



CITY OF CULVER CITY,  
CALIFORNIA

# Annual Comprehensive Financial Report

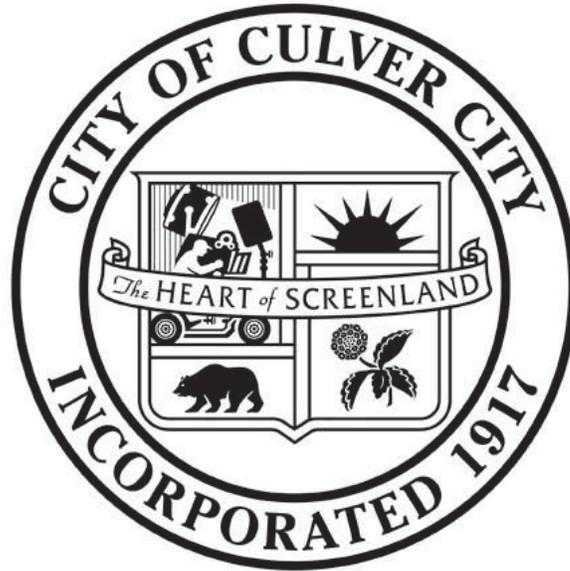
For the Fiscal Year Ended  
June 30, 2023





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# City of Culver City, California



## Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

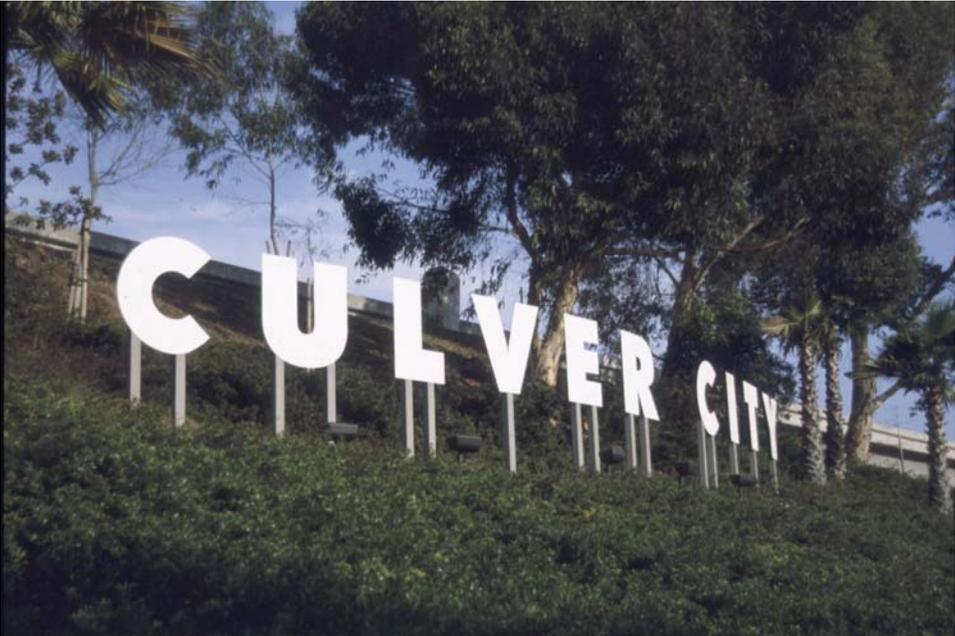
Prepared by:  
Finance Department

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# Introductory Section

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**City of Culver City  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2023**

**Table of Contents**

	<u>PAGE</u>
<b>INTRODUCTORY SECTION (Unaudited)</b>	
Table of Contents	i
Letter of Transmittal	v
Officials of the City of Culver City, California	xxiii
Organization Chart	xxiv
GFOA Certificate of Achievement for Excellence in Financial Reporting	xxv
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor’s Report on Financial Statements</b>	1
<b>Management’s Discussion and Analysis (Required Supplementary Information) (Unaudited)</b>	5
<b>Basic Financial Statements:</b>	
Government-Wide Financial Statements:	
Statement of Net Position	25
Statement of Activities	27
Fund Financial Statements:	
Governmental Fund Financial Statements:	
Balance Sheet	31
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	33
Statement of Revenues, Expenditures, and Changes in Fund Balances	34
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities	36
Proprietary Fund Financial Statements:	
Statement of Net Position	39
Statement of Revenues, Expenses, and Changes in Net Position	43
Statement of Cash Flows	45
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	50
Statement of Changes in Fiduciary Net Position	51
Index to the Notes to the Basic Financial Statements	53
Notes to the Basic Financial Statements	56

**City of Culver City  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2023**

**Table of Contents**

	<u>PAGE</u>
<b>FINANCIAL SECTION (Continued)</b>	
<b>Required Supplementary Information (Unaudited):</b>	
Schedule of Changes in Net Pension Liabilities and Related Ratios	
CalPERS Miscellaneous Plan	120
CalPERS Safety Plan	122
Schedule of Contributions – Pensions	
CalPERS Miscellaneous Plan	124
CalPERS Safety Plan	126
Schedule of Changes in Net OPEB Liabilities and Related Ratios	128
Schedule of Contributions – OPEB	130
Budgetary Comparison Schedule:	
General Fund	132
Culver City Housing Authority Special Revenue Fund	133
Note to the Required Supplementary Information (Unaudited) Budgetary Comparison Schedule	134
<b>Supplementary Information:</b>	
Nonmajor Governmental Funds:	
Combining Balance Sheet	136
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	137
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	140
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	144
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Gas Tax Special Revenue Fund	148
Proposition A Local Return Special Revenue Fund	149
Proposition C Local Return Special Revenue Fund	150
Measure R Special Revenue Fund	151
Operating Grants Special Revenue Fund	152
Section 8 Housing Special Revenue Fund	153
Art in Public Places Special Revenue Fund	154
Community Development Special Revenue Fund	155
Community Development Block Grant (CDBG) Special Revenue Fund	156
Special Assessment Special Revenue Fund	157
Park Facilities Special Revenue Fund	158
Asset Seizure Special Revenue Fund	159
Parking Authority Special Revenue Fund	160
Safe/Clean Water Protection Special Revenue Fund	161

**City of Culver City  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2023**

**Table of Contents**

	<u>PAGE</u>
<b>FINANCIAL SECTION (Continued)</b>	
<b>Supplementary Information (Continued):</b>	
Nonmajor Special Revenue Funds (Continued):	
Schedule of Revenues, Expenditures, and Changes in Fund Balance –	
Budget and Actual:	
Measure W Special Revenue Fund	162
Building Surcharge Special Revenue Fund	163
Paratransit Special Revenue Fund	164
Measure M Special Revenue Fund	165
AQMD	166
Board of State and Community Corrections Special Revenue Fund	167
Mobility Improvement Special Revenue Fund	168
Major and Nonmajor Capital Projects Funds:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance –	
Budget and Actual:	
Capital Improvement and Acquisition Capital Projects Fund	170
Capital Improvement Grants Capital Projects Fund	171
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	172
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	173
Schedule of Revenues, Expenditures, and Changes in Fund Balance –	
Budget and Actual:	
Cooperative Projects Capital Projects Fund	174
CDBG Capital Projects Fund	175
Internal Service Funds:	
Combining Statement of Net Position	177
Combining Statement of Changes in Net Position	179
Combining Statement of Cash Flows	180
Custodial Fund Financial Statements:	
Combining Statement of Fiduciary Net Position	183
Combining Statement of Changes in Fiduciary Net Position	184
<b><u>STATISTICAL SECTION (Unaudited)</u></b>	
Description of Statistical Section Contents	186
Net Position by Component	187
Changes in Net Position	189
Program Revenues by Revenue Function	193
Fund Balances, Governmental Funds	195

**City of Culver City  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2023**

**Table of Contents**

	<u>PAGE</u>
<b><u>STATISTICAL SECTION (Unaudited) (Continued)</u></b>	
Changes in Fund Balances, Governmental Funds	197
Tax Revenues by Source	199
Assessed Value and Estimated Actual Value of Taxable Property	201
Direct and Overlapping Property Tax Rates	202
Principal Property Taxpayers	203
Property Tax Levies and Collections	204
Ratios of Outstanding Debt by Type	205
Direct and Overlapping Governmental Activities Debt	206
Legal Debt Margin Information	207
Pledged-Revenue Coverage	209
Demographic and Economic Statistics	210
Principal Employers	211
Full-Time Equivalent City Government Employees by Function/Program	212
Operating Indicators by Function	213
Capital Asset Statistics by Function	215



# Culver CITY

## FINANCE DEPARTMENT

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February 20, 2024

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

It is our pleasure to submit the Annual Comprehensive Financial Report (ACFR) of the City of Culver City for the fiscal year ended June 30, 2023. 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 and presented in a manner designed to set forth the financial position and results of operations of the City including 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, the 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 has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Vasquez and Company, LLP, a public accounting firm duly licensed and qualified to perform audits of the State and local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Culver City, California for the fiscal year ended June 30, 2023, 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 conducted, 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, 2023, 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 ACFR is legally required by the City Charter, various bond covenants, and a number of granting agencies. The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the City's separately issued Single Audit Report.

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

### **Profile of the City of Culver City**

The City of Culver City, located in western 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 four-year term 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 approximately 40,000 and a daytime population of approximately 60,000. 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 Project Funds and an operating plan for Proprietary Funds. These budgets are adopted and presented for reporting purposes in a manner consistent with GAAP.

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 in January 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 18 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 that have not been approved for carryover by the City Manager lapse at the end of the fiscal year.

Encumbered appropriations are reappropriated in the ensuing year's budget. The City utilizes an encumbrance accounting system, whereby commitments such as purchase orders and unperformed contracts are recorded in Assigned Fund Balance 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. At which time, Franciscan Father Junípero Serra began to establish the missions from San Diego northward. The Native Americans in the area became known as the "Gabrielino Indians", due to their proximity to the San Gabriel Mission established in 1771. In 1781, the "Pueblo de Nuestra Señora la Reina de Los Angeles" was established by eleven families and an escort of Spanish soldiers. In another expedition later that year, a young soldado, José Manuel Machado arrived in California along with his wife. Machado eventually completed his military duty and retired 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 the time Agustín Machado, the most prominent owner of Rancho La Ballona, passed away in 1865, Rancho La Ballona had functioned under three governments: Spain, Mexico and the United States.

The Gold Rush and the expansion of the railroad enticed people to move west and the area around what was the Rancho La Ballona was further developed. In 1904, Abbot Kinney bought land to develop his "Venice of America". In 1910, a young man from Nebraska, named Harry H. Culver arrived in California 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 with the movie industry, saw American filmmaker, Thomas Ince, making a movie with actors in canoes on La Ballona Creek. He convinced the filmmaker 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 expanding to include 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.

By 1919, Ince had moved east on Washington Boulevard to establish his second studio. 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, The Culver Studios, and most recently, Amazon Studios. 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. In recognition of this rich film history, the "Heart of Screenland" appears on the 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" was relocated to Van Buren Place until 1928 when a new City Hall was dedicated at 9770 Culver Boulevard. That original structure was eventually replaced by the current City Hall which 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 1920s, Culver City was known for its nightspots like Fatty Arbuckle's Plantation Cafe and Frank Sebastian's Cotton Club. The establishment of the Western Stove manufacturing plant on Hays Street (now National Boulevard) in 1922 marked the beginning of local industry in Culver City. Despite the Depression, building continued with endeavors like Helms Bakery which supplied foodstuffs for the 1932 Olympics in Los Angeles. The first industrial area, the Hayden Tract, became a reality in the 1940s. In 1947, Culver City became a Charter City, and in 1949 Culver City became a unified school district. The Junior and Senior High Schools were built to complement what eventually numbered eight elementary schools (presently

there are five). Hughes Aircraft was located nearby and became a major employer of Culver City residents, in addition to Helms and the studios. In 1950, the Veterans' Memorial Building was completed, Culver Center was built, and car dealerships lined Washington Boulevard. The Fiesta La Ballona began in 1951 to celebrate the Spanish heritage of the area. In the fall of 1975, Fox Hills Mall was completed as the City's first major redevelopment project of the Culver City Redevelopment Agency. More redevelopment projects followed in the 1980s including the Filmland Corporate Center, Meralta Plaza and the beginnings of Corporate Pointe.

Redevelopment efforts continued to advance the vitality of commercial corridors throughout the City in the early 2000s. In Downtown Culver City, several projects spurred new restaurants and retail including the completion of the 12-screen theater complex, Town Plaza, and the revitalization of the Culver Theatre and the Ivy Substation as live theater venues. Additionally, the Culver City Redevelopment Agency completed landscape and lighting improvements on the east side of town to foster a thriving arts district while acquiring properties on the west side of the City to pursue mixed-use projects with selected developers. The elimination of redevelopment agencies in 2012 significantly thwarted further development efforts.

The dissolution of the Culver City 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. Pursuant to the state's redevelopment agency dissolution statutes, the City of Culver City elected to serve as the Successor Agency charged with winding down the affairs of the Culver City Redevelopment Agency. The Successor Agency will only receive enough property tax increment to repay debt and enforceable obligations that were incurred prior to June 26, 2011. Any property tax increment in excess of the former Agency's enforceable obligations will be disbursed to taxing entities.

In December 2013, the City as Successor Agency to the Culver City Redevelopment Agency received a 'finding of completion' from the State's Department of Finance (DOF) which required the submission of a Long-Range Property Management Plan (LRPMP) detailing the disposition of former Redevelopment Agency properties. The LRPMP was approved in March 2014 resulting in the reactivation of significant redevelopment projects such as the Culver Steps (formerly referred to as "Parcel B"), Baldwin Property (formerly referred to as "The Lucky"), Culver Public Market and the Ivy Station attracting creative industries and amenities. While most of these projects have since been completed, work on the Culver Public Market was significantly impacted by the COVID-19 pandemic, and construction is paused pending design modifications relative to current market conditions. In September 2023, the City completed the purchase of the former Martin B. Retting Gun Store at 11029 Washington Blvd using Successor Agency funds in addition to General funds. A community outreach process will take place to determine the future use of the property.

### **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 larger environment within which the City of Culver City, California operates.

Nationally, reports demonstrate modest economic growth with signs of economic softening after the larger than expected post-pandemic growth.

As part of the Federal Reserve's ongoing attempt to address the relatively high inflation rates that the country has experienced coming out of COVID-19 pandemic and achieve maximum employment and inflation at the rate of 2% over the longer run, the Federal Reserve consistently raised the federal funds rate through most of 2022 and 2023 to its highest levels in over 2 decades. On December 13, 2023, the Federal Reserve reported that inflation has eased over the past year but remains elevated and decided to maintain

the target range for the federal funds rate at 5.25% to 5.5% percent. Going forward, the Federal Reserve indicated that it will consider lowering interest rates in 2024. On January 11, 2024, the Bureau of Labor Statistics reported that the U.S. Consumer Price Index (CPI) for all items increased 3.4 percent for the 12 months ending December 2023. By comparison, the annual CPI gain in December 2022 was approximately 6.4%. The downward trend in inflation is expected to continue through 2024.

On December 21, 2023, the Bureau of Economic Analysis estimated that real gross domestic product (GDP) increased at an annual rate of 4.9 percent in the third quarter of 2023, after increasing 2.1 percent in the second quarter. In November 2023, the S&P Global Ratings forecasted that the US economy will expand by 1.5% in 2024 and 1.4% in 2025.

The geopolitical climate continues to pose uncertainty for the economic outlook. There are several developments that could greatly impact the global and national economy including the outbreak of war between Israel and Hamas and the potential escalation of war in the Middle East, the ongoing war between Ukraine and Russia, China's weakening economy, trade tensions, and disruptions to historical trade routes through the Suez Canal and the Panama Canal creating new supply chain challenges. City staff will continue to monitor these conditions and their potential impact on the economy.

In addition to these international concerns, domestic issues such as the national debt, Congressional debates over the debt ceiling, and the status of the commercial real estate sector put pressure on the national economy. In California, the Legislative Analyst's Office (LAO), a nonpartisan fiscal and policy advisor to the California legislature, published its Fiscal Outlook for Fiscal Year 2024-2025 in December 2023 indicating that the state is facing a \$68 billion budget deficit as a result of a severe revenue decline. Governor Newsom is recommending significant budget cuts in Fiscal Year 2024-2025 to address a deficit of \$38 billion, which is less than the deficit projected by the LAO. Staff will continue to watch the developments of the State budget and their potential impacts on the City.

## **Local Economy**

Culver City has a relatively diverse and strong economy. The City's business community is comprised of a varied collection of businesses that range from traditional retail and manufacturing to major film studios. Mainstay companies such as Costco, Westfield-Culver City Mall and Sony Pictures Entertainment occupy a traditional niche as large institutional property owners, tax producers, and employers. Some large and notable companies, including Apple and Amazon, have expanded their local footprint in recent years and have added or plan to add employees as part of new developments in Culver City. Both Apple's new office space and the adjacent \$350 million Ivy Station were completed in 2021. Apple recently received approval to develop a 4.5-acre campus for its creative endeavors on a property that straddles Culver City and Los Angeles. Amazon has leased the historic Culver Studios to increase their mixed-use studio and office space and other ventures and has taken over space in the Culver Steps, which was completed in late-summer 2021. In addition, Amazon has also taken over operations of the former Pacific Theaters ArcLight Cinema adjacent to Culver Studios which was shut down during the COVID-19 pandemic. The entertainment industry which has historically thrived in Culver City was impacted in 2023 by the long-lasting strikes of both the Writer's Guild of America's strike and Screen Actor's Guild-American Federation of Television and Radio Artists. The impact of these strikes will continue to be felt in the City's business tax revenue in subsequent fiscal years.

Sales tax receipts indicated that the local restaurant sector rebounded more strongly and quickly than anticipated after the initial pandemic shutdown. In the summer of 2023, restaurant sales tax revenues softened after this higher than anticipated surge. This decrease can be attributed in part to the Writers' and Actors' strikes. In addition to its restaurant sector, the City has over a dozen hotels. A new hotel, The Shay, opened during the Fiscal Year 2021-2022. Transient Occupancy Tax (TOT) revenue was greatly reduced during the pandemic, dropping to \$3.1 million in Fiscal Year 2020-2021 due to COVID-19 travel restrictions. TOT rebounded in Fiscal Year 2021-2022 due to the easing of those restrictions. In Fiscal Year 2022-2023, TOT revenues surpassed pre-pandemic levels and are projected to remain strong through the current fiscal year.

Culver City is navigating the changes in the newly regulated cannabis industry. In December 2017, the Culver City Council voted to legalize cannabis sales within the City. Cannabis business tax received in Fiscal Year 2021-2022 was \$1.9 million, almost \$1.6 million higher than two years earlier. Robust sales in the cannabis industry declined sharply at the end of the pandemic. Cannabis tax received in Fiscal Year 2022-2023 declined by over \$640,000 to approximately \$1.3 million. In October 2023, the City Council reduced the tax rate for Cannabis Distribution Tax from 2% to 0% starting January 1, 2024. This will further reduce this revenue source.

### **Revenue-Generating Measures**

It is important to note that during the Great Recession of 2008 City management took a number of steps to address the City's fiscal challenges. These initiatives included increasing cost recovery, utilizing assessment districts, eliminating positions, and renegotiating labor agreements. Despite efforts to balance the budget without significantly impacting services, an ongoing structural budget deficit still existed. To address the structural deficit that was identified during the recessionary period, the City put forth multiple revenue measures for consideration by the electorate. In April 2012, voters approved an increase of the City's Transient Occupancy Tax from 12% to 14%. In November 2012, voters overwhelmingly approved a half-cent transaction and use tax (Measure Y). The transaction and use tax, which became effective on April 1, 2013, raised approximately \$11.4 million during Fiscal Year 2021-2022. Measure Y was set to automatically expire in 2023 if not extended by voters. During the March 2020 election, Culver City residents voted to approve Measure CC which extended the sunset date of Measure Y, from March 31, 2023 to March 31, 2033. An additional quarter-cent sales tax (Measure C) was approved by voters in November 2018 and went into effect beginning April 1, 2019. The City received \$5.6 million from Measure C during the Fiscal Year 2021-2022. In April 2018, voters also approved a Cannabis Tax measure that set various cannabis business tax rates for retail, manufacturing and distribution.

In November 2020, Culver City residents voted to approve Measure RE. Measure RE established a marginal tax rate with four brackets for the City's real estate transfer tax based on sales price or value. Measure RE became effective on April 1, 2021. This marginal tax adds 1.5% on amounts from \$1,500,000 to \$2,999,999, 3% on amounts from \$3,000,000 to \$9,999,999, and 4% on amounts \$10 million and above. Measure RE does not apply to sales under \$1.5 million, affordable housing, and first transfer of new multi-family properties. This revenue source is a mercurial one. The City anticipated receiving approximately \$14 million in any given fiscal year. Fiscal Year 2021-2022 was the first full-year of implementation, and the City received \$32.6 million. The sale of one very large commercial property contributed to the high revenue receipts in the fiscal year. With rising interest rates and softening property prices, the City is seeing a cooling in this revenue source.

As part of the November 8, 2022 General Election Culver City voters approved Measure BL which updates the City's business license tax rates that were established in 1965 and the City's business classifications. Measure BL is a general tax and may be used for general City purposes, including services like emergency response, addressing homelessness and maintaining parks. The updated tax rates and classifications will take effect on April 1, 2023 for new businesses registering in the City. Existing businesses will pay the new rates with their renewals for the calendar year 2024. The City anticipated receiving up to \$8 million in additional revenue annually as a result of Measure BL. The City will start receiving business tax payments under Measure BL in Fiscal Year 2023-2024.

### **Fiscal Year 2022-2023 Budget**

The Adopted Budget for Fiscal Year 2022-2023 restored staff positions and most programming to pre-pandemic levels and included certain new and one-time expenditures. In response to the COVID-19 pandemic, the City had previously implemented budget cuts in Fiscal Year 2020-2021 and Fiscal 2021-2022. After receiving higher than anticipated revenues for two consecutive years, the City approved an increased General Fund Budget. The City's new ongoing expenditures mostly reflect the City's increased commitment to addressing issues related to housing and homelessness in the City.

All of the City's operations 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.

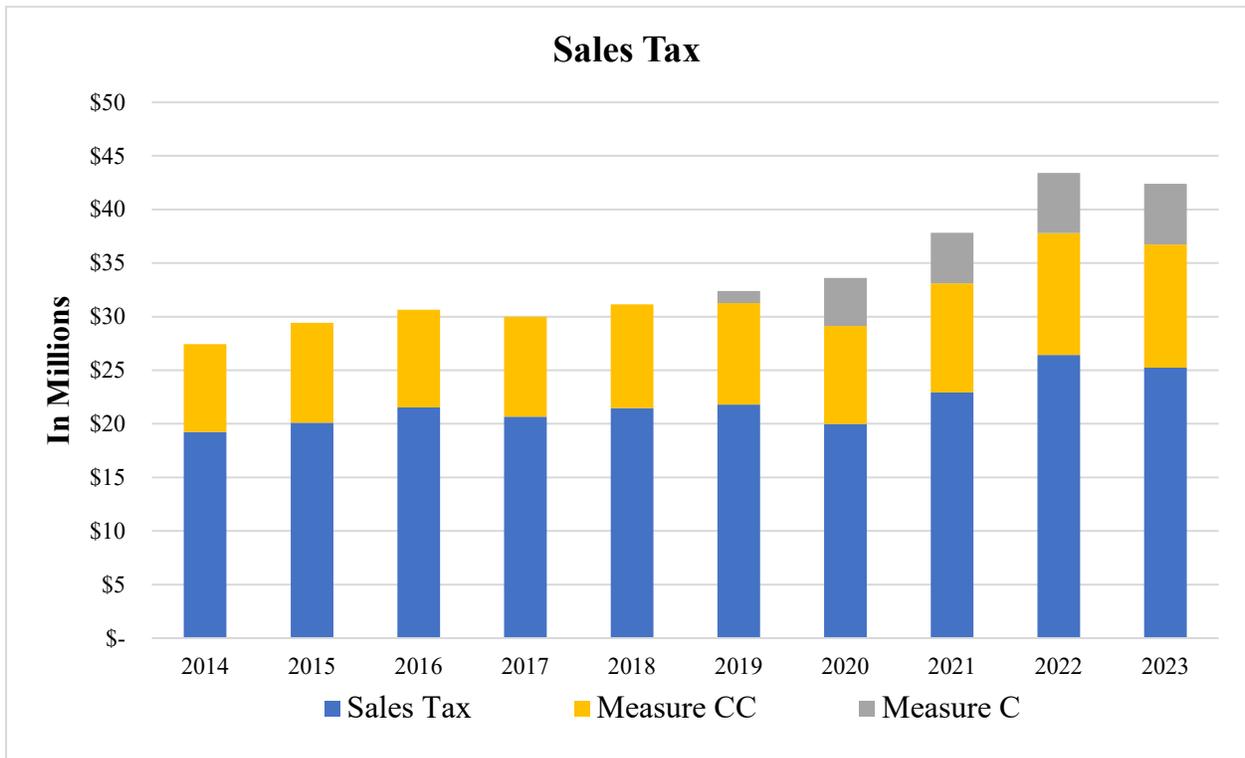
## Major General Fund Revenues

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). With the passage of Measure RE in November 2020, Real Property Transfer Tax now joins this list.

### Sales Tax

Sales Tax is Culver City's single largest revenue source at 26.7% of total General Fund revenue for Fiscal Year 2022-2023. The State of California collects a total of 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 under Bradley-Burns Uniform Local Sales Tax and a combined 0.75% under voter-approved transaction and use tax (Measures C and CC). The City's sales tax and Measure C/CC receipts decreased in Fiscal Year 2022-2023 due to inflation and softening gas prices.

Bradley-Burns sales tax accounted for 15.5% of General Fund revenue for Fiscal Year 2022-2023, closing the year at \$24.7 million. With Measure Y (now Measure CC) taking effect in April 2013, Fiscal Year 2022-2023 was the tenth full-year of the local sales tax measure with receipts totaling \$11.5 million, accounting for 7.2% of General Fund revenue. With Measure C taking effect in April 2019, the receipts totaled \$5.7 million in Fiscal Year 2022-2023 accounting for 3.6% of General Fund revenue.



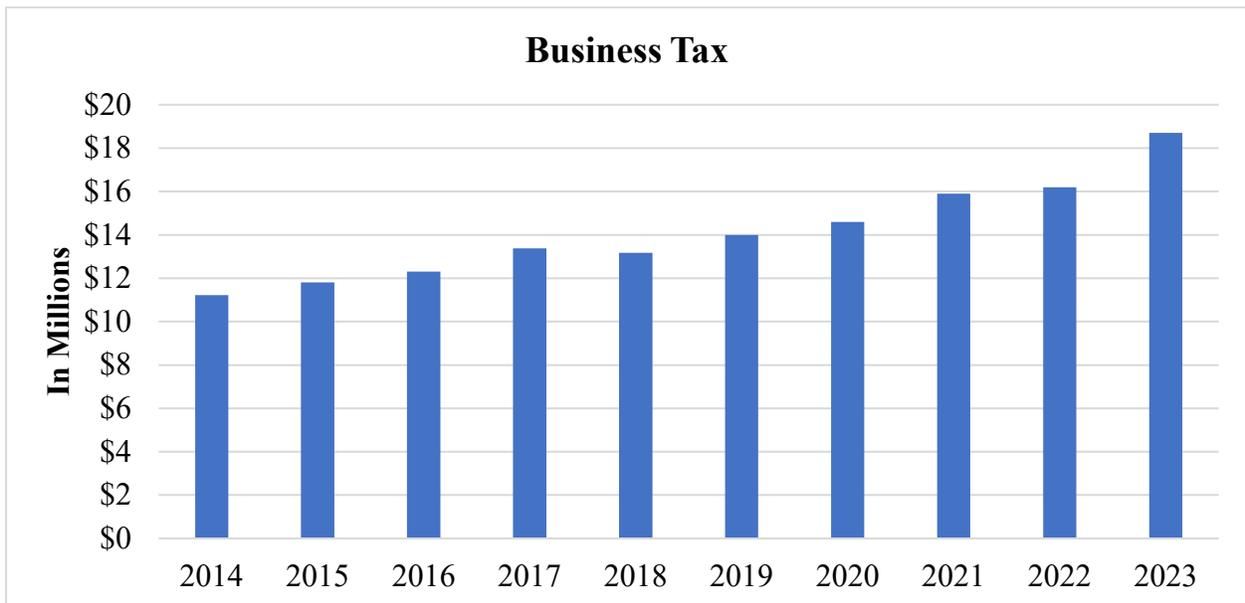
## **Business Tax**

Business Tax revenue accounts for approximately 11.8 % 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 business's gross receipts, which is a measure of the amount of business they do in the City.

Fiscal Year 2022-2023 Business Tax receipts, including penalties, were \$18.7 million, an increase of 15.5% from the previous fiscal year. The Business Tax revenues have come in higher than anticipated due to successful efforts to get delinquent businesses into compliance.

The Cannabis Business Tax received was approximately \$1.3 million and is \$641,000 lower than the previous fiscal year. Cannabis businesses throughout California have seen declines in revenue after the end of the pandemic.

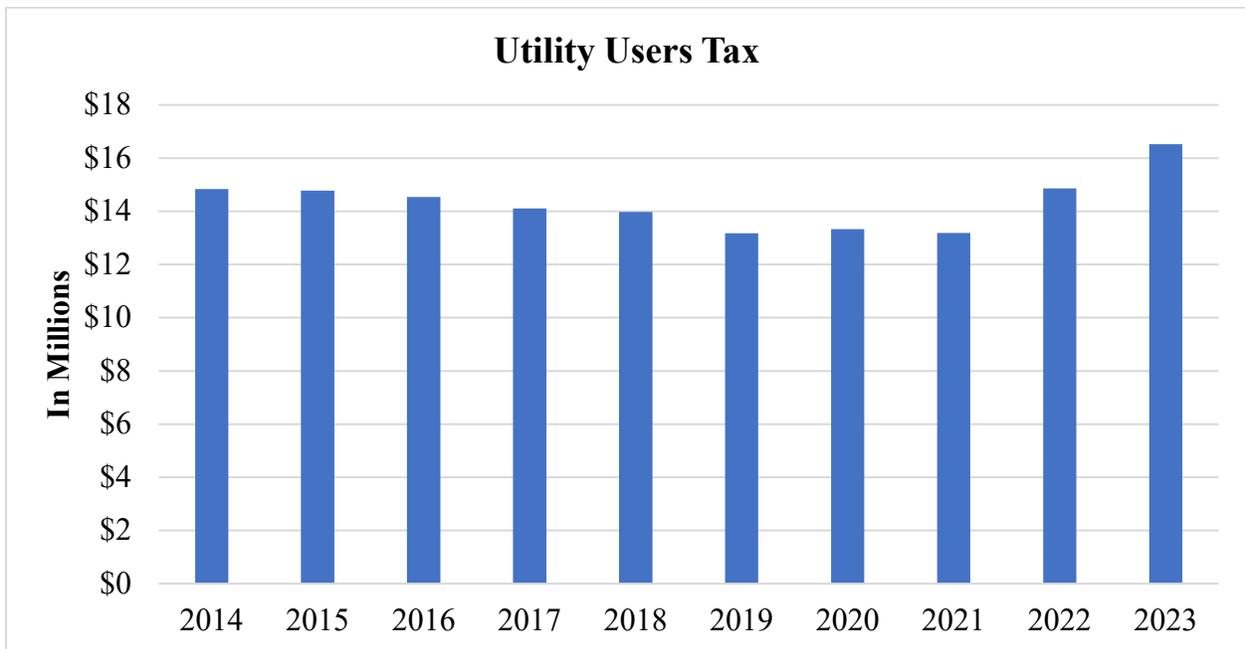
In November 2022, Culver City voters approved Measure BL which updates Culver City Business Tax rates for the first time since 1965. The new rates went into effect for new businesses registering in the City on April 1, 2023. Existing businesses will pay the new rates with their renewals for the calendar year 2024. The new rates are projected to yield up to \$8 million in additional revenue starting in Fiscal Year 2023-2024.



## Utility User Tax

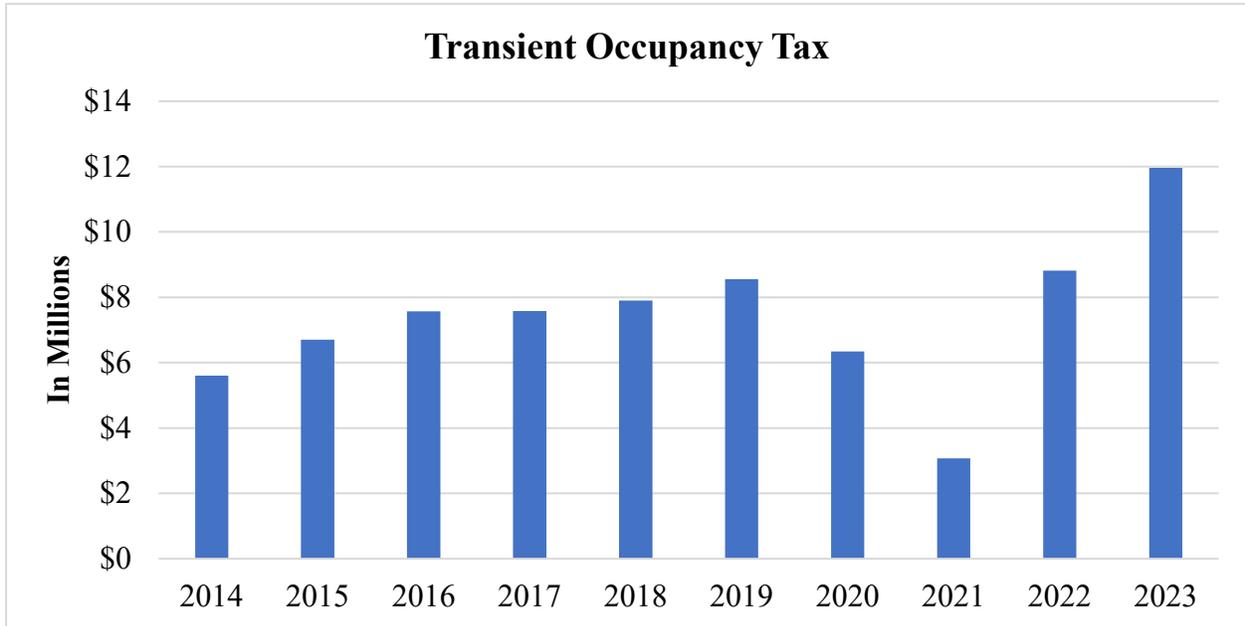
Utility User Tax receipts make up approximately 10.4% of the General Fund revenue. The City charges Utility User Tax (UUT) on electricity, water, telephone, cable, and natural gas utilities. The current UUT rate is 9% for prepaid wireless and 11% for all other utility categories. Economic fluctuations have less impact on UUTs because users still need electricity, natural gas, water, etc. but changes in energy prices and conservation efforts can still have an effect. After a period of decline starting in Fiscal Year 2015-2016, UUT revenues have been increasing for the past two fiscal years.

UUT receipts for Fiscal Year 2022-2023 were \$16.5 million, an 11.2% increase from the prior fiscal year. Electricity and Gas revenues increased due to higher energy rates, while Water, Cable and Telecommunications declined slightly. Telecommunications UUT revenue has been declining due to land lines being on a sharp decline and an exponential increase in cell phones with competitive cell phone plans. Water conservation efforts resulted in the decline in Water UUT.



## **Transient Occupancy Tax**

Transient Occupancy Tax is levied on occupied hotel/motel rooms at a rate of 14%. In Fiscal Year 2020-2021, TOT revenue deteriorated by 51.6% over the prior year due to recommended COVID-related travel restrictions for travelers and an acceleration in new COVID-19 cases in December of that year. The lifting of travel restrictions and the opening of the Shay Hotel in October 2021 resulted in TOT revenue rebounding in Fiscal Year 2021-2022 and surpassing revenues received prior to the pandemic. Revenues continued to grow and reached almost \$12.0 million in Fiscal Year 2022-2023. TOT receipts have remained strong in the first half of the current fiscal year.



## 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. Property taxes account for about 9.3% of General Fund revenues in Fiscal Year 2022-2023. Growth in this revenue is anticipated to continue due to improvements to the City’s assessed valuation, which increased by 5.8% over the prior year. Culver City was one of the top twenty cities with the highest dollar amount change in assessed value in Los Angeles County. Assessed value grew over \$900 million to approximately \$16.5 billion.



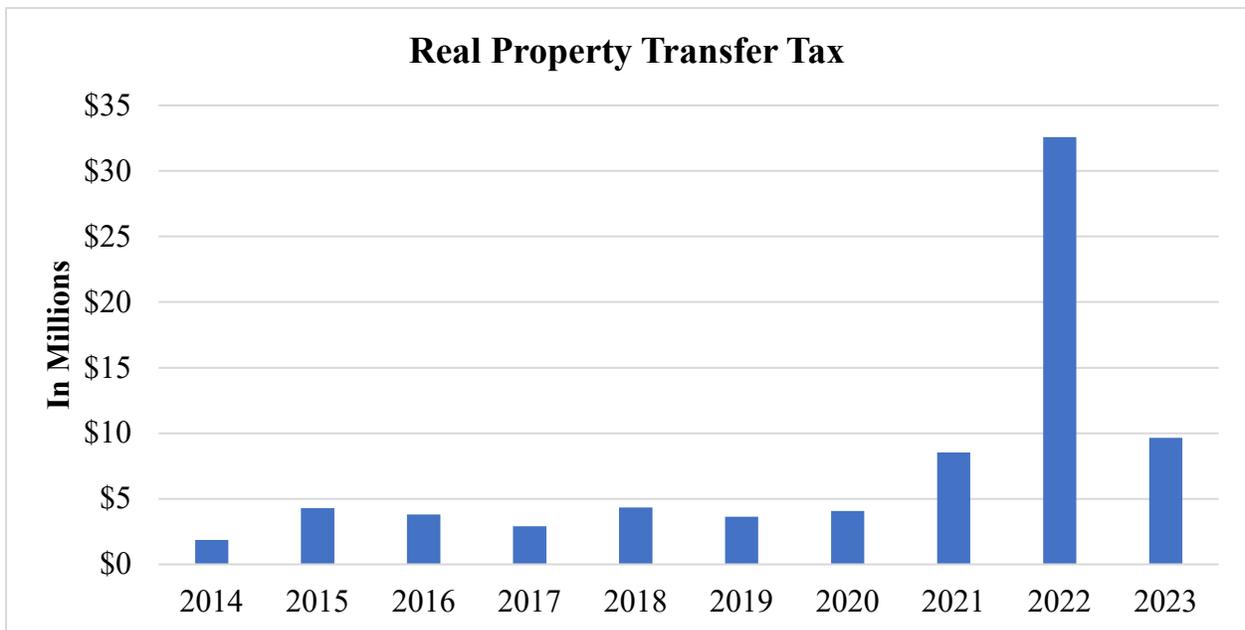
Property Tax receipts, excluding the amount of property tax increment collected in the former Redevelopment Agency project area and the amount of real property tax transfer taxes, ended Fiscal Year 2022-2023 at \$6.6 million, an increase of 4.2% over the prior fiscal year revenues.

Additionally, the City received \$8.1 million in property tax increment from the former Culver City Redevelopment Agency. This funding is from additional property tax increment received when the amount of property tax collected in the former Redevelopment Agency project areas exceeds the amount of enforceable obligations. In the past, this amount varied as financial obligations were paid off. The wind-down of the former Redevelopment Agency is moving closer to completion, and the amount of property tax increment is increasing. Revenue increased in Fiscal Year 2022-2023 by \$1.6 million over the prior year, representing a 23.8% increase from Fiscal Year 2021-2022.

## Real Property Transfer Tax

Real Property Transfer Tax is a mercurial revenue source. It rises and falls with the real estate market. Measure RE approved by Culver City voters in November 2020 took effect on April 1, 2021. Fiscal Year 2021-2022 marked the first full fiscal year where the new stepped tax rates were in place. Revenues for Fiscal Year 2021-2022 were \$32.6 million. This high number included a large commercial property sale that occurred in March 2022. Large receipts like this are not anticipated to occur on a regular basis and are treated as one-time receipts.

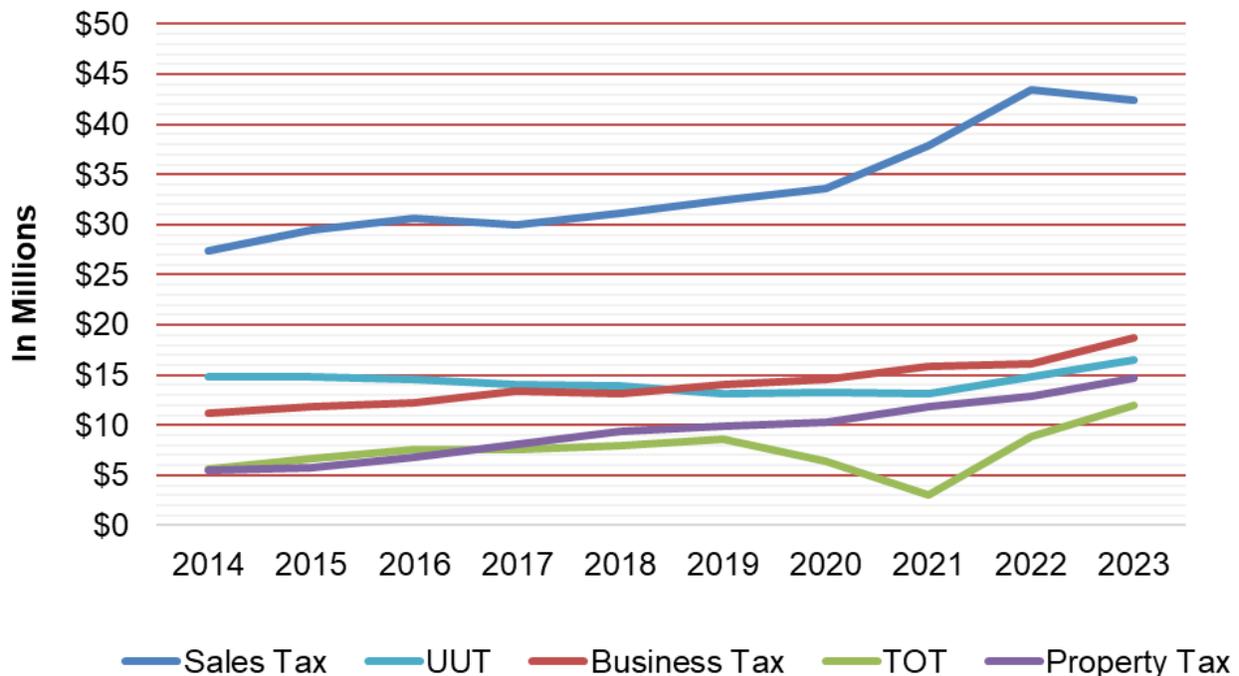
By the end of calendar year 2022, home sales slowed and prices softened significantly due to rising interest rates and other economic stressors. For Fiscal Year 2022-2023, revenues did not meet even the revised budget projections. Real Property Transfer Tax revenues were \$9.7 million. This revenue source is projected to remain low in the current fiscal year as the number of property transactions is still suppressed.



## Total Major Tax Revenues

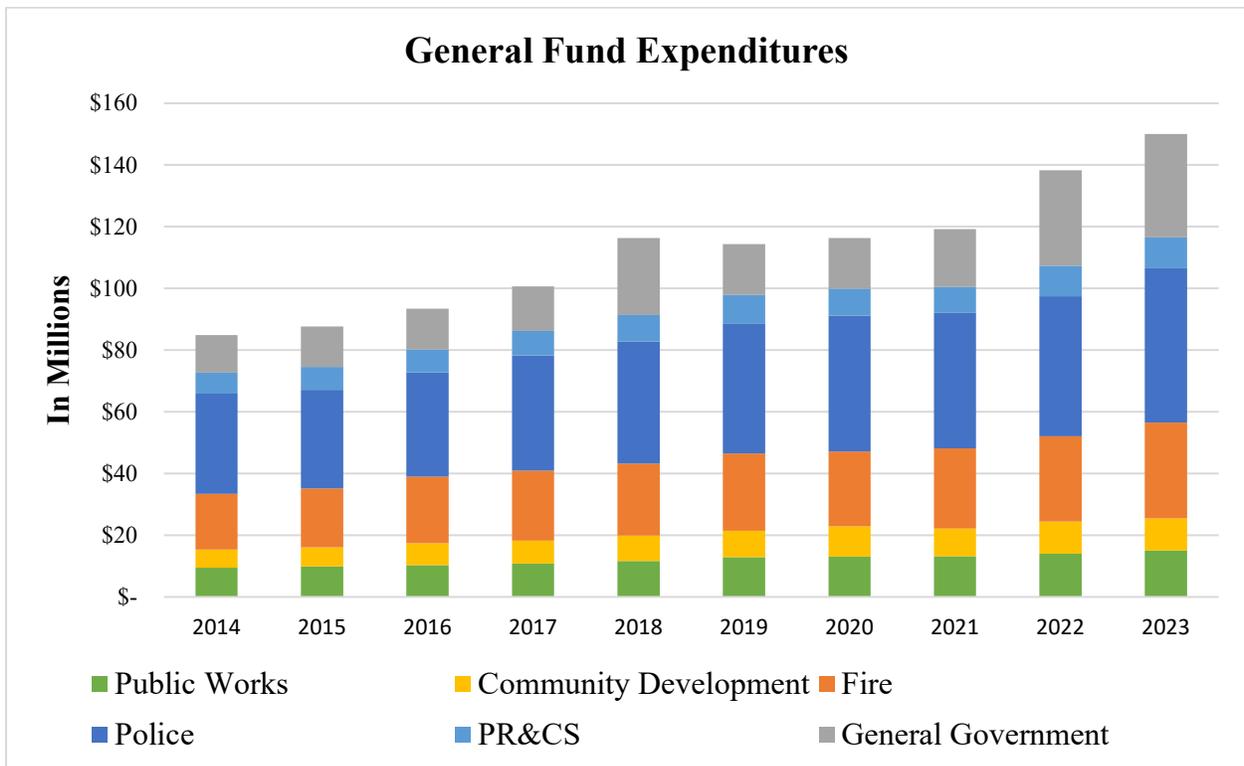
The chart below depicts the City's top five tax revenue sources for the last ten years. The sales tax line represents the City's total Sales Tax receipts from Bradley Burns, Measure Y/CC and Measure C and makes up the City's largest tax revenue source. Measure C took effect in April 2019 adding an additional quarter-cent sales tax and increasing the City's total Sales Tax receipts from Fiscal Year 2019-2020 forward. Sales Tax revenue increased as consumer spending recovered quickly after the pandemic but, more recently, has softened due to inflation and gas prices. As a result, the City's Sales Tax revenue decreased in the Fiscal Year 2022-2023. In the last five years, Business Tax has emerged to be the City's second highest revenue source followed closely by Utility User Tax (UUT). Business Tax revenues increased slightly in Fiscal Year 2021-2022 aided by additional Cannabis Business Tax. Cannabis Business Tax revenues fell in Fiscal Year 2022-2023, but Business Tax revenue increased overall due to increased compliance. UUT revenue had been trending downward, due mostly to declines in Telecommunications and Cable TV Utility Users Tax revenues in response to changing technologies until Fiscal Year 2021-2022. More recently, increases in utility rates contributed to higher UUT revenues. Property Tax has grown over the past decade as Assessed Property values in the City have grown and the former Redevelopment Agency debts are paid down. Transient Occupancy Taxes (TOT) demonstrated a steady upward trend until Fiscal Year 2018-2019 with declines in Fiscal Year 2019-2020 due to the impacts of the COVID-19 pandemic. TOT revenues rebounded to pre-pandemic levels in Fiscal Year 2021-2022 with the lifting of travel restrictions and the opening of a new hotel within the City. TOT has continued to increase in Fiscal Year 2022-2023.

### Top Five Tax Revenues



## General Fund Expenditures

During the prior two fiscal years General Fund expenditures were reduced as a result of the combined efforts of the City Manager and Department Heads to make significant budget cuts in response to the COVID-19 pandemic. Expense containment measures included the elimination of OPEB prefunding, the elimination of the equipment and vehicle replacement allocation to the General Fund, and the cancellation of any new General Fund capital projects. In Fiscal Year 2021-2022, the City funded all previously frozen positions and authorized the reinstatement of many services and programs that had been limited during the pandemic. Due to the large number of vacancies, it has taken time to recruit and onboard new staff, and, as a result, personnel costs were lower in Fiscal Year 2021-2022 than projected and increased in Fiscal Year 2022-2023. In Fiscal Year 2021-2022 and Fiscal Year 2022-2023, General Government expenditures included a \$5 million and \$2 million contribution, respectively, to the City’s Self-Insurance Fund in accordance with existing policy requirements. This is evident in the larger grey band on the bar graph in Fiscal Year 2021-2022 and Fiscal Year 2022-2023.



## **Continued Investments in Housing and Human Services in Fiscal Year 2022-2023**

In early 2022, to address the need for local shelter space and supportive housing for homeless individuals in Culver City, the City applied for and was awarded \$26.6 million from the State of California, Housing and Community Development Department under Project Homekey for the creation of harm reduction, service-enriched interim and permanent supportive housing for chronically homeless individuals through the acquisition and rehabilitation of two local motels. The motels were acquired on August 11, 2022, and construction was completed in September 2023. The City has committed \$4.9 million annually from the General Fund for Project Homekey staffing, operations and services.

The City also committed \$1.5 million annually to fund the creation and ongoing operation of a Mobile Crisis Intervention Unit consisting of professionals to address homeless and mental health crises in the City.

On January 9, 2023, in response to the growth of homelessness in Culver City and the region, the City Council ratified the Proclamation of Local Emergency on Homelessness by the Director of Emergency Services of Culver City, issued by the City Manager on January 3, 2023. During Fiscal Year 2022-2023, the City began work to develop a transitional housing safe sleep program to further expand the City's response to the local homelessness emergency. The Safe Sleep Program was launched in August 2023.

These new and ongoing expenses are reflected in Fiscal Year 2022-2023 expenditures. Expenditures for these ventures continue in the current fiscal year.

### **Ongoing Retirement Costs**

Employee retirement costs remain a significant concern. Like most California cities and other public agencies, Culver City provides retirement programs to its employees through the California Public Employees Retirement System (CalPERS). Employees are required to pay a percentage toward their retirement costs, but the employer must pay the remaining required amount, as determined by CalPERS actuaries. There are two components to the employer contributions. The "normal cost" is the calculated cost of the current year of service for active employees. Additionally, there is the Unfunded Accrued Liability (UAL) payment.

CalPERS sustained significant investment losses after the COVID-19 pandemic that reduced the funded status of the plans. As of June 30, 2022, the UAL for Culver City was \$196.2 million for the Safety Plan and \$126.8 million for the Miscellaneous Plan. These losses will continue to be absorbed by cities, counties and school districts in the years to come.

### **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 minimum general operating reserve of 30% of projected General Fund operating expenditures for each fiscal year (excluding debt service, fund transfers, and encumbered funds). This Contingency Reserve is designed to be used in the event of a significant financial emergency, as defined in the City's financial policies.

The City was able to contribute to its designated and undesignated reserves due in large part to higher than anticipated revenues from several sources that more than offset the declines in others. Additionally, staff costs were underspent due to vacant staff positions that had not yet been filled. As of June 30, 2023, the City has established committed General Fund balances of \$50.5 million for contingencies/emergencies, \$23.6 million for future facility improvements/replacements and \$2.2 million for recreational facility

improvements. In June 2023, the City Council approved the addition of a new committed reserve, the Public Safety Equipment Reserve, which was funded for the first time at \$194,140. The City's restricted Pension fund balance ended the fiscal year with a balance of \$29.6 million. This reserve can offset pension costs in future years. Beyond these committed amounts, the City has an additional \$24.8 million in undesignated 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 Fiscal Year 2023-2024 Adopted Budget is a long-term forecast through Fiscal Year 2032-2033. 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 when feasible while concurrently exploring additional revenue opportunities.

In addition to the continued implementation of Project Homekey and the Mobile Crisis Intervention Unit that the City Council approved in Fiscal Year 2021-2022, the City fast-tracked the development of a safe-camping site for homeless individuals on a City-owned parking lot which opened in August 2023. Further, in July 2023, the City approved a pilot hotel/motel leasing program whereby the City will rent out two local hotels/motels to expand transitional housing options for unhoused residents. These programs will be service-rich operations and will require significant resources to execute and staff properly. Future budgets will attempt to balance the ongoing costs for these community services with the other growing service needs in the City.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Culver City for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2022. This was the thirty-eighth 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,

A handwritten signature in blue ink, appearing to read "John Nachbar".

John Nachbar  
City Manager

A handwritten signature in black ink, appearing to read "Lisa Soghor".

Lisa Soghor  
Chief Financial Officer



## City of Culver City, California City Officials

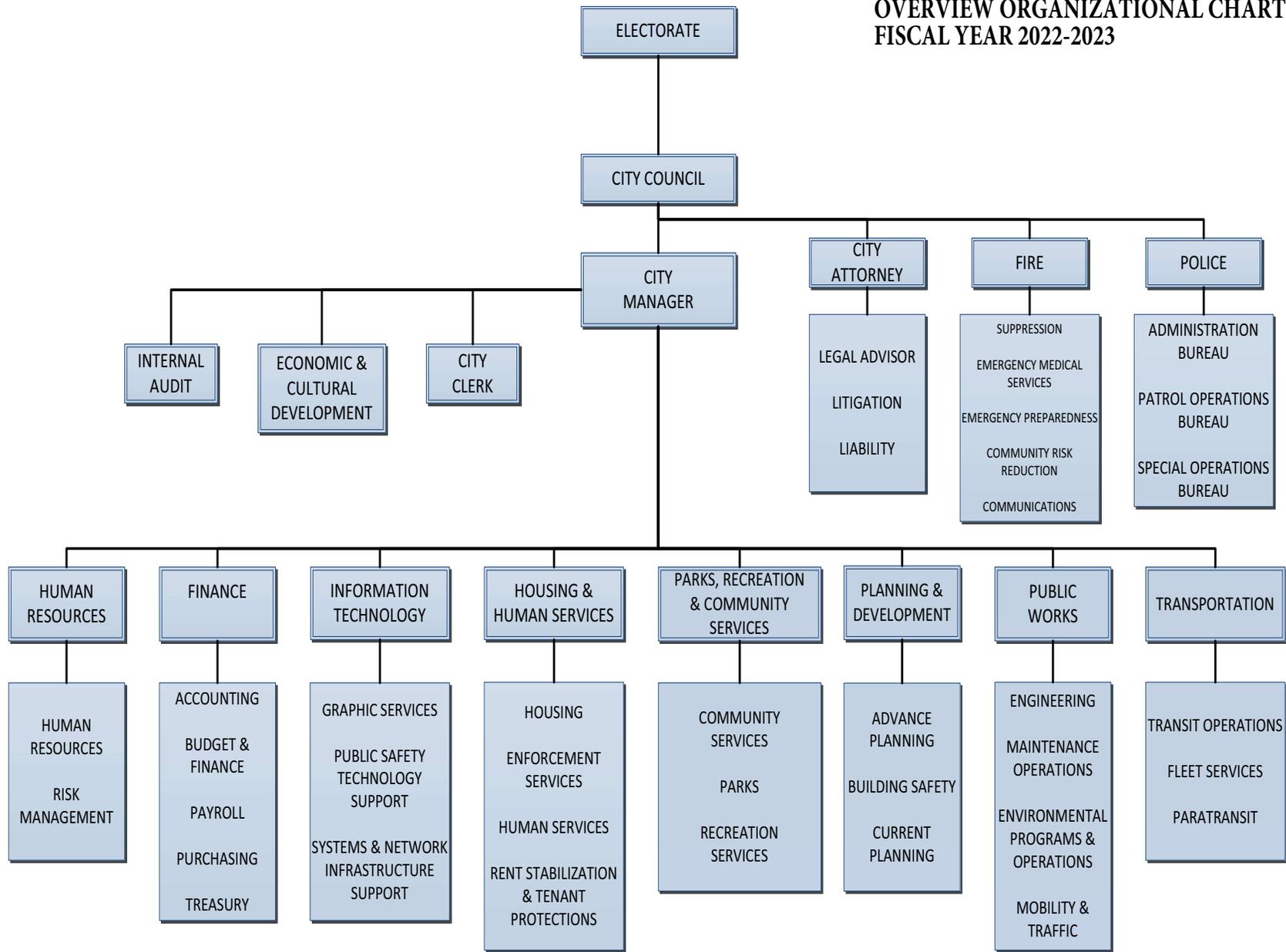
### City Council

Albert Vera, Mayor  
Yasmine-Imani McMorrin, Vice Mayor  
Göran Eriksson  
Daniel O'Brien  
Freddy Puza

### Administration

John Nachbar	City Manager
Onyx Jones	Assistant City Manager
Jesse Mays	Assistant City Manager
Lisa Soghor	Chief Financial Officer
Michele Williams	Chief Information Officer
Diana Chang	Chief Transportation Officer
Heather Baker	City Attorney
Kenneth Powell	Fire Chief
Tevis Barnes	Housing & Human Services Director
Dana Anderson	Human Resources Director
Armando Abrego	Parks, Recreation & Community Services Director
Mark Muenzer	Planning & Development Director
Jason Sims	Police Chief
Yanni Demitri	Public Works Director

**CITY OF CULVER CITY, CALIFORNIA  
OVERVIEW ORGANIZATIONAL CHART  
FISCAL YEAR 2022-2023**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Culver City  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



# Financial Section

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# Independent Auditor's Report

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Suite 1550  
Glendale, CA 91203

[www.vasquez.cpa](http://www.vasquez.cpa)

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MANILA, PH

## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

In our opinion, the accompanying 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 of Culver City, California, as of June 30, 2023, 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.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 1, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription Based Information Technology Arrangements*, during the fiscal year ended June 30, 2023. 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 City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 through 22 and the required supplementary information on pages 120 through 133 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

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

### ***Other Information***

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

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



### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2024 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 City's internal control over financial reporting and compliance.

*Vasquez & Company LLP*

**Glendale, California  
February 20, 2024**

# Management's Discussion & Analysis





**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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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, 2023. 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-xxi 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 Fiscal Year 2022-2023 by \$277.3 million (*net position*). Of this amount, \$307.3 million is net investment in capital assets, \$134.1 million is restricted and (\$164.1) million is unrestricted deficit. The City's unrestricted net position was negatively impacted with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the City to record its unfunded pension liabilities for pension plans and other postemployment benefits (OPEB) in which it participates. More information on the City's pension and OPEB plans can be found in Notes 11 and 12 on pages 92 – 107 of this report.
- The City's total net position, including all activities, increased by \$29.8 million in Fiscal Year 2022-2023. Of the \$29.8 million increase, \$26.3 million increase was from governmental activities and \$3.4 million was from business-type activities.
- As of June 30, 2023, the City's governmental funds reported combined ending fund balances of \$254.5 million. Approximately 8.4% of the current year amount or \$21.5 million is unassigned and available fund balance.
- At the end of Fiscal Year 2022-2023, the unrestricted fund balance (*the total of committed, assigned and unassigned components of fund balance*) for the General Fund was \$108.1 million, or approximately 80.0% of total General Fund expenditures of \$135.2 million. Additional information on the City's General Fund balances is in Note 15.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

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

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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

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

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

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

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

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

The government-wide financial statements are located on pages 25-28 of this report.

**Fund Financial Statements**

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

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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**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 136-175.

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, the statement of net position of proprietary funds includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including long-term receivables, capital assets, and long-term liabilities. The basis of accounting and measurement focus used to prepare proprietary fund statements is the same that is used to prepare the government-wide statements. Thus, proprietary fund statements provide the same, but more detailed, information about these funds, which are included in the “Business-Type Activity” column of the government-wide statements.

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

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

Internal service funds benefit both governmental and business-type functions, therefore, they were allocated to governmental and business-type activities in the government-wide financial statements. 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.

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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*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, a couple of small custodial funds are 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 56 through 118.

**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 129 through 130.

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position**

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. As shown in the table below, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$277.3 million at June 30, 2023.

Approximately 110.8% 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 48.4% of the City's net position is subject to restrictions imposed by external parties, and their use is determined by those restrictions and contractual agreements. The remaining amount may be used by the City to meet ongoing operations, subject to applicable federal and state laws and regulations.

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

The significant liabilities recorded for pensions and OPEB with the implementation of GASB 68 and 75 resulted in a negative unrestricted net position of the City of (\$164.1) million.

**Statement of Net Position**  
**As of June 30, 2023 and 2022**  
**(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Assets:</b>						
Current and other assets	\$ 300,710	\$ 298,332	\$ 30,577	\$ 25,059	\$ 331,287	\$ 323,391
Capital assets	231,853	196,867	98,237	102,765	330,090	299,632
<b>Total assets</b>	<b>532,563</b>	<b>495,199</b>	<b>128,814</b>	<b>127,824</b>	<b>661,377</b>	<b>623,023</b>
<b>Deferred Outflows of Resources :</b>						
Pension and OPEB-related amounts	68,022	33,725	11,371	4,738	79,393	38,463
<b>Total deferred outflows of resources</b>	<b>68,022</b>	<b>33,725</b>	<b>11,371</b>	<b>4,738</b>	<b>79,393</b>	<b>38,463</b>
<b>Liabilities:</b>						
Current and other liabilities	30,932	35,797	10,945	11,181	41,877	46,978
Long-term liabilities	333,259	233,186	67,265	53,054	400,524	286,240
	<b>364,191</b>	<b>268,983</b>	<b>78,210</b>	<b>64,235</b>	<b>442,401</b>	<b>333,218</b>
<b>Deferred Inflows of Resources :</b>						
Leases	746	644	96	245	842	889
Pension and OPEB-related amounts	17,035	69,516	3,202	12,819	20,237	82,335
<b>Total deferred inflows of resources</b>	<b>17,781</b>	<b>70,160</b>	<b>3,298</b>	<b>13,064</b>	<b>21,079</b>	<b>83,224</b>
<b>Net Position:</b>						
Net investment in capital assets	230,122	196,552	77,149	80,731	307,271	277,283
Restricted	134,130	123,084	-	-	134,130	123,084
Unrestricted	(145,639)	(129,855)	(18,472)	(25,468)	(164,111)	(155,323)
<b>Total net position</b>	<b>\$ 218,613</b>	<b>\$ 189,781</b>	<b>\$ 58,677</b>	<b>\$ 55,263</b>	<b>\$ 277,290</b>	<b>\$ 245,044</b>

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

**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, 2023, total net position increased by \$29.8 million.

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2023, with comparative totals for the fiscal year ended June 30, 2022.

<b>Statement of Activities</b>						
<b>Years ended June 30, 2023 and 2022</b>						
<b>(In Thousands)</b>						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 28,169	\$ 31,147	\$ 33,678	\$ 32,650	\$ 61,847	\$ 63,797
Operating grants and contributions	23,961	24,418	28,915	19,387	52,876	43,805
Capital grants and contributions	6,524	33,717	928	4,821	7,452	38,538
General revenues:						
Taxes	116,350	132,172	-	-	116,350	132,172
Investment (losses) earnings	6,079	(3,306)	338	(622)	6,417	(3,928)
Other	2,622	579	2	15	2,624	594
<b>Total revenues</b>	<b>183,705</b>	<b>218,727</b>	<b>63,861</b>	<b>56,251</b>	<b>247,566</b>	<b>274,978</b>
<b>Expenses:</b>						
General government	23,479	12,169	-	-	23,479	12,169
Parks, recreation and community services	11,030	10,674	-	-	11,030	10,674
Police	50,963	46,143	-	-	50,963	46,143
Fire	32,295	28,487	-	-	32,295	28,487
Community development	17,197	16,132	-	-	17,197	16,132
Public works	20,656	16,925	-	-	20,656	16,925
Transportation	419	374	-	-	419	374
Capital outlay	-	-	-	-	-	-
Refuse disposal	-	-	17,632	16,314	17,632	16,314
Municipal bus lines	-	-	31,534	28,601	31,534	28,601
Sewer enterprise	-	-	9,638	8,761	9,638	8,761
Municipal fiber network	-	-	2,319	2,025	2,319	2,025
Internal service fund allocation to BTA	-	-	641	(922)	641	(922)
<b>Total expenses</b>	<b>156,039</b>	<b>130,904</b>	<b>61,764</b>	<b>54,779</b>	<b>217,803</b>	<b>185,683</b>
<b>Excess (deficiency) before transfers</b>	<b>27,666</b>	<b>87,823</b>	<b>2,097</b>	<b>1,472</b>	<b>29,763</b>	<b>89,295</b>
Transfers	(1,317)	(1,130)	1,317	1,130	-	-
<b>Change in net position</b>	<b>26,349</b>	<b>86,693</b>	<b>3,414</b>	<b>2,602</b>	<b>29,763</b>	<b>89,295</b>
<b>Net position - beginning of year, as restated</b>	<b>192,264</b>	<b>103,088</b>	<b>55,263</b>	<b>52,661</b>	<b>247,527</b>	<b>141,343</b>
<b>Net position - end of year</b>	<b>\$ 218,613</b>	<b>\$ 189,781</b>	<b>\$ 58,677</b>	<b>\$ 55,263</b>	<b>\$ 277,290</b>	<b>\$ 230,638</b>

Note: 2023 beginning net position balance of the governmental activities was restated.

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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**Governmental Activities**

The City's net position from governmental activities increased approximately \$26.3 million accounting for 88.5% 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*

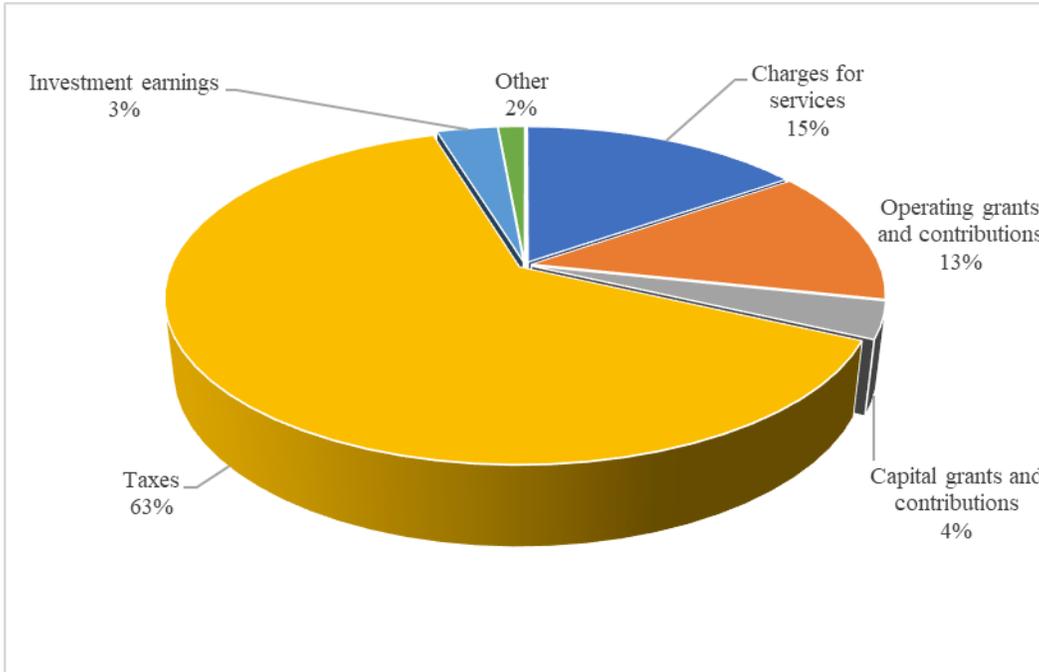
Total revenues of governmental activities were \$183.7 million. The largest component of total revenue is taxes at \$116.4 million, making up 63.3% of total revenues. This is consistent with the nature and purpose of governmental funds, particularly in the General Fund, where programs are largely supported by general taxes. The highest tax revenues received by the General Fund include property tax (\$24.4 million), sales tax (\$42.4 million), business tax (\$18.7 million), utility users' tax (\$16.5 million), and transient occupancy tax (\$12.0 million). Some of the key changes in revenues are:

- Capital and Operating Grants and Contributions decreased by \$27.7 million, primarily due to decrease in reimbursable capital and operating grant expenditures in Fiscal Year 2022-2023.
- The City's Bradley-Burns Uniform Local sales tax and Measure C/CC receipts decreased by \$1.0 million in Fiscal Year 2022-2023. Sales tax revenues were slightly lower than expected due to consumer behavior changes post-pandemic as federal stimulus money waned and inflation remained high. The slowdown in sales tax will continue in the upcoming fiscal year, resulting in a decrease in anticipated revenues in Fiscal Year 2023-2024
- Total Property tax includes the City's portion of property tax, real property transfer tax, and the tax increment of the former Redevelopment Agency. The total property tax decreased by \$21.1 million largely due to the significant decrease of real property transfer taxes by \$22.9 million from Fiscal Year 2021-2022. The real property transfer tax revenues were \$32.6 million in Fiscal Year 2021-2022, which included the sale of one large commercial property in March 2022. High interest rates in Fiscal Year 2022-2023 contributed to a decrease in the number of property sales in Culver City thereby significantly reducing revenue from real property transfer tax. An increase to the tax increment of the former Redevelopment Agency slightly offset the declines from real property transfer tax. As the enforceable obligations of the former Redevelopment Agency are paid off, the tax increment will continue to increase.

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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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 \$116.4 million or 63% of total governmental revenue. Operating and capital grants make up 17% of revenues, charges for services amount to 15%, and other revenues and investment earnings add up to 5% of total governmental revenues.

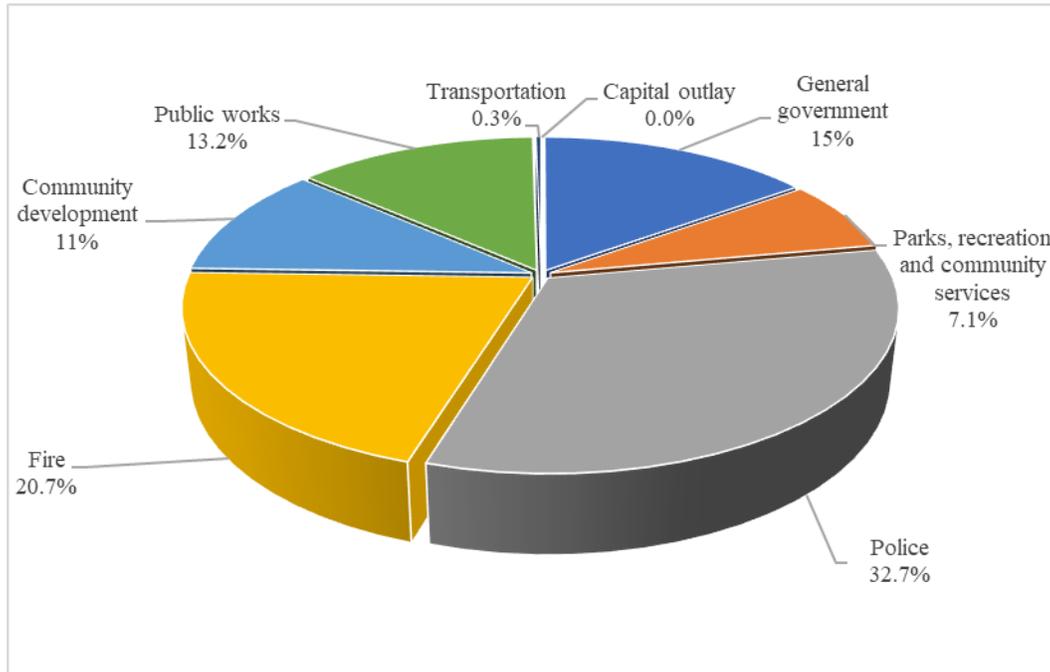


**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

*Expense Highlights*

Functional expenses for the year totaled approximately \$156.0 million in the governmental funds, an increase of \$25.1 million over the prior year due to an increase of \$11.3 million for General Government expenses, aided by increases in Public Safety of \$8.6 million, Parks and Recreation of \$0.35 million, Community Development of \$1.1 million, Public Works of \$3.7 million, and Transportation of \$0.05 million,). This overall increase resulted from restoring staff positions and most programming to pre-pandemic levels in Fiscal Year 2022-2023.

Public Safety activities expended approximately \$83.3 million (53.4%) 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 \$20.6 million, Community Development \$17.2 million, and Parks, Recreation and Community services \$11.0 million, and Transportation \$0.4 million. General Government Expenses (including City Council, City Manager, City Clerk, Information Technology, Finance, Human Resources and City Attorney) and Interest and Other Charges totaled \$23.5 million (15%).



**Business-Type Activities**

The City’s business-type activities reported a \$3.4 million increase in net position, largely resulting from higher charges for services and increased operating grants for the City's Municipal Bus Lines, and higher revenues from the Refuse Disposal Fund.

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

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

In November 2015, the City Council approved a new Municipal Fiber Network enterprise fund. Funding for this project was appropriated through a loan from the General Fund to design and construct an open access network where Internet Service Providers (ISPs) will utilize the City’s fiber infrastructure to service the business community. During Fiscal Year 2022-2023, net position increased by \$0.1 million.

The construction for Municipal Fiber Network was completed for the Municipal Fiber Network (Culver Connect) backbone in Fiscal Year 2019-2020. The construction for network laterals was initiated in Fiscal Year 2021-2022 and will continue in Fiscal Year 2023-2024.

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

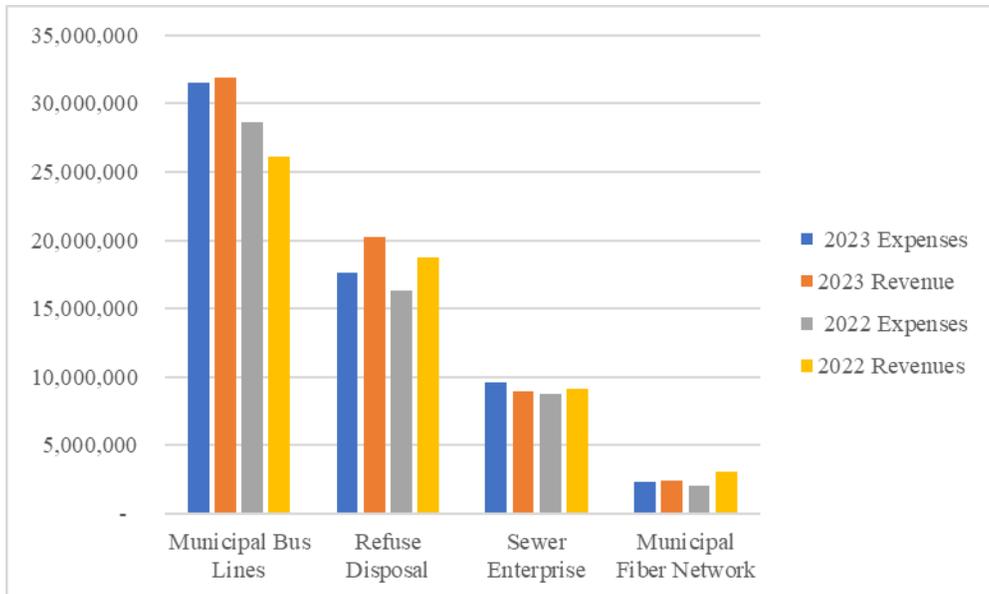
*Revenue Highlights*

Total program revenues as of June 30, 2023, were \$63.5 million which increased by \$7.6 million from the prior fiscal year. The change is primarily attributed to \$11.6 million increase in operating grants in Municipal Bus Lines.

*Expense Highlights*

Municipal Bus Line operating expenses increased by \$2.9 million, or 10.3%, from increased pension and OPEB expenses. Refuse Disposal operating expenses increased by \$1.3 million from increased contractual services.

Business-type Activities  
Expenses and Program Revenues  
For the Fiscal Years Ended June 30, 2023 and 2022



**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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**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. 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.

On June 30, 2023, the City's governmental funds reported a combined ending fund balance of \$254.5 million, a decrease of \$4.5 million in comparison with the prior year. Decreased overall revenues of \$(39.8) million are comprised of the following reduced revenues: \$(15.8) million in taxes, \$(2.2) million in licenses and permits, \$(31.7) million in intergovernmental, \$(3.1) million in charges for services) only partially offset by increases of \$1.7 million in fines and forfeitures, \$9.2 million in investment and \$2.1 miscellaneous. Increases in expenditures of \$40 million: \$0.2 million in general government and \$28.2 million in capital outlay, \$8.7 million in police and fire, \$0.4 million in parks and recreation services, \$0.8 million in public works and in transportation, \$1.4 million in community development, and interest & principal payment on leases of \$0.3 million. Of the total \$254.5 million fund balance, \$15.6 million was non-spendable, \$134.1 million was restricted, \$76.5 million was committed, \$6.8 million was assigned, and \$21.5 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 \$10.4 million in fund balance for Fiscal Year 2022-2023, primarily due to increase of \$7.8 million in investment earnings. As per Note 15, \$6.8 million of the total increase has been assigned for contracts and purchase orders of committed projects in the General Fund. There is \$153.4 million total in fund balance as of June 30, 2023.

*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 2022-2023 fiscal year, project expenditures outpaced revenues and transfers by \$8.9 million for this fund, largely due to increased expenditures to provide permanent supportive housing for homeless individuals in Culver City.

*Capital Improvement and Acquisition*

This fund is used to account for 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. Revenues and transfers outpaced project expenditures by \$3.9 million for this fund. Staff vacancies and turnover impeded the anticipated completion of several capital improvements resulting in lower-than-anticipated capital expenditures.

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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*Capital Improvement Grants*

This fund is used to account for grant funds awarded 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 by \$24.6 million largely due to increased emergency shelter and transitional housing expenditures in Fiscal Year 2022-2023 funded by grant revenues received in the prior year.

**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 \$(0.5) million, \$22.8 million, \$47.8 million, and \$(8.1) million respectively. Total net position of these funds increased by \$4.1 million during the year ended June 30, 2023. Refuse Disposal, Municipal Bus Lines, Sewer Enterprise and Municipal Fiber Network funds' net position increased by \$2.6 million, \$1.7 million, \$(0.5) million and \$0.1 million, respectively during Fiscal Year 2022-2023.

**City of Culver City**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

*Revenues*

**Summary of General Fund Revenues**  
**Budget and Actual**  
**Year Ended June 30, 2023**  
**(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance from</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 107,913	\$ 111,931	\$ 116,350	\$ 4,419
Licenses and permits	5,346	4,528	4,010	(518)
Fines and forfeitures	3,066	3,417	5,290	1,873
Intergovernmental	6,849	7,487	8,056	569
Charges for services	9,552	12,292	10,949	(1,343)
Investment earnings	2,145	1,729	4,366	2,637
Miscellaneous	1,196	1,276	1,794	518
Total revenues	<u>136,067</u>	<u>142,660</u>	<u>150,815</u>	<u>8,155</u>
Other Financing Sources:				
Transfers in	3,424	4,674	3,424	(1,250)
Proceeds from SBITA financing	-	-	268	268
Total other financing	<u>3,424</u>	<u>4,674</u>	<u>3,692</u>	<u>(982)</u>
<b>Total Revenues</b>	<b><u>\$ 139,491</u></b>	<b><u>\$ 147,334</u></b>	<b><u>\$ 154,507</u></b>	<b><u>\$ 7,173</u></b>

The final General Fund revenue budget for Fiscal Year 2022-2023 reflects amendments that were approved by the City Council during the year. The most significant amendments included increases in taxes.

Charges for Services category came in \$1.3 million less than expected. This category is comprised of revenues generated by Community Development/Planning, Recreation, ambulance fees, and other miscellaneous charges. Licenses and Permits came in less than budgeted by \$0.5 million. As the economy slowed, the number of plan check and permit requests decreased which impacted both revenue categories, and therefore, final revenue was less than budgeted. As shown in the table above, actual revenues totaled \$154.5 million, exceeding the final budget by \$7.2 million. Taxes, fines and forfeitures, intergovernmental and investment earnings and miscellaneous revenues exceeded the final budget. Investment earnings exceeded the amended budget by \$2.6 million, primarily due to the investment gains on the tax-exempt Section 115 Trust and general investment portfolio.

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

*Expenditures*

**Summary of General Fund Expenditures**  
**Budget and Actual**  
**Year Ended June 30, 2023**  
**(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance from</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
General government	\$ 18,489	\$ 19,414	\$ 17,840	\$ 1,574
Parks, recreation and community services	11,008	12,038	10,242	1,796
Police	50,160	50,755	50,092	663
Fire	29,559	30,648	30,960	(312)
Community development	11,434	13,862	10,245	3,617
Public works	17,082	19,275	14,996	4,279
Capital outlay	529	611	506	105
Debt Service	-	-	270	(270)
Total expenditures	<u>138,261</u>	<u>146,603</u>	<u>135,151</u>	<u>11,452</u>
Other Financing (Uses):				
Transfers out	<u>(5,695)</u>	<u>(6,922)</u>	<u>(8,922)</u>	<u>(2,000)</u>
Total other financing sources (uses)	<u>(5,695)</u>	<u>(6,922)</u>	<u>(8,922)</u>	<u>(2,000)</u>
<b>Total Expenditures</b>	<b><u>\$ (143,956)</u></b>	<b><u>\$ (153,525)</u></b>	<b><u>\$ (144,073)</u></b>	<b><u>\$ 9,452</u></b>

The final General Fund expenditure budget for Fiscal Year 2022-2023 reflects the amendments approved by the City Council during the year. The final budget also reflects appropriations carried over from the prior year related to outstanding encumbrances as of June 30, 2022.

The variance of \$0.27 million in Debt Service reflects the subscription-based information technology (IT) arrangements that the City entered in Fiscal Year 2022-2023 with various vendors ranging for 2-5 years (Note 8). Other than the Fire Department which incurred \$0.3 million personnel costs over its budget, each department ended the year within their respective spending authority. Under the City Manager’s direction, the Fiscal Year 2022-2023 Adjusted Budget included staff positions that were frozen during the pandemic, annual increases for contract services, and some annual funding for large capital improvement projects that were needed in the city’s parks and buildings. Ongoing General Fund enhancements were kept to a minimum while maintaining the City’s capital infrastructure and facilities. In Fiscal Year 2022-2023, General Government expenditures also include a \$2.0 million funding of the City’s Self-Insurance fund per existing policy requirements. Despite significant increases in expenditures, including some expenditures beyond the City’s control such as the CalPERS Unfunded Accrued Liability (UAL), there was \$9.5 million in total budget savings due in large part to staff vacancies.

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

**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)**  
**Year Ended June 30, 2023**  
**(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Land	\$ 21,538	\$ 21,539	\$ 3,083	\$ 3,083	\$ 24,621	\$ 24,622
Buildings	37,985	39,440	12,989	13,549	50,974	52,989
Improvements	21,507	19,605	5,624	6,243	27,131	25,848
Machinery and equipment	9,608	11,210	17,095	20,523	26,703	31,733
Furniture and fixtures	75,208	-	2	9	75,210	9
Infrastructure	-	52,869	43,298	32,337	43,298	85,206
Investment in Hyperion	-	-	6,681	7,347	6,681	7,347
Right-of-use Asset	745	-	529	540	1,274	540
Construction in progress	65,262	52,204	8,936	19,134	74,198	71,338
<b>Total</b>	<b>\$ 231,853</b>	<b>\$ 196,867</b>	<b>\$ 98,237</b>	<b>\$ 102,765</b>	<b>\$ 330,090</b>	<b>\$ 299,632</b>

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounts to \$330.1 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 and amortization expenses in the Governmental and Business-Type activities totaled \$9.8 million and \$7.2 million, respectively.

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

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

**Long-Term Obligations**

At the end of Fiscal Year 2022-2023, the City had total net long-term outstanding obligations of \$57.6 million, an increase of \$4.7 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 bond proceeds was fully spent in Fiscal Year 2020-2021 to fund a Sewer Pipeline Diversion project, the Bankfield Pump Station improvements and other miscellaneous capital improvement projects.

**Summary of Long-Term Liabilities**  
**Year Ended June 30, 2023**  
**(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Compensated absences payable	\$ 14,685	\$ 13,250	\$ 1,235	\$ 1,537	\$ 15,920	\$ 14,787
Claims and judgments	19,977	16,059	-	-	19,977	16,059
Lease and subscription liabilities						
Lease liability	-	-	371	556	371	556
SBITA liability	638	-	145	-	783	-
Wastewater Facilities Revenue Bonds,						
2019 Series A	-	-	17,390	18,195	17,390	18,195
Bond premium	-	-	3,156	3,276	3,156	3,276
<b>Total</b>	<b>\$ 35,300</b>	<b>\$ 29,309</b>	<b>\$ 22,297</b>	<b>\$ 23,564</b>	<b>\$ 57,597</b>	<b>\$ 52,873</b>

Additional information is available in Note 8 of the Notes to the Basic Financial Statements.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

**Economy**

Despite the ability of the City’s revenues to recover from the pandemic, economic indicators suggest a period of economic slowdown. Inflation, rising interest rates, declines in the commercial real estate sector, ongoing debt limit negotiations, and changes in the labor markets, including the prolonged Writers Guild of America strike and the Screen Actors Guild-American Federation of Television and Radio Artists strike, appear to be having a cooling effect on the economy. Most of the City’s revenue sources are projected to show minimal growth, if not decreases, in Fiscal Year 2023-2024. Sales Tax, the City’s largest revenue contributor to the General Fund is anticipated to decrease in Fiscal Year 2023-2024. Real Property Transfer Tax, bolstered in Fiscal Year 2021-2022 from the passage of Measure RE in November 2022 and the transfer of one large commercial property in 2022, is anticipated to stay depressed with the softening of the real estate market. The loss in these and other revenue sources is anticipated to be offset by the increase in Business License Tax generated by the implementation of updated tax rates approved by voters in November 2022 as part of Measure BL. However, it is anticipated that the City’s Business License Tax receipts in the current and future fiscal years will be impacted by the recent labor strikes in the entertainment industry. The extent of the impact is not known at this time.

On the state level, the California Legislative Analyst’s Office (LAO), a nonpartisan fiscal and policy advisor to the California legislature, published its Fiscal Outlook for Fiscal Year 2024-2025 in December 2023

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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indicating that the state is facing a \$68 billion budget deficit as a result of a severe revenue decline. Governor Newsom is recommending significant budget cuts in Fiscal Year 2024-2025 to address a deficit of \$38 billion, which is less than the deficit projected by the LAO. The state budget deficit may negatively impact other revenue the City receives.

**Budget Outlook**

Culver City prides itself on the outstanding quality of services it provides to the community and has taken a great effort to preserve services despite economic challenges.

The City’s financial forecast continues to show operating deficits when factoring in necessary funding for rising pension costs, appropriately pre-funding retiree healthcare costs, facility maintenance and the impacts of an economic slowdown. The City has been proactive in its response to these projected shortfalls and has successfully implemented multiple revenue measures over the last decade. First, there was a 2% increase (12% to 14%) to the Transient Occupancy Tax (Measure X) which was approved by Culver City voters on April 10, 2012 followed by a series of additional voter-approved ballot measures. On November 6, 2012, voters approved a one-half cent local sales tax (Measure Y) which went into effect in April 2013. On April 10, 2018, voters approved a cannabis business tax (Measure A). On November 6, 2018, voters approved an additional quarter-cent sales tax (Measure C), which went into in April 2019. In March 2020, voters a ballot measure which extended the one-quarter cent sales tax, originally put in place by voter-approved Measure Y, for another ten years, until 2033 (Measure CC).

In November 2020, the voters passed Measure RE. Measure RE established a marginal tax rate with four brackets, based on sales price or value, for the City’s real estate transfer tax, which went into effect in April 2021. This marginal tax adds 1.5% on amounts from \$1,500,000 to \$2,999,999, 3% on amounts from \$3,000,000 to \$9,999,999, and 4% on amounts \$10 million and above. Measure RE does not apply to sales under \$1.5 million, affordable housing, and first transfer of new multi-family properties. Real Property Transfer Tax is a mercurial revenue source. It rises and falls with the real estate market.

In November 2022, Culver City voters passed Measure BL updating the business license tax rates and classifications. The new rates and classifications took effect on April 1, 2023 for new businesses and will be applied to existing businesses when they renew their licenses for 2024. It was estimated that these new rates would provide the City with an additional \$8 million in additional revenue annually but the actual amount is unknown at this time.

Despite the City’s numerous revenue-generating initiatives, sound financial management, and disciplined control of its financial health during the pandemic, the City’s ability to sustain local services is seriously threatened by rising pension costs. Increasing retirement, pension and other post-employment benefit costs related to rates charged by CalPERS have a significant impact on the General Fund’s increasing expenditures as these costs are expected to rise from \$28.4 million in Fiscal Year 2022-2023 to \$42.1 million in Fiscal Year 2032-2033, which is an increase of 67%.

On January 9, 2023, in response to the growth of homelessness in Culver City and the region, the City Council ratified the Proclamation of Local Emergency on Homelessness by the Director of Emergency Services of Culver City, issued by the City Manager on January 3, 2023. In addition to the continued implementation of Project Homekey and the Mobile Crisis Intervention Unit that the City Council approved in Fiscal Year 2021-2022, the City fast-tracked the development of a safe-camping site for homeless individuals on a City-owned parking lot which opened in August 2023. Further, in July 2023, the City

**City of Culver City**  
**Management’s Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2023**

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approved a pilot hotel/motel leasing program whereby the City will rent out two local hotels/motels to expand transitional housing options for unhoused residents. These programs are service-rich operations and will require significant resources to execute and staff properly. In Fiscal Year 2023-2024, the City has allocated over \$15 million of General Fund dollars to support these efforts. Future budgets will attempt to balance the ongoing costs for these community services with the other growing service needs in the City.

In addition, future budget needs 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.

Remaining financially sustainable will continue to be a responsibility of City leadership. The City will seek to balance maintaining healthy reserves to prepare for unforeseen emergencies while providing necessary community services and prudently investing in long-term facilities and assets.

**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](mailto:finance.dept@culvercity.org) or 9770 Culver Blvd., Culver City, CA 90232, (310) 253-5865.

# Basic Financial Statements

GOVERNMENT -WIDE FINANCIAL STATEMENTS





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# **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

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**City of Culver City**  
**Statement of Net Position**  
**June 30, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 3)	\$ 202,216,700	\$ 45,559,030	\$ 247,775,730
Accounts receivables, net	5,029,963	1,991,513	7,021,476
Interest receivables	7,061,552	224,076	7,285,628
Internal balances	20,241,929	(20,241,929)	-
Due from other governments	14,658,655	2,946,076	17,604,731
Inventories	773,861	-	773,861
Due from Successor Agency	382,790	-	382,790
Total current assets	<u>250,365,450</u>	<u>30,478,766</u>	<u>280,844,216</u>
Noncurrent assets:			
Cash and investments held with fiscal agents (Note 3)	-	4	4
Restricted investments held by Pension Trust (Note 3)	29,638,414	-	29,638,414
Notes receivables, net (Note 5)	20,109,394	-	20,109,394
Lease receivables (Note 6)	597,380	98,591	695,971
Capital assets (Note 7):			
Not being depreciated	86,800,361	12,018,932	98,819,293
Being depreciated, net	<u>145,052,379</u>	<u>86,217,879</u>	<u>231,270,258</u>
Total noncurrent assets	<u>282,197,928</u>	<u>98,335,406</u>	<u>380,533,334</u>
<b>Total assets</b>	<u>532,563,377</u>	<u>128,814,172</u>	<u>661,377,549</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related amounts (Note 11)	59,451,988	10,097,011	69,548,999
Other postemployment benefits related amounts (Note 12)	<u>8,570,335</u>	<u>1,273,836</u>	<u>9,844,171</u>
<b>Total deferred outflows of resources</b>	<u>68,022,323</u>	<u>11,370,847</u>	<u>79,393,170</u>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Net Position (Continued)**  
**June 30, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 7,528,866	\$ 2,309,200	\$ 9,838,066
Salaries and benefits payable	3,271,039	868,979	4,140,018
Interest payable	-	259,983	259,983
Deposits payable	8,039,405	505,970	8,545,375
Retention payable	1,092,508	26,206	1,118,714
Due to Successor Agency	1,397,864	-	1,397,864
Due to other government	377,628	-	377,628
Unearned revenues	819,021	5,242,284	6,061,305
Lease and subscription liabilities, due within one year (Note 8)	201,781	267,024	468,805
Compensated absences, due within one year (Note 8)	3,355,775	496,003	3,851,778
Claims payable, due within one year (Note 8)	4,848,404	-	4,848,404
Revenue bonds payable, due within one year (Note 8)	-	969,847	969,847
Total current liabilities	<u>30,932,292</u>	<u>10,945,496</u>	<u>41,877,788</u>
Noncurrent liabilities:			
Compensated absences, due in more than one year (Note 8)	11,329,313	739,447	12,068,760
Claims payable, due in more than one year (Note 8)	15,128,922	-	15,128,922
Revenue bonds payable, due in more than one year (Note 8)	-	19,576,135	19,576,135
Lease and subscription liabilities, due in more than one year (Note 8)	436,695	248,717	685,412
Net pension liabilities (Note 11)	253,979,307	38,914,176	292,893,483
Net other postemployment benefits liabilities (Note 12)	52,385,162	7,786,170	60,171,332
Total noncurrent liabilities	<u>333,259,399</u>	<u>67,264,645</u>	<u>400,524,044</u>
<b>Total liabilities</b>	<u>364,191,691</u>	<u>78,210,141</u>	<u>442,401,832</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related amounts (Note 11)	1,686,280	921,236	2,607,516
Other postemployment benefits related amounts (Note 12)	15,348,420	2,281,284	17,629,704
Leases (Note 8)	745,810	95,709	841,519
Total deferred inflows of resources	<u>17,780,510</u>	<u>3,298,229</u>	<u>21,078,739</u>
<b>NET POSITION</b>			
Net investment in capital assets	230,121,756	77,148,882	307,270,638
Restricted for:			
Road construction	8,240,868	-	8,240,868
Housing authority	31,788,861	-	31,788,861
Public safety	822,749	-	822,749
Public works and capital projects	53,472,541	-	53,472,541
Debt service	-	4	4
Community development	10,167,204	-	10,167,204
Pension trust	29,638,414	-	29,638,414
Total restricted	<u>134,130,637</u>	<u>4</u>	<u>134,130,641</u>
Unrestricted (deficit)	<u>(145,638,894)</u>	<u>(18,472,236)</u>	<u>(164,111,130)</u>
<b>Total net position</b>	<u>\$ 218,613,499</u>	<u>\$ 58,676,650</u>	<u>\$ 277,290,149</u>

(Concluded)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City  
Statement of Activities  
Year Ended June 30, 2023**

<b>Functions/Programs:</b>	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
<b>Governmental activities:</b>					
General government	\$ 23,479,319	\$ 1,257,812	\$ 365,790	\$ -	\$ 1,623,602
Parks, recreation and community services	11,030,251	3,446,956	396,953	-	3,843,909
Police	50,962,731	5,846,653	560,339	-	6,406,992
Fire	32,294,448	3,551,911	711,177	-	4,263,088
Community development	17,196,977	9,549,157	6,453,696	66,072	16,068,925
Public works	20,656,111	4,515,924	5,627,693	6,458,359	16,601,976
Transportation	418,568	152	2,618,211	-	2,618,363
<b>Total governmental activities</b>	<b>156,038,405</b>	<b>28,168,565</b>	<b>16,733,858</b>	<b>6,524,431</b>	<b>51,426,855</b>
<b>Business-type activities:</b>					
Refuse disposal	17,631,800	20,213,673	31,606	-	20,245,279
Municipal bus lines	31,534,485	2,072,703	28,882,999	928,162	31,883,864
Sewer enterprise	9,638,323	8,956,852	81	-	8,956,933
Municipal fiber network	2,318,980	2,435,207	-	-	2,435,207
Internal service fund allocated to business-type activities	642,389	-	-	-	-
<b>Total business-type activities</b>	<b>61,765,977</b>	<b>33,678,435</b>	<b>28,914,686</b>	<b>928,162</b>	<b>63,521,283</b>
<b>Total primary government</b>	<b>\$ 217,804,382</b>	<b>\$ 61,847,000</b>	<b>\$ 45,648,544</b>	<b>\$ 7,452,593</b>	<b>\$ 114,948,138</b>

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Activities (Continued)**  
**Year Ended June 30, 2023**

<b>Functions/Programs:</b>	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Primary government:</b>			
<b>Governmental activities:</b>			
General government	\$ (21,855,717)	\$ -	\$ (21,855,717)
Parks, recreation and community services	(7,186,343)	-	(7,186,343)
Police	(44,555,739)	-	(44,555,739)
Fire	(28,031,360)	-	(28,031,360)
Community development	(1,128,052)	-	(1,128,052)
Public works	(4,054,135)	-	(4,054,135)
Transportation	2,199,795	-	2,199,795
<b>Total governmental activities</b>	<u>(104,611,551)</u>	<u>-</u>	<u>(104,611,551)</u>
<b>Business-type activities:</b>			
Refuse disposal	-	2,613,479	2,613,479
Municipal bus lines	-	349,379	349,379
Sewer enterprise	-	(681,390)	(681,390)
Municipal fiber network	-	116,227	116,227
Internal service fund allocated to business-type activities	-	(642,389)	(642,389)
<b>Total business-type activities</b>	<u>-</u>	<u>1,755,306</u>	<u>1,755,306</u>
<b>Total primary government</b>	<u>(104,611,551)</u>	<u>1,755,306</u>	<u>(102,856,245)</u>
<b>General revenues:</b>			
Taxes:			
Property taxes	24,379,624	-	24,379,624
Sales taxes	42,394,800	-	42,394,800
Utility users taxes	16,524,880	-	16,524,880
Franchise taxes	1,805,748	-	1,805,748
Business license taxes	18,736,311	-	18,736,311
Transient occupancy taxes	11,963,174	-	11,963,174
Other taxes	545,566	-	545,566
<b>Total taxes</b>	<u>116,350,104</u>	<u>-</u>	<u>116,350,104</u>
Intergovernmental revenues, unrestricted	7,227,479		7,227,479
Investment earnings (losses)	6,078,891	338,282	6,417,173
Miscellaneous	2,621,709	2,208	2,623,917
<b>Transfers (Note 4)</b>	<u>(1,317,208)</u>	<u>1,317,208</u>	<u>-</u>
<b>Total general revenues and transfers</b>	<u>130,960,975</u>	<u>1,657,698</u>	<u>132,618,673</u>
<b>Change in net position</b>	26,349,424	3,413,004	29,762,428
<b>Net position - beginning of year, as restated</b>	<u>192,264,075</u>	<u>55,263,646</u>	<u>247,527,721</u>
<b>Net position - ending of year</b>	<u>218,613,499</u>	<u>58,676,650</u>	<u>\$ 277,290,149</u>

See accompanying Notes to the Basic Financial Statements.

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# Basic Financial Statements

FUND FINANCIAL STATEMENTS





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# **FUND FINANCIAL STATEMENTS**

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

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# GOVERNMENTAL FUND FINANCIAL STATEMENTS

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**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. This fund is restricted to be used for qualified low/moderate income housing projects identified in the Agreement.

**Capital Improvement and Acquisition Fund** - This 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 Fund** - This fund is used to account for grant funds awarded 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, 2023**

	Major Funds		
	General	Culver City Housing Authority	Capital Improvement and Acquisition
<b>ASSETS</b>			
Cash and investments	\$ 94,475,356	\$ 9,837,261	\$ 15,427,054
Restricted investments held by Pension Trust	29,638,414	-	-
Accounts receivables, net	4,704,927	6,185	-
Interest receivables	639,549	4,795,920	65,550
Notes receivables, net	9,057	16,681,518	-
Lease receivables	597,380	-	-
Due from other funds	8,369,389	484,207	-
Due from other governments	9,795,472	-	-
Due from Westside COG	299,962	-	-
Advances to other funds	15,024,242	-	-
<b>Total assets</b>	<b>\$ 163,553,747</b>	<b>\$ 31,805,091</b>	<b>\$ 15,492,603</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 2,830,996	\$ 571,344	\$ 1,090,963
Salaries and benefits payable	3,000,917	-	-
Due to other governments	251,417	-	-
Due to other funds	123,706	648,497	187,794
Due to Successor Agency	291,817	-	-
Deposits payable	2,099,445	6,685	5,367,886
Retention payable	-	-	605,092
Unearned revenues	819,021	-	-
<b>Total liabilities</b>	<b>9,417,320</b>	<b>1,226,526</b>	<b>7,251,735</b>
<b>Deferred Inflows of Resources:</b>			
Leases	745,810	-	-
Unavailable revenue	-	-	-
<b>Total deferred inflows of resources</b>	<b>745,810</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>			
Nonspendable	15,630,679	-	-
Restricted	29,638,414	30,578,565	8,240,868
Committed	76,521,023	-	-
Assigned	6,765,186	-	-
Unassigned (deficit)	24,835,315	-	-
<b>Total fund balances</b>	<b>153,390,617</b>	<b>30,578,565</b>	<b>8,240,868</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 163,553,747</b>	<b>\$ 31,805,091</b>	<b>\$ 15,492,603</b>

See accompanying Notes to the Basic Financial Statements.

**City of Culver City  
Balance Sheet (Continued)  
Governmental Funds  
June 30, 2023**

	Major Funds		
	Capital Improvement Grants	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 63,163,160	\$ 182,902,831
Restricted investments held by Pension Trust	-	-	29,638,414
Accounts receivables, net	-	281,162	4,992,274
Interest receivables	-	1,475,134	6,976,152
Notes receivables, net	-	3,418,819	20,109,394
Leases receivables	-	-	597,380
Due from other funds	-	2,503	8,856,099
Due from other governments	4,158,395	704,751	14,658,618
Due from Westside COG	-	82,828	382,790
Advances to other funds	-	-	15,024,242
<b>Total assets</b>	<b>\$ 4,158,395</b>	<b>\$ 69,128,357</b>	<b>\$ 284,138,193</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,133,828	\$ 1,043,813	\$ 6,670,945
Salaries and benefits payable	-	30,932	3,031,849
Due to other governments	-	126,213	377,630
Due to other funds	1,865,466	206,786	3,032,248
Due to Successor Agency	-	1,106,047	1,397,864
Deposits payable	-	565,389	8,039,405
Retention payable	460,265	27,151	1,092,508
Unearned revenues	-	-	819,021
<b>Total liabilities</b>	<b>3,459,559</b>	<b>3,106,331</b>	<b>24,461,471</b>
<b>Deferred Inflows of Resources:</b>			
Leases	-	-	745,810
Unavailable revenue	3,967,547	428,909	4,396,456
<b>Total deferred inflows of resources</b>	<b>3,967,547</b>	<b>428,909</b>	<b>5,142,266</b>
<b>Fund Balances:</b>			
Nonspendable	-	-	15,630,679
Restricted	-	65,672,791	134,130,639
Committed	-	-	76,521,023
Assigned	-	-	6,765,186
Unassigned (deficit)	• (3,268,711)	(79,674)	21,486,930
<b>Total fund balances</b>	<b>(3,268,711)</b>	<b>65,593,117</b>	<b>254,534,457</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,158,395</b>	<b>\$ 69,128,357</b>	<b>\$ 284,138,193</b>

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2023**

<b>Total Fund Balances - Total Governmental Funds</b>	<b>254,534,457</b>
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	86,722,811
Capital assets, depreciable (net of \$28,125,694 reported in Internal Service Funds)	256,731,070
Less accumulated depreciation (net of \$(22,587,435) reported in Internal Service Funds)	(117,216,950)
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 \$479,712 reported in Internal Service Funds)	(14,205,376)
Net pension liabilities (net of \$11,278,832 reported in Internal Service Funds)	(242,700,475)
Pension related deferred outflows of resources (net of \$2,926,503 reported in Internal Service Funds)	56,525,485
Pension related deferred inflows of resources (net of \$267,009 reported in Internal Service Funds)	(1,419,271)
Net OPEB liabilities (net of \$2,184,220 reported in Internal Service Funds)	(50,200,942)
OPEB related deferred outflows of resources (net of \$357,343 reported in Internal Service Funds)	8,212,992
OPEB related deferred inflows of resources (net of \$639,958 reported in Internal Service Funds)	(14,708,462)
Lease and subscription liabilities	(638,476)
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 \$3,351,514 allocated to business-type activities).	
	(7,419,819)
Revenues earned but not available to pay for current expenditures for governmental funds are unavailable.	4,396,456
<b>Net Position of Governmental Activities</b>	<b>218,613,499</b>

See accompanying Notes to the Basic Financial Statements.

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

	Major Funds		
	General	Culver City Housing Authority	Capital Improvement and Acquisition
<b>REVENUES:</b>			
Taxes	\$ 116,350,104	\$ -	\$ -
Licenses and permits	4,010,256	-	-
Fines and forfeitures	5,290,389	-	-
Intergovernmental	8,055,497	-	1,193,376
Charges for services	10,949,213	-	-
Investment earnings	4,366,286	432,608	445,624
Miscellaneous	1,793,616	5,000	-
<b>Total revenues</b>	<b>150,815,362</b>	<b>437,608</b>	<b>1,639,000</b>
<b>EXPENDITURES:</b>			
Current:			
General government	17,840,175	-	-
Parks, recreation, and community services	10,241,805	-	-
Police	50,091,619	-	-
Fire	30,959,964	-	-
Community development	10,244,598	896,580	-
Public works	14,996,165	-	253,723
Transportation	-	-	-
Capital outlay	506,355	7,300,000	4,370,607
Debt service			
Principal payments	267,928	-	-
Interest	2,258	-	-
<b>Total expenditures</b>	<b>135,150,867</b>	<b>8,196,580</b>	<b>4,624,330</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>15,664,494</b>	<b>(7,758,972)</b>	<b>(2,985,330)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	3,423,930	-	6,922,389
Transfers out	(8,922,389)	(1,123,930)	-
Proceeds from SBITA financing	267,928	-	-
Proceeds from sale of property	-	-	-
<b>Total other financing sources (uses)</b>	<b>(5,230,531)</b>	<b>(1,123,930)</b>	<b>6,922,389</b>
<b>CHANGES IN FUND BALANCES</b>	<b>10,433,963</b>	<b>(8,882,902)</b>	<b>3,937,059</b>
<b>FUND BALANCES:</b>			
Beginning of year, as previously reported	142,956,654	37,105,277	4,303,809
Prior period adjustment	-	2,356,190	-
Beginning of year, as restated	142,956,654	39,461,467	4,303,809
End of year	<b>\$ 153,390,617</b>	<b>\$ 30,578,565</b>	<b>\$ 8,240,868</b>

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Governmental Funds**  
**Year Ended June 30, 2023**

	<u>Major Funds</u>		Total Governmental Funds
	<u>Capital Improvement Grants</u>	<u>Total Nonmajor Governmental Funds</u>	
<b>REVENUES:</b>			
Taxes	\$ -	\$ -	116,350,104
Licenses and permits	-	905,823	4,916,079
Fines and forfeitures	-	-	5,290,389
Intergovernmental	5,806,463	16,114,613	31,169,950
Charges for services	-	6,412,883	17,362,096
Investment earnings	163,306	614,692	6,022,516
Miscellaneous	-	788,841	2,587,457
<b>Total revenues</b>	<u>5,969,769</u>	<u>24,836,852</u>	<u>183,698,592</u>
<b>EXPENDITURES:</b>			
Current:			
General government	-	533,274	18,373,449
Parks, recreation, and community services	-	126,221	10,368,026
Police	-	471,902	50,563,521
Fire	-	845,972	31,805,936
Community development	-	5,157,457	16,298,635
Public works	-	212,468	15,462,356
Transportation	-	418,568	418,568
Capital outlay	30,533,824	2,146,406	44,857,191
Debt service			
Principal payments	-	-	267,928
Interest	-	-	2,258
<b>Total expenditures</b>	<u>30,533,824</u>	<u>9,912,268</u>	<u>188,417,869</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(24,564,054)</u>	<u>14,924,584</u>	<u>(4,719,277)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	340,616	10,686,935
Transfers out	-	(3,957,824)	(14,004,143)
Proceeds from SBITA financing	-	829,825	1,097,753
Proceeds from sale of property	-	4,020	4,020
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(2,783,363)</u>	<u>(2,215,435)</u>
<b>CHANGES IN FUND BALANCES</b>	<u>(24,564,054)</u>	<u>12,141,221</u>	<u>(6,934,712)</u>
<b>FUND BALANCES:</b>			
Beginning of year, as previously reported	21,295,343	53,324,946	258,986,029
Prior period adjustment	-	126,950	2,483,140
Beginning of year, as restated	<u>21,295,343</u>	<u>53,451,896</u>	<u>261,469,169</u>
End of year	<u>\$ (3,268,711)</u>	<u>\$ 65,593,117</u>	<u>\$ 254,534,457</u>

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances to the Government-Wide Statement of Net Position**  
**Year Ended June 30, 2023**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (6,934,712)

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, net of \$89,844 net capital assets disposal 43,931,419

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. (7,687,214)

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. (1,551,152)

Proceeds from SBITA financing provide current financial resources to governmental funds, but issuing lease and subscription liabilities increase long-term liabilities in the Statement of Net Position. Repayment of lease and subscription liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. (638,476)

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 4,912,281  
    Pension expense (4,168,706)

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. (1,429,832)

Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year. (84,182)

**Change in Net Position of Governmental Activities** \$ 26,349,424

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**PROPRIETARY FUND  
FINANCIAL STATEMENTS**

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## PROPRIETARY FUNDS

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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, 2023**

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 7,647,306	\$ 13,704,755	\$ 24,206,969	\$ -	\$ 45,559,030
Accounts receivables, net	1,571,916	234,469	3,416	181,713	1,991,513
Interest receivables	38,023	60,935	125,118	-	224,076
Due from other funds	-	-	-	-	-
Due from other governments	122,283	2,681,665	142,128	-	2,946,076
Inventory	-	-	-	-	-
Total current assets	<u>9,379,528</u>	<u>16,681,824</u>	<u>24,477,631</u>	<u>181,713</u>	<u>50,720,696</u>
Noncurrent assets:					
Cash and investments with fiscal agent	-	-	4	-	4
Notes receivables, net	-	-	-	-	-
Lease receivables	-	-	-	98,591	98,591
Capital assets:					
Not being depreciated	385,569	7,260,717	2,061,697	2,310,950	12,018,932
Being depreciated	9,449,239	74,214,457	87,836,310	11,508,688	183,008,693
Less accumulated depreciation	<u>(7,349,035)</u>	<u>(44,747,493)</u>	<u>(43,276,594)</u>	<u>(1,417,693)</u>	<u>(96,790,814)</u>
Total capital assets, net	<u>2,485,774</u>	<u>36,727,680</u>	<u>46,621,413</u>	<u>12,401,945</u>	<u>98,236,812</u>
Total noncurrent assets	<u>2,485,774</u>	<u>36,727,680</u>	<u>46,621,417</u>	<u>12,500,536</u>	<u>98,335,406</u>
<b>Total assets</b>	<u>11,865,302</u>	<u>53,409,504</u>	<u>71,099,047</u>	<u>12,682,249</u>	<u>149,056,102</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related amounts	2,469,238	7,059,049	568,725	-	10,097,011
Other postemployment benefits related amounts	<u>461,692</u>	<u>768,830</u>	<u>43,314</u>	<u>-</u>	<u>1,273,836</u>
<b>Total deferred outflows of resources</b>	<u>2,930,930</u>	<u>7,827,879</u>	<u>612,039</u>	<u>-</u>	<u>11,370,847</u>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City  
Statement of Net Position (Continued)  
Proprietary Funds  
June 30, 2023**

	Governmental Activities
	Internal Service Funds
<b>ASSETS</b>	
Current assets:	
Cash and investments	\$ 19,313,869
Accounts receivables, net	37,689
Interest receivables	85,400
Due from other funds	84
Due from other governments	37
Inventories	773,861
Total current assets	20,210,939
Noncurrent assets:	
Cash and investments with fiscal agent	-
Notes receivables, net	-
Lease receivables	-
Capital assets:	
Not being depreciated	77,551
Being depreciated	28,125,694
Less accumulated depreciation	(22,587,435)
Total capital assets, net	5,615,809
Total noncurrent assets	5,615,809
<b>Total assets</b>	<b>25,826,749</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related amounts	2,926,503
Other postemployment benefits related amounts	357,343
<b>Total deferred outflows of resources</b>	<b>3,283,846</b>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2023**

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	\$ 661,682	\$ 702,495	\$ 407,765	\$ 537,258	\$ 2,309,200
Salaries and benefits payable	211,201	614,282	43,495	-	868,979
Due to other funds	-	-	-	1,866,173	1,866,173
Interest payable	-	-	259,983	-	259,983
Deposits payable	303,750	-	-	202,220	505,970
Retention payable	-	7,337	18,869	-	26,206
Unearned revenue	55	2,171,141	-	3,071,088	5,242,284
Lease and subscription liabilities	197,182	69,842	-	-	267,024
Compensated absences, due within one year	187,049	242,143	66,811	-	496,003
Claims payable, due within one year	-	-	-	-	-
Revenue bonds payable, due within one year	-	-	850,000	-	850,000
Total current liabilities	<u>1,560,919</u>	<u>3,807,240</u>	<u>1,646,924</u>	<u>5,676,738</u>	<u>12,691,822</u>
Noncurrent liabilities:					
Advances from other funds	-	-	-	15,024,242	15,024,242
Lease and subscription liabilities, due in more than one year	173,567	75,150	-	-	248,717
Compensated absences, due in more than one year	144,102	583,568	11,777	-	739,447
Claims payable, due in more than one year	-	-	-	-	-
Revenue bonds payable, due in more than one year	-	-	19,695,982	-	19,695,982
Net pension liabilities	9,516,516	27,205,777	2,191,882	-	38,914,176
Net other postemployment benefits liabilities	2,822,035	4,699,381	264,754	-	7,786,170
Total noncurrent liabilities	<u>12,656,219</u>	<u>32,563,876</u>	<u>22,164,396</u>	<u>15,024,242</u>	<u>82,408,734</u>
<b>Total liabilities</b>	<u>14,217,138</u>	<u>36,371,117</u>	<u>23,811,320</u>	<u>20,700,981</u>	<u>95,100,556</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related amounts	225,290	644,056	51,890	-	921,236
Other postemployment benefits related amounts	826,833	1,376,880	77,571	-	2,281,284
Leases	-	-	-	95,709	95,709
<b>Total deferred inflows of resources</b>	<u>1,052,123</u>	<u>2,020,936</u>	<u>129,461</u>	<u>95,709</u>	<u>3,298,229</u>
<b>NET POSITION</b>					
Net investment in capital assets	2,115,025	36,575,352	26,056,561	12,401,945	77,148,882
Restricted for debt service	-	-	4	-	4
Unrestricted (Deficit)	(2,588,055)	(13,730,022)	21,713,741	(20,516,388)	(15,120,722)
<b>Total net position</b>	<u>\$ (473,030)</u>	<u>\$ 22,845,330</u>	<u>\$ 47,770,306</u>	<u>\$ (8,114,443)</u>	<u>\$ 62,028,164</u>
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities					<u>(3,351,514)</u>
Net position of business-type activities					<u>\$ 58,676,650</u>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2023**

	Governmental Activities
	Internal Service Funds
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 857,921
Salaries and benefits payable	239,190
Due to other funds	3,957,761
Interest payable	-
Deposits payable	-
Retention payable	-
Unearned revenue	-
Lease and subscription liabilities	-
Compensated absences, due within one year	175,008
Claims payable, due within one year	4,848,404
Revenue bonds payable, due within one year	-
Total current liabilities	10,078,284
Noncurrent liabilities:	
Advances from other funds	-
Lease liabilities, due in more than one year	-
Compensated absences, due in more than one year	304,704
Claims payable, due in more than one year	15,128,922
Revenue bonds payable, due in more than one year	-
Net pension liabilities	11,278,832
Net other postemployment benefits liabilities	2,184,220
Total noncurrent liabilities	28,896,678
<b>Total liabilities</b>	<b>38,974,962</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related amounts	267,009
Other postemployment benefits related amounts	639,958
<b>Total deferred inflows of resources</b>	<b>906,967</b>
<b>NET POSITION</b>	
Net investment in capital assets	5,615,809
Restricted for debt service	-
Unrestricted (Deficit)	(16,387,144)
<b>Total net position</b>	<b>\$ (10,771,334)</b>

(Concluded)

See accompanying Notes to the Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 20,211,682	\$ 1,674,020	\$ 8,956,852	\$ 1,986,138	\$ 32,828,693
Other	1,991	398,683	-	449,068	849,742
<b>Total operating revenues</b>	<b>20,213,673</b>	<b>2,072,703</b>	<b>8,956,852</b>	<b>2,435,207</b>	<b>33,678,435</b>
<b>OPERATING EXPENSES:</b>					
Salaries and benefits	6,192,609	16,963,342	1,396,365	-	24,552,316
Supplies	246,852	513,939	2,598,839	-	3,359,630
Repairs and maintenance	2,929,962	5,410,150	500,957	54,921	8,895,990
Insurance	318,638	607,882	74,694	-	1,001,214
Claims and settlements	-	-	-	-	-
Administrative services	2,126,461	2,899,995	714,010	-	5,740,466
Rent and lease expenses	66,682	-	360,000	-	426,682
Consulting and contractual services	5,338,447	933,730	927,824	1,731,796	8,931,798
Depreciation and amortization	397,976	4,204,427	2,396,923	232,437	7,231,763
<b>Total operating expenses</b>	<b>17,617,628</b>	<b>31,533,465</b>	<b>8,969,612</b>	<b>2,019,154</b>	<b>60,139,860</b>
<b>OPERATING INCOME (LOSS)</b>	<b>2,596,045</b>	<b>(29,460,762)</b>	<b>(12,760)</b>	<b>416,052</b>	<b>(26,461,424)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Interest expense	(14,172)	(1,020)	(668,711)	(299,826)	(983,729)
Investment earnings	25,269	54,753	251,017	7,243	338,282
Intergovernmental	31,606	28,882,999	81	-	28,914,686
Measure R sales tax	-	-	-	-	-
Gain (loss) on sales of property	-	2,208	-	-	2,208
Debt Service	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total nonoperating revenues (expenses)</b>	<b>42,703</b>	<b>28,938,940</b>	<b>(417,613)</b>	<b>(292,583)</b>	<b>28,271,447</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>2,638,748</b>	<b>(521,822)</b>	<b>(430,373)</b>	<b>123,469</b>	<b>1,810,023</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>					
Capital contributions	-	928,162	-	-	928,162
Transfers in	-	1,676,290	-	-	1,676,290
Transfers out	-	(359,082)	-	-	(359,082)
<b>Total contributions and transfers</b>	<b>-</b>	<b>2,245,370</b>	<b>-</b>	<b>-</b>	<b>2,245,370</b>
<b>Changes in net position</b>	<b>2,638,748</b>	<b>1,723,548</b>	<b>(430,373)</b>	<b>123,469</b>	<b>4,055,393</b>
<b>NET POSITION:</b>					
Beginning of year	(3,111,778)	21,121,782	48,200,679	(8,237,912)	57,972,771
End of year	\$ (473,030)	\$ 22,845,330	\$ 47,770,306	\$ (8,114,443)	\$ 62,028,164
Adjustment to reflect the consolidation of internal service funds activities related to business-type activities					(642,389)
<b>Changes in net position of business-type activities</b>					<b>\$ 3,413,004</b>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Revenues, Expenses, and Changes in Net Position (Continued)**  
**Proprietary Funds**  
**Year Ended June 30, 2023**

	Governmental Activities
	Internal Service Funds
<b>OPERATING REVENUES:</b>	
Charges for services	\$ 24,870,189
Other	100,689
<b>Total operating revenues</b>	<b>24,970,878</b>
<b>OPERATING EXPENSES:</b>	
Salaries and benefits	6,800,069
Supplies	2,981,470
Repairs and maintenance	4,395,529
Insurance	3,775,027
Claims and settlements	8,035,132
Administrative services	-
Rent and lease expenses	-
Consulting and contractual services	995,005
Depreciation and amortization	2,147,597
<b>Total operating expenses</b>	<b>29,129,829</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(4,158,952)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>	
Interest expense	-
Investment earnings	56,375
Intergovernmental	121
Measure R sales Tax	-
Gain (loss) on sales of property	30,235
<b>Total nonoperating revenues (expenses)</b>	<b>86,730</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(4,072,222)</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>	
Capital contributions	-
Transfers in	2,000,000
Transfers out	-
<b>Total contributions and transfers</b>	<b>2,000,000</b>
<b>Changes in net position</b>	<b>(2,072,222)</b>
<b>NET POSITION:</b>	
Beginning of year	(8,699,112)
End of year	<b>\$ (10,771,334)</b>

(Concluded)

See accompanying Notes to the Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from customers and users	\$ 20,190,452	\$ 1,612,065	\$ 8,959,088	\$ 2,157,948	\$ 32,919,553
Receipts from user departments	-	-	-	-	-
Grants received (Paid to other funds)	77,284	29,499,091	176,430	-	29,752,805
Payments to suppliers	(10,843,090)	(10,492,441)	(5,328,404)	(1,418,124)	(28,082,059)
Payments to employees	(6,593,708)	(17,557,841)	(1,409,551)	-	(25,561,100)
<b>Net cash provided by (used in) operating activities</b>	<b>2,830,938</b>	<b>3,060,874</b>	<b>2,397,562</b>	<b>739,824</b>	<b>9,029,198</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITY:</b>					
Cash received from (paid to) other funds	-	1,317,207	-	(869,860)	447,347
<b>Net cash provided by noncapital financing activities</b>	<b>-</b>	<b>1,317,207</b>	<b>-</b>	<b>(869,860)</b>	<b>447,347</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital grants received	-	928,162	-	-	928,162
Acquisition of capital assets	(7,950)	(1,951,598)	(480,671)	(169,712)	(2,609,931)
Advances from other funds	-	-	-	299,826	299,826
Proceeds from sales of capital assets	145,127	2,208	-	-	147,335
Payment of Lease	(185,468)	(68,748)	-	-	(254,216)
Interest paid	(14,172)	(1,020)	(801,975)	(299,826)	(1,116,993)
Principal paid on revenue bonds	-	-	(805,000)	-	(805,000)
<b>Net cash used in capital and related financing activities</b>	<b>(62,463)</b>	<b>(1,090,996)</b>	<b>(2,087,646)</b>	<b>(169,712)</b>	<b>(3,410,817)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY:</b>					
Interest received (investment losses)	1,358	23,223	192,475	8,472	225,528
<b>Cash provided by (used in) investing activity</b>	<b>1,358</b>	<b>23,223</b>	<b>192,475</b>	<b>8,472</b>	<b>225,528</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,769,833</b>	<b>3,310,308</b>	<b>502,391</b>	<b>(291,276)</b>	<b>6,291,256</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Beginning of year	4,877,473	10,394,447	23,704,582	291,276	39,267,778
End of year	<u>\$ 7,647,306</u>	<u>\$ 13,704,755</u>	<u>\$ 24,206,973</u>	<u>0</u>	<u>\$ 45,559,034</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:</b>					
Cash and investments	\$ 7,647,306	\$ 13,704,755	\$ 24,206,969	\$ -	\$ 45,559,030
Cash and investments held with fiscal agent	-	-	4	-	4
<b>Total</b>	<u>\$ 7,647,306</u>	<u>\$ 13,704,755</u>	<u>\$ 24,206,973</u>	<u>\$ -</u>	<u>\$ 45,559,034</u>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**Year Ended June 30, 2023**

	Governmental Activities
	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from customers and users	\$ 100,693
Receipts from user departments	24,842,814
Grants received (Paid to other funds)	-
Payments to suppliers	(16,094,291)
Payments to employees	(7,134,573)
<b>Net cash provided by (used in) operating activities</b>	<b>1,714,643</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Cash to other funds	3,247,215
<b>Net cash provided (used in) by noncapital financing activities</b>	<b>3,247,215</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Capital grants received	121
Acquisition of capital assets	(894,612)
Advances from other funds	-
Proceeds from sales of capital assets	35,446
Payment of Lease	-
Interest paid	-
Principal paid on revenue bonds	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(859,046)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest received (investment losses)	(1,565)
<b>Cash provided by (used in) investing activity</b>	<b>(1,565)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4,101,248</b>
<b>CASH AND CASH EQUIVALENTS:</b>	
Beginning of year	15,212,620
End of year	<b>\$ 19,313,869</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:</b>	
Cash and investments	\$ 19,313,869
Cash and investments held with fiscal agent	-
<b>Total</b>	<b>\$ 19,313,869</b>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ 2,596,045	\$(29,460,762)	\$ (12,760)	\$ 416,052	\$(26,461,424)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	397,976	4,204,427	2,396,923	232,437	7,231,763
(Increase) decrease in:					
Accounts receivable	(73,221)	(109,357)	2,236	(18,642)	(198,984)
Leases receivables	-	-	-	149,455	149,455
Customer deposits	50,000	-	-	(0)	50,000
Inventory	-	-	-	-	-
Unearned revenue	-	(351,282)	-	(259,121)	(610,403)
Deferred outflows of resources - pensions	(1,778,567)	(5,084,561)	(409,647)	-	(7,272,774)
Deferred outflows of resources - OPEB	231,948	386,250	21,761	-	639,959
Increase (decrease) in:					
Accounts payable	183,953	(127,988)	(170,949)	368,593	253,609
Due from other governments	77,284	29,499,091	176,430	-	29,752,805
Salaries and benefits payable	20,043	91,171	12,952	-	124,167
Retention payable	-	1,243	18,869	-	20,112
Compensated absences	(128,036)	(177,329)	3,674	-	(301,691)
Net pension liabilities	3,858,171	11,029,723	888,629	-	15,776,524
Net other postemployment benefits liabilities	(129,947)	(216,393)	(12,191)	-	(358,531)
Deferred inflows of resources - pensions	(2,096,567)	(5,993,659)	(482,889)	-	(8,573,115)
Deferred inflows of resources - OPEB	(378,144)	(629,703)	(35,476)	-	(1,043,323)
Deferred inflows of resources - Leases	-	-	-	(148,951)	(148,951)
Claims payable	-	-	-	-	-
<b>Total adjustments</b>	<u>(163,083)</u>	<u>28,317,208</u>	<u>13,399</u>	<u>91,334</u>	<u>28,258,859</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 2,830,938</u>	<u>\$ 3,060,874</u>	<u>\$ 2,397,562</u>	<u>\$ 739,824</u>	<u>\$ 9,029,198</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Accrued interest on advances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 299,826</u>	<u>\$ 299,826</u>

(Continued)

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**Year Ended June 30, 2023**

	Governmental Activities
	Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (4,158,952)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation and amortization	2,147,597
(Increase) decrease in:	
Accounts receivable	(27,375)
Leases receivables	-
Customer deposits	-
Inventories	(18,947)
Unearned revenue	-
Deferred outflows of resources - pensions	(2,107,931)
Deferred outflows of resources - OPEB	179,526
Increase (decrease) in:	
Accounts payable	188,668
Due from other governments	-
Salaries and benefits payable	15,435
Retention payable	-
Compensated absences	(116,103)
Net pension liabilities	4,572,646
Net other postemployment benefits liabilities	(100,577)
Deferred inflows of resources - pensions	(2,484,821)
Deferred inflows of resources - OPEB	(292,679)
Deferred inflows of resources - Leases	
Claims payable	3,918,155
<b>Total adjustments</b>	<b>3,725,998</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,714,643</b>
<b>NONCASH NONCAPITAL FINANCING ACTIVITIES</b>	
Accrued interest on advances	\$ -
	(Concluded)

See accompanying Notes to the Basic Financial Statements.

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# FIDUCIARY FUND FINANCIAL STATEMENTS

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

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

*Custodial Funds* - To account for assets held by the City as an agent for individuals, private organizations, other government units, and/or other funds.

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

	Private Purpose Trust Fund	OPEB Trust Plan	Custodial Funds
<b>ASSETS</b>			
Cash and investments	\$ 4,359,293	\$ -	\$ 320,096
Cash and investments held with fiscal agent	14,448,684	-	-
Restricted cash held with OPEB Trust	-	278,108	-
Restricted investments held with OPEB Trust	-	60,921,674	-
Interest receivables	7,757	-	1,428
Prepaid items	9,866	-	-
Due from City of Culver City	1,397,864	-	251,417
Due from other governments	-	-	55,797
Notes receivables, net	675,791	-	-
Capital assets:	-	-	-
Not being depreciated	8,036,229	-	-
Being depreciated, net	4,347,669	-	-
<b>Total assets</b>	<b>33,283,153</b>	<b>61,199,782</b>	<b>628,738</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on refunding, net	161,420	-	-
<b>Total deferred loss on refunding</b>	<b>161,420</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>			
Accounts payable	(46,870)	-	58,973
Salaries and benefits payable	(17)	-	-
Deposits payable	-	-	-
Interest payable	354,417	-	-
Due to Culver City Housing Authority	-	-	-
Due to City of Culver City	-	-	382,790
Unearned revenue	-	-	375
Bonds payable, due within one year	12,438,995	-	-
Bonds payable, due more than one year	41,668,108	-	-
<b>Total liabilities</b>	<b>54,414,633</b>	<b>-</b>	<b>442,138</b>
<b>NET POSITION (DEFICIT)</b>			
Restricted for the dissolution of the former Redevelopment Agency	<u>\$ (20,970,060)</u>		
Restricted for other governments, organizations and individuals			<u>\$ 186,600</u>
Restricted for OPEB		<u>\$ 61,199,782</u>	

See accompanying Notes to the Basic Financial Statements.

**City of Culver City**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Year Ended June 30, 2023**

	Private Purpose Trust Fund	OPEB Trust Plan	Custodial Funds
<b>ADDITIONS</b>			
Redevelopment property taxes trust funds	\$ 14,933,813	\$ -	\$ -
Contributions	-	6,645,802	493,271
Charges for services	-	-	158,000
Investment earnings:			
Interest	402,862	30,617	3,002
Dividend	-	1,654,054	-
Net appreciation (depreciation) in fair value of investments	(2,488)	3,477,003	(5,587)
<b>Total additions</b>	<u>15,334,187</u>	<u>11,807,476</u>	<u>648,686</u>
<b>DEDUCTIONS</b>			
Benefit payments	-	6,626,279	-
General and administrative	794,809	35,229	637,057
Payments to organizations and individuals	-	-	20,000
Depreciation	138,902	-	-
Interest expense	1,258,897	-	-
<b>Total deductions</b>	<u>2,192,608</u>	<u>6,661,508</u>	<u>657,057</u>
<b>Change in net position</b>	13,141,579	5,145,968	(8,371)
<b>NET POSITION</b>			
Beginning of year	(33,908,660)	56,053,814	194,971
Prior period adjustment	(202,979)	-	-
Beginning of year, as restated	<u>(34,111,639)</u>	<u>56,053,814</u>	<u>194,971</u>
End of year	<u>\$ (20,970,060)</u>	<u>\$ 61,199,782</u>	<u>\$ 186,600</u>

See accompanying Notes to the Basic Financial Statements.

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# Basic Financial Statements

NOTES TO THE BASIC FINANCIAL STATEMENTS





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# **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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**City of Culver City**  
**Index to the Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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	<u>PAGE</u>
<b>Note 1: Summary of Significant Accounting Policies</b>	56
A. Reporting Entity	56
B. Basis of Accounting and Measurement Focus	57
C. Fund Classifications	62
D. Cash and Investments	63
E. Cash Equivalents	63
F. Fair Value Measurement	63
G. Inventories	63
H. Interfund Transactions	64
I. Capital Assets	64
J. Interest Payable	64
K. Unearned Revenue	65
L. Deferred Outflows and Inflows of Resources	65
M. Long-Term Debt	65
N. Pension Plans	65
O. Other Postemployment Benefits (OPEB)	66
P. Employee Leave Benefits	67
Q. Claims and Judgments	67
R. Property Taxes	67
S. Net Position	68
T. Fund Balances	68
U. Spending Policy	71
V. Use of Estimates	71
W. Implementation of New Accounting Pronouncements	72
<b>Note 2: Stewardship, Compliance, and Accountability</b>	73
A. Deficit Fund Balances/Net Position	73
B. Excess of Expenditures Over Appropriations by Department in Individual Funds	74
C. Encumbrances	75
<b>Note 3: Cash and Investments</b>	75
<b>Note 4: Interfund Balances</b>	81
A. Internal Balances	81
B. Due From and To Other Funds	81
C. Advances To and From Other Funds	82
D. Transfers In and Out	82

**City of Culver City**  
**Index to the Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

---

	<u>PAGE</u>
<b>Note 5: Notes Receivables</b>	84
A. Culver City Mobile Home Owners, Inc.	84
B. MAP Loans	85
C. Tilden Terrace - Residential	85
D. Home Ownership Made Easy	85
E. Exceptional Children’s Foundation ERAS Loans	85
F. Exceptional Children’s Foundation Westside Opportunity Workshop	85
G. Habitat For Humanity of Greater Los Angeles	86
H. Tilden Terrace - Commercial	86
I. Community Development Block Grant	86
J. Menorah Senior Housing	86
<b>Note 6: Lease Receivables</b>	86
<b>Note 7: Capital Assets</b>	88
A. Governmental Activities	88
B. Business-Type Activities	89
<b>Note 8: Long-term Liabilities</b>	90
A. Governmental Activities	90
B. Business-Type Activities	90
C. Lease and SBITA Liabilities	90
<b>Note 9: Bonds Payable</b>	92
<b>Note 10: Claims and Judgments</b>	93
<b>Note 11: Pension Plans</b>	94
A. California Public Employees’ Retirement System (“CalPERS”)	94
B. Public Agency Retirement Services (“PARS”)	104
<b>Note 12: Other Postemployment Benefits (“OPEB”)</b>	105
<b>Note 13: Deferred Compensation Plan</b>	111
<b>Note 14: Contingencies</b>	111

**City of Culver City**  
**Index to the Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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	<u>PAGE</u>
<b>Note 15: Classification of Fund Balances</b>	112
<b>Note 16: Prior Period Adjustment</b>	113
<b>Note 17: Subsequent Events</b>	113
<b>Note 18: Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency</b>	113
<b>Note 19: Governmental Accounting Standards Board (GASB) Statements Issued, Not Yet Effective</b>	118

**City of Culver City**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2023**

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**Note 1 – Summary of Significant Accounting Policies**

The basic financial statements of the City of Culver City, California (the “City”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

**A. Reporting Entity**

The City 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 activities of the City and its component units, the Culver City Housing Authority, 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 the City.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**A. Reporting Entity (Continued)**

Blended Component Units (Continued)

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

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

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

**B. Basis of Accounting and Measurement Focus**

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

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

Government-wide Financial Statements

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

Government-wide Financial Statements (Continued)

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.

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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

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.

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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

Governmental Funds (Continued)

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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

Proprietary Funds (Continued)

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

Fiduciary Funds

Fiduciary fund financial statements include a statement of net position and a statement of changes in fiduciary net position. The City's fiduciary funds are composed of the custodial funds, private purpose trust fund, and the OPEB trust plan fund. The custodial funds, the private purpose trust fund, and the OPEB trust plan fund 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 the disposition of real property held by the Agency and payment of enforceable obligations.

➤ OPEB Trust Plan Fund

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

➤ Custodial Funds

Custodial 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. A custodial fund such as Treasurer's Trust is used to account for certain funds 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 custodial funds are accounted for on the full accrual basis of accounting.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**C. Fund Classifications**

The City reports the following major governmental funds:

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

The City reports the following major enterprise funds:

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**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.

**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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**H. Interfund Transactions**

Activities 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 Government-Wide Financial Statements 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
Improvement other than buildings and infrastructure	20 years
Refuse transfer station	50 years
Furniture and fixtures	3-5 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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**K. Unearned Revenue**

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

**L. Deferred Outflows and Inflows of Resources**

The City reports deferred outflows and inflows of resources. A deferred outflow of resources represents a consumption of net assets that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net assets 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 11). 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:

Pension Plan Valuation

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**N. Pension Plans (Continued)**

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

**O. Other Postemployment Benefits (“OPEB”)**

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

The following timeframes are used for pension reporting:

<u>OPEB Plan Valuation</u>	
Valuation Date	June 30, 2021
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**P. Employee Leave Benefits**

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

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

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

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

**Q. Claims and Judgments**

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

**R. Property Taxes**

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**R. Property Taxes (Continued)**

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, 2023**

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**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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**T. Fund Balances (Continued)**

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

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

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**T. Fund Balances (Continued)**

*Financial Reserves Policy (Continued)*

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

**U. Spending Policy**

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

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

**V. Use of Estimates**

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**W. Implementation of New Accounting Pronouncements**

During the fiscal year ended June 30, 2023, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

*GASB 96, Subscription-Based Information Technology Arrangements (SBITA)*

During the fiscal year ended June 30, 2023, the City implemented GASB Statement No. 96 – Subscription-Based Information Technology Arrangements (SBITA). The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. This Statement establishes standards of accounting and financial reporting for SBITAs by a government end user (a government). The requirements of this Statement apply to the financial statement of all state and local governments.

Under this Statement, a government is required to recognize a SBITA liability and an intangible right-of-use SBITA asset. The implementation of this new accounting standard resulted in recognition of SBITA liability and SBITA asset in the City’s June 30, 2023 financial statements. See also Notes 5 and 8.

*GASB 94, Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)*

This Statement establishes the definitions of PPPs and APAs and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. A PPP is an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. An APA is an arrangement in which a government compensates an operator for activities that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The implementation of this new accounting standard did not have an impact on the City’s financial statements.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 2 – Stewardship, Compliance, and Accountability**

**A. Deficit Fund Balances/Net Position**

As of June 30, 2023, (deficit) fund balances/net position were reported in the following funds:

<b>Major Governmental Funds:</b>	
Capital Improvement Grants	(3,268,711)
<b>Major Proprietary Funds:</b>	
Refuse Disposal Fund	(473,030)
Municipal Fiber Network Fund	(8,114,443)
<b>Nonmajor Governmental Funds:</b>	
Paratransit Grant	(79,674)
<b>Internal Service Funds:</b>	
Equipment Maintenance Fund	(13,395,455)
Risk Management Fund	(13,523,765)
<b>Fiduciary Fund:</b>	
Private Purpose Trust Fund	(20,970,060)

The material deficits are expected to be eliminated as follows:

Capital Improvement Grants – The deficit will be eliminated after grant reimbursements are received past the available period and when unavailable revenue is recognized as revenue.

Refuse Disposal Fund – The deficit is due to inclusion of the net pension liability and net OPEB liability totaling \$12,398,551. The City will develop a plan to reduce the 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 the City’s fiber infrastructure to serve the business community. The City is expecting that this will generate revenue for them and allow them to operate with surplus soon.

Paratransit Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue is 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 the inclusion of the net pension liability and net OPEB liability totaling \$10,799,997.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

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 \$19,977,326. 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 is distributed to the City’s Successor Agency.

The City also had a deficit unrestricted net position for governmental activities and business-type activities at June 30, 2023 in the amount of (\$145,638,894) and (\$18,472,236), 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, 2023 were \$253,979,307 and \$38,914,176, respectively. The net other postemployment benefits liabilities for governmental activities and business-type activities at June 30, 2023 were \$52,385,162 and \$7,786,170, respectively.

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

Fund	Expenditures	Appropriations	Excess of Expenditures over Appropriations
<b>Major Governmental Funds:</b>			
General Fund			
Fire	\$ 30,959,964	\$ 30,647,531	\$ (312,433)
<b>Nonmajor Governmental Funds:</b>			
Special Revenue Funds:			
Operating Grants			
Police	248,423	209,478	(38,946)
Parks, recreation, and community services	82,828	-	(82,828)
Transportation	13,528	-	(13,528)
Building Surcharge			
Community development	1,402,076	887,375	(514,701)
Paratransit	405,040	354,507	(50,533)
Transportation			
Community Development Block Grant	43,393	40,000	(3,393)
Parks, recreation, and community services			
Board of State and Community Corrections	158,917	147,756	(11,161)
Police			

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**C. Encumbrances**

Encumbrances are used to assure effective budgetary control and accountability. Encumbrances are estimation of costs related to contracts underperformed and purchase orders not yet filled. Commitments such as contracts unperformed and purchase orders not yet filled at year end are reserved and do not constitute expenditures or estimated liabilities. The total encumbrances for the governmental funds as of June 30, 2023 are as follows:

General Fund	\$ 6,765,186
Culver City Housing Authority	144,468
Capital Improvement and Acquisition	3,106,886
Capital Improvement Grant	1,339,867
Nonmajor governmental fund	4,196,116
	<u>\$ 15,552,523</u>

**Note 3 – Cash and Investments**

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

	Government-Wide Financial Statement			Total
	Governmental Activities	Business-Type Activities	Fiduciary Funds	
Cash and investments	\$ 202,216,700	\$ 45,559,030	\$ 4,679,389	\$ 252,455,119
Cash and investments held with fiscal agents and trustee	-	4	14,448,684	14,448,688
Restricted cash and investments held by OPEB Trust	-	-	61,199,782	61,199,782
Restricted investments held by Pension Trust	29,638,414	-	-	29,638,414
<b>Total cash and investments</b>	<u>\$ 231,855,114</u>	<u>\$ 45,559,034</u>	<u>\$ 80,327,855</u>	<u>\$ 357,742,003</u>

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

Cash:	
Petty cash	\$ 4,550
Demand deposits	26,419,732
Total cash	26,424,282
OPEB Mutual Funds	278,106
Investments	331,039,615
<b>Total</b>	<u>\$ 357,742,003</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 3 – Cash and Investments (Continued)**

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

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

<u>Investment Types Authorized by State Law</u>	<u>Authorized by Investment Policy</u>	<u>Maximum Maturity*</u>	<u>Maximum Percentage of Portfolio*</u>	<u>Maximum Investment In One Issuer</u>
Local agency bonds	Yes	3-5 years	30%	5%
U.S. treasury obligations	Yes	5 Years	N/A	No Limit
U.S. government sponsored enterprise securities	Yes	5 Years	N/A	30%
Banker's acceptances	Yes	180 days	25%	5%
Commercial paper	Yes	270 days	25%	5%
Repurchase agreements	Yes	75 days	25%	No Limit
Reverse repurchase agreements	Yes	75 days	15%	No Limit
Corporate medium-term notes	Yes	3-5 years	30%	5%
Money market mutual funds	Yes	N/A	20%	10%
Local agency investment fund ("LAIF")	Yes	N/A	N/A	\$75 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, 2023**

**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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
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, 2023, 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, 2023:

<u>Investment Type</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>	<u>Investments not subject to the measurement inputs</u>	<u>Total</u>
Treasury obligations	\$ -	\$ 66,755,501	\$ -	\$ 66,755,501
State investment pool	-	-	74,389,974	74,389,974
U.S. government sponsored enterprise securities (1)	-	62,701,085	-	62,701,085
Money market mutual funds (1)	-	-	2,699,469	2,699,469
Medium-term notes (1)	-	19,484,808	-	19,484,808
Cash and investment held with fiscal agents:				
Money market mutual funds	-	14,448,688	-	14,448,688
Restricted investments held by Pension and OPEB Trusts:				
Money market mutual funds	-	-	55,537	55,537
OPEB Mutual Funds	278,106	-	-	278,106
Mutual funds	90,504,553	-	-	90,504,553
<b>Total</b>	<u>\$ 90,782,659</u>	<u>\$ 163,390,082</u>	<u>\$ 77,144,980</u>	<u>\$ 331,317,721</u>

(1) Priced based on institutional bond quotes.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 3 – Cash and Investments (Continued)**

**Fair Value Measurement (Continued)**

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

**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	\$ 66,755,501	\$ 18,317,076	\$ 24,466,704	\$ 14,907,353	\$ 2,017,828	\$ 7,046,540
State investment pool	74,389,974	74,389,974	-	-	-	-
U.S. government sponsored enterprise securities	62,701,085	23,345,024	8,170,064	11,750,664	8,614,304	10,821,029
Money market mutual funds	2,699,469	2,699,469	-	-	-	-
Medium-term notes	19,484,808	6,903,705	4,341,125	5,903,984	1,230,736	1,105,258
Cash and investment held with fiscal agents:						
Money market mutual funds	14,448,688	14,448,688	-	-	-	-
Restricted investments held by Pension and OPEB Trusts:						
Money market mutual funds	55,537	55,537	-	-	-	-
OPEB Mutual Funds	278,106	278,106	-	-	-	-
Mutual funds	90,504,553	90,504,553	-	-	-	-
<b>Total</b>	<b>\$ 331,317,721</b>	<b>\$ 230,942,132</b>	<b>\$ 36,977,893</b>	<b>\$ 32,562,001</b>	<b>\$ 11,862,868</b>	<b>\$ 18,972,827</b>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 3 – Cash and Investments (Continued)**

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented on the following page is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Rating as of June 30, 2023					Not Rated
			AAA	AA+	AA	AA-	A	
Treasury obligations	\$ 66,755,501	N/A	\$ -	\$ 66,755,501	\$ -	\$ -	\$ -	\$ -
State investment pool	74,389,974	N/A	-	-	-	-	-	74,389,974
U.S. government sponsored enterprise securities	62,701,085	N/A	-	62,701,085	-	-	-	-
Money market mutual funds	2,699,469	AAA	2,699,469	-	-	-	-	-
Medium-term notes	19,484,808	A	2,932,130	3,202,816	2,940,540	2,056,758	8,352,564	-
Cash and investment held with fiscal agents:								
Money market mutual funds	14,448,688	AAA	14,448,688	-	-	-	-	-
Restricted investments held by Pension and OPEB Trusts:								
Money market mutual funds	55,537	AAA	55,537	-	-	-	-	-
OPEB Mutual Funds	278,106	AAA	278,106	-	-	-	-	-
Mutual funds	90,504,553	AAA	90,504,553	-	-	-	-	-
<b>Total</b>	<b>\$ 331,317,721</b>		<b>\$ 110,918,483</b>	<b>\$ 132,659,402</b>	<b>\$ 2,940,540</b>	<b>\$ 2,056,758</b>	<b>\$ 8,352,564</b>	<b>\$ 74,389,974</b>

**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	\$ 20,676,049	2024-2028	9.15%
Federal Farm Credit Bank	U.S. government sponsored enterprise securities	20,824,031	2023-2028	9.21%
Fannie Mae	U.S. government sponsored enterprise securities	19,155,201	2023-2026	8.47%
Freddie Mac	U.S. government sponsored enterprise securities	2,045,804	2025	0.91%

**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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 3 – Cash and Investments (Continued)**

**Custodial Credit Risk (Continued)**

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, 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, 2023 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, 2023, the City had \$74,389,974 invested in LAIF, which had invested 2.78% 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, 2023.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 3 – Cash and Investments (Continued)**

**Restricted Investments Held by Pension and OPEB Trust**

The City established a Section 115 Post-Employment Trust (the “Trust”) in 2018. The investment was held by the trustee and the trust is irrevocable. As of June 30, 2023, the City reported restricted investments held by the Pension Trust in the amount of \$29,638,414.

The OPEB trust reported a total investment of \$61,199,782 at June 30, 2023. The OPEB Trust Plan is reported as a fiduciary fund.

**Note 4 – Interfund Balances**

**A. Internal Balances**

At June 30, 2023, the City had following internal receivable and payable, which represents internal service charges between the governmental activities and business-type activities:

<b>Internal Receivable</b>	<b>Internal Payable Business-Type Activities</b>
Governmental Activities	\$ <u><u>20,241,929</u></u>

**B. Due From and To Other Funds**

At June 30, 2023, the individual fund interfund receivable payable balances are as follows:

<b>Due to Other Funds</b>	<b>Due From Other Funds</b>				<b>Total</b>
	General Fund	Governmental Funds		Proprietary Funds	
		Revenue Fund	Culver City Housing Authority Special Funds	Nonmajor Governmental Funds	
<b>Governmental Funds:</b>					
General Funds	\$ -	\$ 123,706	\$ -	\$ -	\$ 123,706
Capital Improvement and Acquisitions Funds	-	187,794	-	-	187,794
Capital Improvement Grants	1,775,587	89,879	-	-	1,865,466
Culver City Housing Authority	645,994	-	2,503	-	648,497
Nonmajor Governmental Funds	123,874	82,828	-	84	206,786
<b>Proprietary Funds:</b>					
Municipal Fiber Network	1,866,173	-	-	-	1,866,173
Internal Service Funds	3,957,761	-	-	-	3,957,761
<b>Total</b>	\$ 8,369,389	\$ 484,207	\$ 2,503	\$ 84	\$ 8,856,183

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

Interfund balances are the result of short term borrowing to cover negative cash balances and operating shortages at June 30, 2023 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.

**C. Advances To and From Other Funds**

At June 30, 2023, the individual fund advances to from balances are as follows:

<b>Advances From Other Funds</b>	<b>Advances to Other Funds General Fund</b>
<b>Proprietary Funds:</b>	
Municipal Fiber Network Fund	\$ <u><u>15,024,242</u></u>

At June 30, 2023, the Municipal Fiber Network Fund owes the General Fund \$15,024,242 including accrued interest of \$621,647 to cover the initial construction costs, one year of operating costs and for a number of initial lateral connections.

The advance is structured to allow repayment at the point where revenues exceed operating and depreciation costs. The loan accrues interest at the rates ranging from 1.29% to 2.54%. The advance was increased to cover additional accrued interest of \$299,826.

**D. Transfers In and Out**

Government-Wide Financial Statements

<b>Transfers Out</b>	<b>Transfers In Business-Type Activities</b>
Governmental Activities	\$ <u><u>1,317,208</u></u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

Fund Financial Statements

For the year ended June 30, 2023, transfers in and out consisted of the following:

	Transfers In						Total
	Governmental Funds			Proprietary Fund			
Transfers Out	General Fund	Capital Improvement Grants and Acquisition Fund	Nonmajor Governmental Funds	Municipal Bus Lines Fund	Internal Service		
<b>Governmental Funds:</b>							
General Fund	\$ -	\$ 6,922,389	\$ -	\$ -	\$ 2,000,000		\$ 8,922,389
Culver City Housing Authority Fund	1,123,930	-	-	-	-		1,123,930
Nonmajor Governmental Funds	2,000,000	-	281,534	1,676,290	-		3,957,824
<b>Proprietary Funds:</b>							
Municipal Bus Lines Fund	300,000	-	59,081	-	-		359,081
<b>Total</b>	<u>\$ 3,423,930</u>	<u>\$ 6,922,389</u>	<u>\$ 340,616</u>	<u>\$ 1,676,290</u>	<u>\$ 2,000,000</u>		<u>\$ 14,363,225</u>

- Transfers from Culver City Housing Authority Fund to General Fund in the amount of \$1,123,930 were to support housing administration costs.
- Transfers from General Fund to Capital Improvement Grants Acquisition Fund in the amount of \$6,922,389 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 and Operating Grants Fund in the amount of \$400,000) to General Fund 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 \$281,534, and from Municipal Bus Lines to the General fund of \$300,000 and to Nonmajor governmental funds of \$59,081 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 \$1,676,290 were to pay for eligible transit related expenses.
- Transfers from General Fund to Internal Service Fund in the amount of \$2,000,000 were to fund claims liability in the Risk Management Fund.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 5 – Notes Receivables**

At June 30, 2023, the City had \$20,109,394 including both Governmental Activities and Business-Type Activities in various notes receivable as follows:

<b>Governmental Activities</b>	<u>Amount</u>
General Fund:	
All others under \$200,000 individually	\$ 9,057
Total General Fund	<u>9,057</u>
Culver City Housing Authority Special Revenue Fund:	
Tilden Terrace - Residential	11,805,000
Habitat For Humanity of Greater Los Angeles	3,100,000
Culver City Mobile Home Owners, Inc.	1,223,104
Menorah Senior Housing	1,205,778
MAP Loans	570,740
Exceptional Children's Foundation Westside Opportunity Workshop	387,500
Homeownership Made Easy	412,250
Exceptional Children's Foundation ERAS Loans	305,060
Subtotal	<u>19,009,432</u>
Less: allowance	<u>(2,327,914)</u>
Total Culver City Housing Authority Special Revenue Fund, net	<u>16,681,518</u>
Nonmajor Fund:	
CDBG	23,819
Tilden Terrace - Commercial	3,395,000
Total Nonmajor Fund	<u>3,418,819</u>
<b>Total Governmental Activities</b>	<u>\$ 20,109,394</u>
 <b>Business-Type Activities:</b>	
Other Notes Receivable	\$ 1,195
Less: allowance	<u>(1,195)</u>
Total Sewer Enterprise Fund	<u>-</u>
<b>Total Business-Type Activities</b>	<u>\$ -</u>

**A. Culver City Mobile Home Owners, Inc.**

On December 17, 1990, the former Culver City Redevelopment Agency entered into a promissory note with Culver City Mobile Home Owners, Inc. with a maximum loan amount in the amount of \$880,500 with 7% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note with accrued interest at June 30, 2023 was \$1,223,104.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

**B. MAP Loans**

The Housing Authority provides loan programs to the home owners of the City. The deferred loans are to be repaid upon sales of the home. As of June 30, 2023, all outstanding balances totaled to \$570,740.

**C. Tilden Terrace – Residential**

On February 22, 2012, the former Culver City Redevelopment Agency entered into a promissory note with Tilden Terrace, L.P. in the amount of \$11,805,000 with 3% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note at June 30, 2023 was \$11,805,000.

**D. Home ownership Made Easy**

On April 20, 1992, the former Culver City Redevelopment Agency entered into a home loan agreement with Home ownership Made Easy in the amount of \$412,250 with no interest. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the home loan at June 30, 2023 was \$412,250.

**E. Exceptional Children’s Foundation ERAS Loans**

On October 1, 1990, the former Culver City Redevelopment Agency entered into loan agreement with Educational Resources and Services Center Home (“ERAS”), a not-for-profit organization for the development of 6-unit group home for the developmentally disabled low and moderate income persons. On May 12, 2008, an assignment and assumption agreement were entered into, and the loan was assigned by ERAS to Exceptional Children’s Foundation, another not-for-profit organization. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2023, the outstanding balance of the loan was in the amount of \$305,060.

**F. Exceptional Children’s Foundation Westside Opportunity Workshop**

On February 11, 1991, the former Culver City Redevelopment Agency entered into Financing Assistance Agreement with Westside Opportunity Workshop (“WOW”), a not-for-profit organization, to purchase a property in the City in the amount of \$390,500. The property is to be used as a group home for developmentally disabled low-and-moderate income persons. On March 8, 2014, an assignment and assumption agreement was entered into, and the loan was assigned by WOW to Exceptional Children’s Foundation, another not-for-profit organization. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2023, the outstanding balance of the loan was in the amount of \$387,500.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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

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

The Housing Authority provides loan programs to the homeowners of the City. The deferred loans are to be repaid upon the sale of the home. As of June 30, 2023, all outstanding balances totaled to \$3,100,000.

**H. Tilden Terrace – Commercial**

On February 22, 2012, the former Culver City Redevelopment Agency entered into a promissory note with Tilden Terrace, L.P. in the amount of \$3,395,000 with 3% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note at June 30, 2023 was \$3,395,000. The principal is not due until June 30, 2067.

**I. Community Development Block Grant**

Prior to 1988, the Housing Division offered Neighborhood Preservation Program deferred loans through Community Development Block Grant Funding. At repayment, the City is required to remit the payment amount to the Los Angeles County Community Development Commission. As of June 30, 2023, there is one outstanding loan in the amount of \$23,819.

**J. Menorah Senior Housing**

On September 26, 1991, the former Culver City Redevelopment Agency entered into a loan agreement with Jewish Federation-Council of Greater Los Angeles, a community based nonprofit corporation, in the amount of \$1,205,778 with 3% interest rate for the development of affordable housing for senior citizens and physically handicapped persons of low income. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2023, the outstanding balance of the loan was in the amount of \$1,205,778.

**Note 6 –Lease Receivable**

The City entered into various Indefeasible Right-to-Use (IRU) contracts for the use of the City's dark fiber cables and access to and use of associated property from the City. Payments vary per contract provisions and the terms range from 5 to 20 years with discount rates ranging from 2% to 3.5%.

The City also leases a piece of commercial property for five years with interest rate of 2%.

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. At June 30, 2023, the total lease receivable and deferred inflows of resources for the above leases were \$597,380 and \$745,810, respectively for the governmental activities and \$98,591 and \$95,709 respectively, for the business-type activities.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 6 –Lease Receivable (Continued)**

A deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight line basis over the term of the lease.

The future lease receipts for these leases are as follows:

<u>Governmental Activities</u>			
<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 92,986	\$ 15,170	\$ 108,156
2025	98,258	13,142	111,400
2026	103,748	10,994	114,742
2027	75,826	8,806	84,632
2028	12,136	7,930	20,066
2029 - 2039	214,426	50,280	264,706
Total	<u>\$ 597,380</u>	<u>\$ 106,322</u>	<u>\$ 703,702</u>

<u>Business-type Activities</u>			
<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 98,591	\$ 1,609	\$ 100,200
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029 - 2039	-	-	-
Total	<u>\$ 98,591</u>	<u>\$ 1,609</u>	<u>\$ 100,200</u>

There were no significant variable payments received during the fiscal year ended June 30, 2023.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 7 – Capital Assets**

**A. Governmental Activities**

Summary of changes in capital assets for governmental activities for the year ended June 30, 2023 are as follows:

	<b>Governmental Activities</b>				Balance June 30, 2023
	Balance June 30, 2022	Additions	Deletions	Transfers	
<b>Capital assets, not being depreciated</b>					
Land	\$ 21,538,464	\$ -	\$ -	\$ -	\$ 21,538,464
Construction in progress	52,204,266	40,688,973	-	(27,631,342)	65,261,897
Total capital assets, not being depreciated	<u>73,742,730</u>	<u>40,688,973</u>	<u>-</u>	<u>(27,631,342)</u>	<u>86,800,361</u>
<b>Capital assets, being depreciated</b>					
Building	75,639,855	-	-	-	75,639,855
Improvements	43,243,829	691,175	(37,895)	3,441,837	47,338,946
Machinery and equipment	50,000,101	1,586,983	(160,128)	-	51,426,956
Infrastructure	84,340,550	828,481	(5,281)	24,189,504	109,353,254
Right-of-use asset	-	1,097,753	-	-	1,097,753
Total capital assets, being depreciated	<u>253,224,335</u>	<u>4,204,392</u>	<u>(203,304)</u>	<u>27,631,341</u>	<u>284,856,764</u>
<b>Less accumulated depreciation:</b>					
Building	(36,199,683)	(1,455,217)	-	-	(37,654,900)
Improvements	(23,638,511)	(2,214,777)	1,778	19,747	(25,831,763)
Machinery and equipment	(38,790,286)	(3,164,641)	154,917	(19,747)	(41,819,757)
Infrastructure	(31,471,853)	(2,673,709)	449	-	(34,145,113)
Right-of-use asset	-	(352,852)	-	-	(352,852)
Total accumulated depreciation	<u>(130,100,333)</u>	<u>(9,861,196)</u>	<u>157,144</u>	<u>-</u>	<u>(139,804,385)</u>
Total capital assets, being depreciated, net	<u>123,124,002</u>	<u>(5,656,804)</u>	<u>(46,160)</u>	<u>27,631,341</u>	<u>145,052,379</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 196,866,732</u>	<u>\$ 35,032,169</u>	<u>\$ (46,160)</u>	<u>\$ (1)</u>	<u>\$ 231,852,740</u>

Depreciation expense was charged to the following functions in the statement of activities:

General government	\$ 929,992
Parks, recreation, and community services	662,225
Police	399,210
Fire	488,512
Community development	898,342
Public works	4,335,318
Internal service funds	2,147,597
Total depreciation expense	<u>\$ 9,861,196</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 7 – Capital Assets (Continued)**

**B. Business-Type Activities**

Summary of changes in capital assets for business-type activities for the year ended June 30, 2023 are as follows:

	<b>Business-Type Activities</b>				Balance June 30, 2023
	Balance June 30, 2022	Additions	Deletions	Transfers	
<b>Capital assets, not being depreciated</b>					
Land	\$ 3,082,760	\$ -	\$ -	\$ -	\$ 3,082,760
Construction in progress	19,134,689	2,032,544	-	(12,231,061)	8,936,172
Total capital assets, not being depreciated	<u>22,217,449</u>	<u>2,032,544</u>	<u>-</u>	<u>(12,231,061)</u>	<u>12,018,932</u>
<b>Capital assets, being depreciated</b>					
Building	28,075,733	-	-	-	28,075,733
Improvements and other buildings	14,404,118	-	-	-	14,404,118
Machinery and equipment	57,112,241	251,647	(218,575)	88,571	57,233,884
Furniture and fixtures	420,308	-	-	-	420,308
Infrastructure	42,831,168	325,742	-	12,142,490	55,299,400
Investment in Hyperion	26,605,373	-	-	-	26,605,373
Right-of-use asset	730,491	239,388	-	-	969,879
Total capital assets, being depreciated	<u>170,179,432</u>	<u>816,777</u>	<u>(218,575)</u>	<u>12,231,061</u>	<u>183,008,695</u>
<b>Less accumulated depreciation and Amortization:</b>					
Building	(14,527,091)	(559,949)	-	-	(15,087,040)
Improvements and other buildings	(8,160,816)	(619,388)	-	-	(8,780,204)
Machinery and equipment	(36,589,497)	(3,622,712)	73,448	-	(40,138,761)
Furniture and fixtures	(412,544)	(5,642)	-	-	(418,186)
Infrastructure	(10,493,170)	(1,508,318)	-	-	(12,001,488)
Investment in Hyperion	(19,258,820)	(665,134)	-	-	(19,923,954)
Right-of-use asset	(190,563)	(250,620)	-	-	(441,183)
Total accumulated depreciation	<u>(89,632,501)</u>	<u>(7,231,763)</u>	<u>73,448</u>	<u>-</u>	<u>(96,790,816)</u>
Total capital assets, being depreciated, net	<u>80,546,931</u>	<u>(6,414,986)</u>	<u>(145,127)</u>	<u>12,231,061</u>	<u>86,217,879</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 102,764,380</u>	<u>\$ (4,382,442)</u>	<u>\$ (145,127)</u>	<u>\$ -</u>	<u>\$ 98,236,811</u>

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

Refuse Disposal	\$ 397,976
Municipal Bus Lines	4,204,427
Sewer Enterprise	2,396,923
Municipal Fiber Network	232,437
Total depreciation expense	<u>\$ 7,231,763</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 8 – Long-term Liabilities**

**A. Governmental Activities**

Summary of changes in governmental activities long-term liabilities for the year ended June 30, 2023 are as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due within One Year	Due in more than One Year
Compensated absences	\$ 13,250,039	\$ 10,059,890	\$ (8,624,841)	\$ 14,685,088	\$ 3,355,775	\$ 11,329,313
Claims and judgments	16,059,171	7,933,617	(4,015,462)	19,977,326	4,848,404	15,128,922
Lease and subscription liabilities						
SBITA liability	-	829,825	(191,349)	638,476	201,781	436,695
<b>Total</b>	<b>\$ 29,309,210</b>	<b>\$ 18,823,332</b>	<b>\$ (12,831,652)</b>	<b>\$ 35,300,890</b>	<b>\$ 8,405,960</b>	<b>\$ 26,894,930</b>

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, 2023 are as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due within One Year	Due in more than One Year
Compensated absences	\$ 1,537,141	\$ 1,253,338	\$ (1,555,029)	\$ 1,235,450	\$ 496,003	\$ 739,447
Lease and subscription liabilities						
Lease liability	556,217	-	(185,469)	370,748	197,182	173,566
SBITA liability	-	213,741	(68,748)	144,993	69,842	75,151
Wastewater Facilities Revenues Bonds, 2019 Series A	18,195,000	-	(805,000)	17,390,000	850,000	16,540,000
Bond premium	3,275,830	-	(119,848)	3,155,982	119,847	3,036,135
<b>Total</b>	<b>\$ 23,564,188</b>	<b>\$ 1,467,079</b>	<b>\$ (2,734,094)</b>	<b>\$ 22,297,173</b>	<b>\$ 1,732,874</b>	<b>\$ 20,564,299</b>

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

**C. Lease and SBITA Liabilities**

Lease Liability

The City has entered into an agreement to lease a commercial building for six (6) years commencing on January 1, 2019 and ending on April 30, 2025, for a monthly base rent of \$15,000 subject to adjustment based on the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles – Long Beach – Anaheim, California area, published by the United States Department of Labor, Bureau of Labor Statistics (“Index”). The lease liability is measured at a discount rate of 3%.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 8 – Long-term Liabilities (Continued)**

**C. Lease and SBITA Liabilities (Continued)**

Lease Liability (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

<u>Business-type Activities</u> <u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 197,182	\$ 8,449	\$ 205,631
2025	173,566	2,411	175,977
Total	<u>\$ 370,748</u>	<u>\$ 10,860</u>	<u>\$ 381,608</u>

SBITA Liabilities

In accordance with GASB Statement 96, *Subscription Based Information Technology Arrangements (SBITA)*, the City has entered into IT software subscription agreements with various vendors with subscription terms ranging from 2-5 years. Subscription payable is measured at the present value of the subscription payments expected to be made during the subscription term. These SBITAs qualify as capital assets for accounting purposes and have been recorded at the present values of their future subscription payments as of the commencement dates using discount rates ranging from 1.85% to 2.4%. As a result of these SBITAs, the City has recorded Right-to-use assets with net book value of \$924,234 and subscription liability of \$783,468 as of June 30, 2023.

The schedule of future payments for the SBITA liability is shown below:

<u>Governmental Activities</u>			
<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 201,781	\$ 14,006	\$ 215,787
2025	212,681	9,580	222,261
2026	224,014	4,914	228,928
Total	<u>\$ 638,476</u>	<u>\$ 28,500</u>	<u>\$ 666,976</u>

Business-Type Activities

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 69,842	\$ 3,414	\$ 73,256
2025	75,151	1,769	76,920
Total	<u>\$ 144,993</u>	<u>\$ 5,183</u>	<u>\$ 150,176</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 9 – Bonds Payable**

**Business-Type Activities**

*Wastewater Facilities Revenue Bonds, 2019 Series A*

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

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

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, 2023.

The 2019 Bonds mature beginning September 1, 2021 with final payment of principal due on September 1, 2049.

Interest rate is 4% in 2022 and 4% to 5% from 2023 to 2049.

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

Fiscal Year	Principal	Interest	Total
2024	\$ 850,000	\$ 758,700	\$ 1,608,700
2025	895,000	715,075	1,610,075
2026	940,000	669,200	1,609,200
2027	990,000	620,950	1,610,950
2028	1,045,000	570,075	1,615,075
2029-2033	3,325,000	2,190,875	5,515,875
2034-2038	2,130,000	1,664,950	3,794,950
2039-2043	2,600,000	1,191,000	3,791,000
2044-2048	3,165,000	616,300	3,781,300
2049-2050	1,450,000	58,600	1,508,600
<b>Total</b>	<b>\$ 17,390,000</b>	<b>\$ 9,055,725</b>	<b>\$ 26,445,725</b>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 10 – Claims and Judgments**

**Self-Insurance**

At June 30, 2023, 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, 2023, the City has recorded a liability in the amount of \$19,977,326 for unpaid workers’ compensation and general liability claims, representing estimated amounts to be paid for actual claims and claims incurred but not reported, based upon actuarial evaluations for each plan.

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

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

Changes in the claims and judgments payable amounts in three years ended June 30, 2023 are as follows:

Fiscal Year	Balance at Beginning of Fiscal Year Liability	Current Year Claims and Change in Estimates	Claim Payments	Balance at End of Fiscal Year Liability
2020-21	\$ 14,216,373	\$ 6,557,378	\$ (4,213,762)	\$ 16,559,989
2021-22	16,559,989	4,194,317	(4,695,135)	16,059,171
2022-23	16,059,171	7,933,617	(4,015,462)	19,977,326

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 11 – Pension Plans**

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

At June 30, 2023, net pension liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Deferred outflows of resources:</b>			
Pension contribution made after measurement date:			
Miscellaneous	\$ 5,707,054	\$ 3,117,832	\$ 8,824,886
Safety	12,806,718	-	12,806,718
Changes of assumptions:			
Miscellaneous	4,304,563	2,351,635	6,656,198
Safety	-	-	-
Difference between expected and actual experience:			
Miscellaneous	-	-	-
Safety	28,163,141	-	28,163,141
Difference in projected and actual earnings on:			
pension investments:			
Miscellaneous	8,470,512	4,627,544	13,098,056
Safety	-	-	-
<b>Total deferred outflows of resources</b>	<u>\$ 59,451,988</u>	<u>\$ 10,097,011</u>	<u>\$ 69,548,999</u>
<b>Net pension liabilities:</b>			
Miscellaneous	\$ 71,230,672	\$ 38,914,176	\$ 110,144,848
Safety	182,748,635	-	182,748,635
<b>Total net pension liabilities</b>	<u>\$ 253,979,307</u>	<u>\$ 38,914,176</u>	<u>\$ 292,893,483</u>
<b>Deferred inflows of resources:</b>			
Difference between expected and actual experience:			
Miscellaneous	\$ 1,686,280	\$ 921,236	\$ 2,607,516
Safety	-	-	-
<b>Total deferred inflows of resources</b>	<u>\$ 1,686,280</u>	<u>\$ 921,236</u>	<u>\$ 2,607,516</u>
<b>Pension Expense (Income):</b>			
Miscellaneous	\$ 8,093,988	\$ 4,421,844	\$ 12,515,832
Safety	22,153,021	-	22,153,021
	<u>\$ 30,247,009</u>	<u>\$ 4,421,844</u>	<u>\$ 34,668,853</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 11 – 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, 2021 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, 2022 are summarized as follows:

	<u>City Miscellaneous Plan</u>			
	<u>Tier I</u>	<u>Tier II</u>	<u>Tier II</u>	<u>Tier III</u>
Hire date	Prior to July 1, 2011	Hired between July 2, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	2.5% @ 55	2% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-63	50-63	52-67
Monthly 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%	7.00%
Required employer contribution rates	10.01%	10.01%	10.01%	10.01%

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 11 – Pension Plans (Continued)**

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

**General Information about the Pension Plan (Continued)**

Benefit Provided (Continued)

	<b>City Safety Plan - Police</b>			
	<b>Tier I</b>	<b>Tier II</b>	<b>Tier II</b>	<b>Tier III</b>
Hire date	Prior to July 1, 2011	Hired between July 2, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	3% @ 55	3% @ 55	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-55	50-55	50-57
Monthly 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	11.75%
Required employer contribution rates	Total 20.17%. Management employees pay 9% of employer cost through cost-sharing	Total 20.17%. Management employees pay 9% of employer cost through cost-sharing	Total 20.17%. Management employees pay 9% of employer cost through cost-sharing	20.17%

	<b>City Safety Plan - Fire</b>			
	<b>Tier I</b>	<b>Tier II</b>	<b>Tier II</b>	<b>Tier III</b>
Hire date	Prior to July 1, 2011	Hired between July 2, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	3% @ 55	3% @ 55	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-55	50-55	50-57
Monthly 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	11.75%
Required employer contribution rates	Total 20.17%. Management employees pay 9% of employer cost through cost-sharing	Total 20.17%. Management employees pay 9% of employer cost through cost-sharing	Total 20.17%. Management employees pay 9% of employer cost through cost-sharing	20.17%

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 11 – Pension Plans (Continued)**

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

**General Information about the Pension Plan (Continued)**

Benefit Provided (Continued)

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

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

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

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

Employees Covered by Benefit Terms

At June 30, 2021, the valuation date, the following employees were covered by the benefit terms:

	<b>Plans</b>	
	<b>Miscellaneous</b>	<b>Safety</b>
Active employees	471	165
Transferred and terminated employees	715	72
Retired Employees and Beneficiaries	690	306
<b>Total</b>	1,876	543

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 11 – Pension Plans (Continued)**

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

**General Information about the Pension Plan (Continued)**

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.

**Net Pension Liability**

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liability of the Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022. The total pension liability is based on the following actuarial methods and assumptions.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table <sup>1</sup>	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 11 – Pension Plans (Continued)**

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

**General Information about the Pension Plan (Continued)**

Changes of Assumptions/Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the Board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions were reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 11 – Pension Plans (Continued)**

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

**Net Pension Liability (Continued)**

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. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

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

<u>Asset class<sup>(1)</sup></u>	<u>Assumed Asset Allocation</u>	<u>Real Return<sup>(1)(2)</sup></u>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

<sup>(1)</sup> An expected inflation of 2.30% used for this period.

<sup>(2)</sup> Figures are based on the 2021 Asset Liability Management study.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 11 – Pension Plans (Continued)**

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

**Net Pension Liability (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 6.9%. 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.

**Changes in the Net Pension Liability**

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

	<b>Miscellaneous Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability/(Asset) (c) = (a) - (b)</b>
Balance at June 30, 2021 (Valuation Date)	\$ 349,390,534	\$ 283,900,437	\$ 65,490,098
Changes Recognized for the Measurement Period:			
Service Cost	6,864,220	-	6,864,220
Interest on the total pension liability	24,209,089	-	24,209,089
Changes of benefit terms	-	-	-
Changes of assumptions	10,816,322	-	10,816,322
Difference between expected and actual experience	(3,919,742)	-	(3,919,742)
Net plan to plan resource movement	-	(23,330)	23,330
Contributions from the employer	-	11,881,157	(11,881,157)
Contributions from employees	-	2,953,145	(2,953,145)
Net investment income	-	(21,318,980)	21,318,980
Benefit payments, including refunds of employee contribution	(17,725,731)	(17,725,731)	-
Administrative expenses	-	(176,853)	176,853
Net Changes during July 1, 2021 to June 30, 2022	<u>20,244,158</u>	<u>(24,410,592)</u>	<u>44,654,750</u>
Balance at June 30, 2022 (Measurement Date)	<u>\$ 369,634,692</u>	<u>\$ 259,489,845</u>	<u>\$ 110,144,848</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 11 – Pension Plans (Continued)**

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

**Changes in the Net Pension Liability (Continued)**

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

	<b>Safety Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability/(Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c) = (a) - (b)</b>
Balance at June 30, 2021 (Valuation Date)	\$ 443,152,890	\$ 319,739,818	\$ 123,413,072
Changes Recognized for the Measurement Period:			
Service Cost	7,857,550	-	7,857,550
Interest on the total pension liability	31,029,143	-	31,029,143
Changes of benefit terms	-	-	-
Changes of assumptions	13,700,465	-	13,700,465
Difference between expected and actual experience	1,302,331	-	1,302,331
Net plan to plan resource movement	-	23,330	(23,330)
Contributions from the employer	-	16,392,333	(16,392,333)
Contributions from employees	-	2,499,775	(2,499,775)
Net investment income	-	(24,162,333)	24,162,333
Benefit payments, including refunds of employee contribution	(24,773,459)	(24,773,459)	-
Administrative expenses	-	(199,179)	199,179
Net Changes during July 1, 2021 to June 30, 2022	<u>29,116,030</u>	<u>(30,219,533)</u>	<u>59,335,563</u>
Balance at June 30, 2022 (Measurement Date)	<u>\$ 472,268,920</u>	<u>\$ 289,520,285</u>	<u>\$ 182,748,635</u>

**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 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

<b>Net Pension Liability</b>	<b>Discount Rate</b>		
	<b>1% Decrease (5.90%)</b>	<b>Current Rate (6.90%)</b>	<b>1% Increase (7.90%)</b>
Miscellaneous Plan	\$ <u>158,772,753</u>	\$ <u>110,144,848</u>	\$ <u>69,938,594</u>
Safety Plan	\$ <u>246,704,996</u>	\$ <u>182,748,634</u>	\$ <u>130,379,268</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 11 – Pension Plans (Continued)**

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

**Changes in the Net Pension Liability (Continued)**

Pension Plan Fiduciary Net Position

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

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

For the measurement period ended June 30, 2021, the City incurred a pension expense of \$12,515,832 and \$22,153,021 for Miscellaneous and Safety plans, respectively.

As of measurement date of June 30, 2021, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

<b>Miscellaneous Plan</b>		
	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Pension contributions made after measurement date	\$ 8,824,886	\$ -
Difference between expected and actual experience	-	(2,607,516)
Changes of assumptions	6,656,198	-
Net difference between projected and actual earning on pension plan investments	13,098,056	-
Balance at June 30, 2022 (Measurement Date)	\$ 28,579,140	\$ (2,607,516)

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

<b>Safety Plan</b>		
	<b>Deferred outflows of resources</b>	<b>Deferred inflows of resources</b>
Pension contributions made after measurement date	\$ 12,806,718	\$ -
Difference between expected and actual experience	3,256,000	-
Changes of assumptions	10,358,888	-
Net difference between projected and actual earning on pension plan investments	14,548,253	-
Balance at June 30, 2022 (Measurement Date)	\$ 40,969,859	\$ -

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 11 – 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)**

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 2021-22 measurement period is 2.6 and 4.1 years, which was obtained by dividing the total service years of 4,897 and 1,876 (the sum of remaining service lifetimes of the active employees) by 2,212 and 543 (the total number of participants: active, inactive, and retired), respectively.

The \$8,824,886 and \$12,806,718 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, 2023 will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30	Deferred outflows/ (Inflows) of Resources Miscellaneous Plan	Deferred outflows/ (Inflows) of Resources Safety Plan
2023	\$ 4,574,258	\$ 7,257,776
2024	3,480,797	6,542,105
2025	937,728	4,798,856
2026	8,153,955	9,564,404
<b>Total</b>	<b>\$ 17,146,738</b>	<b>\$ 28,163,141</b>

**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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 11 – Pension Plans (Continued)**

**B. Public Agency Retirement Services (“PARS”)**

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 \$86,746 for the year ended June 30, 2023.

**Note 12 – Other Postemployment Benefits (“OPEB”)**

At June 30, 2023, net OPEB liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Net difference between projected and actual earning on plan investments	\$ 1,910,097	283,904	2,194,001
Change in assumption	6,660,238	989,932	7,650,170
<b>Total deferred outflows of resources</b>	<u>\$ 8,570,335</u>	<u>\$ 1,273,836</u>	<u>\$ 9,844,171</u>
<b>Net OPEB liabilities:</b>	<u>\$ 52,385,162</u>	<u>\$ 7,786,170</u>	<u>\$ 60,171,332</u>
<b>Total net OPEB liabilities</b>	<u>\$ 52,385,162</u>	<u>\$ 7,786,170</u>	<u>\$ 60,171,332</u>
<b>Deferred inflows of resources</b>			
Change in assumption	\$ 616,277	\$ 91,599	\$ 707,876
Difference between expected and actual experience	14,732,143	2,189,685	16,921,828
<b>Total deferred inflows of resources</b>	<u>\$ 15,348,420</u>	<u>\$ 2,281,284</u>	<u>\$ 17,629,704</u>
<b>OPEB Expense</b>	<u>\$ 659,824</u>	<u>\$ 98,072</u>	<u>\$ 757,896</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 12 – Other Postemployment Benefits (“OPEB”) (Continued)**

**Plan Description**

In addition to the retirement plan described in Note 11, the City of Culver City’s Retiree Health Insurance Program (“OPEB Plan”), a single-employer plan that 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 \$708.66 for single coverage, increasing by up to 4% per year.
  - An additional monthly reimbursement of up to \$618.56 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 who were members of the Culver City Police Officers Association with more than one enrolled dependent are eligible for an additional \$300 per month reimbursement.
- Employees hired after July 1, 2011 are not considered participants, and are only eligible for the legally required Public Employees’ Medical and Hospital Care Act minimum, as stipulated by CalPERS.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 12 – Other Postemployment Benefits (“OPEB”) (Continued)**

**Eligibility**

Employees of the City are eligible for retiree health benefits if they are between 50-55 years of age as of the last day of work prior to retirement and are a vested member of CalPERS. Membership in the plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

Active plan members	651
Inactive employees or beneficiaries currently receiving benefit payments	593
Inactive employees entitled to but not yet receiving benefit payments	<u>80</u>
<b>Total</b>	<b><u><u>1,324</u></u></b>

**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, 2023, 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, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

**Actuarial assumptions**

The total OPEB liability in the June 30, 2021 actuarial valuation was determined 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	6.00%
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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2020 through June 30, 2021.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 12 – Other Postemployment Benefits (“OPEB”) (Continued)**

**Net OPEB Liability (Continued)**

The long-term expected rates of return on OPEB plan investments were presented as geometric means and determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class Component:</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Domestic Equity	44%	4.29%
International Equity	23%	4.67%
Fixed Income	33%	0.78%
Assumed long-term rate of inflation		2.50%
Expected long-term net rate of return, rounded		6.00%

The long-term expected rate of return is presented as geometric means.

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.

Liquidating Net OPEB Liability

The OPEB liabilities are liquidated by all the funds.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 12 – Other Postemployment Benefits (“OPEB”) (Continued)**

**Change in the Net OPEB Liability**

	<b>Increase (Decrease)</b>		
	<b>Total OPEB</b>	<b>Plan Fiduciary Net</b>	<b>Net OPEB</b>
	<b>Liability</b>	<b>Position</b>	<b>Liability/(Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c) = (a) - (b)</b>
Balance at June 30, 2022	\$ 118,995,859	\$ 56,053,813	\$ 62,942,046
Changes Recognized for the Measurement Period:			
Service Cost	1,943,933	-	1,943,933
Interest on the total OPEB liability	7,057,600	-	7,057,600
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	6,645,802	(6,645,802)
Net investment income	-	5,161,674	(5,161,674)
Benefit payments	(6,626,279)	(6,626,279)	-
Administrative expenses	-	(35,229)	35,229
Net Changes during July 1, 2022 to June 30, 2023	<u>2,375,254</u>	<u>5,145,968</u>	<u>(2,770,714)</u>
Balance at June 30, 2023	<u>\$ 121,371,113</u>	<u>\$ 61,199,781</u>	<u>\$ 60,171,332</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 (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current discount rate:

	<b>Discount Rate</b>		
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	<b>(5.00%)</b>	<b>(6.00%)</b>	<b>(7.00%)</b>
<b>Net OPEB Liability</b>	\$ <u>74,589,106</u>	\$ <u>60,171,332</u>	\$ <u>48,101,200</u>

*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 (7.50 percent decreasing to 2.45 percent) or 1-percentage-point higher (9.50 percent decreasing to 4.45 percent) than the current healthcare cost trend rates:

	<b>Healthcare Trend Rate</b>		
	<b>1% Decrease</b>	<b>Current Trend</b>	<b>1% Increase</b>
	<b>7.50%</b>	<b>9.50%</b>	<b>4.45%</b>
<b>Net OPEB Liability</b>	\$ <u>46,691,136</u>	\$ <u>60,171,332</u>	\$ <u>75,693,081</u>

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

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 12 – Other Postemployment Benefits (“OPEB”) (Continued)**

**Change in the Net OPEB Liability (Continued)**

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

For the fiscal year ended June 30, 2023, the City recognized OPEB expense of \$757,896. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earning on plan investments	\$ 2,194,001	\$ -
Difference between expected and actual experience	-	(16,921,828)
Changes in assumption	<u>7,650,170</u>	<u>(707,876)</u>
<b>Total</b>	<b>\$ <u>9,844,171</u></b>	<b>\$ <u>(17,629,704)</u></b>

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, 2022, 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:

<u>Measurement Period Ending June 30</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2024	\$ (4,148,213)
2025	(4,177,080)
2026	1,715,834
2027	(987,697)
2028	(188,377)
Thereafter	
<b>Total</b>	<b>\$ <u>(7,785,533)</u></b>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 13 – 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 14 – 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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 15 – Classification of Fund Balances**

At June 30, 2023, 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
<b>Nonspendable</b>						
Notes receivable	\$ 9,057	\$ -	\$ -	\$ -	\$ -	\$ 9,057
Lease receivables	597,380					597,380
Advances to other funds	15,024,242	-	-	-	-	15,024,242
<b>Total nonspendable</b>	<u>15,630,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,630,679</u>
<b>Restricted</b>						
Road construction	-	-	-	-	21,169,383	21,169,383
Housing authority	-	30,578,565	-	-	1,210,296	31,788,861
Public safety	-	-	-	-	27,605,996	27,605,996
Other purposes	-	-	-	-	353,161	353,161
Redevelopment	-	-	-	-	7,714,773	7,714,773
Equipment purchases	-	-	-	-	298,448	298,448
Construction of capital assets	-	-	8,240,868	-	1,214,325	9,455,193
Community development	-	-	-	-	6,106,409	6,106,409
Pension trust	29,638,414	-	-	-	-	29,638,414
<b>Total restricted</b>	<u>29,638,414</u>	<u>30,578,565</u>	<u>8,240,868</u>	<u>-</u>	<u>65,672,792</u>	<u>134,130,639</u>
<b>Committed</b>						
Contingency	50,471,742	-	-	-	-	50,471,742
Facility Planning	23,620,445	-	-	-	-	23,620,445
Public safety equipment	194,140	-	-	-	-	194,140
Recreation facilities	2,234,696	-	-	-	-	2,234,696
<b>Total committed</b>	<u>76,521,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,521,023</u>
<b>Assigned</b>						
Encumbered contracts	6,765,186	-	-	-	-	6,765,186
<b>Total assigned</b>	<u>6,765,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,765,186</u>
<b>Unassigned</b>						
	<u>24,835,315</u>	<u>-</u>	<u>-</u>	<u>(3,268,711)</u>	<u>(79,674)</u>	<u>21,486,930</u>
<b>Total fund balance</b>	<u>\$ 153,390,617</u>	<u>\$ 30,578,565</u>	<u>\$ 8,240,868</u>	<u>\$ (3,268,711)</u>	<u>\$ 65,593,118</u>	<u>\$ 254,534,457</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 16 – Prior Period Adjustment**

The beginning fund balances of the City’s Housing Authority Fund and Section 8 Housing Fund were restated to record loans receivable that were not reported in the prior years and to correct the accrual of prior year invoices.

The beginning fund balances of the Safe/Clean Water Protection and Measure W funds were restated to record expenses in the proper fund accounts.

	Culver City Housing Authority	Section 8 Housing
Beginning fund balance - as previously reported	\$ 37,105,277	\$ 1,019,996
Adjustment to recognize unreported loans receivable	2,356,190	-
Adjustment to correct prior year invoices	-	126,949
Beginning fund balance - as restated	\$ 39,461,467	\$ 1,146,945
	Safe/Clean Water Protection	Measure W
Beginning fund balance - as previously reported	\$ 8,993,268	\$ 4,132,387
Adjustment to recognize prior year expenditures in the proper funds	1,785,004	(1,785,003)
Beginning fund balance - as restated	\$ 10,778,272	\$ 2,347,384

**Note 17 – Subsequent Events**

The City has evaluated events subsequent to June 30, 2023 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through February 20, 2024, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**Note 18 – 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.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 18 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)**

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 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 financial 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, 2023**

**Note 18 – 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 assets for the year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
<b>Capital assets, not being depreciated</b>				
Land	\$ 8,316,229	\$ -	\$ (280,000)	\$ 8,036,229
Total capital assets, not being depreciated	<u>8,316,229</u>	<u>-</u>	<u>(280,000)</u>	<u>8,036,229</u>
<b>Capital assets, being depreciated</b>				
Building	3,429,740	-	-	3,429,740
Improvements	363,598	-	-	363,598
Infrastructure	2,606,379	-	-	2,606,379
Total capital assets, being depreciated	<u>6,399,717</u>	<u>-</u>	<u>-</u>	<u>6,399,717</u>
<b>Less accumulated depreciation:</b>				
Building	(985,201)	(68,595)	-	(1,053,796)
Improvements	(252,799)	(18,180)	-	(270,979)
Infrastructure	(675,145)	(52,128)	-	(727,273)
Total accumulated depreciation	<u>(1,913,145)</u>	<u>(138,903)</u>	<u>-</u>	<u>(2,052,048)</u>
Total capital assets, being depreciated, net	<u>4,486,572</u>	<u>(138,903)</u>	<u>-</u>	<u>4,347,669</u>
<b>Fiduciary Fund</b>				
<b>capital assets, net</b>	<u>\$ 12,802,801</u>	<u>\$ (138,903)</u>	<u>\$ (280,000)</u>	<u>\$ 12,383,898</u>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 18 – 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, 2023 is as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due within One Year	Due in more than One Year
2011 A Tax Exempt Tax Allocation Revenue Bonds (CABS)	\$ 2,194,185	\$ -	\$ (308,698)	\$ 1,885,487	\$ 1,075,621	\$ 809,866
Accreted Interest on 2011 A Tax Allocation	2,885,853	-	(49,304)	2,836,549	1,593,374	1,243,175
2017 A and B Tax Allocation Bonds	53,695,000	-	(11,165,000)	42,530,000	9,770,000	32,760,000
<b>Subtotal</b>	58,775,038	-	(11,523,002)	47,252,036	12,438,995	34,813,041
Unamortized original issue premium	8,140,393	-	(1,285,326)	6,855,067	-	6,855,067
<b>Total</b>	<u>\$ 66,915,431</u>	<u>\$ -</u>	<u>\$ (12,808,328)</u>	<u>\$ 54,107,103</u>	<u>\$ 12,438,995</u>	<u>\$ 41,668,108</u>

**2011 Tax Allocation Revenue Bonds Series A**

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

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

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

Concurrent with the issuance of the 2017 Bonds, the Successor Agency irrevocably directed the trustee to transfer approximately \$9.3 million on deposit with the trustee to the Principal Account in order to pay scheduled future debt service on the 2011A Bonds maturing November 1, 2019 through November 1, 2022 with original principal in the amount of \$4,894,109 and accreted value of \$7,735,931 as of December 4, 2017. As a result of the refunding, the 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, 2023, the reserve with fiscal agent was in the amount of \$1,386,411 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, 2023 was \$1,885,487. The accreted interest amount on the Capital Appreciation Bonds at June 30, 2023 was \$2,836,549.

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

**Note 18 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)**

**2011 Tax Allocation Revenue Bonds Series A (continued)**

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

Fiscal Year	2011 Series A Tax Allocation Revenue Bond		
	Principal	Interest	Total
2024	\$ 1,075,621	\$ 1,595,652	\$ 2,671,273
2025	809,866	1,240,897	2,050,763
<b>Total</b>	<b>\$ 1,885,487</b>	<b>\$ 2,836,549</b>	<b>\$ 4,722,036</b>

**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. The total outstanding balance of the defeased debt was in the amount of \$22,737,480.

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

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

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

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

Fiscal Year	2017 A Tax Allocation Bonds		
	Principal	Interest	Total
2024	\$ 9,770,000	\$ 1,882,250	\$ 11,652,250
2025	10,495,000	1,375,625	11,870,625
2026	5,870,000	966,500	6,836,500
2027	5,200,000	689,750	5,889,750
2028	5,460,000	423,250	5,883,250
2029	5,735,000	143,375	5,878,375
<b>Total</b>	<b>\$ 42,530,000</b>	<b>\$ 5,480,750</b>	<b>\$ 48,010,750</b>

**City of Culver City**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2023**

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**Note 18 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (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.

The beginning net position of the Successor Agency was restated as follows:

	Private Purpose Trust Fund
Beginning net position - as previously reported	\$ (33,908,660)
Adjustment to correct prior year invoices	<u>(202,979)</u>
Beginning net position - as restated	<u><u>\$ (34,111,639)</u></u>

**Note 19 – Governmental Accounting Standards Board (GASB) Statements Issued, Not Yet Effective**

GASB has issued the following statements, which may impact the City’s financial reporting requirements in the future:

GASB 100, "*Accounting Changes and Error Corrections*", effective for fiscal years beginning after June 15, 2023.

GASB 101, "*Compensated Absences*", effective for fiscal years beginning after December 15, 2023.



# Required Supplementary Information





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**REQUIRED SUPPLEMENTARY  
INFORMATION (UNAUDITED)**

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**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liabilities and Related Ratios**  
**Year Ended June 30, 2023**

**Last Ten Fiscal Years**

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

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
<b>Total pension liability</b>					
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)
<b>Net change in total pension liability</b>	<b>11,341,837</b>	<b>5,762,683</b>	<b>12,118,525</b>	<b>26,285,849</b>	<b>10,950,577</b>
<b>Total pension liability - beginning</b>	<b>237,195,341</b>	<b>248,537,178</b>	<b>254,299,861</b>	<b>266,418,386</b>	<b>292,704,235</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 248,537,178</b>	<b>\$ 254,299,861</b>	<b>\$ 266,418,386</b>	<b>\$ 292,704,235</b>	<b>\$ 303,654,812</b>
<b>Pension fiduciary net position</b>					
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 <sup>2</sup>	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 <sup>3</sup>	-	-	-	-	(592,391)
<b>Net change in plan fiduciary net position</b>	<b>25,743,361</b>	<b>583,941</b>	<b>(1,528,480)</b>	<b>17,526,532</b>	<b>13,196,121</b>
<b>Plan fiduciary net position - beginning</b>	<b>157,861,480</b>	<b>183,604,841</b>	<b>184,188,782</b>	<b>182,660,302</b>	<b>200,186,834</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 183,604,841</b>	<b>\$ 184,188,782</b>	<b>\$ 182,660,302</b>	<b>\$ 200,186,834</b>	<b>\$ 213,382,955</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 64,932,337</b>	<b>\$ 70,111,079</b>	<b>\$ 83,758,084</b>	<b>\$ 92,517,401</b>	<b>\$ 90,271,857</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>73.87%</b>	<b>72.43%</b>	<b>68.56%</b>	<b>68.39%</b>	<b>70.27%</b>
<b>Covered payroll<sup>4</sup></b>	<b>\$ 29,867,279</b>	<b>\$ 31,064,702</b>	<b>\$ 32,319,580</b>	<b>\$ 33,069,286</b>	<b>\$ 34,541,974</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>217.40%</b>	<b>225.69%</b>	<b>259.16%</b>	<b>279.77%</b>	<b>261.34%</b>

<sup>1</sup> 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.

<sup>2</sup> Net of administrative expenses for 2013-14.

<sup>3</sup> 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).

<sup>4</sup> Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)**  
**Year Ended June 30, 2023**

Last Ten Fiscal Years

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

Measurement period	2018-19	2019-20	2020-21	2021-22
<b>Total pension liability</b>				
Service cost	\$ 6,100,488	\$ 6,152,289	\$ 6,329,689	\$ 6,864,220
Interest	21,824,037	22,694,983	23,627,525	24,209,089
Changes of benefit terms	48,596	-	117,535	-
Changes of assumptions	-	-	-	10,816,322
Differences between expected and actual experience	5,548,202	(1,298,128)	(753,559)	(3,919,742)
Benefit payments, including refunds of employee contributions	(14,141,132)	(14,801,355)	(15,713,448)	(17,725,731)
<b>Net change in total pension liability</b>	<b>19,380,191</b>	<b>12,747,789</b>	<b>13,607,742</b>	<b>20,244,158</b>
<b>Total pension liability - beginning</b>	<b>303,654,812</b>	<b>323,035,003</b>	<b>335,782,792</b>	<b>349,390,534</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 323,035,003</b>	<b>\$ 335,782,792</b>	<b>\$ 349,390,534</b>	<b>\$ 369,634,692</b>
<b>Pension fiduciary net position</b>				
Contributions - employer	\$ 8,759,782	\$ 10,092,870	\$ 10,957,281	\$ 11,881,157
Contributions - employee	2,735,156	2,804,801	2,740,550	2,953,145
Net investment income <sup>2</sup>	13,964,311	11,172,797	52,656,347	(21,318,981)
Benefit payments, including refunds of employee contributions	(14,141,132)	(14,801,355)	(15,713,448)	(17,725,731)
Net plan to plan resource movement	-	-	(8,885)	(23,330)
Administrative expense	(152,275)	(316,559)	(233,254)	(176,853)
Other miscellaneous expense <sup>3</sup>	495	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>11,166,337</b>	<b>8,952,554</b>	<b>50,398,591</b>	<b>(24,410,593)</b>
<b>Plan fiduciary net position - beginning</b>	<b>213,382,955</b>	<b>224,549,292</b>	<b>233,501,846</b>	<b>283,900,437</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 224,549,292</b>	<b>\$ 233,501,846</b>	<b>\$ 283,900,437</b>	<b>\$ 259,489,844</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 98,485,711</b>	<b>\$ 102,280,946</b>	<b>\$ 65,490,097</b>	<b>\$ 110,144,848</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>69.51%</b>	<b>69.54%</b>	<b>81.26%</b>	<b>70.20%</b>
<b>Covered payroll<sup>4</sup></b>	<b>\$ 35,965,617</b>	<b>\$ 36,664,416</b>	<b>\$38,572,142</b>	<b>\$37,882,008</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>273.83%</b>	<b>278.97%</b>	<b>169.79%</b>	<b>290.76%</b>

**Notes to Schedule:**

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)**  
**Year Ended June 30, 2023**

Last Ten Fiscal Years

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

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
<b>Total pension liability</b>					
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)
<b>Net change in total pension liability</b>	<b>12,054,660</b>	<b>2,409,646</b>	<b>16,854,659</b>	<b>34,753,477</b>	<b>13,636,858</b>
<b>Total pension liability - beginning</b>	<b>313,012,150</b>	<b>325,066,810</b>	<b>327,476,456</b>	<b>344,331,115</b>	<b>379,084,592</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 325,066,810</b>	<b>\$ 327,476,456</b>	<b>\$ 344,331,115</b>	<b>\$ 379,084,592</b>	<b>\$ 392,721,450</b>
<b>Pension fiduciary net position</b>					
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 <sup>2</sup>	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 <sup>3</sup>	-	-	-	-	(702,086)
<b>Net change in plan fiduciary net position</b>	<b>29,124,382</b>	<b>(2,873,452)</b>	<b>(5,430,201)</b>	<b>17,624,750</b>	<b>11,967,240</b>
<b>Plan fiduciary net position - beginning</b>	<b>198,810,600</b>	<b>227,934,982</b>	<b>225,061,530</b>	<b>219,631,329</b>	<b>237,256,079</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 227,934,982</b>	<b>\$ 225,061,530</b>	<b>\$ 219,631,329</b>	<b>\$ 237,256,079</b>	<b>\$ 249,223,319</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 97,131,828</b>	<b>\$ 102,414,926</b>	<b>\$ 124,699,786</b>	<b>\$ 141,828,513</b>	<b>\$ 143,498,131</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>70.12%</b>	<b>68.73%</b>	<b>63.78%</b>	<b>62.59%</b>	<b>63.46%</b>
<b>Covered payroll<sup>4</sup></b>	<b>\$ 18,261,249</b>	<b>\$ 18,014,087</b>	<b>\$ 19,489,503</b>	<b>\$ 21,045,353</b>	<b>\$ 21,848,552</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>531.90%</b>	<b>568.53%</b>	<b>639.83%</b>	<b>673.92%</b>	<b>656.79%</b>

<sup>1</sup> 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.

<sup>2</sup> Net of administrative expenses for 2013-14.

<sup>3</sup> 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).

<sup>4</sup> Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)**  
**Year Ended June 30, 2023**

Last Ten Fiscal Years

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

Measurement period	2018-19	2019-20	2020-21	2021-22
<b>Total pension liability</b>				
Service cost	\$ 6,716,477	\$ 6,677,059	\$ 7,125,026	\$ 7,857,550
Interest	27,808,946	28,910,371	30,110,920	31,029,143
Changes of benefit terms	-	-	-	-
Changes of assumptions	-	-	-	13,700,465
Differences between expected and actual experience	3,041,661	1,935,553	3,483,416	1,302,331
Benefit payments, including refunds of employee contributions	(20,370,103)	(21,703,315)	(23,304,571)	(24,773,459)
<b>Net change in total pension liability</b>	<b>17,196,981</b>	<b>15,819,668</b>	<b>17,414,791</b>	<b>29,116,030</b>
<b>Total pension liability - beginning</b>	<b>392,721,450</b>	<b>409,918,431</b>	<b>425,738,099</b>	<b>443,152,890</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 409,918,431</b>	<b>\$ 425,738,099</b>	<b>\$ 443,152,890</b>	<b>\$ 472,268,920</b>
<b>Pension fiduciary net position</b>				
Contributions - employer	\$ 11,760,090	\$ 13,635,532	\$ 15,257,575	\$ 16,392,333
Contributions - employee	2,192,763	2,334,755	2,568,476	2,499,775
Net investment income <sup>2</sup>	16,205,685	12,857,771	59,880,432	(24,162,332)
Benefit payments, including refunds of employee contributions	(20,370,103)	(21,703,315)	(23,304,571)	(24,773,459)
Net plan to plan resource movement	-	-	8,885	23,330
Administrative expense	(177,851)	(364,893)	(265,313)	(199,179)
Other miscellaneous expense <sup>3</sup>	581	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>9,611,165</b>	<b>6,759,850</b>	<b>54,145,484</b>	<b>(30,219,532)</b>
<b>Plan fiduciary net position - beginning</b>	<b>249,223,319</b>	<b>258,834,484</b>	<b>265,594,334</b>	<b>319,739,818</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 258,834,484</b>	<b>\$ 265,594,334</b>	<b>\$ 319,739,818</b>	<b>\$ 289,520,286</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 151,083,947</b>	<b>\$ 160,143,765</b>	<b>\$ 123,413,072</b>	<b>\$ 182,748,634</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>63.14%</b>	<b>62.38%</b>	<b>72.15%</b>	<b>61.30%</b>
<b>Covered payroll<sup>4</sup></b>	<b>\$ 23,257,305</b>	<b>\$ 23,313,753</b>	<b>\$25,283,983</b>	<b>\$25,872,736</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>649.62%</b>	<b>686.91%</b>	<b>488.11%</b>	<b>706.34%</b>

**Notes to Schedule:**

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions**  
**Year Ended June 30, 2023**

**Last Ten Fiscal Years**

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

	2013-14 <sup>1</sup>	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 <sup>2</sup>	(6,638,283)	(5,915,829)	(6,864,716)	(7,347,239)	(7,730,160)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (198,720)</u>	<u>\$ (149,040)</u>	<u>\$ -</u>
Covered payroll <sup>3</sup>	\$ 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%

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% 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 2021-22 were derived from the June 30, 2021 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	Fair Value of Assets
Inflation	2.500%
Salary increases	Varies by entry age and service
Payroll Growth	2.750%
Investment rate of return	7.00% net of pension plan investment and administrative expenses, including inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions – Pensions (Continued)**  
**Year Ended June 30, 2023**

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Last Ten Fiscal Years

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

	2018-19	2019-20	2020-21	2021-22	2022-23
Actuarially determined contribution	\$ 8,759,782	\$ 10,092,870	\$ 10,957,281	\$ 11,881,157	\$ 8,824,886
Contributions in relation to the actuarially determined contribution	(8,759,782)	(10,092,870)	(10,957,281)	(11,881,157)	(8,824,886)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll <sup>2,3</sup>	\$ 35,965,617	\$ 36,664,416	\$ 38,572,142	\$ 37,882,008	\$ 40,722,780
Contributions as a percentage of covered payroll <sup>2</sup>	24.36%	27.53%	28.41%	31.36%	21.67%

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions – Pensions (Continued)**  
**Year Ended June 30, 2023**

**Last Ten Fiscal Years**

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

	2013-14 <sup>1</sup>	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	<u>(8,194,801)</u>	<u>(7,389,950)</u>	<u>(8,873,934)</u>	<u>(10,184,688)</u>	<u>(10,375,287)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll <sup>2,3</sup>	\$ 18,261,249	\$ 18,014,087	\$ 19,489,503	\$ 21,045,353	\$ 21,848,552
Contributions as a percentage of covered payroll <sup>2</sup>	44.88%	41.02%	45.53%	48.39%	47.49%

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% 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 2021-22 were from the June 30, 2021 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	Fair Value of Assets
Inflation	2.500%
Salary increases	Varies by entry age and service
Payroll Growth	2.750%
Investment rate of return	7.00% net of pension plan investment and administrative expenses, including inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions – Pensions (Continued)**  
**Year Ended June 30, 2023**

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**Last Ten Fiscal Years**

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

	2018-19	2019-20	2020-21	2021-22	2022-23
Actuarially determined contribution	\$ 11,760,090	\$ 13,635,532	\$ 15,257,575	\$ 16,392,333	\$ 12,806,718
Contributions in relation to the actuarially determined contribution	(11,760,090)	(13,635,532)	(15,257,575)	(16,392,333)	(12,806,718)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	-	-
Covered payroll <sup>2,3</sup>	\$ 23,257,305	\$ 23,313,753	\$ 25,283,983	\$ 25,872,736	\$ 26,693,723
Contributions as a percentage of covered payroll <sup>2</sup>	50.57%	58.49%	60.34%	63.36%	47.98%

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in NET OPEB Liabilities and Related Ratios**  
**Year Ended June 30, 2023**

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

Measurement period	2014-15 <sup>1</sup>	2015-16	2016-17	2017-18	2018-19
<b>Total OPEB liability</b>					
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)
<b>Net change in total OPEB liability</b>	5,612,000	(7,385,000)	4,979,000	396,000	4,868,962
<b>Total OPEB liability - beginning</b>	124,309,000	129,921,000	122,536,000	127,515,000	127,911,000
<b>Total OPEB liability - ending (a)</b>	<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>
<b>OPEB fiduciary net position</b>					
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)
<b>Net change in plan fiduciary net position</b>	4,711,000	5,742,000	8,386,000	8,319,000	7,884,529
<b>Plan fiduciary net position - beginning</b>	12,785,000	17,496,000	23,238,000	31,624,000	39,943,000
<b>Plan fiduciary net position - ending (b)</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>
<b>Plan net OPEB liability - ending (a) - (b)</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>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	13.47%	18.96%	24.80%	31.23%	36.02%
<b>Covered-employee payroll</b>	<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>
<b>Plan net OPEB liability as a percentage of covered-employee payroll</b>	238.67%	190.17%	169.97%	153.22%	144.07%

<sup>1</sup> 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 2022 and 2021, mortality assumptions were updated to CalPERS 2000-2019 Experience Study, Mortality improvement scale was updated to Scale MP-2021, and Tier IV participation at retirement. Assumption for waived retirees over age 65 was reduced from 60% to 40%. In 2022, the accounting discount rate remains at 6.00 percent.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in NET OPEB Liabilities and Related Ratios (Continued)**  
**Year Ended June 30, 2023**

Last Ten Fiscal Years

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

Measurement period	2019-20	2020-21	2021-22	2022-23
<b>Total OPEB liability</b>				
Service cost	\$ 2,519,161	\$ 2,120,093	\$ 2,102,062	\$ 1,943,933
Interest	8,597,512	7,480,807	7,699,100	7,057,600
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(19,714,893)	-	(15,164,245)	-
Changes of assumptions	(2,123,632)	-	11,208,390	-
Benefit payments, including refunds of employee contributions	(6,059,415)	(6,058,893)	(6,390,150)	(6,626,279)
<b>Net change in total OPEB liability</b>	(16,781,267)	3,542,007	(544,843)	2,375,254
<b>Total OPEB liability - beginning</b>	132,779,962	115,998,695	119,540,702	118,995,859
<b>Total OPEB liability - ending (a)</b>	<u>\$ 115,998,695</u>	<u>\$ 119,540,702</u>	<u>\$ 118,995,859</u>	<u>\$ 121,371,113</u>
<b>OPEB fiduciary net position</b>				
Contributions - employer	\$ 6,073,330	\$ 6,071,864	\$ 6,404,161	\$ 6,645,802
Net investment income	2,964,438	14,566,767	(9,270,972)	5,161,674
Benefit payments, including refunds of employee contributions	(6,059,415)	(6,058,893)	(6,390,150)	(6,626,279)
Administrative expense	(13,915)	(29,346)	(31,585)	(35,229)
<b>Net change in plan fiduciary net position</b>	2,964,438	14,550,392	(9,288,546)	5,145,968
<b>Plan fiduciary net position - beginning</b>	47,827,529	50,791,967	65,342,359	56,053,813
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 50,791,967</u>	<u>\$ 65,342,359</u>	<u>\$ 56,053,813</u>	<u>\$ 61,199,781</u>
<b>Plan net OPEB liability - ending (a) - (b)</b>	<u>\$ 65,206,728</u>	<u>\$ 54,198,343</u>	<u>\$ 62,942,046</u>	<u>\$ 60,171,332</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	43.79%	54.66%	47.11%	50.42%
<b>Covered-employee payroll</b>	<u>\$ 64,408,288</u>	<u>\$ 63,028,918</u>	<u>\$ 64,592,679</u>	<u>\$ 66,994,341</u>
<b>Plan net OPEB liability as a percentage of covered-employee payroll</b>	<u>101.24%</u>	<u>85.99%</u>	<u>97.44%</u>	<u>89.82%</u>

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - OPEB**  
**Year Ended June 30, 2023**

**Last Ten Fiscal Years**

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

	2011-12 <sup>1</sup>	2012-13	2013-14	2014-15	2015-16
Actuarially determined contribution <sup>2</sup>	\$ 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)	<u>\$ 821,000</u>	<u>\$ 990,000</u>	<u>\$ (250,000)</u>	<u>\$ 80,000</u>	<u>\$ (2,022,000)</u>
Covered payroll	N/A	\$ 46,399,000	N/A	\$ 47,105,000	\$ 52,215,000
Contributions as a percentage of covered-employee payroll <sup>2</sup>	N/A	16.45%	N/A	20.94%	21.57%

<sup>1</sup> 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.

<sup>2</sup> 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, the June 30, 2019 actuarial valuation provided the Actuarially Determined Contributions for fiscal year ended 6/30/20 and 6/30/21, the June 30, 2021 actuarial valuation provided the Actuarially Determined Contributions for fiscal year ended 6/30/22 and 6/30/23.

**Notes to Schedule:**

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, 2022, one year prior to the end of the fiscal year in which contribution are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal, Level % of pay
Amortization method	Level percentage of pay
Remaining amortization period	17-year fixed period for 2022/23
Asset valuation method	Investment gains and losses spread over 5-year rolling period.
Inflation	2.50%
Medical Trend	Non-Medicare - 8.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076; Medicare (Non-Kaiser) - 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076; Medicare (Kaiser) - 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076.
Salary increases	2.75%
Investment rate of return	6.00%
Retirement age	Based on CalPERS 2000-2019 Experience Study.
Mortality	Mortality rates were based on CalPERS 2000-2019 Healthy Annuitant Mortality Table for Male or Females, as appropriate, with adjustments for mortality improvements based on MP-2021.

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions – OPEB (Continued)**  
**Year Ended June 30, 2023**

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Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Actuarially determined contribution <sup>2</sup>	\$ 9,422,000	\$ 8,885,000	\$ 9,049,000	\$ 9,219,000	\$ 7,144,000	\$ 7,268,000	\$ 6,778,000
Contributions in relation to the actuarially determined contribution	(11,037,000)	(10,940,000)	(11,176,363)	(6,073,330)	(6,071,864)	(6,404,161)	(6,645,802)
Contribution deficiency (excess)	<u>\$ (1,615,000)</u>	<u>\$ (2,055,000)</u>	<u>\$ (2,127,363)</u>	<u>\$ 3,145,670</u>	<u>\$ 1,072,136</u>	<u>\$ 863,839</u>	<u>\$ 132,198</u>
Covered payroll	<u>\$ 56,415,000</u>	<u>\$ 57,411,000</u>	<u>\$ 58,966,981</u>	<u>\$ 64,408,288</u>	<u>\$ 63,028,918</u>	<u>\$ 64,592,679</u>	<u>\$ 66,994,341</u>
Contributions as a percentage of covered-employee payroll <sup>2</sup>	19.56%	19.06%	18.95%	9.43%	9.63%	9.91%	9.92%

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**Year Ended June 30, 2023**

General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 107,913,288	\$ 111,931,071	\$ 116,350,104	\$ 4,419,033
Licenses and permits	5,345,500	4,528,400	4,010,256	(518,144)
Fines and forfeitures	3,065,500	3,417,000	5,290,389	1,873,389
Intergovernmental	6,849,184	7,486,600	8,055,497	568,897
Charges for services	9,552,007	12,292,271	10,949,213	(1,343,058)
Investment earnings	2,145,071	1,728,645	4,366,286	2,637,641
Miscellaneous	1,195,510	1,275,775	1,793,616	517,841
<b>Total revenues</b>	<u>136,066,060</u>	<u>142,659,762</u>	<u>150,815,362</u>	<u>8,155,599</u>
<b>EXPENDITURES:</b>				
Current:				
General government	18,488,568	19,413,670	17,840,175	1,573,495
Parks, recreation, and community services	11,008,221	12,038,456	10,241,805	1,796,651
Police	50,160,473	50,755,113	50,091,619	663,494
Fire	29,558,593	30,647,531	30,959,964	(312,433)
Community development	11,433,666	13,861,792	10,244,598	3,617,194
Public works	17,082,165	19,274,504	14,996,165	4,278,340
Capital outlay	529,162	611,300	506,355	104,945
Debt service:				
Principal payment	-	-	267,928	(267,928)
Interest	-	-	2,258	(2,258)
<b>Total expenditures</b>	<u>138,260,848</u>	<u>146,602,367</u>	<u>135,150,867</u>	<u>11,451,499</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(2,194,788)</u>	<u>(3,942,604)</u>	<u>15,664,494</u>	<u>19,607,098</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	3,423,930	4,673,930	3,423,930	(1,250,000)
Transfers out	(5,694,643)	(6,922,389)	(8,922,389)	(2,000,000)
Proceeds from SBITA financing	-	-	267,928	267,928
<b>Total other financing sources (uses)</b>	<u>(2,270,713)</u>	<u>(2,248,459)</u>	<u>(5,230,531)</u>	<u>(2,982,072)</u>
<b>CHANGE IN FUND BALANCE</b>	(4,465,501)	(6,191,063)	10,433,963	16,625,027
<b>FUND BALANCE:</b>				
Beginning of year	142,956,654	142,956,654	142,956,654	-
End of year	<u>\$ 138,491,153</u>	<u>\$ 136,765,591</u>	<u>\$ 153,390,617</u>	<u>\$ 16,625,027</u>

**City of Culver City**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**Year Ended June 30, 2023**

*Culver City Housing Authority Special Revenue Fund*

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Investment earnings	\$ -	\$ -	\$ 432,608	\$ 432,608
Miscellaneous	-	-	5,000	5,000
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>437,608</u>	<u>437,608</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	(58,850)	12,872,747	896,580	11,976,167
Capital outlay	-	7,300,000	7,300,000	-
<b>Total expenditures</b>	<u>(58,850)</u>	<u>20,172,747</u>	<u>8,196,580</u>	<u>11,976,167</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>58,850</u>	<u>(20,172,747)</u>	<u>(7,758,972)</u>	<u>12,413,775</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	4,996,277	-	(4,996,277)
Transfers out	-	(1,123,930)	(1,123,930)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>3,872,347</u>	<u>(1,123,930)</u>	<u>(4,996,277)</u>
<b>CHANGE IN FUND BALANCE</b>	58,850	(16,300,400)	(8,882,902)	7,417,498
<b>FUND BALANCE:</b>				
Beginning of year, as restated	39,461,467	39,461,467	39,461,467	-
End of year	<u>\$ 39,520,317</u>	<u>\$ 23,161,067</u>	<u>\$ 30,578,565</u>	<u>\$ 7,417,498</u>

**City of Culver City**  
**Notes to the Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**Year Ended June 30, 2023**

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**Note 1 - Budgets and Budgetary Data**

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

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

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

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

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

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

# Non-Major Funds / Other Financial Information

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## **SUPPLEMENTARY INFORMATION**

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**City of Culver City  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2023**

	Special Revenue Funds	Capital Projects Funds	Total
<b>ASSETS</b>			
Cash and investments	\$ 58,810,512	4,352,648	\$ 63,163,160
Accounts receivables, net	281,160	2	281,162
Interest receivables	288,984	1,186,150	1,475,133
Notes receivables, net	23,819	3,395,000	3,418,819
Due from other funds	2,503	-	2,503
Due from other governments	654,576	50,175	704,751
Due from Westside COG	82,828	-	82,828
<b>Total assets</b>	<b>\$ 60,144,382</b>	<b>\$ 8,983,975</b>	<b>\$ 69,128,357</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,044,077	(264)	\$ 1,043,813
Salaries and benefits payable	30,932	-	30,932
Due to other funds	156,611	50,175	206,786
Due to Successor Agency	-	1,106,047	1,106,047
Deposits payable	452,144	113,245	565,389
Retention payable	27,151	-	27,151
Due to other governments	126,213	-	126,213
<b>Total liabilities</b>	<b>1,837,128</b>	<b>1,269,203</b>	<b>3,106,331</b>
<b>Deferred inflows of resources:</b>			
Unavailable grant revenues	428,909	-	428,909
<b>Total deferred inflows of resources</b>	<b>428,909</b>	<b>-</b>	<b>428,909</b>
<b>Fund Balances:</b>			
Restricted	57,958,019	7,714,772	65,672,791
Committed	-	-	-
Unassigned (deficit)	(79,674)	-	(79,674)
<b>Total fund balances</b>	<b>57,878,345</b>	<b>7,714,772</b>	<b>65,593,117</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 60,144,382</b>	<b>\$ 8,983,975</b>	<b>\$ 69,128,357</b>

**City of Culver City**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	Special Revenue Funds	Capital Projects Funds	Total
<b>REVENUES :</b>			
Licenses and permits	\$ 905,823	\$ -	905,823
Intergovernmental	15,761,053	353,560	16,114,613
Charges for services	6,412,882	-	6,412,882
Investment earnings	471,975	142,717	614,692
Miscellaneous	788,841	-	788,841
<b>Total revenues</b>	<b>24,340,575</b>	<b>496,277</b>	<b>24,836,852</b>
<b>EXPENDITURES :</b>			
Current:			
General government	533,274	-	533,274
Parks, recreation and community services	126,221	-	126,221
Police	471,902	-	471,902
Fire	845,972	-	845,972
Community development	5,157,457	-	5,157,457
Public works	212,468	-	212,468
Transportation	418,568	-	418,568
Capital outlay	1,518,330	628,076	2,146,406
<b>Total expenditures</b>	<b>9,284,192</b>	<b>628,076</b>	<b>9,912,268</b>
<b>REVENUES OVER EXPENDITURES</b>	<b>15,056,383</b>	<b>(131,799)</b>	<b>14,924,584</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	340,616	-	340,616
Transfers out	(3,957,824)	-	(3,957,824)
Proceeds from SBITA Financing	829,825	-	829,825
Proceeds from sale of property	4,020	-	4,020
<b>Total other financing sources (uses)</b>	<b>(2,783,363)</b>	<b>-</b>	<b>(2,783,363)</b>
<b>CHANGES IN FUND BALANCES</b>	<b>12,273,020</b>	<b>(131,799)</b>	<b>12,141,221</b>
<b>FUND BALANCES :</b>			
Beginning of year, as previously reported	45,478,375	7,846,571	53,324,946
Prior period adjustment	126,950	-	126,950
Beginning of year, as adjusted	45,605,325	7,846,571	53,451,896
End of year	<b>\$ 57,878,345</b>	<b>\$ 7,714,772</b>	<b>\$ 65,593,117</b>

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# NONMAJOR SPECIAL REVENUE FUNDS

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**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

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***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.

***Measure W Fund*** - To account for monies from the special parcel tax of 2.5 cents per square foot of impermeable surface area on private property in the LA County Flood Control District approved by voters in the LA County Flood District to fund projects, programs and studies related to protecting and improving water quality.

***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.

***Mobility Improvement Fund*** - To account for monies from new development impact fees related to increased vehicle miles traveled and transportation impacts. On June 28, 2021, City Council adopted an ordinance adding a Mobility Improvement Fees subchapter to the Culver City Municipal Code as part of the City's Travel Demand Forecast Model project. The funds will be used for citywide mobility projects to ameliorate the traffic impacts from new development.

**City of Culver City  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2023**

	Gas Tax	Proposition A Local Return	Proposition C Local Return	Measure R	Operating Grants
<b>ASSETS</b>					
Cash and investments	\$ 5,385,337	\$ 1,342,692	\$ 1,544,857	\$ 1,014,217	\$ 2,298,055
Accounts receivables, net	-	-	-	-	-
Interest receivables	26,178	7,903	8,425	4,861	12,242
Notes receivables, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	247,076	-	-	-	289,980
Due from Westside COG	-	-	-	-	82,828
<b>Total assets</b>	<u>\$ 5,658,591</u>	<u>\$ 1,350,594</u>	<u>\$ 1,553,281</u>	<u>\$ 1,019,078</u>	<u>\$ 2,683,105</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	43,292	-	150,000	283,821	39,986
Salaries and benefits payable	-	-	-	-	6,234
Due to other funds	-	-	-	-	86,607
Deposits payable	-	-	-	-	-
Retention payable	-	-	-	8,368	-
Due to other governments	-	-	-	-	-
<b>Total liabilities</b>	<u>43,292</u>	<u>-</u>	<u>150,000</u>	<u>292,190</u>	<u>132,828</u>
<b>Deferred inflows of resources:</b>					
Unavailable revenues	-	-	-	-	355,417
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>355,417</u>
<b>Fund Balances:</b>					
Restricted	5,615,299	1,350,594	1,403,281	726,888	2,194,861
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	0
<b>Total fund balances</b>	<u>5,615,299</u>	<u>1,350,594</u>	<u>1,403,281</u>	<u>726,888</u>	<u>2,194,861</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 5,658,591</u>	<u>\$ 1,350,594</u>	<u>\$ 1,553,281</u>	<u>\$ 1,019,078</u>	<u>\$ 2,683,105</u>

(Continued)

**City of Culver City**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	Section 8 Housing	Art in Public Places	Community Development	CDBG	Special Assessment
<b>ASSETS</b>					
Cash and investments	\$ 1,233,232	\$ 4,020,547	\$ 957,273	\$ 15,001	\$ 1,059,353
Accounts receivables, net	-	13,850	-	-	-
Interest receivables	-	20,324	4,813	-	5,320
Notes receivables, net	-	-	-	23,819	-
Due from other funds	2,503	-	-	-	-
Due from other governments	-	-	-	-	4,202
Due from Westside COG	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,235,735</b>	<b>\$ 4,054,721</b>	<b>\$ 962,087</b>	<b>\$ 38,820</b>	<b>\$ 1,068,875</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	9,485	2,805	-	-	5,566
Salaries and benefits payable	7,549	-	-	-	-
Due to other funds	84	-	-	-	-
Deposits payable	8,321	-	-	-	369,954
Retention payable	-	-	-	-	-
Due to other governments	-	-	-	38,820	-
<b>Total liabilities</b>	<b>25,439</b>	<b>2,805</b>	<b>-</b>	<b>38,820</b>	<b>375,520</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenues	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	1,210,296	4,051,916	962,086	-	693,355
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances</b>	<b>1,210,296</b>	<b>4,051,916</b>	<b>962,086</b>	<b>-</b>	<b>693,355</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,235,735</b>	<b>\$ 4,054,721</b>	<b>\$ 962,086</b>	<b>\$ 38,820</b>	<b>\$ 1,068,875</b>

(Continued)

**City of Culver City**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	Park Facilities	Asset Seizure	Parking Authority	Safe/Clean Water Protection	Measure W	Building Surcharge
<b>ASSETS</b>						
Cash and investments	\$ 1,225,065	\$ 819,059	\$ 15,924,134	\$ 13,103,897	\$ 5,599,289	\$ 296,811
Accounts receivables, net	8,947	-	57,831	-	-	7,859
Interest receivables	6,090	4,137	80,713	47,808	44,216	1,650
Notes receivables, net	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	40,085	-	-
Due from Westside COG	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,240,103</b>	<b>\$ 823,195</b>	<b>\$ 16,062,678</b>	<b>\$ 13,191,790</b>	<b>\$ 5,643,505</b>	<b>\$ 306,320</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	25,778	446	149,549	301,304	1,097	506
Salaries and benefits payable	-	-	-	-	-	7,365
Due to other funds	-	-	-	-	-	-
Deposits payable	-	-	73,868	-	-	-
Retention payable	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
<b>Total liabilities</b>	<b>25,778</b>	<b>446</b>	<b>223,417</b>	<b>301,304</b>	<b>1,097</b>	<b>7,871</b>
<b>Deferred inflows of resources:</b>						
Unavailable revenues	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>						
Restricted	1,214,325	822,749	15,839,261	12,890,487	5,642,407	298,448
Committed	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
<b>Total fund balances</b>	<b>1,214,325</b>	<b>822,749</b>	<b>15,839,261</b>	<b>12,890,487</b>	<b>5,642,407</b>	<b>298,448</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,240,103</b>	<b>\$ 823,196</b>	<b>\$ 16,062,678</b>	<b>\$ 13,191,790</b>	<b>\$ 5,643,505</b>	<b>\$ 306,320</b>

(Continued)

**City of Culver City**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	Paratransit	Measure M	AQMD	Board of State Community Corrections	Mobility Improvement	Total
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 2,305,124	\$ 342,166	\$ 104,759	\$ 219,645	\$ 58,810,512
Accounts receivables, net	893	-	13,386	-	178,394	281,160
Interest receivables	-	11,085	1,680	525	1,013	288,984
Notes receivables, net	-	-	-	-	-	23,819
Due from other funds	-	-	-	-	-	2,503
Due from other governments	73,233	-	-	-	-	654,576
Due from Westside COG	-	-	-	-	-	82,828
<b>Total assets</b>	<b>\$ 74,126</b>	<b>\$ 2,316,209</b>	<b>\$ 357,232</b>	<b>\$ 105,284</b>	<b>\$ 399,052</b>	<b>\$ 60,144,382</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	604	7,875	4,071	17,890	-	\$ 1,044,077
Salaries and benefits payable	9,784	-	-	-	-	30,932
Due to other funds	69,920	-	-	-	-	156,611
Deposits payable	-	-	-	-	-	452,144
Retention payable	-	18,783	-	-	-	27,151
Due to other governments	-	-	-	87,393	-	126,213
<b>Total liabilities</b>	<b>80,308</b>	<b>26,658</b>	<b>4,071</b>	<b>105,284</b>	<b>-</b>	<b>1,837,128</b>
<b>Deferred inflows of resources:</b>						
Unavailable revenues	73,493	-	-	-	-	428,909
<b>Total deferred inflows of resources</b>	<b>73,493</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>428,909</b>
<b>Fund Balances:</b>						
Restricted	-	2,289,552	353,161	-	399,052	57,958,019
Committed	-	-	-	-	-	-
Unassigned (deficit)	(79,674)	-	-	-	-	(79,674)
<b>Total fund balances</b>	<b>(79,674)</b>	<b>2,289,552</b>	<b>353,161</b>	<b>-</b>	<b>399,052</b>	<b>57,878,345</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 74,126</b>	<b>\$ 2,316,210</b>	<b>\$ 357,232</b>	<b>\$ 105,284</b>	<b>\$ 399,052</b>	<b>\$ 60,144,382</b>

(Concluded)

**City of Culver City**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**Year Ended June 30, 2023**

	Gas Tax	Proposition A Local Return	Proposition C Local Return	Measure R	Operating Grants
<b>REVENUES:</b>					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,987,124	1,046,262	867,845	650,696	5,540,370
Charges for services	-	-	-	-	-
Investment earnings (losses)	36,850	13,972	17,778	5,852	2,466
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>2,023,974</b>	<b>1,060,234</b>	<b>885,622</b>	<b>656,548</b>	<b>5,542,836</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Parks, recreation, and community services	-	-	-	-	82,828
Police	-	-	-	-	248,423
Fire	-	-	-	-	845,972
Community development	-	-	-	-	358,886
Public works	-	-	-	-	191,115
Transportation	-	-	-	-	13,528
Capital outlay	224,170	-	150,000	284,404	-
<b>Total expenditures</b>	<b>224,170</b>	<b>-</b>	<b>150,000</b>	<b>284,404</b>	<b>1,740,752</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,799,804</b>	<b>1,060,234</b>	<b>735,622</b>	<b>372,144</b>	<b>3,802,084</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	13,528
Transfers out	(400,000)	(971,114)	(684,643)	(302,067)	(400,000)
Proceeds from SBITA financing	-	-	-	-	-
Proceeds from sale of property	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(400,000)</b>	<b>(971,114)</b>	<b>(684,643)</b>	<b>(302,067)</b>	<b>(386,472)</b>
<b>CHANGES IN FUND BALANCES</b>	<b>1,399,804</b>	<b>89,120</b>	<b>50,979</b>	<b>70,077</b>	<b>3,415,612</b>
<b>FUND BALANCES (DEFICIT):</b>					
Beginning of year	4,215,495	1,261,474	1,352,302	656,811	(1,220,751)
Prior period adjustment	-	-	-	-	-
Beginning of year, as restated	4,215,495	1,261,474	1,352,302	656,811	(1,220,751)
End of year	<b>\$ 5,615,299</b>	<b>\$ 1,350,594</b>	<b>\$ 1,403,281</b>	<b>\$ 726,888</b>	<b>\$ 2,194,861</b>

(Continued)

**City of Culver City**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Special Revenue Funds**  
**Year Ended June 30, 2023**

	Section 8 Housing	Art in Public Places	Community Development	CDBG	Special Assessment
<b>REVENUES:</b>					
Licenses and permits	\$ -	\$ 529,314	\$ 1,690	\$ -	\$ -
Intergovernmental	1,640,002	-	-	43,393	-
Charges for services	-	-	-	-	110,704
Investment earnings (losses)	17,030	40,555	11,684	-	3,788
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>1,657,032</b>	<b>569,869</b>	<b>13,374</b>	<b>43,393</b>	<b>114,492</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	437,782	-	-	-
Parks, recreation, and community services	-	-	-	43,393	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Community development	1,593,681	-	-	-	27,473
Public works	-	-	-	-	-
Transportation	-	-	-	-	-
Capital outlay	-	-	33,689	-	-
<b>Total expenditures</b>	<b>1,593,681</b>	<b>437,782</b>	<b>33,689</b>	<b>43,393</b>	<b>27,473</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>63,351</b>	<b>132,087</b>	<b>(20,315)</b>	<b>(0)</b>	<b>87,019</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from SBITA financing	-	-	-	-	-
Proceeds from sale of property	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGES IN FUND BALANCES</b>	<b>63,351</b>	<b>132,087</b>	<b>(20,315)</b>	<b>(0)</b>	<b>87,019</b>
<b>FUND BALANCES (DEFICIT):</b>					
Beginning of year	1,019,996	3,919,829	982,401	-	606,336
Prior period adjustment	126,949	-	-	-	-
Beginning of year, as restated	1,146,945	3,919,829	982,401	-	606,336
End of year	<b>\$ 1,210,296</b>	<b>\$ 4,051,916</b>	<b>\$ 962,086</b>	<b>\$ (0)</b>	<b>\$ 693,355</b>

(Continued)

**City of Culver City**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Special Revenue Funds**  
**Year Ended June 30, 2023**

	Park Facilities	Asset Seizure	Parking Authority	Safe/Clean Water Protection	Measure W	Building Surcharge
<b>REVENUES:</b>						
Licenses and permits	\$ -	\$ -	\$ 166,806	\$ -	\$ -	\$ 208,013
Intergovernmental	-	52,518	-	(521,098)	3,429,566	-
Charges for services	167,242	-	4,211,075	1,284,667	237,500	-
Investment earnings (losses)	13,297	9,673	185,144	142,872	(50,650)	10,076
Miscellaneous	-	-	38,272	749,643	-	-
<b>Total revenues</b>	<b>180,539</b>	<b>62,192</b>	<b>4,601,297</b>	<b>1,656,083</b>	<b>3,616,415</b>	<b>218,089</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	95,492	-	-	-
Parks, recreation, and community services	-	-	-	-	-	-
Police	-	64,561	-	-	-	-
Fire	-	-	-	-	-	-
Community development	-	-	1,775,341	-	-	1,402,076
Public works	-	-	-	-	-	21,353
Transportation	-	-	-	-	-	-
Capital outlay	136,792	-	672,860	(456,131)	321,392	11,335
<b>Total expenditures</b>	<b>136,792</b>	<b>64,561</b>	<b>2,543,693</b>	<b>(456,131)</b>	<b>321,392</b>	<b>1,434,764</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>43,747</b>	<b>(2,370)</b>	<b>2,057,604</b>	<b>2,112,215</b>	<b>3,295,023</b>	<b>(1,216,675)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(1,200,000)	-	-	-
Proceeds from SBITA financing	-	-	-	-	-	829,825
Proceeds from sale of property	-	4,020	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>4,020</b>	<b>(1,200,000)</b>	<b>-</b>	<b>-</b>	<b>829,825</b>
<b>CHANGES IN FUND BALANCES</b>	<b>43,747</b>	<b>1,650</b>	<b>857,604</b>	<b>2,112,215</b>	<b>3,295,023</b>	<b>(386,850)</b>
<b>FUND BALANCES (DEFICIT):</b>						
Beginning of year	1,170,578	821,099	14,981,657	8,993,268	4,132,387	685,298
Prior period adjustment	-	-	-	1,785,004	(1,785,003)	-
Beginning of year, as restated	1,170,578	821,099	14,981,657	10,778,272	2,347,384	685,298
year	\$ 1,214,325	\$ 822,749	\$ 15,839,261	\$ 12,890,487	\$ 5,642,407	\$ 298,448

(Continued)

**City of Culver City**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Special Revenue Funds**  
**Year Ended June 30, 2023**

	Paratransit	Measure M	AQMD	Board of State Community Corrections	Mobility Improvement	Total
<b>REVENUES:</b>						
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 905,823
Intergovernmental	53,408	736,076	66,072	168,818	-	15,761,053
Charges for services	152	-	-	-	401,543	6,412,882
Investment earnings (losses)	-	13,966	2,792	(2,678)	(2,491)	471,975
Miscellaneous	926	-	-	-	-	788,841
<b>Total revenues</b>	<b>54,487</b>	<b>750,042</b>	<b>68,864</b>	<b>166,140</b>	<b>399,052</b>	<b>24,340,575</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	533,274
Parks, recreation, and community services	-	-	-	-	-	126,221
Police	-	-	-	158,917	-	471,902
Fire	-	-	-	-	-	845,972
Community development	-	-	-	-	-	5,157,457
Public works	-	-	-	-	-	212,468
Transportation	405,040	-	-	-	-	418,568
Capital outlay	-	128,379	11,441	-	-	1,518,330
<b>Total expenditures</b>	<b>405,040</b>	<b>128,379</b>	<b>11,441</b>	<b>158,917</b>	<b>-</b>	<b>9,284,192</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(350,554)</b>	<b>621,663</b>	<b>57,424</b>	<b>7,223</b>	<b>399,052</b>	<b>15,056,383</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	327,088	-	-	-	-	340,616
Transfers out	-	-	-	-	-	(3,957,824)
Proceeds from SBITA financing	-	-	-	-	-	829,825
Proceeds from sale of property	-	-	-	-	-	4,020
<b>Total other financing sources (uses)</b>	<b>327,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,783,363)</b>
<b>CHANGES IN FUND BALANCES</b>	<b>(23,466)</b>	<b>621,663</b>	<b>57,424</b>	<b>7,223</b>	<b>399,052</b>	<b>12,273,020</b>
<b>FUND BALANCES (DEFICIT):</b>						
Beginning of year	(56,208)	1,667,889	295,737	(7,223)	-	45,478,375
Prior period adjustment	-	-	-	-	-	126,950
Beginning of year, as restated	(56,208)	1,667,889	295,737	(7,223)	-	45,605,325
End of year	\$ (79,674)	\$ 2,289,552	\$ 353,161	\$ -	\$ 399,052	\$ 57,878,345

(Concluded)

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Gas Tax**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 374,568	\$ 2,234,463	\$ 1,987,124	\$ (247,338)
Investment earnings	(35,184)	(35,184)	36,850	72,034
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>339,384</u>	<u>2,199,279</u>	<u>2,023,974</u>	<u>(175,304)</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>4,210,704</u>	<u>4,035,005</u>	<u>224,170</u>	<u>3,810,834</u>
<b>Total expenditures</b>	<u>4,210,704</u>	<u>4,035,005</u>	<u>224,170</u>	<u>3,810,834</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,871,321)</u>	<u>(1,835,726)</u>	<u>1,799,804</u>	<u>3,635,530</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(0)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>0</u>
<b>Total other financing uses</b>	<u>(0)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>0</u>
<b>CHANGE IN FUND BALANCE</b>	<u>(3,871,321)</u>	<u>(2,235,726)</u>	<u>1,399,804</u>	<u>3,635,530</u>
<b>FUND BALANCE:</b>				
Beginning of year	<u>4,215,495</u>	<u>4,215,495</u>	<u>4,215,495</u>	<u>-</u>
End of year	<u>\$ 344,174</u>	<u>\$ 1,979,769</u>	<u>\$ 5,615,299</u>	<u>\$ 3,635,530</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Proposition A Local Return**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 971,114	\$ 971,114	\$ 1,046,262	\$ 75,148
Investment earnings	11,000	11,000	13,972	2,972
<b>Total revenues</b>	<b>982,114</b>	<b>982,114</b>	<b>1,060,234</b>	<b>78,120</b>
<b>OTHER FINANCING USES:</b>				
Transfers out	-	-	(971,114)	(971,114)
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>(971,114)</b>	<b>(971,114)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>982,114</b>	<b>982,114</b>	<b>89,120</b>	<b>(892,994)</b>
<b>FUND BALANCE:</b>				
Beginning of year	1,261,474	1,261,474	1,261,474	-
End of year	<u>\$ 2,243,588</u>	<u>\$ 2,243,588</u>	<u>\$ 1,350,594</u>	<u>\$ (892,994)</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Proposition C Local Return**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 805,514	\$ 805,514	\$ 867,845	\$ 62,331
Investment earnings	12,000	12,000	17,778	5,778
<b>Total revenues</b>	<b>817,514</b>	<b>817,514</b>	<b>885,622</b>	<b>68,108</b>
<b>EXPENDITURES:</b>				
Capital outlay	350,000	350,000	150,000	200,000
<b>Total expenditures</b>	<b>350,000</b>	<b>350,000</b>	<b>150,000</b>	<b>200,000</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>467,514</b>	<b>467,514</b>	<b>735,622</b>	<b>268,108</b>
<b>OTHER FINANCING USES:</b>				
Transfers out	(214,405)	(214,405)	(684,643)	(470,238)
<b>Total other financing uses</b>	<b>(214,405)</b>	<b>(214,405)</b>	<b>(684,643)</b>	<b>(470,238)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>253,109</b>	<b>253,109</b>	<b>50,979</b>	<b>(202,130)</b>
<b>FUND BALANCE:</b>				
Beginning of year	1,352,302	1,352,302	1,352,302	-
End of year	<b>\$ 1,605,411</b>	<b>\$ 1,605,411</b>	<b>\$ 1,403,281</b>	<b>\$ (202,130)</b>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Measure R**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,815,488	\$ 1,048,135	\$ 650,696	\$ (397,439)
Investment earnings	(4,052)	-	5,852	5,852
<b>Total revenues</b>	<u>1,811,436</u>	<u>1,048,135</u>	<u>656,548</u>	<u>(391,587)</u>
<b>EXPENDITURES:</b>				
Capital outlay	455,678	757,745	284,404	473,342
<b>Total expenditures</b>	<u>455,678</u>	<u>757,745</u>	<u>284,404</u>	<u>473,342</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,355,758</u>	<u>290,390</u>	<u>372,144</u>	<u>81,754</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	969,979	-	(302,067)	(302,067)
<b>Total other financing uses</b>	<u>969,979</u>	<u>-</u>	<u>(302,067)</u>	<u>(302,067)</u>
<b>CHANGE IN FUND BALANCE</b>	2,325,737	290,390	70,077	(220,313)
<b>FUND BALANCE:</b>				
Beginning of year	656,811	656,811	656,811	-
End of year	<u>\$ 2,982,548</u>	<u>\$ 947,201</u>	<u>\$ 726,888</u>	<u>\$ (220,313)</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Operating Grants**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,305,874	\$ 2,723,152	\$ 5,540,370	\$ 2,817,218
Investment earnings	3,000	\$ 3,000	2,466	(534)
Miscellaneous	-	4,491,814	-	(4,491,814)
<b>Total revenues</b>	<u>1,308,874</u>	<u>7,217,966</u>	<u>5,542,836</u>	<u>(1,675,130)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Parks, recreation, and community services	-	-	82,828	(82,828)
Police	113,573	209,478	248,423	(38,946)
Fire	691,969	895,480	845,972	49,509
Community development	-	5,637,804	358,886	5,278,918
Public works	113,905	235,242	191,115	44,126
Transportation	-	-	13,528	(13,528)
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>919,447</u>	<u>6,978,004</u>	<u>1,740,752</u>	<u>5,237,252</u>
<b>REVENUES (UNDER) EXPENDITURES</b>	<u>389,427</u>	<u>239,962</u>	<u>3,802,084</u>	<u>3,562,122</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	13,528	13,528
Transfers out	(400,000)	(400,000)	(400,000)	-
<b>Total other financing sources (uses)</b>	<u>(400,000)</u>	<u>(400,000)</u>	<u>(386,472)</u>	<u>13,528</u>
<b>CHANGE IN FUND BALANCE</b>	(10,573)	(160,038)	3,415,612	3,575,650
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year	(1,220,751)	(1,220,751)	(1,220,751)	-
End of year	<u>\$ (1,231,324)</u>	<u>\$ (1,380,789)</u>	<u>\$ 2,194,861</u>	<u>\$ 3,575,650</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Section 8 Housing**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,336,400	\$ 1,336,400	\$ 1,640,002	\$ 303,602
Investment earnings	7,000	7,000	17,030	10,030
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>1,343,400</u>	<u>1,343,400</u>	<u>1,657,032</u>	<u>313,632</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	1,880,661	1,882,628	1,593,681	288,946
<b>Total expenditures</b>	<u>1,880,661</u>	<u>1,882,628</u>	<u>1,593,681</u>	<u>288,946</u>
<b>CHANGE IN FUND BALANCE</b>	(537,261)	(539,228)	63,351	602,578
<b>FUND BALANCE:</b>				
Beginning of year, as restated	1,146,945	1,146,945	1,146,945	-
End of year	<u>\$ 609,684</u>	<u>\$ 607,717</u>	<u>\$ 1,210,296</u>	<u>\$ 602,578</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Art in Public Places**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Licenses and permits	550,000	550,000	529,314	(20,686)
Investment earnings	29,000	29,000	40,555	11,555
<b>Total revenues</b>	<u>579,000</u>	<u>579,000</u>	<u>569,869</u>	<u>(9,131)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	704,738	2,376,284	437,782	1,938,502
Community development	-	(2,500)	-	(2,500)
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>704,738</u>	<u>2,373,784</u>	<u>437,782</u>	<u>1,936,002</u>
<b>CHANGE IN FUND BALANCE</b>	(125,738)	(1,794,784)	132,087	1,926,871
<b>FUND BALANCE:</b>				
Beginning of year	3,919,829	3,919,829	3,919,829	-
End of year	<u>\$ 3,794,091</u>	<u>\$ 2,125,045</u>	<u>\$ 4,051,916</u>	<u>\$ 1,926,871</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Community Development**  
**Year Ended June 30, 2023**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ (53,559)	\$ 50,000	\$ 1,690	\$ (48,310)
Charges for services	-	-	-	-
Investment earnings	2,130	2,100	11,684	9,584
<b>Total revenues</b>	<u>(51,429)</u>	<u>52,100</u>	<u>13,374</u>	<u>(38,726)</u>
<b>EXPENDITURES:</b>				
Capital outlay	828,489	994,489	33,689	960,800
<b>Total expenditures</b>	<u>828,489</u>	<u>994,489</u>	<u>33,689</u>	<u>960,800</u>
<b>CHANGE IN FUND BALANCE</b>	(879,918)	(942,389)	(20,315)	922,074
<b>FUND BALANCE:</b>				
Beginning of year	982,401	982,401	982,401	-
End of year	<u>\$ 102,483</u>	<u>\$ 40,012</u>	<u>\$ 962,086</u>	<u>\$ 922,074</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Community Development Block Grant (CDBG)**  
**Year Ended June 30, 2023**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 40,000	\$ 40,000	\$ 43,393	\$ 3,393
<b>Total revenues</b>	<b>40,000</b>	<b>40,000</b>	<b>43,393</b>	<b>3,393</b>
<b>EXPENDITURES:</b>				
Current:				
Parks, recreation, and community services	40,000	40,000	43,393	(3,393)
<b>Total expenditures</b>	<b>40,000</b>	<b>40,000</b>	<b>43,393</b>	<b>(3,393)</b>
<b>CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE:</b>				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Special Assessment**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 88,570	\$ 88,570	\$ 110,704	\$ 22,134
Investment earnings	4,000	4,000	3,788	(212)
<b>Total revenues</b>	<u>92,570</u>	<u>92,570</u>	<u>114,492</u>	<u>21,922</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	103,415	109,157	27,473	81,684
<b>Total expenditures</b>	<u>103,415</u>	<u>109,157</u>	<u>27,473</u>	<u>81,684</u>
<b>CHANGE IN FUND BALANCE</b>	(10,845)	(16,587)	87,019	103,606
<b>FUND BALANCE:</b>				
Beginning of year	606,336	606,336	606,336	-
End of year	<u>\$ 595,491</u>	<u>\$ 589,749</u>	<u>\$ 693,355</u>	<u>\$ 103,606</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Park Facilities**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 111,082	\$ 56,082	\$ 167,242	\$ 111,160
Investment earnings	5,275	3,275	13,297	10,022
<b>Total revenues</b>	<u>116,357</u>	<u>59,357</u>	<u>180,539</u>	<u>121,181</u>
<b>EXPENDITURES:</b>				
Current:				
Parks, recreation, and community services	-	-	-	-
Capital outlay	1,117,506	1,337,050	136,792	1,200,258
<b>Total expenditures</b>	<u>1,117,506</u>	<u>1,337,050</u>	<u>136,792</u>	<u>1,200,258</u>
<b>CHANGE IN FUND BALANCE</b>	(1,001,149)	(1,277,693)	43,747	1,321,440
<b>FUND BALANCE:</b>				
Beginning of year	1,170,578	1,170,578	1,170,578	-
End of year	<u>\$ 169,429</u>	<u>\$ (107,115)</u>	<u>\$ 1,214,325</u>	<u>\$ 1,321,440</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Asset Seizure**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ 13,950	\$ 52,518	\$ 38,568
Investment earnings	10,000	10,000	9,673	(327)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>10,000</u>	<u>23,950</u>	<u>62,192</u>	<u>38,242</u>
<b>EXPENDITURES:</b>				
Current:				
Police	-	179,717	64,561	115,155
Capital outlay	427,000	427,000	-	427,000
<b>Total expenditures</b>	<u>427,000</u>	<u>606,717</u>	<u>64,561</u>	<u>542,155</u>
<b>REVENUES (UNDER) EXPENDITURES</b>	<u>(417,000)</u>	<u>(582,767)</u>	<u>(2,370)</u>	<u>580,397</u>
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from sale of property	-	-	4,020	4,020
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>4,020</u>	<u>4,020</u>
<b>CHANGE IN FUND BALANCE</b>	(417,000)	(582,767)	1,650	584,417
<b>FUND BALANCE:</b>				
Beginning of year	821,099	821,099	821,099	-
End of year	<u>\$ 404,099</u>	<u>\$ 238,332</u>	<u>\$ 822,749</u>	<u>\$ 584,417</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Parking Authority**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 190,000	\$ 190,000	\$ 166,806	\$ (23,194)
Charges for services	3,832,679	3,832,679	4,211,075	378,396
Investment earnings	208,000	208,000	185,144	(22,856)
Miscellaneous	75,470	75,470	38,272	(37,198)
<b>Total revenues</b>	<u>4,306,149</u>	<u>4,306,149</u>	<u>4,601,297</u>	<u>295,148</u>
<b>EXPENDITURES:</b>				
Current:				
General government	150,000	150,000	95,492	54,508
Community development	1,944,845	2,142,019	1,775,341	366,678
Capital outlay	550,000	6,073,816	672,860	5,400,957
<b>Total expenditures</b>	<u>2,644,845</u>	<u>8,365,835</u>	<u>2,543,693</u>	<u>5,822,142</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,661,304</u>	<u>(4,059,686)</u>	<u>2,057,604</u>	<u>6,117,290</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(1,200,000)	(1,423,819)	(1,200,000)	223,819
<b>Total other financing uses</b>	<u>(1,200,000)</u>	<u>(1,423,819)</u>	<u>(1,200,000)</u>	<u>223,819</u>
<b>CHANGE IN FUND BALANCE</b>	461,304	(5,483,505)	857,604	6,341,109
<b>FUND BALANCE:</b>				
Beginning of year	14,981,657	14,981,657	14,981,657	-
End of year	<u>\$ 15,442,961</u>	<u>\$ 9,498,152</u>	<u>\$ 15,839,261</u>	<u>\$ 6,341,109</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Safe/Clean Water Protection**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ (521,098)	\$ (521,098)
Charges for services	2,050,000	2,050,000	1,284,667	(765,333)
Investment earnings	83,000	83,000	142,872	59,872
Miscellaneous	-	-	749,643	749,643
<b>Total revenues</b>	<u>2,133,000</u>	<u>2,133,000</u>	<u>1,656,083</u>	<u>(476,917)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	162,965	-	162,965
Capital outlay	4,534,022	10,791,854	(456,131)	11,247,985
<b>Total expenditures</b>	<u>4,534,022</u>	<u>10,954,819</u>	<u>(456,131)</u>	<u>11,410,950</u>
<b>CHANGE IN FUND BALANCE</b>	(2,401,022)	(8,821,819)	2,112,215	10,934,034
<b>FUND BALANCE:</b>				
Beginning of year, as restated	10,778,272	10,778,272	10,778,272	-
End of year	<u>\$ 8,377,250</u>	<u>\$ 1,956,453</u>	<u>\$ 12,890,487</u>	<u>\$ 10,934,034</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Measure W**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 3,429,566	\$ 3,429,566
Charges for services	-	-	237,500	237,500
Investment earnings (losses)	-	-	(50,650)	(50,650)
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>3,616,415</u>	<u>3,616,415</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	-	-
Capital outlay	-	5,893,104	321,392	5,571,712
<b>Total expenditures</b>	<u>-</u>	<u>5,893,104</u>	<u>321,392</u>	<u>5,571,712</u>
<b>CHANGE IN FUND BALANCE</b>	-	(5,893,104)	3,295,023	9,188,127
<b>FUND BALANCE:</b>				
Beginning of year, as restated	-	-	2,347,384	2,347,384
End of year	<u>\$ -</u>	<u>\$ (5,893,104)</u>	<u>\$ 5,642,407</u>	<u>\$ 11,535,511</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Building Surcharge**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 208,013	\$ (91,987)
Investment earnings	11,000	11,000	10,076	(924)
<b>Total revenues</b>	<b>311,000</b>	<b>311,000</b>	<b>218,089</b>	<b>(92,911)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	369,727	887,375	1,402,076	(514,701)
Public works	34,832	34,832	21,353	13,479
Capital outlay	-	59,569	11,335	48,234
<b>Total expenditures</b>	<b>404,559</b>	<b>981,776</b>	<b>1,434,764</b>	<b>(452,988)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(93,559)</b>	<b>(670,776)</b>	<b>(1,216,675)</b>	<b>(545,899)</b>
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from SBITA financing	-	-	829,825	829,825
<b>CHANGE IN FUND BALANCE</b>	<b>(93,559)</b>	<b>(670,776)</b>	<b>(386,850)</b>	<b>283,927</b>
<b>FUND BALANCE:</b>				
Beginning of year	685,298	685,298	685,298	-
End of year	<b>\$ 591,739</b>	<b>\$ 14,522</b>	<b>\$ 298,448</b>	<b>\$ 283,927</b>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Paratransit**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 123,612	\$ 123,612	\$ 53,408	\$ (70,204)
Charges for services	3,000	3,000	152	(2,848)
Miscellaneous	1,791	1,791	926	(865)
<b>Total revenues</b>	<u>128,403</u>	<u>128,403</u>	<u>54,487</u>	<u>(73,916)</u>
<b>EXPENDITURES:</b>				
Current:				
Transportation	342,808	354,507	405,040	(50,533)
<b>Total expenditures</b>	<u>342,808</u>	<u>354,507</u>	<u>405,040</u>	<u>(50,533)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(214,405)</u>	<u>(226,104)</u>	<u>(350,554)</u>	<u>(124,450)</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	214,405	214,405	327,088	112,683
<b>Total other financing sources</b>	<u>214,405</u>	<u>214,405</u>	<u>327,088</u>	<u>112,683</u>
<b>CHANGE IN FUND BALANCE</b>	-	(11,699)	(23,466)	(11,767)
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year	(56,208)	(56,208)	(56,208)	-
End of year	<u>\$ (56,208)</u>	<u>\$ (67,907)</u>	<u>\$ (79,674)</u>	<u>\$ (11,767)</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Measure M**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 684,687	\$ 684,687	\$ 736,076	\$ 51,389
Investment earnings	8,000	8,000	13,966	5,966
<b>Total revenues</b>	<u>692,687</u>	<u>692,687</u>	<u>750,042</u>	<u>57,355</u>
<b>EXPENDITURES:</b>				
Capital outlay	1,419,780	2,523,119	128,379	2,394,740
<b>Total expenditures</b>	<u>1,419,780</u>	<u>2,523,119</u>	<u>128,379</u>	<u>2,394,740</u>
<b>CHANGE IN FUND BALANCE</b>	(727,093)	(1,830,432)	621,663	2,452,095
<b>FUND BALANCE:</b>				
Beginning of year	1,667,889	1,667,889	1,667,889	-
End of year	<u>\$ 940,796</u>	<u>\$ (162,543)</u>	<u>\$ 2,289,552</u>	<u>\$ 2,452,095</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – AQMD**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 66,072	\$ 56,072
Investment earnings	-	-	2,792	2,792
<b>Total revenues</b>	<u>10,000</u>	<u>10,000</u>	<u>68,864</u>	<u>58,864</u>
<b>EXPENDITURES:</b>				
Current:				
Transportation	75,000	75,000	-	75,000
Capital outlay	50,000	62,000	11,441	50,559
<b>Total expenditures</b>	<u>125,000</u>	<u>137,000</u>	<u>11,441</u>	<u>125,559</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(115,000)</u>	<u>(127,000)</u>	<u>57,424</u>	<u>184,424</u>
<b>OTHER FINANCING USES:</b>				
Proceeds from sale of property	-	-	-	-
Transfers in	-	-	-	-
<b>Total other financing uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN FUND BALANCE</b>	<u>(115,000)</u>	<u>(127,000)</u>	<u>57,424</u>	<u>184,424</u>
<b>FUND BALANCE:</b>				
Beginning of year	295,737	295,737	295,737	-
End of year	<u>\$ 180,737</u>	<u>\$ 168,737</u>	<u>\$ 353,161</u>	<u>\$ 184,424</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Board of State and Community Corrections**  
**Year Ended June 30, 2023**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	168,818	\$ 168,818
Investment earnings (losses)	-	-	(2,678)	(2,678)
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>166,140</u>	<u>166,140</u>
<b>EXPENDITURES:</b>				
Current:				
Police	<u>147,756</u>	<u>147,756</u>	<u>158,917</u>	<u>(11,161)</u>
<b>Total expenditures</b>	<u>147,756</u>	<u>147,756</u>	<u>158,917</u>	<u>(11,161)</u>
<b>CHANGE IN FUND BALANCE</b>	(147,756)	(147,756)	7,223	154,979
<b>FUND BALANCE:</b>				
Beginning of year	<u>(7,223)</u>	<u>(7,223)</u>	<u>(7,223)</u>	<u>-</u>
End of year	<u>\$ (154,979)</u>	<u>\$ (154,979)</u>	<u>\$ -</u>	<u>\$ 154,979</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Special Revenue Fund – Mobility Improvement Special Revenue Fund**  
**Year Ended June 30, 2023**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 4,738,000	\$ 4,738,000	\$ 401,543	\$ (4,336,457)
Investment earnings (losses)	-	-	(2,491)	(2,491)
<b>Total revenues</b>	<u>4,738,000</u>	<u>4,738,000</u>	<u>399,052</u>	<u>(4,338,948)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN FUND BALANCE</b>	4,738,000	4,738,000	399,052	(4,338,948)
<b>FUND BALANCE:</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ 4,738,000</u>	<u>\$ 4,738,000</u>	<u>\$ 399,052</u>	<u>\$ (4,338,948)</u>

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# MAJOR AND NONMAJOR CAPITAL PROJECTS FUNDS

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**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.

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Capital Projects Fund – Capital Improvement and Acquisition**  
**June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 5,136,463	\$ 5,913,133	\$ 1,193,376	\$ (4,719,757)
Investment earnings	397,876	397,876	445,624	47,748
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>5,534,339</b>	<b>6,311,009</b>	<b>1,639,000</b>	<b>(4,672,009)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	655,789	1,634,085	253,723	1,380,363
Capital outlay	6,746,438	18,139,438	4,370,607	13,768,831
<b>Total expenditures</b>	<b>7,402,227</b>	<b>19,773,524</b>	<b>4,624,330</b>	<b>15,149,194</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,867,888)</b>	<b>(13,462,514)</b>	<b>(2,985,330)</b>	<b>10,477,185</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	7,122,389	12,459,902	6,922,389	(5,537,513)
Transfers out	2,918,284	2,918,284	-	2,918,284
<b>Total other financing sources (uses)</b>	<b>10,040,673</b>	<b>15,378,186</b>	<b>6,922,389</b>	<b>(2,619,229)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>8,172,785</b>	<b>1,915,671</b>	<b>3,937,059</b>	<b>7,857,955</b>
<b>FUND BALANCE:</b>				
Beginning of year	4,303,809	4,303,809	4,303,809	-
End of year	<b>\$ 12,476,594</b>	<b>\$ 6,219,480</b>	<b>\$ 8,240,868</b>	<b>\$ 7,857,955</b>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual**  
**Capital Projects Fund – Capital Improvement Grants**  
**June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 37,931,931	\$ 21,920,576	\$ 5,806,463	\$ (16,114,113)
Investment earnings	-	-	163,306	163,306
<b>Total revenues</b>	<u>37,931,931</u>	<u>21,920,576</u>	<u>5,969,769</u>	<u>(15,950,807)</u>
<b>EXPENDITURES:</b>				
Capital outlay	(13,349,473)	40,836,263	30,533,824	10,302,439
<b>Total expenditures</b>	<u>(13,349,473)</u>	<u>40,836,263</u>	<u>30,533,824</u>	<u>10,302,439</u>
<b>CHANGE IN FUND BALANCE</b>	<u>51,281,404</u>	<u>(18,915,687)</u>	<u>(24,564,055)</u>	<u>(5,648,368)</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year	21,295,343	21,295,343	21,295,343	-
End of year	<u>\$ 72,576,747</u>	<u>\$ 2,379,656</u>	<u>\$ (3,268,712)</u>	<u>\$ (5,648,368)</u>

**City of Culver City  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2023**

	Cooperative Projects	CDBG Capital Projects	Total
<b>ASSETS</b>			
Cash and investments	\$ 4,352,648	\$ -	\$ 4,352,648
Accounts receivables, net	2	-	2
Interest receivables	1,186,150	-	1,186,150
Note receivables, net	3,395,000	-	3,395,000
Due from other governments	-	50,175	50,175
<b>Total assets</b>	<b>\$ 8,933,800</b>	<b>\$ 50,175</b>	<b>\$ 8,983,975</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ (264)	\$ -	\$ (264)
Deposits payable	113,245	-	113,245
Retention payable	-	-	-
Due to other funds	-	50,175	50,175
Due to Successor Agency	1,106,047	-	1,106,047
<b>Total liabilities</b>	<b>1,219,028</b>	<b>50,175</b>	<b>1,269,203</b>
<b>Deferred inflows of resources:</b>			
Unavailable grant revenues	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>			
Restricted	7,714,772	-	7,714,772
Unassigned (deficit)	-	-	-
<b>Total fund balances</b>	<b>7,714,772</b>	<b>-</b>	<b>7,714,772</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 8,933,800</b>	<b>\$ 50,175</b>	<b>\$ 8,983,975</b>

**City of Culver City**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**Year Ended June 30, 2023**

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	Cooperative Projects	CDBG Capital Projects	Total
<b>REVENUES:</b>			
Intergovernmental	\$ -	\$ 353,560	\$ 353,560
Investment earnings	142,717	-	142,717
<b>Total revenues</b>	142,717	353,560	496,277
<b>EXPENDITURES:</b>			
Current:			
Capital outlay	290,205	337,871	628,076
<b>Total expenditures</b>	290,205	337,871	628,076
<b>CHANGES IN FUND BALANCES</b>	(147,488)	15,689	(131,799)
<b>FUND BALANCES:</b>			
Beginning of year	7,862,260	(15,689)	7,846,571
End of year	\$ 7,714,772	\$ -	\$ 7,714,772

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Capital Projects Funds – Cooperative Projects**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Investment earnings	\$ 135,763	\$ 135,763	\$ 142,717	\$ 6,954
<b>Total revenues</b>	<u>135,763</u>	<u>135,763</u>	<u>142,717</u>	<u>6,954</u>
<b>EXPENDITURES:</b>				
Current:				
General government	998,986	998,986	-	998,986
Community service	32,354	32,354	-	32,354
Capital outlay	3,037,991	3,787,991	290,205	3,497,786
<b>Total expenditures</b>	<u>4,069,331</u>	<u>4,819,331</u>	<u>290,205</u>	<u>4,529,126</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,933,568)</u>	<u>(4,683,568)</u>	<u>(147,488)</u>	<u>4,536,080</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	(1,106,047)	1,106,047	-	(1,106,047)
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(1,106,047)</u>	<u>1,106,047</u>	<u>-</u>	<u>(1,106,047)</u>
<b>CHANGE IN FUND BALANCE</b>	(5,039,615)	(3,577,521)	(147,488)	3,430,033
<b>FUND BALANCE:</b>				
Beginning of year	7,862,260	7,862,260	7,862,260	-
End of year	<u>\$ 2,822,645</u>	<u>\$ 4,284,739</u>	<u>\$ 7,714,772</u>	<u>\$ 3,430,033</u>

**City of Culver City**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Balance and Actual**  
**Capital Projects Funds - CDBG**  
**June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 506,313	\$ 1,664,335	\$ 353,560	\$ (1,310,775)
<b>Total revenues</b>	<u>506,313</u>	<u>1,664,335</u>	<u>353,560</u>	<u>(1,310,775)</u>
<b>EXPENDITURES:</b>				
Capital outlay	480,896	640,896	337,871	303,025
Debt service: Principal payments	-	-	-	-
Debt service: Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>480,896</u>	<u>640,896</u>	<u>337,871</u>	<u>303,025</u>
<b>CHANGE IN FUND BALANCE</b>	<u>25,417</u>	<u>1,023,439</u>	<u>15,689</u>	<u>(1,007,750)</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year	(15,689)	(15,689)	(15,689)	-
End of year	<u>\$ 9,728</u>	<u>\$ 1,007,750</u>	<u>\$ -</u>	<u>\$ (1,007,750)</u>

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## INTERNAL SERVICE FUNDS

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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, 2023**

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 10,607,156	\$ -	\$ 8,706,713	\$ -	\$ 19,313,869
Accounts receivables, net	16,368	20,855	40	425	37,689
Interest receivables	53,546	-	31,854	-	85,400
Due from other funds	-	-	-	84	84
Due from other governments	-	37	-	-	37
Inventories	-	180,711	-	593,150	773,861
<b>Total current assets</b>	<b>10,677,070</b>	<b>201,603</b>	<b>8,738,607</b>	<b>593,659</b>	<b>20,210,939</b>
Noncurrent assets:					
Capital assets:					
Construction in progress	77,551	-	-	-	77,551
Machinery and equipment	27,691,240	392,235	42,219	-	28,125,694
Less accumulated depreciation	(22,200,362)	(344,855)	(42,219)	-	(22,587,435)
Capital assets, net	<b>5,568,429</b>	<b>47,380</b>	<b>-</b>	<b>-</b>	<b>5,615,809</b>
<b>Total noncurrent assets</b>	<b>5,568,429</b>	<b>47,380</b>	<b>-</b>	<b>-</b>	<b>5,615,809</b>
<b>Total assets</b>	<b>16,245,500</b>	<b>248,983</b>	<b>8,738,607</b>	<b>593,659</b>	<b>25,826,749</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related amounts	-	2,329,200	597,303	-	2,926,503
Other postemployment benefits related amounts	-	298,278	59,065	-	357,343
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>2,627,478</b>	<b>656,368</b>	<b>-</b>	<b>3,283,846</b>

(Continued)

**City of Culver City**  
**Combining Statement of Net Position (Continued)**  
**All Internal Service Funds**  
**June 30, 2023**

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	104,389	564,033	43,049	146,450	\$ 857,921
Salaries and benefits payable	-	169,767	69,423	-	239,190
Due to other funds	-	3,517,327	-	440,434	3,957,761
Compensated absences - due within one year	-	175,008	-	-	175,008
Claims payable - due within one year	-	-	4,848,404	-	4,848,404
Total current liabilities	<u>104,389</u>	<u>4,426,135</u>	<u>4,960,876</u>	<u>586,884</u>	<u>10,078,284</u>
Noncurrent liabilities:					
Compensated absences - due in more than one year	-	299,093	5,611	-	304,704
Claims payable - due in more than one year	-	-	15,128,922	-	15,128,922
Net pension liabilities	-	8,976,805	2,302,027	-	11,278,832
Net other postemployment benefits liabilities	-	1,823,192	361,028	-	2,184,220
Total noncurrent liabilities	<u>-</u>	<u>11,099,090</u>	<u>17,797,589</u>	<u>-</u>	<u>28,896,678</u>
<b>Total liabilities</b>	<u>104,389</u>	<u>15,525,224</u>	<u>22,758,465</u>	<u>586,884</u>	<u>38,974,962</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related amounts	-	212,512	54,497	-	267,009
Other postemployment benefits related amounts	-	534,180	105,778	-	639,958
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>746,692</u>	<u>160,275</u>	<u>-</u>	<u>906,967</u>
<b>NET POSITION</b>					
Investment in capital assets	5,568,429	47,380	-	-	5,615,809
Unrestricted (deficit)	10,572,682	(13,442,835)	(13,523,765)	6,775	(16,387,144)
<b>Total net position</b>	<u>\$ 16,141,111</u>	<u>\$ (13,395,455)</u>	<u>\$ (13,523,765)</u>	<u>\$ 6,775</u>	<u>\$ (10,771,334)</u>

(Concluded)

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

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
<b>OPERATING REVENUES:</b>					
Sales and service charges	2,488,834	8,315,119	11,769,247	2,296,989	\$ 24,870,189
Miscellaneous	-	-	92,500	8,189	100,689
<b>Total operating revenues</b>	<u>2,488,834</u>	<u>8,315,119</u>	<u>11,861,747</u>	<u>2,305,178</u>	<u>24,970,878</u>
<b>OPERATING EXPENSES:</b>					
Salaries and benefits	-	4,443,600	2,356,469	-	6,800,069
Supplies	-	2,547,790	99,632	334,048	2,981,470
Repairs and maintenance	89,645	2,332,167	9,356	1,964,361	4,395,529
Insurance	-	144,952	3,630,075	-	3,775,027
Claims and settlements	-	-	8,035,132	-	8,035,132
Consulting and contractual services	-	114,811	880,194	-	995,005
Depreciation	2,133,991	13,605	-	-	2,147,597
<b>Total operating expenses</b>	<u>2,223,636</u>	<u>9,596,926</u>	<u>15,010,858</u>	<u>2,298,409</u>	<u>29,129,829</u>
<b>OPERATING INCOME (LOSS)</b>	<u>265,198</u>	<u>(1,281,807)</u>	<u>(3,149,111)</u>	<u>6,768</u>	<u>(4,158,952)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Investment earnings (losses)	88,701	-	(32,333)	7	56,375
Intergovernmental	-	121	-	-	121
Gain on sales of property	30,235	-	-	-	30,235
<b>Total nonoperating revenues (expenses)</b>	<u>118,935</u>	<u>121</u>	<u>(32,333)</u>	<u>7</u>	<u>86,730</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>					
	<u>384,133</u>	<u>(1,281,686)</u>	<u>(3,181,444)</u>	<u>6,775</u>	<u>(4,072,222)</u>
<b>CONTRIBUTIONS AND TRANSFERS:</b>					
Transfers in	-	-	2,000,000	-	2,000,000
<b>Total contributions and transfers</b>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
<b>CHANGES IN NET POSITION</b>	<u>384,133</u>	<u>(1,281,686)</u>	<u>(1,181,444)</u>	<u>6,775</u>	<u>(2,072,222)</u>
<b>NET POSITION (DEFICIT):</b>					
Beginning of year	15,756,978	(12,113,769)	(12,342,321)	-	(8,699,112)
End of year	<u>\$ 16,141,111</u>	<u>\$ (13,395,455)</u>	<u>\$ (13,523,765)</u>	<u>\$ 6,775</u>	<u>\$ (10,771,334)</u>

**City of Culver City**  
**Combining Statement of Cash Flows**  
**All Internal Service Funds**  
**Year Ended June 30, 2023**

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from user departments	\$ 2,472,466	\$ 8,302,624	\$ 11,771,161	\$ 2,296,563	\$ 24,842,814
Receipts from customers and users	-	-	92,500	8,193	100,693
Payments to suppliers for goods and services	(157,952)	(4,883,986)	(8,772,169)	(2,280,183)	(16,094,291)
Payments to employees	-	(4,736,372)	(2,398,201)	-	(7,134,573)
<b>Net cash provided by (used in) operating activities</b>	<b>2,314,514</b>	<b>(1,317,734)</b>	<b>693,290</b>	<b>24,573</b>	<b>1,714,643</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITY:</b>					
Cash received from (paid to) other funds	-	1,349,248	2,016,633	(118,665)	3,247,215
<b>Net cash provided by (used in) noncapital financing activity</b>	<b>-</b>	<b>1,349,248</b>	<b>2,016,633</b>	<b>(118,665)</b>	<b>3,247,215</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition of capital assets	(862,978)	(31,634)	-	-	(894,612)
Capital grants	-	121	-	-	121
Proceeds from sale of capital assets	35,446	-	-	-	35,446
<b>Net cash used in capital and related financing activities</b>	<b>(827,532)</b>	<b>(31,513)</b>	<b>-</b>	<b>-</b>	<b>(859,046)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY:</b>					
Interest received	60,240	-	(61,811)	7	(1,565)
<b>Net cash used in investing activity</b>	<b>60,240</b>	<b>-</b>	<b>(61,811)</b>	<b>7</b>	<b>(1,565)</b>
<b>Net change in cash and cash equivalents</b>	<b>1,547,222</b>	<b>-</b>	<b>2,648,112</b>	<b>(94,086)</b>	<b>4,101,248</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Beginning of year	9,059,933	-	6,058,601	94,086	15,212,620
End of year	<u>\$ 10,607,156</u>	<u>\$ -</u>	<u>\$ 8,706,713</u>	<u>\$ -</u>	<u>\$ 19,313,869</u>

**City of Culver City**  
**Combining Statement of Cash Flows (Continued)**  
**All Internal Service Funds**  
**Year Ended June 30, 2023**

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
<b>RECONCILIATION OF OPERATING INCOME</b>					
<b>(LOSS) TO NET CASH PROVIDED BY (USED IN)</b>					
<b>OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ 265,198	\$ (1,281,807)	\$ (3,149,111)	\$ 6,768	\$ (4,158,952)
Depreciation	2,133,991	13,605	-	-	2,147,597
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
(Increase) decrease in accounts receivable	(16,368)	(12,495)	1,914	(425)	(27,375)
(Increase) decrease in inventories	-	(28,709)	-	9,762	(18,947)
(Increase) decrease in deferred outflows of resources:					
Pension related	-	(1,677,699)	(430,232)	-	(2,107,931)
OPEB related	-	149,852	29,674	-	179,526
Increase (decrease) in accounts payable	(68,307)	284,443	(35,936)	8,468	188,668
Increase (decrease) in salaries and benefits payable	-	23,347	(7,912)	-	15,435
Increase (decrease) in compensated absences	-	(121,714)	5,611	-	(116,103)
Increase (decrease) in net pension liabilities	-	3,639,362	933,284	-	4,572,646
Increase (decrease) in net OPEB liabilities	-	(83,953)	(16,624)	-	(100,577)
Increase (decrease) in claims payable	-	-	3,918,155	-	3,918,155
(Increase) decrease in deferred inflows of resources:					
Pension related	-	(1,977,665)	(507,156)	-	(2,484,821)
OPEB related	-	(244,302)	(48,377)	-	(292,679)
Total adjustments	(84,675)	(49,533)	3,842,401	17,805	3,725,998
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 2,314,514</b>	<b>\$ (1,317,734)</b>	<b>\$ 693,290</b>	<b>\$ 24,573</b>	<b>\$ 1,714,643</b>

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# CUSTODIAL FUNDS

## FINANCIAL STATEMENTS

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***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.

***Westside COG*** - To account for the financial activities of the Westside Cities Council of Governments, a joint-powers authority of which Culver City is a member and serves as treasurer.

**City of Culver City**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2023**

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	Custodial Funds			Total
	Treasurer's Trust	Revitalization Corporation	Westside COG	
<b>ASSETS</b>				
Cash and investments	\$ 11,623	\$ 61,357	\$ 247,116	\$ 320,096
Interest receivables	-	-	1,428	1,428
Due from City of Culver City	-	-	251,417	251,417
Due from other governments	-	-	55,797	55,797
<b>Total assets</b>	<u>11,623</u>	<u>61,357</u>	<u>555,759</u>	<u>628,738</u>
<b>LIABILITIES</b>				
Accounts payable	-	-	58,973	58,973
Due to other governments	-	-	382,790	382,790
Unearned revenue	-	-	375	375
Deposits	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>442,138</u>	<u>442,138</u>
<b>NET POSITION</b>				
Held for individuals and other organizations	<u>\$ 11,623</u>	<u>\$ 61,357</u>	<u>\$ 113,620</u>	<u>\$ 186,600</u>

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

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	Custodial Funds			Total
	Treasurer's Trust	Revitalization Corporation	Westside COG	
<b>ADDITIONS</b>				
Contributions	\$ -	\$ -	\$ 493,271	\$ 493,271
Charges for services	-	-	138,000	138,000
Investment earnings:				
Interest	-	-	3,002	3,002
Net depreciation in fair value of investments	-	-	(5,587)	(5,587)
Held for others	20,000	-	-	20,000
<b>Total additions</b>	<u>20,000</u>	<u>-</u>	<u>628,686</u>	<u>648,686</u>
<b>DEDUCTIONS</b>				
Administrative expenses		-	637,057	637,057
Payments to organizations and individuals	20,000	-	-	20,000
<b>Total deductions</b>	<u>20,000</u>	<u>-</u>	<u>637,057</u>	<u>657,057</u>
<b>Change in net position</b>	-	-	(8,371)	(8,371)
<b>NET POSITION</b>				
Beginning of year	11,623	61,357	121,991	194,971
End of year	<u>\$ 11,623</u>	<u>\$ 61,357</u>	<u>\$ 113,620</u>	<u>\$ 186,600</u>

# Statistical Section

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## **STATISTICAL SECTION**

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**City of Culver City**  
**Description of Statistical Section Contents**  
**June 30, 2023**

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**This part of the City of Culver City’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government’s overall financial health.**

Contents:	Pages
<b>Financial Trends</b> – These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	187 - 198
<b>Revenue Capacity</b> – These schedules contain trend information to help the reader assess the City’s significant local revenue source, the property tax.	199 - 204
<b>Debt Capacity</b> – 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.	205 - 209
<b>Demographic and Economic Information</b> – These schedules offer demographics and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	210 - 211
<b>Operating Information</b> – These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and activities it performs.	212 - 215

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

	2014	2015	2016	2017	2018
<b>Governmental activities</b>					
Net investment in capital assets	\$ 143,775,699	\$ 138,194,791	\$ 136,967,403	\$ 144,639,910	\$ 162,634,242
Restricted	96,157,539	80,777,328	83,083,502	90,048,591	70,969,965
Unrestricted	33,896,113	(171,257,691)	(156,905,843)	(159,583,947)	(162,306,355)
Total governmental activities net position	<u>\$ 273,829,351</u>	<u>\$ 47,714,428</u>	<u>\$ 63,145,062</u>	<u>\$ 75,104,554</u>	<u>\$ 71,297,852</u>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 55,216,555	\$ 54,690,405	\$ 57,051,460	\$ 72,309,196	\$ 71,580,562
Restricted	2,176,609	2,185,415	1,652,641	1,608,838	1,658,185
Unrestricted	31,679,756	(3,173,794)	(4,995,724)	(13,213,561)	(15,089,840)
Total business-type activities net position	<u>\$ 89,072,920</u>	<u>\$ 53,702,026</u>	<u>\$ 53,708,377</u>	<u>\$ 60,704,473</u>	<u>\$ 58,148,907</u>
<b>Primary government</b>					
Net investment in capital assets	\$ 198,992,254	\$ 192,885,196	\$ 194,018,863	\$ 216,949,106	\$ 234,214,804
Restricted	98,334,148	82,962,743	84,736,143	91,657,429	72,628,150
Unrestricted	65,575,869	(174,431,485)	(161,901,567)	(172,797,508)	(177,396,195)
Total primary government net position	<u>\$ 362,902,271</u>	<u>\$ 101,416,454</u>	<u>\$ 116,853,439</u>	<u>\$ 135,809,027</u>	<u>\$ 129,446,759</u>

**Note:** The City of Culver City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

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

	2019	2020	2021	2022	2023
Governmental activities					
Net investment in capital assets	\$ 174,897,818	\$174,821,730	\$ 187,808,665	\$ 196,552,031	\$ 230,121,756
Restricted	65,586,867	79,921,054	104,053,897	123,084,444	134,130,637
Unrestricted	(150,684,028)	(164,095,166)	(188,774,604)	(129,855,540)	(145,638,894)
Total governmental activities net position	<u>\$ 89,800,657</u>	<u>\$ 90,647,618</u>	<u>\$ 103,087,958</u>	<u>\$ 189,780,935</u>	<u>218,613,499</u>
Business-type activities					
Net investment in capital assets	\$ 72,974,924	\$ 74,664,009	\$ 76,208,363	\$ 80,731,239	\$ 77,148,882
Restricted	1,663,167	13,866	1	4	4
Unrestricted	(20,314,978)	(23,982,949)	(19,958,484)	(25,467,597)	(18,472,236)
Total business-type activities net position	<u>\$ 54,323,113</u>	<u>\$ 50,694,926</u>	<u>\$ 56,249,880.00</u>	<u>\$ 55,263,646.00</u>	<u>\$ 58,676,650</u>
Primary government					
Net investment in capital assets	\$ 247,872,742	\$249,485,739	\$ 264,017,028	\$ 277,283,270	\$ 307,270,638
Restricted	67,250,034	79,934,920	104,053,898	123,084,448	134,130,641
Unrestricted	(170,999,006)	(188,078,115)	(208,733,088)	(155,323,137)	(164,111,130)
Total primary government net position	<u>\$ 144,123,770</u>	<u>\$141,342,544</u>	<u>\$ 159,337,838</u>	<u>\$ 245,044,581</u>	<u>\$ 277,290,149</u>

**Note:** The City of Culver City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

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

	2014	2015	2016	2017	2018
<b>Expenses</b>					
Governmental activities:					
General government	\$ 7,862,533	\$ 22,383,141	\$ 13,358,925	\$ 14,990,643	\$ 26,854,930
Parks, recreation and community services	7,780,264	8,325,466	8,775,491	9,022,335	11,501,839
Police	33,869,176	32,806,197	36,045,013	40,121,314	45,463,577
Fire	19,179,679	19,167,988	20,374,502	23,019,797	26,764,984
Community Development	10,013,569	10,460,975	13,645,410	24,698,337	13,250,693
Public Works	11,789,014	14,477,308	12,586,907	12,948,758	14,132,972
Transportation	286,165	263,200	364,621	485,925	1,009,270
Capital Outlay	-	-	-	-	-
Interest on long-term debt	47,962	11,520	-	-	-
Total governmental activities expenses	<u>90,828,362</u>	<u>107,895,795</u>	<u>105,150,869</u>	<u>125,287,109</u>	<u>138,978,265</u>
Business-type activities:					
Refuse Disposal Fund	11,549,661	11,783,785	11,192,703	12,254,241	14,811,894
Municipal Bus Lines Fund	21,491,866	22,324,977	23,080,082	24,242,317	27,546,738
Sewer Enterprise Fund	9,357,548	9,765,471	9,875,998	9,076,812	8,144,996
Municipal Fiber Network	-	-	1,963	1,430,316	1,720,771
Internal Service Fund Allocated to business-type activities	-	-	-	-	-
Total business-type activities expenses	<u>42,399,075</u>	<u>43,874,233</u>	<u>44,150,746</u>	<u>47,003,686</u>	<u>52,224,399</u>
Total primary government expenses	<u>133,227,437</u>	<u>151,770,028</u>	<u>149,301,615</u>	<u>172,290,795</u>	<u>191,202,664</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 1,479,181	\$ 2,238,222	\$ 3,420,061	\$ 2,465,017	\$ 5,100,366
Parks and recreation	2,660,125	2,926,314	2,981,697	3,099,475	3,510,388
Police	4,547,121	4,455,096	4,661,925	5,640,905	6,380,868
Fire	3,001,288	2,786,350	3,469,803	3,639,515	4,099,395
Community Development	8,633,692	7,478,274	10,055,969	10,372,275	14,267,654
Public Works	1,896,937	2,126,165	2,152,282	2,554,688	3,056,562
Transportation	5,009	5,776	4,348	4,426	30,193
Operating Contributions and Grants	6,577,663	6,077,562	6,887,267	5,200,729	5,936,262
Capital Grants and Contributions	2,493,998	2,825,117	1,195,595	6,235,656	4,659,933
Total governmental activities program revenues	<u>31,295,014</u>	<u>30,918,876</u>	<u>34,828,947</u>	<u>39,212,686</u>	<u>47,041,621</u>
Business-type activities:					
Charges for services:					
Refuse Disposal Fund	11,732,899	11,745,590	12,559,906	13,086,289	14,644,140
Municipal Bus Lines Fund	3,796,169	3,760,517	3,582,271	3,188,558	3,041,100
Sewer Enterprise Fund	8,999,538	9,185,121	9,936,490	9,003,222	9,724,306
Municipal Fiber Network	-	-	-	-	-
Operating grants and contributions	15,781,669	15,906,511	16,165,460	25,844,886	19,329,775
Capital grants and contributions	4,224,835	729,378	1,220,528	1,621,358	1,272,523
Total business-type activities program revenues	<u>44,535,110</u>	<u>41,327,117</u>	<u>43,464,655</u>	<u>52,744,313</u>	<u>48,011,844</u>
Total primary government program revenues	<u>\$ 75,830,124</u>	<u>\$ 72,245,993</u>	<u>\$ 78,293,602</u>	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>

**Note:** The City of Culver City implemented GASB 34 for the fiscal year ended 2003.

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

	2019	2020	2021	2022	2023
<b>Expenses</b>					
Governmental activities:					
General government	\$ 17,862,641	\$ 18,343,391	\$ 26,649,962	\$ 12,168,639	23,479,319
Parks, recreation and community services	11,838,330	9,441,755	8,990,167	10,674,233	11,030,251
Police	45,771,756	49,820,605	44,928,502	46,143,913	50,962,731
Fire	27,136,117	27,388,529	26,962,832	28,486,778	32,294,448
Community Development	13,649,676	16,239,189	15,711,383	16,131,833	17,196,977
Public Works	15,572,218	16,024,316	15,459,474	16,925,134	20,656,111
Transportation	970,326	226,814	247,806	373,693	418,568
Capital Outlay	-	-	38,053	-	-
Interest on long-term debt	-	-	-	-	-
Total governmental activities expenses	<u>132,801,064</u>	<u>137,484,599</u>	<u>138,988,179</u>	<u>130,904,223</u>	<u>156,038,405</u>
Business-type activities:					
Refuse Disposal Fund	15,905,856	17,502,230	15,436,971	16,314,382	17,631,800
Municipal Bus Lines Fund	27,317,029	34,013,345	27,441,007	28,601,085	31,534,485
Sewer Enterprise Fund	9,583,110	9,276,555	8,719,314	8,760,599	9,638,323
Municipal Fiber Network	2,713,855	3,226,780	2,102,185	2,025,460	2,318,980
Internal Service Fund Allocated to business-type activities	-	-	924,172	(922,333)	642,389
Total business-type activities expenses	<u>55,519,850</u>	<u>64,018,910</u>	<u>54,623,649</u>	<u>54,779,193</u>	<u>61,765,977</u>
Total primary government expenses	<u>188,320,914</u>	<u>201,503,509</u>	<u>193,611,828</u>	<u>185,683,416</u>	<u>217,804,382</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 5,590,272	\$ 4,942,337	\$ 1,758,493	\$ 2,420,243	\$ 1,257,812
Parks and recreation	3,771,176	2,281,142	1,765,446	3,294,252	3,446,956
Police	5,984,564	4,810,715	3,757,843	3,843,239	5,846,653
Fire	4,464,004	3,682,521	4,107,120	4,348,773	3,551,911
Community Development	12,481,979	13,257,557	6,911,883	11,662,835	9,549,157
Public Works	3,207,741	2,554,779	4,962,272	5,578,011	4,515,924
Transportation	67,263	140,424	-	-	152
Operating Contributions and Grants	6,660,280	7,630,779	13,829,191	17,917,373	16,733,858
Capital Grants and Contributions	<u>2,668,902</u>	<u>4,065,265</u>	<u>11,631,573</u>	<u>33,717,176</u>	<u>6,524,431</u>
Total governmental activities program revenues	<u>44,896,181</u>	<u>43,365,519</u>	<u>48,723,821</u>	<u>82,781,902</u>	<u>51,426,855</u>
Business-type activities:					
Charges for services:					
Refuse Disposal Fund	16,011,416	16,573,869	16,027,123	18,485,663	20,213,673
Municipal Bus Lines Fund	2,908,933	2,594,270	1,024,500	1,939,624	2,072,703
Sewer Enterprise Fund	11,020,326	10,903,349	10,111,096	9,162,252	8,956,852
Municipal Fiber Network	35,655	245,650	2,612,865	3,063,682	2,435,207
Operating grants and contributions	20,011,475	22,143,916	27,188,192	17,346,304	28,914,686
Capital grants and contributions	<u>510,463</u>	<u>5,665,166</u>	<u>2,218,360</u>	<u>6,861,090</u>	<u>928,162</u>
Total business-type activities program revenues	<u>50,498,268</u>	<u>58,126,220</u>	<u>59,182,136</u>	<u>56,858,615</u>	<u>63,521,283</u>
Total primary government program revenues	<u>\$95,394,449</u>	<u>\$101,491,739</u>	<u>\$107,905,957</u>	<u>\$139,640,517</u>	<u>\$114,948,138</u>

**Note:** The City of Culver City implemented GASB 34 for the fiscal year ended 2003.

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

	2014	2015	2016	2017	2018
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (59,533,348)	\$ (76,976,919)	\$ (70,321,922)	\$ (86,074,423)	\$ (91,936,644)
Business-type activities	<u>2,136,035</u>	<u>(2,547,116)</u>	<u>(686,091)</u>	<u>5,740,627</u>	<u>(4,212,555)</u>
Total primary government net expense	<u>\$ (57,397,313)</u>	<u>\$ (79,524,035)</u>	<u>\$ (71,008,013)</u>	<u>\$ (80,333,796)</u>	<u>\$ (96,149,199)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities :					
Taxes					
Property taxes	\$ 7,308,615	\$ 10,009,164	\$ 10,627,556	\$ 11,011,319	\$ 13,790,871
Sales taxes	27,692,291	28,284,352	30,172,506	29,997,495	31,162,345
Utility users tax	14,839,873	14,774,331	14,544,069	14,104,504	13,970,775
Franchise taxes	1,449,956	1,516,279	1,408,672	1,408,686	1,439,743
Business license taxes	11,214,234	11,808,710	12,299,395	13,373,055	13,168,013
Transient occupancy taxes	5,608,151	6,699,816	7,572,077	7,566,579	7,903,787
Other taxes	1,313,693	1,374,938	1,228,747	631,600	1,731,434
Motor vehicle in lieu taxes (Intergov't revenue)	3,735,235	3,908,299	4,109,366	4,475,719	4,764,501
Use of money and property (Investment earnings (losses))	2,070,913	1,280,825	849,088	692,450	760,686
Gain (Loss) on sale of capital assets	(293,338)	211	-	-	-
Other	342,257	14,781,529	617,494	417,212	588,897
Transfers	(760,438)	(919,357)	12,786	(1,093,863)	(1,151,110)
Transfers from fiduciary	-	-	2,310,800	-	-
Extraordinary gain - transfer of assets and liabilities to RDA Successor trust funds	-	-	-	-	-
Special Items	<u>-</u>	<u>(12,541,852)</u>	<u>-</u>	<u>11,599,118</u>	<u>-</u>
Total governmental activities	<u>\$ 74,521,442</u>	<u>\$ 80,977,245</u>	<u>\$ 85,752,556</u>	<u>\$ 94,183,874</u>	<u>\$ 88,129,942</u>
Business-type activities:					
Sales Taxes- Measure R	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property (Investment earnings (losses))	277,385	216,904	320,931	80,471	113,536
Other (Miscellaneous)	342,457	300,209	384,297	411,639	392,343
(Loss) on sale of capital assets	-	-	-	(330,504)	-
Transfers	<u>760,438</u>	<u>919,357</u>	<u>(12,786)</u>	<u>1,093,863</u>	<u>1,151,110</u>
Total business-type activities	<u>1,380,280</u>	<u>1,436,470</u>	<u>692,442</u>	<u>1,255,469</u>	<u>1,656,989</u>
Total primary government	<u>\$ 75,901,722</u>	<u>\$ 82,413,715</u>	<u>\$ 86,444,998</u>	<u>\$ 95,439,343</u>	<u>\$ 89,786,931</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 14,988,094	\$ 4,000,326	\$ 15,430,634	\$ 8,109,451	\$ (3,806,702)
Business-type activities	<u>3,516,315</u>	<u>(1,110,646)</u>	<u>6,351</u>	<u>6,996,096</u>	<u>(2,555,566)</u>
Total primary government	<u>\$ 18,504,409</u>	<u>\$ 2,889,680</u>	<u>\$ 15,436,985</u>	<u>\$ 15,105,547</u>	<u>\$ (6,362,268)</u>

**Note:** The City of Culver City implemented GASB Statement 34 for the fiscal year ended June 30, 2003.

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

	2019	2020	2021	2022	2023
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (87,904,883)	\$ (94,119,080)	\$ (90,264,358)	\$ (48,074,922)	\$ (104,611,551)
Business-type activities	<u>(5,021,582)</u>	<u>(5,892,690)</u>	<u>4,558,447</u>	<u>2,079,422</u>	<u>1,755,306</u>
Total primary government net expense	<u>\$ (92,926,465)</u>	<u>\$ (100,011,770)</u>	<u>\$ (85,705,911)</u>	<u>\$ (45,995,500)</u>	<u>\$ (102,856,245)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities :					
Taxes					
Property taxes	\$ 13,488,817	\$ 14,318,618	\$ 20,364,416	\$ 45,472,192	\$ 24,379,624
Sales taxes	32,402,882	33,606,943	37,830,897	43,415,098	42,394,800
Utility users tax	13,173,647	13,329,640	13,184,794	14,858,826	16,524,880
Franchise taxes	1,412,810	1,435,516	2,298,715	1,456,175	1,805,748
Business license taxes	13,991,391	14,599,849	15,895,304	16,186,448	18,736,311
Transient occupancy taxes	8,551,849	6,347,604	3,073,676	8,813,484	11,963,174
Other taxes	2,668,453	2,750,778	391,788	1,969,752	545,566
Motor vehicle in lieu taxes (Intergov't revenue)	5,086,293	5,541,021	6,087,286	6,452,993	7,227,479
Use of money and property (Investment earnings (losses))	3,230,772	3,732,582	3,939,952	(3,305,987)	6,078,891
Gain (Loss) on sale of capital assets	-	-	-	-	-
Other (Miscellaneous)	1,539,459	472,933	629,659	579,324	2,621,709
Transfers	(1,472,842)	(1,169,443)	(991,789)	(1,130,406)	(1,317,208)
Transfers from fiduciary	-	-	-	-	-
Extraordinary gain - transfer of assets and liabilities to					
RDA Successor trust funds	-	-	-	-	-
Special Items	-	-	-	-	-
Total governmental activities	<u>\$ 94,073,531</u>	<u>\$ 94,966,041</u>	<u>\$ 102,704,698</u>	<u>\$ 134,767,899</u>	<u>\$ 130,960,975</u>
Business-type activities:					
Sales Taxes- Measure R	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property (Investment earnings (losses))	807,284	975,089	4,718	(621,560)	338,282
Other (Miscellaneous)	2,199,819	119,971	-	14,827	2,208
(Loss) on sale of capital assets	-	-	-	-	-
Transfers	<u>1,472,842</u>	<u>1,169,443</u>	<u>991,789</u>	<u>1,130,406</u>	<u>1,317,208</u>
Total business-type activities	<u>4,479,945</u>	<u>2,264,503</u>	<u>996,507</u>	<u>523,673</u>	<u>1,657,698</u>
Total primary government	<u>\$ 98,553,476</u>	<u>\$ 97,230,544</u>	<u>\$ 103,701,205</u>	<u>\$ 135,291,572</u>	<u>\$ 132,618,673</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 6,168,648	\$ 846,961	\$ 12,440,340	\$ 86,692,977	\$ 26,349,424
Business-type activities	<u>(541,637)</u>	<u>(3,628,187)</u>	<u>5,554,954</u>	<u>2,603,095</u>	<u>3,413,004</u>
Total primary government	<u>\$ 5,627,011</u>	<u>\$ (2,781,226)</u>	<u>\$ 17,995,294</u>	<u>\$ 89,296,072</u>	<u>\$ 29,762,428</u>

**Note:** The City of Culver City implemented GASB Statement 34 for the fiscal year ended June 30, 2003.

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

	2014	2015	2016	2017	2018
<b>Function/Program</b>					
Governmental activities:					
General government	\$ 3,455,983	\$ 4,195,371	\$ 4,860,813	\$ 3,865,385	\$ 6,609,126
Parks and recreation	2,870,838	3,247,541	3,272,059	3,381,557	3,792,927
Police	5,337,377	5,254,336	5,258,049	6,127,591	7,218,778
Fire	3,230,169	2,867,360	3,647,791	3,745,887	4,411,810
Community Development	10,580,562	9,174,202	13,009,788	12,256,628	16,714,423
Public Works	5,682,998	5,979,216	4,632,178	9,676,224	7,891,194
Transportation	<u>137,087</u>	<u>200,850</u>	<u>148,269</u>	<u>159,414</u>	<u>403,363</u>
Subtotal governmental activities	<u>31,295,014</u>	<u>30,918,876</u>	<u>34,828,947</u>	<u>39,212,686</u>	<u>47,041,621</u>
Business-type activities:					
Refuse Disposal Fund	11,772,165	11,796,339	12,604,319	13,086,289	14,760,456
Municipal Bus -Transit	23,762,329	20,344,349	20,923,156	30,654,802	23,524,754
Sewer Enterprise Fund	9,000,616	9,186,429	9,937,180	9,003,222	9,726,634
Municipal Fiber Network	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal business-type activities	<u>44,535,110</u>	<u>41,327,117</u>	<u>43,464,655</u>	<u>52,744,313</u>	<u>48,011,844</u>
Total primary government	<u>\$ 75,830,124</u>	<u>\$ 72,245,993</u>	<u>\$ 78,293,602</u>	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>

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

	2019	2020	2021	2022	2023
<b>Function/Program</b>					
Governmental activities:					
General government	\$ 7,708,839	\$ 7,549,835	\$ 6,820,173	\$ 7,198,631	\$ 1,623,602
Parks and recreation	4,037,386	2,590,460	1,798,693	3,656,173	3,843,909
Police	6,712,644	5,557,882	4,307,949	4,227,491	6,406,992
Fire	4,564,864	3,734,458	4,586,726	5,232,755	4,263,088
Community Development	14,686,222	15,364,424	8,711,092	13,664,526	16,068,925
Public Works	7,169,941	8,154,846	20,498,301	46,270,325	16,601,976
Transportation	<u>16,285</u>	<u>413,614</u>	<u>2,000,887</u>	<u>2,532,001</u>	<u>2,618,363</u>
Subtotal governmental activities	<u>44,896,181</u>	<u>43,365,519</u>	<u>48,723,821</u>	<u>82,781,902</u>	<u>51,426,855</u>
Business-type activities:					
Refuse Disposal Fund	16,039,981	16,763,476	16,147,998	18,529,380	20,245,279
Municipal Bus -Transit	23,402,059	29,506,830	30,309,978	26,103,144	31,883,864
Sewer Enterprise Fund	11,020,573	10,903,509	10,111,295	9,162,409	8,956,933
Municipal Fiber Network	<u>35,655</u>	<u>952,405</u>	<u>2,612,865</u>	<u>3,063,682</u>	<u>2,435,207</u>
Subtotal business-type activities	<u>50,498,268</u>	<u>58,126,220</u>	<u>59,182,136</u>	<u>56,858,615</u>	<u>63,521,283</u>
Total primary government	<u>\$ 95,394,449</u>	<u>\$ 101,491,739</u>	<u>\$ 107,905,957</u>	<u>\$ 139,640,517</u>	<u>\$ 114,948,138</u>

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

	2014	2015	2016	2017	2018
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	7,545,451	8,797,076	18,651,241	14,390,734	14,262,847
Restricted	-	-	-	-	-
Committed	30,189,148	34,909,456	37,778,333	40,472,141	44,250,119
Assigned	655,548	100,659	225,888	98,046	121,839
Unassigned	<u>18,636,897</u>	<u>36,885,749</u>	<u>25,422,152</u>	<u>22,009,527</u>	<u>22,127,231</u>
Total General Fund	<u>\$ 57,027,044</u>	<u>\$ 80,692,940</u>	<u>\$ 82,077,614</u>	<u>\$ 76,970,448</u>	<u>\$ 80,762,036</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds-RDA	-	-	-	-	-
Capital projects funds-CITY	-	-	-	-	-
Capital projects funds-RDA	-	-	-	-	-
Debt service funds	-	-	-	-	-
Non-Major funds - Special revenue funds	-	-	-	-	-
Non-Major funds - Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	29,508,555	-
Restricted (includes COOP)	95,919,140	80,663,848	81,872,220	63,126,537	76,659,696
Committed	-	-	14,114,312	13,543,461	16,488,882
Assigned	4,171,163	5,201,207	-	-	-
Unassigned	<u>(1,787,933)</u>	<u>(2,639,282)</u>	<u>(2,116,848)</u>	<u>(4,338,625)</u>	<u>(1,500,668)</u>
Total all other Governmental Funds	<u>\$ 98,302,370</u>	<u>\$ 83,225,773</u>	<u>\$ 93,869,684</u>	<u>\$ 101,839,928</u>	<u>\$ 91,647,910</u>

Note: This schedule has been modified pursuant to GASB Statement No. 54 which establishes the following classifications (effective FY2011) : nonspendable, restricted, committed, assigned and unassigned.

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

	2019	2020	2021	2022	2023
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	15,246,847	15,739,306	14,766,327	14,785,102	15,630,679
Restricted	10,602,535	11,193,366	13,875,468	27,050,540	29,638,414
Committed	48,905,672	51,371,732	53,001,673	69,500,578	76,521,023
Assigned	102,866	5,731,509	5,234,293	6,527,254	6,765,186
Unassigned (deficit)	<u>20,709,758</u>	<u>18,381,515</u>	<u>21,930,270</u>	<u>25,093,180</u>	<u>24,835,315</u>
Total General Fund	<u>\$ 95,567,678</u>	<u>\$ 102,417,428</u>	<u>\$ 108,808,031</u>	<u>\$ 142,956,654</u>	<u>\$ 153,390,617</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds-RDA	-	-	-	-	-
Capital projects funds-CITY	-	-	-	-	-
Capital projects funds-RDA	-	-	-	-	-
Debt service funds	-	-	-	-	-
Non-Major funds - Special revenue funds	-	-	-	-	-
Non-Major funds - Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted (includes COOP)	70,657,761	68,582,916	66,608,238	89,221,934	104,492,225
Committed	20,467,461	23,190,384	23,570,191	28,107,313	-
Assigned	-	-	-	-	-
Unassigned (deficit)	<u>(2,047,587)</u>	<u>(4,011,524)</u>	<u>(8,997,368)</u>	<u>(1,299,871)</u>	<u>(3,348,385)</u>
Total all other Governmental Funds	<u>\$ 89,077,635</u>	<u>\$ 87,761,776</u>	<u>\$ 81,181,061</u>	<u>\$ 116,029,376</u>	<u>\$ 101,143,839</u>

Note: This schedule has been modified pursuant to GASB Statement No. 54 which establishes the following classifications (effective FY2011) : nonspendable, restricted, committed, assigned and unassigned.

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

	2014	2015	2016	2017	2018
<b>Revenues</b>					
Taxes	\$ 68,741,259	\$ 75,200,587	\$ 78,337,955	\$ 78,093,238	83,166,967
Licenses and permits	4,664,551	4,301,740	5,088,964	4,910,124	8,174,187
Fines and forfeitures	4,174,721	4,104,462	4,323,432	5,080,610	5,822,781
Investment income	3,451,821	2,958,972	2,315,628	1,827,323	2,198,158
Intergovernmental	10,453,476	11,932,021	11,641,261	13,531,055	16,672,290
Charges for services	11,937,412	12,589,262	15,994,025	16,461,731	21,358,952
Sale of Land for resale	-	-	-	-	-
Other revenues	<u>695,241</u>	<u>15,215,908</u>	<u>1,488,349</u>	<u>652,582</u>	<u>955,418</u>
Total revenues	<u>104,118,481</u>	<u>126,302,952</u>	<u>119,189,614</u>	<u>120,556,663</u>	<u>138,348,753</u>
<b>Expenditures</b>					
General government	12,190,249	16,881,178	13,210,888	14,502,021	25,402,021
Parks, recreation and community services	7,178,243	7,736,234	7,761,720	8,273,036	9,153,817
Police	32,912,122	32,784,324	34,305,688	37,924,974	40,012,677
Fire	18,121,240	19,097,947	21,531,923	22,677,676	23,407,204
Community development	9,481,641	9,825,125	13,415,458	24,163,346	12,144,088
Public works & Transportation	10,002,080	10,349,275	11,526,943	11,562,147	12,202,528
Capital outlay	5,620,204	6,260,467	7,426,995	12,945,681	21,275,738
Debt service					
Debt issuance costs	-	-	-	-	-
Principal payment	296,605	335,510	-	-	-
Interest and fiscal charges	47,962	11,520	-	-	-
SERAF payments	-	-	-	-	-
Pass-through payments	-	-	-	-	-
Payment of refunding bond escrow - prior issue	-	-	-	-	-
Total expenditures	<u>95,850,346</u>	<u>103,281,580</u>	<u>109,179,615</u>	<u>132,048,881</u>	<u>143,598,073</u>
Excess of revenues over (under) expenditures	<u>8,268,135</u>	<u>23,021,372</u>	<u>10,009,999</u>	<u>(11,492,218)</u>	<u>(5,249,320)</u>
<b>Other Financing Sources (Uses)</b>					
Capital contributions	-	-	-	-	-
Transfers in	3,474,210	5,322,403	15,769,002	11,434,526	38,487,071
Transfers out	(4,399,648)	(6,546,760)	(16,061,216)	(12,528,389)	(39,638,181)
Proceeds from SBITA financing					
Other financing sources			2,310,800	-	-
Long-term debt issued	-	-	-	-	-
Payment to refunded bond escrow - current issue	-	-	-	-	-
Original issue premium (discount)	-	-	-	-	-
Total other financing sources (uses)	<u>(925,438)</u>	<u>(1,224,357)</u>	<u>2,018,586</u>	<u>(1,093,863)</u>	<u>(1,151,110)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	-	-	-	-	-
Special Items		(12,541,852)	-	11,599,118	-
Net change in fund balances	<u>\$ 7,342,697</u>	<u>\$ 9,255,163</u>	<u>\$ 12,028,585</u>	<u>\$ (986,963)</u>	<u>\$ (6,400,430)</u>
Debt service as a percentage of noncapital expenditures (a)	0.0%	0.3%	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**  
**Changes in Fund Balances, Governmental Funds (Continued)**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2019	2020	2021	2022	2023
<b>Revenues</b>					
Taxes	\$ 85,689,848	\$ 86,360,835	\$ 93,039,590	\$ 132,171,974	\$ 116,350,104
Licenses and permits	8,734,454	7,887,677	3,935,882	7,102,070	4,916,079
Fines and forfeitures	5,468,942	4,478,030	3,562,963	3,580,843	5,290,389
Investment income	5,433,125	6,165,210	3,948,187	(3,175,864)	6,022,516
Intergovernmental	13,898,876	14,315,212	26,484,519	62,884,476	31,169,950
Charges for services	19,366,008	17,315,109	15,764,212	20,464,440	17,362,096
Sale of Land for resale	-	-	-	-	-
Other revenues	<u>1,772,685</u>	<u>772,079</u>	<u>586,275</u>	<u>498,170</u>	<u>2,587,457</u>
Total revenues	<u>140,363,938</u>	<u>\$ 137,294,152</u>	<u>\$ 147,321,628</u>	<u>\$ 223,526,109</u>	<u>\$ 183,698,592</u>
<b>Expenditures</b>					
General government	17,005,110	16,910,700	19,137,325	18,221,637	18,373,449
Parks, recreation and community services	9,838,098	9,117,856	8,333,075	9,960,647	10,368,026
Police	42,308,470	44,812,950	44,438,831	45,612,142	50,563,521
Fire	25,121,591	24,250,141	26,555,148	28,044,043	31,805,936
Community development	12,866,296	14,609,370	14,555,076	14,876,112	16,298,635
Public works & Transportation	13,544,167	13,629,568	13,600,770	15,011,210	15,880,924
Capital outlay	15,971,997	7,268,707	19,915,983	16,700,846	44,857,191
Debt service					
Debt issuance costs	-	-	-	-	-
Principal payment	-	-	-	-	267,928
Interest and fiscal charges	-	-	-	-	2,258
SERAF payments	-	-	-	-	-
Pass-through payments	-	-	-	-	-
Payment of refunding bond escrow - prior issue	-	-	-	-	-
Total expenditures	<u>136,655,729</u>	<u>130,599,292</u>	<u>146,536,208</u>	<u>148,426,637</u>	<u>188,417,869</u>
Excess of revenues over (under) expenditures	<u>3,708,209</u>	<u>6,694,860</u>	<u>785,420</u>	<u>75,099,472</u>	<u>(4,719,277)</u>
<b>Other Financing Sources (Uses)</b>					
Capital contributions	-	-	15,000	-	-
Transfers in	5,832,085	6,118,640	3,529,325	7,587,062	10,686,935
Transfers out	(7,304,927)	(7,288,083)	(4,521,114)	(13,717,468)	(14,004,143)
Proceeds from SBITA financing					1,097,753
Other financing sources	-	8,474	1,257	27,872	4,020
Long-term debt issued	-	-	-	-	-
Payment to refunded bond escrow - current issue	-	-	-	-	-
Original issue premium (discount)	-	-	-	-	-
Total other financing sources (uses)	<u>(1,472,842)</u>	<u>(1,160,969)</u>	<u>(975,532)</u>	<u>(6,102,534)</u>	<u>(2,215,435)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds					
Special Items	-	-	-	-	-
Net change in fund balances	<u>\$ 2,235,367</u>	<u>\$ 5,533,891</u>	<u>\$ (190,112)</u>	<u>\$ 68,996,938</u>	<u>\$ (6,934,712)</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)**

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<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Utility Users Tax</b>	<b>Other Tax</b>	<b>Licenses, Permits</b>	<b>Fines, Forfeitures, Penalties</b>
2014	7,308,615	27,692,291	14,839,873	18,900,480	4,664,551	4,174,721
2015	10,009,164	28,284,352	14,774,331	22,132,740	4,301,740	4,104,462
2016	10,627,556	30,172,506	14,544,069	22,993,824	5,088,964	4,323,432
2017	11,011,319	29,997,495	14,104,504	22,979,920	4,910,124	5,080,610
2018	13,790,871	31,162,345	13,970,775	24,242,976	8,174,187	5,822,781
2019	13,488,817	32,402,882	13,173,647	26,624,502	8,734,454	5,468,942
2020	14,318,618	33,606,943	13,329,640	25,105,634	7,887,677	4,478,030
2021	20,364,416	37,830,897	13,184,794	21,659,483	3,935,882	3,562,963
2022	45,472,191	43,415,098	14,858,826	28,425,859	7,102,070	3,580,843
2023	24,379,624	42,394,800	16,524,880	33,050,800	4,916,079	5,290,389

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

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<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>
2014	3,451,821	10,453,476	11,937,412	-	695,241	104,118,481
2015	2,958,972	11,932,021	12,589,262	14,214,806	1,001,102	126,302,952
2016	2,315,628	11,641,261	15,994,025		1,488,349	119,189,614
2017	1,827,323	13,531,055	16,461,731	-	652,582	120,556,663
2018	2,198,158	16,672,290	21,358,952	-	955,418	138,348,753
2019	5,433,125	13,898,876	19,366,008	-	1,772,685	140,363,938
2020	6,165,210	14,315,212	17,315,109	-	772,079	137,294,152
2021	3,948,187	26,484,519	15,764,212	-	586,275	147,321,628
2022	(3,175,864)	62,884,476	20,464,440	-	498,170	223,526,109
2023	6,022,516	31,169,950	17,362,096	-	2,587,457	183,698,591

**City of Culver City**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

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Fiscal Year	Secured Property	Nonunitary Utilities	Unsecured Property	Net (a) Total Taxable Assessed Value	Total Direct Tax % Rate (b)
2014	7,606,284,627	384,975	454,513,567	8,061,183,169	0.0946%
2015	8,005,172,894	384,975	456,369,172	8,461,927,041	0.0952%
2016	8,449,411,432	606,355	454,726,389	8,904,744,176	0.0957%
2017	9,156,963,717	606,355	544,833,320	9,702,403,392	0.0962%
2018	9,750,572,579	606,355	578,532,418	10,329,711,352	0.0950%
2019	10,423,299,210	606,355	617,105,418	11,041,010,983	0.0974%
2020	11,280,888,119	606,355	730,011,764	12,011,506,238	0.0979%
2021	12,479,754,473	1,515,888	729,684,416	13,210,954,777	0.0984%
2022	13,268,961,539	1,515,888	703,854,548	13,974,331,975	0.0986%
2023	14,784,687,714	1,515,888	775,785,226	15,561,988,828	0.0996%

**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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	-	-	-	-	-	-	-	-	-	-
<b>Total Direct Tax Rate (b)</b>	<b>0.0946</b>	<b>0.0952</b>	<b>0.0957</b>	<b>0.0962</b>	<b>0.0950</b>	<b>0.0974</b>	<b>0.0979</b>	<b>0.0984</b>	<b>0.0986</b>	<b>0.0996</b>
<b>Direct &amp; Overlapping Rates</b>										
<b>Basic Levy (c):</b>										
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
<b>Basic Levy</b>	<b>1.0000</b>									
County Detention Facilities 1987 Debt	-	-	-	-	-	-	-	-	-	-
Culver City Unified	0.0314	0.0778	0.0717	0.0663	0.0649	0.0644	0.0495	0.0483	0.0437	0.04184
El Camino community college	0.0175	0.0174	0.0175	0.0229	0.0212	0.0222	0.0216	0.0236	0.0226	0.02299
Inglewood Unified School District	0.1561	0.1499	0.1276	0.1135	0.1168	0.1308	0.0983	0.0929	0.1438	0.12904
La Ccd Ds 2008 2012 Series F	-	-	-	-	-	-	-	-	-	-
La Community College District	0.0445	0.0402	0.0358	0.0360	0.0460	0.0462	0.0272	0.0402	0.0438	0.02488
La County Flood Control	-	-	-	-	-	-	-	-	-	-
Los Angeles Unified School District	0.1464	0.1469	0.1297	0.1311	0.1222	0.1232	0.1255	0.1399	0.1132	0.12107
Metropolitan Water District	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.00350
<b>Total Direct &amp; Overlapping (d) Tax Rates</b>	<b>1.3994</b>	<b>1.4357</b>	<b>1.3857</b>	<b>1.3733</b>	<b>1.3746</b>	<b>1.3904</b>	<b>1.3256</b>	<b>1.3485</b>	<b>1.3707</b>	<b>1.3433</b>

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**

	<u>2023</u>			<u>2014</u>		
Total Net Assessed Value	<u><b>\$15,561,988,828</b></u>		<u>100.00%</u>	<u><b>\$ 8,061,183,169</b></u>		<u>100.00%</u>
<u>Taxpayer</u>	Net Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Net Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lot, Inc.	\$ 535,415,732	1	3.44%	\$ 308,680,130	1	3.83%
Fox Hills Mall LLC/Westfield	218,336,115	2	1.40%	206,198,580	2	2.56%
Bit Culver City Creative Office LLC	212,924,596	3	1.37%			
Culver Studios Owner LLC	202,916,022	4	1.30%	86,788,099	9	1.08%
One Culver Owner LP	180,072,384	5	1.16%			
Equity One Culver LLC	177,608,064	6	1.14%	111,649,947	4	1.39%
9050 Washington LLC	168,300,000	7	1.08%			
Ivy Station LLC	165,515,434	8	1.06%			
US VI CP Property LLC	158,685,909	9	1.02%			
Sony Pictures Entertainment / Corporation	148,841,784	10	0.96%	127,224,043	3	1.58%
VCP CP Culver City LLC				95,700,000	7	1.19%
Symantec Corporation				107,194,875	5	1.33%
Transwestern Corporate Pointe LLC				105,919,905	6	1.31%
TCE Filmland Holdings LLC				94,858,502	8	1.18%
Sy Culver City Portfolio Limited Partnership				75,295,347	10	0.93%
Total	<u><b>\$ 2,168,616,040</b></u>		<u>13.94%</u>	<u><b>\$ 1,319,509,428</b></u>		<u>16.37%</u>

**Source:** Los Angeles County Assessor 2022/23 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
2014	3,728,144	3,615,637	97.0%	83,828	3,699,465	99.2%
2015	3,967,342	3,927,081	99.0%	24,676	3,951,757	99.6%
2016	4,206,744	4,077,754	96.9%	76,381	4,154,135	98.7%
2017	4,502,642	4,351,205	96.6%	135,489	4,486,694	99.6%
2018	4,819,004	4,760,227	98.8%	32,365	4,792,592	99.5%
2019	5,034,210	4,868,637	96.7%	132,427	5,001,064	99.3%
2020	5,545,156	5,275,583	95.1%	225,575	5,501,158	99.2%
2021	5,958,387	5,172,380	86.8%	172,400	5,344,780	89.7%
2022	6,279,304	6,044,637	96.3%	198,117	6,242,754	99.4%
2023	6,883,638	6,295,025	91.4%	297,893	6,592,918	95.8%

**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.

## 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	Leases and Subscriptions Payable	Loans	Total Governmental Activities	Wastewater Revenue Bonds	Certificates of Participation	Leases and Subscriptions Payable	Total Business-type Activities			
2014	-	-	335,510	335,510	17,335,000	1,480,000	-	18,815,000	19,150,510	1.1%	484
2015	-	-	-	-	16,575,000	760,000	-	17,335,000	17,335,000	1.0%	438
2016	-	-	-	-	15,785,000	-	-	15,785,000	15,785,000	0.9%	390
2017	-	-	-	-	14,970,000	-	-	14,970,000	14,970,000	0.8%	373
2018	-	-	-	-	14,120,000	-	-	14,120,000	14,120,000	0.8%	354
2019	-	-	-	-	13,235,000	-	-	13,235,000	13,235,000	0.7%	329
2020	-	-	-	-	22,875,525	-	-	22,875,525	22,875,525	1.1%	576
2021	-	-	-	-	22,330,677	-	-	22,330,677	22,330,677	1.0%	561
2022	-	-	-	-	21,470,830	-	556,217	22,027,047	22,027,047	0.9%	549
2023	-	638,476	-	638,476	20,545,982	-	515,741	21,061,723	21,700,199	0.8%	547

**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, 2023, 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, 2022**

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City Assessed Valuation	\$ 6,946,791,029
Successor Agency Incremental Valuation	8,615,197,799
Total Net Taxable Assessed Valuation	<u>\$ 15,561,988,828</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	19,215,000	0.428%	82,240
El Camino College District	463,537,057	0.003%	13,906
Los Angeles Community College District	4,500,730,000	1.452%	65,350,600
Culver City Unified School District	111,920,000	99.693%	111,576,406
Inglewood Unified School District	184,485,000	0.028%	51,656
Los Angeles Unified School District	10,704,725,000	0.007%	<u>749,331</u>
Subtotal, overlapping debt		<b>2.56%</b>	177,824,139
City direct debt		0.00%	<u>-</u>
Total direct and overlapping debt		<b>2.56%</b>	<u>\$ 177,824,139</u>

**Source:** HdL Coren & Cone, Los Angeles County Assessor 2022/23 Combined Lien Date Tax Rolls

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Culver City. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident—and therefore responsible for repaying the debt—of each overlapping government. The overlapping debt represents 2.56% of the City's 2022/2023 assessed valuation or \$ 177.8 million.

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

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	2014	2015	2016	2017	2018
Total assessed valuation	\$ 8,323,791,063	\$ 8,732,804,582	\$ 9,169,218,845	\$ 9,949,044,594	\$ 10,555,362,319
Debt Limit percentage	15%	15%	15%	15%	15%
Debt Limit	\$ 1,248,568,659	\$ 1,309,920,687	\$ 1,375,382,827	\$ 1,492,356,689	\$ 1,583,304,348
Amount of debt applicable to the limit:	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	<u>\$ 1,248,568,659</u>	<u>\$ 1,309,920,687</u>	<u>\$ 1,375,382,827</u>	<u>\$ 1,492,356,689</u>	<u>\$ 1,583,304,348</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, 2023**, 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**

	2019	2020	2021	2022	2023
Total assessed valuation	11,323,006,988	12,281,599,213	13,423,021,867	14,248,320,150	15,796,658,526
Debt Limit percentage	15%	15%	15%	15%	15%
Debt Limit	\$ 1,698,451,048	\$ 1,842,239,882	\$ 2,013,453,280	\$ 2,137,248,023	\$ 2,369,498,779
Amount of debt applicable to the limit:	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	<u>\$ 1,698,451,048</u>	<u>\$ 1,842,239,882</u>	<u>\$ 2,013,453,280</u>	<u>\$ 2,137,248,023</u>	<u>\$ 2,369,498,779</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, 2023**, 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		Coverage	Tax Increment Collections	Debt Service		
					Principal	Interest			Principal	Interest	Coverage
2014	8,955,665	182,820	6,908,976	2,229,509	740,000	854,100	1.40	-	-	-	-
2015	9,148,771	143,890	7,305,113	1,987,548	760,000	830,650	1.25	-	-	-	-
2016	9,899,422	157,496	7,432,671	2,624,247	790,000	804,475	1.65	-	-	-	-
2017	8,966,730	53,257	6,524,897	2,495,090	815,000	773,431	1.57	-	-	-	-
2018	9,722,970	92,353	5,762,856	4,052,467	850,000	739,213	2.55	-	-	-	-
2019	11,019,497	524,297	7,255,209	4,288,585	885,000	700,650	2.70	-	-	-	-
2020	10,903,349	712,362	6,783,730	4,831,981	925,000	754,258	2.88	-	-	-	-
2021	10,111,096	(17,837)	6,144,619	3,948,640	425,000	851,925	3.09	-	-	-	-
2022	9,162,252	(353,846)	6,327,789	2,480,617	740,000	825,133	1.58	-	-	-	-
2023	8,956,852	251,017	6,572,689	2,635,180	805,000	786,658	1.66	-	-	-	-

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest expense, depreciation, or amortization expenses.

(a) Per the Wastewater Facilities Revenue Bond covenant, interest earnings are included when computing net available revenue for bond compliance purposes.

(b) The 1999 Wastewater Facilities Revenue Bonds were issued on December 8, 1999. The 1999 Bonds were defeased and replaced by the 2009 Bonds issued on July 21, 2009. By November 2019, the 2009 Bonds were paid off and replaced by the 2019 Bonds.

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

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Calendar Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate
2013	39,579	1,710,881	43,227	5.2%
2014	39,597	1,759,809	44,443	6.1%
2015	40,448	1,802,070	44,552	4.9%
2016	40,103	1,835,056	45,758	3.8%
2017	39,860	1,849,593	46,402	3.3%
2018	40,173	1,942,963	48,364	4.4%
2019	39,705	2,032,826	51,198	4.1%
2020	39,805	2,256,856	56,697	10.8%
2021	40,135	2,319,800	57,799	7.3%
2022	39,682	2,709,639	68,283	4.4%

**Source:** HDL 2022-23 ACFR Statistical Basic Package for City of Culver City

**City of Culver City  
Principal Employers  
Current Year and Nine Fiscal Years Ago**

Employer	2023			2014		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,000	1	5.08%	3,200	1	12.90%
Amazon Studios	2,500	2	4.24%	-	-	-
Westfield Shoppingtown-Fox Hills	2,000	3	3.39%	-	-	-
Apple	1,500	4	2.54%	-	-	-
Southern CA Hospital (Brontman Medical Ctr)	1,200	5	2.03%	1,000	2	4.03%
Culver City Unified School District	898	6	1.52%	771	4	3.11%
City of Culver City	850	7	1.44%	760	5	3.06%
Goldrich & Kest Industries, LLC	670	8	1.14%	717	6	2.89%
Costco	633	9	1.07%	-	-	-
TikTok	500	10	0.85%	-	-	-
Target	463	11	0.78%	475	9	1.92%
West Los Angeles College	-	-	-	575	7	2.32%
Symantec	-	-	-	900	3	3.63%
Beats by Dre/Apple, Inc.	-	-	-	450	10	1.81%
NFL Media	-	-	-	500	8	2.02%
<b>Total Top 10 Employers</b>	<b>14,214</b>		<b>24.08%</b>	<b>9,348</b>		<b>37.69%</b>
<b>Total City Labor Force (1)</b>	<b>59,022</b>			<b>24,800</b>		

Sources: Culver City Finance Department and Economic Development Division

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

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<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government	68	69	68	75	73	74	78	83	83	89
Parks, recreation and community services	31	31	31	32	33	33	33	33	33	34
Police	157	157	160	162	150	150	159	156	156	157
Fire	69	71	72	72	72	72	79	79	79	80
Community development	36	36	36	37	39	40	40	46	46	47
Public works	48	49	51	53	53	54	56	58	58	62
Grants operating	6	6	6	7	7	8	8	6	6	6
Internal service	41	42	43	43	44	44	44	37	37	37
Refuse	40	41	42	46	46	50	50	52	52	54
Transit	129	151	152	153	155	157	160	161	161	160
Sewer	11	11	11	12	12	12	12	12	12	10
Total	<u>636</u>	<u>663</u>	<u>673</u>	<u>692</u>	<u>684</u>	<u>694</u>	<u>718</u>	<u>721</u>	<u>721</u>	<u>736</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**

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	2014	2015	2016	2017	2018
General government					
Building permits issued	2,336	2,756	3,029	2,930	2,954
Building inspections conducted	9,609	10,925	12,614	12,948	12,638
Police					
Arrestees Processed	1,611	1,239	1,242	1,166	2,513
Parking citations	37,681	38,681	40,009	36,961	41,038
Traffic citations	10,028	9,003	8,981	5,347	8,612
Fire					
Emergency responses	4,969	5,375	5,684	6,106	6,857
Fire Emergency Incidents	210	215	215	206	270
Commercial Fire Safety Inspections	2,742	2,810	2,800	3,032	2,929
Refuse collection					
Residential Refuse & Greenwaste collected (tons per day)	42	43	43	43	41
Commercial Refuse Collected (tons per day)	143	130	141	105	76
Responses to Customer Service Requests	120	120	120	150	150
Public Works					
Traffic Engineering Investigations	4,601	4,685	4,721	4,816	4,782
Tons of Asphalt Placed	325	230	207	555	85
Damaged Sidewalk removed/replaced (sq ft)	8,100	10,084	9,103	32,795	3,620
Trees Trimmed	3,200	4,958	4,350	3,938	3,106
Parks and recreation					
Park picnic permits issued	1,276	1,026	933	1,018	1,148
Participation in Youth Sports	5,328	4,950	4,480	10,984	32,333
Participation in Adults Sports	43,766	45,456	48,312	49,572	57,295
Transit - Municipal buses					
Total service miles	1,589,108	1,593,248	1,658,913	1,686,317	1,658,633
Passengers	5,416,010	4,979,334	5,653,192	5,070,970	4,864,138

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

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

	2019	2020	2021	2022	2023
General government					
Building permits issued	3,023	2,548	2,752	3,375	3,260
Building inspections conducted	14,212	14,318	11,781	10,928	12,142
Police					
Arrestees Processed	1,986	1,451	947	1,005	1,706
Parking citations	39,081	28,713	11,414	13,675	28,574
Traffic citations	6,106	3,100	3,205	2,780	4,186
Fire					
Emergency responses	6,753	6,505	6,236	7,159	7,601
Fire Emergency Incidents	221	250	299	348	367
Commercial Fire Safety Inspections	2,825	2,781	2,802	3,070	2,885
Refuse collection					
Residential Refuse & Greenwaste collected (tons per day)	40	44	46	43	43
Commercial Refuse Collected (tons per day)	85	84	76	82	88
Responses to Customer Service Requests	88	83	86	75	72
Public Works					
Traffic Engineering Investigations	4,800	5,202	5,420	5,435	6,288
Tons of Asphalt Placed	128	119	1,751	1,710	325
Damaged Sidewalk removed/replaced (sq ft)	4,052	2,000	13,540	<b>3,966</b>	909
Trees Trimmed	3,517	3,209	3,518	2,995	7,149
Parks and recreation					
Park picnic permits issued	1,114	523	83	1,163	1,020
Participation in Youth Sports	34,021	15,601	193,186	43,522	19,991
Participation in Adults Sports	52,727	87,718	47,784	67,482	68,970
Transit - Municipal buses					
Total service miles	1,656,768	1,551,211	1,443,703	1,335,642	1,324,701
Passengers	4,600,876	3,388,031	1,692,993	2,267,479	2,660,654

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

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

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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	27	21	21	23	23	28	31	28	33	33
Motorcycle units	13	14	11	11	11	7	8	8	7	6
Detective Units	34	38	38	38	38	39	32	29	29	26
Parking Enforcement Units	8	9	8	8	8	11	11	11	12	11
Fire stations	3	3	3	3	3	3	3	3	3	3
Refuse collection										
Collection trucks	22	22	22	22	22	23	23	23	23	23
Other public works										
Streets (miles)	119.6	119.6	119.6	119.6	120	120	120	120	120	120
Highways (miles)	2.4	2.4	2.4	2.4	2	2	2	2	2	2
Streetlights	3,596	3,596	3,596	3,661	3,653	3,654	3,655	3,681	3,681	3,681
Traffic signals	104	105	105	106	106	107	108	108	108	108
Parks and recreation										
Acreage	100	100	100	100	100	100	92	92	92	92
Community parks	8	8	8	8	8	8	2	1	1	1
Neighborhood parks	6	6	6	6	4	4	7	10	10	10
Mini parks	4	4	4	4	2	2	5	2	2	2
Wastewater										
Sanitary sewers (miles)	90	90	90	90	90	91	91	91	91	91
Pumping (lift) stations	7	7	7	7	7	7	7	7	5	6
Transit - Municipal buses	52	54	54	56	56	54	54	54	54	54

Source: Various city departments

