| Municipal Fiber Network Fund | | (6,193,012) |
| **Nonmajor Governmental Funds:** | | |
| Special Revenue Funds: | | |
| Operating Grants Fund | | (712,507) |
| Paratransit Fund | | (19,311) |
| **Internal Service Funds:** | | |
| Equipment Maintenance Fund | | (11,142,885) |
| Risk Management Fund | | (14,995,082) |
| **Fiduciary Fund:** | | |
| Private Purpose Trust Fund | | (63,769,973) |

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

### A. Deficit Fund Balances/Net Position (Continued)

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 $11,566,125. 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.

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 $10,002,498.

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 $14,216,373. 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, 2020 in the amount of $(164,095,166) and $(23,982,949), 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, 2020 were $(214,774,656) and $(34,795,002), respectively. The net other postemployment benefits related liabilities for governmental activities and business-type activities at June 30, 2020 were $(56,767,423) and $(8,439,305), respectively.

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

| Fund | Expenditures | Appropriations | Excess of Expenditures over Appropriations |
|---|---|---|---|
| **Nonmajor Governmental Funds:** | | | |
| Special Revenue Funds: | | | |
| Operating Grants Fund | | | |
| General government | $ 770 | $ - | $ (770) |
| Police | 251,047 | 127,642 | (123,405) |
| Fire | 23,655 | 10,265 | (13,390) |
| Safe/Clean Water Protection Fund | | | |
| Community development | 13,079 | 174 | (12,905) |
| Building Surcharge Special Revenue Fund | | | |
| Public works | 50,105 | 48,663 | (1,442) |

## Note 3 – Cash and Investments

Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

| | Government-Wide Financial Statement | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Fiduciary Funds | **Total** |
| Cash and investments | $ 145,413,457 | $ 41,008,004 | $ 3,384,044 | $ 189,805,505 |
| Cash and investments held with fiscal agents | - | 6,259,500 | 15,600,746 | 21,860,246 |
| Restricted investments held by Pension Trust | 11,193,366 | - | - | 11,193,366 |
| **Total cash and investments** | $ 156,606,823 | $ 47,267,504 | $ 18,984,790 | $ 222,859,117 |

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

| | |
|---|---|
| Cash: | |
| Petty cash | $ 4,550 |
| Demand deposits | 27,944,834 |
| Total cash | 27,949,384 |
| Investments | 194,909,733 |
| **Total** | $ 222,859,117 |

### 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.

| Investment Types Authorized by State Law | Authorized By Investment Policy | *Maximum Maturity | *Maximum Percentage of Portfolio * | *Maximum Investment in One Issuer |
|---|---|---|---|---|
| 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.

## 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, 2020, 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, 2020:

| | Measurement Inputs | | | |
|---|---|---|---|---|
| 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 | $ 25,894,854 | $ - | $ - | $ 25,894,854 |
| State investment pool | - | - | 67,347,848 | 67,347,848 |
| U.S. government sponsored enterprise securities [1] | - | 54,477,718 | - | 54,477,718 |
| Money market mutual funds | - | - | 2,099,427 | 2,099,427 |
| Medium-term notes [1] | - | 12,036,274 | - | 12,036,274 |
| Cash and investments held with fiscal agents: | | | | |
| Money market mutual fund | - | - | 20,754,312 | 20,754,312 |
| Commercial paper [1] | - | 1,105,934 | - | 1,105,934 |
| Restricted investments held by Pension Trust: | | | | |
| Money market mutual fund | - | - | 28,036 | 28,036 |
| Mutual funds | 11,165,330 | - | - | 11,165,330 |
| **Total** | $ 37,060,184 | $ 67,619,926 | $ 90,229,623 | $ 194,909,733 |

[1] Priced based on institutional bond quotes.

## 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 Maturities (in Years) | | | | |
|---|---|---|---|---|---|---|
| Investment Type | Fair Value | Less Than 1 Year | 1 to 2 Years | 2 to 3 Years | 3 to 4 Years | 4 to 5 Years |
| Treasury obligations | $ 25,894,854 | $ 11,184,029 | $ 5,171,560 | $ 6,758,175 | $ 2,781,090 | $ - |
| State investment pool | 67,347,848 | 67,347,848 | - | - | - | - |
| U.S. government sponsored enterprise securities | 54,477,718 | 13,797,702 | 12,700,404 | 10,913,380 | 11,498,144 | 5,568,088 |
| Money market mutual funds | 2,099,427 | 2,099,427 | - | - | - | - |
| Medium-term notes | 12,036,274 | 1,450,904 | 3,101,940 | 3,165,210 | 4,318,220 | - |
| Cash and investments held with fiscal agents: | | | | | | |
| Money market mutual fund | 20,754,312 | 20,754,312 | - | - | - | - |
| Commercial paper | 1,105,934 | 1,105,934 | - | - | - | - |
| Restricted investments held by Pension Trust: | | | | | | |
| Money market mutual fund | 28,036 | 28,036 | - | - | - | - |
| Mutual funds | 11,165,330 | 11,165,330 | - | - | - | - |
| **Total** | $ 194,909,733 | $ 128,933,522 | $ 20,973,904 | $ 20,836,765 | $ 18,597,454 | $ 5,568,088 |

### 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.

| | | | Rating as of Fiscal Year End | | | | |
|---|---|---|---|---|---|---|---|
| Investment Type | Amount | Minimum Legal Rating | AAA | AA+ | AA | A | Not Rate |
| Treasury obligations | $ 25,894,854 | N/A | $ - | $ 25,894,854 | $ - | $ - | $ - |
| State investment pool | 67,347,848 | N/A | - | - | - | - | 67,347,848 |
| U.S. government sponsored enterprise securities | 54,477,718 | N/A | - | 54,477,718 | - | - | - |
| Money market mutual funds | 2,099,427 | AAA | 2,099,427 | - | - | - | - |
| Medium-term notes | 12,036,274 | A | 2,154,460 | 2,163,760 | 2,118,080 | 5,599,974 | - |
| Cash and investments with fiscal agents: | | | | | | | |
| Money market mutual fund | 20,754,312 | A | 20,754,312 | - | - | - | - |
| Commercial paper | 1,105,934 | A | 1,105,934 | - | - | - | - |
| Restricted investments held by Pension Trust: | | | | | | | |
| Money market mutual fund | 28,036 | N/A | 28,036 | - | - | - | - |
| Mutual funds | 11,165,330 | N/A | - | - | | | 11,165,330 |
| **Total** | $ 194,909,733 | | $ 26,142,169 | $ 82,536,332 | $ 2,118,080 | $ 5,599,974 | $ 78,513,178 |

**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 | $ 13,789,429 | 2021-2024 | 8.52% |
| Federal Farm Credit Bank | U.S. government sponsored enterprise securities | 17,965,142 | 2020-2023 | 11.10% |
| Freddie Mae | U.S. government sponsored enterprise securities | 17,621,768 | 2021-2024 | 10.89% |

**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, 2020 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.

As of June 30, 2020, the City had $67,347,848 invested in LAIF, which had invested 3.37% 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, 2020.

## Note 3 – Cash and Investments (Continued)

**Restricted Investments Held by Pension 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, 2020, the City reported restricted investments held by the Pension Trust in the amount of $11,193,366.

## Note 4 – Interfund Balances

### A. Internal Balances

At June 30, 2020, the City had following internal receivable and payable, which represents internal service charges between the governmental activities and business-type activities:

| | Internal Payable |
|---|---|
| **Internal Receivable** | Business-Type Activities |
| Governmental Activities | $ 19,698,085 |

### B. Due From and To Other Funds

At June 30, 2020, the individual fund interfund receivable payable balances are as follows:

| | Due From Other Funds | | | |
|---|---|---|---|---|
| | Governmental Funds | | Proprietary Funds | |
| **Due To Other Funds** | General Fund | Culver City Housing Authority Special Revenue Fund | Internal Service Fund | **Total** |
| **Governmental Funds:** | | | | |
| Culver City Housing Authority Special Revenue Fund | $ 34,215 | - | $ - | $ 34,215 |
| Capital Improvement Grants Capital Project Fund | 3,292,864 | - | - | 3,292,864 |
| Nonmajor Governmental Funds | 635,601 | 1,000 | 112 | 636,713 |
| **Proprietary Funds:** | | | | |
| Municipal Fiber Network | 2,398,344 | - | - | 2,398,344 |
| Internal Service Funds | 891,591 | - | - | 891,591 |
| **Fiduciary Funds:** | | | | |
| Successor Agency Fund | - | 7,982,045 | - | 7,982,045 |
| **Total** | $ 7,252,615 | $ 7,983,045 | $ 112 | $ 15,235,772 |

Interfund balances are the result of short term borrowing to cover negative cash balances and operating shortages at June 30, 2020 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.

## Note 4 – Interfund Balances (Continued)

### B. Due From and To Other Funds (Continued)

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, 2020, the individual fund advances to from balances are as follows:

| | Advances To Other Funds |
|---|---|
| **Advances From Other Funds** | General Fund |
| **Proprietary Funds:** | |
| Municipal Fiber Network Fund | $ 14,592,455 |

At June 30, 2020, the Municipal Fiber Network Fund owes the General Fund $14,592,455 including accrued interest of $189,860 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 costs of $967,706 and accrued interest of $286,070. The City Council reduced the advance balance by $706,755 as a grant to the Municipal Fiber Network Fund during the year ended June 30, 2020.

### D. Transfers In and Out

Government-Wide Financial Statements

| | Transfers In |
|---|---|
| **Transfers Out** | Business-Type Activities |
| Governmental Activities | $ 1,169,443 |

**Note 4 – Interfund Balances (Continued)**

**D. Transfers In and Out (Continued)**

Fund Financial Statements

For the year ended June 30, 2020, transfers in and out consisted of the following:

| | Transfers In | | | |
|---|---|---|---|---|
| | Governmental Funds | | Proprietary Funds | |
| Transfers Out | General Fund | Nonmajor Governmental Funds | Municipal Bus Lines Fund | Total |
| **Governmental Funds:** | | | | |
| General Fund | $ - | 26,521 | $ - | $ 26,521 |
| Culver City Housing Authority Fund | 853,394 | - | - | 853,394 |
| Capital Improvement Grants and Acquisition Fund | 2,918,284 | | | 2,918,284 |
| Nonmajor Governmental Funds | 1,600,000 | 420,441 | 1,469,443 | 3,489,884 |
| **Proprietary Funds:** | | | | |
| Municipal Bus Lines Fund | 300,000 | - | - | 300,000 |
| **Total** | $ 5,671,678 | $ 446,962 | $ 1,469,443 | $ 7,588,083 |

- Transfers from General Fund to Nonmajor Governmental Funds in the amount of $26,521 were to support the senior nutrition program.
- Transfers from Culver City Housing Authority Fund to General Fund in the amount of $853,394 were to support housing administration costs.
- Transfers from Capital Improvement Grants Acquisition Fund to General Fund in the amount of $2,918,284 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 $420,441 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 $1,469,443 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.

## Note 5 – Notes Receivables

At June 30, 2020, the City had $20,057,606 including both Governmental Activities and Business-Type Activities in various notes receivable as follows:

| **Governmental Activities:** | Notes Receivable |
|---|---|
| General Fund: | |
| City Manager | $ 1,033,346 |
| All others under $200,000 individually | 113,505 |
| Total General Fund | 1,146,851 |
| Culver City Housing Authority Special Revenue Fund: | |
| Culver City Mobile Home Owners, Inc. | 1,223,104 |
| MAP Loans | 570,740 |
| Tilden Terrace - Residential | 11,805,000 |
| Home Ownership Made Easy | 412,250 |
| Exceptional Children's Foundation ERAS Loans | 305,060 |
| Exceptional Children's Foundation Westside Opportunity Workshop | 387,500 |
| Habitat For Humanity of Greater Los Angeles | 3,100,000 |
| Subtotal | 17,803,654 |
| Less: allowance | (2,327,914) |
| Total Culver City Housing Authority Special Revenue Fund, net | $ 15,475,740 |
| Nonmajor Fund: | |
| CDBG Program Loans | $ 38,820 |
| Tilden Terrace - Commercial | 3,395,000 |
| Total Nonmajor Fund | 3,433,820 |
| **Total Governmental Activities** | $ 20,056,411 |
| **Business-Type Activities:** | |
| Other Notes Receivable | $ 1,195 |
| Total Sewer Enterprise Fund | 1,195 |
| **Total Business-Type Activities** | $ 1,195 |

### A. City Manager Loan Agreement

On May 17, 2012, the City entered into a loan agreement with City Manager in the amount of $1,200,000 with 1.0% interest rate and a term of 30 years. The balance of City Manager loan at June 30, 2020 was $1,033,346. Refer to Note 15 for more details.

### B. 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 7.0% 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, 2020 was $1,223,104.

**Note 5 – Notes Receivables (Continued)**

**C. 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, 2020, all outstanding balances totaled to $570,740.

**D. 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, 2020 was $11,805,000.

**E. 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, 2020 was $412,250.

**F. 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, 2020, the outstanding balance of the loan was in the amount of $305,060.

**G. 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, 2020, the outstanding balance of the loan was in the amount of $387,500.

**H. Habitat For Humanity of Greater Los Angeles**

The Housing Authority provides loan programs to the home owners of the City. The deferred loans are to be repaid upon the sale of the home. As of June 30, 2020, all outstanding balances totaled to $3,100,000.

**I. 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, 2020 was $3,395,000. The principal is not due until June 30, 2067.

## Note 6 – Capital Assets

### A. Governmental Activities

Summary of changes in capital assets for governmental activities for the year ended June 30, 2020 are as follows:

| | Governmental Activities | | | | |
|---|---|---|---|---|---|
| | Balance July 1, 2019 | Additions | Deletions | Transfers | Balance June 30, 2020 |
| **Capital assets, not being depreciated:** | | | | | |
| Land | $ 21,538,464 | $ - | $ - | $ - | $ 21,538,464 |
| Construction in progress | 29,291,238 | 5,049,605 | - | (7,098,572) | 27,242,271 |
| Total capital assets, not being depreciated | 50,829,702 | 5,049,605 | - | (7,098,572) | 48,780,735 |
| **Capital assets, being depreciated:** | | | | | |
| Building | 75,416,642 | 196,094 | - | 21,869 | 75,634,605 |
| Improvements | 34,565,495 | 546,781 | - | 266,462 | 35,378,738 |
| Machinery and equipment | 47,211,023 | 1,795,711 | (2,071,635) | 4,059,319 | 50,994,418 |
| Infrastructure | 79,644,072 | 399,509 | - | 2,750,922 | 82,794,503 |
| Total capital assets, being depreciated | 236,837,232 | 2,938,095 | (2,071,635) | 7,098,572 | 244,802,264 |
| **Less accumulated depreciation:** | | | | | |
| Building | (31,806,221) | (1,463,751) | - | - | (33,269,972) |
| Improvements | (19,469,213) | (1,151,524) | - | - | (20,620,737) |
| Machinery and equipment | (34,554,802) | (3,511,220) | 1,970,668 | - | (36,095,354) |
| Infrastructure | (26,938,880) | (1,543,082) | - | - | (28,481,962) |
| Total accumulated depreciation | (112,769,116) | (7,669,577) | 1,970,668 | - | (118,468,025) |
| Total capital assets, being depreciated, net | 124,068,116 | (4,731,482) | (100,967) | 7,098,572 | 126,334,239 |
| **Governmental activities capital assets, net** | $ 174,897,818 | $ 318,123 | $ (100,967) | $ - | $ 175,114,974 |

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

| | |
|---|---|
| General government | $ 654,266 |
| Parks, recreation, and community services | 690,946 |
| Police | 514,899 |
| Fire | 428,688 |
| Community development | 1,215,882 |
| Public works | 2,215,041 |
| Internal service funds | 1,949,855 |
| **Total** | $ 7,669,577 |

## 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, 2020 are as follows:

| | Business-Type Activities | | | | |
|---|---|---|---|---|---|
| | Balance July 1, 2019 | Additions | Deletions | Transfers | Balance June 30, 2020 |
| **Capital assets, not being depreciated:** | | | | | |
| Land | $ 3,082,760 | $ - | $ - | $ - | $ 3,082,760 |
| Construction in progress | 16,554,901 | 8,722,342 | (1,087,937) | (11,839,658) | 12,349,648 |
| Total capital assets, not being depreciated | 19,637,661 | 8,722,342 | (1,087,937) | (11,839,658) | 15,432,408 |
| **Capital assets, being depreciated:** | | | | | |
| Buildings | 28,075,733 | - | - | - | 28,075,733 |
| Improvements and other buildings | 15,076,291 | 41,549 | (2,970,520) | - | 12,147,320 |
| Machinery and equipment | 48,372,117 | 4,717,876 | (1,047,512) | 406,425 | 52,448,906 |
| Furniture and fixtures | 430,852 | - | - | - | 430,852 |
| Infrastructure | 25,160,376 | - | - | 11,433,233 | 36,593,609 |
| Investment in Hyperion | 26,605,373 | - | - | - | 26,605,373 |
| Total capital assets, being depreciated | 143,720,742 | 4,759,425 | (4,018,032) | 11,839,658 | 156,301,793 |
| **Less accumulated depreciation:** | | | | | |
| Buildings | (12,847,250) | (559,947) | - | - | (13,407,197) |
| Improvements and other buildings | (8,127,754) | (624,956) | 1,747,562 | - | (7,005,148) |
| Machinery and equipment | (31,016,553) | (2,716,319) | 951,822 | - | (32,781,050) |
| Furniture and fixtures | (405,986) | (5,818) | - | - | (411,804) |
| Infrastructure | (7,487,518) | (1,210,757) | - | - | (8,698,275) |
| Investment in Hyperion | (17,263,418) | (665,134) | - | - | (17,928,552) |
| Total accumulated depreciation | (77,148,479) | (5,782,931) | 2,699,384 | - | (80,232,026) |
| Total capital assets, being depreciated, net | 66,572,263 | (1,023,506) | (1,318,648) | 11,839,658 | 76,069,767 |
| **Business-type activities capital assets, net** | $ 86,209,924 | $ 7,698,836 | $ (2,406,585) | $ - | $ 91,502,175 |

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

| | |
|---|---|
| **Depreciation:** | |
| Refuse Disposal | $ 255,838 |
| Municipal Bus Lines | 3,194,849 |
| Sewer Enterprise | 1,604,946 |
| Municipal Fiber Network | 727,298 |
| **Total depreciation expense** | $ 5,782,931 |

## Note 7 – Long-Term Liabilities

### A. Governmental Activities

Summary of changes in governmental activities long-term liabilities for the year ended June 30, 2020 are as follows:

| | Balance July 1, 2019 | Additions | Deletions | Balance June 30, 2020 | Due within One Year | Due in more than One Year |
|---|---|---|---|---|---|---|
| Compensated absences | $ 12,180,738 | $ 9,028,962 | $ (8,152,238) | $ 13,057,462 | $ 4,106,872 | $ 8,950,590 |
| Claims and judgments | 15,970,621 | 1,789,752 | (3,544,000) | 14,216,373 | 3,387,088 | 10,829,285 |
| **Total** | $ 28,151,359 | $ 10,818,714 | $ (11,696,238) | $ 27,273,835 | $ 7,493,960 | $ 19,779,875 |

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, 2020 are as follows:

| | Balance July 1, 2019 | Additions | Deletions | Balance June 30, 2020 | Due within One Year | Due in more than One Year |
|---|---|---|---|---|---|---|
| Compensated absences | $ 1,579,111 | $ 2,010,519 | $ (1,871,834) | $ 1,717,796 | $ 923,664 | $ 794,132 |
| 2009 Wastewater Facilities Refunding Revenue Bonds | 13,235,000 | - | (13,235,000) | - | - | - |
| Wastewater Facilities Revenues Bonds, 2019 Series A | - | 19,360,000 | - | 19,360,000 | 425,000 | 18,935,000 |
| Bond premium | - | 3,595,423 | (79,898) | 3,515,525 | - | 3,515,525 |
| **Total** | $ 14,814,111 | $ 24,965,942 | $ (15,186,732) | $ 24,593,321 | $ 1,348,664 | $ 23,244,657 |

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**

*2009 Series A Wastewater Facilities Refunding Revenue Bonds*

The 2009 Series A Wastewater Facilities Refunding Revenue Bonds (2009 Bonds) dated July 10, 2009 were issued in the amount of $20,085,000 with a final maturity date of September 1, 2029. The 2009 Bonds were issued to provide funds to (a) refinance the City's Wastewater Facilities Refunding Revenue Bonds, 1999 Series A. which were originally issued in the aggregate principal amount of $25,080,000, of which $18,075,000 remained outstanding, (b) fund a deposit to the Reserve Account, and (c) finance the costs of issuance of the 2009 Bonds.

A portion of the proceeds of the 2009 Bonds, together with certain other moneys to be released from funds relating to the 1999 Bonds was deposited in an escrow fund created pursuant to an Escrow Agreement, dated as of July 1, 2009, by and between the City and U.S. Bank National Association, an escrow bank. Moneys in the escrow fund are held as cash or invested solely in non-callable, direct general obligation of the United States of America. Moneys in the escrow fund, together with interest earnings thereon, were sufficient to pay all outstanding 1999 Bonds in full September 1, 2029, at a redemption price equal to 102% of the remaining principal amount to be redeemed, plus accrued interest thereon to the date of redemption.

**Note 8 – Bonds Payable (Continued)**

**Business-Type Activities (Continued)**

*2009 Series A Wastewater Facilities Refunding Revenue Bonds (Continued)*

The capital projects funded with a portion of the proceeds of the 2009 Bonds include the ongoing replacement of sewer transmission pipes and the construction and improvement of pump stations. The first payment of 2009 Bond principal was on September 1, 2010. Interest is paid semi-annually on March 1 and September 1 of each year.

The 2009 Series A Wastewater Revenue Bonds were current refunded by the Wastewater Facilities Revenue Bonds, 2019 Series A during the fiscal year ended June 30, 2020. On November 1, 2019, the outstanding balance of $12,310,000 was called and redeemed. The transaction also resulted in an economic gain of $2,412,819 and a reduction of $4,458,256 in future debt service payments.

*Wastewater Facilities Revenue Bonds, 2019 Series A*

The Wastewater Facilities Revenue Bonds, 2019 Series A dated October 1, 2019 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.

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, 2020.

The 2019 Bonds mature beginning September 1, 2020 with final payment of principal due on September 1, 2049. Interest rate is 3% in 2020 and 4% to 5% from 2021 to 2049.

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

| Fiscal Year | Principal | Interest | **Total** |
|---|---|---|---|
| 2021 | $ 425,000 | $ 856,175 | $ 1,281,175 |
| 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 | 714,075 | 1,609,075 |
| 2026-2030 | 5,235,000 | 2,836,625 | 8,071,625 |
| 2031-2035 | 1,865,000 | 1,932,425 | 3,797,425 |
| 2036-2040 | 2,310,000 | 1,480,400 | 3,790,400 |
| 2041-2045 | 2,815,000 | 974,500 | 3,789,500 |
| 2046-2050 | 3,420,000 | 353,000 | 3,773,000 |
| **Total** | $ 19,360,000 | $ 11,540,975 | $ 30,900,975 |

## Note 9 – Claims and Judgments

### Self-Insurance

At June 30, 2020, 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, 2020, the City has recorded a liability in the amount of $14,216,373 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 claims up to $1,000,000 per occurrence with excess insurance overage up to statutory limits. Claims over a $1,000,000 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, 2020 are as follows:

| Fiscal Years | Balance at Beginning of Fiscal Year Liability | Current Year Claims and Change in Estimates | Claim Payments | Balance at End of Fiscal Year Liability |
|---|---|---|---|---|
| 2017-18 | $ 15,567,333 | $ 1,033,898 | $ (870,281) | $ 15,730,950 |
| 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 |

## Note 10 – Pension Plans

### A. California Public Employees' Retirement System ("CalPERS")

At June 30, 2020, net pension liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **Deferred outflows of resources:** | | | |
| Pension contribution made after measurement date: | | | |
| Miscellaneous | $ 6,523,071 | $ 3,563,631 | $ 10,086,702 |
| Safety | 13,640,232 | - | 13,640,232 |
| Difference between expected and actual experience: | | | |
| Miscellaneous | 2,289,499 | 1,250,781 | 3,540,280 |
| Safety | 2,972,372 | - | 2,972,372 |
| Changes of assumptions: | | | |
| Safety | 4,924,092 | - | 4,924,092 |
| **Total deferred outflows of resources** | $ 30,349,266 | $ 4,814,412 | $ 35,163,678 |
| **Net pension liabilities:** | | | |
| Miscellaneous | $ 63,690,709 | $ 34,795,002 | $ 98,485,711 |
| Safety | 151,083,947 | - | 151,083,947 |
| **Total net pension liabilities** | $ 214,774,656 | $ 34,795,002 | $ 249,569,658 |
| **Deferred inflows of resources:** | | | |
| Difference between expected and actual experience: | | | |
| Safety | 3,840 | - | 3,840 |
| Changes of assumptions: | | | |
| Miscellaneous | 470,433 | 257,004 | 727,437 |
| Safety | 658,274 | - | 658,274 |
| Difference in projected and actual earnings on pension investments: | | | |
| Miscellaneous | 663,644 | 362,557 | 1,026,201 |
| Safety | 1,168,745 | - | 1,168,745 |
| **Total deferred inflows of resources** | $ 2,964,936 | $ 619,561 | $ 3,584,497 |
| **Pension Expense:** | | | |
| Miscellaneous | $ 7,901,249 | $ 9,812,658 | $ 17,713,907 |
| Safety | 25,711,034 | - | 25,711,034 |
| | $ 33,612,283 | $ 9,812,658 | $ 43,424,941 |

## 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, 2018 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, 2019 are summarized as follows:

| | City Miscellaneous Plan | | | |
|---|---|---|---|---|
| | Tier I | Tier II | Tier II | Tier IIIa |
| Hire date | Prior to July 1, 2011 | Hired between July 1, 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 benefits, as a % of eligible 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 | 8.724% | 8.724% | 8.724% | 8.724% |

## 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 IIIa |
| Hire date | Prior to July 1, 2011 | Hired between July 1, 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 benefits, as a % of eligible 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 18.368%. Management employees pay 9% of employer cost through cost-sharing | Total 18.368%. Management employees pay 9% of employer cost through cost-sharing | Total 18.368%. Management employees pay 9% of employer cost through cost-sharing | 18.368% |

| | City Safety Plan - Fire | | | |
|---|---|---|---|---|
| | Tier I | Tier II | Tier II | Tier IIIa |
| Hire date | Prior to July 1, 2011 | Hired between July 1, 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 benefits, as a % of eligible 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 18.368%. Management employees pay 9% of employer cost through cost-sharing | Total 18.368%. Management employees pay 9% of employer cost through cost-sharing | Total 18.368%. Management employees pay 9% of employer cost through cost-sharing | 18.368% |

**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 7.5 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, 2018, the valuation date, the following employees were covered by the benefit terms:

| | Plans | |
|---|---|---|
| | Miscellaneous | Safety |
| Active employees | 483 | 164 |
| Transferred and terminated employees | 667 | 63 |
| Retired Employees and Beneficiaries | 622 | 290 |
| **Total** | 1772 | 517 |

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.

## 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, 2019, the total pension liability was determined by rolling forward the June 30, 2018 total pension liability. The June 30, 2019 total pension liabilities were based on the following actuarial methods and assumptions:

| | |
|---|---|
| Actuarial Cost Method | Entry Age Normal |
| Actuarial Assumptions: | |
| Discount Rate | 7.15% |
| Inflation | 2.50% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds. |
| Post Retirement Benefit Increase | Contract COLA up to 2.00% 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 2019.

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.

n 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.

**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:

| Asset Class[1] | New Strategic Allocation | Real Return Years 1 - 10[2] | Real Return Years 11+[3] |
|---|---|---|---|
| Global equity | 50.00% | 4.80% | 5.98% |
| Fixed income | 28.00% | 1.00% | 2.62% |
| Inflation assets | 0.00% | 0.77% | 1.81% |
| Private equity | 8.00% | 6.30% | 7.23% |
| Real assets | 13.00% | 3.75% | 4.93% |
| Liquidity | 1.00% | 0.00% | -0.92% |
| **Total** | 100.00% | | |

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

[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.

## 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, 2018 (Valuation Date) | $ 303,654,812 | $ 213,382,955 | $ 90,271,857 |
| Changes Recognized for the Measurement Period: | | | |
| Service Cost | 6,100,488 | - | 6,100,488 |
| Interest on the total pension liability | 21,824,037 | - | 21,824,037 |
| Changes of benefit terms | 48,596 | - | 48,596 |
| Difference between expected and actual experience | 5,548,202 | - | 5,548,202 |
| Changes of assumptions | - | - | - |
| Plan to plan resource movement | - | - | - |
| Contributions from the employer | - | 8,759,782 | (8,759,782) |
| Contributions from employees | - | 2,735,156 | (2,735,156) |
| Net investment income | - | 13,964,311 | (13,964,311) |
| Administrative expenses | - | (152,275) | 152,275 |
| Other miscellaneous income/(expense) | - | 495 | (495) |
| Benefit payments, including refunds of employee contributions | (14,141,132) | (14,141,132) | - |
| Net Changes during July 1, 2018 to June 30, 2019 | $ 19,380,191 | $ 11,166,337 | $ 8,213,854 |
| Balance at June 30, 2019 (Measurement Date) | $ 323,035,003 | $ 224,549,292 | $ 98,485,711 |

**Safety Plan**

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability/(Asset) (c) = (a) - (b) |
| Balance at June 30, 2018 (Valuation Date) | $ 392,721,450 | $ 249,223,319 | $ 143,498,131 |
| Changes Recognized for the Measurement Period: | | | |
| Service Cost | 6,716,477 | - | 6,716,477 |
| Interest on the total pension liability | 27,808,946 | - | 27,808,946 |
| Changes of benefit terms | - | - | - |
| Difference between expected and actual experience | 3,041,661 | - | 3,041,661 |
| Changes of assumptions | - | - | - |
| Plan to plan resource movement | - | - | - |
| Contributions from the employer | - | 11,760,090 | (11,760,090) |
| Contributions from employees | - | 2,192,763 | (2,192,763) |
| Net investment income | - | 16,205,685 | (16,205,685) |
| Administrative expenses | - | (177,851) | 177,851 |
| Other miscellaneous income/(expense) | - | 581 | (581) |
| Benefit payments, including refunds of employee contributions | (20,370,103) | (20,370,103) | - |
| Net Changes during July 1, 2018 to June 30, 2019 | $ 17,196,981 | $ 9,611,165 | $ 7,585,816 |
| Balance at June 30, 2019 (Measurement Date) | $ 409,918,431 | $ 258,834,484 | $ 151,083,947 |

## 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:

| | Plan's Net Pension Liability/(Asset) | | |
|---|---|---|---|
| | Discount Rate - 1% (6.15%) | Current Discount Rate (7.15%) | Discount Rate + 1% (8.15%) |
| Miscellaneous Plan | $ 141,130,685 | $ 98,485,711 | $ 63,193,570 |
| Safety Plan | $ 205,632,503 | $ 151,083,947 | $ 106,219,542 |

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 ending June 30, 2019, the City incurred a pension expense of $17,713,907 and $25,711,034 for Miscellaneous and Safety plans, respectively.

As of measurement date of June 30, 2019, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

| Miscellaneous Plan | Deferred outflows of resources | Deferred inflows of resources |
|---|---|---|
| Pension contribution made after measurement date | $ 10,086,702 | $ - |
| Difference between expected and actual experience | 3,540,280 | - |
| Changes of assumptions | - | (727,437) |
| Net difference between projected and actual earning on pension plan investments | - | (1,026,201) |
| Total | $ 13,626,982 | $ (1,753,638) |

## 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 contribution made after measurement date | $ 13,640,232 | $ - |
| Difference between expected and actual experience | 2,972,372 | (3,840) |
| Changes of assumptions | 4,924,092 | (658,274) |
| Net difference between projected and actual earning on pension plan investments | - | (1,168,745) |
| Total | $ 21,536,696 | $ (1,830,859) |

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 2018-19 measurement period is 2.7 and 4.0 years, which was obtained by dividing the total service years of 4,755 and 2,052 (the sum of remaining service lifetimes of the active employees) by 1,743 and 517 (the total number of participants: active, inactive, and retired), respectively.

The $10,086,702 and $13,640,232 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, 2020 will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. 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 |
|---|---|---|
| 2020 | $ 2,203,538 | $ 6,748,814 |
| 2021 | (327,846) | (1,334,152) |
| 2022 | (316,866) | 381,935 |
| 2023 | 227,816 | 269,008 |
| 2024 | - | - |
| Thereafter | - | - |
| **Total** | $ 1,786,642 | $ 6,065,605 |

## 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 $77,920 for the year ended June 30, 2020.

## Note 11 – Other Postemployment Benefits ("OPEB")

At June 30, 2020, net OPEB liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **Deferred outflows of resources:** | | | |
| Change in assumption | $ 3,121,887 | $ 464,113 | $ 3,586,000 |
| **Total deferred outflows of resources** | $ 3,121,887 | $ 464,113 | $ 3,586,000 |
| **Net OPEB liabilities:** | $ 56,767,423 | $ 8,439,305 | $ 65,206,728 |
| **Total net OPEB liabilities** | $ 56,767,423 | $ 8,439,305 | $ 65,206,728 |
| **Deferred inflows of Resources:** | | | |
| Net difference between projected and actual earning on plan investments | $ 160,358 | $ 23,839 | $ 184,197 |
| Change in assumption | 1,540,652 | 229,041 | 1,769,693 |
| Difference between expected and actual experience | 19,635,912 | 2,919,165 | 22,555,077 |
| **Total deferred inflows of resources** | $ 21,336,922 | $ 3,172,045 | $ 24,508,967 |
| **Pension Expense (Credit)** | $ 1,789,437 | $ (636,415) | $ 1,153,022 |

**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.

**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 | 543 |
| Inactive employees entitled to but not yet receiving benefit payments | 69 |
| **Total** | 1,246 |

**Note 11 – Other Postemployment Benefits ("OPEB") (Continued)**

**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, 2020, 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, 2020, 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 |
| PEMHCA Minimum Increases | 4.25% annually |
| Medical trend | Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.00% in 2076;<br>Medicare: 6.30% for 2021, decreasing to an ultimate rate of 4.0% 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.

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:

| Asset Class | Target Allocation | Expected Real Rate of Return |
|---|---|---|
| Growth Assets: | | |
| Domestic Equity | 44.00% | 4.53% |
| Foreign Equity | 23.00% | 4.93% |
| Fixed Income | 33.00% | 1.47% |
| **Total** | 100.00% | |
| | | |
| 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% |

**Note 11 – Other Postemployment Benefits ("OPEB") (Continued)**

**Net OPEB Liability (Continued)**

*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.

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, 2019 | $ 132,779,962 | $ 47,827,529 | $ 84,952,433 |
| Changes Recognized for the Measurement Period: | | | |
| Service Cost | 2,519,161 | - | 2,519,161 |
| Interest on the total OPEB liability | 8,597,512 | - | 8,597,512 |
| Changes of benefit terms | - | - | - |
| Difference between expected and actual experience | (19,714,893) | - | (19,714,893) |
| Changes of assumptions | (2,123,632) | - | (2,123,632) |
| Contributions from the employer | - | 6,073,330 | (6,073,330) |
| Net investment income | - | 2,964,438 | (2,964,438) |
| Administrative expenses | - | (13,915) | 13,915 |
| Benefit payments | (6,059,415) | (6,059,415) | - |
| Net Changes during July 1, 2019 to June 30, 2020 | $ (16,781,267) | $ 2,964,438 | $ (19,745,705) |
| Balance at June 30, 2020 (Measurement Date) | $ 115,998,695 | $ 50,791,967 | $ 65,206,728 |

*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:

| Plan's Net OPEB Liability/(Asset) | | |
|---|---|---|
| Discount Rate - 1% (5.50%) | Current Discount Rate (6.50%) | Discount Rate + 1% (7.50%) |
| $ 79,607,953 | $ 65,206,728 | $ 53,261,575 |

**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:

| Plan's Net OPEB Liability/(Asset) | | |
|---|---|---|
| Discount Rate - 1% (6.25% decreasing to 4.00%) | Healthcare Cost Tread Rates (7.25% decreasing to 4.00%) | Discount Rate + 1% (8.25% decreasing to 4.00%) |
| $ 52,906,548 | $ 65,206,728 | $ 79,107,932 |

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, 2020, the City recognized OPEB expense of $1,153,022. At June 30, 2020, 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 | $ - | $ (184,197) |
| Difference between expected and actual experience | - | (22,555,077) |
| Changes in assumptions | 3,586,000 | (1,769,693) |
| **Total** | $ 3,586,000 | $ (24,508,967) |

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, 2019, 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 Ended June 30 | Deferred Outflows/ (Inflows) of Resources |
|---|---|
| 2021 | $ (4,790,777) |
| 2022 | (4,502,777) |
| 2023 | (4,378,779) |
| 2024 | (3,610,884) |
| 2025 | (3,639,750) |
| Thereafter | - |
| **Total** | $ (20,922,967) |

## 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.

## Note 14 – Classification of Fund Balances

At June 30, 2020, 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 | $ 1,146,851 | $ - | $ - | $ - | $ - | $ 1,146,851 |
| Advances to other funds | 14,592,455 | - | - | - | - | 14,592,455 |
| **Total nonspendable** | 15,739,306 | - | - | - | - | 15,739,306 |
| **Restricted** | | | | | | |
| Road construction | - | - | - | - | 4,077,961 | 4,077,961 |
| Housing authority | - | 41,274,936 | - | - | 1,265,555 | 42,540,491 |
| Public safety | | | | | 1,006,572 | 1,006,572 |
| Other purposes | - | - | - | - | 241,957 | 241,957 |
| Redevelopment | - | - | - | - | 8,053,637 | 8,053,637 |
| Street maintenance | - | - | - | - | 2,268,842 | 2,268,842 |
| Equipment purchases | - | - | - | - | 1,068,116 | 1,068,116 |
| Construction of capital assets | - | - | 2,909,759 | - | 1,489,909 | 4,399,668 |
| Community development | - | - | - | - | 4,925,672 | 4,925,672 |
| Pension trust | 11,193,366 | - | - | - | - | 11,193,366 |
| **Total restricted** | 11,193,366 | 41,274,936 | 2,909,759 | - | 24,398,221 | 79,776,282 |
| **Committed** | | | | | | |
| Contingency | 38,325,834 | - | - | - | - | 38,325,834 |
| Facility planning | 11,354,301 | - | - | - | 13,991,320 | 25,345,621 |
| Recreation facilities | 1,691,597 | - | - | - | 9,199,064 | 10,890,661 |
| **Total committed** | 51,371,732 | - | - | - | 23,190,384 | 74,562,116 |
| **Assigned** | | | | | | |
| Encumbered contracts | 5,731,509 | - | - | - | - | 5,731,509 |
| **Total assigned** | 5,731,509 | - | - | - | - | 5,731,509 |
| **Unassigned (deficit)** | 18,381,515 | - | - | (3,279,706) | (731,818) | 14,369,991 |
| **Total fund balance** | $ 102,417,428 | $ 41,274,936 | $ 2,909,759 | $ (3,279,706) | $ 46,856,787 | $ 190,179,204 |

## Note 15 – Related Party Transactions

On May 15, 2012 the City loaned the City Manager $711,000 secured by a Deed of Trust on residential real estate in the City of Culver City. The loan was pursuant to an employment agreement and for the purpose of incentivizing local residency. In addition, the loan bears interest initially at 0.867% per year which is one-half percentage points greater than the effective yield on investments in the State of California Local Agency Investment Fund for April 2011 and is subject to adjustment every August 1, based on the loan terms. Biweekly accrued interest is the minimum loan repayment although loan principal and interest can be paid. Payoff of the loan is the earlier of loan repayment of principal and interest or within twenty-four months of leaving employment with the City.

On June 17, 2013 the City loaned the City Manager additional $489,000 for the improvement of the Culver City residence. The loan was secured by Second Deed of Trust on residential real estate in the City of Culver City. The loan bears the same rate and term as the initial $711,000 loan and interest on this loan shall begin to accrue on July 1, 2013. As of June 30, 2020, the total balance of both loans outstanding was $1,033,346. Interest payments received during the fiscal year was $25,983.

**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.

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

The process of making RPTTF 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, 2020 is as follows:

| | Balance July 1, 2019 | Additions | Deletions | Balance June 30, 2020 |
|---|---|---|---|---|
| **Capital assets, not being depreciated:** | | | | |
| Land | $ 8,316,229 | $ - | $ - | $ 8,316,229 |
| Total capital assets, not being depreciated | 8,316,229 | - | - | 8,316,229 |
| **Capital assets, being depreciated:** | | | | |
| Buildings | 3,429,740 | - | - | 3,429,740 |
| Improvements | 363,598 | - | - | 363,598 |
| Infrastructure | 2,606,379 | - | - | 2,606,379 |
| Total capital assets, being depreciated | 6,399,717 | - | - | 6,399,717 |
| **Less accumulated depreciation:** | | | | |
| Buildings | (779,416) | (68,594) | - | (848,010) |
| Improvements | (198,260) | (18,180) | - | (216,440) |
| Infrastructure | (518,763) | (52,128) | - | (570,891) |
| Total accumulated depreciation | (1,496,439) | (138,902) | - | (1,635,341) |
| Total capital assets, being depreciated, net | 4,903,278 | (138,902) | - | 4,764,376 |
| **Fiduciary Fund capital assets, net** | $ 13,219,507 | $ (138,902) | $ - | $ 13,080,605 |

## 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.

**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, 2020 is as follows:

| | Balance July 1, 2019 (As restated) | Additions | Deletions | Balance June 30, 2020 | 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 Bonds | 1,873,015 | 312,930 | - | 2,185,945 | - | 2,185,945 |
| 2017 A Tax Allocation Bonds | 74,785,000 | - | - | 74,785,000 | 9,560,000 | 65,225,000 |
| 2017 B Tax Allocation Bonds | 12,510,000 | - | (10,950,000) | 1,560,000 | 1,560,000 | - |
| **Subtotal** | $ 91,362,200 | $ 312,930 | $ (10,950,000) | $ 80,725,130 | $ 11,120,000 | $ 69,605,130 |
| Unamortized original issue discount | (32,097) | - | 24,073 | (8,024) | - | (8,024) |
| Unamortized original issue premium | 11,996,368 | - | (1,285,325) | 10,711,043 | - | 10,711,043 |
| **Total** | $103,326,471 | $ 312,930 | $ (12,211,252) | $ 91,428,149 | $ 11,120,000 | $ 80,308,149 |

**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, 2020, the reserve with fiscal agent was in the amount of $1,366,336 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, 2020 was $2,194,185. The accreted interest amount on the Capital Appreciation Bonds at June 30, 2020 was $2,185,945.

**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:

| | 2011 Series A Tax Allocation Revenue Bond | | |
|---|---|---|---|
| Fiscal Year | Principal | Accreted Interest | Total |
| 2021 | $ - | $ - | $ - |
| 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, 2018. Interest rate is 4% in 2020 and 5% from 2021 to 2028.

2017 Series B Tax Allocation Bonds mature beginning November1, 2018 with final payment of principal due on November 1, 2020. Interest rate is 1.5% in 2018, 1.625% in 2019, and 2% in 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:

| | 2017 A Tax Allocation Bonds | | |
|---|---|---|---|
| Fiscal Year | Principal | Interest | Total |
| 2021 | $ 9,560,000 | $ 3,452,450 | $ 13,012,450 |
| 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 |
| 2026-2029 | 22,265,000 | 2,222,875 | 24,487,875 |
| **Total** | $ 74,785,000 | $ 14,311,825 | $ 89,096,825 |

| | 2017 B Tax Allocation Bonds | | |
|---|---|---|---|
| Fiscal Year | Principal | Interest | Total |
| 2021 | $ 1,560,000 | $ 15,600 | $ 1,575,600 |

## 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 – Prior Period Adjustments

#### Government-Wide Financial Statements

The beginning net position for the governmental-activities and business-type activities were restated as below due to the internal service fund allocation.

| | Governmental Activities | Business-Type Activities |
|---|---|---|
| Beginning net position, as previously reported | $ 87,466,500 | $ 56,657,270 |
| Internal service fund allocation | 2,334,157 | (2,334,157) |
| Beginning net position, as restated | $ 89,800,657 | $ 54,323,113 |

#### Fiduciary Financial Statements

The beginning net position for the Successor Agency was restated from $(78,218,498) to $(77,854,289) to correct the defeasance of 2011 Tax Allocation Revenue Bonds Series A and B.

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# Required Supplementary Information




CITY OF CULVER CITY
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# REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Changes in Net Pension Liabilities and Related Ratios
## For the Year Ended June 30, 2020

**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 | - | - | - | - | (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 payroll[4]** | $ 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 2.75 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)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

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

| Measurement period | 2018-19 |
|---|---|
| **Total pension liability** | |
| Service cost | $ 6,100,488 |
| Interest | 21,824,037 |
| Changes of benefit terms | 48,596 |
| Changes of assumptions | - |
| Differences between expected and actual experience | 5,548,202 |
| Benefit payments, including refunds of employee contributions | (14,141,132) |
| **Net change in total pension liability** | 19,380,191 |
| **Total pension liability - beginning** | 303,654,812 |
| **Total pension liability - ending (a)** | $ 323,035,003 |
| **Pension fiduciary net position** | |
| Contributions - employer | $ 8,759,782 |
| Contributions - employee | 2,735,156 |
| Net investment income[2] | 13,964,311 |
| Benefit payments, including refunds of employee contributions | (14,141,132) |
| Net plan to plan resource movement | - |
| Administrative expense | (152,275) |
| Other miscellaneous expense[3] | 495 |
| **Net change in plan fiduciary net position** | 11,166,337 |
| **Plan fiduciary net position - beginning** | 213,382,955 |
| **Plan fiduciary net position - ending (b)** | $ 224,549,292 |
| **Plan net pension liability - ending (a) - (b)** | $ 98,485,711 |
| **Plan fiduciary net position as a percentage of the total pension liability** | 69.51% |
| **Covered payroll[4]** | $ 35,965,617 |
| **Plan net pension liability as a percentage of covered payroll** | 273.83% |

**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. 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)
## For the Year Ended June 30, 2020

**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 payroll[4]** | $ 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 2.75 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)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

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

| Measurement period | 2018-19 |
|---|---|
| **Total pension liability** | |
| Service cost | $ 6,716,477 |
| Interest | 27,808,946 |
| Changes of benefit terms | - |
| Changes of assumptions | - |
| Differences between expected and actual experience | 3,041,661 |
| Benefit payments, including refunds of employee contributions | (20,370,103) |
| **Net change in total pension liability** | 17,196,981 |
| **Total pension liability - beginning** | 392,721,450 |
| **Total pension liability - ending (a)** | $ 409,918,431 |
| **Pension fiduciary net position** | |
| Contributions - employer | $ 11,760,090 |
| Contributions - employee | 2,192,763 |
| Net investment income[2] | 16,205,685 |
| Benefit payments, including refunds of employee contributions | (20,370,103) |
| Net plan to plan resource movement | - |
| Administrative expense | (177,851) |
| Other miscellaneous expense[3] | 581 |
| **Net change in plan fiduciary net position** | 9,611,165 |
| **Plan fiduciary net position - beginning** | 249,223,319 |
| **Plan fiduciary net position - ending (b)** | $ 258,834,484 |
| **Plan net pension liability - ending (a) - (b)** | $ 151,083,947 |
| **Plan fiduciary net position as a percentage of the total pension liability** | 63.14% |
| **Covered payroll[4]** | $ 23,257,305 |
| **Plan net pension liability as a percentage of covered payroll** | 649.62% |

**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. 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
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

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

| | 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 2.75 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 | 2.75% |
| Salary increases | Varies by entry age and service |
| Payroll Growth | 3.00% |
| Investment rate of return | 7.375% net of pension plan investment and administrative expenses, including inflation. |
| Retirement age | The probabilities of retirement are based on the 2014 CalPERS Experience study for the period from 1997 to 2011. |
| Mortality | The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries. |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Contributions - Pensions (Continued)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

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

| | 2018-19 | 2019-20 |
|---|---|---|
| Actuarially determined contribution | $ 8,759,782 | $ 10,086,702 |
| Contributions in relation to the actuarially determined contribution | (8,759,782) | (10,086,702) |
| Contribution deficiency (excess) | $ - | $ - |
| Covered payroll[2, 3] | $ 35,965,617 | $ 36,954,671 |
| Contributions as a percentage of covered payroll[2] | 24.36% | 27.29% |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Contributions - Pensions (Continued)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

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

| | 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 | 2.75% |
| Salary increases | Varies by entry age and service |
| Payroll Growth | 3.00% |
| Investment rate of return | 7.375% net of pension plan investment and administrative expenses, including inflation. |
| Retirement age | The probabilities of retirement are based on the 2014 CalPERS Experience study for the period from 1997 to 2011. |
| Mortality | The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries. |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Contributions - Pensions (Continued)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

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

| | 2018-19 | 2019-20 |
|---|---|---|
| Actuarially determined contribution | $ 11,760,090 | $ 13,640,232 |
| Contributions in relation to the actuarially determined contribution | (11,760,090) | (13,640,232) |
| Contribution deficiency (excess) | $ - | $ - |
| Covered payroll[2, 3] | $ 23,257,305 | $ 23,896,881 |
| Contributions as a percentage of covered payroll[2] | 50.57% | 57.08% |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Changes in Net OPEB Liabilities and Related Ratios
## For the Year Ended June 30, 2020

**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)** | $ 129,921,000 | $ 122,536,000 | $ 127,515,000 | $ 127,911,000 | $ 132,779,962 |
| **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)** | $ 17,496,000 | $ 23,238,000 | $ 31,624,000 | $ 39,943,000 | $ 47,827,529 |
| **Plan net OPEB liability - ending (a) - (b)** | $ 112,425,000 | $ 99,298,000 | $ 95,891,000 | $ 87,968,000 | $ 84,952,433 |
| **Plan fiduciary net position as a percentage of the total OPEB liability** | 13.47% | 18.96% | 24.80% | 31.23% | 36.02% |
| **Covered payroll** | $ 47,105,000 | $ 52,215,000 | $ 56,415,000 | $ 57,411,000 | $ 58,966,981 |
| **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 2020, Mortality assumptions were updated to CalPERS 1997-2015 Experience Study, Mortality mprovement 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)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

**Other Postemployment Benefits ("OPEB")**

| Measurement period | 2019-20 |
|---|---|
| **Total OPEB liability** | |
| Service cost | $ 2,519,161 |
| Interest | 8,597,512 |
| 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) |
| **Net change in total OPEB liability** | (16,781,267) |
| **Total OPEB liability - beginning** | 132,779,962 |
| **Total OPEB liability - ending (a)** | $ 115,998,695 |
| **OPEB fiduciary net position** | |
| Contributions - employer | $ 6,073,330 |
| Net investment income | 2,964,438 |
| Benefit payments, including refunds of employee contributions | (6,059,415) |
| Administrative expense | (13,915) |
| **Net change in plan fiduciary net position** | 2,964,438 |
| **Plan fiduciary net position - beginning** | 47,827,529 |
| **Plan fiduciary net position - ending (b)** | $ 50,791,967 |
| **Plan net OPEB liability - ending (a) - (b)** | $ 65,206,728 |
| **Plan fiduciary net position as a percentage of the total OPEB liability** | 43.79% |
| **Covered payroll** | $ 64,408,288 |
| **Plan net OPEB liability as a percentage of covered-employee payroll** | 101.24% |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Contributions - OPEB
## For the Year Ended June 30, 2020

**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, 2017, 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 Cost Method |
| Amortization method | Level percentage of payroll |
| Remaining amortization period | 20-year fixed period for the 2019/20 ADC |
| Asset valuation method | Investment gains and losses spread over a 5-year rolling period. |
| Inflation | 2.75% |
| Medical Trend | Non-Medicare: 7.50% for 2019, decreasing to an ultimate rate of 4.00% in 2076; Medicare: 6.50% for 2019, 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 1997-2011 Healthy Annuitant Mortality Table for Male or Females, as appropriate, with adjustments for mortality improvements based on MP-2017 to converge to ultimate mortality improvement rates in 2022. |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Schedule of Contributions - OPEB (Continued)
## For the Year Ended June 30, 2020

**Last Ten Fiscal Years**

**Other Postemployment Benefits ("OPEB")**

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

# City of Culver City
## Required Supplementary Information (Unaudited)
## Budgetary Comparison Schedule
## For the Year Ended June 30, 2020

*General Fund*

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Taxes | $ 87,973,000 | $ 90,447,647 | $ 86,360,835 | $ (4,086,812) |
| Licenses and permits | 6,347,000 | 6,171,258 | 6,129,732 | (41,526) |
| Fines and forfeitures | 5,304,500 | 5,368,500 | 4,478,030 | (890,470) |
| Intergovernmental | 5,702,046 | 5,863,934 | 6,094,042 | 230,108 |
| Charges for services | 12,678,899 | 12,660,251 | 10,101,535 | (2,558,716) |
| Investment earnings | 982,000 | 1,538,682 | 3,710,587 | 2,171,905 |
| Miscellaneous | 421,750 | 643,675 | 606,514 | (37,161) |
| **Total revenues** | 119,409,195 | 122,693,947 | 117,481,275 | (5,212,672) |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| General government | 15,244,598 | 16,374,107 | 16,332,666 | 41,441 |
| Parks, recreation, and community services | 10,465,840 | 10,923,389 | 8,783,455 | 2,139,934 |
| Police | 46,655,980 | 47,646,514 | 44,069,062 | 3,577,452 |
| Fire | 27,104,608 | 27,630,549 | 24,226,486 | 3,404,063 |
| Community development | 9,603,467 | 15,290,537 | 9,803,786 | 5,486,751 |
| Public works | 14,028,944 | 15,162,829 | 13,063,006 | 2,099,823 |
| **Total expenditures** | 123,103,437 | 133,027,925 | 116,278,461 | 16,749,464 |
| **REVENUE OVER (UNDER) EXPENDITURES** | (3,694,242) | (10,333,978) | 1,202,814 | 11,536,792 |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | 3,293,394 | 3,293,394 | 5,671,678 | 2,378,284 |
| Transfers out | (6,961,775) | (6,968,444) | (26,521) | 6,941,923 |
| Proceeds from sale of property | - | - | 1,779 | 1,779 |
| **Total other financing sources (uses)** | (3,668,381) | (3,675,050) | 5,646,936 | 9,321,986 |
| **CHANGE IN FUND BALANCE** | (7,362,623) | (14,009,028) | 6,849,750 | 20,858,778 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 95,567,678 | 95,567,678 | 95,567,678 | - |
| End of year | $ 88,205,055 | $ 81,558,650 | $ 102,417,428 | $ 20,858,778 |

# City of Culver City
## Required Supplementary Information (Unaudited)
## Budgetary Comparison Schedule (Continued)
## For the Year Ended June 30, 2020

*Culver City Housing Authority Special Revenue Fund*

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Investment earnings | $ - | $ - | $ 438,275 | $ 438,275 |
| Miscellaneous | - | 127,000 | 5,000 | (122,000) |
| **Total revenues** | - | 127,000 | 443,275 | 316,275 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Community development | - | 6,407,970 | 955,401 | 5,452,569 |
| **Total expenditures** | - | 6,407,970 | 955,401 | 5,452,569 |
| **REVENUE OVER (UNDER) EXPENDITURES** | - | (6,280,970) | (512,126) | 5,768,844 |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | - | 6,485,000 | - | (6,485,000) |
| Transfers out | - | (853,394) | (853,394) | - |
| **Total other financing sources (uses)** | - | 5,631,606 | (853,394) | (6,485,000) |
| **CHANGE IN FUND BALANCE** | - | (649,364) | (1,365,520) | (716,156) |
| **FUND BALANCE:** | | | | |
| Beginning of year | 42,640,456 | 42,640,456 | 42,640,456 | - |
| End of year | $ 42,640,456 | $ 41,991,092 | $ 41,274,936 | $ (716,156) |

# City of Culver City
## Notes to the Required Supplementary Information (Unaudited)
## Budgetary Comparison Schedule
## For the Year Ended June 30, 2020

**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, hat 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




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# SUPPLEMENTARY INFORMATION

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# City of Culver City
## Combining Balance Sheet
## Nonmajor Governmental Funds
## June 30, 2020

| | Special Revenue Funds | Capital Projects Funds | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and investments | $ 40,121,406 | $ 3,895,150 | $ 44,016,556 |
| Accounts receivables, net | 395,675 | - | 395,675 |
| Interest receivables | 145,488 | 876,732 | 1,022,220 |
| Notes receivables, net | 38,820 | 3,395,000 | 3,433,820 |
| Due from other governments | 1,100,503 | - | 1,100,503 |
| **Total assets** | $ 41,801,892 | $ 8,166,882 | $ 49,968,774 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ 1,282,509 | $ - | $ 1,282,509 |
| Salaries and benefits payable | 22,028 | - | 22,028 |
| Due to other funds | 636,713 | - | 636,713 |
| Deposits payable | 99,378 | 113,245 | 212,623 |
| Retention payable | 121,857 | - | 121,857 |
| Due to other governments | 38,820 | - | 38,820 |
| **Total liabilities** | 2,201,305 | 113,245 | 2,314,550 |
| **Deferred inflows of resources:** | | | |
| Unavailable grant revenues | 797,437 | - | 797,437 |
| **Total deferred inflows of resources** | 797,437 | - | 797,437 |
| **Fund Balances:** | | | |
| Restricted | 16,344,584 | 8,053,637 | 24,398,221 |
| Committed | 23,190,384 | - | 23,190,384 |
| Unassigned (deficit) | (731,818) | - | (731,818) |
| **Total fund balances** | 38,803,150 | 8,053,637 | 46,856,787 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 41,801,892 | $ 8,166,882 | $ 49,968,774 |

# City of Culver City
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
## Nonmajor Governmental Funds
## For the Year Ended June 30, 2020

| | Special Revenue Funds | Capital Projects Funds | Total |
|---|---|---|---|
| **REVENUES:** | | | |
| Licenses and permits | $ 1,757,945 | $ - | $ 1,757,945 |
| Intergovernmental | 7,251,982 | - | 7,251,982 |
| Charges for services | 7,213,574 | - | 7,213,574 |
| Investment earnings | 1,164,780 | 186,359 | 1,351,139 |
| Miscellaneous | 134,739 | 1 | 134,740 |
| **Total revenues** | 17,523,020 | 186,360 | 17,709,380 |
| **EXPENDITURES:** | | | |
| Current: | | | |
| General government | 578,034 | - | 578,034 |
| Parks, recreation and community services | 334,401 | - | 334,401 |
| Police | 743,888 | - | 743,888 |
| Fire | 23,655 | - | 23,655 |
| Community development | 3,850,183 | - | 3,850,183 |
| Public works | 230,137 | - | 230,137 |
| Transportation | 315,587 | - | 315,587 |
| Capital outlay | 2,614,351 | 23,169 | 2,637,520 |
| **Total expenditures** | 8,690,236 | 23,169 | 8,713,405 |
| **REVENUES OVER EXPENDITURES** | 8,832,784 | 163,191 | 8,995,975 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfers in | 446,962 | - | 446,962 |
| Transfers out | (3,489,884) | - | (3,489,884) |
| Proceeds from sale of property | 6,695 | | 6,695 |
| **Total other financing sources (uses)** | (3,036,227) | - | (3,036,227) |
| **CHANGES IN FUND BALANCES** | 5,796,557 | 163,191 | 5,959,748 |
| **FUND BALANCES:** | | | |
| Beginning of year | 33,006,593 | 7,890,446 | 40,897,039 |
| End of year | $ 38,803,150 | $ 8,053,637 | $ 46,856,787 |

# 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.

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# 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, 2020

| | Gas Tax | Proposition A Local Return | Proposition C Local Return | Measure R | Operating Grants |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ 2,168,775 | $ 997,266 | $ 1,090,597 | $ 385,012 | $ - |
| Accounts receivables, net | - | - | - | - | 1,000 |
| Interest receivables | 7,704 | 6,439 | 5,605 | 2,221 | - |
| Notes receivables, net | - | - | - | - | - |
| Due from other governments | 106,251 | - | - | - | 927,977 |
| **Total assets** | $ 2,282,730 | $ 1,003,705 | $ 1,096,202 | $ 387,233 | $ 928,977 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| **Liabilities:** | | | | | |
| Accounts payable | $ 13,888 | $ - | $ - | $ - | $ 259,328 |
| Salaries and benefits payable | - | - | - | - | 4,520 |
| Due to other funds | - | - | - | - | 610,404 |
| Deposits payable | - | - | - | - | - |
| Retention payable | - | - | - | - | - |
| Due to other governments | - | - | - | - | - |
| **Total liabilities** | 13,888 | - | - | - | 874,252 |
| **Deferred inflows of resources:** | | | | | |
| Unavailable revenues | - | - | - | - | 767,232 |
| **Total deferred inflows of resources** | - | - | - | - | 767,232 |
| **Fund Balances:** | | | | | |
| Restricted | 2,268,842 | 1,003,705 | 1,096,202 | 387,233 | - |
| Committed | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | (712,507) |
| **Total fund balances** | 2,268,842 | 1,003,705 | 1,096,202 | 387,233 | (712,507) |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 2,282,730 | $ 1,003,705 | $ 1,096,202 | $ 387,233 | $ 928,977 |

(Continued)

# City of Culver City
## Combining Balance Sheet (Continued)
## Nonmajor Special Revenue Funds
## June 30, 2020

| | Section 8 Housing | Art in Public Places | Community Development | CDBG | Special Assessment |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ 1,432,654 | $ 3,508,264 | $ 1,112,718 | $ - | $ 523,857 |
| Accounts receivables, net | 1,101 | - | - | - | 4,369 |
| Interest receivables | - | 12,931 | 4,083 | - | 1,902 |
| Notes receivables, net | - | - | - | 38,820 | - |
| Due from other governments | - | - | - | 443 | 1,854 |
| **Total assets** | $ 1,433,755 | $ 3,521,195 | $ 1,116,801 | $ 39,263 | $ 531,982 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| **Liabilities:** | | | | | |
| Accounts payable | $ 130,362 | $ 43,190 | $ 166,071 | $ - | $ 17,400 |
| Salaries and benefits payable | 3,926 | 2,702 | - | - | - |
| Due to other funds | 112 | - | - | 443 | - |
| Deposits payable | 33,800 | - | - | - | 13,855 |
| Retention payable | - | - | - | - | - |
| Due to other governments | - | - | - | 38,820 | - |
| **Total liabilities** | 168,200 | 45,892 | 166,071 | 39,263 | 31,255 |
| **Deferred inflows of resources:** | | | | | |
| Unavailable revenues | - | - | - | - | 1,088 |
| **Total deferred inflows of resources** | - | - | - | - | 1,088 |
| **Fund Balances:** | | | | | |
| Restricted | 1,265,555 | 3,475,303 | 950,730 | - | 499,639 |
| Committed | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | - |
| **Total fund balances** | 1,265,555 | 3,475,303 | 950,730 | - | 499,639 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 1,433,755 | $ 3,521,195 | $ 1,116,801 | $ 39,263 | $ 531,982 |

(Continued)

# City of Culver City
## Combining Balance Sheet (Continued)
## Nonmajor Special Revenue Funds
## June 30, 2020

| | Park Facilities | Asset Seizure | Parking Authority | Safe/Clean Water Protection | Building Surcharge |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ 1,527,193 | $ 879,982 | $ 13,796,460 | $ 9,714,854 | $ 1,090,583 |
| Accounts receivables, net | - | - | 267,667 | - | 21 |
| Interest receivables | 5,637 | 3,263 | 50,799 | 34,062 | 4,094 |
| Notes receivables, net | - | - | - | - | - |
| Due from other governments | - | 8,353 | - | 25,522 | - |
| **Total assets** | $ 1,532,830 | $ 891,598 | $ 14,114,926 | $ 9,774,438 | $ 1,094,698 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| **Liabilities:** | | | | | |
| Accounts payable | $ 33,100 | $ 3,120 | $ 71,883 | $ 463,338 | $ 21,237 |
| Salaries and benefits payable | - | - | - | - | 5,345 |
| Due to other funds | - | - | - | - | - |
| Deposits payable | - | - | 51,723 | - | - |
| Retention payable | 9,821 | - | - | 112,036 | - |
| Due to other governments | - | - | - | - | - |
| **Total liabilities** | 42,921 | 3,120 | 123,606 | 575,374 | 26,582 |
| **Deferred inflows of resources:** | | | | | |
| Unavailable revenues | - | - | - | - | - |
| **Total deferred inflows of resources** | - | - | - | - | - |
| **Fund Balances:** | | | | | |
| Restricted | 1,489,909 | 888,478 | - | - | 1,068,116 |
| Committed | - | - | 13,991,320 | 9,199,064 | - |
| Unassigned (deficit) | - | - | - | - | - |
| **Total fund balances** | 1,489,909 | 888,478 | 13,991,320 | 9,199,064 | 1,068,116 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 1,532,830 | $ 891,598 | $ 14,114,926 | $ 9,774,438 | $ 1,094,698 |

(Continued)

# City of Culver City
## Combining Balance Sheet (Continued)
## Nonmajor Special Revenue Funds
## June 30, 2020

| | Paratransit | Measure M | AQMD | Board of State Community Corrections | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ - | $ 1,585,180 | $ 241,096 | $ 66,915 | $ 40,121,406 |
| Accounts receivables, net | 257 | - | 12,573 | 108,687 | 395,675 |
| Interest receivables | - | 5,641 | 861 | 246 | 145,488 |
| Notes receivables, net | - | - | - | - | 38,820 |
| Due from other governments | 30,103 | - | - | - | 1,100,503 |
| **Total assets** | $ 30,360 | $ 1,590,821 | $ 254,530 | $ 175,848 | $ 41,801,892 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| **Liabilities:** | | | | | |
| Accounts payable | $ 1,838 | $ - | $ - | $ 57,754 | $ 1,282,509 |
| Salaries and benefits payable | 5,535 | - | - | - | 22,028 |
| Due to other funds | 25,754 | - | - | - | 636,713 |
| Deposits payable | - | - | - | - | 99,378 |
| Retention payable | - | - | - | - | 121,857 |
| Due to other governments | - | - | - | - | 38,820 |
| **Total liabilities** | 33,127 | - | - | 57,754 | 2,201,305 |
| **Deferred inflows of resources:** | | | | | |
| Unavailable revenues | 16,544 | - | 12,573 | - | 797,437 |
| **Total deferred inflows of resources** | 16,544 | - | 12,573 | - | 797,437 |
| **Fund Balances:** | | | | | |
| Restricted | - | 1,590,821 | 241,957 | 118,094 | 16,344,584 |
| Committed | - | - | - | - | 23,190,384 |
| Unassigned (deficit) | (19,311) | - | - | - | (731,818) |
| **Total fund balances** | (19,311) | 1,590,821 | 241,957 | 118,094 | 38,803,150 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 30,360 | $ 1,590,821 | $ 254,530 | $ 175,848 | $ 41,801,892 |

(Concluded)

# City of Culver City
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
## Nonmajor Special Revenue Funds
## For the Year Ended June 30, 2020

| | Gas Tax | Proposition A Local Return | Proposition C Local Return | Measure R | Operating Grants |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Licenses and permits | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | 1,608,668 | 773,828 | 641,892 | 480,730 | 932,791 |
| Charges for services | - | - | - | - | - |
| Investment earnings | 55,259 | 48,646 | 43,008 | 15,989 | 4,750 |
| Miscellaneous | 13,146 | - | - | - | 32,992 |
| **Total revenues** | 1,677,073 | 822,474 | 684,900 | 496,719 | 970,533 |
| **EXPENDITURES:** | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 770 |
| Parks, recreation, and community services | - | - | - | - | 319,997 |
| Police | - | - | - | - | 251,047 |
| Fire | - | - | - | - | 23,655 |
| Community development | - | - | - | - | 210,599 |
| Public works | - | - | - | - | 180,032 |
| Transportation | - | - | - | - | 17,932 |
| Capital outlay | - | - | - | - | - |
| **Total expenditures** | - | - | - | - | 1,004,032 |
| **REVENUES OVER (UNDER) EXPENDITURES** | 1,677,073 | 822,474 | 684,900 | 496,719 | (33,499) |
| **OTHER FINANCING SOURCES (USES):** | | | | | |
| Transfers in | - | - | - | - | 44,453 |
| Transfers out | (400,000) | (807,503) | (648,603) | (251,203) | (182,575) |
| Proceeds from sale of property | - | - | - | - | 1,156 |
| **Total other financing sources (uses)** | (400,000) | (807,503) | (648,603) | (251,203) | (136,966) |
| **CHANGES IN FUND BALANCES** | 1,277,073 | 14,971 | 36,297 | 245,516 | (170,465) |
| **FUND BALANCES (DEFICIT):** | | | | | |
| Beginning of year | 991,769 | 988,734 | 1,059,905 | 141,717 | (542,042) |
| End of year | $ 2,268,842 | $ 1,003,705 | $ 1,096,202 | $ 387,233 | $ (712,507) |

(Continued)

# City of Culver City
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
## Nonmajor Special Revenue Funds
## For the Year Ended June 30, 2020

| | Section 8 Housing | Art in Public Places | Community Development | CDBG | Special Assessment |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Licenses and permits | $ - | $ 904,120 | $ 351,442 | $ - | $ - |
| Intergovernmental | 1,676,078 | - | - | 7,342 | - |
| Charges for services | - | - | - | - | 101,179 |
| Investment earnings | 5,768 | 100,282 | 31,310 | - | 14,458 |
| Miscellaneous | 4,404 | - | - | - | - |
| **Total revenues** | 1,686,250 | 1,004,402 | 382,752 | 7,342 | 115,637 |
| **EXPENDITURES:** | | | | | |
| Current: | | | | | |
| General government | - | 463,804 | - | - | - |
| Parks, recreation, and community services | - | - | - | 7,342 | - |
| Police | - | - | - | - | - |
| Fire | - | - | - | - | - |
| Community development | 1,652,611 | - | - | - | 39,565 |
| Public works | - | - | - | - | - |
| Transportation | - | - | - | - | - |
| Capital outlay | - | - | 166,071 | - | - |
| **Total expenditures** | 1,652,611 | 463,804 | 166,071 | 7,342 | 39,565 |
| **REVENUES OVER (UNDER) EXPENDITURES** | 33,639 | 540,598 | 216,681 | - | 76,072 |
| **OTHER FINANCING SOURCES (USES):** | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | - | - | - | - | - |
| Proceeds from sale of property | - | - | - | - | - |
| **Total other financing sources (uses)** | - | - | - | - | - |
| **CHANGES IN FUND BALANCES** | 33,639 | 540,598 | 216,681 | - | 76,072 |
| **FUND BALANCES (DEFICIT):** | | | | | |
| Beginning of year | 1,231,916 | 2,934,705 | 734,049 | - | 423,567 |
| End of year | $ 1,265,555 | $ 3,475,303 | $ 950,730 | $ - | $ 499,639 |

(Continued)

# City of Culver City
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
## Nonmajor Special Revenue Funds
## For the Year Ended June 30, 2020

| | Park Facilities | Asset Seizure | Parking Authority | Safe/Clean Water Protection | Building Surcharge |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Licenses and permits | $ - | $ - | $ 126,223 | $ - | $ 376,160 |
| Intergovernmental | - | 167,250 | - | - | - |
| Charges for services | 301,197 | - | 4,729,711 | 2,081,487 | - |
| Investment earnings | 44,489 | 26,185 | 419,558 | 270,246 | 32,380 |
| Miscellaneous | - | - | 84,197 | - | - |
| **Total revenues** | 345,686 | 193,435 | 5,359,689 | 2,351,733 | 408,540 |
| **EXPENDITURES:** | | | | | |
| Current: | | | | | |
| General government | - | - | 113,460 | - | - |
| Parks, recreation, and community services | 7,062 | - | - | - | - |
| Police | - | 353,418 | - | - | - |
| Fire | - | - | - | - | - |
| Community development | - | - | 1,504,334 | 13,079 | 429,995 |
| Public works | - | - | - | - | 50,105 |
| Transportation | - | - | - | - | - |
| Capital outlay | 201,795 | 85,297 | 249,974 | 1,907,652 | 3,559 |
| **Total expenditures** | 208,857 | 438,715 | 1,867,768 | 1,920,731 | 483,659 |
| **REVENUES OVER (UNDER) EXPENDITURES** | 136,829 | (245,280) | 3,491,921 | 431,002 | (75,119) |
| **OTHER FINANCING SOURCES (USES):** | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | - | - | (1,200,000) | - | - |
| Proceeds from sale of property | - | 3,448 | - | - | - |
| **Total other financing sources (uses)** | - | 3,448 | (1,200,000) | - | - |
| **CHANGES IN FUND BALANCES** | 136,829 | (241,832) | 2,291,921 | 431,002 | (75,119) |
| **FUND BALANCES (DEFICIT):** | | | | | |
| Beginning of year | 1,353,080 | 1,130,310 | 11,699,399 | 8,768,062 | 1,143,235 |
| End of year | $ 1,489,909 | $ 888,478 | $ 13,991,320 | $ 9,199,064 | $ 1,068,116 |

(Continued)

# City of Culver City
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
## Nonmajor Special Revenue Funds
## For the Year Ended June 30, 2020

| | Paratransit | Measure M | AQMD | Board of State Community Corrections | Total |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Licenses and permits | $ - | $ - | $ - | $ - | $ 1,757,945 |
| Intergovernmental | 116,710 | 540,717 | 51,637 | 254,339 | 7,251,982 |
| Charges for services | - | - | - | - | 7,213,574 |
| Investment earnings | - | 43,616 | 5,658 | 3,178 | 1,164,780 |
| Miscellaneous | - | - | - | - | 134,739 |
| **Total revenues** | 116,710 | 584,333 | 57,295 | 257,517 | 17,523,020 |
| **EXPENDITURES:** | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 578,034 |
| Parks, recreation, and community services | - | - | - | - | 334,401 |
| Police | - | - | - | 139,423 | 743,888 |
| Fire | - | - | - | - | 23,655 |
| Community development | - | - | - | - | 3,850,183 |
| Public works | - | - | - | - | 230,137 |
| Transportation | 297,655 | - | - | - | 315,587 |
| Capital outlay | - | - | 3 | - | 2,614,351 |
| **Total expenditures** | 297,655 | - | 3 | 139,423 | 8,690,236 |
| **REVENUES OVER (UNDER) EXPENDITURES** | (180,945) | 584,333 | 57,292 | 118,094 | 8,832,784 |
| **OTHER FINANCING SOURCES (USES):** | | | | | |
| Transfers in | 219,935 | - | 182,574 | - | 446,962 |
| Transfers out | - | - | - | - | (3,489,884) |
| Proceeds from sale of property | - | - | 2,091 | - | 6,695 |
| **Total other financing sources (uses)** | 219,935 | - | 184,665 | - | (3,036,227) |
| **CHANGES IN FUND BALANCES** | 38,990 | 584,333 | 241,957 | 118,094 | 5,796,557 |
| **FUND BALANCES (DEFICIT):** | | | | | |
| Beginning of year | (58,301) | 1,006,488 | - | - | 33,006,593 |
| End of year | $ (19,311) | $ 1,590,821 | $ 241,957 | $ 118,094 | $ 38,803,150 |

(Concluded)

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Gas Tax Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 52,818 | $ 1,748,172 | $ 1,608,668 | $ (139,504) |
| Investment earnings | 5,000 | 5,000 | 55,259 | 50,259 |
| Miscellaneous | - | - | 13,146 | 13,146 |
| **Total revenues** | 57,818 | 1,753,172 | 1,677,073 | (76,099) |
| **EXPENDITURES:** | | | | |
| Capital outlay | 1,060,115 | 2,359,440 | - | 2,359,440 |
| **Total expenditures** | 1,060,115 | 2,359,440 | - | 2,359,440 |
| **REVENUES OVER (UNDER) EXPENDITURES** | (1,002,297) | (606,268) | 1,677,073 | 2,283,341 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | - | (400,000) | (400,000) | - |
| **Total other financing uses** | - | (400,000) | (400,000) | - |
| **CHANGE IN FUND BALANCE** | (1,002,297) | (1,006,268) | 1,277,073 | 2,283,341 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 991,769 | 991,769 | 991,769 | - |
| End of year | $ (10,528) | $ (14,499) | $ 2,268,842 | $ 2,283,341 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Proposition A Local Return Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 807,503 | $ 807,503 | $ 773,828 | $ (33,675) |
| Investment earnings | 5,500 | 5,500 | 48,646 | 43,146 |
| **Total revenues** | 813,003 | 813,003 | 822,474 | 9,471 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (807,503) | (807,503) | (807,503) | - |
| **Total other financing uses** | (807,503) | (807,503) | (807,503) | - |
| **CHANGE IN FUND BALANCE** | 5,500 | 5,500 | 14,971 | 9,471 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 988,734 | 988,734 | 988,734 | - |
| End of year | $ 994,234 | $ 994,234 | $ 1,003,705 | $ 9,471 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Proposition C Local Return Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 259,802 | $ 259,802 | $ 641,892 | $ 382,090 |
| Investment earnings | 5,000 | 5,000 | 43,008 | 38,008 |
| **Total revenues** | 264,802 | 264,802 | 684,900 | 420,098 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (509,802) | (509,802) | (648,603) | (138,801) |
| **Total other financing uses** | (509,802) | (509,802) | (648,603) | (138,801) |
| **CHANGE IN FUND BALANCE** | (245,000) | (245,000) | 36,297 | 281,297 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 1,059,905 | 1,059,905 | 1,059,905 | - |
| End of year | $ 814,905 | $ 814,905 | $ 1,096,202 | $ 281,297 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Measure R Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 1,695,992 | $ 1,947,195 | $ 480,730 | $ (1,466,465) |
| Investment earnings | 1,000 | 1,000 | 15,989 | 14,989 |
| **Total revenues** | 1,696,992 | 1,948,195 | 496,719 | (1,451,476) |
| **EXPENDITURES:** | | | | |
| Capital outlay | 74,001 | 325,204 | - | 325,204 |
| **Total expenditures** | 74,001 | 325,204 | - | 325,204 |
| **REVENUES OVER (UNDER) EXPENDITURES** | 1,622,991 | 1,622,991 | 496,719 | (1,126,272) |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | - | - | (251,203) | (251,203) |
| **Total other financing uses** | - | - | (251,203) | (251,203) |
| **CHANGE IN FUND BALANCE** | 1,622,991 | 1,622,991 | 245,516 | (1,377,475) |
| **FUND BALANCE:** | | | | |
| Beginning of year | 141,717 | 141,717 | 141,717 | - |
| End of year | $ 1,764,708 | $ 1,764,708 | $ 387,233 | $ (1,377,475) |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Operating Grants Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 1,137,374 | $ 1,205,855 | $ 932,791 | $ 273,064 |
| Investment earnings | 3,000 | 3,000 | 4,750 | (1,750) |
| Miscellaneous | 54,200 | 54,200 | 32,992 | 21,208 |
| **Total revenues** | 1,194,574 | 1,263,055 | 970,533 | (292,522) |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| General government | - | - | 770 | (770) |
| Parks, recreation, and community services | 361,071 | 361,073 | 319,997 | 41,076 |
| Police | 127,242 | 127,642 | 251,047 | (123,405) |
| Fire | 8,000 | 10,265 | 23,655 | (13,390) |
| Community development | 247,763 | 273,513 | 210,599 | 62,914 |
| Public works | 26,000 | 268,946 | 180,032 | 88,914 |
| Transportation | 35,000 | 35,170 | 17,932 | 17,238 |
| **Total expenditures** | 805,076 | 1,076,609 | 1,004,032 | 72,577 |
| **REVENUES (UNDER) EXPENDITURES** | 389,498 | 186,446 | (33,499) | (219,945) |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | 152,502 | 152,502 | 44,453 | (108,049) |
| Transfers out | (540,000) | (540,000) | (182,575) | 357,425 |
| Proceeds from sale of property | - | - | 1,156 | 1,156 |
| **Total other financing sources (uses)** | (387,498) | (387,498) | (136,966) | 250,532 |
| **CHANGE IN FUND BALANCE** | 2,000 | (201,052) | (170,465) | 30,587 |
| **FUND BALANCE (DEFICIT):** | | | | |
| Beginning of year | (542,042) | (542,042) | (542,042) | - |
| End of year | $ (540,042) | $ (743,094) | $ (712,507) | $ 30,587 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Section 8 Housing Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 1,524,129 | $ 1,524,129 | $ 1,676,078 | $ 151,949 |
| Investment earnings | 5,000 | 5,000 | 5,768 | 768 |
| Miscellaneous | 3,600 | 3,600 | 4,404 | 804 |
| **Total revenues** | 1,532,729 | 1,532,729 | 1,686,250 | 153,521 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Community development | 1,753,625 | 1,757,195 | 1,652,611 | 104,584 |
| **Total expenditures** | 1,753,625 | 1,757,195 | 1,652,611 | 104,584 |
| **CHANGE IN FUND BALANCE** | (220,896) | (224,466) | 33,639 | 258,105 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 1,231,916 | 1,231,916 | 1,231,916 | - |
| End of year | $ 1,011,020 | $ 1,007,450 | $ 1,265,555 | $ 258,105 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Art in Public Places Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Licenses and permits | $ 350,000 | $ 375,000 | $ 904,120 | $ 529,120 |
| Investment earnings | 15,000 | 15,000 | 100,282 | 85,282 |
| **Total revenues** | 365,000 | 390,000 | 1,004,402 | 614,402 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| General government | 834,702 | 1,924,100 | 463,804 | 1,460,296 |
| **Total expenditures** | 834,702 | 1,924,100 | 463,804 | 1,460,296 |
| **CHANGE IN FUND BALANCE** | (469,702) | (1,534,100) | 540,598 | 2,074,698 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 2,934,705 | 2,934,705 | 2,934,705 | - |
| End of year | $ 2,465,003 | $ 1,400,605 | $ 3,475,303 | $ 2,074,698 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Community Development Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Licenses and permits | $ - | $ - | $ 351,442 | $ 351,442 |
| Charges for services | - | - | - | - |
| Investment earnings | - | - | 31,310 | 31,310 |
| **Total revenues** | - | - | 382,752 | 382,752 |
| **EXPENDITURES:** | | | | |
| Capital outlay | 40,628 | 247,206 | 166,071 | 81,135 |
| **Total expenditures** | 40,628 | 247,206 | 166,071 | 81,135 |
| **CHANGE IN FUND BALANCE** | (40,628) | (247,206) | 216,681 | 463,887 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 734,049 | 734,049 | 734,049 | - |
| End of year | $ 693,421 | $ 486,843 | $ 950,730 | $ 463,887 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Community Development Block Grant (CDBG) Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 28,500 | $ 28,500 | $ 7,342 | $ (21,158) |
| **Total revenues** | 28,500 | 28,500 | 7,342 | (21,158) |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Parks, recreation, and community services | 28,500 | 28,500 | 7,342 | 21,158 |
| **Total expenditures** | 28,500 | 28,500 | 7,342 | 21,158 |
| **CHANGE IN FUND BALANCE** | - | - | - | - |
| **FUND BALANCE:** | | | | |
| Beginning of year | - | - | - | - |
| End of year | $ - | $ - | $ - | $ - |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Special Assessment Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Charges for services | $ 109,640 | $ 109,640 | $ 101,179 | $ (8,461) |
| Investment earnings | 1,500 | 1,500 | 14,458 | 12,958 |
| **Total revenues** | 111,140 | 111,140 | 115,637 | 4,497 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Community development | 114,715 | 130,977 | 39,565 | 91,412 |
| **Total expenditures** | 114,715 | 130,977 | 39,565 | 91,412 |
| **CHANGE IN FUND BALANCE** | (3,575) | (19,837) | 76,072 | 95,909 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 423,567 | 423,567 | 423,567 | - |
| End of year | $ 419,992 | $ 403,730 | $ 499,639 | $ 95,909 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Park Facilities Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Charges for services | $ 50,000 | $ 50,000 | $ 301,197 | $ 251,197 |
| Investment earnings | 3,500 | 3,500 | 44,489 | 40,989 |
| **Total revenues** | 53,500 | 53,500 | 345,686 | 292,186 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Parks, recreation, and community services | 25,000 | 25,000 | 7,062 | 17,938 |
| Capital outlay | 750,303 | 925,303 | 201,795 | 723,508 |
| **Total expenditures** | 775,303 | 950,303 | 208,857 | 741,446 |
| **CHANGE IN FUND BALANCE** | (721,803) | (896,803) | 136,829 | 1,033,632 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 1,353,080 | 1,353,080 | 1,353,080 | - |
| End of year | $ 631,277 | $ 456,277 | $ 1,489,909 | $ 1,033,632 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Asset Seizure Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ - | $ 93,311 | $ 167,250 | $ 73,939 |
| Investment earnings | 7,500 | 7,500 | 26,185 | 18,685 |
| Miscellaneous | - | - | - | - |
| **Total revenues** | 7,500 | 100,811 | 193,435 | 92,624 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Police | 330,000 | 377,177 | 353,418 | 23,759 |
| Capital outlay | 40,000 | 86,134 | 85,297 | 837 |
| **Total expenditures** | 370,000 | 463,311 | 438,715 | 24,596 |
| **REVENUES (UNDER) EXPENDITURES** | (362,500) | (362,500) | (245,280) | 117,220 |
| **OTHER FINANCING SOURCES:** | | | | |
| Proceeds from sale of property | - | - | 3,448 | 3,448 |
| **Total other financing sources** | - | - | 3,448 | 3,448 |
| **CHANGE IN FUND BALANCE** | (362,500) | (362,500) | (241,832) | 120,668 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 1,130,310 | 1,130,310 | 1,130,310 | - |
| End of year | $ 767,810 | $ 767,810 | $ 888,478 | $ 120,668 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Parking Authority Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Licenses and permits | $ 216,300 | $ 216,300 | $ 126,223 | $ (90,077) |
| Charges for services | 4,724,500 | 4,724,500 | 4,729,711 | 5,211 |
| Investment earnings | 55,000 | 55,000 | 419,558 | 364,558 |
| Miscellaneous | - | - | 84,197 | 84,197 |
| **Total revenues** | 4,995,800 | 4,995,800 | 5,359,689 | 363,889 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| General government | 150,000 | 176,514 | 113,460 | 63,054 |
| Community development | 2,449,740 | 3,089,099 | 1,504,334 | 1,584,765 |
| Capital outlay | 538,000 | 3,622,111 | 249,974 | 3,372,137 |
| **Total expenditures** | 3,137,740 | 6,887,724 | 1,867,768 | 5,019,956 |
| **REVENUES OVER (UNDER) EXPENDITURES** | 1,858,060 | (1,891,924) | 3,491,921 | 5,383,845 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (1,200,000) | (1,200,000) | (1,200,000) | - |
| **Total other financing uses** | (1,200,000) | (1,200,000) | (1,200,000) | - |
| **CHANGE IN FUND BALANCE** | 658,060 | (3,091,924) | 2,291,921 | 5,383,845 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 11,699,399 | 11,699,399 | 11,699,399 | - |
| End of year | $ 12,357,459 | $ 8,607,475 | $ 13,991,320 | $ 5,383,845 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Safe/Clean Water Protection Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Charges for services | $ 2,050,000 | $ 2,050,000 | $ 2,081,487 | $ 31,487 |
| Investment earnings | 50,000 | 50,000 | 270,246 | 220,246 |
| **Total revenues** | 2,100,000 | 2,100,000 | 2,351,733 | 251,733 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Community development | - | 174 | 13,079 | (12,905) |
| Capital outlay | 2,060,000 | 4,966,644 | 1,907,652 | 3,058,992 |
| **Total expenditures** | 2,060,000 | 4,966,818 | 1,920,731 | 3,046,087 |
| **CHANGE IN FUND BALANCE** | 40,000 | (2,866,818) | 431,002 | 3,297,820 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 8,768,062 | 8,768,062 | 8,768,062 | - |
| End of year | $ 8,808,062 | $ 5,901,244 | $ 9,199,064 | $ 3,297,820 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Building Surcharge Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Licenses and permits | $ 250,000 | $ 250,000 | $ 376,160 | $ 126,160 |
| Investment earnings | 5,500 | 5,500 | 32,380 | 26,880 |
| **Total revenues** | 255,500 | 255,500 | 408,540 | 153,040 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Community development | 312,763 | 960,391 | 429,995 | 530,396 |
| Public works | 48,663 | 48,663 | 50,105 | (1,442) |
| Capital outlay | 27,000 | 129,756 | 3,559 | 126,197 |
| **Total expenditures** | 388,426 | 1,138,810 | 483,659 | 655,151 |
| **CHANGE IN FUND BALANCE** | (132,926) | (883,310) | (75,119) | 808,191 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 1,143,235 | 1,143,235 | 1,143,235 | - |
| End of year | $ 1,010,309 | $ 259,925 | $ 1,068,116 | $ 808,191 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Paratransit Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 79,765 | $ 79,765 | $ 116,710 | $ 36,945 |
| **Total revenues** | 79,765 | 79,765 | 116,710 | 36,945 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Transportation | 308,106 | 318,998 | 297,655 | 21,343 |
| **Total expenditures** | 308,106 | 318,998 | 297,655 | 21,343 |
| **REVENUES OVER (UNDER) EXPENDITURES** | (228,341) | (239,233) | (180,945) | 58,288 |
| **OTHER FINANCING SOURCES:** | | | | |
| Transfers in | 250,000 | 250,000 | 219,935 | (30,065) |
| **Total other financing sources** | 250,000 | 250,000 | 219,935 | (30,065) |
| **CHANGE IN FUND BALANCE** | 21,659 | 10,767 | 38,990 | 28,223 |
| **FUND BALANCE (DEFICIT):** | | | | |
| Beginning of year | (58,301) | (58,301) | (58,301) | - |
| End of year | $ (36,642) | $ (47,534) | $ (19,311) | $ 28,223 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Measure M Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 569,322 | $ 569,322 | $ 540,717 | $ (28,605) |
| Investment earnings | 3,000 | 3,000 | 43,616 | 40,616 |
| **Total revenues** | 572,322 | 572,322 | 584,333 | 12,011 |
| **EXPENDITURES:** | | | | |
| Capital outlay | 587,995 | 587,995 | - | 587,995 |
| **Total expenditures** | 587,995 | 587,995 | - | 587,995 |
| **CHANGE IN FUND BALANCE** | (15,673) | (15,673) | 584,333 | 600,006 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 1,006,488 | 1,006,488 | 1,006,488 | - |
| End of year | $ 990,815 | $ 990,815 | $ 1,590,821 | $ 600,006 |

# City of Culver City
## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
## Board of State and Community Corrections Special Revenue Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ - | $ 254,338 | $ 254,339 | $ 1 |
| Investment earnings | - | - | 3,178 | 3,178 |
| **Total revenues** | - | 254,338 | 257,517 | 3,179 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Public safety | - | 199,416 | 139,423 | 59,993 |
| **Total expenditures** | - | 199,416 | 139,423 | 59,993 |
| **CHANGE IN FUND BALANCE** | - | 54,922 | 118,094 | 63,172 |
| **FUND BALANCE:** | | | | |
| Beginning of year | - | - | - | - |
| End of year | $ - | $ 54,922 | $ 118,094 | $ 63,172 |

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# 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.

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# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Capital Improvement and Acquisition Capital Projects Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 5,250,068 | $ 5,300,068 | $ 374,047 | $ (4,926,021) |
| Investment earnings | 15,000 | 15,000 | 665,209 | 650,209 |
| Miscellaneous | - | - | 25,825 | 25,825 |
| **Total revenues** | 5,265,068 | 5,315,068 | 1,065,081 | (4,249,987) |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Public works | 580,332 | 330,808 | 20,838 | 309,970 |
| Capital outlay | 15,605,998 | 9,845,389 | 2,203,584 | 7,641,805 |
| **Total expenditures** | 16,186,330 | 10,176,197 | 2,224,422 | 7,951,775 |
| **REVENUES OVER (UNDER) EXPENDITURES** | (10,921,262) | (4,861,129) | (1,159,341) | 3,701,788 |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | 23,500 | 5,900,067 | - | (5,900,067) |
| Transfers out | - | - | (2,918,284) | (2,918,284) |
| **Total other financing sources (uses)** | 23,500 | 5,900,067 | (2,918,284) | (8,818,351) |
| **CHANGE IN FUND BALANCE** | (10,897,762) | 1,038,938 | (4,077,625) | (5,116,563) |
| **FUND BALANCE:** | | | | |
| Beginning of year | 6,987,384 | 6,987,384 | 6,987,384 | - |
| End of year | $ (3,910,378) | $ 8,026,322 | $ 2,909,759 | $ (5,116,563) |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Capital Improvement Grants Capital Projects Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 26,371,089 | $ 33,289,018 | $ 595,141 | $ (32,693,877) |
| **Total revenues** | 26,371,089 | 33,289,018 | 595,141 | (32,693,877) |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| Public works | 21,990 | 21,990 | - | 21,990 |
| Capital outlay | 18,286,729 | 27,323,793 | 2,427,603 | 24,896,190 |
| **Total expenditures** | 18,308,719 | 27,345,783 | 2,427,603 | 24,918,180 |
| **CHANGE IN FUND BALANCE** | 8,062,370 | 5,943,235 | (1,832,462) | (7,775,697) |
| **FUND BALANCE (DEFICIT):** | | | | |
| Beginning of year | (1,447,244) | (1,447,244) | (1,447,244) | - |
| End of year | $ 6,615,126 | $ 4,495,991 | $ (3,279,706) | $ (7,775,697) |

# City of Culver City
## Combining Balance Sheet
## Nonmajor Capital Projects Funds
## June 30, 2020

| | Cooperative Projects | CDBG Capital Projects | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and investments | $ 3,895,150 | $ - | $ 3,895,150 |
| Interest receivables | 876,732 | - | 876,732 |
| Note receivables, net | 3,395,000 | - | 3,395,000 |
| **Total assets** | $ 8,166,882 | $ - | $ 8,166,882 |
| **LIABILITIES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Deposits payable | $ 113,245 | $ - | $ 113,245 |
| **Total liabilities** | 113,245 | - | 113,245 |
| **Fund Balances:** | | | |
| Restricted | 8,053,637 | - | 8,053,637 |
| **Total fund balances** | 8,053,637 | - | 8,053,637 |
| **Total liabilities and fund balances** | $ 8,166,882 | $ - | $ 8,166,882 |

# City of Culver City
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
## Nonmajor Capital Projects Funds
## For the Year Ended June 30, 2020

| | Cooperative Projects | CDBG Capital Projects | Total |
|---|---|---|---|
| **REVENUES:** | | | |
| Investment earnings | $ 186,359 | $ - | $ 186,359 |
| Miscellaneous | 1 | - | 1 |
| **Total revenues** | 186,360 | - | 186,360 |
| **EXPENDITURES:** | | | |
| Current: | | | |
| Capital outlay | 23,169 | - | 23,169 |
| **Total expenditures** | 23,169 | - | 23,169 |
| **CHANGES IN FUND BALANCES** | 163,191 | - | 163,191 |
| **FUND BALANCES:** | | | |
| Beginning of year | 7,890,446 | - | 7,890,446 |
| End of year | $ 8,053,637 | $ - | $ 8,053,637 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Cooperative Projects Capital Projects Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Investment earnings | $ - | $ - | $ 186,359 | $ 186,359 |
| Miscellaneous | - | - | 1 | 1 |
| **Total revenues** | - | - | 186,360 | 186,360 |
| **EXPENDITURES:** | | | | |
| Current: | | | | |
| General government | 998,986 | 998,986 | - | 998,986 |
| Capital outlay | 2,254,414 | 2,254,414 | 23,169 | 2,231,245 |
| **Total expenditures** | 3,253,400 | 3,253,400 | 23,169 | 3,230,231 |
| **CHANGE IN FUND BALANCE** | (3,253,400) | (3,253,400) | 163,191 | 3,416,591 |
| **FUND BALANCE:** | | | | |
| Beginning of year | 7,890,446 | 7,890,446 | 7,890,446 | - |
| End of year | $ 4,637,046 | $ 4,637,046 | $ 8,053,637 | $ 3,416,591 |

# City of Culver City
## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## CDBG Capital Projects Fund
## For the Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES:** | | | | |
| Intergovernmental | $ 608,461 | $ 652,936 | $ - | $ (652,936) |
| **Total revenues** | 608,461 | 652,936 | - | (652,936) |
| **EXPENDITURES:** | | | | |
| Capital outlay | 568,298 | 612,773 | - | 612,773 |
| Debt service: Principal payments | 5,000 | 5,000 | - | 5,000 |
| Debt service: Interest and fiscal charges | 25,435 | 25,435 | - | 25,435 |
| **Total expenditures** | 598,733 | 643,208 | - | 643,208 |
| **CHANGE IN FUND BALANCE** | 9,728 | 9,728 | - | (9,728) |
| **FUND BALANCE (DEFICIT):** | | | | |
| Beginning of year | - | - | - | - |
| End of year | $ 9,728 | $ 9,728 | $ - | $ (9,728) |

# 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, 2020

| | Equipment Replacement | Equipment Maintenance | Risk Management | Central Stores | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Current assets: | | | | | |
| Cash and investments | $ 7,044,669 | $ - | $ 1,732,835 | $ - | $ 8,777,504 |
| Accounts receivables, net | 57,450 | 2,407 | 48,488 | 2,928 | 111,273 |
| Interest receivables | 25,615 | - | 6,022 | - | 31,637 |
| Due from other funds | - | - | - | 112 | 112 |
| Inventories | - | 80,635 | - | 595,475 | 676,110 |
| Total current assets | 7,127,734 | 83,042 | 1,787,345 | 598,515 | 9,596,636 |
| Noncurrent assets: | | | | | |
| Capital assets: | | | | | |
| Machinery and equipment | 28,349,825 | 366,778 | 42,219 | - | 28,758,822 |
| Less accumulated depreciation | (18,030,982) | (331,867) | (42,219) | - | (18,405,068) |
| Capital assets, net | 10,318,843 | 34,911 | - | - | 10,353,754 |
| Total noncurrent assets | 10,318,843 | 34,911 | - | - | 10,353,754 |
| **Total assets** | 17,446,577 | 117,953 | 1,787,345 | 598,515 | 19,950,390 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Pension related amounts | - | 1,110,599 | 284,804 | - | 1,395,403 |
| Other postemployment benefits related amounts | - | 108,664 | 21,603 | - | 130,267 |
| **Total deferred outflows of resources** | - | 1,219,263 | 306,407 | - | 1,525,670 |

(Continued)

# City of Culver City
## Combining Statement of Net Position (Continued)
## All Internal Service Funds
## June 30, 2020

| | Equipment Replacement | Equipment Maintenance | Risk Management | Central Stores | Total |
|---|---|---|---|---|---|
| **LIABILITIES** | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | $ 1,788 | $ 165,438 | $ 161,279 | $ 106,193 | $ 434,698 |
| Salaries and benefits payable | - | 122,798 | 36,418 | - | 159,216 |
| Due to other funds | - | 399,269 | - | 492,322 | 891,591 |
| Compensated absences - due within one year | - | 164,668 | 5,413 | - | 170,081 |
| Claims payable - due within one year | - | - | 3,387,088 | - | 3,387,088 |
| Total current liabilities | 1,788 | 852,173 | 3,590,198 | 598,515 | 5,042,674 |
| Noncurrent liabilities: | | | | | |
| Compensated absences - due in more than one year | - | 739,831 | 33,868 | - | 773,699 |
| Claims payable - due in more than one year | - | - | 10,829,285 | - | 10,829,285 |
| Net pension liabilities | - | 8,026,585 | 2,058,351 | - | 10,084,936 |
| Net other postemployment benefits liabilities | - | 1,975,913 | 392,830 | - | 2,368,743 |
| Total noncurrent liabilities | - | 10,742,329 | 13,314,334 | - | 24,056,663 |
| **Total liabilities** | 1,788 | 11,594,502 | 16,904,532 | 598,515 | 29,099,337 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Pension related amounts | - | 142,921 | 36,651 | - | 179,572 |
| Other postemployment benefits related amounts | - | 742,678 | 147,651 | - | 890,329 |
| **Total deferred inflows of resources** | - | 885,599 | 184,302 | - | 1,069,901 |
| **NET POSITION** | | | | | |
| Investment in capital assets | 10,318,843 | 34,911 | - | - | 10,353,754 |
| Unrestricted (deficit) | 7,125,946 | (11,177,796) | (14,995,082) | - | (19,046,932) |
| **Total net position** | $ 17,444,789 | $ (11,142,885) | $ (14,995,082) | $ - | $ (8,693,178) |

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# City of Culver City
## Combining Statement of Revenues, Expenses and Changes in Net Position
## All Internal Service Funds
## For the Year Ended June 30, 2020

| | Equipment Replacement | Equipment Maintenance | Risk Management | Central Stores | Total |
|---|---|---|---|---|---|
| **OPERATING REVENUES:** | | | | | |
| Sales and service charges | $ 2,116,712 | $ 8,293,927 | $ 6,701,972 | $ 1,477,544 | $ 18,590,155 |
| Miscellaneous | - | 230 | 184,690 | 4,647 | 189,567 |
| **Total operating revenues** | 2,116,712 | 8,294,157 | 6,886,662 | 1,482,191 | 18,779,722 |
| **OPERATING EXPENSES:** | | | | | |
| Salaries and benefits | - | 5,857,838 | 1,167,059 | - | 7,024,897 |
| Supplies | - | 1,660,338 | 67,274 | 231,230 | 1,958,842 |
| Repairs and maintenance | 180,343 | 1,700,291 | - | 1,250,961 | 3,131,595 |
| Insurance | - | 88,158 | 1,598,797 | - | 1,686,955 |
| Claims and settlements | - | - | 2,379,700 | - | 2,379,700 |
| Consulting and contractual services | - | 88,565 | 417,725 | - | 506,290 |
| Depreciation | 1,931,350 | 18,332 | 173 | - | 1,949,855 |
| **Total operating expenses** | 2,111,693 | 9,413,522 | 5,630,728 | 1,482,191 | 18,638,134 |
| **OPERATING INCOME (LOSS)** | 5,019 | (1,119,365) | 1,255,934 | - | 141,588 |
| **NONOPERATING REVENUES:** | | | | | |
| Investment earnings | 187,767 | - | 44,541 | - | 232,308 |
| Intergovernmental | 51,000 | - | - | - | 51,000 |
| Gain on sales of property | 269,019 | (524) | - | - | 268,495 |
| **Total nonoperating revenues** | 507,786 | (524) | 44,541 | - | 551,803 |
| **CHANGES IN NET POSITION** | 512,805 | (1,119,889) | 1,300,475 | - | 693,391 |
| **NET POSITION (DEFICIT):** | | | | | |
| Beginning of year | 16,931,984 | (10,022,996) | (16,295,557) | - | (9,386,569) |
| End of year | $ 17,444,789 | $ (11,142,885) | $ (14,995,082) | $ - | $ (8,693,178) |

# City of Culver City
## Combining Statement of Cash Flows
## All Internal Service Funds
## For the Year Ended June 30, 2020

| | Equipment Replacement | Equipment Maintenance | Risk Management | Central Stores | Total |
|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | | | |
| Receipts from user departments | $ 2,080,272 | $ 8,317,039 | $ 6,671,437 | $ 1,474,872 | $ 18,543,620 |
| Receipts from operating revenue | - | 230 | 184,690 | 4,647 | 189,567 |
| Payments to suppliers for goods and services | (3,236,888) | (3,235,736) | (6,152,430) | (1,441,787) | (14,066,841) |
| Payments to employees | - | (5,066,469) | (1,605,326) | - | (6,671,795) |
| **Net cash provided by (used in) operating activities** | (1,156,616) | 15,064 | (901,629) | 37,732 | (2,005,449) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:** | | | | | |
| Cash paid to other funds | - | - | - | (37,732) | (37,732) |
| **Net cash provided by (used in) noncapital financing activities** | - | - | - | (37,732) | (37,732) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:** | | | | | |
| Acquisition of capital assets | (468,720) | (16,967) | - | - | (485,687) |
| Capital grants | 51,000 | - | - | - | 51,000 |
| Proceeds from sales of capital assets | 360,598 | - | - | - | 360,598 |
| **Net cash (used in) capital and related financing activities** | (57,122) | (16,967) | - | - | (74,089) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | | | |
| Interest received | 197,850 | 1,903 | 46,722 | - | 246,475 |
| **Net cash provided by investing activities** | 197,850 | 1,903 | 46,722 | - | 246,475 |
| **Net change in cash and cash equivalents** | (1,015,888) | - | (854,907) | - | (1,870,795) |
| **CASH AND CASH EQUIVALENTS:** | | | | | |
| Beginning of year | 8,060,557 | - | 2,587,742 | - | 10,648,299 |
| End of year | $ 7,044,669 | $ - | $ 1,732,835 | $ - | $ 8,777,504 |

# City of Culver City
## Combining Statement of Cash Flows (Continued)
## All Internal Service Funds
## For the Year Ended June 30, 2020

| | 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) | $ 5,019 | $ (1,119,365) | $ 1,255,934 | $ - | $ 141,588 |
| Depreciation | 1,931,350 | 18,332 | 173 | - | 1,949,855 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| (Increase) decrease in accounts receivable | (36,440) | 23,112 | (30,535) | (2,672) | (46,535) |
| (Increase) decrease in inventories | - | 44,858 | - | (15,558) | 29,300 |
| (Increase) decrease in deferred outflows of resources: | | | | | |
| Pension related | - | (31,044) | 106,637 | - | 75,593 |
| OPEB related | - | 36,242 | 7,206 | - | 43,448 |
| Increase (decrease) in accounts payable | (3,056,545) | 256,758 | 65,314 | 55,962 | (2,678,511) |
| Increase (decrease) in accrued liabilities | - | 31,031 | 10,988 | - | 42,019 |
| Increase (decrease) in compensated absences | - | 58,669 | 21,249 | - | 79,918 |
| Increase (decrease) in net pension liabilities | - | 931,217 | (514,397) | - | 416,820 |
| Increase (decrease) in OPEB | - | (598,339) | (118,956) | - | (717,295) |
| Increase (decrease) in claims payable | - | - | (1,754,248) | - | (1,754,248) |
| (Increase) decrease in deferred inflows of resources: | | | | | |
| Pension related | - | (49,501) | (33,120) | - | (82,621) |
| OPEB related | - | 413,094 | 82,126 | - | 495,220 |
| Total adjustments | (3,092,985) | 1,116,097 | (2,157,736) | 37,732 | (4,096,892) |
| **Net cash provided by (used in) operating activities** | $ (1,156,616) | $ 15,064 | $ (901,629) | $ 37,732 | $ (2,005,449) |

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# 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.

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# City of Culver City
## Combining Statement of Agency Assets and Liabilities
## Agency Funds
## June 30, 2020

| | Agency Funds | | |
|---|---|---|---|
| | Treasurer's Trust | Revitalization Corporation | Total |
| **ASSETS** | | | |
| Cash and investments | $ 11,623 | $ - | $ 11,623 |
| **Total assets** | $ 11,623 | $ - | $ 11,623 |
| **LIABILITIES** | | | |
| Deposits | $ 11,623 | $ - | $ 11,623 |
| **Total liabilities** | $ 11,623 | $ - | $ 11,623 |

# City of Culver City
## Combining Statement of Changes in Agency Assets and Liabilities
## Agency Funds
## For the Year Ended June 30, 2020

| | Balance July 1, 2019 | Additions | Deletions | Balance June 30, 2020 |
|---|---|---|---|---|
| **Treasurer's Trust** | | | | |
| **Assets:** | | | | |
| Cash and investments | $ 11,623 | $ 5,100 | $ (5,100) | $ 11,623 |
| **Total assets** | $ 11,623 | $ 5,100 | $ (5,100) | $ 11,623 |
| **Liabilities:** | | | | |
| Deposits payable | $ 11,623 | $ 5,100 | $ (5,100) | $ 11,623 |
| **Total liabilities** | $ 11,623 | $ 5,100 | $ (5,100) | $ 11,623 |
| **Revitalization Corporation** | | | | |
| **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) | $ - |
| **Total All Agency Funds** | | | | |
| **Assets:** | | | | |
| Cash and investments | $ 72,980 | $ 5,100 | $ (66,457) | $ 11,623 |
| **Total assets** | $ 72,980 | $ 5,100 | $ (66,457) | $ 11,623 |
| **Liabilities:** | | | | |
| Deposits payable | $ 72,980 | $ 5,100 | $ (66,457) | $ 11,623 |
| **Total liabilities** | $ 72,980 | $ 5,100 | $ (66,457) | $ 11,623 |

# Statistical Section




CITY OF CULVER CITY
The HEART of SCREENLAND
INCORPORATED 1917

# STATISTICAL SECTION

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# City of Culver City
## Description of Statistical Section Contents
## June 30, 2020

**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. | 184-195 |
| **Revenue Capacity** - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. | 196-201 |
| **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. | 202-206 |
| **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. | 207-212 |
| **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. | 213-216 |

# City of Culver City
## Net Position by Component
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| Governmental activities | | | | | |
| Net investment in capital assets | $ 255,967 | $ 151,247,364 | $ 143,056,650 | $ 143,775,699 | $ 138,194,791 |
| Restricted | 120,932,521 | 128,661,077 | 96,457,750 | 96,157,539 | 80,777,328 |
| Unrestricted | 14,107,002 | 12,084,442 | 21,999,556 | 33,896,113 | (171,257,691) |
| Total governmental activities net position | $ 135,295,490 | $ 291,992,883 | $ 261,513,956 | $ 273,829,351 | $ 47,714,428 |
| Business-type activities | | | | | |
| Net investment in capital assets | $ 44,772,760 | $ 51,007,687 | $ 50,787,094 | $ 55,216,555 | $ 54,690,405 |
| Restricted | - | 2,147,433 | 2,171,794 | 2,176,609 | 2,185,415 |
| Unrestricted | 31,563,720 | 34,373,274 | 33,449,555 | 31,679,756 | (3,173,794) |
| Total business-type activities net position | $ 76,336,480 | $ 87,528,394 | $ 86,408,443 | $ 89,072,920 | $ 53,702,026 |
| Primary government | | | | | |
| Net investment in capital assets | $ 45,028,727 | $ 202,255,051 | $ 193,843,744 | $ 198,992,254 | $ 192,885,196 |
| Restricted | 120,932,521 | 130,808,510 | 98,629,544 | 98,334,148 | 82,962,743 |
| Unrestricted | 45,670,722 | 46,457,716 | 55,449,111 | 65,575,869 | (174,431,485) |
| Total primary government net position | $ 211,631,970 | $ 379,521,277 | $ 347,922,399 | $ 362,902,271 | $ 101,416,454 |

# City of Culver City
## Net Position by Component (Continued)
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019* | 2020 |
|---|---|---|---|---|---|
| Governmental activities | | | | | |
| Net investment in capital assets | $ 136,967,403 | $ 144,639,910 | $ 162,634,242 | $ 174,897,818 | 174,821,730 |
| Restricted | 83,083,502 | 90,048,591 | 70,969,965 | 65,586,867 | 79,921,054 |
| Unrestricted | (156,905,843) | (159,583,947) | (162,306,355) | (150,684,028) | (164,095,166) |
| Total governmental activities net position | $ 63,145,062 | $ 75,104,554 | $ 71,297,852 | $ 89,800,657 | $ 90,647,618 |
| Business-type activities | | | | | |
| Net investment in capital assets | $ 57,051,460 | $ 72,309,196 | $ 71,580,562 | $ 72,974,924 | 74,664,009 |
| Restricted | 1,652,641 | 1,608,838 | 1,658,185 | 1,663,167 | 13,866 |
| Unrestricted | (4,995,724) | (13,213,561) | (15,089,840) | (20,314,978) | (23,982,949) |
| Total business-type activities net position | $ 53,708,377 | $ 60,704,473 | $ 58,148,907 | $ 54,323,113 | $ 50,694,926 |
| Primary government | | | | | |
| Net investment in capital assets | $ 194,018,863 | $ 216,949,106 | $ 234,214,804 | $ 247,872,742 | $ 249,485,739 |
| Restricted | 84,736,143 | 91,657,429 | 72,628,150 | 67,250,034 | 79,934,920 |
| Unrestricted | (161,901,567) | (172,797,508) | (177,396,195) | (170,999,006) | (188,078,115) |
| Total primary government net position | $ 116,853,439 | $ 135,809,027 | $ 129,446,759 | $ 144,123,770 | $ 141,342,544 |

* 2019 unrestricted balances were restated due to internal service fund allocation.

# City of Culver City
## Changes in Net Position
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Governmental activities: | | | | | |
| General government | $ 5,621,826 | $ 12,279,581 | $ 8,445,889 | $ 7,862,533 | $ 22,383,141 |
| Parks, recreation and community services | 8,088,964 | 7,476,362 | 7,367,387 | 7,780,264 | 8,325,466 |
| Police | 31,788,033 | 29,939,290 | 30,336,287 | 33,869,176 | 32,806,197 |
| Fire | 17,740,363 | 18,048,628 | 18,077,245 | 19,179,679 | 19,167,988 |
| Community Development | 46,579,065 | 28,707,314 | 9,661,939 | 10,013,569 | 10,460,975 |
| Public Works | 13,163,149 | 16,484,258 | 11,360,132 | 11,789,014 | 14,477,308 |
| Transportation | - | - | 291,612 | 286,165 | 263,200 |
| Interest on long-term debt | 8,579,601 | 3,786,951 | 74,649 | 47,962 | 11,520 |
| Total governmental activities expenses | 131,561,001 | 116,722,384 | 85,615,140 | 90,828,362 | 107,895,795 |
| Business-type activities: | | | | | |
| Refuse Disposal Fund | 10,667,440 | 10,605,613 | 10,841,375 | 11,549,661 | 11,783,785 |
| Municipal Bus Lines Fund | 19,088,076 | 19,591,642 | 22,752,400 | 21,491,866 | 22,324,977 |
| Sewer Enterprise Fund | 8,068,600 | 7,834,922 | 7,401,222 | 9,357,548 | 9,765,471 |
| Municipal Fiber Network | - | - | - | - | - |
| Total business-type activities expenses | 37,824,116 | 38,032,177 | 40,994,997 | 42,399,075 | 43,874,233 |
| Total primary government expenses | 169,385,117 | 154,754,561 | 126,610,137 | 133,227,437 | 151,770,028 |
| **Program Revenues** | | | | | |
| Governmental activities: | | | | | |
| Charges for services: | | | | | |
| General government | $ 271,516 | $ 325,001 | $ 556,792 | $ 1,479,181 | $ 2,238,222 |
| Parks and recreation | 2,416,182 | 2,398,033 | 2,448,788 | 2,660,125 | 2,926,314 |
| Police | 5,118,168 | 3,591,328 | 3,896,275 | 4,547,121 | 4,455,096 |
| Fire | 2,234,203 | 2,447,007 | 2,533,844 | 3,001,288 | 2,786,350 |
| Community Development | 5,800,395 | 7,217,615 | 6,841,558 | 8,633,692 | 7,478,274 |
| Public Works | 1,849,759 | 1,637,526 | 1,619,054 | 1,896,937 | 2,126,165 |
| Transportation | - | - | 4,352 | 5,009 | 5,776 |
| Operating Contributions and Grants | 6,342,237 | 8,667,062 | 6,844,461 | 6,577,663 | 6,077,562 |
| Capital Grants and Contributions | 3,525,001 | 4,182,936 | 4,991,312 | 2,493,998 | 2,825,117 |
| Total governmental activities program revenues | 27,557,461 | 30,466,508 | 29,736,436 | 31,295,014 | 30,918,876 |
| Business-type activities: | | | | | |
| Charges for services: | | | | | |
| Refuse Disposal Fund | 11,646,192 | 11,555,536 | 11,419,668 | 11,732,899 | 11,745,590 |
| Municipal Bus Lines Fund | 3,595,784 | 3,803,136 | 4,011,320 | 3,796,169 | 3,760,517 |
| Sewer Enterprise Fund | 8,638,408 | 7,874,554 | 8,141,464 | 8,999,538 | 9,185,121 |
| Municipal Fiber Network | - | - | - | - | - |
| Operating grants and contributions | 11,062,738 | 15,087,791 | 14,496,326 | 15,781,669 | 15,906,511 |
| Capital grants and contributions | 2,588,325 | 11,066,909 | 1,938,724 | 4,224,835 | 729,378 |
| Total business-type activities program revenues | 37,531,447 | 49,387,926 | 40,007,502 | 44,535,110 | 41,327,117 |
| Total primary government program revenues | $ 65,088,908 | $ 79,854,434 | $ 69,743,938 | $ 75,830,124 | $ 72,245,993 |

# City of Culver City
## Changes in Net Position (Continued)
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Governmental activities: | | | | | |
| General government | $ 13,358,925 | $ 14,990,643 | $ 26,854,930 | $ 17,862,641 | $ 18,343,390 |
| Parks, recreation and community services | 8,775,491 | 9,022,335 | 11,501,839 | 11,838,330 | 9,441,755 |
| Police | 36,045,013 | 40,121,314 | 45,463,577 | 45,771,756 | 49,820,606 |
| Fire | 20,374,502 | 23,019,797 | 26,764,984 | 27,136,117 | 27,388,529 |
| Community Development | 13,645,410 | 24,698,337 | 13,250,693 | 13,649,676 | 16,239,189 |
| Public Works | 12,586,907 | 12,948,758 | 14,132,972 | 15,572,218 | 16,024,316 |
| Transportation | 364,621 | 485,925 | 1,009,270 | 970,326 | 226,814 |
| Interest on long-term debt | - | - | - | - | - |
| Total governmental activities expenses | 105,150,869 | 125,287,109 | 138,978,265 | 132,801,064 | 137,484,599 |
| Business-type activities: | | | | | |
| Refuse Disposal Fund | 11,192,703 | 12,254,241 | 14,811,894 | 15,905,856 | 17,502,230 |
| Municipal Bus Lines Fund | 23,080,082 | 24,242,317 | 27,546,738 | 27,317,029 | 34,013,345 |
| Sewer Enterprise Fund | 9,875,998 | 9,076,812 | 8,144,996 | 9,583,110 | 9,276,555 |
| Municipal Fiber Network | 1,963 | 1,430,316 | 1,720,771 | 2,713,855 | 3,226,780 |
| Total business-type activities expenses | 44,150,746 | 47,003,686 | 52,224,399 | 55,519,850 | 64,018,910 |
| Total primary government expenses | 149,301,615 | 172,290,795 | 191,202,664 | 188,320,914 | 201,503,509 |
| **Program Revenues** | | | | | |
| Governmental activities: | | | | | |
| Charges for services: | | | | | |
| General government | $ 3,420,061 | $ 2,465,017 | $ 5,100,366 | $ 5,590,272 | $ 4,942,337 |
| Parks and recreation | 2,981,697 | 3,099,475 | 3,510,388 | 3,771,176 | 2,281,142 |
| Police | 4,661,925 | 5,640,905 | 6,380,868 | 5,984,564 | 4,810,715 |
| Fire | 3,469,803 | 3,639,515 | 4,099,395 | 4,464,004 | 3,682,521 |
| Community Development | 10,055,969 | 10,372,275 | 14,267,654 | 12,481,979 | 13,257,557 |
| Public Works | 2,152,282 | 2,554,688 | 3,056,562 | 3,207,741 | 2,554,779 |
| Transportation | 4,348 | 4,426 | 30,193 | 67,263 | 140,424 |
| Operating Contributions and Grants | 6,887,267 | 5,200,729 | 5,936,262 | 6,660,280 | 7,630,779 |
| Capital Grants and Contributions | 1,195,595 | 6,235,656 | 4,659,933 | 2,668,902 | 4,065,265 |
| Total governmental activities program revenues | 34,828,947 | 39,212,686 | 47,041,621 | 44,896,181 | 43,365,519 |
| Business-type activities: | | | | | |
| Charges for services: | | | | | |
| Refuse Disposal Fund | 12,559,906 | 13,086,289 | 14,644,140 | 16,011,416 | 16,573,869 |
| Municipal Bus Lines Fund | 3,582,271 | 3,188,558 | 3,041,100 | 2,908,933 | 2,594,270 |
| Sewer Enterprise Fund | 9,936,490 | 9,003,222 | 9,724,306 | 11,020,326 | 10,903,349 |
| Municipal Fiber Network | - | - | - | 35,655 | 245,650 |
| Operating grants and contributions | 16,165,460 | 25,844,886 | 19,329,775 | 20,011,475 | 22,143,916 |
| Capital grants and contributions | 1,220,528 | 1,621,358 | 1,272,523 | 510,463 | 5,665,166 |
| Total business-type activities program revenues | 43,464,655 | 52,744,313 | 48,011,844 | 50,498,268 | 58,126,220 |
| Total primary government program revenues | $ 78,293,602 | $ 91,956,999 | $ 95,053,465 | $ 95,394,449 | $ 101,491,739 |

# City of Culver City
## Changes in Net Position
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| **Net (Expense)/Revenue** | | | | | |
| Governmental activities | $ (104,003,540) | $ (86,255,876) | $ (55,878,704) | $ (59,533,348) | $ (76,976,919) |
| Business-type activities | (292,669) | 11,355,749 | (987,495) | 2,136,035 | (2,547,116) |
| Total primary government net expense | $ (104,296,209) | $ (74,900,127) | $ (56,866,199) | $ (57,397,313) | $ (79,524,035) |
| **General Revenues and Other Changes in Net Position** | | | | | |
| Governmental activities : | | | | | |
| Taxes | | | | | |
| Property taxes | $ 39,842,728 | $ 22,211,508 | $ 8,674,103 | $ 7,308,615 | $ 10,009,164 |
| Sales taxes | 16,192,369 | 16,970,122 | 19,791,627 | 27,692,291 | 28,284,352 |
| Utility users tax | 14,489,841 | 14,363,708 | 14,518,808 | 14,839,873 | 14,774,331 |
| Franchise taxes | 1,348,274 | 1,271,563 | 1,399,727 | 1,449,956 | 1,516,279 |
| Business license taxes | 10,049,265 | 9,930,602 | 10,253,802 | 11,214,234 | 11,808,710 |
| Transient occupancy taxes | 3,283,896 | 3,781,092 | 5,195,349 | 5,608,151 | 6,699,816 |
| Other taxes | 1,982,979 | 555,444 | 743,702 | 1,313,693 | 1,374,938 |
| Motor vehicle in lieu taxes (Intergov't revenue) | 3,484,424 | 3,423,230 | 3,449,068 | 3,735,235 | 3,908,299 |
| Use of money and property | 1,427,225 | 802,047 | 1,446,295 | 2,070,913 | 1,280,825 |
| Gain (Loss) on sale of capital assets | 14,110,004 | 30,743 | - | (293,338) | 211 |
| Other | 509,941 | 1,261,723 | 731,825 | 342,257 | 14,781,529 |
| Transfers | (316,947) | (343,073) | (398,441) | (760,438) | (919,357) |
| Transfers from fiduciary | - | - | - | - | - |
| Extraordinary gain - transfer of assets and liabilities to RDA Successor trust funds | - | 167,852,017 | - | - | - |
| Special Items | - | - | - | - | (12,541,852) |
| Total governmental activities | $ 106,403,999 | $ 242,110,726 | $ 65,805,865 | $ 74,521,442 | $ 80,977,245 |
| Business-type activities: | | | | | |
| Sales Taxes- Measure R | $ 1,418,901 | $ 1,700,105 | $ - | $ - | $ - |
| Use of money and property | 223,925 | 179,540 | (16,248) | 277,385 | 216,904 |
| Other | 104,494 | 306,834 | 346,317 | 342,457 | 300,209 |
| (Loss) on sale of capital assets | | | | | |
| Transfers | 316,947 | 343,073 | 398,441 | 760,438 | 919,357 |
| Total business-type activities | 2,064,267 | 2,529,552 | 728,510 | 1,380,280 | 1,436,470 |
| Total primary government | $ 108,468,266 | $ 244,640,278 | $ 66,534,375 | $ 75,901,722 | $ 82,413,715 |
| **Change in Net Position** | | | | | |
| Governmental activities | $ 2,400,459 | $ 155,854,850 | $ 9,927,161 | $ 14,988,094 | $ 4,000,326 |
| Business-type activities | 1,771,598 | 13,885,301 | (258,985) | 3,516,315 | (1,110,646) |
| Total primary government | $ 4,172,057 | $ 169,740,151 | $ 9,668,176 | $ 18,504,409 | $ 2,889,680 |

# City of Culver City
## Changes in Net Position (Continued)
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| **Net (Expense)/Revenue** | | | | | |
| Governmental activities | $ (70,321,922) | $ (86,074,423) | $ (91,936,644) | $ (87,904,883) | $ (94,119,080) |
| Business-type activities | (686,091) | 5,740,627 | (4,212,555) | (5,021,582) | (5,892,690) |
| Total primary government net expense | $ (71,008,013) | $ (80,333,796) | $ (96,149,199) | $ (92,926,465) | $ (100,011,770) |
| **General Revenues and Other Changes in Net Position** | | | | | |
| Governmental activities : | | | | | |
| Taxes | | | | | |
| Property taxes | $ 10,627,556 | $ 11,011,319 | $ 13,790,871 | $ 13,488,817 | $ 14,318,618 |
| Sales taxes | 30,172,506 | 29,997,495 | 31,162,345 | 32,402,882 | 33,606,943 |
| Utility users tax | 14,544,069 | 14,104,504 | 13,970,775 | 13,173,647 | 13,329,640 |
| Franchise taxes | 1,408,672 | 1,408,686 | 1,439,743 | 1,412,810 | 1,435,516 |
| Business license taxes | 12,299,395 | 13,373,055 | 13,168,013 | 13,991,391 | 14,599,849 |
| Transient occupancy taxes | 7,572,077 | 7,566,579 | 7,903,787 | 8,551,849 | 6,347,604 |
| Other taxes | 1,228,747 | 631,600 | 1,731,434 | 2,668,453 | 2,750,778 |
| Motor vehicle in lieu taxes (Intergov't revenue) | 4,109,366 | 4,475,719 | 4,764,501 | 5,086,293 | 5,541,021 |
| Use of money and property | 849,088 | 692,450 | 760,686 | 3,230,772 | 3,732,582 |
| Gain (Loss) on sale of capital assets | - | - | - | - | - |
| Other | 617,494 | 417,212 | 588,897 | 1,539,459 | 472,933 |
| Transfers | 12,786 | (1,093,863) | (1,151,110) | (1,472,842) | (1,169,443) |
| Transfers from fiduciary | 2,310,800 | - | - | - | - |
| Extraordinary gain - transfer of assets and liabilities to RDA Successor trust funds | - | - | - | - | - |
| Special Items | - | 11,599,118 | - | - | - |
| Total governmental activities | $ 85,752,556 | $ 94,183,874 | $ 88,129,942 | $ 94,073,531 | $ 94,966,041 |
| Business-type activities: | | | | | |
| Sales Taxes- Measure R | $ - | $ - | $ - | $ - | $ - |
| Use of money and property | 320,931 | 80,471 | 113,536 | 807,284 | 975,089 |
| Other | 384,297 | 411,639 | 392,343 | 2,199,819 | 119,971 |
| (Loss) on sale of capital assets | | (330,504) | - | - | - |
| Transfers | (12,786) | 1,093,863 | 1,151,110 | 1,472,842 | 1,169,443 |
| Total business-type activities | 692,442 | 1,255,469 | 1,656,989 | 4,479,945 | 2,264,503 |
| Total primary government | $ 86,444,998 | $ 95,439,343 | $ 89,786,931 | $ 98,553,476 | $ 97,230,544 |
| **Change in Net Position** | | | | | |
| Governmental activities | $ 15,430,634 | $ 8,109,451 | $ (3,806,702) | $ 6,168,648 | $ 846,961 |
| Business-type activities | 6,351 | 6,996,096 | (2,555,566) | (541,637) | (3,628,187) |
| Total primary government | $ 15,436,985 | $ 15,105,547 | $ (6,362,268) | $ 5,627,011 | $ (2,781,226) |

# City of Culver City
## Program Revenues by Revenue Function
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| Function/Program | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| General government | $ 1,543,537 | $ 561,872 | $ 2,689,305 | $ 3,455,983 | $ 4,195,371 |
| Parks and recreation | 3,263,123 | 3,993,130 | 2,891,150 | 2,870,838 | 3,247,541 |
| Police | 5,317,581 | 4,280,253 | 4,481,542 | 5,337,377 | 5,254,336 |
| Fire | 2,234,203 | 2,447,007 | 2,777,379 | 3,230,169 | 2,867,360 |
| Community Development | 7,992,307 | 9,353,786 | 9,228,830 | 10,580,562 | 9,174,202 |
| Public Works | 7,206,710 | 9,830,460 | 7,577,994 | 5,682,998 | 5,979,216 |
| Transportation | - | - | 90,236 | 137,087 | 200,850 |
| Subtotal governmental activities | 27,557,461 | 30,466,508 | 29,736,436 | 31,295,014 | 30,918,876 |
| Business-type activities: | | | | | |
| Refuse Disposal Fund | 11,864,998 | 12,299,423 | 11,442,218 | 11,772,165 | 11,796,339 |
| Municipal Bus -Transit | 17,026,228 | 29,213,226 | 20,422,157 | 23,762,329 | 20,344,349 |
| Sewer Enterprise Fund | 8,640,221 | 7,875,277 | 8,143,127 | 9,000,616 | 9,186,429 |
| Municipal Fiber Network | - | - | - | - | - |
| Subtotal business-type activities | 37,531,447 | 49,387,926 | 40,007,502 | 44,535,110 | 41,327,117 |
| Total primary government | $ 65,088,908 | $ 79,854,434 | $ 69,743,938 | $ 75,830,124 | $ 72,245,993 |

# City of Culver City
## Program Revenues by Revenue Function (Continued)
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

| Function/Program | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| General government | $ 4,860,813 | $ 3,865,385 | $ 6,609,126 | $ 7,708,839 | $ 7,549,835 |
| Parks and recreation | 3,272,059 | 3,381,557 | 3,792,927 | 4,037,386 | 2,590,460 |
| Police | 5,258,049 | 6,127,591 | 7,218,778 | 6,712,644 | 5,557,882 |
| Fire | 3,647,791 | 3,745,887 | 4,411,810 | 4,564,864 | 3,734,458 |
| Community Development | 13,009,788 | 12,256,628 | 16,714,423 | 14,686,222 | 15,364,424 |
| Public Works | 4,632,178 | 9,676,224 | 7,891,194 | 7,169,941 | 8,154,846 |
| Transportation | 148,269 | 159,414 | 403,363 | 16,285 | 413,614 |
| Subtotal governmental activities | 34,828,947 | 39,212,686 | 47,041,621 | 44,896,181 | 43,365,519 |
| Business-type activities: | | | | | |
| Refuse Disposal Fund | 12,604,319 | 13,086,289 | 14,760,456 | 16,039,981 | 16,763,476 |
| Municipal Bus -Transit | 20,923,156 | 30,654,802 | 23,524,754 | 23,402,059 | 29,506,830 |
| Sewer Enterprise Fund | 9,937,180 | 9,003,222 | 9,726,634 | 11,020,573 | 10,903,509 |
| Municipal Fiber Network | - | - | - | 35,655 | 952,405 |
| Subtotal business-type activities | 43,464,655 | 52,744,313 | 48,011,844 | 50,498,268 | 58,126,220 |
| Total primary government | $ 78,293,602 | $ 91,956,999 | $ 95,053,465 | $ 95,394,449 | $ 101,491,739 |

# City of Culver City
## Fund Balances, Governmental Funds
## Last Ten Fiscal Years
## (Modified Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| General Fund | | | | | |
| Nonspendable | $ 6,799,442 | $ 6,192,311 | $ 7,621,370 | $ 7,545,451 | $ 8,797,076 |
| Restricted | - | - | - | - | - |
| Committed | - | - | - | 30,189,148 | 34,909,456 |
| Assigned | 1,024,329 | 218,307 | 564,382 | 655,548 | 100,659 |
| Unassigned | 42,492,244 | 42,583,643 | 42,939,543 | 18,636,897 | 36,885,749 |
| Total General Fund | $ 50,316,015 | $ 48,994,261 | $ 51,125,295 | $ 57,027,044 | $ 80,692,940 |
| All Other Governmental Funds | | | | | |
| Nonspendable | $ 22,647 | $ - | $ - | $ - | $ - |
| Restricted (includes COOP) | 158,468,133 | 128,661,077 | 95,927,506 | 95,919,140 | 80,663,848 |
| Committed | - | - | - | - | - |
| Assigned | 4,893,096 | 4,872,542 | 3,939,545 | 4,171,163 | 5,201,207 |
| Unassigned | (7,359,168) | (1,357,834) | (332,930) | (1,787,933) | (2,639,282) |
| Total all other Governmental Funds | $ 156,024,708 | $ 132,175,785 | $ 99,534,121 | $ 98,302,370 | $ 83,225,773 |

# City of Culver City
## Fund Balances, Governmental Funds (Continued)
## Last Ten Fiscal Years
## (Modified Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| General Fund | | | | | |
| Nonspendable | $ 18,651,241 | $ 14,390,734 | $ 14,262,847 | $ 15,246,847 | $ 15,739,306 |
| Restricted | - | - | - | 10,602,535 | 11,193,366 |
| Committed | 37,778,333 | 40,472,141 | 44,250,119 | 48,905,672 | 51,371,732 |
| Assigned | 225,888 | 98,046 | 121,839 | 102,866 | 5,731,509 |
| Unassigned (deficit) | 25,422,152 | 22,009,527 | 22,127,231 | 20,709,758 | 18,381,515 |
| Total General Fund | $ 82,077,614 | $ 76,970,448 | $ 80,762,036 | $ 95,567,678 | $ 102,417,428 |
| All Other Governmental Funds | | | | | |
| Nonspendable | $ - | $ 29,508,555 | $ - | $ - | $ - |
| Restricted (includes COOP) | 81,872,220 | 63,126,537 | 76,659,696 | 70,657,761 | 68,582,916 |
| Committed | 14,114,312 | 13,543,461 | 16,488,882 | 20,467,461 | 23,190,384 |
| Assigned | - | - | - | - | - |
| Unassigned (deficit) | (2,116,848) | (4,338,625) | (1,500,668) | (2,047,587) | (4,011,524) |
| Total all other Governmental Funds | $ 93,869,684 | $ 101,839,928 | $ 91,647,910 | $ 89,077,635 | $ 87,761,776 |

# City of Culver City
## Changes in Fund Balances, Governmental Funds
## Last Ten Fiscal Years
## (Modified Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Taxes | $ 87,269,063 | $ 69,084,039 | $ 60,044,744 | $ 68,741,259 | $ 75,200,587 |
| Licenses and permits | 2,244,791 | 2,959,552 | 3,040,943 | 4,664,551 | 4,301,740 |
| Fines and forfeitures | 4,618,928 | 3,107,415 | 3,574,853 | 4,174,721 | 4,104,462 |
| Investment income | 1,236,516 | 1,168,004 | 2,852,792 | 3,451,821 | 2,958,972 |
| Intergovernmental | 12,021,397 | 17,639,544 | 11,926,258 | 10,453,476 | 11,932,021 |
| Charges for services | 11,143,637 | 11,331,314 | 10,063,004 | 11,937,412 | 12,589,262 |
| Sale of Land for resale | 14,110,004 | 285,956 | - | - | - |
| Other revenues | 941,644 | 1,514,011 | 1,323,474 | 695,241 | 15,215,908 |
| Total revenues | 133,585,980 | 107,089,835 | 92,826,068 | 104,118,481 | 126,302,952 |
| **Expenditures** | | | | | |
| General government | 4,396,978 | 7,493,714 | 11,905,828 | 12,190,249 | 16,881,178 |
| Parks, recreation and community services | 6,893,761 | 6,682,893 | 6,762,595 | 7,178,243 | 7,736,234 |
| Police | 28,345,389 | 28,233,992 | 29,478,847 | 32,912,122 | 32,784,324 |
| Fire | 15,400,698 | 16,588,046 | 17,199,564 | 18,121,240 | 19,097,947 |
| Community development | 33,299,639 | 28,262,728 | 9,135,006 | 9,481,641 | 9,825,125 |
| Public works & Transportation | 10,591,242 | 9,880,269 | 9,638,661 | 10,002,080 | 10,349,275 |
| Capital outlay | 7,459,015 | 13,962,974 | 5,551,098 | 5,620,204 | 6,260,467 |
| Debt service | | | | | |
| Debt issuance costs | 692,083 | - | - | - | - |
| Principal payment | 6,897,948 | 7,257,273 | 278,416 | 296,605 | 335,510 |
| Interest and fiscal charges | 7,411,970 | 5,275,844 | 74,649 | 47,962 | 11,520 |
| SERAF payments | 2,253,645 | - | - | - | - |
| Pass-through payments | 7,177,761 | - | - | - | - |
| Payment of refunding bond escrow - prior issue | - | - | - | - | - |
| Total expenditures | 130,820,129 | 123,637,733 | 90,024,664 | 95,850,346 | 103,281,580 |
| Excess of revenues over (under) expenditures | 2,765,851 | (16,547,898) | 2,801,404 | 8,268,135 | 23,021,372 |
| **Other Financing Sources (Uses)** | | | | | |
| Transfers in | 33,938,808 | 18,698,313 | 3,193,169 | 3,474,210 | 5,322,403 |
| Transfers out | (33,587,755) | (18,928,680) | (3,491,610) | (4,399,648) | (6,546,760) |
| Other financing sources | - | - | - | - | - |
| Long-term debt issued | 47,412,887 | - | - | - | - |
| Original issue premium (discount) | (642,847) | - | - | - | - |
| Total other financing sources (uses) | 47,121,093 | (230,367) | (298,441) | (925,438) | (1,224,357) |
| 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 | $ 49,886,944 | $ (25,238,074) | $ 2,502,963 | $ 7,342,697 | $ 9,255,163 |
| Debt service as a percentage of noncapital expenditures (a) | 12.6% | 11.0% | 0.4% | 0.4% | 0.3% |

**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
## Changes in Fund Balances, Governmental Funds (Continued)
## Last Ten Fiscal Years
## (Modified Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Taxes | $ 78,337,955 | $ 78,093,238 | 83,166,967 | $ 85,689,848 | $ 86,360,835 |
| Licenses and permits | 5,088,964 | 4,910,124 | 8,174,187 | 8,734,454 | 7,887,677 |
| Fines and forfeitures | 4,323,432 | 5,080,610 | 5,822,781 | 5,468,942 | 4,478,030 |
| Investment income | 2,315,628 | 1,827,323 | 2,198,158 | 5,433,125 | 6,165,210 |
| Intergovernmental | 11,641,261 | 13,531,055 | 16,672,290 | 13,898,876 | 14,315,212 |
| Charges for services | 15,994,025 | 16,461,731 | 21,358,952 | 19,366,008 | 17,315,109 |
| Sale of Land for resale | - | - | - | - | - |
| Other revenues | 1,488,349 | 652,582 | 955,418 | 1,772,685 | 772,079 |
| Total revenues | 119,189,614 | 120,556,663 | 138,348,753 | 140,363,938 | $ 137,294,152 |
| **Expenditures** | | | | | |
| General government | 13,210,888 | 14,502,021 | 25,402,021 | 17,005,110 | 16,910,700 |
| Parks, recreation and community services | 7,761,720 | 8,273,036 | 9,153,817 | 9,838,098 | 9,117,856 |
| Police | 34,305,688 | 37,924,974 | 40,012,677 | 42,308,470 | 44,812,950 |
| Fire | 21,531,923 | 22,677,676 | 23,407,204 | 25,121,591 | 24,250,141 |
| Community development | 13,415,458 | 24,163,346 | 12,144,088 | 12,866,296 | 14,609,370 |
| Public works & Transportation | 11,526,943 | 11,562,147 | 12,202,528 | 13,544,167 | 13,629,568 |
| Capital outlay | 7,426,995 | 12,945,681 | 21,275,738 | 15,971,997 | 7,268,707 |
| 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 | 109,179,615 | 132,048,881 | 143,598,073 | 136,655,729 | 130,599,292 |
| Excess of revenues over (under) expenditures | 10,009,999 | (11,492,218) | (5,249,320) | 3,708,209 | 6,694,860 |
| **Other Financing Sources (Uses)** | | | | | |
| Transfers in | 15,769,002 | 11,434,526 | 38,487,071 | 5,832,085 | 6,118,640 |
| Transfers out | (16,061,216) | (12,528,389) | (39,638,181) | (7,304,927) | (7,288,083) |
| Other financing sources | 2,310,800 | - | - | - | 8,474 |
| Long-term debt issued | - | - | - | - | - |
| Original issue premium (discount) | - | - | - | - | - |
| Total other financing sources (uses) | 2,018,586 | (1,093,863) | (1,151,110) | (1,472,842) | (1,160,969) |
| 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 | $ 12,028,585 | $ (986,963) | $ (6,400,430) | $ 2,235,367 | $ 5,533,891 |
| 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)

| Fiscal Year | Property Tax | Sales Tax | Utility Users Tax | Other Tax | Licenses, Permits | Fines, Forfeitures, Penalties |
|---|---|---|---|---|---|---|
| 2011 | $ 39,842,728 | $ 16,192,369 | $ 14,489,841 | $ 16,744,125 | $ 2,244,791 | $ 4,618,928 |
| 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 |

# City of Culver City
## Tax Revenues by Source (Continued)
## Governmental Funds
## (Modified Accrual Basis of Accounting)

| Fiscal Year | Use of Money, Property | Revenue from other Agencies | Charges for Services | Sale of Property | Other | Total |
|---|---|---|---|---|---|---|
| 2011 | $ 1,236,516 | $ 12,021,397 | $ 11,143,637 | $ 14,110,004 | $ 941,644 | $ 133,585,980 |
| 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 |

# 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) |
|---|---|---|---|---|---|
| 2011 | 6,760,932,194 | 384,975 | 405,656,855 | 7,166,974,024 | 0.538% |
| 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% |

**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)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| 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 |
| Redevelopment Rate | 1.0037 | 1.0037 | - | - | - | - | - | - | - | - |
| Total Direct Tax Rate (b) | 0.5378 | 0.5444 | 0.5426 | 0.0946 | 0.0952 | 0.0957 | 0.0962 | 0.0950 | 0.0974 | 0.0979 |
| | | | | | | | | | | |
| 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 | 0.0375 | 0.0352 | 0.0361 | 0.0314 | 0.0778 | 0.0717 | 0.0663 | 0.0649 | 0.0644 | 0.0495 |
| El Camino community college | 0.0161 | 0.0169 | 0.0185 | 0.0175 | 0.0174 | 0.0175 | 0.0229 | 0.0212 | 0.0222 | 0.0216 |
| Inglewood Unified School District | 0.1145 | 0.1128 | 0.1214 | 0.1561 | 0.1499 | 0.1276 | 0.1135 | 0.1168 | 0.1308 | 0.0983 |
| La Ccd Ds 2008 2012 Series F | - | - | 0.0112 | - | - | - | - | - | - | - |
| La Community college District | 0.0403 | 0.0353 | 0.0376 | 0.0445 | 0.0402 | 0.0358 | 0.0360 | 0.0460 | 0.0462 | 0.0272 |
| La County Flood Control | - | - | - | - | - | - | - | - | - | - |
| Los Angeles Unified School District | 0.1870 | 0.1682 | 0.1756 | 0.1464 | 0.1469 | 0.1297 | 0.1311 | 0.1222 | 0.1232 | 0.1255 |
| Metropolitan Water District | 0.0037 | 0.0037 | 0.0035 | 0.0035 | 0.0035 | 0.0035 | 0.0035 | 0.0035 | 0.0035 | 0.0035 |
| Total Direct & Overlapping (d) Tax Rates | 1.3991 | 1.3721 | 1.4039 | 1.3994 | 1.4357 | 1.3857 | 1.3733 | 1.3746 | 1.3904 | 1.3256 |

**Source:** HdL Coren & Cone

**Notes:**

(a) 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.

(b) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information

(c) 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.

(d) 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

| | 2020 | | | 2011 | | |
|---|---|---|---|---|---|---|
| Total Net Assessed Value | **$ 12,011,506,238** | | 100.00% | **$ 7,166,974,024** | | 100.00% |

| Taxpayer | Net Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Net Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
|---|---|---|---|---|---|---|
| Lot, Inc. | $ 340,559,696 | 1 | 2.84% | $ 267,538,702 | 1 | 3.73% |
| Fox Hills Mall LLC/Westfield | 225,102,610 | 2 | 1.87% | 70,346,849 | 8 | 0.98% |
| LBA RV Company IX LP | 171,305,234 | 3 | 1.43% | | | |
| Sony Pictures Entertainment Inc. | 155,104,911 | 4 | 1.29% | 86,444,180 | 5 | 1.21% |
| Symantec Corporation | 139,964,612 | 5 | 1.17% | 100,773,238 | 3 | 1.41% |
| Reep Ofc Corporate Pointe CA LLC | 139,289,549 | 6 | 1.16% | | | |
| Equity One Culver LLC | 123,251,003 | 7 | 1.03% | | | |
| US VI CP Property LLC | 117,300,000 | 8 | 0.98% | | | |
| Higuera Office LLC | 116,358,267 | 9 | 0.97% | | | |
| Woodbine Legacy Playa Owner LLC | 103,668,294 | 10 | 0.86% | | | |
| Transwestern Corporate Pointe LLC | | | | 106,859,905 | 2 | 1.49% |
| TCE Filmland Holdings LLC | | | | 90,493,617 | 4 | 1.26% |
| PCCP Studio City Los Angeles TCS | | | | 83,230,598 | 6 | 1.16% |
| LEGACY III Culver City LLC | | | | 56,510,000 | 10 | 0.79% |
| Sy Culver City Portfolio Limited Partnership | | | | 71,831,655 | 7 | 1.00% |
| Culver Center Partners East 1 LP | | | | 57,250,291 | 9 | 0.80% |
| Total | $ 1,631,904,176 | | 13.59% | $ 991,279,035 | | 13.83% |

**Source:** Los Angeles County Assessor 2019/20 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 |
| 2011 | 3,443,042 | 2,927,218 | 85.0% | 378,394 | 3,305,612 | 96.0% |
| 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% |

**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

| | Governmental Activities | | | | Business-type Activities | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Redevelopment Bonds | Capital Leases | Loans | Total Governmental Activities | Wastewater Revenue Bonds | Certificates of Participation | Capital Leases | Total Business-type Activities | Total Primary Government | Percentage of Personal Income (b) | Debt Per Capita (b) |
| 2011 | 190,667,887 | - | 1,172,804 | 191,840,691 | 19,495,000 | 3,415,000 | - | 22,910,000 | 214,750,691 | 13.7% | 5,274 |
| 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 |

**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, 2020, 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, 2020

| | | |
|---|---|---|
| City Assessed Valuation | $ | 5,690,033,636 |
| Successor Agency Incremental Valuation | | 6,321,472,602 |
| Total Net Taxable Assessed Valuation | $ | 12,011,506,238 |

| | 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 | 18,151,752 | 0.442% | 80,263 |
| El Camino College District | 404,330,018 | 0.004% | 16,242 |
| Los Angeles Community College District | 4,234,460,000 | 1.325% | 56,108,453 |
| Culver City Unified School District | 117,140,000 | 99.546% | 116,607,854 |
| Inglewood Unified School District | 144,715,000 | 0.036% | 51,509 |
| Los Angeles Unified School District | 10,535,750,000 | 0.007% | 749,094 |
| Subtotal, overlapping debt | | **3.05%** | 173,613,415 |
| City direct debt | | 0.00% | - |
| Total direct and overlapping debt | | **3.05%** | $ 173,613,415 |

**Source:** HdL Coren & Cone, Los Angeles County Assessor 2019/2020 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 3.05% of the City's 2019/2020 assessed valuation or $ 173.60 million.

# City of Culver City
## Legal Debt Margin Information
## Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| Total assessed valuation | $ 7,417,771,754 | $ 7,652,983,856 | $ 7,752,446,647 | $ 8,323,791,063 | $ 8,732,804,582 |
| Debt Limit percentage | 15% | 15% | 15% | 15% | 15% |
| Debt Limit | $ 1,112,665,763 | $ 1,147,947,578 | $ 1,162,866,997 | $ 1,248,568,659 | $ 1,309,920,687 |
| Amount of debt applicable to the limit: | $ - | $ - | $ - | $ - | $ - |
| Legal Debt Margin | $ 1,112,665,763 | $ 1,147,947,578 | $ 1,162,866,997 | $ 1,248,568,659 | $ 1,309,920,687 |
| 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, 2020, 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

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| Total assessed valuation | $ 9,169,218,845 | $9,949,044,594 | $ 10,555,362,319 | $ 11,323,006,988 | $ 12,281,599,213 |
| Debt Limit percentage | 15% | 15% | 15% | 15% | 15% |
| Debt Limit | $ 1,375,382,827 | $ 1,492,356,689 | $ 1,583,304,348 | $ 1,698,451,048 | $ 1,842,239,882 |
| Amount of debt applicable to the limit: | $ - | $ - | $ - | $ - | $ - |
| Legal Debt Margin | $ 1,375,382,827 | $ 1,492,356,689 | $ 1,583,304,348 | $ 1,698,451,048 | $ 1,842,239,882 |
| 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, 2020, the City was not obligated in any manner for general obligation bonds.**

# City of Culver City
## Pledge-Revenue Coverage
## Last Ten Fiscal Years

| | Wastewater Facilities Revenue Bonds (b) | | | | | | | Tax Allocation Bonds | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Utility Service Charges | Interest Earnings (a) | Less: Operating Expenses | Net Available Revenue | Debt Service Principal | Debt Service Interest | Coverage | Tax Increment Collections | Debt Service Principal | Debt Service Interest | Coverage |
| 2011 | 8,638,408 | 171,951 | 5,392,430 | 3,417,929 | 590,000 | 910,200 | 2.28 | 36,321,000 | 6,650,000 | 7,151,937 | 2.63 |
| 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 | - | - | - | - |

**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.

(c) Due to the dissolution of the Culver City Redevelopment Agency (CCRA) on February 1, 2012, Tax Increment collections are through January 31, 2012.

# City of Culver City
## Demographic and Economic Statistics
## Last Ten Calendar Years

| Calendar Year | Population | Personal Income *(thousands of dollars)* | Per Capita Personal Income | Unemployment Rate |
|---|---|---|---|---|
| 2010 | 40,722 | 1,565,191 | 38,436 | 8.7% |
| 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% |

**Source:** HDL 2019-20 CAFR Statistical Basic Package for City of Culver City

# City of Culver City
## Principal Employers
## Last Ten Fiscal Years

| | 2011 | | | 2012 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Sony Pictures Entertainment | 6,000 | 1 | 15.13% | 6,000 | 1 | 26.55% |
| Westfield Shoppingtown-Fox Hills | | | | | | |
| Goldrich & Kest Industries, LLC | 1,100 | 2 | 2.77% | 1,100 | 2 | 4.87% |
| Southern CA Hospital (Brontman Medical Ctr) | 860 | 4 | 2.17% | 860 | 4 | 3.81% |
| Culver City Unified School District | 1,084 | 3 | 2.73% | 1,084 | 3 | 4.80% |
| Symantec | | | | | | |
| City of Culver City | 650 | 5 | 1.64% | 644 | 5 | 2.85% |
| Metric Products | | | | | | |
| Radisson Hotel | | | | | | |
| Kaiser Permanente | | | | | | |
| Security Industry Specialists | 400 | 6 | 1.01% | 400 | 6 | 1.77% |
| West Los Angeles College | | | | | | |
| NFL Media | | | | | | |
| Target | 400 | 7 | 1.01% | 400 | 7 | 1.77% |
| Inovel | 300 | 8 | 0.76% | | | |
| Karl Storz Endoscopy | 300 | 9 | 0.76% | | | |
| Kayne-Eras Center | 300 | 10 | 0.76% | 300 | 8 | 1.33% |
| Moldex-Metric | | | | 300 | 9 | 1.33% |
| JC Penny | | | | 274 | 10 | 1.21% |
| Beats by Dre/Apple, Inc. | | | | | | |
| Total Top 10 Employers | 11,394 | | 28.74% | 11,362 | | 50.27% |
| Total City Labor Force (1) | **39,651** | | | **22,600** | | |

**Source:** Finance Department

# City of Culver City
## Principal Employers (Continued)
## Last Ten Fiscal Years

| | 2013 | | | 2014 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Sony Pictures Entertainment | 6,000 | 1 | 25.75% | 3,200 | 1 | 12.90% |
| Westfield Shoppingtown-Fox Hills | | | | | | |
| Goldrich & Kest Industries, LLC | 1,100 | 2 | 4.72% | 717 | 6 | 2.89% |
| Southern CA Hospital (Brontman Medical Ctr) | 860 | 4 | 3.69% | 1,000 | 2 | 4.03% |
| Culver City Unified School District | 1,084 | 3 | 4.65% | 771 | 4 | 3.11% |
| Symantec | 800 | 5 | 3.43% | 900 | 3 | 3.63% |
| City of Culver City | 638 | 6 | 2.74% | 760 | 5 | 3.06% |
| Metric Products | | | | | | |
| Radisson Hotel | | | | | | |
| Kaiser Permanente | | | | | | |
| Security Industry Specialists | 400 | 7 | 1.72% | | | |
| West Los Angeles College | | | | 575 | 7 | 2.32% |
| NFL Media | | | | 500 | 8 | 2.02% |
| Target | 400 | 8 | 1.72% | 475 | 9 | 1.92% |
| Inovel | | | | | | |
| Karl Storz Endoscopy | | | | | | |
| Kayne-Eras Center | 300 | 9 | 1.29% | | | |
| Moldex-Metric | 300 | 10 | 1.29% | | | |
| JC Penny | | | | | | |
| Beats by Dre/Apple, Inc. | | | | 450 | 10 | 1.81% |
| Total Top 10 Employers | 11,882 | | 51.00% | 8,898 | | 37.69% |
| Total City Labor Force (1) | **23,300** | | | **24,800** | | |

**Source:** Finance Department

# City of Culver City
## Principal Employers (Continued)
## Last Ten Fiscal Years

| | 2015 | | | 2016 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Sony Pictures Entertainment | 3,200 | 1 | 12.92% | 3,400 | 1 | 14.98% |
| Westfield Shoppingtown-Fox Hills | | | | | | |
| Goldrich & Kest Industries, LLC | 717 | 6 | 2.90% | 717 | 6 | 3.16% |
| Southern CA Hospital (Brontman Medical Ctr) | 1,000 | 2 | 4.04% | 1,167 | 2 | 5.14% |
| Culver City Unified School District | 771 | 4 | 3.11% | 760 | 4 | 3.35% |
| Symantec | 900 | 3 | 3.63% | 700 | 5 | 3.08% |
| City of Culver City | 767 | 5 | 3.10% | 871 | 3 | 3.84% |
| Metric Products | | | | | | |
| Radisson Hotel | | | | | | |
| Kaiser Permanente | | | | | | |
| Security Industry Specialists | | | | | | |
| West Los Angeles College | 575 | 7 | 2.32% | 600 | 7 | 2.64% |
| NFL Media | 500 | 8 | 2.02% | 525 | 8 | 2.31% |
| Target | 475 | 9 | 1.92% | 575 | 9 | 2.53% |
| Inovel | | | | | | |
| Karl Storz Endoscopy | | | | | | |
| Kayne-Eras Center | | | | | | |
| Moldex-Metric | | | | | | |
| JC Penny | | | | | | |
| Beats by Dre/Apple, Inc. | 411 | 10 | 1.66% | 460 | 10 | 2.03% |
| Total Top 10 Employers | 9,316 | | 37.62% | 9,775 | | 43.06% |
| Total City Labor Force (1) | **24,761** | | | **22,700** | | |

**Source:** Finance Department

# City of Culver City
## Principal Employers (Continued)
## Last Ten Fiscal Years

| | 2017 | | | 2018 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Sony Pictures Entertainment | 3,000 | 1 | 12.24% | 3,000 | 1 | 11.66% |
| Westfield Shoppingtown-Fox Hills | 1,500 | 2 | 6.12% | 1,550 | 2 | 6.03% |
| Goldrich & Kest Industries, LLC | 700 | 5 | 2.86% | 675 | 6 | 2.62% |
| Southern CA Hospital (Brontman Medical Ctr) | 720 | 4 | 2.94% | 730 | 5 | 2.84% |
| Culver City Unified School District | 760 | 3 | 3.10% | 750 | 4 | 2.92% |
| Symantec | 700 | 5 | 2.86% | 550 | 9 | 2.14% |
| City of Culver City | 650 | 6 | 2.65% | 800 | 3 | 3.11% |
| Metric Products | | | | | | |
| Radisson Hotel | | | | | | |
| Kaiser Permanente | | | | | | |
| Security Industry Specialists | | | | | | |
| West Los Angeles College | 600 | 7 | 2.45% | 625 | 7 | 2.43% |
| NFL Media | 525 | 9 | 2.14% | 515 | 10 | 2.00% |
| Target | 575 | 8 | 2.35% | 590 | 8 | 2.29% |
| Inovel | | | | | | |
| Karl Storz Endoscopy | | | | | | |
| Kayne-Eras Center | | | | | | |
| Moldex-Metric | | | | | | |
| JC Penny | | | | | | |
| Beats by Dre/Apple, Inc. | 500 | 10 | 2.04% | 490 | | 1.90% |
| Total Top 10 Employers | 10,230 | | 41.76% | 10,275 | | 39.94% |
| Total City Labor Force (1) | **24,500** | | | **25,725** | | |

**Source:** Finance Department

# City of Culver City
## Principal Employers (Continued)
## Last Ten Fiscal Years

| | 2019 | | | 2020 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Sony Pictures Entertainment | 3,563 | 1 | 14.43% | 3,000 | 1 | 11.63% |
| Westfield Shoppingtown-Fox Hills | 1,539 | 2 | 6.23% | 1,500 | 2 | 5.81% |
| Goldrich & Kest Industries, LLC | 675 | 7 | 2.73% | 670 | 7 | 2.60% |
| Southern CA Hospital (Brontman Medical Ctr) | 1,121 | 3 | 4.54% | 1,116 | 3 | 4.33% |
| Culver City Unified School District | 870 | 4 | 3.52% | 800 | 4 | 3.10% |
| Symantec | | | | 373 | 9 | 1.45% |
| City of Culver City | 823 | 6 | 3.33% | 798 | 5 | 3.09% |
| Metric Products | 11 | 10 | 0.04% | 4 | | |
| Radisson Hotel /Doubletree | 145 | 9 | 0.59% | 42 | | |
| Kaiser Permanente | | | | | | |
| Security Industry Specialists | | | | 291 | 10 | 1.13% |
| West Los Angeles College | 833 | 5 | 3.37% | | | |
| NFL Media | | | | 692 | 6 | 2.68% |
| Target | 531 | 7 | 2.15% | 484 | 8 | 1.88% |
| Inovel | | | | | | |
| Karl Storz Endoscopy | | | | | | |
| Kayne-Eras Center | | | | 131 | | |
| Moldex-Metric | 360 | 8 | 1.46% | 263 | | |
| JC Penny | | | | 189 | | |
| Beats by Dre/Apple, Inc. | | | | | | |
| Total Top 10 Employers | 10,471 | | 42.42% | 10,353 | | 37.69% |
| Total City Labor Force (1) | **24,686** | | | **25,803** | | |

**Source:** Finance Department

# City of Culver City
## Full-Time Equivalent City Government Employees by Function/Program
## Last Ten Fiscal Years

| Function/Program | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| General government | 71 | 68 | 68 | 68 | 69 | 68 | 75 | 73 | 74 | 78 |
| Parks, recreation and community services | 30 | 30 | 31 | 31 | 31 | 31 | 32 | 33 | 33 | 33 |
| Police | 156 | 153 | 156 | 157 | 157 | 160 | 162 | 150 | 150 | 159 |
| Fire | 70 | 69 | 71 | 69 | 71 | 72 | 72 | 72 | 72 | 79 |
| Community development | 52 | 52 | 36 | 36 | 36 | 36 | 37 | 39 | 40 | 40 |
| Public works | 51 | 49 | 48 | 48 | 49 | 51 | 53 | 53 | 54 | 56 |
| Grants operating | 10 | 9 | 7 | 6 | 6 | 6 | 7 | 7 | 8 | 8 |
| Internal service | 41 | 41 | 41 | 41 | 42 | 43 | 43 | 44 | 44 | 44 |
| Refuse | 40 | 40 | 40 | 40 | 41 | 42 | 46 | 46 | 50 | 50 |
| Transit | 120 | 122 | 129 | 129 | 151 | 152 | 153 | 155 | 157 | 160 |
| Sewer | 9 | 11 | 11 | 11 | 11 | 11 | 12 | 12 | 12 | 12 |
| Total | 650 | 644 | 638 | 636 | 663 | 673 | 692 | 684 | 694 | 718 |

**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

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| General government | | | | | |
| Building permits issued | 2,400 | 2,240 | 2,488 | 2,336 | 2,756 |
| Building inspections conducted | 9,500 | 8,209 | 9,590 | 9,609 | 10,925 |
| Police | | | | | |
| Arrestees Processed | 1,400 | 1,372 | 1,491 | 1,611 | 1,239 |
| Parking citations | 36,000 | 30,705 | 37,236 | 37,681 | 38,681 |
| Traffic citations | 14,000 | 12,414 | 19,027 | 10,028 | 9,003 |
| Fire | | | | | |
| Emergency responses | 4,500 | 4,471 | 4,681 | 4,969 | 5,375 |
| Fire Emergency Incidents | 155 | 194 | 197 | 210 | 215 |
| Commercial Fire Safety Inspections | 2,400 | 2,106 | 2,653 | 2,742 | 2,810 |
| Refuse collection | | | | | |
| Residential Refuse & Green waste collected (tons per day) | 41 | 43 | 42 | 42 | 43 |
| Commercial Refuse Collected (tons per day) | 136 | 121 | 143 | 143 | 130 |
| Responses to Customer Service Requests | 200 | 200 | 120 | 120 | 120 |
| Public Works | | | | | |
| Traffic Engineering Investigations | 4,535 | 4,619 | 4,601 | 4,601 | 4,685 |
| Tons of Asphalt Placed | 700 | 300 | 325 | 325 | 230 |
| Damaged Sidewalk removed/replaced (sq ft) | 16,000 | 8,040 | 8,100 | 8,100 | 10,084 |
| Trees Trimmed | 5,850 | 3,172 | 3,200 | 3,200 | 4,958 |
| Parks and recreation | | | | | |
| Park picnic permits issued | 1,300 | 963 | 1,300 | 1,276 | 1,026 |
| Participation in Youth Sports | 5,000 | 3,500 | 5,345 | 5,328 | 4,950 |
| Participation in Adults Sports | 35,500 | 44,200 | 36,800 | 43,766 | 45,456 |
| Transit - Municipal buses | | | | | |
| Total service miles | 1,700,000 | 1,497,434 | 1,585,103 | 1,589,108 | 1,593,248 |
| Passengers | 6,630,000 | 5,331,071 | 5,550,045 | 5,416,010 | 4,979,334 |

**Source:** Annual Budgets and various city departments.

# City of Culver City
## Operating Indicators by Function (Continued)
## Last Ten Fiscal Years

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| General government | | | | | |
| Building permits issued | 3,029 | 2,930 | 2,954 | 3,023 | 2,548 |
| Building inspections conducted | 12,614 | 12,948 | 12,638 | 14,212 | 14,318 |
| Police | | | | | |
| Arrestees Processed | 1,242 | 1,166 | 2,513 | 1,986 | 1,451 |
| Parking citations | 40,009 | 36,961 | 41,038 | 39,081 | 28,713 |
| Traffic citations | 8,981 | 5,347 | 8,612 | 6,106 | 3,100 |
| Fire | | | | | |
| Emergency responses | 5,684 | 6,106 | 6,857 | 6,753 | 6,505 |
| Fire Emergency Incidents | 215 | 206 | 270 | 221 | 250 |
| Commercial Fire Safety Inspections | 2,800 | 3,032 | 2,929 | 2,825 | 2,781 |
| Refuse collection | | | | | |
| Residential Refuse & Green waste collected (tons per day) | 43 | 43 | 41 | 40 | 44 |
| Commercial Refuse Collected (tons per day) | 141 | 105 | 76 | 85 | 84 |
| Responses to Customer Service Requests | 120 | 150 | 150 | 88 | 83 |
| Public Works | | | | | |
| Traffic Engineering Investigations | 4,721 | 4,816 | 4,782 | 4,800 | 5,202 |
| Tons of Asphalt Placed | 207 | 555 | 85 | 128 | 119 |
| Damaged Sidewalk removed/replaced (sq ft) | 9,103 | 32,795 | 3,620 | 4,052 | 2,000 |
| Trees Trimmed | 4,350 | 3,938 | 3,106 | 3,517 | 3,209 |
| Parks and recreation | | | | | |
| Park picnic permits issued | 933 | 1,018 | 1,148 | 1,114 | 523 |
| Participation in Youth Sports | 4,480 | 10,984 | 32,333 | 34,021 | 15,601 |
| Participation in Adults Sports | 48,312 | 49,572 | 57,295 | 52,727 | 87,718 |
| Transit - Municipal buses | | | | | |
| Total service miles | 1,658,913 | 1,686,317 | 1,658,633 | 1,656,768 | 1,551,211 |
| Passengers | 5,653,192 | 5,070,970 | 4,864,138 | 4,600,876 | 3,388,031 |

**Source:** Annual Budgets and various city departments.

# City of Culver City
## Capital Asset Statistics by Function
## Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 31 | 26 | 25 | 27 | 21 | 21 | 23 | 23 | 28 | 31 |
| Motorcycle units | 14 | 13 | 11 | 13 | 14 | 11 | 11 | 11 | 7 | 8 |
| Detective Units | 19 | 30 | 30 | 34 | 38 | 38 | 38 | 38 | 39 | 32 |
| Parking Enforcement Units | 8 | 8 | 8 | 8 | 9 | 8 | 8 | 8 | 11 | 11 |
| Fire stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Refuse collection | | | | | | | | | | |
| Collection trucks | 19 | 19 | 22 | 22 | 22 | 22 | 22 | 22 | 23 | 23 |
| Other public works | | | | | | | | | | |
| Streets (miles) | 83.2 | 119.6 | 119.6 | 119.6 | 119.6 | 119.6 | 119.6 | 119.6 | 119.6 | 120.0 |
| Highways (miles) | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.0 |
| Streetlights | 3,596 | 3,596 | 3,596 | 3,596 | 3,596 | 3,596 | 3,661 | 3,653 | 3,654 | 3,655 |
| Traffic signals | 104 | 104 | 104 | 104 | 105 | 105 | 106 | 106 | 107 | 108 |
| Parks and recreation | | | | | | | | | | |
| Acreage | 93 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 92 |
| Community parks | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 2 |
| Neighborhood parks | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 4 | 4 | 7 |
| Mini parks | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 2 | 5 |
| Wastewater | | | | | | | | | | |
| Sanitary sewers (miles) | 85 | 90 | 90 | 90 | 90 | 90 | 90 | 90 | 91 | 91 |
| Pumping (lift) stations | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Transit - Municipal buses | 52 | 52 | 52 | 52 | 54 | 54 | 56 | 56 | 54 | 54 |

**Source:** Various city departments