

Culver CITY



CITY OF CULVER CITY

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

City of Culver City, California



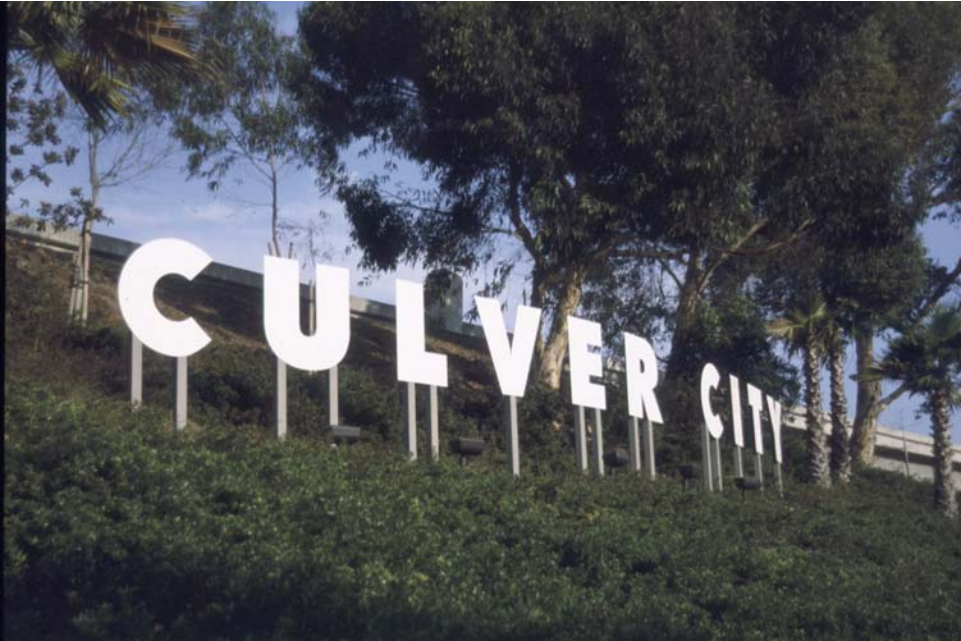
Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

Prepared by:
Finance Department



Introductory Section





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 60,000¹. Services provided include police, fire, general maintenance, public improvements, planning and zoning, refuse collection, municipal bus lines, park, recreation and community services, and general administrative services.

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

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

The level of appropriated budgetary control is the total adopted budget, which is defined as the total budget for all funds and divisions and includes all revisions and amendments approved by the City Council subsequent to the initial budget adoption. The City Manager may authorize transfers of appropriations within the adopted budget. Supplemental appropriations during the year must be approved by the City Council, with certain exceptions delegated to the City Manager in the Budget Resolution adopted annually by City Council. Unexpended or unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are reappropriated in the ensuing year's

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 infrastructure 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

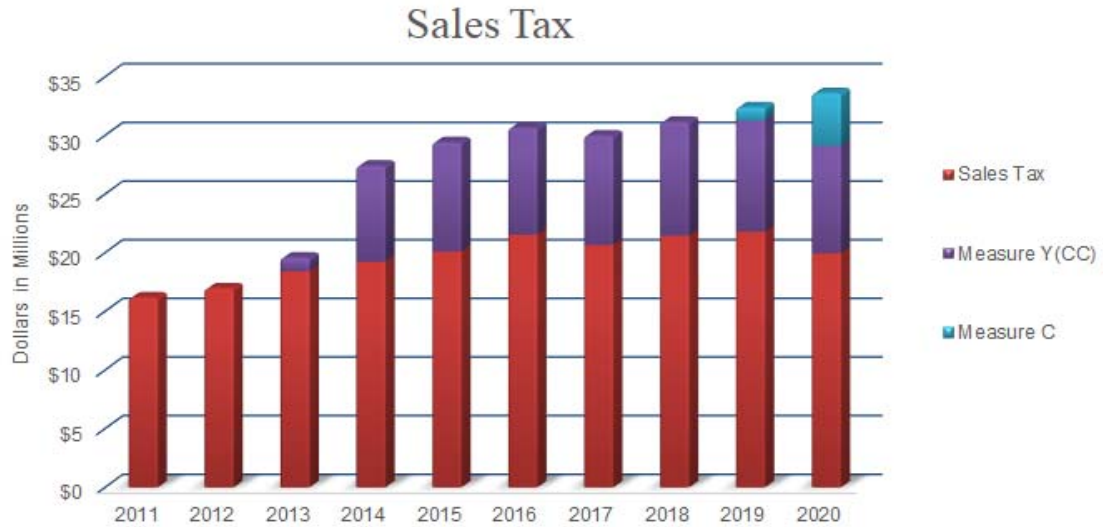
Major sources of General Fund revenue for the City include Sales Tax, Business Tax, Utility User Tax (UUT), Property Tax and Transient Occupancy Tax (TOT).

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.

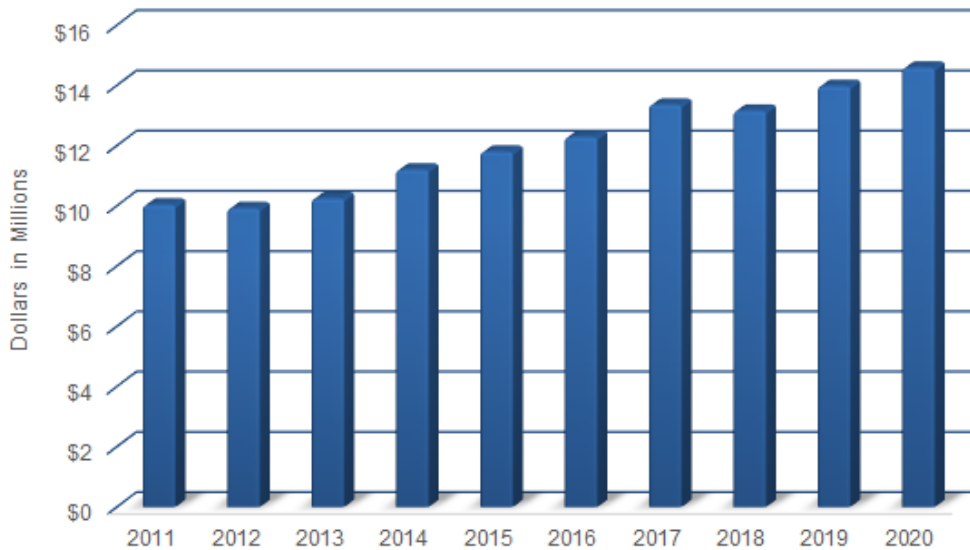


Business Tax

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.

Business Tax



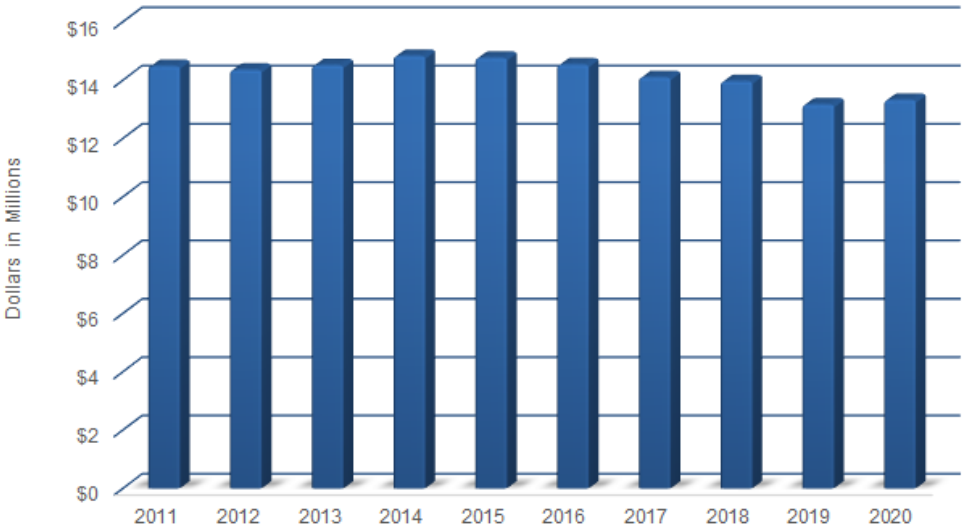
Utility User Tax

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.

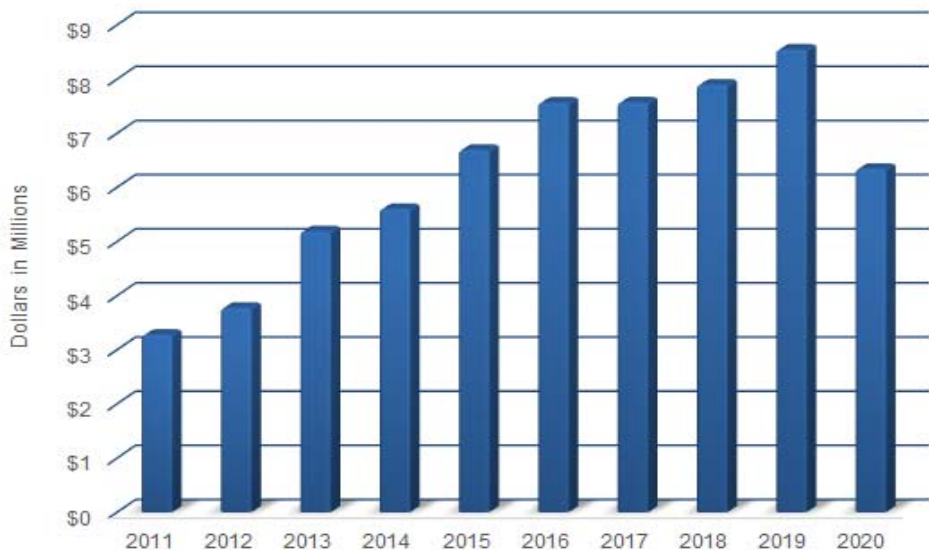
Utility Users Tax



Transient Occupancy Tax

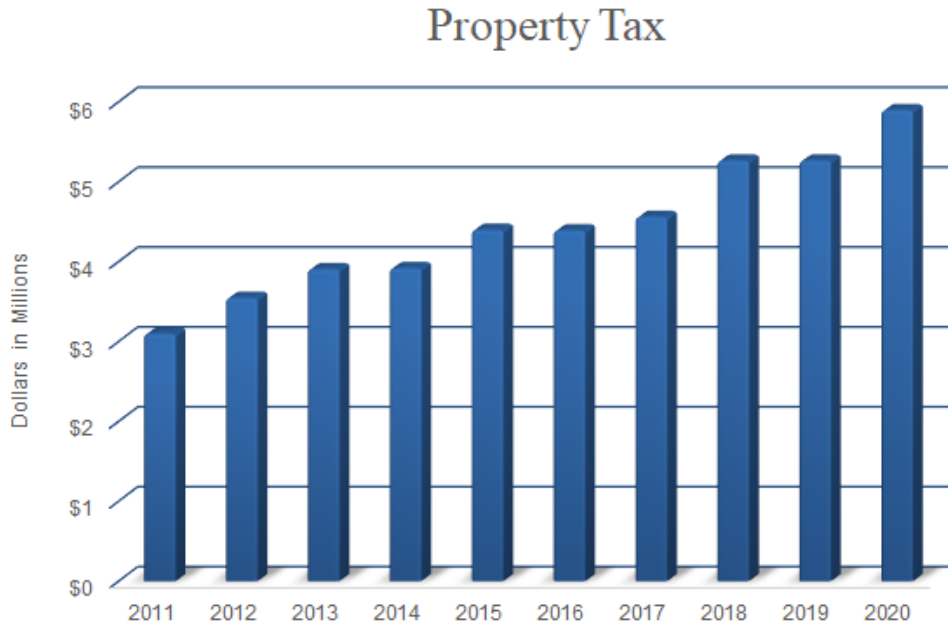
Transient Occupancy Tax is levied on occupied hotel/motel rooms at a rate of 14%. FY2019-20 TOT revenue deteriorated by 25.8% over the prior year due to recommended travel restrictions for travelers during the COVID-19 pandemic in the latter part of FY2019-20.

Transient Occupancy Tax



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.



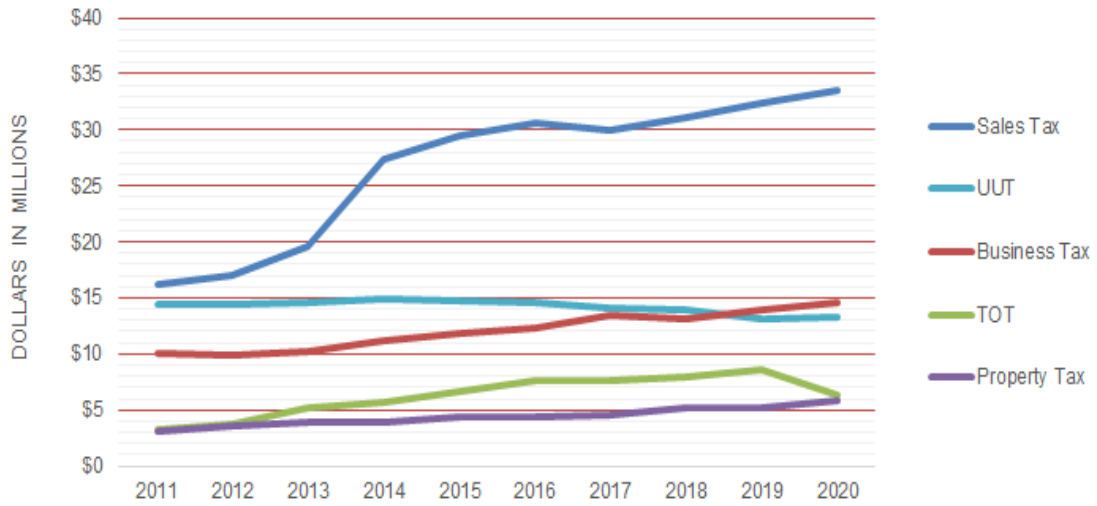
Property Tax receipts ended FY2019-20 at \$5.9 million, an improvement of 12% over prior fiscal year revenues. Additionally, the City received \$4.35 million in former tax increment of the Redevelopment Agency. This funding is from additional property tax increment received when the amount of property 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 slightly in the fiscal year but are expected drop significantly in FY2020-21 due to the lockdowns during the pandemic.

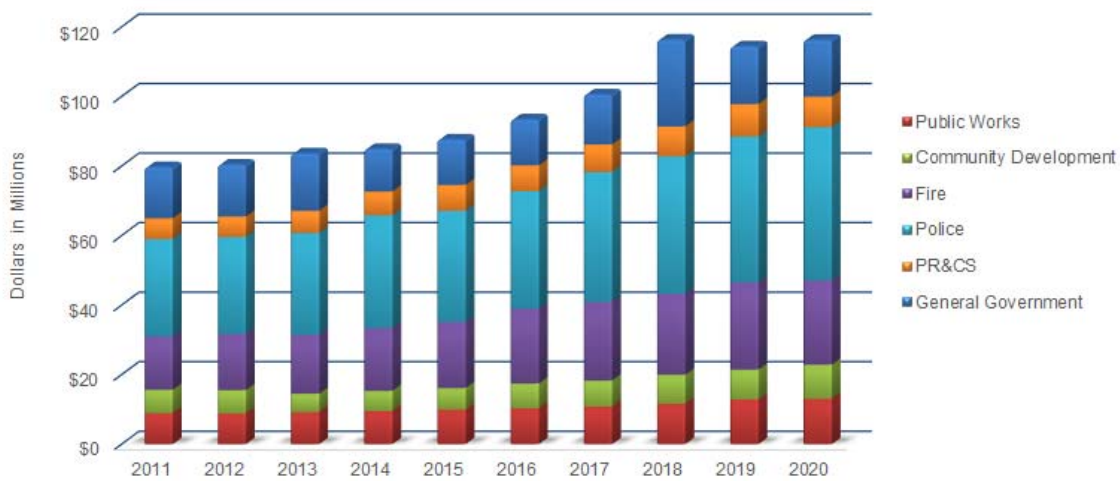
Top Five Tax Revenues



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 Expenditures



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.

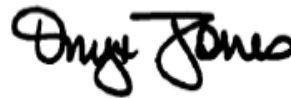
The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. This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

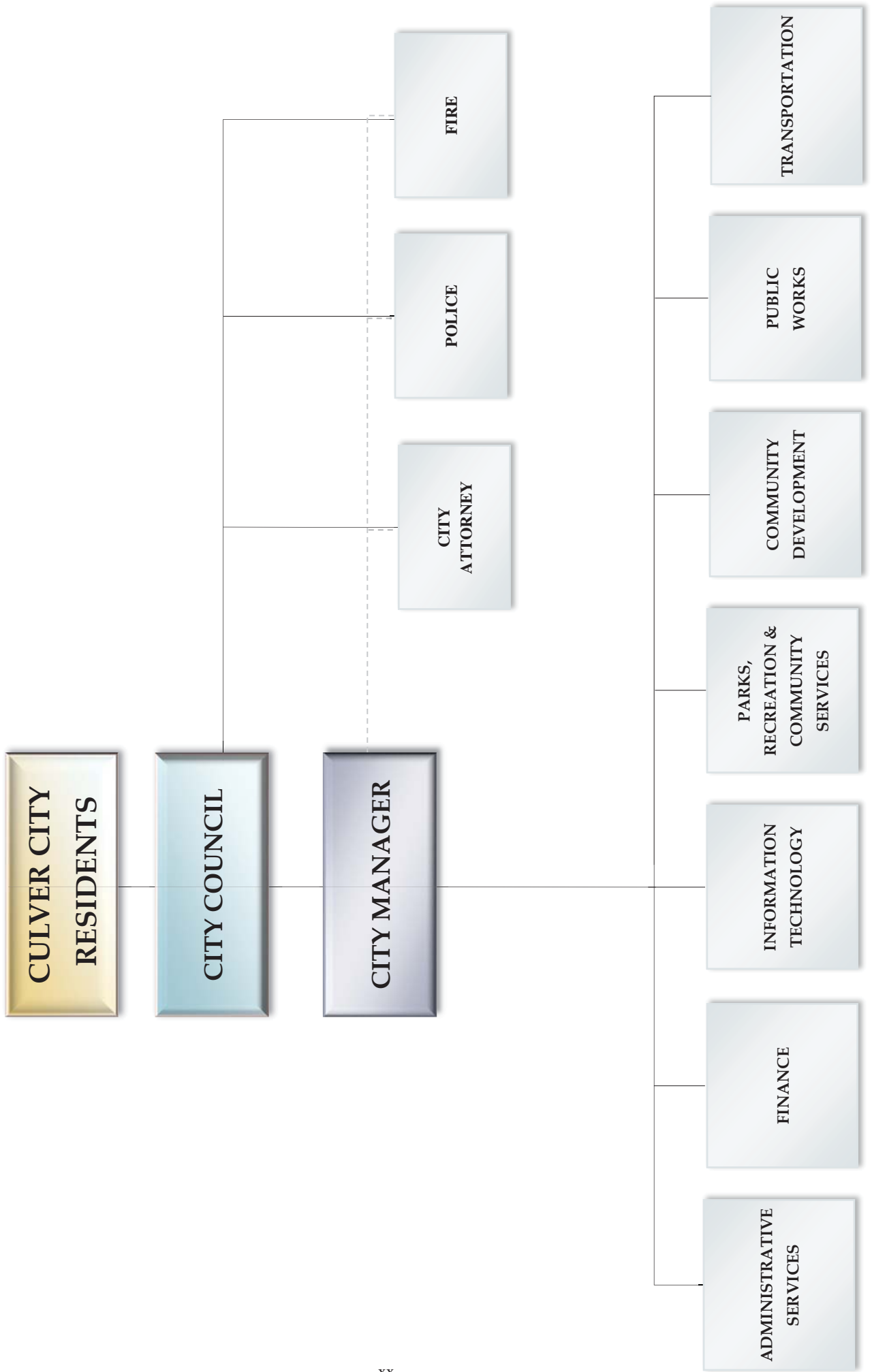
City Council

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
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Reporting

Presented to

**City of Culver City
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

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Financial Section





Independent Auditor's Report







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.

To the Honorable Mayor and the Members of the City Council
of the City of Culver City
Culver City, California
Page 3

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.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California
December 29, 2020

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Management's Discussion & Analysis





City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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)

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

Governmental Activities

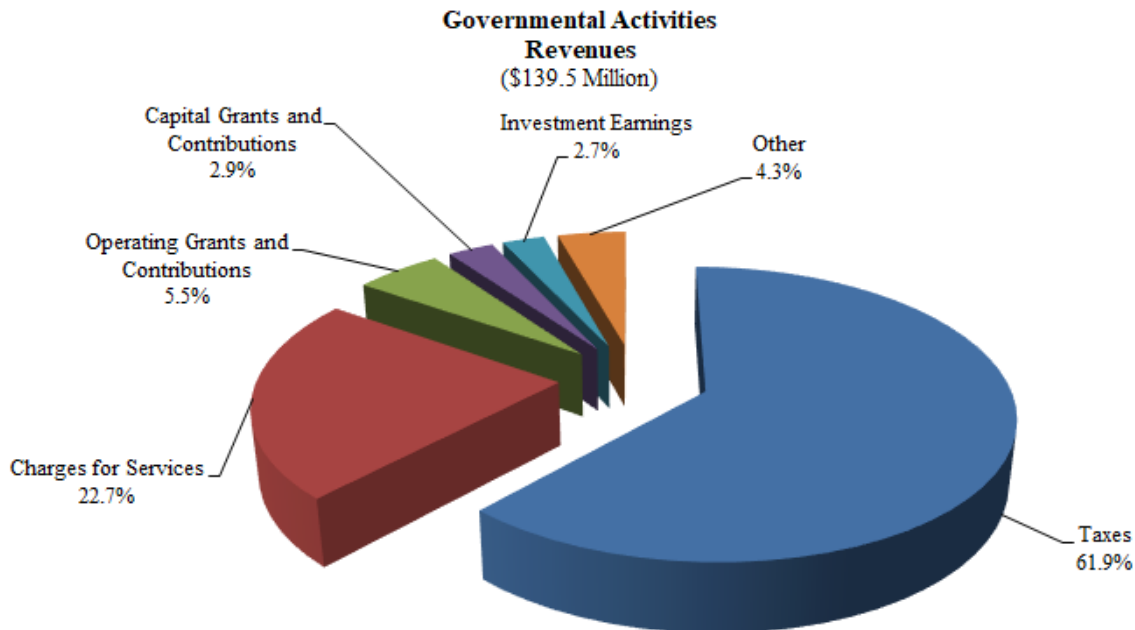
The City's net position from governmental activities increased approximately \$3.18 million (including the prior period adjustment of \$2.33 million) accounting for 3.64% of the total increase in the net position of the City. Key elements of this increase are a combination of factors highlighted below.

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.

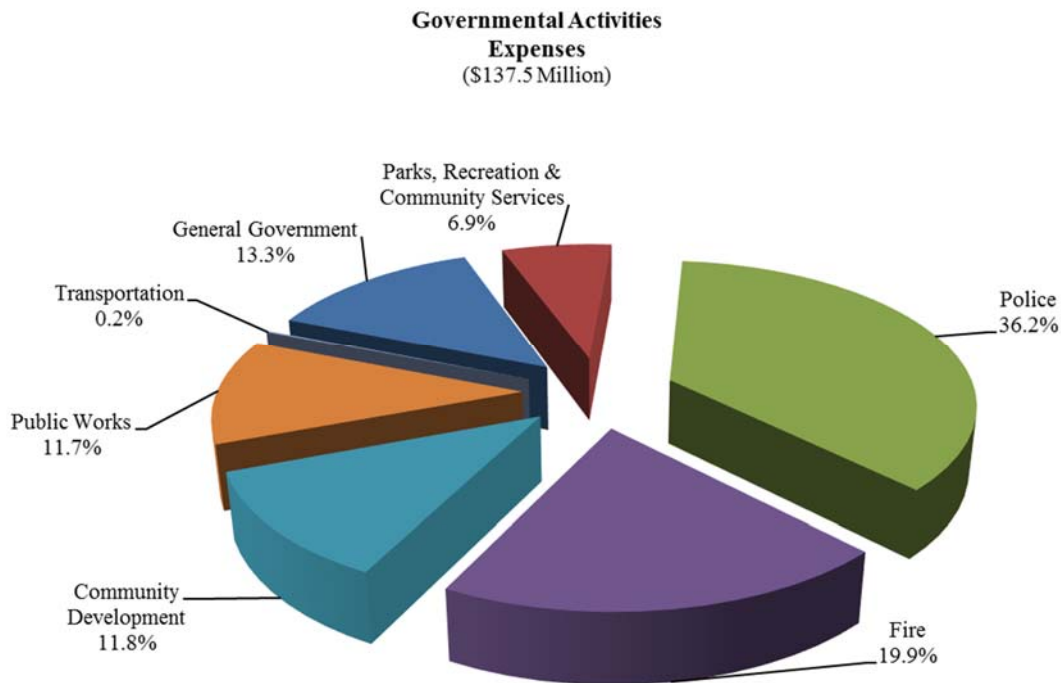
The governmental activities' chart below illustrates operating revenues by source. Sales, business, property, utility users, transient occupancy, and other taxes are general revenues used to support overall government functions. These sources account for approximately \$86.4 million or 61.9% of total governmental revenue. Operating and capital grants make up 8.4% of revenues while charges for services amount to 22.7% of total governmental revenues.



City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

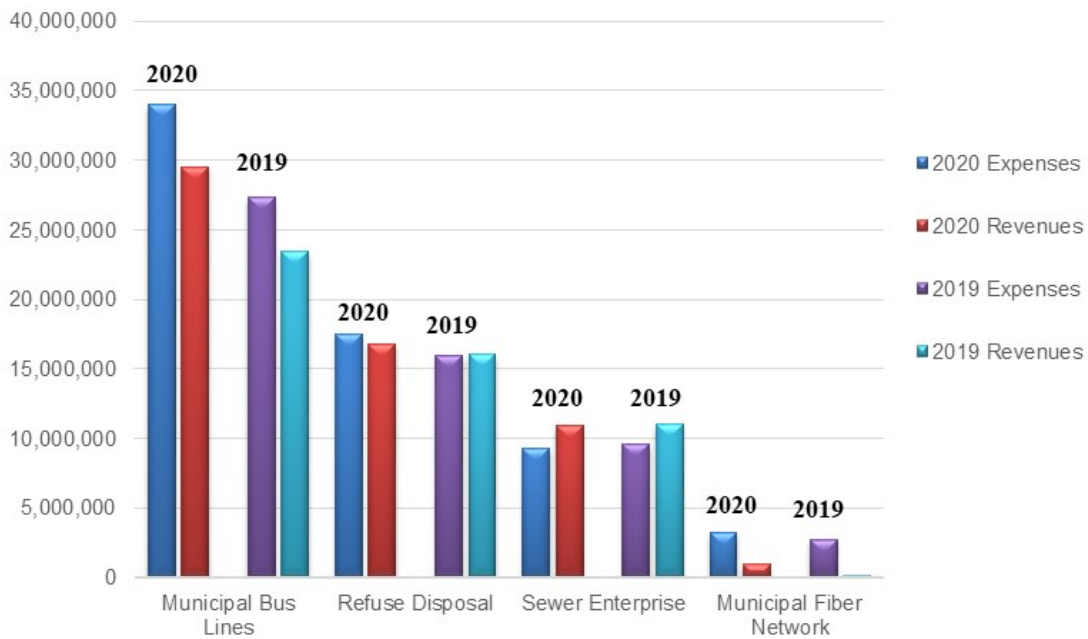
Revenue Highlights

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.

Business-Type Activities
Expenses and Program Revenues
For the Fiscal Years Ended June 30, 2020 and 2019



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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance from Final Budget</u>
	<u>Original</u>	<u>Final</u>		
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	<u>119,409,195</u>	<u>122,693,947</u>	<u>117,481,275</u>	<u>(5,212,672)</u>
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	<u>3,293,394</u>	<u>3,293,394</u>	<u>5,673,457</u>	<u>2,380,063</u>
Total Revenues	<u>\$122,702,589</u>	<u>\$125,987,341</u>	<u>\$123,154,732</u>	<u>\$ (2,832,609)</u>

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

Expenditures

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

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
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	<u>123,103,437</u>	<u>133,027,925</u>	<u>116,278,461</u>	<u>16,749,464</u>
Other Financing (Uses):				
Transfers out	(6,961,775)	(6,968,444)	(26,521)	(6,941,923)
Total other financing sources (uses)	<u>(6,961,775)</u>	<u>(6,968,444)</u>	<u>(26,521)</u>	<u>(6,941,923)</u>
Total Expenditures	<u>\$130,065,212</u>	<u>\$139,996,369</u>	<u>\$116,304,982</u>	<u>\$ 23,691,387</u>

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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
Wastewater Facilities Revenues Bonds, 2019 Series 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 plummeted 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.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2020

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 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.

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





BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
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)

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

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
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	<u>26,337,270</u>	<u>11,188,461</u>	<u>37,525,731</u>
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	<u>291,321,954</u>	<u>66,478,964</u>	<u>357,800,918</u>
Total liabilities	<u>317,659,224</u>	<u>77,667,425</u>	<u>395,326,649</u>
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	<u>24,301,858</u>	<u>3,791,606</u>	<u>28,093,464</u>
NET POSITION			
Net investment in capital assets	<u>174,821,730</u>	<u>74,664,009</u>	<u>249,485,739</u>
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	<u>79,921,054</u>	<u>13,866</u>	<u>79,934,920</u>
Unrestricted (deficit)	<u>(164,095,166)</u>	<u>(23,982,949)</u>	<u>(188,078,115)</u>
Total net position	<u>\$ 90,647,618</u>	<u>\$ 50,694,926</u>	<u>\$ 141,342,544</u>

(Concluded)

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

Functions/Programs:	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
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

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		
	Primary Government		
	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

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Basic Financial Statements

FUND FINANCIAL STATEMENTS





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

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

	<u>Major Funds</u>		
	<u>Capital Improvement Grants</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
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

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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

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

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

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)
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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)
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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
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Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year.	<u>2,206,851</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 846,961</u></u>
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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				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
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	<u>4,752,666</u>	<u>17,479,470</u>	<u>26,559,011</u>	<u>19,500</u>	<u>48,810,647</u>
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	<u>(6,492,140)</u>	<u>(35,699,658)</u>	<u>(37,312,930)</u>	<u>(727,298)</u>	<u>(80,232,026)</u>
Total capital assets, net	<u>2,018,063</u>	<u>35,566,963</u>	<u>42,724,957</u>	<u>11,192,192</u>	<u>91,502,175</u>
Total noncurrent assets	<u>2,018,063</u>	<u>35,566,963</u>	<u>48,985,652</u>	<u>11,192,192</u>	<u>97,762,870</u>
Total assets	<u>6,770,729</u>	<u>53,046,433</u>	<u>75,544,663</u>	<u>11,211,692</u>	<u>146,573,517</u>
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	<u>1,345,485</u>	<u>3,646,048</u>	<u>286,992</u>	<u>-</u>	<u>5,278,525</u>

(Continued)

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)

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

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
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	<u>918,176</u>	<u>5,655,318</u>	<u>4,201,062</u>	<u>2,812,249</u>	<u>13,586,805</u>
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	<u>11,859,244</u>	<u>29,910,684</u>	<u>24,709,036</u>	<u>14,592,455</u>	<u>81,071,419</u>
Total liabilities	<u>12,777,420</u>	<u>35,566,002</u>	<u>28,910,098</u>	<u>17,404,704</u>	<u>94,658,224</u>
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	<u>1,300,521</u>	<u>2,348,099</u>	<u>142,986</u>	<u>-</u>	<u>3,791,606</u>
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	<u>\$ (5,961,727)</u>	<u>\$ 18,778,380</u>	<u>\$ 46,778,571</u>	<u>\$ (6,193,012)</u>	<u>\$ 53,402,212</u>
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities					
					<u>(2,707,286)</u>
Net position of business-type activities					
					<u>\$ 50,694,926</u>

(Continued)

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)

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				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
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)

See accompanying Notes to the Basic Financial Statements.

(Continued)

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)

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

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$16,556,383	\$ 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	<u>\$ 3,446,444</u>	<u>\$ 11,225,728</u>	<u>\$32,595,332</u>	<u>\$ -</u>	<u>\$ 47,267,504</u>
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	<u>\$ 3,446,444</u>	<u>\$ 11,225,728</u>	<u>\$32,595,332</u>	<u>\$ -</u>	<u>\$ 47,267,504</u>

(Continued)

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

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
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	<u>(2,005,449)</u>
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	<u>(37,732)</u>
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	366,598
Interest paid	-
Proceeds from revenue bonds	-
Principal paid on revenue bonds	-
Net cash provided by (used in) capital and related financing activities	<u>(74,089)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	246,475
Net cash provided by investing activities	<u>246,475</u>
Net increase (decrease) in cash and cash equivalents	(1,870,795)
CASH AND CASH EQUIVALENTS:	
Beginning of year	10,648,299
End of year	<u>\$ 8,777,504</u>
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	<u>\$ 8,777,504</u>

(Continued)

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

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	\$ (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	<u>1,039,227</u>	<u>6,486,259</u>	<u>2,012,291</u>	<u>(397,581)</u>	<u>9,140,196</u>
Net cash provided by (used in) operating activities	<u>\$ 276,486</u>	<u>\$(18,871,973)</u>	<u>\$ 6,131,910</u>	<u>\$ (2,365,343)</u>	<u>\$(14,828,920)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Accrued interest on advances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 286,070</u>	<u>\$ 286,070</u>
Loan forgiveness	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 706,755</u>	<u>\$ 706,755</u>

(Continued)

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

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
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	<u>(1,754,248)</u>
Total adjustments	<u>(4,096,892)</u>
Net cash provided by (used in) operating activities	<u>\$ (2,005,449)</u>
NONCASH NONCAPITAL FINANCING ACTIVITIES	
Accrued interest on advances	<u>\$ -</u>
Loan forgiveness	<u>\$ -</u>

(Concluded)

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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)	

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

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

Basic Financial Statements

NOTES TO THE BASIC FINANCIAL STATEMENTS





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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City of Culver City
Notes to the Basic Financial Statements
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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:

<u>CalPERS</u>	
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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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 fairvalue, except for money market investments, which are reported at amortized cost.

The following timeframes are used for pension reporting:

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

Gains and losses related to changes in total 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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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			Total
	Governmental Activities	Business-Type Activities	Fiduciary Funds	
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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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:

Investment Type	Measurement Inputs			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Investments not subject to the measurement inputs	
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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 3 – Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity. For purposes of the schedule shown below, any callable securities are assumed to be held to maturity.

Investment Type	Fair Value	Investment Maturities (in Years)				
		Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	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.

Investment Type	Amount	Minimum Legal Rating	Rating as of Fiscal Year End					Not Rate
			AAA	AA+	AA	A		
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	

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended 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		
	General Fund	Culver City Housing Authority Special Revenue Fund	Internal Service Fund	Total	
Due To Other Funds					
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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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	
		Nonmajor		
	General	Governmental	Municipal	
Transfers Out	Fund	Funds	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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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:	<u>Notes Receivable</u>
General Fund:	
City Manager	\$ 1,033,346
All others under \$200,000 individually	113,505
Total General Fund	<u>1,146,851</u>
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	<u>17,803,654</u>
Less: allowance	<u>(2,327,914)</u>
Total Culver City Housing Authority Special Revenue Fund, net	<u>\$ 15,475,740</u>
Nonmajor Fund:	
CDBG Program Loans	\$ 38,820
Tilden Terrace - Commercial	3,395,000
Total Nonmajor Fund	<u>3,433,820</u>
Total Governmental Activities	<u><u>\$ 20,056,411</u></u>
 Business-Type Activities:	
Other Notes Receivable	\$ 1,195
Total Sewer Enterprise Fund	<u>1,195</u>
Total Business-Type Activities	<u><u>\$ 1,195</u></u>

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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 June 30, 2020
	Balance July 1, 2019	Additions	Deletions	Transfers	
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	<u>50,829,702</u>	<u>5,049,605</u>	<u>-</u>	<u>(7,098,572)</u>	<u>48,780,735</u>
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	<u>236,837,232</u>	<u>2,938,095</u>	<u>(2,071,635)</u>	<u>7,098,572</u>	<u>244,802,264</u>
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	<u>(112,769,116)</u>	<u>(7,669,577)</u>	<u>1,970,668</u>	<u>-</u>	<u>(118,468,025)</u>
Total capital assets, being depreciated, net	<u>124,068,116</u>	<u>(4,731,482)</u>	<u>(100,967)</u>	<u>7,098,572</u>	<u>126,334,239</u>
Governmental activities capital assets, net	<u>\$ 174,897,818</u>	<u>\$ 318,123</u>	<u>\$ (100,967)</u>	<u>\$ -</u>	<u>\$ 175,114,974</u>

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	<u>\$ 7,669,577</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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 June 30, 2020
	Balance July 1, 2019	Additions	Deletions	Transfers	
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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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 coverage 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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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
Total pension expense	\$ 33,612,283	\$ 9,812,658	\$ 43,424,941

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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%

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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%

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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	<u>\$ 19,380,191</u>	<u>\$ 11,166,337</u>	<u>\$ 8,213,854</u>
Balance at June 30, 2019 (Measurement Date)	<u>\$ 323,035,003</u>	<u>\$ 224,549,292</u>	<u>\$ 98,485,711</u>

	Safety Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 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	<u>\$ 17,196,981</u>	<u>\$ 9,611,165</u>	<u>\$ 7,585,816</u>
Balance at June 30, 2019 (Measurement Date)	<u>\$ 409,918,431</u>	<u>\$ 258,834,484</u>	<u>\$ 151,083,947</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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%	Current Discount	Discount Rate + 1%
	(6.15%)	Rate (7.15%)	(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)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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:

	Deferred Outflows/ (Inflows) of Resources	Deferred Outflows/ (Inflows) of Resources
Measurement Period Ended June 30	Miscellaneous Plan	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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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; 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%

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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	<u>\$ (16,781,267)</u>	<u>\$ 2,964,438</u>	<u>\$ (19,745,705)</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 115,998,695</u>	<u>\$ 50,791,967</u>	<u>\$ 65,206,728</u>

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

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

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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%	Healthcare Cost Tread Rates	Discount Rate + 1%
(6.25% decreasing to 4.00%)	(7.25% decreasing to 4.00%)	(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)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

Note 12 – Deferred Compensation Plan

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

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

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

Note 13 – Contingencies

Litigations

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

Covid-19 Pandemic

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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	<u>15,739,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,739,306</u>
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	<u>11,193,366</u>	<u>41,274,936</u>	<u>2,909,759</u>	<u>-</u>	<u>24,398,221</u>	<u>79,776,282</u>
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	<u>51,371,732</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,190,384</u>	<u>74,562,116</u>
Assigned						
Encumbered contracts	5,731,509	-	-	-	-	5,731,509
Total assigned	<u>5,731,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,731,509</u>
Unassigned (deficit)	<u>18,381,515</u>	<u>-</u>	<u>-</u>	<u>(3,279,706)</u>	<u>(731,818)</u>	<u>14,369,991</u>
Total fund balance	<u>\$ 102,417,428</u>	<u>\$ 41,274,936</u>	<u>\$ 2,909,759</u>	<u>\$ (3,279,706)</u>	<u>\$ 46,856,787</u>	<u>\$ 190,179,204</u>

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

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

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

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

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

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

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

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

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

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

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

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

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

CAPITAL ASSETS

Summary of changes in capital asset for the year ended June 30, 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	<u>\$ 13,219,507</u>	<u>\$ (138,902)</u>	<u>\$ -</u>	<u>\$ 13,080,605</u>

DUE TO THE CULVER CITY HOUSING AUTHORITY

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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

LONG-TERM LIABILITIES (CONTINUED)

2011 Tax Allocation Revenue Bonds Series A (Continued)

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

Fiscal Year	2011 Series A Tax Allocation Revenue Bond		
	Principal	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 November 1, 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:

Fiscal Year	2017 A Tax Allocation Bonds		
	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

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

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2020

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





**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 payroll⁴	\$ 29,867,279	\$ 31,064,702	\$ 32,319,580	\$ 33,069,286	\$ 34,541,974
Plan net pension liability as a percentage of covered payroll	217.40%	225.69%	259.16%	279.77%	261.34%

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

² Net of administrative expenses for 2013-14.

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

⁴ Includes one year's payroll growth using 2.75 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

	2018-19
Measurement period	
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 payroll⁴	\$ 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 payroll⁴	\$ 18,261,249	\$ 18,014,087	\$ 19,489,503	\$ 21,045,353	\$ 21,848,552
Plan net pension liability as a percentage of covered payroll	531.90%	568.53%	639.83%	673.92%	656.79%

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

² Net of administrative expenses for 2013-14.

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

⁴ Includes one year's payroll growth using 2.75 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

	2018-19
Measurement period	
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 payroll⁴	\$ 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)	<u>\$ 129,921,000</u>	<u>\$ 122,536,000</u>	<u>\$ 127,515,000</u>	<u>\$ 127,911,000</u>	<u>\$ 132,779,962</u>
OPEB fiduciary net position					
Contributions - employer	\$ 9,865,000	\$ 11,263,000	\$ 11,037,000	\$ 10,940,000	\$ 11,176,363
Net investment income	289,000	319,000	3,037,000	3,191,000	2,661,837
Benefit payments, including refunds of employee contributions	(5,387,000)	(5,759,000)	(5,673,000)	(5,795,000)	(5,941,435)
Administrative expense	(56,000)	(81,000)	(15,000)	(17,000)	(12,236)
Net change in plan fiduciary net position	4,711,000	5,742,000	8,386,000	8,319,000	7,884,529
Plan fiduciary net position - beginning	12,785,000	17,496,000	23,238,000	31,624,000	39,943,000
Plan fiduciary net position - ending (b)	<u>\$ 17,496,000</u>	<u>\$ 23,238,000</u>	<u>\$ 31,624,000</u>	<u>\$ 39,943,000</u>	<u>\$ 47,827,529</u>
Plan net OPEB liability - ending (a) - (b)	<u>\$ 112,425,000</u>	<u>\$ 99,298,000</u>	<u>\$ 95,891,000</u>	<u>\$ 87,968,000</u>	<u>\$ 84,952,433</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>13.47%</u>	<u>18.96%</u>	<u>24.80%</u>	<u>31.23%</u>	<u>36.02%</u>
Covered payroll	<u>\$ 47,105,000</u>	<u>\$ 52,215,000</u>	<u>\$ 56,415,000</u>	<u>\$ 57,411,000</u>	<u>\$ 58,966,981</u>
Plan net OPEB liability as a percentage of covered-employee payroll	<u>238.67%</u>	<u>190.17%</u>	<u>169.97%</u>	<u>153.22%</u>	<u>144.07%</u>

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 improvement scale was updated to Scale MP-2019, and Tier IV participation at retirement. Assumption for waived retirees over age 65 was reduced from 60% to 40%. In 2018, the accounting discount rate reduced from 7.00 percent to 6.50 percent.

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

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2019-20
Measurement period	
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)	<u>\$ 115,998,695</u>
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)	<u>\$ 50,791,967</u>
Plan net OPEB liability - ending (a) - (b)	<u>\$ 65,206,728</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>43.79%</u>
Covered payroll	<u>\$ 64,408,288</u>
Plan net OPEB liability as a percentage of covered-employee payroll	<u>101.24%</u>

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")

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Actuarially determined contribution ²	\$ 9,422,000	\$ 8,885,000	\$ 9,049,000	\$ 9,219,000
Contributions in relation to the actuarially determined contribution	<u>(11,037,000)</u>	<u>(10,940,000)</u>	<u>(11,176,363)</u>	<u>(6,073,330)</u>
Contribution deficiency (excess)	<u>\$ (1,615,000)</u>	<u>\$ (2,055,000)</u>	<u>\$ (2,127,363)</u>	<u>\$ 3,145,670</u>
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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





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	<u>\$ 1,489,909</u>	<u>\$ 888,478</u>	<u>\$ 13,991,320</u>	<u>\$ 9,199,064</u>	<u>\$ 1,068,116</u>

(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	<u>\$ (19,311)</u>	<u>\$ 1,590,821</u>	<u>\$ 241,957</u>	<u>\$ 118,094</u>	<u>\$ 38,803,150</u>

(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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>\$ 994,234</u>	<u>\$ 994,234</u>	<u>\$ 1,003,705</u>	<u>\$ 9,471</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>1,696,992</u>	<u>1,948,195</u>	<u>496,719</u>	<u>(1,451,476)</u>
EXPENDITURES:				
Capital outlay	74,001	325,204	-	325,204
Total expenditures	<u>74,001</u>	<u>325,204</u>	<u>-</u>	<u>325,204</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,622,991</u>	<u>1,622,991</u>	<u>496,719</u>	<u>(1,126,272)</u>
OTHER FINANCING USES:				
Transfers out	-	-	(251,203)	(251,203)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(251,203)</u>	<u>(251,203)</u>
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	<u>\$ 1,764,708</u>	<u>\$ 1,764,708</u>	<u>\$ 387,233</u>	<u>\$ (1,377,475)</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>1,532,729</u>	<u>1,532,729</u>	<u>1,686,250</u>	<u>153,521</u>
EXPENDITURES:				
Current:				
Community development	1,753,625	1,757,195	1,652,611	104,584
Total expenditures	<u>1,753,625</u>	<u>1,757,195</u>	<u>1,652,611</u>	<u>104,584</u>
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	<u>\$ 1,011,020</u>	<u>\$ 1,007,450</u>	<u>\$ 1,265,555</u>	<u>\$ 258,105</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>\$ 631,277</u>	<u>\$ 456,277</u>	<u>\$ 1,489,909</u>	<u>\$ 1,033,632</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>\$ 767,810</u>	<u>\$ 767,810</u>	<u>\$ 888,478</u>	<u>\$ 120,668</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 79,765	\$ 79,765	\$ 116,710	\$ 36,945
Total revenues	<u>79,765</u>	<u>79,765</u>	<u>116,710</u>	<u>36,945</u>
EXPENDITURES:				
Current:				
Transportation	308,106	318,998	297,655	21,343
Total expenditures	<u>308,106</u>	<u>318,998</u>	<u>297,655</u>	<u>21,343</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(228,341)</u>	<u>(239,233)</u>	<u>(180,945)</u>	<u>58,288</u>
OTHER FINANCING SOURCES:				
Transfers in	250,000	250,000	219,935	(30,065)
Total other financing sources	<u>250,000</u>	<u>250,000</u>	<u>219,935</u>	<u>(30,065)</u>
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	<u>\$ (36,642)</u>	<u>\$ (47,534)</u>	<u>\$ (19,311)</u>	<u>\$ 28,223</u>

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 Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 569,322	\$ 569,322	\$ 540,717	\$ (28,605)
Investment earnings	3,000	3,000	43,616	40,616
Total revenues	<u>572,322</u>	<u>572,322</u>	<u>584,333</u>	<u>12,011</u>
EXPENDITURES:				
Capital outlay	587,995	587,995	-	587,995
Total expenditures	<u>587,995</u>	<u>587,995</u>	<u>-</u>	<u>587,995</u>
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	<u>\$ 990,815</u>	<u>\$ 990,815</u>	<u>\$ 1,590,821</u>	<u>\$ 600,006</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
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 Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 26,371,089	\$ 33,289,018	\$ 595,141	\$ (32,693,877)
Total revenues	<u>26,371,089</u>	<u>33,289,018</u>	<u>595,141</u>	<u>(32,693,877)</u>
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	<u>18,308,719</u>	<u>27,345,783</u>	<u>2,427,603</u>	<u>24,918,180</u>
CHANGE IN FUND BALANCE	<u>8,062,370</u>	<u>5,943,235</u>	<u>(1,832,462)</u>	<u>(7,775,697)</u>
FUND BALANCE (DEFICIT):				
Beginning of year	(1,447,244)	(1,447,244)	(1,447,244)	-
End of year	<u>\$ 6,615,126</u>	<u>\$ 4,495,991</u>	<u>\$ (3,279,706)</u>	<u>\$ (7,775,697)</u>

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	<u>\$ 8,053,637</u>	<u>\$ -</u>	<u>\$ 8,053,637</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>\$ 4,637,046</u>	<u>\$ 4,637,046</u>	<u>\$ 8,053,637</u>	<u>\$ 3,416,591</u>

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 Amounts	Variance with Final Budget
	Original	Final		
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	<u>1,788</u>	<u>852,173</u>	<u>3,590,198</u>	<u>598,515</u>	<u>5,042,674</u>
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	<u>-</u>	<u>10,742,329</u>	<u>13,314,334</u>	<u>-</u>	<u>24,056,663</u>
Total liabilities	<u>1,788</u>	<u>11,594,502</u>	<u>16,904,532</u>	<u>598,515</u>	<u>29,099,337</u>
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	<u>-</u>	<u>885,599</u>	<u>184,302</u>	<u>-</u>	<u>1,069,901</u>
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	<u>\$ 17,444,789</u>	<u>\$ (11,142,885)</u>	<u>\$ (14,995,082)</u>	<u>\$ -</u>	<u>\$ (8,693,178)</u>

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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	<u>\$ 17,444,789</u>	<u>\$ (11,142,885)</u>	<u>\$ (14,995,082)</u>	<u>\$ -</u>	<u>\$ (8,693,178)</u>

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

	<u>Equipment Replacement</u>	<u>Equipment Maintenance</u>	<u>Risk Management</u>	<u>Central Stores</u>	<u>Total</u>
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	<u>(3,092,985)</u>	<u>1,116,097</u>	<u>(2,157,736)</u>	<u>37,732</u>	<u>(4,096,892)</u>
Net cash provided by (used in) operating activities	<u><u>\$ (1,156,616)</u></u>	<u><u>\$ 15,064</u></u>	<u><u>\$ (901,629)</u></u>	<u><u>\$ 37,732</u></u>	<u><u>\$ (2,005,449)</u></u>

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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
<u>Treasurer's Trust</u>				
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
<u>Revitalization Corporation</u>				
Assets:				
Cash and investments	\$ 61,357	\$ -	\$ (61,357)	\$ -
Total assets	\$ 61,357	\$ -	\$ (61,357)	\$ -
Liabilities:				
Deposits payable	61,357	\$ -	\$ (61,357)	\$ -
Total liabilities	\$ 61,357	\$ -	\$ (61,357)	\$ -
<u>Total All Agency Funds</u>				
Assets:				
Cash and investments	\$ 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





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	<u>\$ 135,295,490</u>	<u>\$ 291,992,883</u>	<u>\$ 261,513,956</u>	<u>\$ 273,829,351</u>	<u>\$ 47,714,428</u>
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	<u>\$ 76,336,480</u>	<u>\$ 87,528,394</u>	<u>\$ 86,408,443</u>	<u>\$ 89,072,920</u>	<u>\$ 53,702,026</u>
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	<u>\$ 211,631,970</u>	<u>\$ 379,521,277</u>	<u>\$ 347,922,399</u>	<u>\$ 362,902,271</u>	<u>\$ 101,416,454</u>

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	<u>\$ 63,145,062</u>	<u>\$ 75,104,554</u>	<u>\$ 71,297,852</u>	<u>\$ 89,800,657</u>	<u>\$ 90,647,618</u>
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	<u>\$ 53,708,377</u>	<u>\$ 60,704,473</u>	<u>\$ 58,148,907</u>	<u>\$ 54,323,113</u>	<u>\$ 50,694,926</u>
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	<u>\$ 116,853,439</u>	<u>\$ 135,809,027</u>	<u>\$ 129,446,759</u>	<u>\$ 144,123,770</u>	<u>\$ 141,342,544</u>

* 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	<u>131,561,001</u>	<u>116,722,384</u>	<u>85,615,140</u>	<u>90,828,362</u>	<u>107,895,795</u>
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	<u>37,824,116</u>	<u>38,032,177</u>	<u>40,994,997</u>	<u>42,399,075</u>	<u>43,874,233</u>
Total primary government expenses	<u>169,385,117</u>	<u>154,754,561</u>	<u>126,610,137</u>	<u>133,227,437</u>	<u>151,770,028</u>
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	<u>27,557,461</u>	<u>30,466,508</u>	<u>29,736,436</u>	<u>31,295,014</u>	<u>30,918,876</u>
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	<u>37,531,447</u>	<u>49,387,926</u>	<u>40,007,502</u>	<u>44,535,110</u>	<u>41,327,117</u>
Total primary government program revenues	<u>\$ 65,088,908</u>	<u>\$ 79,854,434</u>	<u>\$ 69,743,938</u>	<u>\$ 75,830,124</u>	<u>\$ 72,245,993</u>

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	<u>105,150,869</u>	<u>125,287,109</u>	<u>138,978,265</u>	<u>132,801,064</u>	<u>137,484,599</u>
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	<u>1,963</u>	<u>1,430,316</u>	<u>1,720,771</u>	<u>2,713,855</u>	<u>3,226,780</u>
Total business-type activities expenses	<u>44,150,746</u>	<u>47,003,686</u>	<u>52,224,399</u>	<u>55,519,850</u>	<u>64,018,910</u>
Total primary government expenses	<u>149,301,615</u>	<u>172,290,795</u>	<u>191,202,664</u>	<u>188,320,914</u>	<u>201,503,509</u>
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	<u>1,195,595</u>	<u>6,235,656</u>	<u>4,659,933</u>	<u>2,668,902</u>	<u>4,065,265</u>
Total governmental activities program revenues	<u>34,828,947</u>	<u>39,212,686</u>	<u>47,041,621</u>	<u>44,896,181</u>	<u>43,365,519</u>
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	<u>1,220,528</u>	<u>1,621,358</u>	<u>1,272,523</u>	<u>510,463</u>	<u>5,665,166</u>
Total business-type activities program revenues	<u>43,464,655</u>	<u>52,744,313</u>	<u>48,011,844</u>	<u>50,498,268</u>	<u>58,126,220</u>
Total primary government program revenues	<u>\$ 78,293,602</u>	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>	<u>\$ 95,394,449</u>	<u>\$ 101,491,739</u>

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	<u>\$ (104,296,209)</u>	<u>\$ (74,900,127)</u>	<u>\$ (56,866,199)</u>	<u>\$ (57,397,313)</u>	<u>\$ (79,524,035)</u>
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	<u>\$ 106,403,999</u>	<u>\$ 242,110,726</u>	<u>\$ 65,805,865</u>	<u>\$ 74,521,442</u>	<u>\$ 80,977,245</u>
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	<u>2,064,267</u>	<u>2,529,552</u>	<u>728,510</u>	<u>1,380,280</u>	<u>1,436,470</u>
Total primary government	<u>\$ 108,468,266</u>	<u>\$ 244,640,278</u>	<u>\$ 66,534,375</u>	<u>\$ 75,901,722</u>	<u>\$ 82,413,715</u>
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	<u>\$ 4,172,057</u>	<u>\$ 169,740,151</u>	<u>\$ 9,668,176</u>	<u>\$ 18,504,409</u>	<u>\$ 2,889,680</u>

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	<u>\$ (71,008,013)</u>	<u>\$ (80,333,796)</u>	<u>\$ (96,149,199)</u>	<u>\$ (92,926,465)</u>	<u>\$ (100,011,770)</u>
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	<u>\$ 85,752,556</u>	<u>\$ 94,183,874</u>	<u>\$ 88,129,942</u>	<u>\$ 94,073,531</u>	<u>\$ 94,966,041</u>
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	<u>692,442</u>	<u>1,255,469</u>	<u>1,656,989</u>	<u>4,479,945</u>	<u>2,264,503</u>
Total primary government	<u>\$ 86,444,998</u>	<u>\$ 95,439,343</u>	<u>\$ 89,786,931</u>	<u>\$ 98,553,476</u>	<u>\$ 97,230,544</u>
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	<u>\$ 15,436,985</u>	<u>\$ 15,105,547</u>	<u>\$ (6,362,268)</u>	<u>\$ 5,627,011</u>	<u>\$ (2,781,226)</u>

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	<u>27,557,461</u>	<u>30,466,508</u>	<u>29,736,436</u>	<u>31,295,014</u>	<u>30,918,876</u>
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	<u>37,531,447</u>	<u>49,387,926</u>	<u>40,007,502</u>	<u>44,535,110</u>	<u>41,327,117</u>
Total primary government	<u>\$ 65,088,908</u>	<u>\$ 79,854,434</u>	<u>\$ 69,743,938</u>	<u>\$ 75,830,124</u>	<u>\$ 72,245,993</u>

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

	2016	2017	2018	2019	2020
Function/Program					
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	<u>34,828,947</u>	<u>39,212,686</u>	<u>47,041,621</u>	<u>44,896,181</u>	<u>43,365,519</u>
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	<u>43,464,655</u>	<u>52,744,313</u>	<u>48,011,844</u>	<u>50,498,268</u>	<u>58,126,220</u>
Total primary government	<u>\$ 78,293,602</u>	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>	<u>\$ 95,394,449</u>	<u>\$ 101,491,739</u>

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	<u>42,492,244</u>	<u>42,583,643</u>	<u>42,939,543</u>	<u>18,636,897</u>	<u>36,885,749</u>
Total General Fund	<u>\$ 50,316,015</u>	<u>\$ 48,994,261</u>	<u>\$ 51,125,295</u>	<u>\$ 57,027,044</u>	<u>\$ 80,692,940</u>
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	<u>(7,359,168)</u>	<u>(1,357,834)</u>	<u>(332,930)</u>	<u>(1,787,933)</u>	<u>(2,639,282)</u>
Total all other Governmental Funds	<u>\$ 156,024,708</u>	<u>\$ 132,175,785</u>	<u>\$ 99,534,121</u>	<u>\$ 98,302,370</u>	<u>\$ 83,225,773</u>

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)	<u>25,422,152</u>	<u>22,009,527</u>	<u>22,127,231</u>	<u>20,709,758</u>	<u>18,381,515</u>
Total General Fund	<u>\$ 82,077,614</u>	<u>\$ 76,970,448</u>	<u>\$ 80,762,036</u>	<u>\$ 95,567,678</u>	<u>\$ 102,417,428</u>
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)	<u>(2,116,848)</u>	<u>(4,338,625)</u>	<u>(1,500,668)</u>	<u>(2,047,587)</u>	<u>(4,011,524)</u>
Total all other Governmental Funds	<u>\$ 93,869,684</u>	<u>\$ 101,839,928</u>	<u>\$ 91,647,910</u>	<u>\$ 89,077,635</u>	<u>\$ 87,761,776</u>

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	<u>133,585,980</u>	<u>107,089,835</u>	<u>92,826,068</u>	<u>104,118,481</u>	<u>126,302,952</u>
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	<u>130,820,129</u>	<u>123,637,733</u>	<u>90,024,664</u>	<u>95,850,346</u>	<u>103,281,580</u>
Excess of revenues over (under) expenditures	<u>2,765,851</u>	<u>(16,547,898)</u>	<u>2,801,404</u>	<u>8,268,135</u>	<u>23,021,372</u>
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)	<u>47,121,093</u>	<u>(230,367)</u>	<u>(298,441)</u>	<u>(925,438)</u>	<u>(1,224,357)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	-	(8,459,809)	-	-	-
Special Items					(12,541,852)
Net change in fund balances	<u>\$ 49,886,944</u>	<u>\$ (25,238,074)</u>	<u>\$ 2,502,963</u>	<u>\$ 7,342,697</u>	<u>\$ 9,255,163</u>
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	<u>119,189,614</u>	<u>120,556,663</u>	<u>138,348,753</u>	<u>140,363,938</u>	<u>\$ 137,294,152</u>
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	<u>109,179,615</u>	<u>132,048,881</u>	<u>143,598,073</u>	<u>136,655,729</u>	<u>130,599,292</u>
Excess of revenues over (under) expenditures	<u>10,009,999</u>	<u>(11,492,218)</u>	<u>(5,249,320)</u>	<u>3,708,209</u>	<u>6,694,860</u>
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)	<u>2,018,586</u>	<u>(1,093,863)</u>	<u>(1,151,110)</u>	<u>(1,472,842)</u>	<u>(1,160,969)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	-	-	-	-	-
Special Items	-	11,599,118	-	-	-
Net change in fund balances	<u>\$ 12,028,585</u>	<u>\$ (986,963)</u>	<u>\$ (6,400,430)</u>	<u>\$ 2,235,367</u>	<u>\$ 5,533,891</u>
Debt service as a percentage of noncapital expenditures (a)	0.0%	0.0%	0.0%	0.0%	0.0%

Note:

(a) Debt service as a percent of noncapital expenditures is restated as follows: The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the same as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance. Also only the principal and interest components of debt service expenditures are used in the calculation of the ratio of total debt service expenditures to noncapital expenditures.

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

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)

<u>Fiscal Year</u>	<u>Use of Money, Property</u>	<u>Revenue from other Agencies</u>	<u>Charges for Services</u>	<u>Sale of Property</u>	<u>Other</u>	<u>Total</u>
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		
	Net Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Net Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Total Net Assessed Value	\$ 12,011,506,238		100.00%	\$ 7,166,974,024		100.00%
<u>Taxpayer</u>						
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

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income (b)	Debt Per Capita (b)
	Redevelopment Bonds	Capital Leases	Loans	Total Governmental Activities	Wastewater Revenue Bonds	Certificates of Participation	Capital Leases	Total Business-type Activities			
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	<u>6,321,472,602</u>
Total Net Taxable Assessed Valuation	<u><u>\$ 12,011,506,238</u></u>

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Overlapping Debt Repaid with Voter-Approved Property Taxes:			
Los Angeles County	\$ -		\$ -
Los Angeles County Flood Control District	-		-
Metropolitan Water District	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%	<u>749,094</u>
Subtotal, overlapping debt		3.05%	173,613,415
City direct debt		0.00%	<u>-</u>
Total direct and overlapping debt		3.05%	<u><u>\$ 173,613,415</u></u>

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	<u>\$ 1,112,665,763</u>	<u>\$ 1,147,947,578</u>	<u>\$ 1,162,866,997</u>	<u>\$ 1,248,568,659</u>	<u>\$ 1,309,920,687</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: In accordance with California Government Code, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation. **For the 10 years ended June 30, 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	<u>\$ 1,375,382,827</u>	<u>\$ 1,492,356,689</u>	<u>\$ 1,583,304,348</u>	<u>\$ 1,698,451,048</u>	<u>\$ 1,842,239,882</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: In accordance with California Government Code, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation. **For the 10 years ended June 30, 2020, the City was not obligated in any manner for general obligation bonds.**

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

Fiscal Year	Wastewater Facilities Revenue Bonds (b)							Tax Allocation Bonds			
	Utility Service Charges	Interest Earnings (a)	Less: Operating Expenses	Net Available Revenue	Debt Service			Tax Increment Collections	Debt Service		
					Principal	Interest	Coverage		Principal	Interest	Coverage
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 <i>(thousands of dollars)</i>	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**

Employer	2011			2012		
	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**

Employer	2013			2014		
	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	<u>11,882</u>		<u>51.00%</u>	<u>8,898</u>		<u>37.69%</u>
Total City Labor Force (1)	<u><u>23,300</u></u>			<u><u>24,800</u></u>		

Source: Finance Department

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

Employer	2015			2016		
	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	<u>9,316</u>		<u>37.62%</u>	<u>9,775</u>		<u>43.06%</u>
Total City Labor Force (1)	<u>24,761</u>			<u>22,700</u>		

Source: Finance Department

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

Employer	2017			2018		
	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**

Employer	2019			2020		
	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

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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	<u>650</u>	<u>644</u>	<u>638</u>	<u>636</u>	<u>663</u>	<u>673</u>	<u>692</u>	<u>684</u>	<u>694</u>	<u>718</u>

Source: City Budget Office

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

City of Culver City
Operating Indicators by Function
Last Ten Fiscal Years

	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