



**CITY OF WEST HOLLYWOOD**  
**Annual Comprehensive**  
**Financial Report**  
Fiscal Year 2020-21



# City Priorities

Public Safety

Public Health

Homelessness

Neighborhood Livability

Capital Project Management

West Hollywood's residents and visitors are highly engaged with the City on social media. Read tweets about the City on each of the Budget's colorful dividers.

Cover Photo Credits:

upper: City of West Hollywood Residential Street, by Jon Viscott | lower: City of West Hollywood Panorama, by Jon Viscott

**CITY OF WEST HOLLYWOOD**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**YEAR ENDED JUNE 30, 2021**  
**PREPARED BY THE CITY'S:**  
**DEPARTMENT OF FINANCE & TECHNOLOGY SERVICES**  
**(ELECTRONIC VERSION AVAILABLE AT:**  
**[WWW.WEHO.ORG/FINANCIALS](http://WWW.WEHO.ORG/FINANCIALS))**



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# Introductory



🐦 Loving the weho commuter shuttle! @WeHoCity



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back: Dyke March 2019, by Jon Viscott



# City Of West Hollywood

CITY HALL  
8300 SANTA MONICA BLVD  
WEST HOLLYWOOD, CA  
90069-4314  
TEL: (323) 848-6400  
FAX: (323) 848-6575

**DEPARTMENT  
Of Finance  
& TECHNOLOGY  
SERVICES**

December 27, 2021

Honorable Mayor, Members of the City Council,  
and Citizens of West Hollywood

Subject: Annual Comprehensive Financial Report

Dear Honorable Mayor, City Council, and Citizens of West Hollywood:

It is with great pleasure that we present to you the City of West Hollywood's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of each of the funds used by the City to track its transactions. All necessary disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

## INTERNAL CONTROLS & RESPONSIBILITY

This report provides management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, City management 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 generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh the 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. The concept of reasonable assurance recognizes that: (1) the cost of a control structure should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.



## INDEPENDENT AUDIT

The City requires an annual audit by independent certified public accountants Clifton Larson Allen LLP, a public accounting firm fully licensed and qualified to perform audits of State and local governments within the State of California, has audited the City's basic financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's basic financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditors' report is presented as the first component of the financial section of this report.

## SINGLE AUDIT

The federally mandated "Single Audit" will be performed by Clifton Larsen Allen LLP, and is designed to meet the special needs of 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. The Single Audit report will be separately issued with a due date of March 31, 2022.

## BUDGETARY CONTROLS

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all governmental-type funds (except for the Housing Asset Fund) and enterprise-type funds are included in the annual appropriated budget. The level of budgetary control is set at the department level in the General Fund and the function level in other governmental fund types as expenditures cannot legally exceed the appropriated amount. Formal budgetary integration is employed as a management control tool. The City maintains an encumbrance accounting system for all governmental-type funds. Encumbrances and appropriations for unfinished capital projects are generally re-appropriated (carried over) to the following fiscal year.

## MANAGEMENT DISCUSSION & ANALYSIS

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 MD&A and should be read in conjunction with it; the MD&A can be found immediately following the report of the independent auditors in the financial section of this ACFR.

#### PROFILE OF WEST HOLLYWOOD - A BRIEF HISTORY OF CREATIVITY

Spurred by a desire for greater local control, residents of West Hollywood joined together to fight the threat to end rent control under Los Angeles County government. As a result, West Hollywood was incorporated as a city in 1984. Centrally located, West Hollywood is bordered by Beverly Hills on the west and Hollywood on the east. West Hollywood has an estimated population of approximately 37,000 people within a 1.9 square mile area.

The City utilizes a Council/City Manager form of government. The City Manager is responsible for running the day-to-day operations of the City. Each of the five City Council members is elected at large to serve staggered four-year terms and select one of its members to serve as Mayor on an annual basis. The City Council is responsible, among other things, for adopting the budget, ordinances, and policies affecting its constituents, representing the City in various organizations, and appointing committee and commission members. The City Council also serves as the board of the West Hollywood Housing Authority, West Hollywood Public Facilities Corporation, and the West Hollywood Public Financing Authority.

The City operates as a “contract city,” using private firms and other governmental agencies to provide some of the traditional municipal services to the community. The City provides general governmental services, community development, public works, rent stabilization and recreation services. The County continues to provide library services and fire services, independent of the City. Law enforcement services are provided by the Los Angeles County Sheriff’s Department and the contract is administered by the City’s Public Safety Department.

West Hollywood is affectionately known as “The Creative City”. More than 40 percent of the businesses located in West Hollywood comprise such creative fields such as entertainment, interior design, fashion, art, and communications. The City is known for its dynamic retail, nightlife, and tourist trade offerings that entice travelers from around the world. West Hollywood has 21 hotels with over 2,686 rooms, many of which offer luxury world-class accommodations. Similar to local governments nationwide, the ongoing waves of COVID-19 continue to impact the City’s tourism industry; however, the City has begun to experience some increases in domestic travel as restrictions are lifted. Overall, West Hollywood continues to be a top destination in the US Markets. The US Market after COVID-19 has changed to include Los Angeles, New York, West Hollywood, San Diego, Chicago, San Francisco, Irvine, Dallas, Santa Monica, Las Vegas, Phoenix and Ontario. While International Tourism is not expected to return to pre-COVID arrival levels until 2023 or later, the City is hopeful that the recovery will be sooner.

West Hollywood has more than 260 restaurants and bars available for dining. However, the restaurant and bar industry temporarily closed its doors statewide in the battle against the coronavirus throughout the year. Restaurants and bars were allowed to operate only in strictly limited ways and have reopened only to face many of ongoing COVID-19 challenges. As a home of the Pacific Design Center (PDC) and the surrounding West Hollywood Design District, West Hollywood is acknowledged as the West Coast's center of interior design, with more than 400 home furnishings, design and textile businesses. As more is opened in the near future, tourists can also shop at more than 280 clothing and jewelry stores, 30 art galleries, and participate in an eclectic and ever-evolving nightlife centered on the world-famous Sunset Strip and Santa Monica Boulevard "Route 66."

#### CITY BOND RATINGS

The City of West Hollywood continues to maintain an implied general obligation bond rating of 'AAA' with a stable outlook. In spring 2020, Fitch Ratings assigned AA+ to the City's newly issued 2020 Lease Revenue Bonds Series A&B. Fitch also re-affirmed the City's AA+ which is the highest possible credit rating for the City's Public Financing Agency 2016, 2013 and 2009 Series A Lease Revenue Bonds (LRB's). In addition, in December 2020, Moody's Investors Service re-affirmed the City's Aa1 bond issuer rating, which is above the median rating of Aa3 for cities nationwide.

#### ECONOMIC CONDITION

Although the focus of this ACFR is the economic condition of the City at June 30, 2021, the local economy is of such relevance that it is incumbent on us to provide some information in this report.

Over the past decade, the City of West Hollywood had experienced revenue growth in multiple tax revenue streams that increased General Fund Reserves that have allowed the City to combat this pandemic. The COVID-19 pandemic and its restrictions on international travel and business activity continue to impact the local and regional recovery. As the pandemic has evolved, so has consumer behavior and with an increase of COVID-19 came a decrease of economic activities and in-person events or services. The City's tourism industry, which has historically been its strongest sector for jobs and tax revenue, experienced sudden and dramatic challenges from the COVID-19 emergency orders that required people to remain in their homes and ordered businesses to limit the provision of in-person services partially or entirely. As a result, various City revenues have been negatively impacted. Hotel occupancies have remained below 50% this fiscal year and have dipped into the single digits more than once. On-site, in-person retail and dining services also fell substantially during the year due to COVID-19. Other related revenues, including parking meters and business permits, were similarly impacted. The City pursued pandemic-related grants and reimbursements to help reduce the impact on General Fund costs associated to emergency services.



Since the declaration of the emergency in March 2020, the City has taken numerous cost savings measures to address the revenue shortfalls, including cutting expenditures, issuing bonds, postponing capital investments, cancelling in-person events and large public gatherings, cancelling employee travel, eliminating temporary positions, continuing a hiring freeze on most vacant positions, implementing an employee furlough and using reserves to fill the remaining revenue gap. With the combined reductions in operating and capital spending, the City reduced but did not eliminate the FY21 shortfall. A planned drawdown of approximately \$5 million from General Fund reserve was revised to \$19 million during the FY21 midyear budget Midyear Budget.

The improvement in public health metrics and the relaxation of public health restrictions in spring of 2021 has directly impacted city businesses. Local hotel occupancy has improved steadily since January 2021, suggesting that many visitors are eager to return as pandemic-related restrictions are eased. West Hollywood depends on a healthy tourism industry to provide a significant portion of its municipal revenues. Ongoing uncertainty regarding global travel and tourism suggest prudent moderation when budgeting for the fiscal year, by balancing revenue growth with continued expenditure restraint.

As the City has done during crisis in the past, the City increased its monitoring of the local and national economy in response to the COVID-19 and adjusted revenue and expenditure projections accordingly. Staff projects that it will take several years to recover to pre-pandemic levels; for the 2021-22 fiscal year, the City anticipates a 30% increase in the General Fund revenue to \$104 million. This is an increase of \$25 million over the FY21 adjusted revenue budget; some of this increase is attributed to additional revenue from the new digital billboards projects; Measure E, which was approved in November 2020; and increases in the hotel tax as the nation starts to slowly reopen. General Fund expenditures are projected to reach \$114 million, leaving a \$10 million gap to be filled using General Fund reserves. In fiscal year 2021-22, the City anticipates completing construction and to open West Hollywood Park and the new Aquatic and Recreation Center; staff is anticipating significant expenditure growth related to expanding new and existing programs and establishing new operations. In addition to these costs, there are also rising costs for the provision of contracted public safety and other services. The City will use some of the new revenue sources such as Measure E, to offset some of these increased costs.

The City will continue to closely monitor revenues and expenditures and is grateful that it has been able to achieve and maintain a strong fiscal health and sufficient reserves over the years that have now assisted us in managing some of the fiscal impacts attributed to COVID-19.

## LONG TERM FINANCIAL PLANNING

The City anticipates that next year's fiscal environment will continue to be a challenge. The City is moving forward with an expanded continuation budget for FY22 similar in scope to FY21 with the addition of an expansive new public facility and redesigned West Hollywood Park. Given the positive public health outlook and vaccination uptake rate, substantial increases in revenues are projected. At the same time, the City's operational program for FY22 requires balancing ongoing program and service maintenance with capital program deferrals and extended capital phasing to minimize community impacts and drawdowns of General Fund Reserves.

Over the longer term, the City is focused on developing a structurally balanced budget emphasizing community safety and public health, service to the community focusing on the delivery of core social services and responsible capital structure maintenance and sustainable capital enhancements.

The City will continue its expansive approach to civic leadership and governmental transparency in response to clear demands from its constituency for accurate, timely, and relevant communication regarding the provision of City services, availability of City facilities, issuance and interpretation of emergency orders, and other responses to the COVID-19 pandemic and recovery efforts.

The City remains confident in its leadership and ability to work collaboratively with constituents and service partners to provide safe, clean, and well-maintained infrastructure and services for the community into the future.

Over the longer term, the City is focused on developing a structurally balanced budget that emphasizes public safety, public health focusing on the delivery of core social services, service to the community, and responsible capital infrastructure maintenance and sustainable capital enhancements.

### Debt Administration

The City faces some fiscal challenges in the area of capital improvements due to the number of projects that departments submit for approval and the anticipated costs associated with them. The City will continue to update and prioritize its five-year capital improvement plan and will designate portions of its future revenue growth for capital projects. Capital improvement demands require the City Council and Management to remain committed to restraining expenditures. The City of West Hollywood also utilizes long-term financing to facilitate the acquisition and construction of capital assets. This allows for the matching of resource utilization to the useful life of the asset being purchased. Descriptions of past City financings and those of the former Community Development Commission (now Successor Agency) are detailed in the Financial Section of this report).

With the financial implications of COVID-19 and to assist with the completion of some of the larger projects, such as the West Hollywood Park Phase II, the City issued the 2020 Lease Revenue Bonds. This has allowed the City the flexibility to maintain some of its current reserves in case the pandemic continues beyond fiscal year 2021.

#### MAJOR ACCOMPLISHMENTS FOR THE YEAR

- Approved numerous emergency executive orders related to the COVID-19 pandemic, approved and extended residential and commercial property eviction moratoriums, approved education campaigns related to COVID-19, and continuously provided updates to the community regarding the pandemic.
- Approved over \$3 million in emergency funding for rental assistance, home delivered meals, and other assistance to residents and businesses that have been impacted by the COVID-19 pandemic.
- Approved over \$5 million in Social Services contracts as part of the FY21 Operating Budget to fund vital services for the City's vulnerable community members, including mental health programs, substance abuse treatment, homeless services, senior services, legal services, HIV/STD prevention and treatment, health care services, case management, disability services, job placement service, and LGBTQ services.
- Approved an ordinance placing a ¾-cent sales tax increase on the November 2020 ballot, which was approved by more than 72% of the City's voters and is projected to provide an additional \$10 million per year in General Fund revenues to maintain essential City services.
- Established a Social Justice Task Force to advise on social and racial equity issues in the community and provide policy recommendations to the City Council to address systematic racism for the City of West Hollywood.
- Managed a media relations and public awareness campaign called 'Be Counted West Hollywood' to encourage West Hollywood's community members to take part in the 2020 Census as it was extended to October 2020. The effort included the creation of graphics, materials, ad placements, and video content.
- Approved a hazard pay increase of \$5 per hour for grocery store employees and certain pharmacy and other retail employees.
- Reduced certain annual Business Tax and Tax Certificates by 50% for the fiscal year 2021 billing cycle as applied to calendar year 2020 Business Tax Payments/Renewals.
- Led the implementation of the Outdoor Use Temporary Zone (OUT Zone) Program, allowing 117 businesses to expand their operations outdoors during COVID-19 restrictions.
- Completed adoption of an Urgency Ordinance requiring Grocery Stores to have a dedicated person posted at entrances to enforce public health requirements applicable to Grocery Store operations during the COVID-19 pandemic.

- Transitioned multiple City events and co-sponsored events to digital platforms due to the COVID-19 pandemic, including the Women’s Leadership Conference which took place virtually over a two-week period in August.
- Developed criteria related to the return of major events in West Hollywood, in light of the COVID-19 pandemic’s health order constraints and budgetary impacts.
- Launched an online COVID-19 health and safety “Engagement Kit” on the City’s website that has downloadable Cover That Face/Maintain Your Space graphics in various sizes with selected Russian and Spanish translations, as well as Urgency Ordinance-required advisories for multifamily residential buildings and grocery stores/drugs stores regarding hero pay.
- Implemented a webpage area on the City’s website that highlights how the City’s work has been being done in a virtual environment since the first days of Safer at Home orders from Los Angeles County in March 2020.
- Provided ongoing support for both the City and County funded Mental Evaluation Team to coordinate mental health services with the Sheriff’s station in partnership with the Strategic Initiatives Division.
- Facilitated discussions on race, equity, and inclusion issues with the City’s contracted nonprofit homeless outreach providers to gather information from the teams doing street-based case management, determine best practices, and ascertain how to effectively and respectfully serve all community members and achieve more racially equitable outcomes. This effort includes cross-department work with the Public Safety and Communications Department.
- In collaboration with Social Services Division, expanded scope of eviction defense program.
- Approved the Urban Art Guidelines to achieve a more efficient and effective program for the benefit of the entire community.
- Led effort for successful \$4,895,000 loan for the acquisition to EAH Housing for the purchase of 1201 & 1207 Detroit for the creation of 40 affordable housing units.
- Transitioned to cloud-based budgeting for fiscal year 2021-22 including the creation of the City’s first interactive digital budget book.
- Completed implementation of Novatime, the electronic timesheet software, integrated with Recreation Division’s scheduling application, and included a process to record employee furloughs enacted for fiscal year 2021 and special leave payments related to COVID-19.
- Implemented the Debt Management Policy and Disclosure Policy as part of the 2020 Lease Revenue Bonds.
- Successfully transitioned general accounting services to online services by using digital workflows and converted commonly requested forms to online fillable forms for fast online processing.

- Completed citywide upgrade of all parking meters to the new M5 meter. The new meters feature NFC readers capable of accepting Google Pay (formerly Google Waller) and Apple Pay along with vehicle detection sensors which provide utilization data such as occupancy, turnover, and duration.

## VISION 2020 STRATEGIC PLAN

The City's strategic plan, Vision 2020, will continue to guide the City in developing and accomplishing these future initiatives:

- ***Maintain the City's unique urban balance with emphasis on residential neighborhood livability*** - Recognize diverse and competing interests, and work to find urban balance.
- ***Affordable Housing*** - Protect and enhance affordable housing opportunities, with emphasis on Rent Stabilization laws.
- ***Fiscal Sustainability*** - Monitor, protect and increase City resources.
- ***Develop Parking Opportunities*** - Explore the creation of off-street parking opportunities near all business districts.
- ***Move forward on City parks and library and expand and enhance the City's green and public spaces*** - Complete the Park(s) Master Plan process and Library Project, and create and encourage more public open spaces wherever feasible.

## AWARDS

### GFOA Award Program - Annual Comprehensive Financial Report

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 West Hollywood for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This is the twenty-seventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We are confident that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility.

## GFOA and CSMFO Budget Award Program

The City also received the GFOA Distinguished Budget Presentation Award and CSMFO Excellence in Operational Budgeting Award for its annual budget document. To qualify for the GFOA award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and as a communications device. The CSMFO award reflects excellence in the budget document and the underlying budget process.

### ACKNOWLEDGMENTS

Preparation of this report by the Finance and Technology Services Department was accomplished through the combined efforts and participation of City Staff in various departments. The following staff deserves special recognition for their contribution to this document: Carlos Corrales – Accounting Manager, Annie Ruiz – Revenue Manager, and Karen Bareng – Senior Accountant.

We thank the members of the City Council for their continued interest and support in the development of this report. Without their leadership, the preparation of this document would not be possible.

Respectfully submitted,



David A. Wilson  
City Manager



Lorena Quijano, CPA, MPA  
Director of Finance and Technology  
Services

## Finance Policies

The following is a summary of the Fiscal Policies adopted by the City Council. These policies will have a substantial impact on the operations, service levels, and finances of the City. Major emphasis will be on conserving and increasing fund balances to ensure for the long-term fiscal health of the City, rather than limiting the City's focus to day-to-day operational issues. All proposals for new or expanded services or projects forwarded by departments will have to identify new sources of funding or recommend reallocation of existing funds. Special Districts will strive to bear the full cost, both direct and indirect, of their operations. The policies commit to the development of and adherence to a five-year plan for capital improvements and to long-term financing when appropriate, rather than merely focusing on current funding issues.

### *SUMMARY OF POLICIES*

- I. We will comply with all the requirements of generally accepted accounting principles (GAAP).
- II. We will maintain a balanced operating budget for all governmental funds, ensuring that ongoing revenues are equal to or greater than ongoing expenditures.
- III. We will require that all proprietary funds be self-supporting.
- IV. We will maintain an appropriated General Fund working reserve equivalent to 20% of the General Fund budget and an appropriated emergency reserve equivalent to 5% of the General Fund budget.
- V. We will assume that normal revenue inflation will go to pay normal inflation expenses. Any new or expanded programs will be required to identify funding sources or will be offset by cost reductions through cutting back or eliminating other programs.
- VI. We will maintain a long-range fiscal perspective through the use of a five-year capital improvement plan and revenue forecast.
- VII. Major capital improvements or acquisitions will be made using long-term financing methods rather than out of operating revenue.
- VIII. We will maintain sound budgeting practices ensuring that service delivery is provided in an efficient and effective manner.
- IX. We will require each appropriation item to include a fiscal impact analysis and be submitted to the Finance & Budget Sub-Committee prior to Council agendaing.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of West Hollywood  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



# DIRECTORY OF CITY OFFICIALS

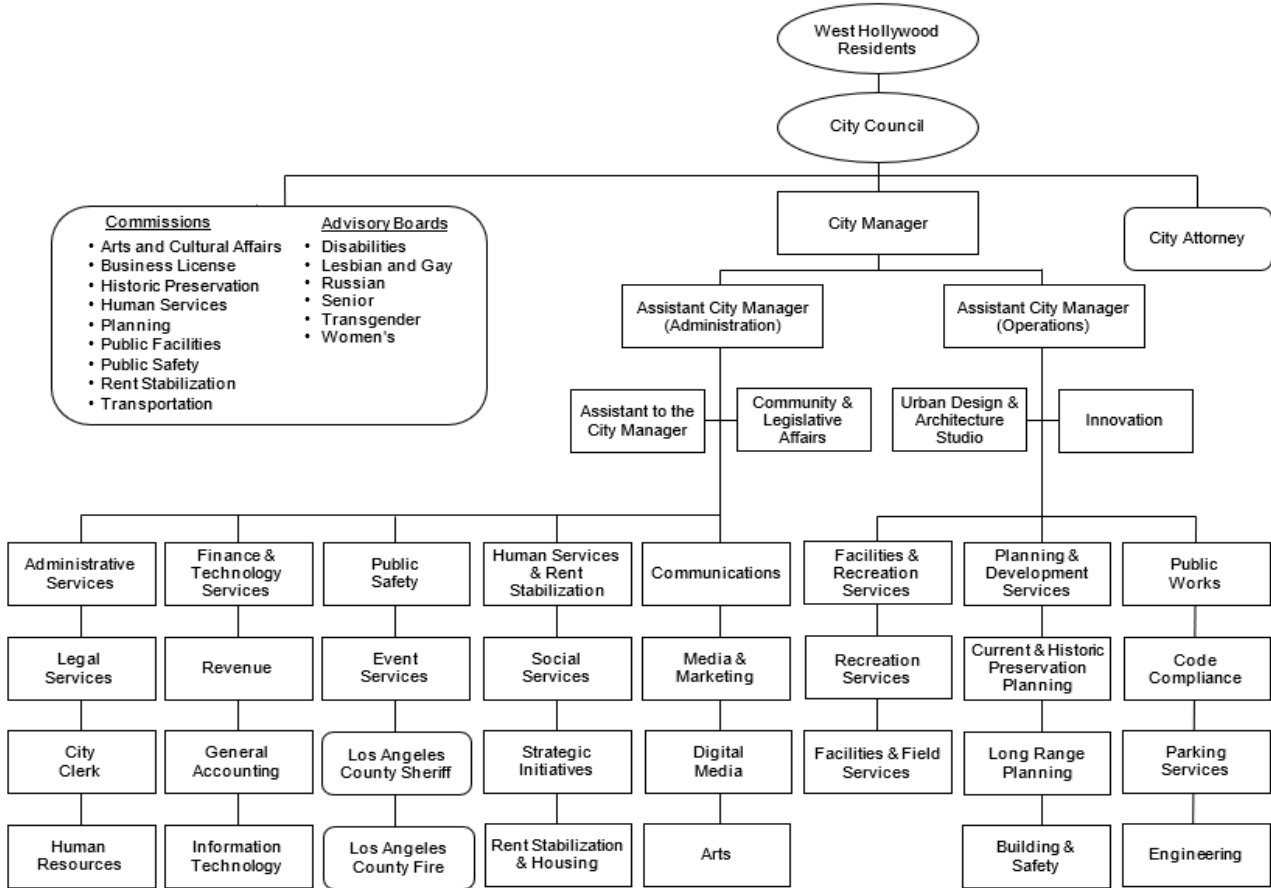
## Mayor and City Council

Mayor .....	<i>Lauren Meister</i>
Mayor Pro Tempore .....	<i>Sepi Shyne</i>
Council Member .....	<i>John D'Amico</i>
Council Member .....	<i>John Erickson</i>
Council Member .....	<i>Lindsey P. Horvath</i>

## Administration

City Manager.....	<i>David A. Wilson</i>
Assistant City Manager .....	<i>Vacant</i>
Assistant City Manager .....	<i>Oscar Delgado</i>
City Attorney.....	<i>Lauren Langer</i>
City Clerk.....	<i>Melissa Crowder</i>
Director of Administrative Services.....	<i>Yvonne Quarker</i>
Director of Communications .....	<i>Lisa Marie Belsanti</i>
Director of Facilities and Recreation Services.....	<i>Steve Campbell</i>
Director of Human Services and Rent Stabilization.....	<i>Christof Schroeder</i>
Director of Planning and Development Services .....	<i>John Keho</i>
Director of Public Safety.....	<i>Kristen Cook</i>
Director of Public Works.....	<i>Jackie Rocco</i>
Department of Finance and Technology Services	
Director.....	<i>Lorena E. Quijano</i>
Accounting Manager .....	<i>Carlos Corrales</i>
Information Technology Manager.....	<i>Eugene Tsipis</i>
Revenue Manager.....	<i>Annie Ruiz</i>

# Citywide Organizational Chart





# Financial Section



🐦 Loved being with so many volunteers who worked @MLKDay to strengthen their community. Was inspiring seeing the work of a great crew organized by @WeHoCity, including super volunteer @annabethgish!



Photo credits | upper: Bi Pride Celebration-2019, by Jon Viscott | lower: Public Intervention Workshop: Ed Woodham, Art in Odd Places – Along Sunset Boulevard, by Jon Viscott | back: City Hall Pop Up, by Jon Viscott



## INDEPENDENT AUDITORS' REPORT

City Council Members  
City of West Hollywood  
West Hollywood, California

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

**Opinions**

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

**Emphasis of Matters**

During the fiscal year ended June 30, 2021, the City adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the previously reported Sunset Strip Business Improvement District Special Revenue Fund was reclassified to a fiduciary fund since this activity no longer met the definition of governmental activities and beginning fund balance and net position was restated (See Notes 1 and 15). Our opinion is not modified with respect to this matter.

As discussed in Note 15 to the financial statements, the City made restatements to beginning net position. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the net pension liability and related ratios, the schedule of contributions – defined benefit plans, schedule of changes in net OPEB liability and related ratios and schedule of contributions – OPEB, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules (supplementary information) and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

**Other Matters (Continued)**

*Other Information (Continued)*

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Irvine, California  
December 27, 2021

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# Management's Discussion and Analysis



🐦 Having great time at #ciclavia “meet the Hollywoods”.  
And No cars 🤗. @CicLAvia @citylosangeles @WeHoCity



Photo credits | upper: Youth Halloween Carnival 2019, by Jonathan Moore | lower: Winter Sounds: Dhara World Music, by Tony Coelho  
| back: Summer Sounds: Martin Luther McCoy, by Tony Coelho

**CITY OF WEST HOLLYWOOD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

As management of the City of West Hollywood ("City"), we offer readers of the City's Financial Statements this overview and analysis of the financial activities for the fiscal year that ended June 30, 2021. We encourage readers to consider the information presented in this section, Management's Discussion and Analysis (hereafter "MD&A"), in conjunction with additional information furnished in the Letter of Transmittal and the accompanying Basic Financial Statements. *Comparative data on the government-wide financial statements is presented in the MD&A only and is included to provide the readers with additional information when reviewing the Financial Statements.*

The MD&A is divided into six sections which are briefly described below.

**Section 1 – Overview of the Financial Statements and Financial Highlights** – The Overview of the Financial Statements introduces the City's basic financial statements and describes the differences between the Government-Wide Financial Statements (the City as a whole) and the Fund Financial Statements (the most significant funds; not the City as a whole). The Financial Highlights section provides a brief overview of both the City's Government-Wide financial statements, which include all financial functions of the City (all funds, capital assets, and debt) and the City's General Fund financial statements.

**Section 2 – Government-Wide Financial Analysis** – The Government-Wide Financial Analysis provides an overview of all the City's financial functions as a whole; it includes all funds, capital assets, and debt (Sections 3 through 5 provide a more detailed analysis of these different functions). The analysis also includes all the City's Funds, classified as "business-type activities". Business-type activities constitute a small portion of all City Funds and include assessments that are collected by the City (Sewer Funds, Solid Waste Fund, Landscape District Fund, and Street Maintenance Fund). The Government-Wide Financial Statements are required to be presented using the accrual basis of accounting, which is like the accounting practices used in the private sector.

**Section 3 – Financial Analysis of the Government's (City) Funds** – This section provides a more detailed analysis of the City's funds that use fund accounting, which unlike the private sector, focuses on near-term inflows, outflows, and balances of expendable resources. Therefore, this section includes current year available revenues and expenditures for operations, capital outlay and current payments to debt service. Other funds included are the Proprietary Funds and Fiduciary Funds (i.e., the City is the trustee of the funds) which use the accrual basis of accounting.

**Section 4 – Major Funds Analysis** – This section provides an overview of specific Major Funds of the City; these are determined based on certain financial statements balances and can vary each year, except for the General Fund which will always be considered a Major Fund. In addition to the General Fund, the Debt Funded Capital Projects Fund and the Capital Projects Debt Service Fund are this year's Major Funds.

Since the City's General Fund comprises a large portion of the combined balances of all City funds, the analysis of the General Fund in this section is similar to the analysis of all City Funds shown in Section 3, however, there are differences between the two, including categories used to group and analyze data; it should be reviewed carefully. Since the General

**CITY OF WEST HOLLYWOOD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

Fund is always considered a Major Fund, this section also includes a Five (5)-Year Trend of the Changes to Fund Balance in the General Fund.

**Section 5 – Capital Assets and Debt Administration** – This section provides an overview of the City's capital assets and debt administration. The debt portion also includes the City's former Redevelopment Agency ("RDA"), though this debt is a responsibility of the Successor Agency to the former RDA ("Successor Agency"), which is a separate legal entity.

**Section 6 – Economic Factors and Outlook for Future Years** – This section provides Management's overview and outlook of future economic conditions that effect the City.

## **Section 1 – Overview of the Financial Statements and Financial Highlights**

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The basic financial statements comprise three components: 1) *Government-Wide Financial Statements*, 2) *Fund Financial Statements* and 3) *Notes to the Financial Statements*. This report also contains required, other supplementary information and the statistical section in addition to the basic financial statements.

#### Government-Wide Financial Statements

These statements are designed to provide information about the activities of the City as a whole and present a long-term view of the City's finances. They are prepared using the accrual basis of accounting, used by private companies.

The *Statement of Net Position* (page 37) presents information on all the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference between these items reported as *net position*. In time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* (pages 38-39) presents information on how the City's net position changed during the fiscal year. 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 only result in cash flows in future fiscal periods; (e.g., uncollected taxes or earned but unused leaves). *Program Revenues* are revenues that derive directly from the program itself. *General Revenues* are revenues primarily generated from taxes.

**CITY OF WEST HOLLYWOOD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

In both the *Statement of Net Position* and *Statement of Activities*, we divide the City into three kinds of activities:

*Governmental Activities* – These activities account for most of the City's basic services which consist of: *General Government*, made up of the departments of the City Manager, Administrative Services, Communications, and Finance & Technology Services. *Public Safety* is made up of Sheriff's costs and other services of the Public Safety Department. *Public Service* includes the departments of Human Services & Rent Stabilization, Facilities & Recreation Services, Planning & Development Services and Public Works. Governmental activities are financed mostly by property taxes, transient occupancy taxes, sales taxes, parking fines, charges for services, franchise taxes, and grants.

*Business-type Activities* – The City charges a fee to customers to help it cover all or most of the costs of providing these services. The City's solid waste, sewer, landscape, and street maintenance districts are reported here.

*Component Units* – The City has included several legally separate entities in this report: The West Hollywood Housing Authority (Housing Authority), the West Hollywood Public Facilities Corporation (Public Facilities Corporation) and the West Hollywood Public Financing Authority (Public Financing Authority). Although legally separate, these *component units* are important because the City is financially accountable for them.

The *government-wide financial statements* report both the City, as the *primary government*, and the legally separate *component units*. The Housing Authority, Public Facilities Corporation and the Public Financing Authority are known as *Blended Component Units* and all function for practical purposes, as part of the City, and, therefore, have been included (blended) as an integral part of the primary government.

### Fund Based Financial Statements

The *Fund Financial Statements* provide detailed information about the most significant funds, not the City as a whole. A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with accounting and grantor-related legal requirements, such as using funds for a specific purpose. All the funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds. The City uses all three types, each using different accounting methods.

*Governmental Funds* – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the *government-wide financial statements*. However, unlike the *government-wide financial statements*, *governmental fund financial statements* focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the *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*

**CITY OF WEST HOLLYWOOD  
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JUNE 30, 2021**

*financial statements.* By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-three individual governmental funds. These funds report financial transactions using an accounting method called modified accrual accounting. The General Fund, Debt Funded Capital Projects Fund, and Capital Project Debt Service Fund are considered to be Major Funds. Information for these Major Funds is presented separately in the Governmental Funds – Balance Sheet and in the Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances. Data from other governmental funds (non-major) are combined into a single presentation; individual fund data for each of these non-major governmental funds is provided in the form of combining statements starting on page 109 of this report. The City adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for each of the funds to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 40-45.

*Proprietary Funds – Proprietary funds* are similar to businesses found in the private sector and are primarily used to account for City charges for the services it provides, whether to outside customers or to other units of the City. These funds are considered self-supporting in that the services rendered by them are generally financed through user charges or on a cost-reimbursement basis. These funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities, using an accrual basis of accounting.

In fact, the City's *enterprise funds* (a component of proprietary funds) are the same as the business-type activities we report in the *government-wide financial statements* but provide more detail and additional information, such as the statement of cash flows.

The City uses *internal service funds* (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities, such as the Information Systems Master Plan Fund. Since these activities predominantly benefit governmental rather than business-type functions, they are included within the governmental activities in the *government-wide financial statements*. The basic proprietary fund financial statements can be found on pages 46-48.

*Fiduciary Funds – Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. In these cases, the City has a fiduciary responsibility and is acting as a *trustee*. The *Statement of Fiduciary Net Position* separately reports all the City's fiduciary activities. The City's other financial statements exclude these activities because the City cannot use these assets to finance its operations. However, the City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The basic fiduciary fund financial statements can be found on pages 49-50.

*Notes to the Financial Statements* – Notes provide additional information that is essential to a full understanding of the data in the government-wide and fund financial statements. The *Notes to the Financial Statements* can be found from pages 51-96.

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JUNE 30, 2021**

*Required Supplementary Information* – In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information including the schedule of changes in net pension liability, plan contributions and information concerning the progress in funding its obligation to provide Other Post-Employment Benefits (OPEB) benefits to its employees. Required supplementary information can be found on pages 105-150.

*Other Supplementary Information* – In addition to the Required Supplementary Information, this report also presents certain combining statements referred to earlier in connection with non-major governmental and proprietary funds. These combining and individual fund statements and schedules can be found immediately following the *Required Supplementary Information* on pages 105-149.

*Statistical Section* – The Statistical Section is included to provide financial statement users with additional historical perspective, context and detail for use in evaluating the information contained within the financial statements, notes to the financial statements, and required supplementary information with the goal of providing the user a better understanding of the City's economic condition. The *Statistical Section* can be found from pages 152-178.

## **Financial Highlights**

### Government-Wide Financial Statements

- At June 30, 2021, the City as a whole had total assets of \$602.2 million, total deferred outflows of resources were \$10.1 million, total liabilities were \$290.5 million, and total deferred inflows of resources were \$2.6 million. The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$319.2 million (*net position*). Of this amount, \$92.0 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors. A summary of net position is reflected in Table 1 (page 11).
- For the year ended June 30, 2021, total net position decreased by \$20.8 million from the prior year. Total revenues from all sources were \$110.3 million and total expenses for all functions/programs were \$131.2 million. A summary of changes in net position is reflected in Table 2 (page 13).
- Of total revenues, program revenues were \$34.0 million and general revenues were \$76.3 million (Table 2). Program revenues are separated into three categories: Charges for Services, \$20.9 million; Operating Grants and Contributions, \$6.1 million; and Capital Grants and Contributions, \$7.1 million. General revenues are divided into seven categories citywide: Property Taxes, \$33.3 million; Transient Occupancy Taxes, \$9.7 million; Sales Taxes \$19.0 million; Franchise Taxes, \$2.0 million; Business Taxes, \$4.1 million; Use of Money & Property \$8.0 million and Other General Revenue \$0.2 million.

### Fund Based Financial Statements

- For fiscal year ended June 30, 2021, total Fund Balance of the General Fund was \$122.9 million, or 124.5 percent of total General Fund expenditures and transfers of

**CITY OF WEST HOLLYWOOD  
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JUNE 30, 2021**

\$98.7 million; this is reflected in Table 5 and Table 7 (pages 24 and 27). The non-spendable Fund Balance was \$2.1 million. Committed Fund Balance was \$24.1 million while assigned Fund Balance was \$93.6 million and unassigned Fund Balance was \$3.0 million.

- For the General Fund, actual resources available for appropriation during the year were \$221.6 million; this consists of \$131.9 million in fund balance and \$89.7 million in revenue inflows, which was \$10.5 million more than what was budgeted. The favorable variance is mainly due to excess of actual taxes received by \$11.6 million compared to final budget of \$54.4 million. Property Tax revenues continue to be unimpacted by COVID-19; the City received \$4.0 million more than the budgeted amount of \$20.9 million in property taxes. The City also received \$2.9 million additional sales tax from the newly passed Sales Tax Local Measure E. The City conservatively budgeted for revenues, especially Transient Occupancy Tax (TOT) because of the COVID-19 pandemic. In February 2021, occupancy rates started picking up right around the time that immunization rate started to climb. In addition, in the fourth quarter of 2021 restrictions were lifted and tremendous pent-up demand was released. As a result, the City favorably received \$3.0 million more than the budgeted amount of \$6.6 million in TOT taxes.
- Actual charges (outflows) of \$98.6 million were \$23.1 million less than the General Fund budget of \$121.7 million. Most of the variances were due to the following items which will be carried forward to Fiscal Year 2021-22: \$13.7 million in capital projects that were not completed during the fiscal year; \$5.5 million in funds that were encumbered for various contracted services that have not yet been completed; and \$3.9 million in remaining funds for New Initiatives that begun in the previous years.



**CITY OF WEST HOLLYWOOD  
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JUNE 30, 2021**

## Section 2 – Government-Wide Financial Analysis

This analysis will focus on net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities, as a whole, for fiscal year ended June 30, 2021.

These tables are summarizing the statements located on pages 37-39 that are prepared using the accrual basis of accounting; the preparation of the statements in Section 2 differs from those in Section 3, Government's (City) Funds, which use fund accounting. Management has included comparative data from fiscal year ended June 30, 2020, in its analysis (Table 1 and Table 2 below).

### NET POSITION (TABLE 1)

(IN MILLIONS)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 257.9	\$ 312.8	\$ 3.4	\$ 2.7	\$ 261.3	\$ 315.5
Capital assets	330.9	306.0	10.0	10.5	340.9	316.5
<b>Total assets</b>	<b>588.8</b>	<b>618.7</b>	<b>13.4</b>	<b>13.2</b>	<b>602.2</b>	<b>632.0</b>
<b>Deferred Outflows of Resources</b>						
Deferred amounts	9.9	15.8	0.2	-	10.1	15.8
<b>Liabilities</b>						
Long-term debt outstanding	254.3	259.2	-	-	254.3	259.2
Other liabilities	35.3	44.3	1.0	0.2	36.3	44.6
<b>Total liabilities</b>	<b>289.6</b>	<b>303.6</b>	<b>1.0</b>	<b>0.2</b>	<b>290.5</b>	<b>303.8</b>
<b>Deferred Inflows of Resources</b>						
Deferred amounts	2.6	3.9	-	-	2.6	3.9
<b>Net position</b>						
Net Investment in						
capital assets	180.9	186.2	10.0	10.5	191.0	196.7
Restricted	47.0	51.5	-	-	47.0	51.5
Unrestricted	78.7	89.4	2.6	2.5	81.3	91.9
<b>Total net position</b>	<b>\$ 306.6</b>	<b>\$ 327.1</b>	<b>\$ 12.6</b>	<b>\$ 13.0</b>	<b>\$ 319.2</b>	<b>\$ 340.1</b>

The City's Government-Wide total net position as of year ended June 30, 2021, was \$319.2 million, with assets of \$602.2 million, deferred outflows of resources of \$10.1 million, liabilities of \$290.5 million and deferred inflows of resources of \$2.6 million.

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The net investment in capital assets of \$191.0 million represents 59.8 percent of the City's total net position. Net investment in capital assets (e.g., infrastructure, land, buildings, machinery and equipment) for this purpose is reduced by any related debt used to acquire those assets that is still outstanding, net of any unused proceeds from debt issuance.

The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. It should be noted that the resources needed to repay capital-related debt must be secured from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$47.0 million (14.7 percent) represents resources that are subject to external restrictions in how they may be used.

The remaining balance of \$81.3 million (25.5 percent) (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors within the program areas.

Changes in Net Position (Table 2) of the City's governmental and business-type activities, as a whole, for fiscal year ended June 30, 2021, are reflected in the following page.

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**CHANGES IN NET POSITION (TABLE 2)  
(IN MILLIONS)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Government-Wide Totals</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$ 17.3	\$ 21.8	\$ 3.6	\$ 3.4	\$ 20.9	\$ 25.2
Operating Contributions & Grants	6.1	6.1	-	-	6.1	6.1
Capital Contributions & Grants	7.1	6.3	-	-	7.1	6.3
Sub-total Program Revenues	<u>30.5</u>	<u>34.2</u>	<u>3.6</u>	<u>3.4</u>	<u>34.0</u>	<u>37.6</u>
General Revenues:						
Property taxes	33.3	29.5	-	-	33.3	29.5
Transient occupancy taxes	9.7	20.7	-	-	9.7	20.7
Sales taxes	19.0	15.6	-	-	19.0	15.6
Franchise taxes	2.0	2.2	-	-	2.0	2.2
Business taxes	4.1	6.0	-	-	4.1	6.0
Use of money and property	8.0	16.3	-	-	8.0	16.3
Other	0.2	4.5	-	-	0.2	4.5
Sub-total General Revenues	<u>76.3</u>	<u>94.9</u>	<u>-</u>	<u>-</u>	<u>76.3</u>	<u>94.9</u>
<b>Total Revenues</b>	<b><u>106.8</u></b>	<b><u>129.1</u></b>	<b><u>3.6</u></b>	<b><u>3.4</u></b>	<b><u>110.3</u></b>	<b><u>132.5</u></b>
<b>Expenses</b>						
General Government	\$ 24.4	\$ 31.2	\$ -	\$ -	\$ 24.4	\$ 31.2
Public Safety	25.7	26.2	-	-	25.7	26.2
Public Services	72.0	64.4	-	-	72.0	64.4
Interest on Long-Term Debt	5.9	5.2	-	-	5.9	5.2
Solid Waste	-	-	1.7	1.6	1.7	1.6
Landscape	-	-	0.2	0.2	0.2	0.2
Sewer Charge	-	-	1.1	1.1	1.1	1.1
Street Maintenance	-	-	0.3	0.1	0.3	0.1
<b>Total Expenses</b>	<b><u>128.0</u></b>	<b><u>127.0</u></b>	<b><u>3.2</u></b>	<b><u>3.1</u></b>	<b><u>131.2</u></b>	<b><u>130.2</u></b>
<b>Increase in Net Position, before transfers</b>	<b>(21.2)</b>	<b>2.1</b>	<b>0.4</b>	<b>0.4</b>	<b>(20.8)</b>	<b>2.4</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase (decrease) in Net Position</b>	<b>\$ (21.2)</b>	<b>\$ 2.1</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ (20.8)</b>	<b>\$ 2.4</b>
<b>Net Position at July 1</b>	<b>327.1</b>	<b>325.1</b>	<b>12.9</b>	<b>12.6</b>	<b>340.0</b>	<b>337.7</b>
<b>Restatements</b>	<b>0.7</b>	<b>-</b>	<b>(0.7)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position, June 30</b>	<b><u>\$ 306.6</u></b>	<b><u>\$ 327.1</u></b>	<b><u>\$ 12.6</u></b>	<b><u>\$ 13.0</u></b>	<b><u>\$ 319.2</u></b>	<b><u>\$ 340.1</u></b>

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The government's net position decreased \$20.8 million (Table 2), with total revenues of \$110.3 million, total expenses of \$131.2 million. The change in Net Position is approximately 6.5 percent of the total Net Position of \$319.2 million. Program Revenues were \$34.0 million and General Revenues were \$76.3 million. General Revenues provide the net difference between program revenues and expenses.

*Program Revenues* include the largest single revenue category in the Government-Wide Totals, which was Charges for Services, at \$20.9 million. Other program revenues which are applied directly against the costs of providing these services are Operating Contributions and Grants, and Capital Contributions and Grants, at \$6.1 million and \$7.1 million respectively.

*General Revenues* include the next three largest categories. Property Tax is the largest single revenue category at \$33.3 million (includes \$6.6 million in Motor Vehicle In-Lieu Funds) and is followed by Sales Tax at \$19.0 million (includes \$2.9 million in Sales Tax Measure E). The third largest revenue source was Transient Occupancy Tax with \$9.7 million followed by Use of Money and Property with \$8.0 million.

In comparison to the prior fiscal year, the government's total revenues decreased by \$22.2 million. Program revenues decreased by \$3.6 million and General Revenues decreased by \$18.6 million. For Program revenues, Charges for Services decreased by \$4.3 million, and Capital Grants and Contributions increased by \$0.8 million. Charges for Services decreased mainly due to decreases in Building Permits of \$1.9 million, Parking Fines of \$1.2 million, and Childcare exactions of \$0.9 million. Capital Contributions and Grants increased by \$0.8 million mainly due to \$2.0 million Aids Monument donation received during the year. This increase was negated by decreases in Affordable Housing In-lieu Fees by \$0.8 million and decrease in Public Benefit payment by \$0.5 million.

For General Revenues, the decrease of \$18.6 million from the prior year is a combination of both increases and decreases in revenues as follows:

Increases are primarily due to additional revenues from three main sources: Property Taxes increased by \$3.8 million, and Sales Taxes increased by \$3.4 million. Property tax revenues continues to show strong and steady gains due to a combination of factors, including rising property values, high volumes of sale transactions and the addition of new buildings in the City's property tax roll. The increase in Sales Taxes is mainly due to Sales Tax Measure E for \$2.9 million.

These increases in General Revenues were negated by decreases in Transient Occupancy Taxes by \$11 million, Business Taxes by \$1.9 million, Use of money and property by \$8.3 million and Other Revenues by \$4.3 million. The decreases are due to the drop in commuter and leisure travel and shopping during the COVID-19 pandemic, which started in March 2020. Other revenue decreased by \$4.3 because last year's balance included a one-time receipt for a contract services settlement.

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Compared to prior year, the government's total expenses had an increase of \$0.9 million. The top three expense categories continue to be Public Services at \$72 million, Public Safety at \$25.7 million, and General Government at \$24.4.

General Government decreased by \$6.8 million because last year's balance included a one-time lump-sum payment of \$5.0 million related to the PERS Unfunded Accrued Liability (UAL). Public Safety expenses decreased by \$0.05 million and remained flat even though Sheriffs costs continued to increase due to the annual cost of living and liability insurance adjustments; that is because there was a corresponding decrease in police service costs related to cancellations of large special events as result of COVID-19. Public Services increased by \$7.6 million mainly due to \$11.3 million affordable housing loans issued during the year; this increase was negated by decreases in Building and Safety by \$1.2 million and Planning and Development Service by \$0.4 million.

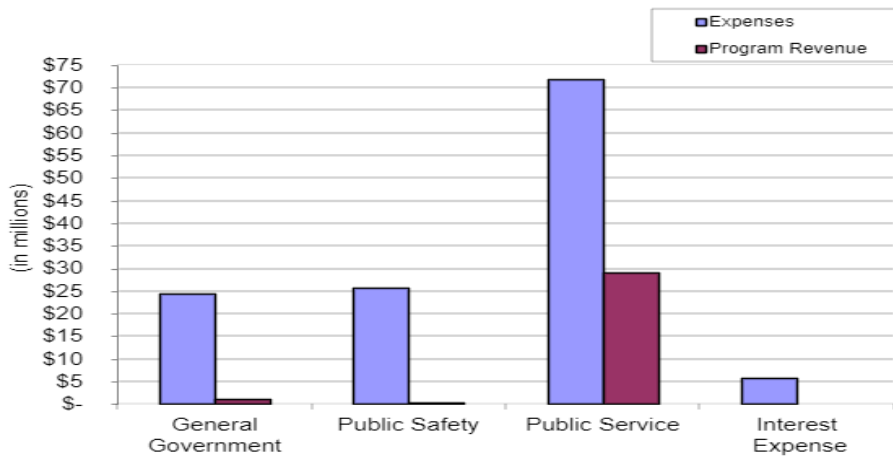
Governmental Activities

Governmental activities decreased the City's *net position* by \$21.2 million (Table 2). The cost of all governmental activities this year was \$128.0 million or 97.6 percent of the *primary government* expenses and was an increase of \$1.0 million from the prior year.

As shown in the *Statement of Activities* on pages 38-39, the amount that taxpayers financed through City taxes was \$68.1 million. The other portion of the costs was paid by those who directly benefited from the programs (\$20.9 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$13.2 million), and by use of money and property and other revenues (\$8.0 million). The City used part of the \$76.3 million in General Revenues to cover the remaining "public benefit" portion of governmental activities.

These general revenues are derived mostly from tax revenues (some of which could only be used for certain programs).

**Expenses and Program Revenues – Governmental Activities (Graph 1)**



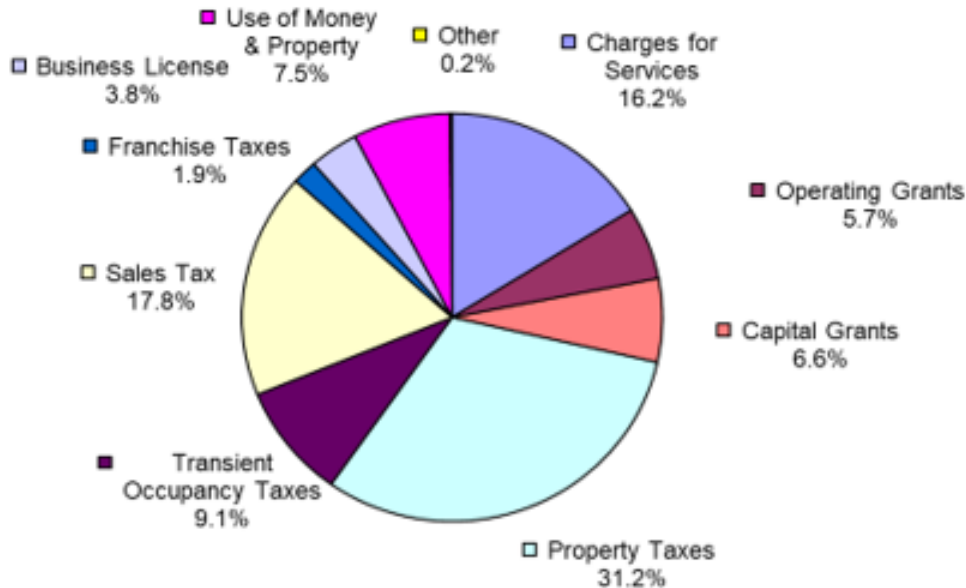
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Graph 1 presents the costs of each of the City's three functions – General Government, Public Safety, Public Service, plus interest on long-term debt as well as the program's revenues. The net cost (total cost less *program revenues*) is the amount that was paid from *general revenues*.

*General Government* had expenses of \$24.4 million with program revenues of \$1.0 million, while *Public Safety* had expenses of \$25.7 million with program revenues of \$0.2 million. Expenses in *Public Services* represented \$72.0 million or 56.25 percent of total expenses for Governmental Activities. Of this amount, \$29.2 million was funded by *program revenues* and the remaining \$42.8 million was funded by general revenues. Interest on long-term debt was \$5.9 million which was funded by general revenues. From the prior year, *General Government* decreased by \$6.8 million, *Public Safety* remained flat and decreased by \$0.5 million, and *Public Services* increased by \$7.6 million.

Graph 2 presents Revenues by Source for Governmental Activities. Similar to the government-wide activities, *Charges for Services* is the largest at \$17.3 million or 16.2 percent of total revenues. *Charges for Services* consist of Parking Fines at \$6.0 million; Building and Safety revenue at \$3.1 million; Planning Permits revenue at \$2.8 million; Rent Stabilization fees at \$2.0 million; Encroachment and other permits at \$1.4 million; Traffic Mitigation fees at \$0.8 million; Business License and Special Events fees at \$0.2 million; Film Permits at \$0.2 million; Vehicle Code & Photo Safety Fines at \$0.1 million; and other miscellaneous charges for services of \$0.7million.

**Revenues by Source – Governmental Activities (Graph 2)**



Other program revenues include Operating and Capital Grants and Contributions that together represented 12.3 percent of the total, or \$13.2 million. Operating and Capital Grants and Contributions include \$2.7 million of Affordable Housing in-Lieu fees; \$1.2 million of Metro Traded Funds; \$1.5 million in State Gas Tax; \$2.3 million of Proposition A, Proposition C,

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Measure M and Measure R transit tax, \$2.0 million one-time AIDS Monument donation and \$3.5 million in various Federal, State and County Grants.

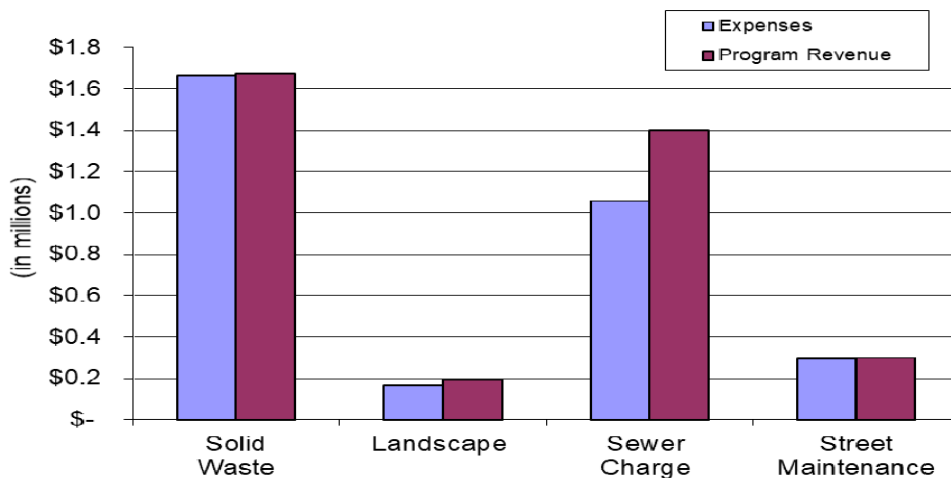
General Revenues for Governmental Activities are the same as those described above in the Government-Wide totals since there were no Business-Type Activities that had similar revenue categories (Table 2). The four major categories were Property Tax at \$33.3 million; Transient Occupancy Tax at \$9.7 million; Sales Tax at \$19.0 million (all described above) and Use of Money and Property at \$8.0 million. These four sources represented 65.5 percent of the total revenues of Governmental Activities.

**Business-Type Activities**

*Net position* at June 30, 2021, was \$12.6 million, with assets equaling \$13.4 million, deferred outflows of resources at \$0.2 million and liabilities of \$1.0 million. Net investment in capital assets represented the largest portion of net position at 79.5 percent or \$10.0 million (Table 1). The change in Business-type activities net position was nominal at \$0.4 million in 2021 (Table 2). Similar to government-wide activities, Charges for Services is the largest source of revenues at \$3.6 million or 100 percent for Business-Type activities, while the expenses were \$3.2 million.

Graph 3 presents the costs of each of the City's business activities and the associated program revenue. Since business-type activities are primarily used when the City charges customers for the services it provides, program revenues (charges for services) should be similar to the costs of these programs and represent the major funding source for these activities. The largest fluctuation is in the Sewer Charge Fund discussed in next page.

**Expenses and Program Revenues – Business-type Activities (Graph 3)**



- Actual program revenues did not exceed the budgeted program revenues for the Sewer Charge Fund due to a decrease in sewer assessment by \$0.1 million. In addition, expenses related to sewer rehabilitation work had been scaled back to replenish the

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Fund balance after large expenses in prior years, which is the reason program revenues exceeded expenses this year. The City anticipates that in future years Sewer Charge Fund expenses will increase to equal program revenues. This fund also contains assets transferred from the County of Los Angeles when the City was incorporated.

Like government-wide activities, *Charges for Services* is the largest source of revenues at \$3.6 million or 100 percent for Business-type Activities.

### **Section 3 – Financial Analysis of the Government's (City) Funds**

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

#### Governmental (City) Funds

The focus of the City's *governmental funds* provides data on near-term inflows, outflows and balances of *spendable* resources. It is useful in assessing the City's financing requirements; as such, *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.

The City has three major governmental funds: General Fund, Debt Funded Capital Projects Fund and Capital Projects Debt Service Fund. All funds are discussed in depth later in the MD&A. Each major fund is also discussed further in the *Notes to the Financial Statements*. The other Governmental Funds are reported as non-major and combined in a single presentation in the *Basic Financial Statements* and individually in the *Supplementary Information*.

#### Governmental (City) Fund Balances

As of the end of the current fiscal year, governmental funds (pages 40-41) reported combined ending fund balances of \$223.9 million. Fund Balance designations are: Non-Spendable Fund Balance at \$2.2 million; Restricted Fund Balance at \$103.9 million; Committed Fund Balance at \$24.1 million; Assigned Fund Balance at \$93.6 million; and Unassigned Fund Balance at \$0.04 million.

#### Governmental (City) Revenues

Table 3 presents a summary of all governmental fund revenues for the fiscal year ended June 30, 2021, compared to prior year revenues (note that this table includes the General Fund, which is reflected and discussed separately on Table 6).



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**Comparison of Governmental Revenues (Table 3)  
Fiscal Years 2020-21 and 2019-20**

	Amount	% of Total	Amount	% of Total	Variance	% Increase/
	FY 20-21	Revenues	FY 19-20	Revenues	Over/(Under)	(Decrease)
					over last year	over last year
Property tax	\$ 33,333,694	31.1%	\$ 29,471,706	22.9%	\$ 3,861,988	13.1%
Transient Tax	9,675,930	9.0%	20,742,558	16.1%	(11,066,628)	-53.4%
Sales Tax	19,025,432	17.7%	15,645,332	12.1%	3,380,100	21.6%
Other Taxes	8,205,148	7.6%	10,210,115	7.9%	(2,004,967)	-19.6%
Licenses & Permits	7,720,766	7.2%	9,641,958	7.5%	(1,921,192)	-19.9%
Intergovernmental	4,693,147	4.4%	5,860,986	4.5%	(1,167,839)	-19.9%
Charges for Services	2,874,028	2.7%	2,994,196	2.3%	(120,168)	-4.0%
Use of Money & Property	9,963,668	9.3%	16,584,727	12.9%	(6,621,059)	-39.9%
Fines and Forfeitures	5,747,762	5.4%	7,151,880	5.5%	(1,404,118)	-19.6%
Contributions	1,980,000	1.8%	-	0.0%	1,980,000	100.0%
Developers Fees	3,616,537	3.4%	4,554,997	3.5%	(938,460)	-20.6%
Miscellaneous	425,024	0.4%	6,117,966	4.7%	(5,692,942)	-93.1%
<b>TOTAL</b>	<b>\$ 107,261,136</b>	<b>100.0%</b>	<b>\$ 128,976,421</b>	<b>100.0%</b>	<b>\$ (21,715,285)</b>	<b>-16.8%</b>

Revenues of governmental funds for fiscal year 2020-21 were \$107.3 million, with a decrease of \$21.7 million or 16.8% from the prior fiscal year.

Described below are major fluctuations in governmental funds:

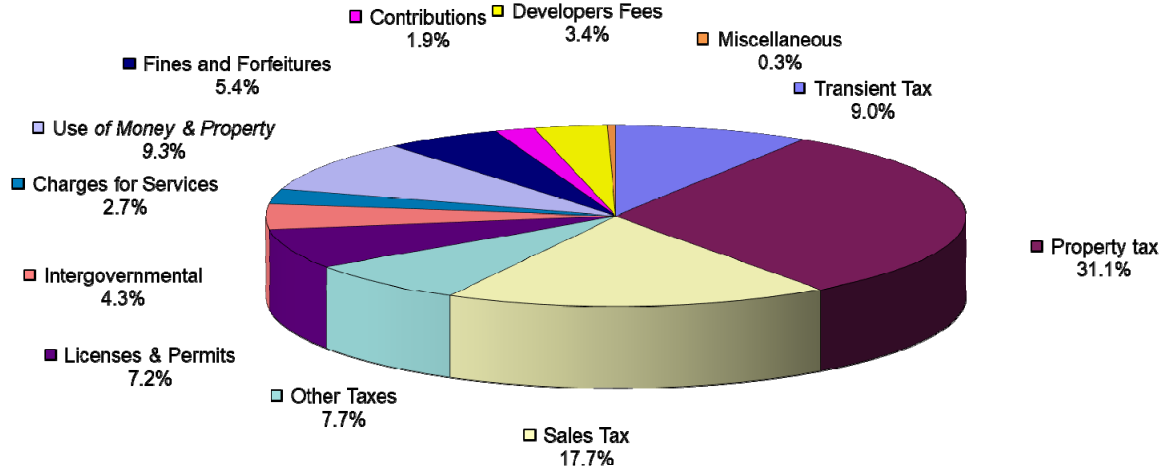
- Property Tax Revenue received in all funds for the current year was \$33.3 million, with an increase of \$3.9 million or 13.1% over the prior year. Property tax revenue continues to show steady increases due to a combination of factors, including rising property values, increased sales transactions, and the addition of new buildings to the City's property tax roll. The City has a very strong real estate market and typically year-over-year assessed value increases are some of the highest in the County. Although property tax receipts are expected to remain relatively stable, the City will monitor any potential impacts that might arise due to the pandemic closely.
- Transient Occupancy Tax (TOT) Revenue for the current year was \$9.7 million, with a decrease of \$11.1 million or 53.4% from prior year. Hotels have been one of the hardest hit industry groups during the beginning and throughout the COVID-19 health crisis. In February 2021, there was some relief as occupancy rates started picking up right around the time that immunization rate started to climb. In April 2021, the City was fortunate that a new luxury hotel, the Pendry Hotel West Hollywood, opened a new complex that holds a private social club with a rooftop bar and restaurant, multimillion dollar condos and hotel. TOT remains low compared to prior years, however, both an increase in occupancy rates and the opening of the Pendry are a positive sign for next year.

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- Sales Tax Revenue for the current year was \$19.0 million, an increase of \$3.4 million or 21.6% from the prior year. Most of this increase, \$2.9 million, was related to the new Sales Tax Local Measure E, which became effective April 1, 2021. The City's sales tax base is diversified and benefits from evolving consumer tastes toward experiences over discount consumer goods.
- Other Taxes for the current year were at \$8.2 million, this represents a decrease of \$2.0 million or 19.6% from prior year. The Other Taxes category includes the Business License Tax, Franchise Fee Tax and Public, Educational and Government (PEG) Revenue. The decrease is mainly in Business License Taxes from \$5.9 million to \$3.9 million because of the adoption of Urgency Ordinance No. 21-1139U that reduced the annual business tax by 50% in order to assist businesses during the pandemic.
- Use of Money & Property for the current year was \$9.9 million, which decreased by \$6.6 million or 39.9% from previous year due to the following: interest income decreased by \$2.5 million due to lower interest income earned from investments; unrealized gain due to change in fair market value of investments resulted to a decrease of \$1.5 million because last year's balance included a favorable \$0.5 million unrealized gain compared to \$1.0 million unrealized loss this year; parking meter and transient parking decreased by \$1.3 million due to the change in restrictions imposed related to COVID-19 pandemic. During the pandemic, the City implemented flexible and temporary parking measures to coincide with those adopted with the City of Los Angeles and in response to Health Officers orders instructing or mandating residents to shelter-in-place.
- Fines and Forfeitures for the current year were \$5.7 million, a decrease of \$1.4 million, or 19.6% from the previous year. After an uptick in parking fines revenue in fiscal year 2018-2019, the City experienced revenue declines starting in fiscal year 2020 that continued in the current fiscal year 2021 as a result of the drop in commuter, leisure travel and shopping during the COVID-19 pandemic (shelter-in-place directives). Parking enforcement for certain parking rules were also relaxed under the emergency order. The City implemented flexible and temporary parking measures to also coincide with those adopted with the City of Los Angeles and in response to Health Officers orders instructing or mandating residents to shelter-in-place.
- Contributions at \$2 million, a 100% increase from the previous year represented a one-time AIDS Monument contribution.
- Miscellaneous Revenue were \$0.4 million for the current year and decreased by \$5.7 million because last year's balance included the \$4.0 million in one-time contract services settlements.

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**Governmental Fund Revenues – Fiscal Year 2020-21 (Graph 4)**



Governmental (City) Expenditures

Table 4 presents a summary of all governmental fund expenditures for the fiscal year ended June 30, 2021, compared to prior year amounts (note that this table includes the General Fund, which is reflected and discussed separately on Table 7).

**Comparison of Major Governmental Expenditures (Table 4)  
Fiscal Years 2020-21 and 2019-20**

	Amount FY 20-21	% of Total Expenditures	Amount FY 19-20	% of Total Expenditures	Variance Over/(Under) over last year	% Increase/ (Decrease) over last year
General Government	\$ 23,480,267	15.4%	\$ 28,207,640	16.4%	\$ (4,727,373)	-16.8%
Public Safety	25,523,560	16.8%	26,061,178	15.1%	(537,618)	-2.1%
Public Services	63,803,584	41.9%	60,826,670	35.3%	2,976,914	4.9%
Total Operating Expenditures	112,807,411	74.2%	115,095,488	66.9%	(2,288,077)	-2.0%
Capital Outlay	30,850,821	20.3%	45,880,249	26.7%	(15,029,428)	-32.8%
Debt Service	8,436,283	5.5%	11,126,093	6.5%	(2,689,810)	-24.2%
<b>TOTAL</b>	<b>\$ 152,094,515</b>	<b>100.0%</b>	<b>\$ 172,101,830</b>	<b>100.0%</b>	<b>\$ (20,007,315)</b>	<b>-11.6%</b>

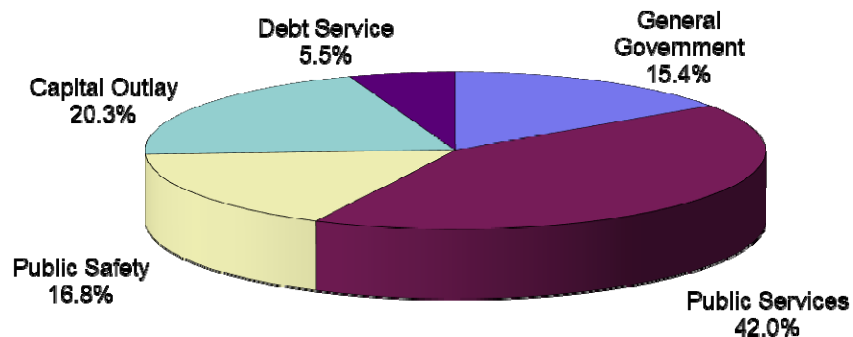
Total governmental expenditures for fiscal year 2020-21 were \$152.1 million, a decrease of 11.6% or \$20.0 million from the prior fiscal year mainly due to decreases in General Government by \$4.7 million or 16.8% and Capital Outlay by \$15.0 million or 32.8%. Public Safety had a minimal decrease of \$0.5 million and Debt Service had a \$2.7 million decrease compared to last year. Public Services increased by \$3.0 million or 4.9%, Described below are major fluctuations in governmental expenditures:

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- General Government expenditures decreased by \$4.7 million or 16.8% from prior year. Last year's balance included a \$5.0 million lump-sum payment toward the City's pension unfunded accrued liability. This year, the City did not make a similar payment resulting in a decrease in general government expenditures.
- Public Safety expenditures decreased by \$0.5 million or 2.1% mainly due to increases in Sheriffs costs related to annual cost of living and liability insurance adjustments which were partially negated by savings from the cancellation of large special event's during COVID-19.
- Public Services expenditures increased by \$3.0 million or 4.9% mainly due to housing loans issued in the current fiscal year.
- Capital Outlay expenditures were \$30.9 million, a decrease of \$15.0 million from the prior year. The decrease is due to suspension of major projects due to cost-cutting efforts. The balance this year included the cost related to city hall improvement projects and continuation of the capital outlay related to the West Hollywood Park Master Plan Phase II Project.
- Debt service expenditures were \$8.4 million, a decrease of \$2.7 million because last year's balance included the final reconciliation of the Series 2009B bonds previously refunded with 2016 bonds.

Graph 5 presents a summary of governmental fund expenditures for the fiscal year ended June 30, 2021 by functions.

**Governmental Fund Expenditures – Fiscal Year 2020-21 (Graph 5)**



Proprietary Funds

These Funds consist of four non-major Enterprise Funds, along with one Internal Service Fund (pages 46-48). The non-major Enterprise Funds are combined into an aggregate presentation

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in the Proprietary Funds financial statements. Individual fund data is provided in the form of *combining statements* starting on page 138.

Revenues for Enterprise Funds include assessments and other charges for services. Total operating revenues for all Enterprise Funds are \$3.5 million. Operating expenses for the fiscal year were \$3.1 million. The City also has one Internal Service Fund to allocate the costs of the City's Information Systems Infrastructure to the various departments. The interdepartmental charge for services (revenues) in the fiscal year was \$0.6 million with operating expenses of \$1.0 million.

## **Section 4 – Major Funds Analysis**

### **Debt Service Funds – Capital Projects Debt Service Fund Analysis**

The Capital Projects Debt Service Fund accounts for all financial activity related to the administration of proceeds generated from the issuance of long-term debt. The City has issued Lease Revenue Bonds for the construction of major capital improvement projects including the City's library located at West Hollywood Park, the Automated Parking Structure located at City Hall, and the West Hollywood Park Master Plan Phase II. Principal and interest on the City's Lease Revenue Bonds are paid from General Fund revenues (pages 40-41 and 43-44).

#### Fund Balance

The fund balance decreased by \$27.5 million during the year and has an ending fund balance of \$61.5 million. The decrease is mainly due to reimbursements to the Debt Funded Capital Projects Fund of \$26.9 million for capital outlays incurred for the West Hollywood Park Master Plan Phase II construction.

#### Expenditures

The Capital Project Debt Service fund incurred \$8.4 million of expenditures in the current year, mainly due to principal and interest payments related to the City's 2013, 2016 and 2020 Series A&B Lease Revenue bonds; these bonds are described further in Section 5.

### **Capital Projects Fund – Debt Funded Capital Projects Fund Analysis**

The Debt Funded Capital Projects fund is a major fund and accounts for receipts and disbursements of monies used for the construction of major capital projects in the City. At present, the fund is accounting for the West Hollywood Park Master Plan Phase II. (pages 40-41 and 43-44).

#### Fund Balance

The fund balance increased by \$2.2 million during the year and has an ending fund balance of \$4.9 million. The increase in fund balance is mainly due to \$2.0 million gift donation from the Foundation of the AIDS Monument (FAM) for the completion of the remainder of design and

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constructions for the AIDS Monument. The fund received reimbursements from Capital Projects Debt Service Fund for this year's capital outlay of \$26.9 million related to West Hollywood Park Master Plan Phase II construction.

**Expenditures**

The Debt Funded Capital Projects Fund incurred \$26.8 million of capital expenditures in the current year. Most of these expenditures are related to the West Hollywood Park Master Plan Phase II construction.

**General Fund**

**Fund Balance**

The General Fund is the chief operating fund of the City (pages 40-41 and 43-44). The ending fund balance was \$122.9 million, which was a decrease of \$9.0 million (Table 5). Fund balance designations are as follows: Non-Spendable Fund Balance was \$2.1 million; Committed Fund Balance was \$24.1 million; Assigned Fund Balance was \$93.6 million; and lastly Unassigned Fund Balance was \$3.0 million.

Table 5 shows the General Fund's opening balance, operating surplus (deficit), restatements, and ending fund balance for the last five years.

**General Fund – Changes to Fund Balance – Five Year Trend (Table 5)**

	FY 20-21	FY 19-20	FY 18-19	FY 17-18	FY 16-17
Fund Balance					
Nonspendable	\$ 2,147,584	\$ 2,077,941	\$ 66,600	\$ 53,634	\$ 44,317
Restricted	-	1,255,006	1,255,006	1,255,006	1,255,006
Committed	24,148,689	35,742,733	25,713,228	24,601,571	27,054,567
Assigned	93,630,186	90,680,591	108,253,580	101,723,037	93,388,888
Unassigned	3,022,018	2,176,972	2,987,207	3,280,327	3,462,047
<b>Total Fund Balance</b>	<b>\$ 122,948,477</b>	<b>\$ 131,933,243</b>	<b>\$ 138,275,621</b>	<b>\$ 130,913,575</b>	<b>\$ 125,204,825</b>
Beginning Balance	\$ 131,933,243	\$ 138,275,621	\$ 130,913,575	\$ 125,204,825	\$ 119,655,032
Operating Surplus /(Deficit)	(8,984,766)	(6,342,378)	7,362,046	5,708,750	5,549,793
Ending Balance	\$ 122,948,477	\$ 131,933,243	\$ 138,275,621	\$ 130,913,575	\$ 125,204,825

**Revenues**

For fiscal year 2020-21, General Fund Revenues and Other Financing Sources were \$89.7 million, a decrease of \$19.2 million or 17.7 percent from the previous year. General Fund categories are reflected in Table 6 (note that General Fund categories differ from those reflected in Table 2 and Table 3 of the Government-wide analysis since those also include other city funds).

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**General Fund Revenues and Other Financing Sources (Table 6)  
Fiscal Years 2020-21 and 2019-20**

	2020-2021	2019-2020	Variance Over/(Under) over last year	% of increase (decrease) over last year	% of total
Property Tax	\$ 31,420,863	\$ 27,833,401	\$ 3,587,462	12.9%	35.0%
Transient Tax	9,675,868	20,740,065	(11,064,197)	-53.3%	10.8%
Sales Tax	19,025,432	15,645,332	3,380,100	21.6%	21.2%
Other Taxes	5,886,764	7,960,435	(2,073,671)	-26.0%	6.6%
Licenses & Permits	7,720,766	9,641,958	(1,921,192)	-19.9%	8.6%
Intergovernmental	1,143,745	514,998	628,747	122.1%	1.3%
Charges for Services	2,381,930	2,672,147	(290,217)	-10.9%	2.7%
Use of Money & Property	7,010,689	11,316,205	(4,305,516)	-38.0%	7.8%
Fines and Forfeitures	5,225,166	6,497,340	(1,272,174)	-19.6%	5.8%
Miscellaneous	176,355	5,839,685	(5,663,330)	-97.0%	0.2%
Other Financing Sources	-	242,000	(242,000)	-100.0%	0.0%
Totals	<u>\$ 89,667,578</u>	<u>\$ 108,903,566</u>	<u>\$ (19,235,988)</u>	<u>-17.7%</u>	<u>100.0%</u>

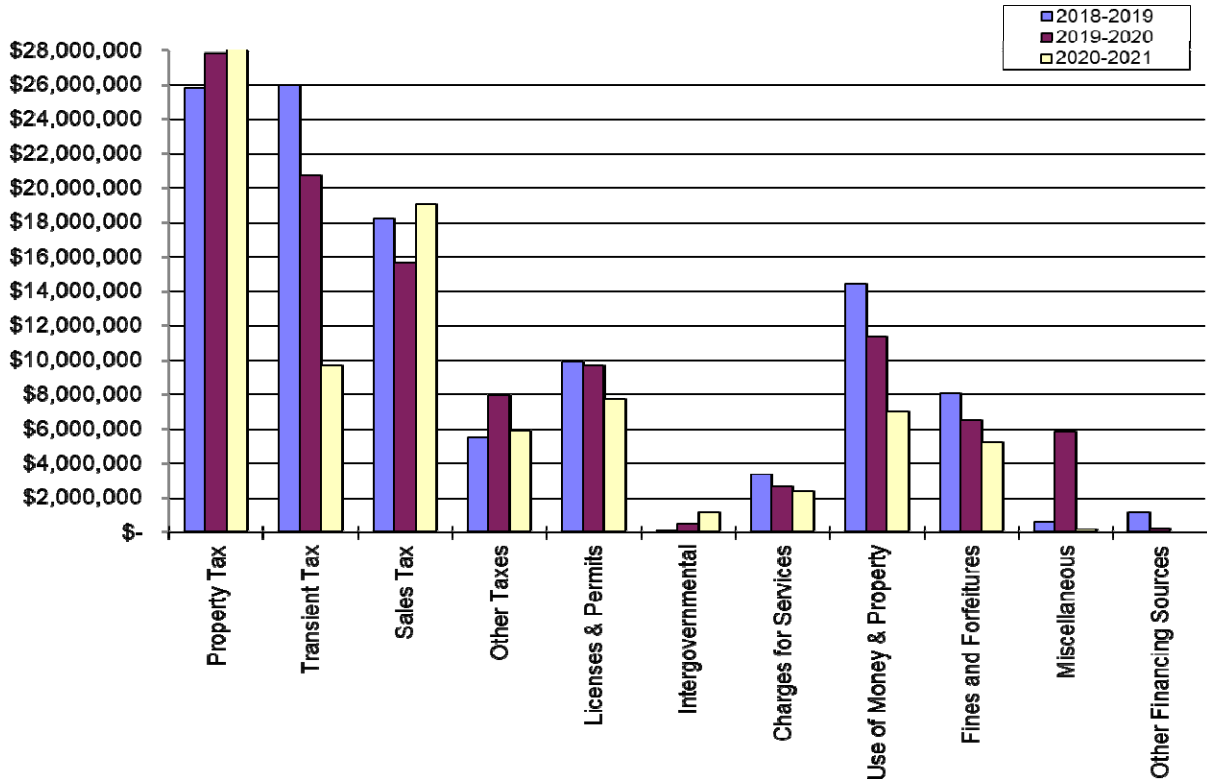
The key revenues categories of the General Fund were Property Tax at \$31.4 million; Transient Occupancy Tax at \$9.7 million; Sales Tax at \$19.0 million and Other Taxes at \$5.9 million. Property Tax increased by \$3.6 million, and Sales Tax increased by \$3.4 million while Transient Tax and Other taxes experienced decline compared to previous year. Licenses and Permits at \$7.7 has decreased by \$1.9 million. Since the General Fund comprises the largest portion of the City as a whole and governmental funds, the detailed analysis of key revenues was previously included in Section 3.

Use of Money and Property Revenue for the current year was \$7.0 million, or a decrease of 38.0% from previous year. The decrease is mainly due to the following: parking meter and bus shelter revenue decreased by \$1.5 million; unrealized gain (loss) on change in fair value of investments decreased by \$1.5 million; and interest earnings decreased by \$1.2 million.

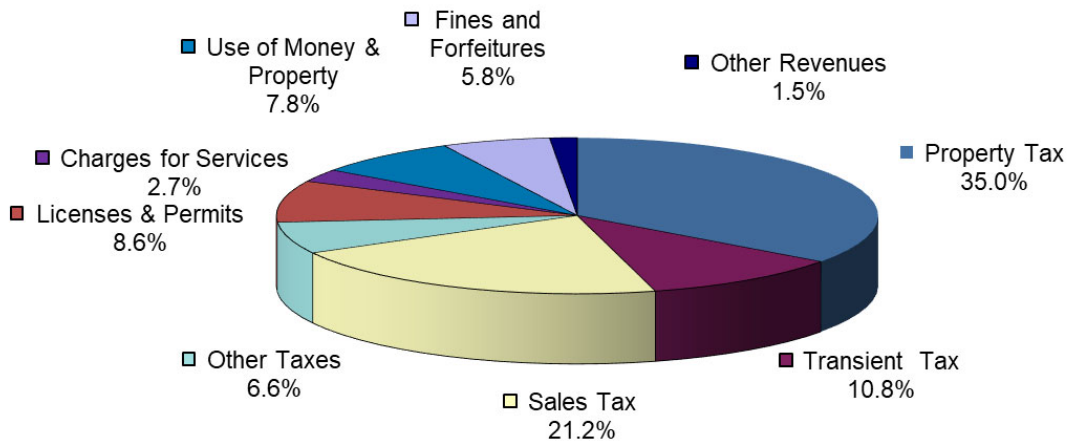
Miscellaneous Revenue decreased by \$5.7 million from \$5.8 million last year. Last year's balance included \$5 million of one-time contract settlement received by the City.

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**Comparison of General Fund Revenues (Graph 6)  
Fiscal Years 2020-21, 2019-20 and 2018-19**



**General Fund Revenues - Fiscal Year 2020-21 (Graph 7)**





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Expenditures

For fiscal year 2020-21, total General Fund expenditures were \$98.7 million, a decrease of 14.4% or \$16.6 million from the prior year. The following are key points and graphs of General Fund expenditures. For detailed information, please refer to page 43.

**General Fund Expenditures (Table 7)  
Fiscal Years 2020-21 and 2019-20**

	2020-2021	2019-2020	Variance Over/(Under) last year	% of increase (decrease) over last year	% of total
General Government	\$ 23,132,808	\$ 27,952,396	\$ (4,819,588)	-17.2%	23.4%
Public Safety	25,415,556	25,328,889	86,667	0.3%	25.8%
Public Services	42,965,059	49,193,695	(6,228,636)	-12.7%	43.6%
Capital Outlay	1,345,435	3,218,101	(1,872,666)	-58.2%	1.4%
Debt Service	12,472	12,472	-	0.0%	0.01%
Other Financing Uses	5,781,014	9,540,391	(3,759,377)	-39.4%	5.9%
<b>Total Expenditures</b>	<b>\$ 98,652,344</b>	<b>\$ 115,245,944</b>	<b>\$ (16,593,600)</b>	<b>-14.4%</b>	<b>100.0%</b>

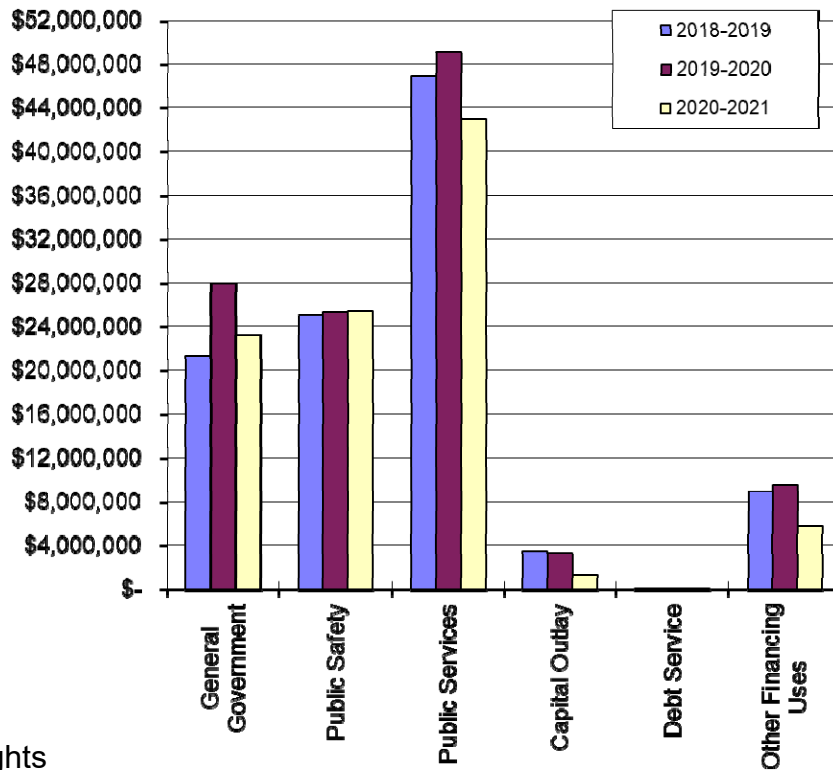
Described below are major fluctuations in General Fund expenditures:

- General Government expenditures were \$23.1 million and resulted in a decrease of \$4.8 million or 17.2% from the prior year. Last year's balance included a \$5.0 million lump-sum payment toward the pension's unfunded accrued liability. This year, there was no same payment resulting in a decrease in General Government expenditures.
- Public Service expenditures were \$43.0 million and resulted in a 12.7 percent decrease. Public Service is the largest function in the General Fund with the following four major program areas: 1) Facilities and Field Services at \$8.2 million, 2) Social Services at \$8.2 million, 3) Recreation Services at \$3.8 million, and 4) Parking Services at \$4.4 million. The decrease is primarily attributed to decreases in building and safety by \$1.2 million in direct relation to decrease in related building and safety plan permits revenues. There are less building and safety permit applications during the year compared to last years since last year has full nine months of full operation before the pandemic hit in March 2020. In addition, the City has moved and merged together some divisions resulting to the following: Event and Film services decreased by \$1.3 million because the function was moved to Public Safety; Arts Division decreased by \$1.4 million because the division was moved to General Government; Economic Development Administration and Business Development decreased from \$0.2 million to zero this year since the department was not funded during FY21 due to the pandemic and the activities were absorbed under the City Manager's Office.

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- Other financing uses were \$5.8 million and resulted in a 39.4 percent decrease mainly due to decreases in General Fund's transfers out to Debt Service Fund Capital Projects due to winding down of West Hollywood Phase II project and decreases in debt service due during the year.

**Comparison of General Fund Expenditures (Graph 8)  
Fiscal Years 2020-21, 2019-20 and 2018-19**



Budgetary Highlights

Over the course of the year, the City Council revised the City budget several times. Budget revisions fall into three categories. The first category includes carry-forward encumbrances and capital projects that are approved shortly after the beginning of the year. The second category includes changes that the Council approved during the mid-year budget process. Finally, the Council approves supplemental appropriations throughout the year based on individual items that are brought forward by various departments. The General Fund budgetary comparison statement is located on page 45; the following are budgetary highlights of the General Fund:

Resources (Inflows)

The General Fund's budgeted amount for *revenues* (resources available for appropriation) had decreased by \$11.0 million from the original budget of \$90.0 million and the final amended budget of \$79.0 million. The decrease was mainly due to a \$10.4 million decrease in budgeted amount for Taxes and \$1.0 million decrease in Use of Money and Property Revenues. The

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City conservatively budgeted for revenues due to expected continuation of State and Local restrictions related to COVID-19.

In total, actual revenues exceeded the budgeted amounts by \$10.5 million for the following reasons: The City's Taxes were above the budgeted amount by \$11.6 million. The City's actual Property tax of \$31.4 million were above the budgeted amount of \$27.1 million. Sales and Use Tax also resulted to favorable variance of \$4.1 million from budgeted amount of \$14.9 million mainly due to Sales Tax Local Measure E of \$2.9 million. Transient Occupancy Tax of \$9.7 million were above the budgeted amount of \$6.7 million. These favorable variances resulted from the relaxation of public health restrictions related to COVID-19 pandemic. As COVID-19 infection rates continue to fall and the vaccination rates rise in California and across the US, our local economy conditions are expected to improve.

Revenues did not reach budgeted amounts in the Fines and Forfeitures category due to a decrease in parking fine revenue. The deficit of revenues below budgeted amounts in this category was approximately \$06. million. Parking Fine revenues declined due to pandemic restrictions as well.

Appropriations (Outflows)

The difference between the General Fund's original expenditure budget and the final expenditure budget was an increase of \$24.8 million in appropriations. Major increases from adopted budget to the final budget were due to: increases in capital outlay of \$15.0 million carried from prior years, which includes an increase of \$2.8 million for Coast Playhouse property improvement, \$2.6 million in Streetscape Projects, \$2.0 million for the Communication Technology Infrastructure Projects, and \$1.2 million for City hall improvements projects. In addition, General Government, Public Safety and Public Services increased due to the increases in Social Services contracts by \$3.3 million, MTA traded funds by \$1.1 million, increases in New Initiatives rollovers by \$2.1 million; and rollovers related to mitigation on the Sunset-La Cienega project of \$0.9 million.

The difference between the General Fund's final budget and actual expenditures was a \$23.1 million excess final budget amounts over actual expenditures. Most of the variances were due to the following items which will be carried forward to Fiscal Year 2021-22: \$13.7 million in Capital Projects that were not completed during the fiscal year; \$1.5 million in remaining funds for New Initiatives that begun in the previous years; and \$2.6 funds that were encumbered for various contracted services that have not yet been completed.

**Section 5 – Capital Assets and Debt Administration**

Capital Assets

The City's investment in capital assets (Table 8) for its governmental and business-type activities as of June 30, 2021, is \$340.9 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, and

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infrastructure. They are long-term improvement and maintenance programs designed to preserve the City's physical systems and facilities. The programs are broad, and include land and building acquisitions, development of off-street parking, street and sidewalk rehabilitation, sewer reconstruction, public lighting projects, affordable housing development, and park acquisition and renovations. The major capital asset currently under construction is the West Hollywood Park Phase II Project and is reflected below as Construction in Progress. Additional information about the City's capital assets can be found in the Notes to the Financial Statements on pages 69-70.

**Capital Assets (Table 8)  
(net of depreciation)  
(in thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Government-Wide Totals</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Land	\$ 69,248	\$ 69,248	\$ -	\$ -	\$ 69,248	\$ 69,248
Buildings and systems	76,814	78,833	-	-	76,814	78,833
Improvements other than buildings	15,055	14,749	-	-	15,055	14,749
Machinery and Equipment	3,128	3,372	-	-	3,128	3,372
Infrastructure	54,742	55,498	10,037	10,483	64,778	65,981
Leasehold Improvement	192	313	-	-	192	313
Construction in progress	111,707	83,982	-	-	111,707	83,982
<b>Total Capital Assets</b>	<b>\$ 330,886</b>	<b>\$ 305,996</b>	<b>\$ 10,037</b>	<b>\$ 10,483</b>	<b>\$ 340,923</b>	<b>\$ 316,478</b>

**Long-Term Debt**

At year end, the City had \$254.3 million in outstanding long-term debt for Governmental Activities as reflected in Table 9 below. These consisted of Capital Lease, Claims Payable, Compensated Absences, Lease Revenue 2013 Bonds, Lease Revenue 2016 Bonds, Lease Revenue 2020 Series A & B bonds, Net Pension Liability and Net OPEB Liability.

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**Long-Term Debt (Table 9)  
(in thousands)**

	Governmental Activities			
	2021	2020	Variance Over/(Under) over last year	% of increase (decrease) over last year
Capital lease payable	\$ 948	\$ 116	\$ 832	715.1%
Claims payable	2,286	\$ 2,912	\$ (626)	-21.5%
Compensated Absences	6,767	\$ 5,865	\$ 902	15.4%
Lease Revenue - 2013	16,581	\$ 16,998	\$ (417)	-2.5%
Lease Revenue - 2016	91,168	\$ 92,958	\$ (1,790)	-1.9%
Lease Revenue - 2020 Series A&B	89,806	\$ 90,193	\$ (387)	100.0%
Net Pension Liability	46,149	\$ 48,852	\$ (2,703)	-5.5%
Net OPEB Liability	1,419	\$ 1,336	\$ 83	6.2%
<b>Total Long-Term Debt</b>	<b>\$ 255,124</b>	<b>\$ 259,230</b>	<b>\$ (4,106)</b>	<b>-1.6%</b>

Compensated Absences had an increase of \$0.9 million or 15.4 percent increase with an outstanding balance of \$6.8 million at year end due to cost-of-living increases in employee wages, which increased the value of compensated absences, and by employee leaves not taken during the year.

The various Lease Revenues Bonds reflect decreases due to principal payments made during the year.

The City's overall interest rate for the 2016 Bonds and the 2020 Series A and B bonds were both at less than 3% and the City received premiums on the 2016 and 2020A bonds.

On June 30, 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68 which requires that the net pension liability be recorded. For the City, the Net Pension Liability is \$46.1 million.

During fiscal year ended June 30, 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75 which requires that the net OPEB liability be recorded. For the City, the Net OPEB Liability during the fiscal year ended June 30, 2021, is \$1.4 million.

Additional information about the City's long-term debt can be found in the *Notes to the Financial Statements* on page 82; Note Number 8.

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## **Section 6 – Economic Factors and Outlook for Future Years**

Although the focus of this report is based on the economic condition of the City prevailing as of June 30, 2021, there are always local, state, federal and global issues that require consideration because of their future economic impact to the City.

Over the past decade, the City of West Hollywood has experienced significant revenue growth as the local, regional, and national economies continued to grow. The City's conservative approach in managing its resources, even in times of economic growth, was instrumental in building healthy reserves that the City could use during challenging times, such as the current pandemic. Since March 2020, uncertainties at the state, national, and global level due to the COVID-19 pandemic have determined the course of the economy and local governments have been impacted. Though, as a result of its prudent fiscal management, the City has been able to maintain most of its service levels during the COVID-19 pandemic while also maintaining a healthy General Fund Reserve.

The City's economic recovery takes into consideration an inclusionary approach for constituents, workers, business owners and the City. Our economic landscape includes a variety of social and economic programs. Throughout the COVID-19 pandemic, the City has been providing emergency social services support to the City of West Hollywood community in several areas: eviction protection and defense, rental assistance and emergency home delivered meals for our seniors and vulnerable constituents. The city also provided emergency economic support to the business community. The business community was provided with business assistance such as approving a 50% of reduction business license tax, providing Out Zones for businesses, relieving parking restrictions, and providing grants for small businesses. In addition, staff has connected community members to social service information and resources during the coronavirus (COVID-19) outbreak. This includes connections to physical, mental, and medical health care, domestic violence resources, and other services. The goal of the City's social and economic programs is to prevent displacement from the community by improving the quality of life for community members.

The adopted budget for fiscal year ending June 30, 2022, is reflective of the reopening of the City of West Hollywood. The ongoing new variants of COVID-19 continues to impact the revenues related with the City's international tourism industry and the City will continue to monitor its revenues closely during this recovery period.

The City of West Hollywood depends on the three top revenues, property tax, sales tax, and transient occupancy tax to provide a significant portion of its municipal revenues. Other important revenue in the upcoming year also includes Digital Billboard Revenue and American Rescue Plan Act of 2021 (ARPA) monies. The following provide an overview of these revenues for the upcoming year:

### Property Tax

The initial information received indicates, a strong real estate market in the Southern California region has led to growth in City's property tax base. The City of West

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Hollywood experienced a net taxable value increase of 4.0% for the Fiscal Year (FY) 2021/22 tax roll, that was slightly more than the increase experience countrywide at 3.6%. The assessed value increase between FY2020/21 and FY2021/22 was \$579 million.

Property tax revenue continues to show strong and steady gains due to a combination of factors, including rising property values, high volumes of sales transactions, and the addition of new buildings to the City's property tax roll. A number of new development projects have recently opened, are under construction, or are in the plan check plan check process or entitlement phase. Parcel subdivision and new construction activity continued to growth in assessed values this year. Thirteen parcels were dropped from the roll and 6,817 were added, resulting in a net assessed value gain of over \$11 million. In terms of assessed value, the City has outpaced most other cities in the state and nation; the compound annual growth over the past five years has averaged 6.88%. These developments have positively impacted property tax revenues in the City and will lead to further property tax revenues in the future, as well as new sales tax, transient occupancy tax and other revenues. It is important to note that even though property tax has not been impacted during the pandemic, the city is mindful that any impacts pertaining to potential appeals of property values take time and impacts might be delayed; this revenue source will be cautiously monitored.

Sales Tax

In FY 2021/22, Sales Tax revenues are projected to be \$25 million, an increase from prior year of \$10 million, that includes the increase in Measure E. Measure E was enacted to address the COVID-19 revenue shortfall and longer-term impacts to the economy from COVID-19. Measure E will help the city maintain varies services that West Hollywood residents indicated were important, these services included addressing homelessness; expanding health and mental health services; retaining local businesses and jobs; keeping public areas clean and safe; maintaining HIV and AIDS health services; and supporting disaster preparedness. Regular sales tax revenues are projected to remain relatively flat at \$15 million, growing by less than 1%. These changes are a result of how we shop. COVID-19 dramatically accelerated disruptions and innovations across the retail industry since March 2020. The County Pool which includes online sales has increased in FY2019/20 by 15% and in FY2020/21 by 15%. The City is closely monitoring the impacts of COVID-19 variants on Retail, both brick-and-mortar and online sales. Next year, as new cannabis stores continue to open and consumption lounges reopen, the City anticipates that the cannabis tax revenue Measure Y, Measure E and sales tax revenue will continue to increase.

Transient Occupancy Tax

FY2021/22 projections of Transient Occupancy Tax (TOT) revenues reflect a substantial rebound in tourism and domestic travel to the region. Guest are coming from all over California, along with Las Vegas, Arizona and Texas. Visitors are staying for fun and relaxation, not business. The iconic Sunset Strip continues to draw local tourism by providing exceptional service for visitors and the local community. On the other

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hand, a slow return for business and the lack of international travelers also continues. The City's tourism industry, which has historically been the strongest sector for both employment and tax revenue, has experienced sudden and dramatic challenges from the COVID-19. In the fourth quarter of FY2020/21, restrictions were lifted, and tremendous pent-up demand was released, thus this led to a slight rebound. The City is taking a moderate approach to estimating the recovery speed and volume of tourism. Projections are still expected to be lower than any other year in the past decade except for FY2020/21. The City has budgeted \$17.7 million in TOT revenues in FY2021/22, that's an increase of 83% compared to the \$9.65 million received in FY2020/21 but still lower than FY 2020/19 levels where we received \$20.6 million. The increase in TOT revenues is assuming that are no business closures.

Digital Billboard Revenue

The City of West Hollywood serves as the custodian of the billboard legacy on the Strip and has ensured that the vibrancy stays contemporary, while honoring its heritage. The city's landscape is about to change, the city will be home to 21 digital signs on the Strip. In the coming year, approximately nine signage projects will be rolled out. These digital billboard projects are estimated to generate \$1.6 million (partial year operation). The City of West Hollywood and Orange Barrel Media (public-private partnership) recently launched the Sunset Spectacular billboards on the Sunset Strip. The Sunset Spectacular is the first digital media in a decade on the Sunset Strip. The project is estimated to generate \$3 million annually. These partnerships will promote the arts in the city, as well as financially support social and economic programs for our seniors and the vulnerable members of the community.

American Rescue Plan Act of 2021 (ARPA)

As the COVID-19 public health and economic crisis continues throughout the nation, the federal government enacted the American Rescue Plan Act of 2021 on March 11, 2021. The American Rescue Plan Act (ARPA) provides \$350 billion for eligible state, local, territorial and Tribal governments to mitigate the fiscal effects of the COVID-19 emergency. This plan is intended to combat the COVID-19 pandemic, including the public health and economic impacts. For California, the State's allocation is \$26 billion, the Counties allocation is \$7.7 billion, Metropolitan Cities \$7 billion and Small Cities (with population under 50,000) \$1.2 billion. As a small city, the City of West Hollywood's allocation is \$8.72 million. In FY 2021/22, the City received the ARPA funds in the amount \$4.36 million from the State of California, Department of Finance on behalf of Treasury. The balance of funds is anticipated to be disbursed in the next twelve months. The city is evaluating the usage of these funds, as they will be utilized to assist with the recovery from the devastating economic and health effects of the COVID-19 pandemic.

In the latest quarterly UCLA Anderson Forecast report as of December 2021 written by Leo Feler, Senior Economist outlines, "forecast growth of 6.9%, which would be the highest growth rate for 2021, as the economy rebounds from the wave of cases caused by the delta variant. For the first quarter in 2022, the adjusted forecast is 2.6% growth from 4.2%, based



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on the assumption of the omicron variant might be disruptive. But the forecast for the second quarter of 2022 calls for stronger growth as the expect in-person service consumption to rebound, third quarter growth is at 4.6% and fourth quarter at 2.4.” City staff will continue to closely monitor the financial impact of COVID-19 variants on the City’s economic recovery.

As previously planned, we will continue to draw down from emergency reserves to fund emergency services as the pandemic continues. While some growth from the current revenue lows is expected as the economy rebounds, some revenue sources are not expected to recover to pre-COVID-19 levels for several years. Having said that, West Hollywood is a key destination sought out by international and local visitors and as we safely reopen our community, we expect local visitors will be the first to come back and enjoy our hotels, restaurants and entertainment venues and thus boosting those sectors of the local economy. Over the longer term, the City will continue to monitor its reserves while also emphasizing on providing public safety, services to the community, delivery of core social services and recreational offerings, and capital infrastructure maintenance and sustainable capital enhancement.

***Contacting the City’s Financial Management Staff***

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City’s finances and to demonstrate the City’s accountability for the funds it receives and expends. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance & Technology Services, City of West Hollywood, 8300 Santa Monica Blvd., West Hollywood, California 90069. This report is also available online at [www.weho.org/financials](http://www.weho.org/financials).

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# Basic Financial Statements




 I genuinely love this city @WeHoCity



Photo credits | upper: WeHoReads: HistoricWeHo, photographer Tony Coelho, by Jonathan Moore | lower: Summer Sounds Audience in King's Road Park, by Jon Viscott | back: Youth Halloween Carnival 2019, by Jonathan Moore

**CITY OF WEST HOLLYWOOD  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 180,177,597	\$ 3,271,242	\$ 183,448,839
Receivables:			
Accounts	3,183,322	37,934	3,221,256
Taxes	2,041,502	-	2,041,502
Notes and Loans	792,595	-	792,595
Accrued Interest	110,644	2,066	112,710
Internal Balances	33,024	(33,024)	-
Prepaid Costs	2,117,120	-	2,117,120
Deposits	119,000	-	119,000
Due from Other Governments	8,200,744	99,858	8,300,602
Restricted Assets:			
Cash Held in Escrow	3,958,742	-	3,958,742
Cash and Investments with Fiscal Agents	57,168,679	-	57,168,679
Capital Assets Not Being Depreciated	180,955,334	-	180,955,334
Capital Assets, Net of Accumulated Depreciation	149,930,915	10,036,505	159,967,420
Total Assets	<u>588,789,218</u>	<u>13,414,581</u>	<u>602,203,799</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts from Pension	9,563,660	199,519	9,763,179
Deferred Amounts from OPEB	326,293	-	326,293
Total Deferred Outflows of Resources	<u>9,889,953</u>	<u>199,519</u>	<u>10,089,472</u>
<b>LIABILITIES</b>			
Accounts Payable	13,153,658	14,167	13,167,825
Accrued Liabilities	2,221,755	-	2,221,755
Accrued Interest	1,782,990	-	1,782,990
Unearned Revenue	6,136,986	-	6,136,986
Deposits Payable	11,500,742	-	11,500,742
Due to Other Governments	500,928	-	500,928
Noncurrent Liabilities:			
Due Within One Year	6,009,667	-	6,009,667
Due in More than One Year:			
Long-Term Liabilities	200,691,419	-	200,691,419
Net Pension Liability	46,149,134	962,767	47,111,901
Net OPEB Liability	1,418,973	-	1,418,973
Total Liabilities	<u>289,566,252</u>	<u>976,934</u>	<u>290,543,186</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Gain on Refunding	1,169,867	-	1,169,867
Deferred Amounts from Pension	582,311	12,147	594,458
Deferred Amounts from OPEB	799,016	-	799,016
Total Deferred Inflows of Resources	<u>2,551,194</u>	<u>12,147</u>	<u>2,563,341</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	180,920,527	10,036,505	190,957,032
Restricted for:			
Public Services	32,969,638	-	32,969,638
Capital Projects	13,983,782	-	13,983,782
Unrestricted	78,687,778	2,588,514	81,276,292
Total Net Position	<u>\$ 306,561,725</u>	<u>\$ 12,625,019</u>	<u>\$ 319,186,744</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

<b>FUNCTIONS/PROGRAMS</b>	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$ 24,499,793	\$ 641,839	\$ 404,023	\$ -
Public Safety	25,683,213	132,811	88,929	-
Public Services	71,911,026	16,528,232	5,621,914	7,050,323
Interest and Fiscal Charges	5,891,518	-	-	-
Total Governmental Activities	127,985,550	17,302,882	6,114,866	7,050,323
<b>Business-Type Activities:</b>				
Sewer Charge	1,059,295	1,402,123	-	-
Solid Waste	1,668,466	1,673,829	-	-
Landscape District	167,792	191,812	-	-
Street Maintenance	293,304	298,977	-	-
Total Business-Type Activities	3,188,857	3,566,741	-	-
Total Primary Government	\$ 131,174,407	\$ 20,869,623	\$ 6,114,866	\$ 7,050,323

**GENERAL REVENUES**

Taxes:

Property Taxes, Levied for General Purposes

Transient Occupancy Taxes

Sales Taxes

Sales Taxes - Measure E

Franchise Taxes

Business Licenses Taxes

Use of Money and Property

Other

Total General Revenues

**CHANGE IN NET POSITION**

Net Position - Beginning of Year, as Restated

**NET POSITION - END OF YEAR**

**CITY OF WEST HOLLYWOOD  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

Net Revenue (Expenses) and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (23,453,931)	\$ -	\$ (23,453,931)
(25,461,473)	-	(25,461,473)
(42,710,557)	-	(42,710,557)
(5,891,518)	-	(5,891,518)
(97,517,479)	-	(97,517,479)
-	342,828	342,828
-	5,363	5,363
-	24,020	24,020
-	5,673	5,673
-	377,884	377,884
(97,517,479)	377,884	(97,139,595)
33,333,694	-	33,333,694
9,675,930	-	9,675,930
16,104,423	-	16,104,423
2,921,009	-	2,921,009
2,036,383	-	2,036,383
4,057,702	-	4,057,702
7,983,240	2,096	7,985,336
177,424	-	177,424
76,289,805	2,096	76,291,901
(21,227,674)	379,980	(20,847,694)
327,789,399	12,245,039	340,034,438
\$ 306,561,725	\$ 12,625,019	\$ 319,186,744

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

		Capital Projects Fund	Debt Service Fund
<b>ASSETS</b>	General	Debt Funded Capital Projects	Capital Projects Debt Service
Cash and Investments	\$ 128,858,961	\$ 1,152,868	\$ 11,625,683
Receivables:			
Accounts	2,870,645	69,627	-
Taxes	2,041,502	-	-
Notes and Loans	291,667	-	-
Accrued Interest	79,308	-	7,278
Prepaid Costs	2,028,584	-	-
Deposits	119,000	-	-
Due from Other Governments	7,252,675	-	-
Due from Other Funds	2,605,267	7,318,908	-
Restricted Assets:			
Cash Held in Escrow	-	3,958,742	-
Cash and Investments with Fiscal Agents	-	-	57,168,679
Total Assets	<u>\$ 146,147,609</u>	<u>\$ 12,500,145</u>	<u>\$ 68,801,640</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 7,746,511	\$ 3,588,591	\$ 3,350
Accrued Liabilities	2,221,755	-	-
Unearned Revenues	5,796,961	-	-
Deposits Payable	7,423,401	3,958,742	-
Due to Other Governments	-	-	-
Due to Other Funds	-	-	7,318,908
Total Liabilities	<u>23,188,628</u>	<u>7,547,333</u>	<u>7,322,258</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenues	10,504	66,580	-
Total Deferred Inflows of Resources	<u>10,504</u>	<u>66,580</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid Costs	2,028,584	-	-
Deposits	119,000	-	-
Restricted:			
Public Services	-	-	-
Capital Projects	-	4,886,232	61,479,382
Committed to:			
Emergency Contingency	5,201,905	-	-
Continuing Appropriations	18,946,784	-	-
Assigned to:			
Self-Insurance	5,000,000	-	-
Capital Projects	25,000,000	-	-
Future Expenditures	6,767,121	-	-
Working Reserve	44,307,622	-	-
Debt Service	6,754,800	-	-
Unfunded Pension Costs	5,800,643	-	-
Unassigned	3,022,018	-	-
Total Fund Balances	<u>122,948,477</u>	<u>4,886,232</u>	<u>61,479,382</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 146,147,609</u>	<u>\$ 12,500,145</u>	<u>\$ 68,801,640</u>

See accompanying Notes to Basic Financial Statements.



**CITY OF WEST HOLLYWOOD  
BALANCE SHEET (CONTINUED)  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

Other Governmental Funds	Total Governmental Funds
\$ 38,308,272	\$ 179,945,784
243,050	3,183,322
-	2,041,502
500,928	792,595
23,913	110,499
88,536	2,117,120
-	119,000
948,069	8,200,744
-	9,924,175
-	3,958,742
-	57,168,679
<u>\$ 40,112,768</u>	<u>\$ 267,562,162</u>
\$ 1,747,829	\$ 13,086,281
-	2,221,755
340,025	6,136,986
118,599	11,500,742
500,928	500,928
2,605,267	9,924,175
<u>5,312,648</u>	<u>43,370,867</u>
189,840	266,924
<u>189,840</u>	<u>266,924</u>
88,536	2,117,120
-	119,000
32,779,798	32,779,798
4,720,267	71,085,881
-	5,201,905
-	18,946,784
-	5,000,000
-	25,000,000
-	6,767,121
-	44,307,622
-	6,754,800
-	5,800,643
(2,978,321)	43,697
<u>34,610,280</u>	<u>223,924,371</u>
<u>\$ 40,112,768</u>	<u>\$ 267,562,162</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

Fund Balances - Total Governmental Funds		\$ 223,924,371
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of depreciation, used in governmental activities are not current resources and, therefore, are not reported in the governmental funds balance sheet.		\$330,886,249
Long-term debt and compensated absences applicable to the City governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net position.		
Bonds payable	\$ (176,470,000)	
Unamortized bond premiums	(21,190,054)	
Unamortized bond discount	105,902	
Unamortized gain on refunding	(1,169,867)	
Capital leases	(93,822)	
Compensated absences	(6,767,121)	
Claims payable	<u>(2,285,991)</u>	(207,870,953)
The net OPEB liability applicable to the City's governmental activities is not due and payable in the current period and accordingly is not reported as fund liabilities. Deferred outflows and inflows of resources related to OPEB are only reported in the statement of net position, as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred outflows of resources	326,293	
Deferred inflows of resources	(799,016)	
Net OPEB liability	<u>(1,418,973)</u>	(1,891,696)
The net pension liability applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the statement of net position, as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred Outflows of Resources	9,563,660	
Deferred Inflows of Resources	(582,311)	
Net Pension Liability	<u>(46,149,134)</u>	(37,167,785)
Accrued interest payable on long-term debt is not due and payable in the current period and is not reported in the governmental funds.		
		(1,782,990)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		
		266,924
The internal service fund is used by management to charge the costs of certain activities, such as the information system, to individual funds. The assets and liabilities of the internal service fund must be added to the statement of net position.		
		<u>197,605</u>
Net Position of Governmental Activities		<u>\$ 306,561,725</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total
		Fund	Fund		Governmental Funds
		Debt Funded Capital Projects	Capital Projects Debt Service		Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 66,008,927	\$ -	\$ -	\$ 4,231,277	\$ 70,240,204
Licenses and Permits	7,720,766	-	-	-	7,720,766
Intergovernmental	1,143,745	-	-	3,549,402	4,693,147
Charges for Services	2,381,930	-	-	492,098	2,874,028
Use of Money and Property	7,010,689	(3,642)	1,035,158	1,921,463	9,963,668
Fines and Forfeitures	5,225,166	-	-	522,596	5,747,762
Contributions	-	1,980,000	-	-	1,980,000
Developer Participation	-	-	-	3,616,537	3,616,537
Miscellaneous	176,355	150,006	-	98,663	425,024
<b>Total Revenues</b>	<b>89,667,578</b>	<b>2,126,364</b>	<b>1,035,158</b>	<b>14,432,036</b>	<b>107,261,136</b>
<b>EXPENDITURES</b>					
Current:					
General Government	23,132,808	-	-	347,459	23,480,267
Public Safety	25,415,556	-	-	108,004	25,523,560
Public Services	42,965,059	-	-	20,838,525	63,803,584
Capital Outlay	1,345,435	26,837,001	-	2,668,385	30,850,821
Debt Service:					
Principal Retirement	12,472	-	1,750,000	10,052	1,772,524
Interest and Fiscal Charges	-	-	6,663,759	-	6,663,759
<b>Total Expenditures</b>	<b>92,871,330</b>	<b>26,837,001</b>	<b>8,413,759</b>	<b>23,972,425</b>	<b>152,094,515</b>
<b>EXCESS OF REVENUES UNDER EXPENDITURES</b>	<b>(3,203,752)</b>	<b>(24,710,637)</b>	<b>(7,378,601)</b>	<b>(9,540,389)</b>	<b>(44,833,379)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	26,934,583	6,783,520	-	33,718,103
Transfers Out	(5,781,014)	-	(26,934,583)	(1,252,506)	(33,968,103)
<b>Total Other Financing Sources (Uses)</b>	<b>(5,781,014)</b>	<b>26,934,583</b>	<b>(20,151,063)</b>	<b>(1,252,506)</b>	<b>(250,000)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(8,984,766)</b>	<b>2,223,946</b>	<b>(27,529,664)</b>	<b>(10,792,895)</b>	<b>(45,083,379)</b>
Fund Balances - Beginning of Year, as Restated	131,933,243	2,662,286	89,009,046	45,403,175	269,007,750
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 122,948,477</b>	<b>\$ 4,886,232</b>	<b>\$ 61,479,382</b>	<b>\$ 34,610,280</b>	<b>\$ 223,924,371</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

Net Change in Fund Balances - Total Governmental Funds		\$ (45,083,379)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded asset disposal and depreciation expense in the current period.		
Capital Outlays	\$ 30,377,122	
Depreciation Expense	<u>(5,486,519)</u>	24,890,603
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal Repayments	1,772,524	
Amortization of Deferred Charges	46,795	
Amortization of Bond Premiums/Discounts	<u>844,242</u>	2,663,561
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		
		(118,796)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
		625,816
Claims payable expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
		(902,394)
OPEB expenditures reported in the governmental funds includes the actuarial determined contributions. In the statement of activities, OPEB expense includes the change in the net OPEB liability and related change in OPEB amounts for deferred outflows of resources.		
		(37,228)
Pension expenditures reported in the governmental funds includes the annual required contributions. In the statement of activities, pension expense includes the change in the net pension liability and related change in pension amounts for deferred outflows of resources and deferred inflows of resources.		
		(2,628,610)
Revenues reported as unavailable revenues in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		
		(503,260)
The internal service fund is used by management to charge the costs of certain activities, such as the information system, to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities.		
		<u>(133,987)</u>
Change in Net Position of Governmental Activities		<u><u>\$ (21,227,674)</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
BUDGETARY COMPARISON STATEMENT BY DEPARTMENT  
GENERAL FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 131,933,243	\$ 131,933,243	\$ 131,933,243	\$ -
Resources (Inflows):				
Taxes	64,890,160	54,401,992	66,008,927	11,606,935
Licenses and Permits	7,639,294	7,946,263	7,720,766	(225,497)
Intergovernmental	143,150	763,067	1,143,745	380,678
Charges for Services	2,830,575	2,830,575	2,381,930	(448,645)
Use of Money and Property	8,367,490	6,985,650	7,010,689	25,039
Fines and Forfeitures	5,920,510	5,920,510	5,225,166	(695,344)
Miscellaneous	284,930	284,930	176,355	(108,575)
Amounts Available for Appropriations	<u>222,009,352</u>	<u>211,066,230</u>	<u>221,600,821</u>	<u>10,534,591</u>
Charges to Appropriations (Outflows):				
Current:				
General Government:				
City Council	382,590	382,590	291,977	90,613
City Manager	1,926,388	3,104,651	2,218,840	885,811
Assistant City Manager	3,451,529	3,465,329	3,125,734	339,595
Community and Legislative Affairs	1,550,413	1,642,313	1,576,656	65,657
City Attorney	1,026,681	1,056,681	1,051,803	4,878
Administrative Services Administration	380,411	380,411	204,501	175,910
Legal Services	936,957	936,957	740,118	196,839
City Clerk	1,653,672	1,653,672	1,557,458	96,214
Human Resources	2,153,551	2,161,884	1,964,247	197,637
Communications Administration	745,573	628,675	584,676	43,999
Arts	1,312,192	1,390,492	1,365,043	25,449
Digital Media	1,107,487	1,226,559	1,223,471	3,088
Media and Marketing	1,010,888	1,083,978	1,070,382	13,596
Finance Administration	746,265	1,873,425	608,687	1,264,738
Revenue	1,093,292	1,989,789	1,883,935	105,854
General Accounting	1,495,704	1,495,704	1,470,703	25,001
Information Technology	1,940,012	2,477,390	2,194,577	282,813
Public Safety:				
Public Safety Administration	3,696,774	3,550,994	3,533,417	17,577
City Police/Protective Services	19,885,992	20,651,433	20,645,871	5,562
Events and Film Services	1,239,916	1,299,916	1,236,268	63,648
Public Services:				
Human Services Administration	61,713	190,009	188,538	1,471
Social Services	6,612,870	9,924,946	8,160,999	1,763,947
Strategic Initiatives	1,092,247	1,160,983	1,030,222	130,761
Housing and Rent Stabilization Administration	2,090,476	2,145,852	1,977,123	168,729
Facilities and Recreation Services Administration	414,849	424,849	423,544	1,305
Recreation Services	4,191,354	4,191,354	3,776,480	414,874
Facilities and Field Services	7,841,790	8,348,356	8,162,659	185,697
Library Building Operations	1,550,600	1,592,493	1,115,913	476,580
Planning Development Services	1,243,629	1,389,207	1,235,820	153,387
Current and Historic Preservation Planning	2,044,384	2,132,460	2,015,773	116,687
Building and Safety	2,286,195	2,604,205	2,310,730	293,475
Long Range Planning	1,435,950	2,176,800	1,618,410	558,390
Public Works Administration	492,692	492,692	465,064	27,628
Code Compliance	2,862,516	2,891,938	2,820,216	71,722
Parking	5,003,287	4,988,287	4,406,153	582,134
City Engineering	1,219,716	1,222,168	1,031,242	190,926
Community Services	562,845	909,845	907,471	2,374
Urban Design and Architecture Studio	985,448	717,325	705,452	11,873
Innovation	824,136	940,873	613,250	327,623
Capital Outlay	-	15,047,367	1,345,435	13,701,932
Debt Service:				
Principal Retirement	-	12,472	12,472	-
Transfers Out	<u>6,356,455</u>	<u>5,781,014</u>	<u>5,781,014</u>	<u>-</u>
Total Charges to Appropriations	<u>96,909,439</u>	<u>121,738,338</u>	<u>98,652,344</u>	<u>23,085,994</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 125,099,913</u>	<u>\$ 89,327,892</u>	<u>\$ 122,948,477</u>	<u>\$ 33,620,585</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021**

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Information System Master Plan Internal Service Fund
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 3,271,242	\$ 231,813
Receivables		
Accounts	37,934	-
Accrued Interest	2,066	145
Due from Other Governments	99,858	-
Total Current Assets	3,411,100	231,958
Noncurrent Assets:		
Capital Assets, Net of Accumulated Depreciation	10,036,505	-
Total Noncurrent Assets	10,036,505	-
Total Assets	13,447,605	231,958
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Amounts from Pension	199,519	-
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	14,167	67,377
Total Current Liabilities	14,167	67,377
Long-Term Liabilities:		
Net Pension Liability	962,767	-
Total Liabilities	976,934	67,377
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Amounts from Pension	12,147	-
<b>NET POSITION</b>		
Investment in Capital Assets	10,036,505	-
Unrestricted	2,621,538	164,581
Total Net Position	12,658,043	\$ 164,581
Prior years' accumulated adjustment to reflect the consolidation of the internal service fund activities related to the enterprise funds	(21,515)	
Current year's adjustment to reflect the consolidation of the internal service fund activities related to the enterprise funds	(11,509)	
Net Position of Business-Type Activities	\$ 12,625,019	

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	Nonmajor Enterprise Funds	Information System Master Plan Internal Service Fund
<b>OPERATING REVENUES</b>		
Sales and Service Charges	\$ 3,502,777	\$ 600,000
Penalties on Assessments	14,565	-
Other Fees and Charges	49,399	-
Total Operating Revenues	<u>3,566,741</u>	<u>600,000</u>
<b>OPERATING EXPENSES</b>		
Administration and General	104,950	998,239
Treatment	2,458,414	-
Cost of Sales and Services	167,792	-
Depreciation Expense	446,192	-
Total Operating Expenses	<u>3,177,348</u>	<u>998,239</u>
Operating Income	389,393	(398,239)
<b>NONOPERATING REVENUES</b>		
Interest Revenue	<u>2,096</u>	<u>2,743</u>
Total Nonoperating Revenues	<u>2,096</u>	<u>2,743</u>
Income (Loss) Before Transfers	391,489	(395,496)
<b>OTHER FINANCING SOURCES</b>		
Transfers In	<u>-</u>	<u>250,000</u>
<b>CHANGE IN NET POSITION</b>	391,489	(145,496)
Net Position - Beginning of Year, as Restated	<u>12,266,554</u>	<u>310,077</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 12,658,043</u>	<u>\$ 164,581</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	\$ (11,509)	
Change in Net Position - Enterprise Funds	<u>391,489</u>	
Change in Net Position of Business-Type Activities	<u>\$ 379,980</u>	

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Information System Master Plan Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers and Users	\$ 3,536,126	\$ 600,000
Cash Paid to Suppliers for Goods and Services	(2,385,165)	(964,459)
Cash Paid to Employees for Services	(518,904)	-
Net Cash Provided (Used) by Operating Activities	632,057	(364,459)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash Paid to Other Funds	(33,559)	-
Cash Received from Other Funds	33,559	-
Transfers from Other Funds	-	250,000
Net Cash Provided by Noncapital Financing Activities	-	250,000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	5,311	3,271
Net Cash Provided by Investing Activities	5,311	3,271
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	637,368	(111,188)
Cash and Cash Equivalents - Beginning of Year	2,633,874	343,001
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 3,271,242	\$ 231,813
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ 389,393	\$ (398,239)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	446,192	-
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
(Increase) Decrease in:		
Due from Other Governments	(30,615)	-
Deferred Outflows from Pension	116,682	-
Increase (Decrease) in:		
Accounts Payable	(227,323)	33,780
Net Pension Liability	(36,139)	-
Deferred Inflows from Pension	(26,133)	-
Net Cash Provided (Used) by Operating Activities	\$ 632,057	\$ (364,459)

See accompanying Notes to Basic Financial Statements.



**CITY OF WEST HOLLYWOOD  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2021**

	Custodial Funds	Private-Purpose Trust Funds
<b>ASSETS</b>		
Cash and Investments	\$ 409,638	\$ 630,279
Receivables:		
Accounts	384,732	-
Taxes	489,960	-
Accrued Interest	256	-
Restricted Assets:		
Cash and Investments With Fiscal Agents	-	24,807,468
Capital Assets:		
Capital Assets, Net of Accumulated Depreciation	-	141,395
Total Assets	1,284,586	25,579,142
<b>LIABILITIES</b>		
Accounts Payable	1,243,870	-
Accrued Interest	-	1,025,427
Due to County	-	564,274
Long-Term Liabilities:		
Due in One Year	-	875,000
Due in More Than One Year	-	40,473,541
Total Liabilities	1,243,870	42,938,242
<b>NET POSITION</b>		
Restricted for:		
Individuals, Organizations, and Other Governments	40,716	(17,359,100)
Total Net Position	\$ 40,716	\$ (17,359,100)

See accompanying Notes to Basic Financial Statements.

**CITY OF WEST HOLLYWOOD  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	Custodial Funds	Private-Purpose Trust Funds
<b>ADDITIONS</b>		
Taxes	\$ -	\$ 4,021,776
Assessments	2,755,865	
Change in Fair Value of Investments	-	(2,850)
Interest Earnings	2,367	7,475
Total Additions	2,758,232	4,026,401
<b>DEDUCTIONS</b>		
Administrative Expenses	-	65,002
Payments to Districts	2,729,921	-
Interest Expense	-	3,097,131
Depreciation Expense	-	3,498
Total Deductions	2,729,921	3,165,631
<b>CHANGE IN NET POSITION</b>	28,311	860,770
Net Position - Beginning of Year	12,405	(18,219,870)
<b>NET POSITION - END OF YEAR</b>	\$ 40,716	\$ (17,359,100)

See accompanying Notes to Basic Financial Statements.



# Notes to Financial Section



 @Sia: Hey @cityofbevhills & @WeHoCity I'm happy to pay for upgrades to the log cabin to bring it up to code, and also to start the process of declaring it an historical landmark. Saved my life. Least I can do. #thelogcabin



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Photo credits | upper: Pacific Design Center (PDC), by Jon Viscott | lower: Fire Station, by Jon Viscott | back: City Panorama at Sunset, by Jon Viscott

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of the Reporting Entity**

The City of West Hollywood (the City) was incorporated on November 29, 1984, under the laws of the state of California and is entitled to all the rights and privileges applicable to a general law city. It is governed by an elected five-member board. As required by accounting principles generally accepted in the United States of America (U.S. GAAP), these financial statements present the City of West Hollywood (the primary government) and its component units. The component units discussed below are included in the reporting entity because of their operational or financial relationships with the City of West Hollywood.

**Blended Component Units**

The following three component units, although legally separate entities, in substance, are part of the City's operations, so data from these units are combined with the data of the City of West Hollywood, the primary government. All are governed by the City Council of the City of West Hollywood. Therefore, all the entities mentioned below are included in this financial presentation using the blending method.

The West Hollywood Housing Authority (also referred to as the Housing Trust fund) was established on December 17, 1990, pursuant to Section 34240 of the California Health and Safety Code. The Authority is governed by a five-member board that is the City Council of the City of West Hollywood. Although it is legally separate from the City of West Hollywood, the West Hollywood Housing Authority is reported as if it were part of the primary government because the Authority's governing body is the same as the governing body of the primary government, the Authority's sole purpose is to increase low and moderate housing with the City of West Hollywood, and there is a financial benefit/burden relationship with the City.

The West Hollywood Public Facilities Corporation was formed November 20, 1995, pursuant to the Non-Profit Public Benefit Corporation law of the state of California for the purpose of assisting the City in financing the acquisition, construction, and improvement for public benefit within the City limits. The Corporation is governed by a five-member board that is the City Council of the City of West Hollywood. There is also a financial benefit/burden relationship with the City.

The West Hollywood Public Financing Authority was formed on August 18, 2003, by a joint exercise of powers agreement between the City Council of West Hollywood and the West Hollywood Community Development Commission under Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the state of California. The Authority was established for the purpose of issuing debt. There is also a financial benefit/burden relationship with the City.

Separate financial statements are not issued for these component units.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Certain eliminations have been made regarding interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, inter-fund services have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment, (2) operating grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and (3) capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Taxes and other items not properly included among program revenues are reported instead as general revenues. Certain indirect costs are included in program expenses reported for individual functions and activities.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the Internal Service Fund are charges to customers for sales and services. Operating expenses for the Enterprise Funds and the Internal Service Fund include the cost of sales and services, administrative and general, treatment, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fund Classifications**

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Funded Capital Project Fund accounts for the receipt and disbursement of monies used for the construction of the major capital projects, such as mixed-use parking facilities, City Hall acquisition, Homeless Shelter, Fire Station No. 7, new parking meters, the West Hollywood Library, City Hall Parking Structure, and park improvements, which generally require more than one budgetary cycle to complete. These projects are funded by the General Fund, bond proceeds and donations obtained by the former West Hollywood Library Foundation Fund.

The Capital Projects Debt Service Fund accounts for all financial activity related to the administration of proceeds generated from the issuance of long-term debt. The City issued Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs) for the acquisition and construction of mixed-use parking structures, fire station, homeless shelter, city hall, park renovations and new parking meters. Proceeds from the LRBs are recorded in this fund and are transferred to the respective Funds as monies are spent.

Principal and interest on LRBs issued are paid from resources accumulated through rents, parking fines, parking meter collections and allocation of costs to divisions in lieu of the square feet occupied at City Hall by the foresaid divisions.

The City's fund structure also includes the following fund types:

The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

The Capital Project Fund accounts for projects associated with the rehabilitation of Santa Monica Boulevard.

The Enterprise Funds account for operations and maintenance of sewer charge, solid waste, landscape district and street maintenance.

The Information Systems Master Plan Internal Service Fund accounts for all costs incurred in the process of designing, purchasing, and implementing new information systems infrastructure. The projects include costs for design, hardware and software acquisition and systems conversion. Costs are recovered from all operating units over a five-year period.



**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES(CONTINUED)**

**Fund Classifications (Continued)**

The Custodial Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. These funds are reported on the accrual basis of accounting. The West Hollywood Design District accounts for assessments that are levied for the Avenues of Art and Design. The West Hollywood Tourism Improvement District accounts for a portion of the transient occupancy tax, which is paid to the West Hollywood Marketing Corporation for use in marketing the City. The Sunset Strip Business Improvement District accounts for assessments that are levied for the improvement of the business and neighboring residential environment on Sunset Boulevard. The Legacy Medical Business Marketing Fund accounts for assessments levied on cannabis businesses for marketing.

The Private-Purpose Trust Funds account for financial activities and obligations of the Successor Agency Trust for assets and liabilities of the Former Redevelopment Agency.

**New Accounting Pronouncements**

**GASB 84**

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements.

This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The City adopted this standard in the current fiscal year. Implementation of GASB 84 resulted in the following: (1) reclassification of the previously reported Sunset Strip Business Improvement District Special Revenue Fund to a fiduciary fund since this activity no longer met the definition of governmental activities, which resulted in (2) a restatement of beginning net position and fund balance of the governmental activities and general fund, respectively, see Note 15.

**Deposits and Investments and Cash and Cash Equivalents**

The City's cash and cash equivalents for the statement of cash flows are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Deposits and Investments and Cash and Cash Equivalents (Continued)**

Investments for the City, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The fair value of the State Treasurer's Investment Pool is based on the stated fair value represented by the Pool.

**Receivables and Payables**

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

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied provided they become available. Available means when due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 1201 a.m. on the first day in January proceeding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent on August 31.

**Prepaid Costs**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**CITY OF WEST HOLLYWOOD  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (CONTINUED)**

**Capital Assets (Continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 Years
Improvements Other Than Buildings	30 - 50 Years
Machinery and Equipment	3 - 10 Years
Vehicles	5 Years
Furniture and Fixtures	7 Years
Office Equipment	5 Years
Leasehold Improvements	3 Years
Infrastructure	30 - 50 Years

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until that time. The City has the following items that qualify for reporting in this category:

- Deferred outflow related to pensions and OPEB for employer contributions made after the measurement date.
- Deferred outflow from pensions resulting from the difference in expected and actual experiences. These amounts are amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the plans.
- Deferred outflow from OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with retiree healthcare benefits through the plans.
- Deferred outflow from pension resulting from the net difference in projected and actual earnings on investments of the pension plan fiduciary net position. These amounts are amortized over five years.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of net position and governmental funds balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflow from unavailable revenues, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, which is grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred gain on refunding that resulted from the difference in the carrying value of refunded debt and the reacquisition price. This amount is shown as deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred inflow related to pension for the changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pension benefits through the plans.
- Deferred inflow related to OPEB for the differences between expected and actual experiences and changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with retiree healthcare benefits through the plans.
- Deferred inflow from OPEB resulting from the net difference in projected and actual earnings on investments of the OPEB plan fiduciary net position. These amounts are amortized over 5 years.

**Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fund Balance Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider a restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of an unrestricted fund balance can be used for the same purpose, the committed fund balance is depleted first, followed by assigned fund balance. The unassigned fund balance is applied last.

**Compensated Absences**

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation time accrued is transferable from one year to the next with the exception that no more than 360 to 380 hours (depending on the bargaining unit) of vacation time may be carried over to the next year. Employees may exchange unused vacation time for monetary compensation provided that they have taken at least two weeks of earned vacation in the prior year.

Employees are entitled to unlimited accumulation of sick leave. Employees may elect to receive compensation at 50% of their regular hourly rate of pay for each hour of sick leave accumulated in excess of 96 hours up to 200 hours. Employees may elect to receive full compensation at their regular hourly rate of pay for each hour of sick leave accumulated over 200 hours. There is no compensation for unused sick leave between zero and 96 hours.

All vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Pensions**

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

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability (asset) and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the City's OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Long-Term Obligations**

In the government-wide financial statements and proprietary and fiduciary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities, business-type activities, proprietary fund or fiduciary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Fund Balance Classifications**

Fund balance is essentially the difference between the assets, deferred outflows of resources, liabilities and deferred inflows of resources reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

Nonspendable - The portion of fund balance that cannot be spent due to form, such as inventories, prepaid amounts, long-term loans, notes receivable and property held for resale, unless the proceeds are restricted, committed or assigned. In addition, amounts that must be maintained intact legally or contractually, such as the principal of a permanent fund, are reported as nonspendable.

Restricted – The portion of fund balance that is subject to externally enforceable limitations by law, enabling legislation or limitations imposed by creditors or grantors.

Committed – The portion of fund balance that is subject to self-imposed constraints on spending due to the formal action of the highest level of decision-making authority (the City Council). By resolution, the City Council approved for the General Fund to commit 20% and 5% of its fund balance for continuing appropriations and emergency contingency, respectively.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fund Balance Classifications (Continued)**

Assigned – The portion of fund balance that is constrained by the City’s intent to utilize fund balance for a specific purpose. By resolution, the City Council has designated the Director of Finance & Technology Services as the official to determine and define the amounts of those components of fund balance that are classified as “Assigned Fund Balance.”

Unassigned – This classification includes the residual balance for the City’s general fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**Net Position**

Net position is the excess of all the City’s assets and deferred outflows over all its liabilities and deferred inflows, regardless of fund. Net position is divided into three categories. These categories apply only to net position, which is determined only at the government-wide level and are described below.

Net Investment in Capital Assets – describes the portion of net position, which is represented by the current net book value of the City’s capital assets, less the outstanding balance of any debt issued to finance these assets (including premiums and discounts) and other capital related liabilities.

Restricted – describes the portion of net position, which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions, which the City could not unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements and funds restricted to low- and moderate-income purposes.

Unrestricted – describes the portion of net position which is not restricted to use.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**General Budget Policies**

The City Council approves a bi-annual budget submitted by the City Manager. Public hearings are conducted prior to its adoption by the City Council. Supplemental appropriations, where required during the period, are also approved by the City Council. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The budget is prepared on a U.S. GAAP basis. Budgets are adopted for all funds except for the Housing Asset and Measure W Special Revenue Funds. The budget period is the same as the fiscal period. The legal level of budgetary control is the department level for the General Fund and the function level for the other governmental fund types. During the year, several supplementary appropriations were necessary. Due to COVID-19, the City adopted a one-year budget for the fiscal year 2020-2021.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**Encumbrances**

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue and similar governmental funds and are included in either an assigned or restricted fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at year-end are completed. They do not constitute expenditures or estimated liabilities.

**Excess of Expenditures over Appropriations**

The following funds reported expenditures exceeding appropriations in individual functions for other governmental fund types:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Other Governmental Special Revenue Funds:			
Special Grants:			
Public Safety	\$ 20,000	\$ 108,004	\$ (88,004)
Traffic:			
Public Services	137,601	144,119	(6,518)
Public Access Corporation:			
General Government	138,233	144,353	(6,120)
Parking Improvement:			
General Government	56,465	57,785	(1,320)
Community Development Block Grant:			
Capital Outlay	426,529	435,026	(8,497)

**Deficit Fund Balances or Net Position**

The following funds contained deficit fund balances or net position at June 30, 2021:

	<u>Amount</u>
Other Governmental Special Revenue Funds:	
Proposition A	\$ (319,529)
Gas Tax	(528,023)
Public Access Corporation	(41,010)
Parking Improvement	(2,089,759)
Nonmajor Enterprise Fund:	
Street Maintenance	(95,849)

The Proposition A, Gas Tax, and Public Access Corporation deficits are due from excess project expenditures from current and prior fiscal years over annual revenue receipts.

The Parking Improvement deficit is due mainly from a decline in visitor traffic resulting in decreased parking meter revenue and parking fines as a result of the COVID-19 pandemic.



**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**Deficit Fund Balances or Net Position**

The Street Maintenance deficit is primarily due to the long-term liability and corresponding deferred outflows and inflows of resources for pension.

The City expects to eliminate deficits from future revenues or transfers from the General Fund.

**NOTE 3 CASH AND INVESTMENTS**

**Cash and Investments**

As of June 30, 2021, cash and investments were reported in the accompanying financial statements as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Governmental Activities	\$ 180,177,597	\$ 61,127,421	\$ 241,305,018
Business-Type Activities	3,271,242	-	3,271,242
Fiduciary Funds	1,039,917	24,807,468	25,847,385
Total Cash and Investments	<u>\$ 184,488,756</u>	<u>\$ 85,934,889</u>	<u>\$ 270,423,645</u>

Cash and investments held by the City at June 30, 2021, consisted of the following:

Petty Cash	\$ 1,300
Deposits with Financial Institutions	15,289,135
Cash with Fiscal Agent	6,914,878
Investments	248,218,332
Total Cash and Investments	<u>\$ 270,423,645</u>

The City of West Hollywood maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported on the financial statements as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various investments.

**Investments Authorized by the City's Investment Policy**

The list below identifies the investment types that are authorized by the City's investment policy in accordance with the California Government Code. The list does not address investments of debt proceeds held by bond trustees that are governed by the provisions of the City's debt agreements, rather than the general provisions of the City's investment policy.

1. Demand deposits in any Federal Deposit Insurance Corporation (FDIC) insured institution.
2. Los Angeles County Investment Pool (LACIP) administered by the Treasurer and Tax Collector of Los Angeles County.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments Authorized by the City's Investment Policy (Continued)**

3. The Local Agency Investment Fund (LAIF) administered by the Treasurer of the state of California.
4. Investment in Joint Powers Authorities: The City may invest in investment joint powers authorities provided that the City is a member, that the pool provides comprehensive, timely, monthly reports which include transaction listings, reports gains and losses, provides market values for securities, provides a quality rating for investment securities, takes delivery of securities prior to payment, third-party safekeeping of all investments, for whom an audit is conducted annually by an independent authority other than the local agency's internal auditors, the weighted average maturity of not greater than two years, and that leveraging be not more than 25% of the portfolio.
5. Certificates of Deposit with a maturity of two years or less and fully insured by the Federal Deposit Insurance Corporation up to the limit established under the Investment Guidelines.
6. Securities issued by the U.S. government which mature in two years or less up to the limit established under the Investment Guidelines.
7. Money Market Savings Accounts, provided that no deposit made pursuant to this paragraph in any one institution shall exceed the amount insured by the Federal Deposit Insurance Corporation.

The City shall not invest more than the lesser of \$3,000,000 or 15% of all deposits in investment instruments with a life that exceeds one year.

**Investments Authorized by Debt Agreements**

Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the City's investment policy. The list below identifies the investment types that are authorized for investments held by the bond trustee:

1. Federal Securities.
2. Bonds, debentures, notes, or other evidence of indebtedness of the following Federal Agencies U.S. Export-Import Bank, Farmers Home Administration, Federal Financing Bank, Federal Housing Administration, General Services Administration, GNMA, U.S. Maritime Administration, U.S. public housing notes and bonds of the U.S. Department of HUD.
3. Bonds, debentures, notes, or other evidence of indebtedness of the following Federal Agencies FHLB, FNMA, FHLMC, SLMA, Resolution Funding Corporation, Farm Credit System.
4. Money Market Funds.
5. Certificates of Deposit secured by collateral.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments Authorized by Debt Agreements (Continued)**

6. Certificates of Deposit, savings accounts, deposit accounts or money market deposits which are FDIC insured.
7. Investment Agreements.
8. Commercial Papers.
9. State and Local Bonds.
10. Federal Funds or Bankers' Acceptances with a maximum term of one year.
11. Repurchase Agreements.
12. Pre-refunded Municipal Bonds.
13. Local Agency Investment Fund of the State of California.

There are no restrictions regarding the maximum percentage allowed per investment type nor regarding the maximum investment in one issuer.

**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. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising for interest rates. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2021, the City had the following investments and original maturities:

Investment Type	Remaining Maturity (in Years)
California Local Agency Investment Fund	\$ 60,102,969
Los Angeles County Investment Pool	113,054,096
Cash with Fiscal Agents:	
California Local Agency Investment Fund	40,543,358
Money Market Mutual Funds	34,517,909
Total	\$ 248,218,332

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Disclosures Relating to Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City does not have a formal policy relating to a specific deposit or investment risk. As of June 30, 2021, the City's investments in external investment pools are unrated and money market mutual funds are rated AAA.

**Concentration of Credit Risk**

The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. With respect to concentration risk, as of June 30, 2021, the City has not invested more than 5% of its total investments in anyone issuer. Investments guaranteed by the U.S. government and investments in money market mutual funds and external investment pools are excluded from this requirement.

**Custodial Credit Risk**

The 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 deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside 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, other than the following provision for deposits.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the state of California Department of Banking.

The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository is considered to be held for, and in the name of, the local governmental.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk (Continued)**

At June 30, 2021, the carrying amount of the City's deposits was \$15,289,135 and the bank balance was \$15,038,676, which is insured and collateralized under California law. The \$250,459 difference represents outstanding checks and other reconciling items. The City's deposits were covered by FDIC insurance or collateralized as required by California law.

**Investment in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the state of California. LAIF is overseen by the Local Agency Investment Board, which consists of five members, in accordance with state statute. The state of California's Treasurer's Office audits the fund annually. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis multiplied by the fair market value factor provided by the state.

**Investment in County Investment Pool**

The City is a voluntary participant in the Los Angeles County Investment Pool (LACIP) that is regulated by the California Government Code and the Los Angeles County Board of Supervisors under the oversight of the Los Angeles County Treasurer-Tax Collector. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LACIP for the entire LACIP portfolio. The balance available for withdrawal is based on the accounting records maintained by LACIP, which are recorded on an amortized cost basis.

**Fair Value Measurements**

The City categorizes its fair value measurement within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the relative inputs used to measure the fair value of the investments. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements), inputs are quoted price of similar assets in active markets (Level 2 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The City's investments in the California Local Agency Investment Fund, the Los Angeles County Investment Pool and money market mutual funds are not subject to the fair value hierarchy.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 4 HOUSING LOANS RECEIVABLE**

**Housing Loans Receivable**

The City has established the Citywide Affordable Housing Trust Fund and the Housing Asset Fund, which are accounted for as special revenue funds to assist nonprofit housing and community development corporations in preserving and expanding the supply of low-and-moderate-income housing in the City of West Hollywood. Loans in the amount of \$47,628,499 were outstanding at June 30, 2021, to qualified developers and properties at annual interest rates ranging from 3% to 6%.

All principal and interest payments on the loans are payable 30 years from the date of the loans. For certain loans included above, the City will forgive and waive all amounts due under the loans if at the date of expiration, the borrowers have performed under the terms of related agreements. The loans are offset by an allowance for forgiveness, as the City does not expect repayment.

**CDBG Loans Receivable**

Loans receivable in the CDBG Special Revenue Other Governmental Fund of \$500,928 consist of deferred-payment rehabilitation loans to qualifying low-income households in connection with the CDBG Program. Because the proceeds of the CDBG loans must be returned to the Department of Housing and Urban Development, these loans are offset by due to other governments in an equal amount.

**West Hollywood Travel and Tourism Board Loan Receivable**

On April 20, 2020, the City Council authorized an advance from the General Fund of up to \$100,000 per month for three months for a total of \$300,000 to the West Hollywood Travel and Tourism Board (WHTTB) for critical operational funding related to the economic impact of COVID-19. The agreement includes a 12-month repayment plan with 0% interest that starts 12 months after the first advance for which the City will deduct 12 equal payments from future Tourism Business Improvement District assessments that would have been transmitted to WHTTB. On June 21, 2021, the agreement was amended by extending the repayment term, wherein the City will deduct an equal amount over 36 months with 36 equal installments. The amount due as of June 30, 2021, was \$291,667.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 5 CAPITAL ASSETS**

A summary of changes in the governmental activities capital assets at June 30, 2021, is as follows:

	Balance at July 1, 2020	Additions	Deletions	Transfers	Balance at June 30, 2021
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 69,248,450	\$ -	\$ -	\$ -	\$ 69,248,450
Construction in Progress	83,982,048	27,878,816	(153,980)	-	111,706,884
Total Capital Assets, Not Being Depreciated	153,230,498	27,878,816	(153,980)	-	180,955,334
Capital Assets, Being Depreciated:					
Buildings	100,842,993	-	-	-	100,842,993
Improvements Other Than Buildings	18,215,228	559,455	-	142,877	18,917,560
Machinery and Equipment	11,628,132	585,217	-	(142,877)	12,070,472
Furniture and Fixtures	2,084,012	-	-	-	2,084,012
Office Equipment	1,644,908	29,615	-	-	1,674,523
Leasehold Improvements	870,200	-	-	-	870,200
Infrastructure	110,318,225	1,477,999	-	-	111,796,224
Total Capital Assets, Being Depreciated	245,603,698	2,652,286	-	-	248,255,984
Less Accumulated Depreciation for:					
Buildings	(22,010,361)	(2,018,671)	-	-	(24,029,032)
Improvements Other than Buildings	(3,466,428)	(385,697)	-	(10,716)	(3,862,841)
Machinery and Equipment	(8,472,757)	(679,262)	-	10,716	(9,141,303)
Furniture and Fixtures	(1,867,242)	(40,696)	-	-	(1,907,938)
Office Equipment	(1,644,908)	(6,581)	-	-	(1,651,489)
Leasehold Improvements	(556,786)	(121,321)	-	-	(678,107)
Infrastructure	(54,820,068)	(2,234,291)	-	-	(57,054,359)
Total Accumulated Depreciation	(92,838,550)	(5,486,519)	-	-	(98,325,069)
Total Capital Assets, Being Depreciated, Net	152,765,148	(2,834,233)	-	-	149,930,915
Total Governmental Activities Capital Assets, Net	<u>\$ 305,995,646</u>	<u>\$ 25,044,583</u>	<u>\$ (153,980)</u>	<u>\$ -</u>	<u>\$ 330,886,249</u>

Depreciation expense was charged to functions/programs of the primary government in the governmental activities as follows:

General Government	\$ 546,770
Public Safety	159,653
Public Services	4,780,096
Total Depreciation Expense	<u>\$ 5,486,519</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

A summary of changes in the business-type activities capital assets at June 30, 2021, is as follows:

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Infrastructure	22,678,916	-	-	22,678,916
Total Capital Assets, Being Depreciated	22,678,916	-	-	22,678,916
Less Accumulated Depreciation for:				
Infrastructure	(12,196,219)	(446,192)	-	(12,642,411)
Total Accumulated Depreciation	(12,196,219)	(446,192)	-	(12,642,411)
Capital Assets, Being Depreciated, Net	10,482,697	(446,192)	-	10,036,505
Total Business-Type Activities Capital Assets, Net	<u>\$ 10,482,697</u>	<u>\$ (446,192)</u>	<u>\$ -</u>	<u>\$ 10,036,505</u>

Depreciation expense was charged to functions/programs of the primary government in the business-type activities as follows:

Nonmajor Enterprise Funds:	
Sewer District	\$ -
Sewer Charge	446,192
Total Depreciation Expense	<u>\$ 446,192</u>

**NOTE 6 RETIREMENT PLANS**

**A CalPERS Defined Benefit Pension Plan**

**General Information about the Pension Plans**

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous Plans, an agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by state statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.



**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**A CalPERS Defined Benefit Pension Plan (Continued)**

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

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five (5) years of service. The death benefit is one of the following the Basic Death Benefit, the 1957 Survivor Benefit or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at the measurement date of June 30, 2020, are summarized as follows:

Hire Date	<u>Prior to January 1, 2013</u>	<u>On or After January 1, 2013</u>
Benefit Formula	2.7%@55	2%@62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 55	52 - 67
Monthly Benefits, as a % of		
Eligible Compensation	2.0% to 2.7%	1.0% to 2.5%
Required Employee Contribution Rates	8.00%	6.25%
Required Employer Contribution Rates:		
Normal Cost Rate	11.907%	6.250%
Payment of Unfunded Liability	\$ 4,040,548	\$ -

**Employees Covered**

At the measurement date ended June 30, 2020, the following employees were covered by the benefit terms for the plans:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	154
Inactive Employees Entitled to but Not Yet Receiving	
Benefits	182
Active Employees	<u>224</u>
Total	<u><u>560</u></u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**A CalPERS Defined Benefit Pension Plan (Continued)**

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

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are 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's 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 City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City 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 contributions requirements are classified as plan member contributions. The net pension liability is primarily liquidated by the General Fund, with some amounts also liquidated by the Sewer Charge Enterprise Fund, Solid Waste Enterprise Fund, and Street Maintenance Enterprise Fund. For the fiscal year ended June 30, 2021, the City contributed \$7,235,059 to the plan.

**Net Pension Liability**

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2019, actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**A CalPERS Defined Benefit Pension Plan (Continued)**

**Net Pension Liability (Continued)**

Actuarial Assumptions (Continued)

Actuarial Assumptions:

Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	(1)
Mortality Rate Table	(2)
Post-Retirement Benefit Increase	(3)

- (1) Varies by entry age and service.
- (2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates includes 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.
- (3) The less of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**A CalPERS Defined Benefit Pension Plan (Continued)**

**Net Pension Liability (Continued)**

Long-Term Expected Rate of Return (Continued)

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

<u>Asset Class (a)</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10 (b)</u>	<u>Real Return Years 11+ (c)</u>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

- (a) In the CalPERS ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period.
- (c) An expected inflation of 2.92% used for this period.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

There were no subsequent events that would materially affect the results in this disclosure.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**A CalPERS Defined Benefit Pension Plan (Continued)**

**Changes in Net Pension Liability**

The changes in the net pension liability for the Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2019	\$ 183,434,695	\$ 134,582,616	\$ 48,852,079
Changes in the Year:			
Service Cost	5,068,545	-	5,068,545
Interest on the Total Pension Liability	13,104,854	-	13,104,854
Differences Between Expected and Actual Experience	242,873	-	242,873
Contributions - Employer	-	11,316,351	(11,316,351)
Contributions - Employee	-	2,027,675	(2,027,675)
Net Investment Income	-	7,002,152	(7,002,152)
Administrative Expense	-	(189,728)	189,728
Benefit Payments, Including Refunds of Employee Contributions	(5,854,316)	(5,854,316)	-
Net Changes	<u>12,561,956</u>	<u>14,302,134</u>	<u>(1,740,178)</u>
Balance at June 30, 2020	<u>\$ 195,996,651</u>	<u>\$ 148,884,750</u>	<u>\$ 47,111,901</u>

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

The following presents the net pension liability of the City for each plan, calculated using the discount rate for each plan of 7.15%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 75,134,712
Current Discount Rate	7.15%
Net Pension Liability	\$ 47,111,901
1% Increase	8.15%
Net Pension Liability	\$ 24,038,707

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**A CalPERS Defined Benefit Pension Plan (Continued)**

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2021, the City recognized pension expense of \$9,749,923. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 7,235,059	\$ -
Differences Between Expected and Actual Experience	1,298,188	-
Change in Assumptions	-	(594,458)
Net Differences Between Projected and Actual		
Earnings on Plan Investments	1,229,932	-
Total	\$ 9,763,179	\$ (594,458)

Deferred outflows of resources of \$7,235,059 that are related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (185,276)
2023	717,871
2024	816,601
2025	584,466
2026	-
Thereafter	-

**Payable to the Pension Plan**

At June 30, 2021, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

**B Defined Contribution Pension Plans**

As of January 1, 2021, employees are eligible to transfer up to \$19,500 of annual salary per year into a deferred compensation plan; employees 50 years of age and above are allowed a catch-up provision of \$6,500 and employees taking advantage of the special pre-retirement catch-up may be eligible to contribute up to double the normal limit, for a total of \$39,000. A deferred compensation plan has been established through Mission Square Retirement (Formerly ICMA-RC) in accordance with Internal Revenue Code Section 457(b) for new full-time employees in the bargaining units of West Hollywood Municipal Employees (WEHOME) and Association of Confidential Employees (ACE) whereby the City employees may elect to defer portions of their compensation in a self-directed investment plan for retirement.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 6 RETIREMENT PLANS (CONTINUED)**

**B Defined Contribution Pension Plans (Continued)**

The City makes \$50 contributions per pay period, for each of the 24 pay periods (the first two pay periods of each month) to the plan on behalf of the members in both bargaining units WEHOME and ACE. Plan assets are invested in each individual's name. Distributions are made upon the participant's termination, retirement, death, or total disability, in a manner in accordance with the election of the participant. The City has no liability for losses under the plan.

The City has also established a 401(a) defined contribution plan available for new full-time City Manager, Assistant City Manager, Directors and Management employees in the bargaining unit West Hollywood Management Association (WHMA) who may elect an employee contribution. The plan document allows a 60-day period for the individuals to make an election from the initial date of hire. The City makes \$75 contributions per pay period, for each of the 24 pay periods (the first two pay periods of each month) to the plan on behalf of the members. The following City of West Hollywood position will receive employer contributions per month: City Manager: equivalent to 5% of monthly base salary. The City has no liability for losses under the plan. Also, the City does not participate in managing the plan. Accordingly, the assets are not shown in the financial statements.

For the fiscal year ended June 30, 2021, the city contributed \$292,524. Also, the City does not participate in managing the plan. Accordingly, the assets are not shown in the financial statements.

**NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) RETIREMENT PLAN**

**General Information about the OPEB Plan**

Plan Description

The City has established the City of West Hollywood Retiree Medical Benefit Plan, an agent-multiple employer defined benefit retiree health-care plan. The plan provides a lifetime benefit of \$200 per month toward the health insurance premiums of all employees who retire from employment with the City and who elect to buy insurance through CalPERS. All employees are vested after five years of employment and must reach the age of 50 and qualify for CalPERS retirement in order to receive these benefits. The plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreement between the City and the bargaining units. The plan does not issue a separate report. All transactions are included within the financial statements of the City of West Hollywood. During the fiscal year ended June 30, 2015, the City entered into an agreement with California Employers' Retiree Benefit Trust (CERBT) to prefund the City's OPEB liability.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) RETIREMENT PLAN (CONTINUED)**

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

Employees Covered

As of the measurement period ending June 30, 2020, the following current and former employees were covered by the benefit terms under the plan:

Inactive Employees, Spouses or Beneficiaries Currently Receiving Benefits.	\$	48
Active Employees		237
Total	\$	<u>285</u>

Contributions

Contribution requirements are established by City policy and may be amended by the City Council. The City is currently making OPEB trust contributions on an ad-hoc basis and paying retiree medical benefits from general assets. The City does not currently calculate an actuarially determined contribution. The net OPEB liability is primarily liquidated by the General Fund. For the fiscal year ended June 30, 2021, the City's cash contributions were \$137,000 in premium payments and the estimated implicit subsidy was \$164,128, resulting in total payment of \$301,128.

**Net OPEB Liability**

The City's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020 using standard updating procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability as of the June 30, 2020 measurement date was determined using the following actuarial assumptions and applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	5.50%
Inflation	2.50%
Projected Salary Increase	2.75%
Expected Long-Term Investment Rate of Return	5.50%
Health-Care Cost Trend Rates	6.4% trending down to 4.00%
Pre-Retirement Turnover	CalPERS OPEB Assumption Model Assumption Model
Mortality	December 2017 experience studies



**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) RETIREMENT PLAN (CONTINUED)**

**Net OPEB Liability (Continued)**

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

The long-term expected rate of return was 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. The asset class percentages are taken from the current composition of CERBT, and the expected yields are taken from a recent CalPERS publication for the pension fund:

Asset Class (CERBT Strategy 3)	Target Allocation	Long-Term Expected Rate of Return	Long-Term Expected Nominal Rate of Return <sup>(1)</sup>
CERBT			
Global Equity	22.00%	4.76%	7.26%
Fixed Income	50.00%	2.01%	4.51%
TIPS	15.00%	1.20%	3.70%
REITs	8.00%	2.39%	4.89%
Commodities	5.00%	4.53%	7.03%
	<u>100.00%</u>		
Total <sup>(2)</sup>			5.58%
			<u>0.10%</u>
Reduction for assumed investment expense <sup>(3)</sup>			<u>5.50%</u>
Net long-term expected investment return (rounded to 1/4%)			<u>5.50%</u>

(1) Nominal rates of return are equal to real rates of return plus the assumed inflation rate.

(2) Portfolio total expected return is weighted average of arithmetic asset class returns, with adjustment to reflect geometric averages. It is not equal to the weighted average of the asset class geometric returns shown above.

(3) Assumed investment expenses include investment management fees.

**Discount Rate**

The discount rate used to measure the total OPEB liability is 5.50%. This is the expected long-term rate of return on City assets using investment strategy 3 within the California Employers' Retiree Benefit Trust (CERBT). The projection of plan assets includes funding policy contributions (the City currently pays annual benefits with general assets), investment earnings, and benefit payments. The projected plan assets do not include anticipated future ad hoc contributions to the OPEB trust. Based on those assumptions, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) RETIREMENT PLAN (CONTINUED)**

**Changes in the Net OPEB Liability**

The changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2019 (Measurement Date)	\$ 6,424,408	\$ 5,088,073	\$ 1,336,335
Changes in the Year			
Service Cost	332,068	-	332,068
Interest on the Total OPEB Liability	364,701	-	364,701
Differences Between Actual and Expected Experience	(43,436)	-	(43,436)
Contribution - Employer	-	251,082	(251,082)
Net Investment Income	-	322,138	(322,138)
Administrative Expenses	-	(2,525)	2,525
Benefit Payments	(251,082)	(251,082)	-
<b>Net Changes</b>	<b>402,251</b>	<b>319,613</b>	<b>82,638</b>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 6,826,659</u>	<u>\$ 5,407,686</u>	<u>\$ 1,418,973</u>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the City, calculated using the discount rate for the Plan, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 4.50%	Discount Rate 5.50%	1% Increase 6.50%
Net OPEB Liability	\$ 2,249,501	\$ 1,418,973	\$ 722,496

**Sensitivity of the Net OPEB Liability to Changes in Health-Care Cost Trend Rates**

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using health-care cost trend rates that are one percentage point lower or one percentage point higher than current health-care cost trend rates:

	5.4% Trending Down to 3.0%	6.4% Trending Down to 4.0%	7.4% Trending Down to 5.0%
Net OPEB Liability	\$ 608,215	\$ 1,418,973	\$ 2,473,603

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) RETIREMENT PLAN (CONTINUED)**

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$320,330. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 301,128	\$ -
Differences Between Actual and Expected Experience	-	(636,199)
Change in Assumptions	25,165	(143,981)
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(18,836)
Total	\$ 326,293	\$ (799,016)

An amount of \$301,128, which is reported as deferred outflows of resources related to contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022.

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2022	\$ (99,189)
2023	(117,115)
2024	(131,033)
2025	(120,795)
2026	(112,324)
Thereafter	(193,395)

**Payable to the OPEB Plan**

At June 30, 2021, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2021.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 8 LONG-TERM LIABILITIES**

The following is a summary of long-term liabilities transactions for the governmental activities for the year ended June 30, 2021:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year	Due in More Than One Year
Other Debt:						
Lease Revenue Bonds:						
2013 Series	\$ 16,830,000	\$ -	\$ (410,000)	\$ 16,420,000	\$ 425,000	\$ 15,995,000
Add: Unamortized						
Original Issue Premium	167,882	-	(7,299)	160,583	-	160,583
2016 Series	81,255,000	-	(1,340,000)	79,915,000	3,515,000	76,400,000
Add: Unamortized						
Original Issue Premium	11,702,686	-	(450,103)	11,252,583	-	11,252,583
2020 Series A&B	80,135,000	-	-	80,135,000	260,000	79,875,000
Add: Unamortized						
Original Issue Premium	10,167,964	-	(391,076)	9,776,888	-	9,776,888
Less: Unamortized						
Original Issue Discount	(110,138)	-	4,236	(105,902)	-	(105,902)
Other Long-Term Liabilities:						
Capital Lease - SCE	116,346	-	(22,524)	93,822	22,525	71,297
Accrued Employee Benefits	5,864,727	5,103,602	(4,201,208)	6,767,121	1,294,825	5,472,296
Claims Payable	2,911,807	-	(625,816)	2,285,991	492,317	1,793,674
	<u>\$ 209,041,274</u>	<u>\$ 5,103,602</u>	<u>\$ (7,443,790)</u>	<u>\$ 206,701,086</u>	<u>\$ 6,009,667</u>	<u>\$ 200,691,419</u>

**2013 Lease Revenue Bonds**

On September 28, 2013, the West Hollywood Public Financing Authority issued \$19,155,000 of 2013 Lease Revenue Bonds to finance the acquisition and construction of certain public capital improvements and pay the costs of issuing the 2013 Bonds. The bonds consist of \$8,795,000 of serial bonds with annual maturity dates from April 1, 2014 through April 1, 2033, with interest rates ranging from 3.000% to 5.000%, term bonds of \$4,225,000 with an interest rate of 5.170% maturing April 1, 2038 and term bonds of \$5,405,000 with an interest rate of 5.270% maturing April 1, 2043. Interest is payable semiannually beginning April 2014. At June 30, 2021, the total principal outstanding was \$16,420,000. There are no reserve requirements for this bond.

The following is a schedule, by years, of future debt service payments for the 2013 Lease Revenue Bonds as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 425,000	\$ 826,106	\$ 1,251,106
2023	450,000	804,856	1,254,856
2024	470,000	782,356	1,252,356
2025	495,000	758,856	1,253,856
2026	520,000	734,106	1,254,106
2027 - 2031	3,005,000	3,254,531	6,259,531
2032 - 2036	3,835,000	2,432,281	6,267,281
2037 - 2041	4,895,000	1,369,813	6,264,813
2042 - 2043	2,325,000	180,144	2,505,144
Total	<u>\$ 16,420,000</u>	<u>\$ 11,143,049</u>	<u>\$ 27,563,049</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**2016 Lease Revenue Bonds**

On June 1, 2016, the West Hollywood Public Financing Authority issued \$85,015,000 of 2016 Lease Revenue Bonds to currently refund the outstanding principal balance of the 2009 Lease Revenue Bonds, Series B in the amount of \$34,780,000, finance the acquisition and construction of certain public capital improvements, pay capitalized interest on the 2016 Bonds and pay the costs of issuing the 2016 Bonds. At June 30, 2018, the 2009 Lease Revenue Bonds, Series B were redeemed.

The 2016 Lease Revenue Bonds are obligations of the Financing Authority payable solely from payments received from the City pursuant to a Property Lease by and between the City and the Financing Authority. The 2016 Lease Revenue Bonds are secured primarily by a lien on and security interest in these revenues. Amounts pledged in fiscal year 2020-2021 total \$4,895,650, which is the amount of debt service and lease payments made.

Interest is payable semiannually and interest rates range from 2.0% to 5.0%, with maturity dates starting April 2017 and ending April 2046. Principal payments range from \$725,000 to \$4,135,000. At June 30, 2021, the total principal outstanding was \$79,915,000.

The net carrying amount of the old debt exceeded the reacquisition price by \$1,403,842. This is being amortized over the 23 years with the unamortized balance shown as a deferred gain on refunding in the statement of net position.

The following is a schedule, by years, of future debt service payments for the 2016 Lease Revenue Bonds as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 3,515,000	\$ 3,502,050	\$ 7,017,050
2023	3,695,000	3,326,300	7,021,300
2024	3,900,000	3,141,550	7,041,550
2025	4,105,000	2,946,550	7,051,550
2026	2,305,000	2,741,300	5,046,300
2027 - 2031	13,355,000	11,859,000	25,214,000
2032 - 2036	16,960,000	8,176,500	25,136,500
2037 - 2041	17,290,000	4,395,750	21,685,750
2042 - 2046	14,790,000	1,821,200	16,611,200
Total	<u>\$ 79,915,000</u>	<u>\$ 41,910,200</u>	<u>\$ 121,825,200</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**2020 Lease Revenue Bonds**

On May 18, 2020, the West Hollywood Public Financing Authority issued \$65,785,000 of 2020 Lease Revenue Bonds Series A and \$14,350,000 of 2020 Lease Revenue Bonds Series B to finance the acquisition and construction of certain public capital improvements and pay the costs of issuing the 2020 Bonds.

The 2020 Lease Revenue Bonds are obligations of the Financing Authority payable solely from payments received from the City pursuant to a Property Lease by and between the City and the Financing Authority. The 2020 Lease Revenue Bonds are secured primarily by a lien on and security interest in these revenues. Amounts pledged in fiscal year 2020-2021 total \$0, which is the amount of debt service and lease payments made.

Interest is payable semiannually beginning April 2021 and ending April 2046 with interest rates ranging from 0.67% to 2.6%. Principal payments range from \$260,000 to \$6,495,000. At June 30, 2021, the total principal outstanding was \$80,135,000. There are no reserve requirements for this bond.

The following is a schedule, by years, of future debt service payments for the 2020 Lease Revenue Bonds as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 260,000	\$ 2,803,800	\$ 3,063,800
2023	260,000	2,800,940	3,060,940
2024	240,000	2,797,950	3,037,950
2025	235,000	2,794,590	3,029,590
2026	2,245,000	2,790,830	5,035,830
2027 - 2031	12,245,000	12,935,745	25,180,745
2032 - 2036	14,370,000	10,890,855	25,260,855
2037 - 2041	20,415,000	8,301,250	28,716,250
2042 - 2046	29,865,000	3,923,150	33,788,150
Total	<u>\$ 80,135,000</u>	<u>\$ 50,039,110</u>	<u>\$ 130,174,110</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**Capital Lease: Southern California Edison On-Bill Financing Program**

On November 26, 2018 and January 8, 2019, the City approved the installation of energy-efficient LED streetlights in certain areas of the City, which was funded through Southern California Edison’s On-Bill Financing Program in the amounts of \$60,314 and \$83,148, respectively. Through this program, the City received zero percent financing for approved energy reduction projects. Since each individual item is below the City’s capitalization policy, there are no amounts recorded as capital assets for these purchases. The costs are repaid from energy savings over a period of up to 80 months. The unpaid balance as of June 30, 2021, was \$93,822. The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>
2022	\$ 22,525
2023	22,525
2024	22,525
2025	20,010
2026	6,237
Total	<u>\$ 93,822</u>

**Accrued Employee Benefits**

The City’s policies relating to compensated absences are described in Note 1 of the notes to financial statements. The accrued employee benefits are normally liquidated by the General Fund. The outstanding balance at June 30, 2021, was \$6,767,121.

**Claims Payable**

See Note 11 regarding the City’s risk management. The claims payable is normally liquidated by the General Fund. The outstanding balance at June 30, 2021, was \$2,285,991.

**NOTE 9 UNEARNED REVENUE**

In fiscal year 2020-2021, the City received developer deposits, permit fees, and rent stabilization fees. These are recorded as unearned revenue in the General Fund in the amount of \$5,796,961, along with various other unearned revenues of \$340,025 in the other governmental funds; total unearned revenue recorded by the City for the year ended was \$6,136,986. These unearned amounts will be reported as revenue as they are earned. The remaining unearned revenue in the other governmental funds includes grant monies received but not yet earned and other revenues collected in advance.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 10 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of June 30, 2021, was as follows:

**Due To/From Other Funds**

<u>Receivable Funds</u>	<u>Payables Funds</u>	<u>Amount</u>
General Fund	Other Governmental Funds:	
	Proposition A	
	Special Revenue Fund	\$ 109,482
	Gas Tax	
	Special Revenue Fund	523,793
	Public Access Corporation	
	Special Revenue Fund	66,565
	Parking Improvement	
	Special Revenue Fund	1,670,374
	Community Development Block	
	Grant Special Revenue Fund	235,053
Debt Funded Capital Projects Fund	Capital Projects Debt Service Fund	<u>7,318,908</u>
Total		<u><u>\$ 9,924,175</u></u>

The due to General Fund of \$2,605,267 was a result of temporary deficit cash balances in the Other Governmental Funds.

The due to Debt Funded Capital Projects Fund of \$7,318,908 was due to a timing difference in receiving a reimbursement for capital project expenditures from the bond trustee.



**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 10 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)**

**Transfers In/Out**

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Major Funds:		
Debt Funded Capital Projects Fund	Capital Projects Debt Service Fund	\$ 26,934,583
Capital Projects Debt Service Fund	General Fund	5,531,014
	Other Governmental Funds:	
	Parking Improvement	
	Special Revenue Fund	1,252,506
Nonmajor Funds:		
Internal Service Funds	General Fund	<u>250,000</u>
Total		<u><u>\$ 33,968,103</u></u>

The Capital Projects Debt Service Fund transferred \$26,934,583 to the Debt Funded Capital Projects Fund to fund capital expenses related to West Hollywood Park Phase II, parking meters, and Plummer Park.

The General Fund and the Parking Improvement Special Revenue Fund transferred \$5,531,014 and \$1,252,506, respectively, to the Capital Projects Debt Service Fund to fund debt service payments.

The General Fund transferred \$250,000 to the Internal Service Funds to pay for costs of the information system master plan.

**NOTE 11 RISK MANAGEMENT**

**Risk Pool Membership**

The City is a member of the California Joint Powers Insurance Authority (the Authority). The Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The Authority arranges and administers programs for the pooling of self-insured losses, purchases excess insurance and reinsurance, and arranges for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Authority's board of directors. The board operates through a nine-member executive committee.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 11 RISK MANAGEMENT (CONTINUED)**

**Excess Liability Program**

Liability coverage includes auto liability, employment practices liability, public officials' errors and omissions, bodily injury, personal injury, third-party property damage, advertising injury, and employee benefit administration liability. The City has a retained limit of \$250,000 per occurrence except for \$500,000 for employment practices losses. The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

**Excess Workers' Compensation Program**

The City has a retained limit of \$150,000 per occurrence for workers' compensation claims. The Authority's pooled retention is \$1 million per occurrence with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million with remaining limits reinsured.

**Purchased Insurance**

The City also participates in the following coverage programs provided by the Alliant Insurance Services:

- a) All-Risk Property Protection Program. This insurance protection is underwritten by several insurance companies. The City's property is currently insured according to a schedule of covered property submitted by the City to the Authority. The total insured value of scheduled City property is "Non Participant". There is a \$10,000 deductible per occurrence except for nonemergency vehicle insurance which has a \$2,500 deductible.
- b) Earthquake and Flood Insurance. This coverage is part of the Property Protection Program. The City has total insured values of "Non Participant" scheduled for coverage under this program. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.
- c) Pollution Legal Liability Insurance Program. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.
- d) Crime Insurance Program. Formerly called Blanket Fidelity Bond, this policy covers faithful performance, depositor's forgery, theft of money and securities, and computer fraud related to the transfer of money. The policy limit is \$5,000,000, and the deductible is \$2,500.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 11 RISK MANAGEMENT (CONTINUED)**

**Purchased Insurance (Continued)**

- e) Special Event Tenant User Liability Insurance. This coverage protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on City property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays the insurance broker and/or carrier. The insurance is facilitated by the Authority.

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2020-2021. Financial statements of the Authority may be obtained from its administrative office located at 8081 Moody Street, La Palma, California 90623, or by calling (562) 467-8700.

A summary of the changes in claims liabilities for the past two fiscal years is as follows:

<u>Year Ended June 30</u>	<u>Claims Payable July 1</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Claims Payable June 30</u>
2020	\$ 1,432,538	\$ 1,976,891	\$ (497,622)	\$ 2,911,807
2021	2,911,807	(138,803)	(487,013)	2,285,991

**NOTE 12 COMMITMENTS AND CONTINGENCIES**

**Contractual Commitments**

The City has entered into a contract with the Los Angeles County Sheriff's Department to provide law enforcement services in the City of West Hollywood. Approximately \$20,500,388 was paid for these services in fiscal year 2020-2021.

The following material construction commitments existed at June 30, 2021:

<u>Contractor</u>	<u>Contract Amount</u>	<u>Expenditures to Date as of June 30, 2021</u>	<u>Remaining Commitments</u>	<u>Fund Type</u>
West Coast Arborists	\$ 4,027,000	\$ 2,331,052	\$ 1,695,948	General Fund
CBRE Heery Inc.	7,749,369	6,435,554	1,313,815	Capital Projects
Berg & Associates	798,496	-	798,496	Capital Projects
Ramirez, Emilio	938,261	419,389	518,872	Capital Projects
Hardy & Harper	1,176,350	820,306	356,044	Capital Projects
Crosstown Electrical & Data	884,311	170,927	713,384	Special Revenue
Crosstown Electrical & Data	720,000	8,206	711,794	Special Revenue

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 12 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Encumbrances**

At June 30, 2021, the following are the encumbrances:

General Fund:

Engineering, Landscape, and Urban Design	\$ 1,988,815
Emergency Services	454,280
Social Services	1,378,686
Professional Services	<u>1,409,887</u>
Total General Fund	<u>5,231,668</u>

Debt Funded Capital Projects Fund:

Construction	3,239,483
Design	798,796
Other Consultants	<u>886,400</u>
Total Debt Funded Capital Projects Fund	<u>4,924,679</u>

Other Governmental Funds:

Housing feasibility study	297,025
Development and certification	137,728
Streetlight conversion	217,928
Financial study	412,368
Other consultants	<u>974,295</u>
Total Other Governmental Funds	<u>2,039,344</u>

Total Encumbrances	<u><u>\$ 12,195,691</u></u>
--------------------	-----------------------------

**COVID-19**

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of an outbreak of a new strain of coronavirus (the "COVID-19 outbreak") and the risks that is posed to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic based on the rapid increase in exposure globally.

The City's operations are heavily dependent on the ability to raise sales taxes, property taxes and transient occupancy taxes and assess business licenses, developer fees and construction permits. Additionally, access to grants and contracts from federal, state, and local governments may decrease or may not be available depending on appropriations. The outbreak may have a continued adverse impact on economic and market conditions, triggering a period of global economic slowdown. This situation is expected to depress the tax bases and other areas in which the City receives revenue. The outbreak could also have other potential impacts, including disruptions or restrictions on employees' ability to work. As such, this may hinder the ability for the City to meet the needs of its constituents. However, the City has been working remotely since March 2020 and has been continuing to provide services to its constituents. The City cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time.

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 13 LEASE**

On March 20, 2017, the City (lessee) entered into a lease for a portion of certain real property to Koontz Building, LLC (lessor), which was subsequently amended on May 20, 2019. The lease term is for an initial period of eight years. At the end of the eight-year term, the City and lessor may extend the term for an additional two-year period. Future minimum rental payments to be paid on the lease are contractually due as follows as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Lease Payment</u>
2022	\$ 239,797
2023	244,593
2024	249,485
2025	254,474
Total	<u>\$ 988,349</u>

Some of the capital assets utilized by the above operating lease include tenant improvements with a cost and carrying value of \$870,200 and \$192,092, respectively.

The total rent expenditures for the year ended June 30, 2021 was \$237,469.

**NOTE 14 SUCCESSOR AGENCY DISCLOSURES**

The assets and liabilities of the former Redevelopment Agency were transferred to the Successor Agency of the City of West Hollywood Redevelopment Agency on February 1, 2012, as a result of the dissolution of the former Redevelopment Agency. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosures related to cash and investments, capital assets and long-term liabilities are as follows.

**Cash and Investments**

Cash and investments reported in the combining statement of fiduciary net position private-purpose trust funds consisted of the following:

Cash and Investments Pooled with the City	\$ 630,279
Cash and Investments with Fiscal Agents	<u>24,807,468</u>
Total Cash and Investments	<u>\$ 25,437,747</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 14 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Capital Assets**

	Balance at July 1, 2020	Additions	Deletions	Transfers	Balance at June 30, 2021
Capital Assets:					
Capital Assets, Being Depreciated:					
Land Improvements	\$ 174,920	\$ -	\$ -	\$ -	\$ 174,920
Less Accumulated Depreciation for:					
Land Improvements	(30,027)	(3,498)	-	-	(33,525)
Total Capital Assets, Being Depreciated, Net	<u>\$ 144,893</u>	<u>\$ (3,498)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,395</u>

**Long-Term Liabilities**

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year	Due in More Than One Year
<i>Other debt:</i>						
Tax Allocation Bonds:						
2011 Series A	\$ 26,700,000	\$ -	\$ (370,000)	\$ 26,330,000	\$ 395,000	\$ 25,935,000
2011 Series B	8,450,000	-	(75,000)	8,375,000	80,000	8,295,000
Less: Unamortized						
Original Issue Discount	(485,411)	-	22,403	(463,008)	-	(463,008)
2013 Tax Allocation Refunding Bonds, Series A	7,305,000	-	(380,000)	6,925,000	400,000	6,525,000
Add: Unamortized Original Issue Premium	196,471	-	(14,922)	181,549	-	181,549
Total	<u>\$ 42,166,060</u>	<u>\$ -</u>	<u>\$ (817,519)</u>	<u>\$ 41,348,541</u>	<u>\$ 875,000</u>	<u>\$ 40,473,541</u>

Prior to the dissolution, the City pledged a portion of the tax increment revenue that it received as security for tax allocation bonds it has issued. These bonds were to provide financing for various capital projects. Total principal and interest remaining on the debt is \$85,702,836 with annual debt service requirements as indicated below. For the current year, the total property tax revenue recognized by the City and Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$4,021,776 and the debt service obligation on the bonds was \$3,924,969.

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2021, follows:

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 14 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Long-Term Liabilities (Continued)**

2011 Tax Allocation Bonds, Series A

In March 2011, the West Hollywood Community Development Commission issued \$30,560,000 Eastside Redevelopment Project 2011 Tax Allocation Bonds, Series A for the purpose of financing redevelopment activities. The bonds consist of \$4,625,000 of serial bonds with annual maturity dates from September 1, 2011 through September 1, 2021, with interest rates ranging from 2.000% to 6.250%; term bonds of \$2,415,000 with an interest rate of 7.000% maturing September 1, 2026; term bonds of \$3,400,000 with an interest rate of 7.250% maturing September 1, 2031; and term bonds of \$20,120,000 with an interest rate of 7.500% maturing September 1, 2042. Interest is payable semiannually beginning September 1, 2011. At June 30, 2021, the total principal outstanding was \$26,330,000.

The reserve requirement for the 2011 Series A and 2011 Series B Tax Allocation Bonds are considered together. The bonds require a reserve in the lesser of: (i) the amount of maximum annual debt service on the bonds, (ii) 10% of the total of the proceeds of the bonds, or (iii) 125% of the average annual debt service on the bonds. This reserve requirement was fully funded with an account balance of \$4,116,202 as of June 30, 2021.

The following is a schedule, by years, of future debt service payments for the 2011 Tax Allocation Bonds, Series A as of June 30, 2021:

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 395,000	\$ 1,936,894	\$ 2,331,894
2023	420,000	1,909,850	2,329,850
2024	450,000	1,879,400	2,329,400
2025	480,000	1,846,850	2,326,850
2026	515,000	1,812,025	2,327,025
2027 - 2031	3,170,000	8,433,162	11,603,162
2032 - 2036	5,650,000	6,954,525	12,604,525
2037 - 2041	10,080,000	3,938,250	14,018,250
2042 - 2043	5,170,000	394,875	5,564,875
Total	<u>\$ 26,330,000</u>	<u>\$ 29,105,831</u>	<u>\$ 55,435,831</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 14 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Long-Term Liabilities (Continued)**

**2011 Tax Allocation Bonds, Series B**

In March 2011, the West Hollywood Community Development Commission issued \$9,420,000 of Eastside Redevelopment Project 2011 Tax Allocation Bonds, Series B for the purpose of financing redevelopment activities. The bonds consist of \$1,125,000 of serial bonds with annual maturity dates from September 1, 2011 through September 1, 2021, with interest rates ranging from 3.000% to 8.500%; term bonds of \$525,000 with an interest rate of 9.250% maturing September 1, 2026; term bonds of \$815,000 with an interest rate of 9.500% maturing September 1, 2031; and term bonds of \$6,955,000 with an interest rate of 9.500% maturing September 1, 2042. Interest is payable semiannually beginning September 1, 2011. At June 30, 2021, the total principal outstanding was \$8,375,000.

The following is a schedule, by years, of future debt service payments for the 2011 Tax Allocation Bonds, Series B as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 80,000	\$ 790,113	\$ 870,113
2023	85,000	782,781	867,781
2024	95,000	774,456	869,456
2025	105,000	765,206	870,206
2026	115,000	755,031	870,031
2027 - 2031	745,000	3,584,906	4,329,906
2032 - 2036	1,670,000	3,092,250	4,762,250
2037 - 2041	3,545,000	1,822,812	5,367,812
2042 - 2043	1,935,000	187,863	2,122,863
Total	<u>\$ 8,375,000</u>	<u>\$ 12,555,418</u>	<u>\$ 20,930,418</u>

**2013 Tax Allocation Refunding Bonds, Series A**

In December 2013, the Successor Agency to the West Hollywood Community Development Commission issued \$9,370,000 of East Side Redevelopment Tax Allocation Refunding Bonds, Series A for the purpose for refunding the outstanding balance of the Eastside Redevelopment Project 2003 Tax Allocation Bonds, Series A. The entire issuance was purchased by County of Los Angeles Redevelopment Refunding Authority. The bonds consist of \$6,675,000 of serial bonds with annual maturity dates from September 1, 2014 through September 1, 2029, with interest rates ranging from 3.000% to 5.000% and term bonds of \$2,595,000 with an interest rate of 5.000% maturing September 1, 2033. Interest is payable semiannually beginning September 1, 2014. At June 30, 2021, the total principal outstanding was \$6,925,000.



**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 14 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Long-Term Liabilities (Continued)**

2013 Tax Allocation Refunding Bonds, Series A (Continued)

The reserve requirement is covered by insurance policies.

The following is a schedule, by years, of future debt service payments for the 2013 Tax Allocation Refunding Bonds, Series A as of June 30, 2021:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 400,000	\$ 323,525	\$ 723,525
2023	420,000	303,025	723,025
2024	435,000	281,650	716,650
2025	460,000	261,575	721,575
2026	475,000	242,281	717,281
2027 - 2031	2,745,000	847,281	3,592,281
2032 - 2034	1,990,000	152,250	2,142,250
Total	<u>\$ 6,925,000</u>	<u>\$ 2,411,587</u>	<u>\$ 9,336,587</u>

**NOTE 15 RESTATEMENTS**

The City's net position and fund balance were restated as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
Net Position at July 1, 2020, As Originally Reported	\$ 327,122,918	\$ 12,966,024	\$ 340,088,942
Implementation of GASB Statement No. 84, <i>Fiduciary Activities</i> , move previously reported Sunset Strip Business Improvement District to a fiduciary, custodial fund since this fund no longer meets the definition of governmental activities.	(54,504)	-	(54,504)
Allocate net pension liability and pension related deferred outflows and inflows of resources to the business-type activities	720,985	(720,985)	-
Net Position at July 1, 2020, As Restated	<u>\$ 327,789,399</u>	<u>\$ 12,245,039</u>	<u>\$ 340,034,438</u>

**CITY OF WEST HOLLYWOOD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 15 RESTATEMENTS (CONTINUED)**

	Nonmajor Enterprise Funds
Net Position at July 1, 2020, As Originally Reported	\$ 12,987,539
Allocate net pension liability and pension related deferred outflows and inflows of resources to the nonmajor enterprise funds.	<u>(720,985)</u>
Net Position at July 1, 2020, As Restated	<u><u>\$ 12,266,554</u></u>
	Other Governmental Funds
Fund Balance at July 1, 2020, As Originally Reported	\$ 45,412,285
Implementation of GASB Statement No. 84, <i>Fiduciary Activities</i> , move previously reported Sunset Strip Business Improvement District to a fiduciary, custodial fund since this fund no longer meets the definition of governmental activities.	<u>(9,110)</u>
Fund Balance at July 1, 2020, As Restated	<u><u>\$ 45,403,175</u></u>

In addition, the previously reported Nonmajor Sewer District Enterprise Fund was combined with the Nonmajor Sewer Charge Enterprise Fund in the current year to align costs of the sewer assets with the charges for services. The overall beginning net position did not change from this combination, however, the \$6,021,778 net position from the previously reported Nonmajor Sewer District Enterprise Fund was combined with the Nonmajor Sewer Charge Enterprise Fund.

**NOTE 16 SUBSEQUENT EVENTS**

In July 2021, the Successor Agency issued \$19,400,000 of Tax Allocation Refunding Bonds, Series 2021 (federally taxable). The proceeds of these bonds, in addition to \$24.8 million of cash and investments with the fiscal agent, were used to refinance the 2011A&B and 2013 Tax Allocation Bonds. The 2021 bonds have a maturity date of September 1, 2042, interest rates ranging from 0.343% to 2.047%, and result in principal and interest payments ranging from \$1,149,080 to \$1,304,149.



# Required Supplementary Information



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**SCHEDULES RELATED TO PENSION AND OPEB RETIREMENT PLANS**

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST TEN FISCAL YEARS**

Fiscal Year	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Measurement Date	June 30, 2020	June 30, 2019
Total Pension Liability:		
Service Cost	\$ 5,068,545	\$ 4,532,359
Interest on Total Pension Liability	13,104,854	12,280,225
Differences Between Expected and Actual Experience	242,873	1,351,494
Changes in Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(5,854,316)</u>	<u>(5,726,227)</u>
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	12,561,956	12,437,851
Total Pension Liability - Beginning of Year	<u>183,434,695</u>	<u>170,996,844</u>
<b>TOTAL PENSION LIABILITY - END OF YEAR (A)</b>	<u>\$ 195,996,651</u>	<u>\$ 183,434,695</u>
Plan Fiduciary Net Position:		
Contributions - Employer	\$ 11,316,351	\$ 5,603,063
Contributions - Employee	2,027,675	1,956,715
Plan to Plan Resource Movement	-	-
Net Investment Income	7,002,152	8,336,996
Administrative Expense	(189,728)	(88,846)
Benefit Payments	(5,854,316)	(5,726,227)
Other Miscellaneous Expense	<u>-</u>	<u>288</u>
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	14,302,134	10,081,989
Plan Fiduciary Net Position - Beginning of Year	<u>134,582,616</u>	<u>124,500,627</u>
<b>PLAN FIDUCIARY NET POSITION - END OF YEAR (b)</b>	<u>\$ 148,884,750</u>	<u>\$ 134,582,616</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 47,111,901</u>	<u>\$ 48,852,079</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.96%	73.37%
Covered Payroll	\$ 26,345,555	\$ 24,980,887
Net Pension Liability as Percentage of Covered Payroll	178.82%	195.56%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2021:

There were no significant changes in assumptions.

\* - Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
(CONTINUED)  
LAST TEN FISCAL YEARS**

Fiscal Year	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Total Pension Liability:</b>					
Service Cost	\$ 4,492,737	\$ 4,297,782	\$ 3,797,578	\$ 3,731,187	\$ 3,727,364
Interest on Total Pension Liability	11,418,376	10,695,997	9,965,778	9,303,597	8,686,093
Differences Between Expected and Actual Experience	1,340,332	(554,770)	(1,019,659)	(1,107,374)	-
Changes in Assumptions	(1,966,280)	9,675,762	-	(2,521,383)	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(4,730,956)</u>	<u>(3,993,245)</u>	<u>(3,630,140)</u>	<u>(3,154,574)</u>	<u>(2,816,524)</u>
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	10,554,209	20,121,526	9,113,557	6,251,453	9,596,933
Total Pension Liability - Beginning of Year	<u>160,442,635</u>	<u>140,321,109</u>	<u>131,207,552</u>	<u>124,956,099</u>	<u>115,359,166</u>
<b>TOTAL PENSION LIABILITY - END OF YEAR (A)</b>	<u>\$ 170,996,844</u>	<u>\$ 160,442,635</u>	<u>\$ 140,321,109</u>	<u>\$ 131,207,552</u>	<u>\$ 124,956,099</u>
<b>Plan Fiduciary Net Position:</b>					
Contributions - Employer	\$ 4,910,699	\$ 4,749,262	\$ 4,364,184	\$ 4,068,260	\$ 3,844,786
Contributions - Employee	1,821,930	1,806,932	1,745,598	1,709,766	1,951,930
Plan to Plan Resource movement	(288)	-	-	(9,485)	-
Net Investment Income	9,694,135	11,194,909	530,674	2,065,984	13,430,248
Administrative Expense	(176,579)	(147,210)	(58,967)	(108,929)	-
Benefit Payments	(4,730,956)	(3,993,245)	(3,630,140)	(3,154,574)	(2,816,524)
Other Miscellaneous Expense	<u>(335,327)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	11,183,614	13,610,648	2,951,349	4,571,022	16,410,440
Plan Fiduciary Net Position - Beginning of Year	<u>113,317,013</u>	<u>99,706,365</u>	<u>96,755,016</u>	<u>92,183,994</u>	<u>75,773,554</u>
<b>PLAN FIDUCIARY NET POSITION - END OF YEAR (b)</b>	<u>\$ 124,500,627</u>	<u>\$ 113,317,013</u>	<u>\$ 99,706,365</u>	<u>\$ 96,755,016</u>	<u>\$ 92,183,994</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 46,496,217</u>	<u>\$ 47,125,622</u>	<u>\$ 40,614,744</u>	<u>\$ 34,452,536</u>	<u>\$ 32,772,105</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.81%	70.63%	71.06%	73.74%	73.77%
Covered Payroll	\$ 23,937,009	\$ 22,564,088	\$ 22,046,899	\$ 21,417,753	\$ 20,512,704
Net Pension Liability as Percentage of Covered Payroll	194.24%	208.85%	184.22%	160.86%	159.76%

Notes to Schedule:

Benefit Changes:

There were No Changes in Benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2021:

There were no significant changes in assumptions.

\* - Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF CONTRIBUTIONS – DEFINED BENEFIT PLAN  
LAST TEN FISCAL YEARS**

Fiscal Year	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	\$ 7,235,059	\$ 6,484,511
Contributions in Relation to the Actuarially Determined Contributions	(7,235,059)	(11,484,511)
Contribution Deficiency (Excess)	\$ -	\$ (5,000,000)
Covered Payroll	\$ 26,345,555	\$ 26,345,555
Contributions as a Percentage of Covered Payroll	27.46%	43.59%

**NOTES TO SCHEDULE**

Valuation Date	6/30/2018	6/30/2017
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**METHODS AND ASSUMPTIONS USED TO DETERMINE**

**CONTRIBUTION RATES**

Actuarial Cost Method	Entry age	Entry age
Amortization Method	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value
Inflation	2.500%	2.625%
Salary Increases	(2)	(2)
Investment Rate of Return	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)
Mortality	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 50 years for the 2.7%@55, and 52 years for the 2%@62
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

\* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.



**CITY OF WEST HOLLYWOOD  
SCHEDULE OF CONTRIBUTIONS – DEFINED BENEFIT PLAN (CONTINUED)  
LAST TEN FISCAL YEARS**

Fiscal year	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 5,798,667	\$ 4,925,060	\$ 4,727,517	\$ 4,485,362	\$ 4,063,914
Contributions in Relation to the Actuarially Determined Contributions	<u>(5,798,667)</u>	<u>(4,925,060)</u>	<u>(4,727,517)</u>	<u>(4,485,362)</u>	<u>(4,063,914)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 24,980,887	\$ 23,937,009	\$ 22,564,088	\$ 22,046,899	\$ 21,417,753
Contributions as a Percentage of Covered Payroll	23.21%	20.58%	20.95%	20.34%	18.97%

**NOTES TO SCHEDULE**

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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**METHODS AND ASSUMPTIONS USED TO DETERMINE**

**CONTRIBUTION RATES**

Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15 Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation

(4) 50 years for the 2.7%@55, and 52 years for the 2%@62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

\* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
LAST TEN FISCAL YEARS**

Fiscal Year End	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017
<b>Total OPEB Liability:</b>				
Service Cost	\$ 332,068	\$ 374,804	\$ 354,487	\$ 344,580
Interest on Total OPEB Liability	364,701	433,437	400,740	367,919
Differences Between Actual and Expected Experience	(43,436)	(777,846)	-	-
Changes of Assumptions	-	(187,349)	38,410	-
Benefit Payments	(251,082)	(252,282)	(230,282)	(215,545)
Net Change in Total OPEB Liability	402,251	(409,236)	563,355	496,954
Total OPEB Liability - Beginning of Year	6,424,408	6,833,644	6,270,289	5,773,335
Total OPEB Liability - End of Year (a)	6,826,659	6,424,408	6,833,644	6,270,289
<b>Plan Fiduciary Net Position:</b>				
Contributions - Employer	251,082	252,282	230,282	215,545
Net Investment Income	322,138	341,687	208,278	180,142
Administrative Expenses	(2,525)	(1,023)	(2,358)	(2,169)
Benefit Payments	(251,082)	(252,282)	(230,282)	(215,545)
Net Change in Plan Fiduciary Net Position	319,613	340,664	205,920	177,973
Plan Fiduciary Net Position - Beginning of Year	5,088,073	4,747,409	4,541,489	4,363,516
Plan Fiduciary Net Position - End of Year (b)	5,407,686	5,088,073	4,747,409	4,541,489
Net OPEB Liability - Ending (a)-(b)	\$ 1,418,973	\$ 1,336,335	\$ 2,086,235	\$ 1,728,800
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	79.21%	79.20%	69.47%	72.43%
Covered Employee Payroll	\$ 26,067,014	\$ 23,658,934	\$ 24,562,742	\$ 22,564,088
Net OPEB Liability as Percentage of Covered - Employee Payroll	5.44%	5.65%	8.49%	7.66%

Notes to Schedule:

Benefit Changes:

There were no Changes in Benefits.

Changes in Assumptions:

From FYE June 30, 2018 to June 30, 2019, the inflation rate was changed from 2.75% to 2.50% and salary increases were changed from 2.88% to 2.75%.

From FYE June 30, 2019 to June 30, 2020, the healthcare trend rate was changed from Pre-Medicare 7.00%, trending down to 3.84% and Medicare 6.00% trending down to 3.84% to 6.40% trending down to 4.00%. In addition, the investment rate of return was changed from 6.12% to 5.50%.

\*Fiscal year 2018 was the first year of implementation; therefore, only four years are shown.

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF CONTRIBUTIONS  
OPEB  
LAST TEN FISCAL YEARS**

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarially Determined Contribution	**	\$ 293,356	\$ 261,225	\$ 215,545
Contributions in Relation to the Actuarially Determined Contributions	**	<u>(251,082)</u>	<u>(252,282)</u>	<u>(230,282)</u>
Contribution Deficiency (Excess)	**	<u>\$ 42,274</u>	<u>\$ 8,943</u>	<u>\$ (14,737)</u>
Covered-Employee Payroll	**	\$ 26,067,014	\$ 23,658,934	\$ 24,562,742
Contributions as a Percentage of Covered-Employee Payroll	**	0.96%	1.07%	0.94%

**Notes to Schedule:**

Valuation Date	**	6/30/2019	6/30/2017	6/30/2017
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**Methods and Assumptions Used to Determine Contribution Rates:**

Single and Agent Employers	**	Entry age normal, level percent of pay		
Amortization Method	**	Closed period, level percent of pay		
Amortization Period	**	20 years		
Inflation	**	2.50%	2.50%	2.75%
Salary Increases	**	2.75%	2.75%	2.88%
Healthcare Trend Rates	**	6.40% trending down to 4.0%	Pre-Medicare 7.00%, trending down to 3.84%; Medicare 6.00%, trending down to 3.84%	
Investment Rate of Return	**	5.50%	6.12%	6.12%
Mortality	**	CalPERS OPEB Assumption Model December 2017		
Retirement Rates	**	experience studies		

\* Fiscal year 2018 was the first year of implementation; therefore, only three years are shown.


\*\* The City is currently making OPEB trust contributions on an ad-hoc basis and paying retiree medical benefits from general assets. The City is not currently calculate an Actuarially Determined Contribution.

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# Supplementary Information



 @WeHoCity Thank you City of WeHo for the new dog park at West Hollywood Park! It's a well-designed, much-needed addition to the neighborhood. #thankyou #weho #dogpark



**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**CITY OF WEST HOLLYWOOD  
OTHER GOVERNMENTAL FUNDS  
JUNE 30, 2021**

**SPECIAL REVENUE FUNDS**

These funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for a specified purpose. The City of West Hollywood has the following Special Revenue Funds:

**Special Grants Fund**

This fund is used to account for various grants the City receives that are restricted for a specific purpose, but do not warrant a separate fund for each grant.

**Proposition “A” Fund**

This revenue is derived from a voter-approved increase of 0.5% on sales tax within the County of Los Angeles, sales of bus passes, purchase of Prop. A funds from other cities and incentive funds from Los Angeles County received at 25% of the net operating cost of the Taxi Coupon program. These funds can be used only for the purposes of providing transportation programs to residents.

**Proposition “C” Fund**

This revenue is derived from a voter-approved increase of 0.5% on sales tax within the County of Los Angeles. The expenditures for this fund must be related to transit programs, which may include paving projects.

**Measure “R” Fund**

This revenue is derived from a voter-approved funds to meet the transportation needs of the County of Los Angeles. The expenditures for this fund must be related to transportation projects and programs.

**Gas Tax Fund**

Street and Highway Code sections 2106, 2107 and 2107.5 provide apportionment of certain monies from the State Highway Fund between the cities and counties; the City shares in proportion to its population. These funds must be used exclusively for the purposes of extensive maintenance, right-of-way or construction of streets which are major thoroughfares or collector streets.

**RMRA**

The City began to use the revenue from Road Maintenance and Rehabilitation Program in fiscal year 2018 to expand road repairs projects throughout the City. It increased various fuel and motor vehicle registration taxes which will provide an allocation of transportation taxes to local agencies. It was created to address deferred maintenance on the state highway system local street and road systems and other transportation uses.



**CITY OF WEST HOLLYWOOD  
OTHER GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2021**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**Air Quality Improvement Fund**

Assembly Bill 2766 authorized a fee on motor vehicle registrations to fund programs to reduce mobile source air pollution. The South Coast Air Quality Management District (AQMD) administers the program, which distributes forty cents of every dollar collected to the cities based on population. Additional grant funds may also be available from AQMD.

**Traffic Fund**

Fees imposed on developers and Federal Grants provide revenues to this fund, which are used to improve traffic flow in the City.

**Public Beautification and Art Fund**

City Ordinance requires the developer of new projects to either install an art object as approved by the Fine Arts Advisory Board or make a contribution to the Public Beautification and Art Fund in an amount established by resolution of the City Council. These funds are to be used for beautification of the City for other art related activities.

**Park Development Fund (Quimby Act)**

The State Government Code authorizes the City to have developers either dedicate land or pay fees to provide open space and park amenities in the City.

**City Lighting Fund**

The City receives a small portion of the 1.0% ad-valorem tax that is assessed on property by the County of Los Angeles. These revenues are used to provide city-wide lighting. In prior years, the City had recorded these revenues in the Lighting and Landscape Fund.

**Public Access Corporation Fund**

This Fund receives 1.0% of the Franchise Fees paid to the General Fund by the local cable company. The money is restricted to the use of the community channel 36 operation.

**Parking Improvement Fund**

Revenue for this fund comes from predetermined amount of parking meter collections, allocated parking fines and exactions from the developers of commercial and residential projects. These funds will be used for construction of parking structures.

**Permit Parking Fund**

Revenue for this fund comes from parking permit fees established to restrict parking within the preferential parking districts in the City. The major expenses are those incurred in managing and enforcing parking in the districts and developing shared parking programs.

**Community Development Block Grant Fund (CDBG)**

This U.S. Department of Housing and Urban Development grant provides resources for revitalization of low-income urban areas, including beautification of the East Side, rehabilitation of low-income rental housing, shelter for the homeless and assistance to low-income business owners.

**CITY OF WEST HOLLYWOOD  
OTHER GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2021**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**Measure “M” Fund**

This revenue is derived from a voter approved increase of 0.5% on sales tax within the County of Los Angeles. Measure M authorized the Los Angeles County Traffic Improvement Plan to improve freeway traffic flow or traffic safety, repair potholes, sidewalk repairs, repave local streets, earthquake retrofit bridges, synchronize signals, and expand rail, subways, and bus systems. Funds will be initially used for studies and planning related to the proposed Metro rail services.

**Measure “W” Fund**

On November 6, 2018, the Safe, Clean Water Program (Measure W) was approved by Los Angeles County voters. Measure W imposes a new parcel tax of 2.5 cents per square foot of impermeable area, except as exempted. Measure W funds are utilized for improving and protecting water quality; capturing rain and stormwater to increase safe drinking water supplies and prepare for future drought; and protect public health and marine life by reducing pollution, trash, toxins, and plastic from entering the Los Angeles County waterways, bays, and beaches. This program has no sunset clause and shall go on perpetually unless terminated by voters in the future.

**Housing Trust Fund**

This fund is used to account for the fees paid by developers of residential properties, as required by City Ordinance. The fees are used to create affordable housing, which includes long-term loans to nonprofit developers to provide housing to low-income residents. Loans issued by the dissolved former redevelopment agency have been transferred to this fund.

**Housing Asset Fund**

This fund is used to account for funds transferred to the housing successor and funds generated by housing assets. This fund includes loans and grants made to nonprofit developers to provide housing to low-income residents.

**CAPITAL PROJECTS FUNDS**

**Santa Monica Boulevard Fund**

This fund is used to account for projects associated with the rehabilitation of Santa Monica Boulevard.

**Debt Funded Capital Projects Fund - Major Fund**

This fund is used to account for the receipt and disbursement of monies used for the construction of the major capital projects, such as mixed-use parking facilities, City Hall acquisition, Homeless Shelter, Fire Station No. 7, new parking meters, the West Hollywood Library, and the City Hall Parking Structure, which generally require more than one budgetary cycle to complete. These projects are funded by the General Fund, bond proceeds and donations obtained by the West Hollywood Library Foundation Fund.

**CITY OF WEST HOLLYWOOD  
OTHER GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2021**

**DEBT SERVICE FUND**

**Capital Projects Debt Service Fund - Major Fund**

Accounts for all financial activity related to the administration of proceeds generated from the issuance of long-term debt. The City issued Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs) for the acquisition and construction of mixed-use parking structures, fire station, homeless shelter, city hall, park renovations, parking meters and the City Hall Parking Structure.

Principal and interest on COPs and LRBs issued are paid from resources accumulated through rents, parking fines, parking meter collections and allocation of costs to divisions in lieu of the square feet occupied at City Hall by the foresaid divisions.

**CITY OF WEST HOLLYWOOD  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	Special Revenue Funds			
	Special Grants	Proposition A	Proposition C	Measure R
<b>ASSETS</b>				
Cash and Investments	\$ 736,439	\$ -	\$ 1,755,564	\$ 796,782
Receivables:				
Accounts	-	-	-	-
Notes and Loans	-	-	-	-
Accrued Interest	468	-	1,144	498
Prepaid Costs	-	-	88,536	-
Due from Other Governments	422,995	-	-	-
	<u>422,995</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,159,902</u>	<u>\$ -</u>	<u>\$ 1,845,244</u>	<u>\$ 797,280</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 29,351	\$ 210,047	\$ -	\$ 51,243
Unearned Revenues	108,602	-	-	-
Deposits Payable	-	-	-	3,163
Due to Other Governments	-	-	-	-
Due to Other Funds	-	109,482	-	-
Total Liabilities	<u>137,953</u>	<u>319,529</u>	<u>-</u>	<u>54,406</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	189,840	-	-	-
Total Deferred Inflows of Resources	<u>189,840</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable:				
Prepaid costs	-	-	88,536	-
Restricted:				
Public services	832,109	-	1,756,708	742,874
Capital projects	-	-	-	-
Unassigned	-	(319,529)	-	-
	<u>-</u>	<u>(319,529)</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficit)	<u>832,109</u>	<u>(319,529)</u>	<u>1,845,244</u>	<u>742,874</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,159,902</u>	<u>\$ -</u>	<u>\$ 1,845,244</u>	<u>\$ 797,280</u>

**CITY OF WEST HOLLYWOOD  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2021**

Special Revenue Funds (Continued)

Gas Tax	RMRA	Air Quality Improvement	Traffic	Public Beautification and Art	Quimby Act	City Lighting
\$ -	\$ 1,527,695	\$ 260,730	\$ 542,844	\$ 2,266,835	\$ 2,444,236	\$ 3,539,410
-	-	-	-	-	-	9,650
-	-	-	-	-	-	-
-	954	163	340	1,418	1,530	2,215
-	-	-	-	-	-	-
<u>95,889</u>	<u>122,303</u>	<u>12,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,439</u>
<u>\$ 95,889</u>	<u>\$ 1,650,952</u>	<u>\$ 272,913</u>	<u>\$ 543,184</u>	<u>\$ 2,268,253</u>	<u>\$ 2,445,766</u>	<u>\$ 3,590,714</u>
\$ 97,710	\$ -	\$ -	\$ 11,615	\$ 19,570	\$ 21,587	\$ 705,599
-	-	-	-	139,133	-	-
2,409	-	-	-	-	-	33,469
-	-	-	-	-	-	-
523,793	-	-	-	-	-	-
<u>623,912</u>	<u>-</u>	<u>-</u>	<u>11,615</u>	<u>158,703</u>	<u>21,587</u>	<u>739,068</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,650,952	272,913	531,569	2,109,550	2,424,179	2,851,646
-	-	-	-	-	-	-
<u>(528,023)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(528,023)</u>	<u>1,650,952</u>	<u>272,913</u>	<u>531,569</u>	<u>2,109,550</u>	<u>2,424,179</u>	<u>2,851,646</u>
<u>\$ 95,889</u>	<u>\$ 1,650,952</u>	<u>\$ 272,913</u>	<u>\$ 543,184</u>	<u>\$ 2,268,253</u>	<u>\$ 2,445,766</u>	<u>\$ 3,590,714</u>

**CITY OF WEST HOLLYWOOD  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2021**

	Special Revenue Funds (Continued)			
	Public Access Corporation	Parking Improvement	Permit Parking	CDBG
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ -	\$ 302,969	\$ -
Receivables:				
Accounts	26,220	105,964	-	-
Notes and Loans	-	-	-	500,928
Accrued Interest	-	-	70	-
Prepaid Costs	-	-	-	-
Due from Other Governments	-	-	-	255,423
	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,423</u>
Total Assets	<u>\$ 26,220</u>	<u>\$ 105,964</u>	<u>\$ 303,039</u>	<u>\$ 756,351</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 665	\$ 387,286	\$ 62,913	\$ 7,348
Unearned Revenues	-	92,290	-	-
Deposits Payable	-	45,773	-	10,576
Due to Other Governments	-	-	-	500,928
Due to Other Funds	66,565	1,670,374	-	235,053
Total Liabilities	<u>67,230</u>	<u>2,195,723</u>	<u>62,913</u>	<u>753,905</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenues	-	-	-	-
Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable:				
Prepaid Costs	-	-	-	-
Restricted:				
Public Services	-	-	-	2,446
Capital Projects	-	-	240,126	-
Unassigned	<u>(41,010)</u>	<u>(2,089,759)</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficit)	<u>(41,010)</u>	<u>(2,089,759)</u>	<u>240,126</u>	<u>2,446</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 26,220</u>	<u>\$ 105,964</u>	<u>\$ 303,039</u>	<u>\$ 756,351</u>

**CITY OF WEST HOLLYWOOD  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2021**

Special Revenue Funds (Continued)				Capital Projects Fund	Total Other Governmental Funds
Measure M	Measure W	Housing Trust	Housing Asset	Santa Monica Boulevard	
\$ 744,440	\$ 259,098	\$ 18,491,941	\$ 138,757	\$ 4,500,532	\$ 38,308,272
-	-	59,432	41,784	-	243,050
-	-	-	-	-	500,928
469	162	11,577	87	2,818	23,913
-	-	-	-	-	88,536
-	-	-	-	-	948,069
<u>\$ 744,909</u>	<u>\$ 259,260</u>	<u>\$ 18,562,950</u>	<u>\$ 180,628</u>	<u>\$ 4,503,350</u>	<u>\$ 40,112,768</u>
\$ 81,870	\$ -	\$ 61,025	\$ -	\$ -	\$ 1,747,829
-	-	-	-	-	340,025
-	-	-	-	23,209	118,599
-	-	-	-	-	500,928
-	-	-	-	-	2,605,267
81,870	-	61,025	-	23,209	5,312,648
-	-	-	-	-	189,840
-	-	-	-	-	189,840
-	-	-	-	-	88,536
663,039	259,260	18,501,925	180,628	-	32,779,798
-	-	-	-	4,480,141	4,720,267
-	-	-	-	-	(2,978,321)
<u>663,039</u>	<u>259,260</u>	<u>18,501,925</u>	<u>180,628</u>	<u>4,480,141</u>	<u>34,610,280</u>
<u>\$ 744,909</u>	<u>\$ 259,260</u>	<u>\$ 18,562,950</u>	<u>\$ 180,628</u>	<u>\$ 4,503,350</u>	<u>\$ 40,112,768</u>

**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
OTHER GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds			
	Special Grants	Proposition A	Proposition C	Measure R
<b>REVENUES</b>				
Taxes	\$ -	\$ 737,603	\$ 611,816	\$ 459,498
Intergovernmental	125,303	1,058,986	-	-
Charges for Services	-	-	-	-
Use of Money and Property	1,682	1,280	56	1,543
Fines and Forfeitures	-	-	-	-
Developer Participation	-	-	-	-
Miscellaneous	-	-	1,069	-
Total Revenues	<u>126,985</u>	<u>1,797,869</u>	<u>612,941</u>	<u>461,041</u>
<b>EXPENDITURES</b>				
Current:				
General Government	6,000	-	52,528	-
Public Safety	108,004	-	-	-
Public Services	25,546	2,869,740	195,250	355,738
Capital Outlay	-	-	-	21,588
Debt Service:				
Principal Retirement	-	-	-	-
Total Expenditures	<u>139,550</u>	<u>2,869,740</u>	<u>247,778</u>	<u>377,326</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(12,565)	(1,071,871)	365,163	83,715
<b>OTHER FINANCING USES</b>				
Transfers Out	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(12,565)	(1,071,871)	365,163	83,715
Fund Balances (Deficits) - Beginning of Year	<u>844,674</u>	<u>752,342</u>	<u>1,480,081</u>	<u>659,159</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 832,109</u>	<u>\$ (319,529)</u>	<u>\$ 1,845,244</u>	<u>\$ 742,874</u>



**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES (CONTINUED)  
OTHER GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

Special Revenue Funds (Continued)

Gas Tax	RMRA	Air Quality Improvement	Traffic	Public Beautification and Art	Quimby Act	City Lighting
\$ -	\$ -	\$ 47,273	\$ -	\$ -	\$ -	\$ 1,767,637
812,280	671,150	-	-	-	-	6,635
-	-	-	-	-	-	-
-	2,570	533	(1,020)	(101)	2,289	(2,996)
-	-	-	-	-	-	-
-	-	-	77,382	445,055	227,063	-
-	-	-	-	-	-	-
<u>812,280</u>	<u>673,720</u>	<u>47,806</u>	<u>76,362</u>	<u>444,954</u>	<u>229,352</u>	<u>1,771,276</u>
-	-	-	-	75,007	-	-
-	-	-	-	-	-	-
1,034,779	-	119	144,119	-	-	699,846
33,572	-	-	452,183	-	267,161	963,092
-	-	-	-	-	-	-
<u>1,068,351</u>	<u>-</u>	<u>119</u>	<u>596,302</u>	<u>75,007</u>	<u>267,161</u>	<u>1,662,938</u>
(256,071)	673,720	47,687	(519,940)	369,947	(37,809)	108,338
-	-	-	-	-	-	-
(256,071)	673,720	47,687	(519,940)	369,947	(37,809)	108,338
<u>(271,952)</u>	<u>977,232</u>	<u>225,226</u>	<u>1,051,509</u>	<u>1,739,603</u>	<u>2,461,988</u>	<u>2,743,308</u>
<u>\$ (528,023)</u>	<u>\$ 1,650,952</u>	<u>\$ 272,913</u>	<u>\$ 531,569</u>	<u>\$ 2,109,550</u>	<u>\$ 2,424,179</u>	<u>\$ 2,851,646</u>

**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES (CONTINUED)  
OTHER GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds (Continued)			
	Public Access Corporation	Parking Improvement	Permit Parking	CDBG
<b>REVENUES</b>				
Taxes	\$ 86,822	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	616,307
Charges for Services	-	492,098	-	-
Use of Money and Property	1	1,205,380	757,440	-
Fines and Forfeitures	-	522,596	-	-
Developer Participation	-	129,234	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>86,823</u>	<u>2,349,308</u>	<u>757,440</u>	<u>616,307</u>
<b>EXPENDITURES</b>				
Current:				
General Government	144,353	57,785	-	-
Public Safety	-	-	-	-
Public Services	-	2,318,492	993,610	181,281
Capital Outlay	-	495,763	-	435,026
Debt Service:				
Principal Retirement	-	10,052	-	-
Total Expenditures	<u>144,353</u>	<u>2,882,092</u>	<u>993,610</u>	<u>616,307</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(57,530)	(532,784)	(236,170)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(1,252,506)	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(57,530)	(1,785,290)	(236,170)	-
Fund Balances (Deficits) - Beginning of Year	<u>16,520</u>	<u>(304,469)</u>	<u>476,296</u>	<u>2,446</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ (41,010)</u>	<u>\$ (2,089,759)</u>	<u>\$ 240,126</u>	<u>\$ 2,446</u>

**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES (CONTINUED)  
OTHER GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

Special Revenue Funds (Continued)				Capital Projects Fund	Total Other Governmental Funds
Measure M	Measure W	Housing Trust	Housing Asset	Santa Monica Boulevard	
\$ 520,628	\$ -	\$ -	\$ -	\$ -	\$ 4,231,277
-	258,741	-	-	-	3,549,402
-	-	-	-	-	492,098
413	519	(41,960)	381	(6,547)	1,921,463
-	-	-	-	-	522,596
-	-	2,737,803	-	-	3,616,537
-	-	55,810	41,784	-	98,663
<u>521,041</u>	<u>259,260</u>	<u>2,751,653</u>	<u>42,165</u>	<u>(6,547)</u>	<u>14,432,036</u>
-	-	11,786	-	-	347,459
-	-	-	-	-	108,004
377,502	-	11,642,503	-	-	20,838,525
-	-	-	-	-	2,668,385
-	-	-	-	-	10,052
<u>377,502</u>	<u>-</u>	<u>11,654,289</u>	<u>-</u>	<u>-</u>	<u>23,972,425</u>
143,539	259,260	(8,902,636)	42,165	(6,547)	(9,540,389)
-	-	-	-	-	(1,252,506)
143,539	259,260	(8,902,636)	42,165	(6,547)	(10,792,895)
519,500	-	27,404,561	138,463	4,486,688	45,403,175
<u>\$ 663,039</u>	<u>\$ 259,260</u>	<u>\$ 18,501,925</u>	<u>\$ 180,628</u>	<u>\$ 4,480,141</u>	<u>\$ 34,610,280</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
SPECIAL GRANTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 844,674	\$ 844,674	\$ 844,674	\$ -
Resources (Inflows):				
Intergovernmental	126,559	736,559	125,303	(611,256)
Use of Money and Property	-	-	1,682	1,682
Amounts Available for Appropriations	<u>971,233</u>	<u>1,581,233</u>	<u>971,659</u>	<u>(609,574)</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	9,000	9,000	6,000	3,000
Public Safety	20,000	20,000	108,004	(88,004)
Public Services	97,559	707,559	25,546	682,013
Capital Outlay	-	2,812,137	-	2,812,137
Total Charges to Appropriations	<u>126,559</u>	<u>3,548,696</u>	<u>139,550</u>	<u>3,409,146</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ 844,674</u>	<u>\$ (1,967,463)</u>	<u>\$ 832,109</u>	<u>\$ 2,799,572</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PROPOSITION A SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 752,342	\$ 752,342	\$ 752,342	\$ -
Resources (Inflows):				
Taxes	651,040	651,040	737,603	86,563
Intergovernmental	3,192,793	3,192,793	1,058,986	(2,133,807)
Use of Money and Property	20,600	20,600	1,280	(19,320)
Miscellaneous	-	-	-	-
Amounts Available for Appropriations	<u>4,616,775</u>	<u>4,616,775</u>	<u>2,550,211</u>	<u>(2,066,564)</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	3,775,633	3,775,633	2,869,740	905,893
Capital Outlay	-	251,145	-	251,145
Total Charges to Appropriations	<u>3,775,633</u>	<u>4,026,778</u>	<u>2,869,740</u>	<u>1,157,038</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ 841,142</u>	<u>\$ 589,997</u>	<u>\$ (319,529)</u>	<u>\$ (909,526)</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PROPOSITION C SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 1,480,081	\$ 1,480,081	\$ 1,480,081	\$ -
Resources (Inflows):				
Taxes	540,020	540,020	611,816	71,796
Use of Money and Property	5,150	5,150	56	(5,094)
Miscellaneous	-	-	1,069	1,069
Amounts Available for Appropriations	<u>2,025,251</u>	<u>2,025,251</u>	<u>2,093,022</u>	<u>67,771</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	91,000	58,821	52,528	6,293
Public Services	125,276	403,119	195,250	207,869
Capital Outlay	160,000	179,367	-	179,367
Total Charges to Appropriations	<u>376,276</u>	<u>641,307</u>	<u>247,778</u>	<u>393,529</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 1,648,975</u>	<u>\$ 1,383,944</u>	<u>\$ 1,845,244</u>	<u>\$ 461,300</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
MEASURE R SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 659,159	\$ 659,159	\$ 659,159	\$ -
Resources (Inflows):				
Taxes	405,000	405,000	459,498	54,498
Use of Money and Property	5,150	5,150	1,543	(3,607)
Amounts Available for Appropriations	<u>1,069,309</u>	<u>1,069,309</u>	<u>1,120,200</u>	<u>50,891</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	340,334	459,466	355,738	103,728
Capital Outlay	-	22,344	21,588	756
Total Charges to Appropriations	<u>340,334</u>	<u>481,810</u>	<u>377,326</u>	<u>104,484</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 728,975</u>	<u>\$ 587,499</u>	<u>\$ 742,874</u>	<u>\$ 155,375</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
GAS TAX SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE (DEFICIT), JULY 1</b>	\$ (271,952)	\$ (271,952)	\$ (271,952)	\$ -
Resources (Inflows):				
Intergovernmental	770,496	770,496	812,280	41,784
Use of Money and Property	2,060	2,060	-	(2,060)
Amounts Available for Appropriations	<u>500,604</u>	<u>500,604</u>	<u>540,328</u>	<u>39,724</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	1,287,169	1,101,335	1,034,779	66,556
Capital Outlay	-	85,000	33,572	51,428
Total Charges to Appropriations	<u>1,287,169</u>	<u>1,186,335</u>	<u>1,068,351</u>	<u>117,984</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ (786,565)</u>	<u>\$ (685,731)</u>	<u>\$ (528,023)</u>	<u>\$ 157,708</u>



**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
RMRA SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 977,232	\$ 977,232	\$ 977,232	\$ -
Resources (Inflows):				
Intergovernmental	519,294	519,294	671,150	151,856
Use of Money and Property	-	-	2,570	2,570
Amounts Available for Appropriations	<u>1,496,526</u>	<u>1,496,526</u>	<u>1,650,952</u>	<u>154,426</u>
Charges to Appropriations (Outflows):				
Capital Outlay	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>900,000</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 596,526</u>	<u>\$ 596,526</u>	<u>\$ 1,650,952</u>	<u>\$ 1,054,426</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 225,226	\$ 225,226	\$ 225,226	\$ -
Resources (Inflows):				
Taxes	49,440	49,440	47,273	(2,167)
Use of Money and Property	1,030	1,030	533	(497)
Amounts Available for Appropriations	<u>275,696</u>	<u>275,696</u>	<u>273,032</u>	<u>(2,664)</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	40,000	40,000	119	39,881
Capital Outlay	-	150,000	-	150,000
Total Charges to Appropriations	<u>40,000</u>	<u>190,000</u>	<u>119</u>	<u>189,881</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 235,696</u>	<u>\$ 85,696</u>	<u>\$ 272,913</u>	<u>\$ 187,217</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
TRAFFIC SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 1,051,509	\$ 1,051,509	\$ 1,051,509	\$ -
Resources (Inflows):				
Use of Money and Property	5,150	5,150	(1,020)	(6,170)
Developer Participation	51,500	51,500	77,382	25,882
Amounts Available for Appropriations	<u>1,108,159</u>	<u>1,108,159</u>	<u>1,127,871</u>	<u>19,712</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	137,601	137,601	144,119	(6,518)
Capital Outlay	-	1,249,244	452,183	797,061
Total Charges to Appropriations	<u>137,601</u>	<u>1,386,845</u>	<u>596,302</u>	<u>790,543</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ 970,558</u>	<u>\$ (278,686)</u>	<u>\$ 531,569</u>	<u>\$ 810,255</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PUBLIC BEAUTIFICATION AND ART SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 1,739,603	\$ 1,739,603	\$ 1,739,603	\$ -
Resources (Inflows):				
Use of Money and Property	20,600	20,600	(101)	(20,701)
Developer Participation	51,500	51,500	445,055	393,555
Amounts Available for Appropriations	<u>1,811,703</u>	<u>1,811,703</u>	<u>2,184,557</u>	<u>372,854</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	123,500	146,038	75,007	71,031
Total Charges to Appropriations	<u>123,500</u>	<u>146,038</u>	<u>75,007</u>	<u>71,031</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 1,688,203</u>	<u>\$ 1,665,665</u>	<u>\$ 2,109,550</u>	<u>\$ 443,885</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
QUIMBY ACT SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 2,461,988	\$ 2,461,988	\$ 2,461,988	\$ -
Resources (Inflows):				
Use of Money and Property	20,600	20,600	2,289	(18,311)
Developer Participation	51,500	51,500	227,063	175,563
Amounts Available for Appropriations	<u>2,534,088</u>	<u>2,534,088</u>	<u>2,691,340</u>	<u>157,252</u>
Charges to Appropriations (Outflows):				
Capital Outlay	-	1,899,531	267,161	1,632,370
Total Charges to Appropriations	<u>-</u>	<u>1,899,531</u>	<u>267,161</u>	<u>1,632,370</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 2,534,088</u>	<u>\$ 634,557</u>	<u>\$ 2,424,179</u>	<u>\$ 1,789,622</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CITY LIGHTING SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 2,743,308	\$ 2,743,308	\$ 2,743,308	\$ -
Resources (Inflows):				
Taxes	1,335,344	1,335,344	1,767,637	432,293
Intergovernmental	7,210	7,210	6,635	(575)
Use of Money and Property	20,600	20,600	(2,996)	(23,596)
Amounts Available for Appropriations	<u>4,106,462</u>	<u>4,106,462</u>	<u>4,514,584</u>	<u>408,122</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	734,000	734,000	699,846	34,154
Capital Outlay	600,000	972,400	963,092	9,308
Total Charges to Appropriations	<u>1,334,000</u>	<u>1,706,400</u>	<u>1,662,938</u>	<u>43,462</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 2,772,462</u>	<u>\$ 2,400,062</u>	<u>\$ 2,851,646</u>	<u>\$ 451,584</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PUBLIC ACCESS CORPORATION SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 16,520	\$ 16,520	\$ 16,520	\$ -
Resources (Inflows):				
Taxes	144,200	144,200	86,822	(57,378)
Use of Money and Property	258	258	1	(257)
Miscellaneous	515	515	-	(515)
Amounts Available for Appropriations	<u>161,493</u>	<u>161,493</u>	<u>103,343</u>	<u>(58,150)</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	136,783	138,233	144,353	(6,120)
Total Charges to Appropriations	<u>136,783</u>	<u>138,233</u>	<u>144,353</u>	<u>(6,120)</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ 24,710</u>	<u>\$ 23,260</u>	<u>\$ (41,010)</u>	<u>\$ (64,270)</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PARKING IMPROVEMENT SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE (DEFICIT), JULY 1</b>	\$ (304,469)	\$ (304,469)	\$ (304,469)	\$ -
Resources (Inflows):				
Charges for Services	400,000	400,000	492,098	92,098
Use of Money and Property	1,701,470	1,701,470	1,205,380	(496,090)
Fines and Forfeitures	750,000	750,000	522,596	(227,404)
Developer Participation	153,770	153,770	129,234	(24,536)
Amounts Available for Appropriations	<u>2,700,771</u>	<u>2,700,771</u>	<u>2,044,839</u>	<u>(655,932)</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	56,465	56,465	57,785	(1,320)
Public Services	2,675,481	2,738,356	2,318,492	419,864
Capital Outlay	-	2,650,740	495,763	2,154,977
Debt Service:				
Principal Retirement	-	10,052	10,052	-
Transfers Out	<u>1,252,506</u>	<u>1,252,506</u>	<u>1,252,506</u>	<u>-</u>
Total Charges to Appropriations	<u>3,984,452</u>	<u>6,708,119</u>	<u>4,134,598</u>	<u>2,573,521</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u><u>\$ (1,283,681)</u></u>	<u><u>\$ (4,007,348)</u></u>	<u><u>\$ (2,089,759)</u></u>	<u><u>\$ 1,917,589</u></u>



**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PERMIT PARKING SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 476,296	\$ 476,296	\$ 476,296	\$ -
Resources (Inflows):				
Use of Money and Property	<u>822,421</u>	<u>822,421</u>	<u>757,440</u>	<u>(64,981)</u>
Amounts Available for Appropriations	<u>1,298,717</u>	<u>1,298,717</u>	<u>1,233,736</u>	<u>(64,981)</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	<u>1,132,408</u>	<u>1,148,408</u>	<u>993,610</u>	<u>154,798</u>
Total Charges to Appropriations	<u>1,132,408</u>	<u>1,148,408</u>	<u>993,610</u>	<u>154,798</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 166,309</u>	<u>\$ 150,309</u>	<u>\$ 240,126</u>	<u>\$ 89,817</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 2,446	\$ 2,446	\$ 2,446	\$ -
Resources (Inflows):				
Intergovernmental	<u>250,000</u>	<u>250,000</u>	<u>616,307</u>	<u>366,307</u>
Amounts Available for Appropriations	<u>252,446</u>	<u>252,446</u>	<u>618,753</u>	<u>366,307</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	46,999	185,240	181,281	3,959
Capital Outlay	<u>203,001</u>	<u>426,529</u>	<u>435,026</u>	<u>(8,497)</u>
Total Charges to Appropriations	<u>250,000</u>	<u>611,769</u>	<u>616,307</u>	<u>(4,538)</u>
<b>BUDGETARY FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ 2,446</u>	<u>\$ (359,323)</u>	<u>\$ 2,446</u>	<u>\$ 361,769</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
MEASURE M SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 519,500	\$ 519,500	\$ 519,500	\$ -
Resources (Inflows):				
Taxes	459,020	459,020	520,628	61,608
Use of Money and Property	927	927	413	(514)
Amounts Available for Appropriations	<u>979,447</u>	<u>979,447</u>	<u>1,040,541</u>	<u>61,094</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	490,000	736,486	377,502	358,984
Total Charges to Appropriations	<u>490,000</u>	<u>736,486</u>	<u>377,502</u>	<u>358,984</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 489,447</u>	<u>\$ 242,961</u>	<u>\$ 663,039</u>	<u>\$ 420,078</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
HOUSING TRUST SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 27,404,561	\$ 27,404,561	\$ 27,404,561	\$ -
Resources (Inflows):				
Use of Money and Property	200,200	200,200	(41,960)	(242,160)
Developer Participation	1,000,000	1,000,000	2,737,803	1,737,803
Miscellaneous	-	-	55,810	55,810
Amounts Available for Appropriations	<u>28,604,761</u>	<u>28,604,761</u>	<u>30,156,214</u>	<u>1,551,453</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	80,000	80,000	11,786	68,214
Public Services	433,354	11,858,669	11,642,503	216,166
Total Charges to Appropriations	<u>513,354</u>	<u>11,938,669</u>	<u>11,654,289</u>	<u>284,380</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 28,091,407</u>	<u>\$ 16,666,092</u>	<u>\$ 18,501,925</u>	<u>\$ 1,835,833</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
SANTA MONICA BOULEVARD CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 4,486,688	\$ 4,486,688	\$ 4,486,688	\$ -
Resources (Inflows):				
Use of Money and Property	41,200	41,200	(6,547)	(47,747)
Amounts Available for Appropriations	<u>4,527,888</u>	<u>4,527,888</u>	<u>4,480,141</u>	<u>(47,747)</u>
Charges to Appropriations (Outflows):				
Current:				
Capital Outlay	-	804,655	-	804,655
Total Charges to Appropriations	<u>-</u>	<u>804,655</u>	<u>-</u>	<u>804,655</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 4,527,888</u>	<u>\$ 3,723,233</u>	<u>\$ 4,480,141</u>	<u>\$ 756,908</u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
DEBT FUNDED CAPITAL PROJECTS FUND – MAJOR FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 2,662,286	\$ 2,662,286	\$ 2,662,286	\$ -
Resources (Inflows):				
Use of Money and Property	-	-	(3,642)	(3,642)
Contributions	-	-	1,980,000	1,980,000
Miscellaneous	-	-	150,006	150,006
Transfers In	-	26,934,583	26,934,583	-
Amounts Available for Appropriations	<u>2,662,286</u>	<u>29,596,869</u>	<u>31,723,233</u>	<u>2,126,364</u>
Charges to Appropriations (Outflows):				
Current:				
Public Services	151,434	151,434	-	151,434
Capital Outlay	<u>10,511,000</u>	<u>50,101,016</u>	<u>26,837,001</u>	<u>23,264,015</u>
Total Charges to Appropriations	<u>10,662,434</u>	<u>50,252,450</u>	<u>26,837,001</u>	<u>23,415,449</u>
<b>BUDGETARY FUND BALANCE, (DEFICIT), JUNE 30</b>	<u><u>\$ (8,000,148)</u></u>	<u><u>\$ (20,655,581)</u></u>	<u><u>\$ 4,886,232</u></u>	<u><u>\$ 25,541,813</u></u>

**CITY OF WEST HOLLYWOOD  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CAPITAL PROJECTS DEBT SERVICE – MAJOR FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>BUDGETARY FUND BALANCE, JULY 1</b>	\$ 89,009,046	\$ 89,009,046	\$ 89,009,046	\$ -
Resources (Inflows):				
Use of Money and Property	977,306	977,306	1,035,158	57,852
Transfers In	6,783,520	6,783,520	6,783,520	-
Amounts Available for Appropriations	<u>96,769,872</u>	<u>96,769,872</u>	<u>96,827,724</u>	<u>57,852</u>
Charges to Appropriations (Outflows):				
Debt service:				
Principal Retirement	1,750,000	1,750,000	1,750,000	-
Interest and Fiscal Charges	6,737,644	6,737,644	6,663,759	73,885
Transfers Out	-	26,934,583	26,934,583	-
Total Charges to Appropriations	<u>8,487,644</u>	<u>35,422,227</u>	<u>35,348,342</u>	<u>73,885</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ 88,282,228</u>	<u>\$ 61,347,645</u>	<u>\$ 61,479,382</u>	<u>\$ 131,737</u>

**CITY OF WEST HOLLYWOOD  
DESCRIPTION OF NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2021**

**NONMAJOR ENTERPRISE FUNDS (PROPRIETARY FUNDS)**

**Enterprise Funds**

The following enterprise funds are used to account for the provision of goods and services, primarily to the public at large, on a user charge basis.

**Sewer Charge Fund**

Assessments for the sewers are determined by the City Engineer based on the type of dwellings and their usage. These assessments are attached to the property tax bill and then distributed to the City by the County of Los Angeles. Uses of this fund are for all engineering costs, mileage, overhead and maintenance costs related to the sewers. This fund also contains sewer assets transferred from the County of Los Angeles when the City took over the Sewer District.

**Solid Waste Fund**

The City levies assessments for collection of solid waste from residential and/or commercial premises. The revenues are used to support the Engineering Division of the Department of Public Works.

**Landscape District Fund**

An assessment is levied on the lots and parcels of property within the designated Landscape Maintenance District. Collection and distribution of the assessment is done by the County of Los Angeles. The revenue generated in this fund is used for maintenance, operation and servicing of boulevard median and parkways within the District.

**Street Maintenance Fund**

An assessment is levied on parcels of property within the City limits. Collection and distribution of the assessment is done by the County of Los Angeles. The revenue will be used for maintenance, operation, and servicing of the roadways within the City.



**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				
	Sewer Charge	Solid Waste	Landscape District	Street Maintenance	Total
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ 2,316,378	\$ 556,849	\$ 295,960	\$ 102,055	\$ 3,271,242
Receivables:					
Accounts	27,653	705	9,353	223	37,934
Accrued Interest	1,469	348	185	64	2,066
Due from Other Governments	39,609	43,755	8,716	7,778	99,858
Total Current Assets	<u>2,385,109</u>	<u>601,657</u>	<u>314,214</u>	<u>110,120</u>	<u>3,411,100</u>
Noncurrent Assets:					
Capital Assets, Net of Accumulated					
Depreciation	10,036,505	-	-	-	10,036,505
Total Noncurrent Assets	<u>10,036,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,036,505</u>
 Total Assets	 12,421,614	 601,657	 314,214	 110,120	 13,447,605
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Amounts from Pension	67,754	79,367	-	52,398	199,519
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	11,186	648	-	2,333	14,167
Total Current Liabilities	<u>11,186</u>	<u>648</u>	<u>-</u>	<u>2,333</u>	<u>14,167</u>
Long-Term Liabilities:					
Net Pension Liability	326,942	382,981	-	252,844	962,767
Total Liabilities	338,128	383,629	-	255,177	976,934
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Amounts from Pension	4,125	4,832	-	3,190	12,147
<b>NET POSITION</b>					
Net Investment in Capital Assets	10,036,505	-	-	-	10,036,505
Unrestricted	2,110,610	292,563	314,214	(95,849)	2,621,538
 Total Net Position	 <u>\$ 12,147,115</u>	 <u>\$ 292,563</u>	 <u>\$ 314,214</u>	 <u>\$ (95,849)</u>	 <u>\$ 12,658,043</u>

**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				
	Sewer Charge	Solid Waste	Landscape District	Street Maintenance	Total
<b>OPERATING REVENUES</b>					
Sales and Service Charges	\$ 1,348,480	\$ 1,665,863	\$ 190,723	\$ 297,711	\$ 3,502,777
Penalties on Assessments	4,244	7,966	1,089	1,266	14,565
Other Fees and Charges	49,399	-	-	-	49,399
<b>Total Operating Revenues</b>	<b>1,402,123</b>	<b>1,673,829</b>	<b>191,812</b>	<b>298,977</b>	<b>3,566,741</b>
<b>OPERATING EXPENSES</b>					
Administration and General	34,141	52,651	-	18,158	104,950
Treatment	578,489	1,611,486	-	268,439	2,458,414
Cost of Sales and Services	-	-	167,792	-	167,792
Depreciation Expense	446,192	-	-	-	446,192
<b>Total Operating Expenses</b>	<b>1,058,822</b>	<b>1,664,137</b>	<b>167,792</b>	<b>286,597</b>	<b>3,177,348</b>
<b>OPERATING INCOME (LOSS)</b>	<b>343,301</b>	<b>9,692</b>	<b>24,020</b>	<b>12,380</b>	<b>389,393</b>
<b>NONOPERATING REVENUES</b>					
Interest Revenue	314	343	1,108	331	2,096
<b>Total Nonoperating Revenues</b>	<b>314</b>	<b>343</b>	<b>1,108</b>	<b>331</b>	<b>2,096</b>
<b>CHANGE IN NET POSITION</b>	<b>343,615</b>	<b>10,035</b>	<b>25,128</b>	<b>12,711</b>	<b>391,489</b>
Net Position - Beginning of Year, as Restated	11,803,500	282,528	289,086	(108,560)	12,266,554
<b>NET POSITION - END OF YEAR</b>	<b>\$ 12,147,115</b>	<b>\$ 292,563</b>	<b>\$ 314,214</b>	<b>\$ (95,849)</b>	<b>\$ 12,658,043</b>

**CITY OF WEST HOLLYWOOD  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				
	Sewer Charge	Solid Waste	Landscape District	Street Maintenance	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers and Users	\$ 1,397,572	\$ 1,654,853	\$ 187,166	\$ 296,535	\$ 3,536,126
Cash Paid to Suppliers for Goods and Services	(542,183)	(1,516,624)	(167,792)	(158,566)	(2,385,165)
Cash Paid to Employees for Services	(188,785)	(216,439)	-	(113,680)	(518,904)
Net Cash Provided (Used) by Operating Activities	666,604	(78,210)	19,374	24,289	632,057
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Cash Paid to Other Funds	(33,559)	-	-	-	(33,559)
Cash Received from Other Funds	-	33,559	-	-	33,559
Net Cash Provided by Noncapital Financing Activities	(33,559)	33,559	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest Received	2,194	1,235	1,463	419	5,311
Net Cash Provided by Investing Activities	2,194	1,235	1,463	419	5,311
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	635,239	(43,416)	20,837	24,708	637,368
Cash and Cash Equivalents - Beginning of Year	1,681,139	600,265	275,123	77,347	2,633,874
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,316,378</u>	<u>\$ 556,849</u>	<u>\$ 295,960</u>	<u>\$ 102,055</u>	<u>\$ 3,271,242</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ 343,301	\$ 9,692	\$ 24,020	\$ 12,380	\$ 389,393
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	446,192	-	-	-	446,192
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Due from Other Governments	(4,551)	(18,976)	(4,646)	(2,442)	(30,615)
Deferred Outflows from Pension	35,086	53,042	-	28,554	116,682
Increase (Decrease) in:					
Accounts Payable	(147,160)	(75,460)	-	(4,703)	(227,323)
Net Pension Liability	2,061	(35,310)	-	(2,890)	(36,139)
Deferred Inflows from Pension	(8,325)	(11,198)	-	(6,610)	(26,133)
Net Cash Provided by (Used) Operating Activities	<u>\$ 666,604</u>	<u>\$ (78,210)</u>	<u>\$ 19,374</u>	<u>\$ 24,289</u>	<u>\$ 632,057</u>

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**CITY OF WEST HOLLYWOOD  
DESCRIPTION OF CUSTODIAL FUNDS AND ALL PRIVATE-PURPOSE TRUST FUNDS  
JUNE 30, 2021**

**FIDUCIARY FUNDS CUSTODIAL FUNDS**

**West Hollywood Design District – Custodial**

This is a business improvement district formed in 1996 to market and promote the area as a premier designation for art, design restaurants, boutiques, and specialty retail. Businesses located between Santa Monica Boulevard and Beverly Boulevard, between Doheny Drive and La Cienega Boulevard are assessed based on the category in which their business falls. Assessments are a combination of a base assessment (determined by category of business) and a sliding scale assessment (based on annual gross sales).

**West Hollywood Tourism Improvements District – Custodial**

The West Hollywood Tourism Improvement District was established in 2013 (previously the Hotel Marketing Benefit Zone) to promote the City of West Hollywood as a destination and to develop a thriving visitor market. This fund accounts for the receipt of 3% of the Transient Occupancy Tax (hotel tax) collected by the City on behalf of West Hollywood Marketing Corporation (known as Visit West Hollywood). This receipt of 3% assessment is granted to the WHMC to use to advertise the City as a travel destination and convention site.

**Sunset Strip Business Improvement District – Custodial**

Created in 2002, the Business Improvement District is an assessment district that improves the business and neighboring residential environment on Sunset Blvd. through security, street maintenance, public outreach, and marketing. Businesses located on Sunset Blvd. from Doheny Road on the west to a half block west of Havenhurst Drive on the east are assessed if they fall within a qualifying category: nightclubs, bars, adult businesses, hotels, restaurants and other, which includes liquor stores/convenience stores with liquor; valet parking services; and retail stores. This fund is used to account for the annual assessments and remittances to the District.

**Legacy Medical Business Marketing – Custodial**

The Legacy Medical Business Marketing Fund was created to Benefit West Hollywood Cannabis Businesses. Starting January 1, 2021, each Legacy Medical Business began contributing funds equal to 2.5% of the business' gross receipts on adult-use sales to a marketing fund that is operated independently from the City by the holders of cannabis licenses in the city. The 2.5% rate remains in effect for each Legacy Medical Business until June 30, 2024. However, if a Legacy Medical Business has contributed \$250,000 total to the marketing fund before June 30, 2024, then the rate decreases to 1%. On July 1, 2024, the rate reduces to 0.50% until June 30, 2028. After June 30, 2028, the Legacy Medical Businesses in good standing will contribute an amount agreed upon among the parties, if any.

**CITY OF WEST HOLLYWOOD  
DESCRIPTION OF CUSTODIAL FUNDS AND ALL PRIVATE-PURPOSE TRUST FUNDS  
JUNE 30, 2021**

**SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUNDS**

**Housing Capital Improvements**

This fund accounts for project cost including the structuring of previous bond issues. Monies transferred into this Fund as payments are made from the Obligation Payment Fund; that Fund receives property tax monies from the Los Angeles County, based on the approved ROPS, which are used for payment of long-term debt and any remaining obligations.

**Nonhousing Capital Improvements**

This fund accounts for bond proceeds issued for Plummer Park improvements. Monies are transferred into this Fund as payments are made from the Obligation Payment Fund; that Fund receives property tax monies from the Los Angeles County, based on the approved ROPS, which are used for payment of long-term debt and any remaining obligations.

**Successor Agency Administration**

This fund accounts for administrative obligations specified on the EOPS/ROPS of the dissolved redevelopment agency; monies are transferred into this Fund as payments are made from the Obligation Payment Fund; that Fund receives property tax monies from the Los Angeles County, based on the approved ROPS, which are used for payment of long-term debt and any remaining obligations.

**Successor Agency Debt Service Fund**

This fund is used to account for the accumulation of resources and the payment of principal and interest on long-term debt issued to finance projects in the Eastside Redevelopment Project Area. Monies are transferred into this Fund as payments are made from the Obligation Payment Fund; that Fund receives property tax monies from the Los Angeles County, based on the approved ROPS, which are used for payment of long-term debt and any remaining obligations.

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**CITY OF WEST HOLLYWOOD  
SUPPLEMENTAL STATEMENTS  
JUNE 30, 2021**

**Obligation Payment Fund**

This fund was created by the legislation (34170.5(a)) to take in allocations from The Redevelopment Property Tax Trust Fund administered by Los Angeles County Auditor – Controller County. These monies will be used to pay obligations specified on the ROPS of the dissolved redevelopment agency. Monies received are transferred during the year to the respective Successor Agency fund.

**Successor Agency Debt Service Fund**

This fund is used to account for the accumulation of resources and the payment of principal and interest on long-term debt issued to finance projects in the Eastside Redevelopment Project Area. Currently, resources consist of property tax monies received from the Los Angeles County, based on the approved ROPS, which are used for payment of long-term debt and any remaining obligations.



**CITY OF WEST HOLLYWOOD  
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
 ALL CUSTODIAL FUNDS  
 JUNE 30, 2021**

	West Hollywood Design District	Hollywood Tourism Improvement District	Sunset Strip Business Improvement District	Legacy Medical Business Marketing	Total
<b>ASSETS</b>					
Cash and Investments	\$ 27,018	\$ 378,239	\$ -	\$ 4,381	\$ 409,638
Receivables:					
Accounts	93,496	-	243,414	47,822	384,732
Taxes	-	489,960	-	-	489,960
Accrued Interest	17	236	-	3	256
	<u>120,531</u>	<u>868,435</u>	<u>243,414</u>	<u>52,206</u>	<u>1,284,586</u>
Total Assets					
	<u>120,531</u>	<u>868,435</u>	<u>243,414</u>	<u>52,206</u>	<u>1,284,586</u>
<b>LIABILITIES</b>					
Accounts Payable	<u>144,581</u>	<u>839,409</u>	<u>207,714</u>	<u>52,166</u>	<u>1,243,870</u>
Total Liabilities	<u>144,581</u>	<u>839,409</u>	<u>207,714</u>	<u>52,166</u>	<u>1,243,870</u>
<b>NET POSITION</b>					
Restricted for:					
Individuals, Organizations and Other Governments	<u>\$ (24,050)</u>	<u>\$ 29,026</u>	<u>\$ 35,700</u>	<u>\$ 40</u>	<u>\$ 40,716</u>

**CITY OF WEST HOLLYWOOD  
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 ALL CUSTODIAL FUNDS  
 YEAR ENDED JUNE 30, 2021**

	West Hollywood Design District	West Hollywood Tourism Improvement District	Sunset Strip Business Improvement District	Legacy Medical Business Marketing	Total
<b>ADDITIONS</b>					
Assessments	\$ 84,887	\$ 2,316,444	\$ 205,741	\$ 148,793	\$ 2,755,865
Interest Earnings	261	1,108	958	40	2,367
Total Additions	85,148	2,317,552	206,699	148,833	2,758,232
<b>DEDUCTIONS</b>					
Payments to Districts	82,640	2,318,379	180,109	148,793	2,729,921
Total Deductions	82,640	2,318,379	180,109	148,793	2,729,921
<b>CHANGE IN NET POSITION</b>	2,508	(827)	26,590	40	28,311
Net Position - Beginning of Year	(26,558)	29,853	9,110	-	12,405
<b>NET POSITION - END OF YEAR</b>	<u>\$ (24,050)</u>	<u>\$ 29,026</u>	<u>\$ 35,700</u>	<u>\$ 40</u>	<u>\$ 40,716</u>

**CITY OF WEST HOLLYWOOD  
COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
ALL SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUNDS  
JUNE 30, 2021**

	Housing Capital Improvements	Nonhousing Capital Improvements	Successor Agency Administration	Obligation Payment Fund	Successor Agency Debt Services Fund	Total
<b>ASSETS</b>						
Cash and Investments	\$ -	\$ -	\$ 562,816	\$ 67,463	\$ -	\$ 630,279
Restricted Assets:						
Cash and Investments with Fiscal Agents	801,601	-	-	2,420,748	21,585,119	24,807,468
Capital Assets:						
Capital Assets, Net of Accumulated Depreciation	-	141,395	-	-	-	141,395
Total Assets	<u>801,601</u>	<u>141,395</u>	<u>562,816</u>	<u>2,488,211</u>	<u>21,585,119</u>	<u>25,579,142</u>
<b>LIABILITIES</b>						
Accrued Interest	-	-	-	-	1,025,427	1,025,427
Due to County	-	-	564,274	-	-	564,274
Long-Term Liabilities:						
Due in One Year	80,000	-	-	-	795,000	875,000
Due in More Than One Year	8,055,691	-	-	-	32,417,850	40,473,541
Total Liabilities	<u>8,135,691</u>	<u>-</u>	<u>564,274</u>	<u>-</u>	<u>34,238,277</u>	<u>42,938,242</u>
<b>NET POSITION</b>						
Restricted for:						
Individuals, Organizations, and Other Governments	<u>(7,334,090)</u>	<u>141,395</u>	<u>(1,458)</u>	<u>2,488,211</u>	<u>(12,653,158)</u>	<u>(17,359,100)</u>
Total Net Position	<u>\$ (7,334,090)</u>	<u>\$ 141,395</u>	<u>\$ (1,458)</u>	<u>\$ 2,488,211</u>	<u>\$ (12,653,158)</u>	<u>\$ (17,359,100)</u>

**CITY OF WEST HOLLYWOOD  
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 ALL SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2021**

	<u>Housing Capital Improvements</u>	<u>Nonhousing Capital Improvements</u>	<u>Successor Agency Administration</u>
<b>ADDITIONS</b>			
Taxes	\$ -	\$ -	\$ -
Transfers from Other Funds	873,345	-	65,000
Change in Fair Value of Investments	-	-	(2,850)
Interest Earnings	114	-	-
<b>Total Additions</b>	<u>873,459</u>	<u>-</u>	<u>62,150</u>
<b>DEDUCTIONS</b>			
Administrative Expenses	-	-	65,002
Interest Expense	764,924	-	-
Depreciation Expense	-	3,498	-
Transfers to Other Funds	-	-	-
<b>Total Deductions</b>	<u>764,924</u>	<u>3,498</u>	<u>65,002</u>
<b>CHANGE IN NET POSITION</b>	108,535	(3,498)	(2,852)
Net Position - Beginning of Year	<u>(7,442,625)</u>	<u>144,893</u>	<u>1,394</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (7,334,090)</u>	<u>\$ 141,395</u>	<u>\$ (1,458)</u>

**CITY OF WEST HOLLYWOOD  
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 ALL SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUNDS (CONTINUED)  
 YEAR ENDED JUNE 30, 2021**

Obligation Payment Fund	Successor Agency Debt Services Fund	Eliminations	Total
\$ 4,021,776	\$ -	\$ -	\$ 4,021,776
-	3,057,101	(3,995,446)	-
-	-	-	(2,850)
4	7,357	-	7,475
<u>4,021,780</u>	<u>3,064,458</u>	<u>(3,995,446)</u>	<u>4,026,401</u>
-	-	-	65,002
-	2,332,207	-	3,097,131
-	-	-	3,498
3,995,446	-	(3,995,446)	-
<u>3,995,446</u>	<u>2,332,207</u>	<u>(3,995,446)</u>	<u>3,165,631</u>
26,334	732,251	-	860,770
<u>2,461,877</u>	<u>(13,385,409)</u>	<u>-</u>	<u>(18,219,870)</u>
<u>\$ 2,488,211</u>	<u>\$ (12,653,158)</u>	<u>\$ -</u>	<u>\$ (17,359,100)</u>

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# Statistical Section



[#WestHollywood](#) refuses to let [#MetroRail](#) pass it by  
[#Metro](#) [#railway](#) [#masstransit](#) [#weho](#) [#WHAM](#)





**CITY OF WEST HOLLYWOOD  
STATISTICAL SECTION  
YEAR ENDED JUNE 30, 2021**

**DESCRIPTION OF STATISTICAL SECTION CONTENTS**

June 30, 2021

The Statistical Section is included to provide financial statement users with additional historical perspective, context, and detail for use in evaluating the information contained within the financial statements, notes to the financial statements, and required supplementary information with the goal of providing the user a better understanding of the City's economic condition.

**FINANCIAL TRENDS INFORMATION**

These schedules contain information to help the reader understand how the City's financial performance and well-being have changed over time.

Table 1 – Net Position by Component – *Last Ten Fiscal Years*

Table 2 – Changes in Net Position – *Last Ten Fiscal Years*

Table 3 – Fund Balances of Governmental Funds – *Last Ten Fiscal Years*

Table 4 – Changes in Fund Balances of Governmental Funds – *Last Ten Fiscal Years*

Table 5 – General Fund Tax Revenues by Source – *Last Ten Fiscal Years*

**REVENUE CAPACITY INFORMATION**

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Table 6 – Assessed Value and Estimated Actual Value of Taxable Property – *Last Ten Fiscal Years*

Table 7 – Direct and Overlapping Property Tax Rates – *Last Ten Fiscal Years*

Table 8 – Principal Property Taxpayers – *Current Year and Nine Years Ago*

Table 9 – Property Tax Levies and Collections – *Last Ten Fiscal Years*

**DEBT CAPACITY INFORMATION**

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Table 10 – Ratios of Outstanding Debt by Type – *Last Ten Fiscal Years*

Table 11 – Direct and Overlapping Debt – *Last Ten Fiscal Years*

Table 12 – Legal Debt Margin Information – *Last Ten Fiscal Years*

Table 13 – East Side Project Area Bonds Coverage – *Last Ten Fiscal Years*

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Table 14 – Demographic and Economic Statistics – *Last Ten Calendar Years*

Table 15 – Principal Employers – *Current Year and Nine Years Ago*

**OPERATING INFORMATION**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial statements relates to the services the City provides and the activities it performs.

Table 16 – Full-time Equivalent City Government Employees by Function – *Last Ten Fiscal Years*

Table 17 – Operating Indicators by Function – *Last Ten Fiscal Years*

Table 18 – Capital Assets by Function – *Last Ten Fiscal Years*

**CITY OF WEST HOLLYWOOD  
TABLE 1  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2012	2013	2014	2015	2016
Net investment in capital assets	\$ 141,101,458	\$ 144,933,718	\$ 142,442,200	\$ 145,114,783	\$ 150,346,852
Restricted	32,450,082	35,454,463	52,747,012	47,136,333	34,996,350
Unrestricted	61,864,889	65,143,908	66,956,579	56,447,708	82,141,974
Total governmental activities net position	<u>\$ 235,416,429</u>	<u>\$ 245,532,089</u>	<u>\$ 262,145,791</u>	<u>\$ 248,698,824</u>	<u>\$ 267,485,176</u>
Business-type activities					
Net investment in capital assets	\$ 10,649,541	\$ 11,009,816	\$ 10,612,300	\$ 10,214,783	\$ 9,892,944
Unrestricted	185,090	(24,553)	396,508	1,063,237	1,549,240
Total business-type activities net position	<u>\$ 10,834,631</u>	<u>\$ 10,985,263</u>	<u>\$ 11,008,808</u>	<u>\$ 11,278,020</u>	<u>\$ 11,442,184</u>
Primary government					
Net investment in capital assets	\$ 151,750,999	\$ 155,943,534	\$ 153,054,500	\$ 155,329,566	\$ 160,239,796
Restricted	32,450,082	35,454,463	52,747,012	47,136,333	34,996,350
Unrestricted	62,049,979	65,119,355	67,353,087	57,510,945	83,691,214
Total primary government net position	<u>246,251,060</u>	<u>256,517,352</u>	<u>273,154,599</u>	<u>259,976,844</u>	<u>278,927,360</u>

Source: City of West Hollywood.

**CITY OF WEST HOLLYWOOD  
TABLE 1  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2017	2018	2019	2020	2021
Governmental activities					
Net investment in capital assets	\$ 168,026,327	\$ 173,567,439	\$ 176,708,344	\$ 186,172,263	\$ 180,920,527
Restricted	43,922,472	57,086,206	57,284,883	51,529,497	46,953,420
Unrestricted	87,400,745	86,633,833	91,079,029	89,421,158	78,687,778
Total governmental activities net position	<u>\$ 299,349,544</u>	<u>\$ 317,287,478</u>	<u>\$ 325,072,256</u>	<u>\$ 327,122,918</u>	<u>\$ 306,561,725</u>
Business-type activities					
Net investment in capital assets	\$ 10,373,054	\$ 10,476,164	\$ 10,047,512	\$ 10,482,697	\$ 10,036,505
Unrestricted	1,395,207	1,633,169	2,568,488	2,483,327	2,588,514
Total business-type activities net position	<u>\$ 11,768,261</u>	<u>\$ 12,109,333</u>	<u>\$ 12,616,000</u>	<u>\$ 12,966,024</u>	<u>\$ 12,625,019</u>
Primary government					
Net investment in capital assets	\$ 178,399,381	\$ 184,043,603	\$ 186,755,856	\$ 196,654,960	\$ 190,957,032
Restricted	43,922,472	57,086,206	57,284,883	51,529,497	46,953,420
Unrestricted	88,795,952	88,267,002	93,647,517	91,904,485	81,276,292
Total primary government net position	<u>\$ 311,117,805</u>	<u>\$ 329,396,811</u>	<u>\$ 337,688,256</u>	<u>\$ 340,088,942</u>	<u>\$ 319,186,744</u>

**CITY OF WEST HOLLYWOOD  
TABLE 2  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Expenses	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental activities:					
General government	\$ 23,165,824	\$ 25,539,217	\$ 20,615,002	\$ 20,388,425	\$ 24,431,737
Public safety	14,049,362	14,916,605	14,980,054	17,270,756	19,026,873
Public services	39,406,297	36,552,396	47,313,347	46,146,254	47,539,207
Interest and fiscal charges	3,235,260	2,600,257	3,609,405	3,360,030	3,115,548
Total governmental activities expenses	<u>79,856,743</u>	<u>79,608,475</u>	<u>86,517,808</u>	<u>87,165,465</u>	<u>94,113,365</u>
Business-type activities:					
Sewer	975,899	955,951	1,014,614	1,082,870	1,024,557
Solid waste	1,303,572	1,365,401	1,531,511	1,448,043	1,484,564
Landscape and lighting	176,687	168,908	190,288	203,135	189,115
Street maintenance	437,763	449,303	456,132	299,122	323,553
Total business-type activities expenses	<u>2,893,921</u>	<u>2,939,563</u>	<u>3,192,545</u>	<u>3,033,170</u>	<u>3,021,789</u>
Total primary government expenses	<u>\$ 82,750,664</u>	<u>\$ 82,548,038</u>	<u>\$ 89,710,353</u>	<u>\$ 90,198,635</u>	<u>\$ 97,135,154</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 563,320	\$ 682,095	\$ 1,247,385	\$ 841,309	\$ 987,225
Public safety	980,518	1,163,801	935,387	694,016	309,435
Public services	19,947,996	18,242,612	24,740,324	25,929,989	24,770,086
Operating grants and contributions	4,397,509	4,458,171	2,800,726	3,490,256	5,130,523
Capital grants and contributions	1,676,294	383,071	1,914,153	1,710,539	2,039,004
Total governmental activities program revenues	<u>27,565,637</u>	<u>24,929,750</u>	<u>31,637,975</u>	<u>32,666,109</u>	<u>33,236,273</u>
Business-type activities:					
Charges for services:					
Sewer	1,046,131	1,060,866	1,154,927	1,394,096	1,248,228
Solid waste	1,350,986	1,390,918	1,417,997	1,436,329	1,467,202
Landscape and lighting	179,821	176,142	187,117	178,418	173,174
Street maintenance	286,854	291,127	288,581	290,112	288,244
Total business-type activities program revenues	<u>2,863,792</u>	<u>2,919,053</u>	<u>3,048,622</u>	<u>3,298,955</u>	<u>3,176,848</u>
Total primary government program revenues	<u>\$ 30,429,429</u>	<u>\$ 27,848,803</u>	<u>\$ 34,686,597</u>	<u>\$ 35,965,064</u>	<u>\$ 36,413,121</u>
Net (expense)/revenue					
Governmental activities	\$ (52,291,106)	\$ (54,678,725)	\$ (54,879,833)	\$ (54,499,356)	\$ (60,877,092)
Business-type activities	(30,129)	(20,510)	(143,923)	265,785	155,059
Total Primary government net expense	<u>\$ (52,321,235)</u>	<u>\$ (54,699,235)</u>	<u>\$ (55,023,756)</u>	<u>\$ (54,233,571)</u>	<u>\$ (60,722,033)</u>

Source: City of West Hollywood

**CITY OF WEST HOLLYWOOD  
TABLE 2  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Expenses	Fiscal Year				
	2017	2018	2019	2020	2021
Governmental activities:					
General government	\$ 22,297,943	\$ 20,448,961	\$ 24,369,593	\$ 31,233,362	\$ 24,499,793
Public safety	21,841,899	23,067,735	26,153,283	26,217,376	25,683,213
Public services	52,937,204	60,796,711	67,840,802	64,405,046	71,911,026
Interest and fiscal charges	5,363,884	4,909,120	8,528,149	5,193,930	5,891,518
Total governmental activities expenses	102,440,930	109,222,527	126,891,827	127,049,714	127,985,550
Business-type activities:					
Sewer	1,048,306	1,174,785	1,155,856	1,077,285	1,059,295
Solid waste	1,425,100	1,450,793	1,498,061	1,605,895	1,668,466
Landscape and lighting	164,840	197,664	60,568	172,366	167,792
Street maintenance	301,999	272,583	281,817	244,618	293,304
Total business-type activities expenses	2,940,245	3,095,825	2,996,302	3,100,164	3,188,857
Total primary government expenses	\$ 105,381,175	\$ 112,318,352	\$ 129,888,129	\$ 130,149,878	\$ 131,174,407
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 885,815	\$ 826,678	\$ 839,715	\$ 743,258	\$ 641,839
Public safety	123,642	264,674	322,965	263,154	132,811
Public services	23,115,575	21,563,875	23,181,968	20,810,786	16,528,232
Operating grants and contributions	3,045,707	4,052,404	4,984,532	6,073,609	6,114,866
Capital grants and contributions	15,856,846	4,027,872	4,787,926	6,274,495	7,050,323
Total governmental activities program revenues	43,027,585	30,735,503	34,117,106	34,165,302	30,468,071
Business-type activities:					
Charges for services:					
Sewer	1,311,358	1,461,214	1,362,916	1,363,908	1,402,123
Solid waste	1,464,683	1,486,636	1,534,876	1,545,401	1,673,829
Landscape and lighting	191,235	184,551	193,912	196,559	191,812
Street maintenance	294,327	293,682	299,670	293,912	298,977
Total business-type activities program revenues	3,261,603	3,426,083	3,391,374	3,399,780	3,566,741
Total primary government program revenues	\$ 46,289,188	\$ 34,161,586	\$ 37,508,480	\$ 37,565,082	\$ 34,034,812
Net (expense)/revenue					
Governmental activities	\$ (59,413,345)	\$ (78,487,024)	\$ (92,774,721)	\$ (92,884,412)	\$ (97,517,479)
Business-type activities	321,358	330,258	395,072	299,616	377,884
Total Primary government net expense	\$ (59,091,987)	\$ (78,156,766)	\$ (92,379,649)	\$ (92,584,796)	\$ (97,139,595)

**CITY OF WEST HOLLYWOOD  
TABLE 2  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2012	2013	2014	2015	2016
<b>General Revenue and Other Changes in Net Assets</b>					
Governmental activities:					
Taxes					
Property tax	\$ 15,515,421	\$ 13,332,465	\$ 14,516,251	\$ 19,613,651	\$ 21,540,248
Transient occupancy tax	15,414,055	18,062,326	18,983,466	20,903,442	22,268,519
Sales tax	14,004,171	14,669,198	15,635,224	16,117,944	16,441,681
Franchise tax	2,408,295	2,467,311	2,469,575	2,551,024	2,546,182
Business license tax	2,637,647	2,573,491	3,005,510	3,088,786	3,431,563
Motor vehicle in-lieu	3,382,436	3,488,271	3,771,692	-	-
Use of money and property	7,999,846	9,574,917	11,681,771	12,876,245	13,313,788
Other	2,454,053	897,756	1,581,952	1,642,123	155,142
Extraordinary gain(loss)	185,683	576,058	-	-	-
Transfers	(118,700)	(171,106)	(164,557)	-	-
Total governmental activities	<u>63,882,907</u>	<u>65,470,687</u>	<u>71,480,884</u>	<u>76,793,215</u>	<u>79,697,123</u>
Business-type activities:					
Use of money and property	3,265	36	2,911	3,427	9,105
Transfers	118,700	171,106	164,557	-	-
Total business-type activities	<u>121,965</u>	<u>171,142</u>	<u>167,468</u>	<u>3,427</u>	<u>9,105</u>
Total primary government	<u>\$ 64,004,872</u>	<u>\$ 65,641,829</u>	<u>\$ 71,648,352</u>	<u>\$ 76,796,642</u>	<u>\$ 79,706,228</u>
<b>Change in Net Position</b>					
Governmental Activities	\$ 11,591,801	\$ 10,791,962	\$ 16,601,051	\$ 22,293,859	\$ 18,820,031
Business-type activities	91,836	150,632	23,545	269,212	164,164
Total primary government	<u>\$ 11,683,637</u>	<u>\$ 10,942,594</u>	<u>\$ 16,624,596</u>	<u>\$ 22,563,071</u>	<u>\$ 18,984,195</u>

Source: City of West Hollywood

**CITY OF WEST HOLLYWOOD  
TABLE 2  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2017	2018	2019	2020	2021
<b>General Revenue and Other Changes in Net Assets</b>					
Governmental activities:					
Taxes					
Property tax	\$ 23,428,584	\$ 25,206,827	\$ 27,334,301	\$ 29,471,706	\$ 33,333,694
Transient occupancy tax	22,636,844	24,775,813	25,990,350	20,742,558	9,675,930
Sales tax	17,906,126	17,980,869	19,977,644	15,645,332	19,025,432
Franchise tax	2,185,515	2,148,729	2,034,938	2,180,807	2,036,383
Business license tax	3,380,526	5,581,710	3,733,445	6,035,760	4,057,702
Motor vehicle in-lieu	-	-	-	-	-
Use of money and property	12,509,899	13,839,534	20,949,801	16,338,196	7,983,240
Other	3,582,792	362,095	589,020	4,520,715	177,424
Extraordinary gain(loss) on dissolution of RDA	5,647,427	9,276,727	-	-	-
Transfers	-	-	(50,000)	-	-
Total governmental activities	<u>91,277,713</u>	<u>99,172,304</u>	<u>100,559,499</u>	<u>94,935,074</u>	<u>76,289,805</u>
Business-type activities:					
Use of money and property	4,719	10,814	61,595	50,408	2,096
Transfers	-	-	50,000	-	-
Total business-type activities	<u>4,719</u>	<u>10,814</u>	<u>111,595</u>	<u>50,408</u>	<u>2,096</u>
Total primary government	<u>\$ 91,282,432</u>	<u>\$ 99,183,118</u>	<u>\$ 100,671,094</u>	<u>\$ 94,985,482</u>	<u>\$ 76,291,901</u>
<b>Change in Net Position</b>					
Governmental Activities	\$ 31,864,368	\$ 20,685,280	\$ 7,784,778	\$ 2,050,662	\$ (21,227,674)
Business-type activities	326,077	341,072	506,667	350,024	379,980
Total primary government	<u>\$ 32,190,445</u>	<u>\$ 21,026,352</u>	<u>\$ 8,291,445</u>	<u>\$ 2,400,686</u>	<u>\$ (20,847,694)</u>

**CITY OF WEST HOLLYWOOD  
TABLE 3  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund					
Nonspendable	186,823	65,340	39,510	35,708	139,575
Debt Service	-	1,255,006	1,255,006	1,255,006	1,255,006
Committed	7,735,781	9,367,610	11,177,318	12,076,505	18,386,688
Assigned	58,557,142	63,018,495	76,904,392	89,684,697	96,366,055
Unassigned	9,295,313	10,329,622	5,060,905	4,894,121	3,507,708
Total General Fund	<u>\$ 75,775,059</u>	<u>\$ 84,036,073</u>	<u>\$ 94,437,131</u>	<u>\$ 107,946,037</u>	<u>\$ 119,655,032</u>
All other governmental funds					
Nonspendable	\$ 8,856	\$ 7,569	\$ 6,796	\$ 6,618	\$ -
Restricted					
Public services	14,764,382	15,327,037	16,528,180	20,785,979	18,201,767
Capital projects	6,462,100	13,694,034	7,330,666	6,674,257	78,861,354
Debt service	12,293,855	5,178,386	24,133,063	16,877,020	-
Low and moderate activities	-	-	-	-	-
Unassigned	(6,312,241)	(7,385,459)	(2,076,017)	(4,750,992)	(934,968)
Total all other governmental funds	<u>\$ 27,216,952</u>	<u>\$ 26,821,567</u>	<u>\$ 45,922,688</u>	<u>\$ 39,592,882</u>	<u>\$ 96,128,153</u>

Note: The change in fund balance presentation starting fiscal year 2011 is due to implementation of GASB 54 .

Source: City of West Hollywood.



**CITY OF WEST HOLLYWOOD  
TABLE 3  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2017	2018	2019	2020	2021
General Fund					
Nonspendable	44,317	53,634	66,600	2,077,941	2,147,584
Debt Service	1,255,006	1,255,006	1,255,006	1,255,006	-
Committed	27,054,567	24,601,571	25,713,228	35,742,733	24,148,689
Assigned	93,388,888	104,236,530	108,253,580	90,680,591	93,630,186
Unassigned	3,462,047	2,999,998	2,987,207	2,176,972	3,022,018
Total General Fund	<u>\$ 125,204,825</u>	<u>\$ 133,146,739</u>	<u>\$ 138,275,621</u>	<u>\$ 131,933,243</u>	<u>\$ 122,948,477</u>
All other governmental funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 88,536
Restricted					
Public services	30,033,442	35,324,936	36,548,009	41,025,722	32,779,798
Capital projects	75,021,840	66,587,203	47,918,294	96,634,316	71,085,881
Debt service	-	-	-	-	-
Low and moderate activities	-	-	-	-	-
Unassigned	(33,047)	(350,156)	(792,481)	(576,421)	(2,978,321)
Total all other governmental funds	<u>\$ 105,022,235</u>	<u>\$ 101,561,983</u>	<u>\$ 83,673,822</u>	<u>\$ 137,083,617</u>	<u>\$ 100,975,894</u>

**CITY OF WEST HOLLYWOOD**  
**TABLE 4**  
**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2012	2013	2014	2015	2016
<b>Revenues</b>					
Taxes	\$ 49,608,370	\$ 52,722,760	\$ 57,785,812	\$ 62,056,552	\$ 67,228,461
Licenses and permits	5,520,319	4,990,941	7,968,949	9,327,431	9,301,203
Intergovernmental	8,459,564	7,339,250	5,323,009	4,193,972	5,531,157
Charges for services	3,551,985	3,382,268	3,609,803	3,444,145	3,088,746
Use of money and property	7,934,591	9,574,917	12,154,214	13,066,956	13,487,275
Fines and forfeitures	10,443,347	10,576,985	11,936,215	11,597,951	10,514,809
Contributions	1,500,348	122,321	16,689	247,588	184,829
Developer participation	1,530,782	872,764	3,730,002	3,018,883	3,083,370
Miscellaneous	2,603,628	997,287	1,699,059	2,699,051	257,382
<b>Total revenues</b>	<b>91,152,934</b>	<b>90,579,493</b>	<b>104,223,752</b>	<b>109,652,529</b>	<b>112,677,232</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	19,874,229	20,387,134	22,623,280	23,886,096	23,590,529
Public Safety	14,068,721	14,916,605	14,902,172	17,190,760	18,937,633
Public Services	35,669,727	36,438,556	42,477,061	42,023,194	44,067,723
Capital outlay	12,477,205	6,066,194	10,072,944	13,783,900	16,182,343
<b>Debt service:</b>					
Principal retirement	3,795,000	1,645,000	1,905,000	2,140,000	2,235,000
Interest and fiscal charges	4,352,546	2,600,257	3,110,788	3,449,479	3,359,278
Debt issuance costs	-	-	358,483	-	596,000
<b>Total expenditures</b>	<b>90,237,428</b>	<b>82,053,746</b>	<b>95,449,728</b>	<b>102,473,429</b>	<b>108,968,506</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>915,506</b>	<b>8,525,747</b>	<b>8,774,024</b>	<b>7,179,100</b>	<b>3,708,726</b>
<b>Other financing sources (uses)</b>					
Capital lease issuance					
Transfers in	44,975,210	4,687,613	17,187,207	14,807,483	16,045,505
Transfers out	(45,093,910)	(5,358,719)	(17,467,240)	(14,807,483)	(16,095,505)
Long-term debt issued	-	-	19,155,000	-	85,015,000
Payment to refunded bond escrow agent	-	-	-	-	(33,898,880)
Bond premium	-	-	218,975	-	13,503,099
Bond discount	-	-	-	-	-
Sale of capital assets	-	10,988	3,067,000	-	-
Extraordinary gain/(loss) on dissolution of RDA	(43,536,799)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(43,655,499)</b>	<b>(660,118)</b>	<b>22,160,942</b>	<b>-</b>	<b>64,569,219</b>
<b>Net change in fund balances</b>	<b>\$(42,739,993)</b>	<b>\$ 7,865,629</b>	<b>\$ 30,934,966</b>	<b>\$ 7,179,100</b>	<b>\$ 68,277,945</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>10.4%</b>	<b>5.6%</b>	<b>5.9%</b>	<b>6.3%</b>	<b>6.0%</b>
<b>Capital Outlay *</b>	<b>12,006,900</b>	<b>6,117,191</b>	<b>9,932,816</b>	<b>13,153,552</b>	<b>15,945,031</b>

Note: \* Capital Outlay from Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Source: City of West Hollywood.

**CITY OF WEST HOLLYWOOD**  
**TABLE 4**  
**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2017	2018	2019	2020	2021
Revenues					
Taxes	\$ 69,297,877	\$ 74,318,931	\$ 79,357,479	\$ 76,069,711	\$ 70,240,204
Licenses and permits	9,515,384	10,975,684	9,921,979	9,641,958	7,720,766
Intergovernmental	4,484,889	3,975,963	5,959,757	5,860,986	4,693,147
Charges for services	3,433,732	3,923,043	4,133,882	2,994,196	2,874,028
Use of money and property	12,660,650	13,988,131	21,216,864	16,584,727	9,963,668
Fines and forfeitures	9,739,057	7,619,488	8,864,168	7,151,880	5,747,762
Contributions	-	-	-	-	1,980,000
Developer participation	10,510,748	5,640,412	4,815,785	4,554,997	3,616,537
Miscellaneous	9,144,052	900,139	840,430	6,117,966	425,024
Total revenues	<u>128,786,389</u>	<u>121,341,791</u>	<u>135,110,344</u>	<u>128,976,421</u>	<u>107,261,136</u>
Expenditures					
Current:					
General government	21,354,765	19,367,175	21,625,797	28,207,640	23,480,267
Public Safety	21,737,444	22,958,843	26,044,333	26,061,178	25,523,560
Public Services	48,947,704	54,365,557	61,299,394	60,826,670	63,803,584
Capital outlay	19,841,533	22,390,508	24,033,545	45,880,249	30,850,821
Debt service:					
Principal retirement	3,060,000	3,415,000	3,579,592	5,772,524	1,772,524
Interest and fiscal charges	5,043,345	5,522,937	9,147,260	4,711,196	6,663,759
Debt issuance costs	5,150	-	-	642,373	-
Total expenditures	<u>119,989,941</u>	<u>128,020,020</u>	<u>145,729,921</u>	<u>172,101,830</u>	<u>152,094,515</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,796,448</u>	<u>(6,678,229)</u>	<u>(10,619,577)</u>	<u>(43,125,409)</u>	<u>(44,833,379)</u>
Other financing sources (uses)					
Capital lease issuance			143,462	-	-
Transfers in	26,222,132	23,889,459	29,437,433	49,816,437	33,718,103
Transfers out	(26,222,132)	(24,239,459)	(29,487,433)	(49,816,437)	(33,968,103)
Long-term debt issued	-	-	-	80,135,000	-
Payment to refunded bond escrow agent	-	-	-	-	-
Bond premium	-	-	-	10,167,964	-
Bond discount	-	-	-	(110,138)	-
Sale of capital assets	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of RDA	5,647,427	9,276,727	-	-	-
Total other financing sources (uses)	<u>5,647,427</u>	<u>8,926,727</u>	<u>93,462</u>	<u>90,192,826</u>	<u>(250,000)</u>
Net change in fund balances	<u>\$ 14,443,875</u>	<u>\$ 2,248,498</u>	<u>\$ (10,526,115)</u>	<u>\$ 47,067,417</u>	<u>\$ (45,083,379)</u>
Debt service as a percentage of noncapital expenditures	8.1%	8.5%	10.4%	8.3%	6.9%
Capital Outlay	20,078,140	23,087,676	23,650,090	45,185,030	30,377,122

**CITY OF WEST HOLLYWOOD  
TABLE 5  
GENERAL FUND TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

<b>Fiscal Year</b>	<b>(1) Transient Occupancy Tax</b>	<b>(2) Sales Taxes</b>	<b>(3) (4) Property Taxes</b>	<b>Franchise Taxes</b>	<b>Business License Tax</b>	<b>Total General Fund Taxes</b>
<b>2012</b>	15,414,055	12,279,783	12,071,755	2,278,536	2,637,647	41,561,844
<b>2013</b>	18,062,326	13,236,253	13,971,978	2,310,145	2,573,491	50,154,193
<b>2014</b>	18,982,361	13,799,302	17,247,544	2,323,502	2,863,828	55,216,537
<b>2015</b>	20,903,442	14,560,587	18,469,653	2,400,839	3,001,630	59,336,151
<b>2016</b>	22,268,519	16,094,074	20,331,695	2,399,738	3,296,161	64,390,187
<b>2017</b>	22,636,844	16,242,475	22,112,662	2,045,934	3,274,264	66,312,179
<b>2018</b>	24,775,813	16,944,964	23,745,035	2,016,660	3,308,544	70,791,016
<b>2019</b>	25,989,558	18,211,472	25,780,512	1,904,730	3,581,898	75,468,170
<b>2020</b>	20,740,065	15,645,332	27,833,401	2,033,456	5,926,979	72,179,233
<b>2021</b>	9,675,868	19,025,432	31,420,863	1,949,561	3,937,203	66,008,927

Notes:

- (1) Does not include marketing assessment for West Hollywood Visitors and Convention Bureau.
- (2) Does not include Prop A, C and Measure R sales taxes. Starting in fiscal year 2017-18, sales taxes were presented intergovernmental - state shared sales tax, separate from taxes.
- (3) Does not include redevelopment agency or Lighting District. In fiscal year 2009-10, the State of California borrowed 8% of all property taxes. \$1,385,432 was repaid in 2012-13.
- (4) Property Tax included Motor Vehicle In-Lieu (MVLIF) revenues for fiscal years starting 2013-2014.

Source: City of West Hollywood.

**CITY OF WEST HOLLYWOOD  
TABLE 6  
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	City			Taxable Assessed Value	Redevelopment Agency (2)		Taxable Assessed Value	(1) Total Direct Tax Rate
	Real	Personal	Utility		Real	Personal		
2012	7,165,583,831	245,451,656	-	7,411,035,487	1,095,456,515	56,318,710	1,151,775,225	0.17868
2013	7,428,850,165	214,074,391	-	7,642,924,556	-	-	-	-
2014	8,030,943,513	232,968,580	-	8,263,912,093	-	-	-	-
2015	8,521,737,715	254,099,939	-	8,775,937,654	-	-	-	-
2016	9,399,247,185	241,047,130	-	9,640,294,315	-	-	-	-
2017	10,281,108,246	284,379,639	-	10,565,487,885	-	-	-	-
2018	11,158,401,921	285,700,786	-	11,444,102,707	-	-	-	-
2019	11,892,256,113	307,002,600	-	12,199,258,713	-	-	-	-
2020	13,279,904,696	334,717,589	-	13,614,622,285	-	-	-	-
2021	14,078,185,837	388,005,564	-	14,466,191,401	-	-	-	-

Fiscal Year	City							
	Residential	Commercial	Industrial	Institutional	Vacant	Unsecured	Exempt	Miscellaneous
2012	4,569,615,124	2,307,068,042	118,063,479	15,654,530	107,810,012	245,451,656	(43,062,601)	47,372,644
2013	4,641,087,206	2,416,505,481	126,189,320	11,932,704	181,754,788	214,074,391	(43,936,286)	51,380,108
2014	4,880,737,922	2,873,271,627	126,102,125	20,614,997	79,186,013	232,968,580	(43,062,601)	51,030,829
2015	5,248,440,604	2,984,016,565	128,835,236	26,729,863	93,002,999	254,099,939	(43,062,601)	40,812,448
2016	5,775,856,634	3,269,847,990	146,324,801	19,871,019	143,717,923	241,047,130	(43,062,601)	43,628,818
2017	6,214,457,429	3,666,915,419	187,594,925	21,092,830	125,640,835	284,379,639	(48,114,029)	65,406,808
2018	6,646,977,306	4,128,379,548	176,503,548	33,930,123	99,551,782	285,700,786	(46,304,476)	73,059,351
2019	7,106,003,994	4,387,837,116	176,159,362	22,028,933	140,877,576	307,002,600	(48,602,855)	59,349,132
2020	7,618,731,404	5,232,234,436	181,011,887	51,229,585	159,587,818	334,717,589	(48,011,125)	37,109,566
2021	8,077,238,889	5,613,886,474	193,308,206	32,465,833	114,336,560	388,005,564	(47,799,872)	46,949,875

Notes: Assessed values reflect current market values as established by the County Assessor.

(1) Rate includes City rate (.1639) and Lighting (.01478) which totals 0.17868

(2) The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

Source: Hdl, Coren & Cone

**CITY OF WEST HOLLYWOOD  
TABLE 7  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Agency	Fiscal Year				
	2012	2013	2014	2015	2016
<b>Basic Levy (1)</b>	1.00000	1.00000	1.00000	1.00000	1.00000
LA Community College District	0.03530	0.03756	0.04454	0.04017	0.03575
Los Angeles Unified School District	0.16819	0.17560	0.14644	0.14688	0.12971
Metropolitan Water District	0.00370	0.00350	0.00350	0.00350	0.00350
<b>Total Direct &amp; Overlapping Tax Rates (2)</b>	<b>1.20718</b>	<b>1.22786</b>	<b>1.194448</b>	<b>1.19055</b>	<b>1.16896</b>
<b>City's Share of 1% Levy Per Prop 13 (3)</b>	0.17868	0.17868	0.17868	0.17868	0.17868
<b>General Obligation Debt Rate</b>					
<b>Redevelopment Rate (4)</b>	1.00370	-	-	-	-
<b>Total Direct Rate (5)</b>	0.24835	0.24440	0.175970	0.175990	0.175900

Notes:

- (1) In 1978, California voters passed Proposition 13 which set 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. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) 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.
- (3) 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. ERAF general fund tax shifts may not be included in tax ratio figures. The City's total direct rate includes a "lighting rate" in addition to the "City rate". The City receives a small portion of the 1% ad-valorem tax that is assessed on property by the County of Los Angeles.
- (4) Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
- (5) Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

Source: HdL Coren & Cone

**CITY OF WEST HOLLYWOOD  
TABLE 7  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2017	2018	2019	2020	2021
<b>Basic Levy (1)</b>	1.00000	1.00000	1.00000	1.00000	1.00000
LA Community College District	0.03596	0.04599	0.04621	0.027717	0.04016
Los Angeles Unified School District	0.13110	0.12219	0.12323	0.12552	0.13993
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350
<b>Total Direct &amp; Overlapping Tax Rates (2)</b>	<b>1.17055</b>	<b>1.17168</b>	<b>1.17294</b>	<b>1.15620</b>	<b>1.18359</b>
<b>City's Share of 1% Levy Per Prop 13 (3)</b>	0.17868	0.17868	0.17868	0.17868	0.17868
<b>General Obligation Debt Rate</b>					
<b>Redevelopment Rate (4)</b>	-	-	-	-	-
<b>Total Direct Rate (5)</b>	0.175830	0.175600	0.175800	0.17571	0.17566

**CITY OF WEST HOLLYWOOD  
TABLE 8  
PRINCIPAL PROPERTY TAXPAYERS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

<b>Taxpayer</b>	<b>2021</b>		<b>2012</b>	
	<b>Taxable Assessed Value</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Percentage of Total Taxable Assessed Value</b>
8940 WEHO LP *	\$ 312,063,299	2.16%	\$ -	-
Mani Brothers *	264,250,246	1.83%	222,486,763	3.00%
KR Sunset WEHO LLC*	241,575,903	1.67%	-	-
BPPREP 8500 Sunset LLC *	222,572,696	1.54%	124,379,182	1.68%
NWLWH LLC *	221,495,513	1.53%	-	-
Avalon West Hollywood LP	216,871,876	1.50%	-	-
Pacific Design Center LLC	191,237,838	1.32%	163,250,225	2.20%
Pacific Red LLC *	190,715,875	1.32%	44,593,420	0.60%
Wolverines Owner LLC *	163,701,407	1.13%	83,283,043	1.12%
Shah Radhika Hiten*	161,877,386	1.12%	-	-
Studio Lending Group LLC *	-	-	68,106,136	0.92%
CLPF West Hollywood LP	-	-	82,013,300	1.11%
W Bel Age LLC	-	-	53,546,575	0.72%
Sunset Millenium Associates LLC	-	-	-	-
LHO Le Parc LP	-	-	40,391,628	0.55%
Time Warner NY Cable LLC	-	-	39,180,647	0.53%
<b>TOTALS</b>	<b>\$ 2,186,362,039</b>	<b>15.11%</b>	<b>\$ 921,230,919</b>	<b>12.43%</b>

Note: Assessed valuation includes land, building and improvements.

\* - Pending Appeals On Parcels

Source: HdL Coren & Cone.

Los Angeles County Assessor combined Tax Rolls.



**CITY OF WEST HOLLYWOOD  
TABLE 9  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year		Total Tax Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		(1) Collections in Subsequent Years	Total Collections to Date	
			Amount	Percent of Levy		Amount	Percent of Levy
2012	(2)	15,008,242	14,527,572	96.8%	-	14,527,572	96.8%
2013	(3)	11,346,248	11,065,252	97.5%	-	11,065,252	97.5%
2014	(3)	12,189,784	11,922,644	97.8%	-	11,922,644	97.8%
2015		12,886,560	12,730,399	98.8%	-	12,730,399	98.8%
2016		14,005,495	13,721,310	98.0%	-	13,721,310	98.0%
2017		15,237,515	15,004,752	98.5%	-	15,004,752	98.5%
2018		16,431,666	16,145,568	98.3%	-	16,145,568	98.3%
2019		17,462,555	17,235,437	98.7%	-	17,235,437	98.7%
2020		19,406,811	18,510,671	95.4%	-	18,510,671	95.4%
2021		20,480,944	19,931,038	97.3%	-	19,931,038	97.3%

Notes: Includes secured property taxes and unsecured taxes of the Redevelopment Agency up to FY 2012-13.

(1) The County of Los Angeles does not provide this information on collection of prior years taxes, inclusion of amounts paid would result in reporting amounts above 100% in some years.

(2) As part of the budget process for 2011-12, the State of California dissolved all Redevelopment Agencies. Since the City received half of the 2012 year's proceeds, only half of the tax levy for the RDA has been included.

(3) Starting in FY2013-14 only General Fund tax levies are included. The General Fund amount shown does not include prior year taxes received in the current year, property tax redemption funds, property transfer tax funds, RDA residual funds, or RDA pass-through funds. FY 2012-13 and FY 2013-14 amounts were revised in FY 2014-15 to reflect proper amounts.

Source: HdL and City of West Hollywood

**CITY OF WEST HOLLYWOOD  
TABLE 10  
RATIOS OF OUTSTANDING DEBT BY THE TYPE  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	Governmental Activities			Business-type Activities			Percentage of Personal Income (4)	Debt Per Capita
	Tax Allocation Bonds (1)	Capital Leases (2)	Lease Revenue Bonds (3)	General Obligation	Certificates of Participation	Total Primary Government		
2012	-	-	54,432,848	-	-	54,432,848	3.0%	1,561.78
2013	-	-	51,140,548	-	-	51,140,548	2.7%	1,458.16
2014	-	-	68,546,774	-	-	68,546,774	3.6%	1,953.46
2015	-	-	66,350,325	-	-	66,350,325	3.5%	1,847.02
2016	-	-	127,867,562	-	-	127,867,562	6.3%	3,563.56
2017	-	-	124,294,665	-	-	124,294,665	5.7%	3,384.65
2018	-	-	120,366,770	-	-	120,366,770	5.2%	3,283.33
2019 (5)	-	138,870	116,278,874	-	-	116,417,744	4.8%	3,215.69
2020	-	116,346	199,304,151	-	-	199,420,497	7.9%	5,520.29
2021	-	93,822	197,554,152	-	-	197,647,974	N/A	N/A

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (1) Issued \$11,500,000 Tax Allocation Bonds in fiscal year 2003-04.  
 Issued \$30,560,000 Eastside Redevelopment Tax Allocation Bonds Series A in fiscal year 2010-11  
 Issued \$9,420,000 Eastside Redevelopment Tax Allocation Bonds Series B in fiscal year 2010-11  
 Effective February 2, 2012, Tax Allocation Bonds transferred to Successor Agency were excluded from Governmental Activities.
- (2) On November 26, 2018 and January 8, 2019, the City approved the installation of energy-efficient LED streetlights in certain areas of the City, which was funded through Southern California Edison's (SCE) On-Bill Financing Program for a total of \$143,459. The costs are repaid in the form of energy savings over a period of up to 80 months.
- (3) Issued \$22,160,000 Lease Revenue Bonds Series 'A' in 2009-10  
 Issued \$34,780,000 Lease Revenue Bonds Series 'B' in 2009-10.  
 Issued \$19,155,000 Lease Revenue Bonds in 2013-14.  
 Issued \$85,015,000 Lease Revenue Bonds in 2015-16.  
 The 2009 Lease Revenue Bonds Series B was refunded by the 2016 Lease Revenue Bonds.  
 Issued \$65,785,000 Lease Revenue Bonds Series "A" in fiscal year 2019-2020.  
 Issued \$14,350,000 Lease Revenue Bonds Series "B" in fiscal year 2019-2020.  
 Amounts include principal balance of \$176,470,000, and unamortized premiums/discounts of \$21,084,152.
- (4) Personal Income information for 2021 is not available at this time.
- (5) Fiscal year 2018-2019 Information was amended to include the capital lease - SCE in the amount of \$138,870.

Source: Hdl Coren & Cone and City of West Hollywood

**CITY OF WEST HOLLYWOOD**  
**TABLE 11**  
**RATIOS OF OUTSTANDING DEBT BY THE TYPE**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

<b>Jurisdiction</b>	<b>Net General Obligation Debt Outstanding</b>	<b>Percentage Applicable to City of West Hollywood</b>	<b>Amount Applicable to City of West Hollywood June 30, 2021</b>
<b>Overlapping General Fund Debt:</b>			
Metropolitan Water District	13,101,783	0.908%	119,002
Los Angeles County Community College District	4,405,250,000	1.501%	66,134,825
Los Angeles Unified School District	10,709,685,000	1.837%	196,688,456
Subtotal, overlapping debt	<u>15,128,036,783</u>		<u>262,942,283</u>
<b>City direct governmental debt</b>			
2013 Lease Revenue Bonds Series	16,580,583	100.000%	16,580,583
2016 Lease Revenue Bonds Series	91,167,582	100.000%	91,167,582
2020 Lease Revenue Bonds Series A	75,561,888	100.000%	75,561,888
2020 Lease Revenue Bonds Series B	14,244,098	100.000%	14,244,098
Capital Lease - SCE	93,822	100.000%	93,822
Subtotal, city direct governmental debt	<u>197,647,974</u>		<u>197,647,973</u>
<b>Overlapping Tax Increment Debt</b>			
2013 Tax Allocation Revenue Refunding Bonds	7,106,549	100.000%	7,106,549
2011 Tax Allocation Bonds Series A	26,106,301	100.000%	26,106,301
2011 Tax Allocation Bonds Series B	8,135,691	100.000%	8,135,691
Subtotal, overlapping tax increment debt	<u>41,348,541</u>		<u>41,348,541</u>
Subtotal, overlapping debt			<u>304,290,824</u>
Subtotal, direct debt			<u>197,647,974</u>
Grand Total direct and overlapping governmental debt			<u>\$ 501,938,797</u>

Note: Overlapping rates are those of local and county governments and/or special districts that apply to property owners within certain geographic boundaries in the City. The overlap percentage was calculated based on the agencies assessed valuation located within the boundaries of the City by HdL Coren & Cone. Per HdL Coren & Cone, 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. The overlapping debt per each jurisdiction is totalled and summarized per each jurisdiction.

Source: HdL Coren & Cone.  
LA County Assessor and Auditor Combined Lien Date Tax Rolls

**CITY OF WEST HOLLYWOOD  
TABLE 12  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt limit	\$ 1,111,655,323	\$ 1,146,438,683	\$ 1,239,586,814	\$ 1,316,390,648	\$ 1,446,044,147
Total net debt applicable to limit	108,420,000	50,775,000	68,546,274	66,350,325	127,867,562
Legal debt margin	<u>\$ 1,003,235,323</u>	<u>\$ 1,095,663,683</u>	<u>\$ 1,171,040,540</u>	<u>\$ 1,250,040,323</u>	<u>\$ 1,318,176,585</u>
Total net debt applicable to the limit as percentage of debt limit	9.75%	4.43%	5.53%	5.04%	8.84%

Notes:

- (1) Section 43605 of the Government Code of the State of California limits the amount of indebtedness for public improvements to 15% of the assessed valuation of all real and personal property of the City.
- (2) The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter. Therefore, effective fiscal year 2013, the calculation of debt applicable to limit does not include the Successor Agency's debt.

Sources: Los Angeles County Auditor-Controller.  
City of West Hollywood.

**CITY OF WEST HOLLYWOOD  
TABLE 12  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt limit	\$ 1,584,823,183	\$ 1,716,615,406	\$ 1,829,888,807	\$ 2,042,193,343	\$ 2,169,928,710
Total net debt applicable to limit	124,294,665	120,366,770	116,278,874	200,264,740	197,647,974
Legal debt margin	<u>\$ 1,460,528,518</u>	<u>\$ 1,596,248,636</u>	<u>\$ 1,713,609,933</u>	<u>\$ 1,841,928,603</u>	<u>\$ 1,972,280,736</u>
Total net debt applicable to the limit as percentage of debt limit	7.84%	7.01%	6.35%	9.81%	9.11%

**Legal Debt Margin Calculation for Fiscal Year 2020**

Assessed value	<u>\$ 14,466,191,401</u>
Debt limit (1)	2,169,928,710
Debt applicable to limit (2):	
Lease Revenue Bonds and Capital Lease	197,647,974
Net amount of debt applicable to debt limit	<u>197,647,974</u>
Legal debt margin	<u><u>\$ 1,972,280,736</u></u>

**CITY OF WEST HOLLYWOOD  
TABLE 13  
EAST SIDE PROJECT AREA BONDS COVERAGE  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	Gross Revenue	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2012	5,792,253	250,000	5,542,253	2,200,000	1,771,598	3,971,598	1.40
2013	5,640,024	250,000	5,390,024	595,000	3,486,860	4,081,860	1.32
2014	6,334,528	250,000	6,084,528	570,000	3,243,026	3,813,026	1.60
2015	4,024,823	250,000	3,774,823	750,000	3,307,537	4,057,537	0.93
2016	4,208,819	250,000	3,958,819	635,000	3,297,628	3,932,628	1.01
2017	4,102,315	250,000	3,852,315	670,000	3,264,014	3,934,014	0.98
2018	4,013,414	150,000	3,863,414	705,000	3,221,628	3,926,628	0.98
2019	4,013,364	65,000	3,948,364	735,000	3,182,019	3,917,019	1.01
2020	4,019,164	65,000	3,954,164	775,000	3,138,511	3,913,511	1.01
2021	4,021,776	65,002	3,956,774	825,000	3,091,655	3,916,655	1.01

Note: (1) East Side Redevelopment Agency issued Tax Allocation Bonds of \$11,500,000 in fiscal year 2003-04 and \$39,980,000 in fiscal year 2010-11.

(2) The State of California dissolved all redevelopment agencies as part of the 2011-12 State budget. Successor Agencies are responsible for paying the enforceable obligations of the redevelopment agency at the time of dissolution until all enforceable obligations have been paid in full. As necessary, revenues of the former Commission are allocated for bond payments and other continuing contractual obligations entered into prior to 2011-12, any excess revenues are then allocated to each taxing entity, based on their share of the 1% general property tax levy.

(3) In December 2013, the Successor Agency to the West Hollywood Community Development Commission issued \$9,370,000 East Side Redevelopment Tax Allocation Refunding bonds, Series A for the purpose of refunding the outstanding balance of the Eastside Redevelopment Project 2003 Tax Allocation Bonds Series A. The entire issue was purchased by County of Los Angeles Redevelopment Refunding Authority.

Source: City of West Hollywood.

**CITY OF WEST HOLLYWOOD**  
**TABLE 14**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income (In Thousands) (2)</b>	<b>Per Capita Personal Income (3)</b>	<b>Unemployment Rate (4)</b>
2012	34,853	1,839,716	52,785	7.8%
2013	35,072	1,880,876	53,629	6.4%
2014	35,090	1,880,964	53,604	6.9%
2015	35,923	1,905,211	53,036	5.6%
2016	35,882	2,023,778	56,400	4.3%
2017	36,958	2,163,921	58,925	3.8%
2018	36,660	2,323,424	63,378	5.3%
2019	36,203	2,419,235	66,824	4.9%
2020	36,125	2,520,424	69,770	13.6%
2021	37,209	2,596,037	69,770	N/A

Notes: Annual income and unemployment figures for 2021 was not available at time of publication of this ACFR.

Sources: (1) Data is from Hdl, Coren & Cone. Data is based on California Department of Finance.

(2) (3) Data is from Hdl, Coren & Cone. 2000-2009 Income, Age and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries. 2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey. 2020 population and personal income was estimate last year and updated this year based on data from Hdl. 2021 population and personal income is an estimate.

(4) Unemployment data : California Employment Development Department

**CITY OF WEST HOLLYWOOD  
TABLE 15  
PRINCIPAL EMPLOYERS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2021		2012	
	# Employees	% of Total City Employment	# Employees	% of Total City Employment
Los Angeles County Metropolitan Transportation Authority	559	2.3%	642	2.7%
Target Corp. (5)	289	1.2%	500	2.1%
CityGrid Media/Inter Active Corp (5)	288	1.2%	450	1.9%
City of West Hollywood	240	1.0%	209	0.9%
1 OAK LA (5)	200	0.8%		
Laz Parking (5)	200	0.8%		
Pavilions (5)	180	0.7%		
KKGG Management LLC (Argyle Hotel) (5)	165	0.7%	100	0.4%
Andaz West Hollywood	161	0.7%		
Sunset Tower Hotel (4)	50	0.2%		
Whole Foods Market (5)	153	0.6%		
Ralphs (2 locations) (5)	141	0.6%		
Hollywood Standard LLC (The Standard Hotel) (5)	140	0.6%	173	0.7%
nCompass (5)	128	0.5%		
The Jeremy Hotel (5)	120	0.5%		
Best Buy (5)	100	0.4%	100	0.4%
Sunset Marquis	75	0.3%		
The London West Hollywood	72	0.3%		
Saddle Ranch Restaurant	43	0.2%	100	0.4%
HMBL LLC (Best Western Sunset Plaza) (5)	40	0.2%	125	0.5%
Mondrian	30	0.1%	400	1.7%
Outrigger Lodging Services LLP (Chamberlain Hotel)	12	0.0%		
Outrigger Lodging Services LLP (Le Parc Suite Hotel)	16	0.1%	105	0.4%
Outrigger Lodging Services LLP (Le Montrose Hotel)	22	0.1%		
Outrigger Lodging Services LLP (The Grafton Hotel)	17	0.1%		
Ticketmaster (1)			160	0.7%
House of Blues (3)			300	1.3%
SC Club LP (Key Club)* (Sold)			100	0.4%
Dailey & Associates			145	0.6%
Wyndham Bel Age Hotel LP			230	1.0%
Hyatt Corp (Hyatt West Hollywood Hotel)			165	0.7%
<b>Total Jobs By Principal Employers</b>	<b>3,441</b>	<b>14.0%</b>	<b>4,004</b>	<b>16.8%</b>
Total Jobs (estimated) in City of West Hollywood (6)	24,500	100%	23,900	100%

- (1) Ticketmaster merged with LiveNation in 2010, subsequently reducing labor and moving headquarters to Los Angeles.  
(2) Prior years' information not available.  
(3) Closed in FY 2014-2015.  
(4) Formerly KKGG Management LLC (Sunset Tower Hotel)  
(5) The figures presented were estimates used in fiscal year 2018-2019. Due to COVID 19, these companies cannot be contacted to confirm the number of employees, therefore, prior year information was used.  
(6) Employment data per California Employment Development Department (EDD)

Sources: City of West Hollywood.  
California Employment Development Department.



**CITY OF WEST HOLLYWOOD**  
**TABLE 16**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

Function	Fiscal Year									
	12	13	14	15	16	17	18	19	20	21
<b>General Government</b>										
Legislative & Executive	25.6	25.6	39.8	36.8	27.8	13.0	11.0	16.0	17.0	21.0
Administration	26.8	26.8	17.7	17.8	25.8	24.8	24.0	23.0	23.0	23.8
Finance & Information Technology	21.9	23.9	22.9	22.9	22.9	23.9	24.0	23.0	23.0	21.9
Public Safety	8.8	7.8	5.6	5.0	5.0	5.0	5.0	5.0	5.0	10.0
<b>Community Services</b>										
Human Services & Rent Stabilization	52.4	52.4	54.4	56.9	56.6	57.8	49.0	24.0	24.0	26.8
Housing & Rent Stabilization	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Community Development	29.0	29.0	30.0	31.0	33.0	33.0	0.0	0.0	0.0	0.0
Community Services (1)	0.0	0.0	0.0	0.0	0.0	0.0	1.0	6.0	6.0	5.0
Facilities & Recreation Services (1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	55.0	49.0	48.0
Planning & Development Services (1)	0.0	0.0	0.0	0.0	0.0	0.0	34.0	30.0	30.0	31.0
Public Works	26.0	44.0	46.0	46.0	47.0	48.0	49.0	25.0	31.0	33.0
Communications (1)	0.0	0.0	0.0	0.0	0.0	9.8	10.0	10.0	10.0	18.0
Economic Development (1)	0.0	0.0	0.0	0.0	0.0	7.0	19.0	19.0	18.0	2.0
<b>Total</b>	<b>207.4</b>	<b>209.4</b>	<b>216.4</b>	<b>216.4</b>	<b>218.2</b>	<b>222.3</b>	<b>226.0</b>	<b>236.0</b>	<b>236.0</b>	<b>240.4</b>

Notes:

(1) Due to the City's reorganization, new departments were created and employees were reassigned to the new departments.

Source: City of West Hollywood

**CITY OF WEST HOLLYWOOD  
TABLE 17  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Function	Fiscal Year									
	12	13	14	15	16	17	18	19	20	21
<b>Police (1)</b>										
Incidents	7,460	6,370	6,975	6,060	10,931	9,647	11,204	7,506	5,178	4,824
Arrests	3,069	3,407	3,312	2,230	2,569	2,027	2,478	2,901	2,293	1,696
<b>Sewers</b>										
Miles of system	39	39	39	39	39	39	39	39	39	39
Percent inspected	10	10	10	10	10	10	20	20	20	20
<b>Parks and Recreation</b>										
Number of parks	7	7	8	8	8	8	8	8	8	8
<b>Community Development</b>										
Commercial building permits	221	221	796	358	400	364	396	368	350	194
Residential building permits	396	396	1,548	548	577	636	756	752	389	548
Mixed-use building permits (2)	-	-	-	4	6	3	3	2	6	-
<b>Parking</b>										
Citations issued	195,345	182,930	211,404	211,583	196,834	181,639	172,954	154,594	115,320	106,482

Notes:

- (1) Police statistics are based on calendar year; Information for 2020 was updated to reflect the actual number of arrest and incidents; the 2021 information is an estimate.
- (2) FY15 information was revised to include the mixed-use building permits issued.

Source: City of West Hollywood.

**CITY OF WEST HOLLYWOOD  
TABLE 18  
CAPITAL ASSETS BY FUNCTION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Function/ program	Fiscal Year									
	12	13	14	15	16	17	18	19	20	21
<b>Public Safety</b>										
This a contracted service	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Parking:</b>										
Parking Structures	2	2	2	2	3	3	3	3	3	3
Parking Lots	4	4	4	9	9	9	9	9	7	7
<b>Cultural &amp; Recreation:</b>										
Parks	7	7	8	8	8	8	8	8	8	8
<b>General Services:</b>										
Sidewalks (length/feet)	275,638	275,638	275,638	275,638	275,638	275,638	275,638	275,638	275,638	275,638
Streets (miles)	54	54	54	54	54	54	54	54	54	54
Traffic signals	56	56	60	61	61	62	66	66	66	66
<b>Wastewater:</b>										
Sanitary sewers (miles)	39	39	39	39	39	39	39	39	39	39
Manholes	395	395	885	885	885	885	885	885	885	885
<b>City-Line:</b>										
Number of Buses	10	10	10	10	10	10	7	18	18	18

Source: City of West Hollywood

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## **West Hollywood Core Values**

Respect and Support for People

Responsiveness to the Public

Idealism, Creativity, and Innovation

Quality of Residential Life

Promote Economic Development

Public Safety

Responsibility for the Environment



[www.weho.org](http://www.weho.org) @wehocity



City of West Hollywood  
8300 Santa Monica Boulevard  
West Hollywood, California 90069

[www.weho.org](http://www.weho.org)  
Telephone | 323.848.6400  
TTY hearing impaired | 323.848.6496