City of Culver City
Audited Financial Statements
Other Postemployment Benefit Plan
As of and for the Year Ended June 30, 2022
with Independent Auditor's Report

VASQUEZ + COMPANY LLP

An independently owned member RSM US Alliance

RSM

City of Culver City
Audited Financial Statements
Other Postemployment Benefit Plan
As of and for the Year Ended June 30, 2022
with Independent Auditor's Report

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Independent Auditor's Report

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

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of City of Culver City Other Postemployment Benefit Plan (the "Plan"), which comprise the statement of fiduciary net position as of June 30, 2022, the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Plan as of June 30, 2022, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of a Matter

As discussed in Note 2, the financial statements present only the Plan and do not purport to, and do not present fairly the financial position of the City of Culver City, California, as of June 30, 2022, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary Schedules 1 through 3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the Plan's basic financial statements is not affected by this missing information.

Vasquez & Company LLP

Glendale, California
March 30, 2023

ASSETS		
Investments, at fair value (Note 3)		
Money market funds		$ 4,120,422
Mutual funds - equity		36,407,059
Mutual funds - fixed income		15,511,200
Total investments		56,038,681
Accrued interest		15,132
	Total assets	56,053,813
FIDUCIARY NET POSITION		
Held in trust for other postemployment benefits		$ 56,053,813

See notes to financial statements.

Additions:	
Contributions:	
Employer contributions	$ 6,404,161
Investment income (loss):	
Net depreciation in fair value of investments, net of investment expenses	(10,553,011)
Interest income	16,524
Dividend income	1,418,655
Net investment loss	(9,117,832)
Net additions and investment losses	(2,713,671)
Deductions:	
Benefits paid to participants	6,390,150
Administrative expenses and trust fees	184,725
Total deductions	6,574,875
Net decrease in fiduciary net position	(9,288,546)
Fiduciary net position:	
Beginning of year	65,342,359
End of year	$ 56,053,813

See notes to financial statements.

NOTE 1 PLAN DESCRIPTION

The City of Culver City, California (the "City") provides other postemployment benefits ("OPEB"), such as healthcare benefits to eligible retirees and their dependents through the City of Culver City Other Postemployment Benefits Plan (the "Plan"). Benefit levels are established through agreements and memorandums of understanding between the City and employees or bargaining groups. The City also established the irrevocable Postemployment Welfare Benefits Program Trust (the "Trust"). The Trust is intended to provide for funding of OPEB for employees who meet the age and service requirements outlined in the City's plan documents as further discussed below. The California Public Employment Retirement System ("CalPERS") administers the City's OPEB Plan, a single- employer defined benefit plan. The Plan's board of trustees consists of the members of the City Council. Benefit provisions are established and may be amended by the City Council.

Membership of the Plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefit payments	576
Inactive plan members entitled to but not yet receiving benefit payments	80
Active plan members	625
Total	1,281

Benefit Provisions and Eligibility
Under the Plan, 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 and CalPERS Care Premiums.

Participants who retired between January 1, 2007 and December 31, 2011 are eligible for a City contribution up to 70% of the CalPERS 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 the City and retire from the City prior to January 1, 2022.

NOTE 1 PLAN DESCRIPTION (CONTINUED)

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 $681 for single coverage, increasing by up to 4% per year.
- An additional monthly reimbursement of up to $594 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 age 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 until dependent not eligible.

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 ("PEMHCA") minimum, as stipulated by CalPERS. PEMHCA minimum for calendar years 2022 and 2021 were $149 and $143 per month, respectively.

Contributions
The obligation of the City to contribute to the Plan is established and may be amended by the City Council. Employees are not required to contribute to the Plan. The actuarially determined contribution ("ADC") of the employer is an amount actuarially determined in accordance with the parameters of GASB Statements 74. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The ADC for the year ended June 30, 2022 were $7,268,000 or 9.9% of estimated covered payroll, respectively. Administrative costs are financed through investment earnings. The employer contributions for the year ended June 30, 2022 was $6,404,161.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting, and Basis of Presentation
The accompanying financial statements present only the Plan and are not intended to present the financial position, changes in financial position, or cash flows of the City in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The accompanying financial statements are prepared in accordance with U.S. GAAP as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing accounting and financial reporting principles.

The Trust established under the Plan is reported as Fiduciary Fund. It is accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included on the Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents increases (addition) and decreases (deduction) in total fiduciary net position. Contributions to the Trust are recognized in the period in which the contributions are due. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Investment
Investments are reported at fair value (quoted market price or best available estimate thereof), except for money market mutual funds, which are reported at amortized costs, which approximate fair value. The City has appointed the Administrative Committee (the "Committee") to oversee certain policies and procedures related to the operating and administration of the Trust, including implementation of the investment policy.

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 or 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 or 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 or liabilities at the measurement date.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Expenses

Investment expenses are included in the net appreciation of fair value of investments.

Use of Estimates

The preparation of financial statements in conformity 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.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rates, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such change could materially affect the amounts reported in the Statement of Fiduciary Net Position.

The total OPEB liabilities and net OPEB liabilities disclosed in Note 4 are measured based on certain assumptions, including the long-term rate of return on OPEB investments, inflation rates, employee demographics and health care cost trend rates. These uncertainties inherent in the estimation and assumptions may be material to the financial statements. Actual results could vary from the estimates and assumptions.

Administrative Expenses

Administrative expenses include professional fees, contractor administrator fees, investment advisor fees and trust fees.

NOTE 3 INVESTMENTS

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the City Council by a majority vote of its members. It is the policy of the City Council to enhance the economic status of the Plan while protecting funds under management.

The following is the Council's adopted asset allocation policy adopted on February 18, 2016:

Asset Class	Target Allocation	Investment Range
Growth Assets:		
Domestic Equity	44%	29%-59%
International Equity	23%	8%-38%
Other	0%	0%-10%
Income Assets:		
Fixed Income	33%	13%-53%
Other	0%	0%-10%
Real Return Assets	0%	0%-10%
Cash Equivalents	0%	0%-20%
	100%	

Fair Value Measurement

At June 30, 2022, investments are reported at fair value. The following table presents the fair value measurements of investments on a recurring basis and the levels with the fair value hierarchy in which the fair value measurements fall at June 30, 2022:

Investment Type	Measurement Inputs Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices for Similar Assets in Active Markets (Level 2)	Total
Money market funds	$ 4,120,422	$ -	$ 4,120,422
Mutual funds - equity	26,167,786	10,239,273	36,407,059
Mutual funds - fixed income	2,847,318	12,663,882	15,511,200
Total Investments	$ 33,135,526	$ 22,903,155	$ 56,038,681

NOTE 3 INVESTMENTS (CONTINUED)

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 is subjected to the changes in market interest rates.

The following table shows the maturity date of the Plan's investments at June 30, 2022:

Investment Type	Fair Value	Investment Maturity Less Than 1 Year
Money market funds	$ 4,120,422	$ 4,120,422
Mutual funds - equity	36,407,059	36,407,059
Mutual funds - fixed income	15,511,200	15,511,200
Total Investments	$ 56,038,681	$ 56,038,681

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.

The following table shows the distribution of the Plan's investments by rating at June 30, 2022:

Investment Type	Fair Value	AA	Not Rated
Money market funds	$ 4,120,422	$ -	$ 4,120,422
Mutual funds - equity	36,407,059	-	36,407,059
Mutual funds - fixed income	15,511,200	15,511,200	-
Total Investments	$ 56,038,681	$ 15,511,200	$ 40,527,481

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty (e.g., broker- dealer), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan investments are held by US Bank, the trustee for the Plan investments.

NOTE 3 INVESTMENTS (CONTINUED)

Investment Concentration

The following table shows the fair value of investments representing 5% or more of the Plan's fiduciary net position at June 30, 2022:

Investments		Fair Value	% of Investments over Fiduciary Net Position
Mutual funds - equity:			
Vanguard Total Stock Market Index A	$	14,349,267	26%
Vanguard International Value		4,109,498	7%
Mutual funds - fixed income:			
Baird Core Plus Bond Fund Institutional		3,212,012	6%
Pgim Total Return Bond Cl R6		3,206,393	6%

The remainder of the investments are less than 5% of the Plan's fiduciary net position at June 30, 2022.

Annual Money-Weighted Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was negative 13.97%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 4 NET OPEB LIABILITY OF THE CITY

The components of the net OPEB liability of the City at June 30, 2022 measurement date, was as follows:

Total OPEB Liability	$ 118,995,859
Plan fiduciary net position	56,053,813
Net OPEB liability	$ 62,942,046
Plan Fiduciary net position as a percentage of the total OPEB liability	47.10%

Actuarial Assumptions
The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	6.00%	
Inflation	2.50%	
Aggregate payroll increases	2.75%	
Expected long-term investment rate of return	6.50%	
Mortality, termination, and disability	CalPERS 2000-2019 Experience Study	
Mortality improvement	Mortality projected fully generational with Scale MP-2021	
PEM HCA Minimum Increases	3.50% annually	
Medical trend	Non-Medicare:	Premiums for 2022 to 2023, then 8.50% for 2024 decreasing to an ultimate rate of 3.45% in 2076;
	Medicare - Kaiser:	Premiums for 2022 to 2023, then 6.25% for 2024 decreasing to an ultimate rate of 3.45% in 2076
	Medicare - Other:	Premiums for 2022 to 2023, then 7.50% for 2024 decreasing to an ultimate rate of 3.45% in 2076

NOTE 4 NET OPEB LIABILITY OF THE CITY (CONTINUED)

The actuarial assumption used in the June 30, 2021 valuation and were rolled forward to the June 30, 2022 measurement date.

The long-term expected rate of return on OPEB plan investments was 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%	4.29%
International Equity	23%	4.67%
Income Assets:		
Fixed Income	33%	0.78%
	100%	
Assumed long-term rate of inflation		2.50%
Expected long-term net rate of return		6.00%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. 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.

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 (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current discount rate:

Net OPEB Liability	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
	$ 77,300,924	$ 62,942,046	$ 50,943,069

NOTE 4 NET OPEB LIABILITY OF THE CITY (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare 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 or 1-percentage point higher than the current healthcare cost trend rates:

	Healthcare Cost Trend Rates		
Net OPEB Liability	1% Decrease 7.50% Non-Medicare, 6.50% Medicare (Non-Kaiser) and 5.25% Medicare (Kaiser) decreasing to 3.5%)	8.50% Non-Medicare, 7.50% Medicare (Non-Kaiser) and 6.25% Medicare (Kaiser) decreasing to 3.5%)	1% Increase 9.50% Non-Medicare, 8.50% Medicare (Non-Kaiser) and 7.25% Medicare (Kaiser) decreasing to 3.5%)
2022	$ 50,469,884	$ 62,942,046	$ 77,299,969

NOTE 6 SUBSEQUENT EVENTS

The Plan evaluated subsequent events through March 30, 2023, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

City of Culver City
Other Postemployment Benefit Plan
Schedule 1
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*
(Dollar Amounts in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
Total OPEB liability:								
Service cost	$ 2,102	$ 2,120	$ 2,519	$ 2,525	$ 2,244	$ 2,528	$ 2,722	$ 8,094
Interest	7,699	7,481	8,598	8,285	8,884	8,560	8,258	7,905
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(15,164)	-	(19,715)	-	(12,111)	(436)	(11,811)	-
Changes of assumptions	11,208	-	(2,124)	-	7,174	-	(795)	-
Benefit payments	(6,390)	(6,059)	(6,059)	(5,941)	(5,795)	(5,673)	(5,759)	(5,387)
Net change in total OPEB liability	(545)	3,542	(16,781)	4,869	396	4,979	(7,385)	10,612
Total OPEB liability-beginning	119,541	115,999	132,780	127,911	127,515	122,536	129,921	124,309
Total OPEB liability-ending (a)	$ 118,996	$ 119,541	$ 115,999	$ 132,780	$ 127,911	$ 127,515	$ 122,536	$ 134,921
Fiduciary Net Position:								
Contributions-employer	$ 6,404	$ 6,072	$ 6,073	$ 11,176	$ 10,940	$ 11,037	$ 11,263	$ 9,865
Net investment income	(9,270)	14,566	2,964	2,662	3,191	3,037	319	289
Benefit payments	(6,390)	(6,059)	(6,059)	(5,941)	(5,795)	(5,673)	(5,759)	(5,387)
Administrative expense	(32)	(29)	(14)	(12)	(17)	(15)	(81)	(56)
Net change in plan fiduciary net position	(9,288)	14,550	2,964	7,885	8,319	8,386	5,742	4,711
Plan fiduciary net position-beginning	65,342	50,792	47,828	39,943	31,624	23,238	17,496	12,785
Plan fiduciary net position-ending (b)	$ 56,054	$ 65,342	$ 50,792	$ 47,828	$ 39,943	$ 31,624	$ 23,238	$ 17,496
City's net OPEB liability ending (a)-(b)	$ 62,942	$ 54,199	$ 65,207	$ 84,952	$ 87,968	$ 95,891	$ 99,298	$ 117,425
Plan fiduciary net position as a percentage of the total OPEB liability	47.11%	54.70%	43.79%	36.02%	31.23%	24.80%	18.96%	13.47%
Covered-employee payroll	$ 64,593	$ 63,029	$ 64,408	$ 58,967	$ 57,411	$ 56,415	$ 52,215	$ 47,105
City's OPEB liability as a percentage of the covered employee payroll	97.44%	85.99%	101.24%	144.07%	153.22%	169.97%	190.17%	238.67%

Notes to Schedule:

* Fiscal year 2015 was the 1st year of implementation therefore 8 years are shown.

Schedule 2
Schedule of OPEB Contributions
Last Ten Fiscal Years*
(Dollar Amounts in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 7,268	$ 7,144	$ 9,219	$ 9,049	$ 8,885	$ 9,422	$ 9,241	$ 9,945	$ 9,778	$ 8,621
Contributions in relation to the actuarially determined contribution	6,404	6,072	6,073	11,176	10,940	11,037	11,263	9,865	10,028	7,631
Contribution deficiency (excess)	$ 864	$ 1,072	$ 3,146	$ (2,127)	$ (2,055)	$ (1,615)	$ (2,022)	$ 80	$ (250)	$ 990
Covered-employee payroll	$ 64,593	$ 63,029	$ 64,408	$ 58,967	$ 57,411	$ 56,415	$ 52,215	$ 47,105	$ N/A	$ 46,399
Contributions as a percentage of covered-employee payroll	9.91%	9.63%	9.43%	18.95%	19.06%	19.56%	21.57%	20.94%	N/A	16.45%

Notes to Schedule:

Valuation date: June 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal, Level % of Pay
Amortization method	Level percentage of pay
Amortization period	18-year fixed period for 2021/22
Asset valuation method	Investment gains and losses spread over 5-year rolling period.
Inflation	2.75%
Investment rate of return	6.00%
Aggregate payroll increase	2.75%
Medical trend	Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.00% in 2076; Medicare: 6.30% for 2021, decreasing to an ultimate rate of 4.00% in 2076.
Mortality	CalPERS 2000-2019 experience study
Mortality improvement scale	Mortality projected fully generational with Scale MP-2021

City of Culver City
Other Postemployment Benefit Plan
Schedule 3
Schedule of Annual Money-Weighted Rate of Return on OPEB Plan Investments
Year ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense**	-13.97%	29.02%	6.49%	6.21%	9.00%	11.24%	1.39%	2.16%

* Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.
**This does not include management fee, trustee fee and custodial fee.

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