
REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CARSON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT



GENERAL FUND

The General Fund accounts for all financial resources that are not restricted as to their use or required to be accounted for in another fund. These resources include sales and use tax, property taxes, utility users tax, franchise taxes, business license fees, building permits, interest on investments, fines and forfeitures, charges for services, and other miscellaneous revenues.

General Fund resources are used to finance the general governmental operations of the City of Carson. The city departments that are listed below are supported by the General Fund. The list likewise shows the services that each department provides.

City Council

Local legislative policy

City Attorney

Legal advisor to City Council and departments
Preparations of resolutions and ordinances
Contract review
Litigation

City Clerk

Records management
Preparation of minutes
Codification of municipal code
Elections

City Treasurer

Investments
Cash management
Cashiering

Community Development

Employment development
Business development
Successor Agency
Housing Authority
Housing and neighborhood development
Planning
Building and safety

Administrative Services

Revenue collection
Business license
Budget preparation
Financial reporting
Grants accounting
Accounts payable
Payroll
Purchasing
Reproduction and mail services
Warehouse operations
Information technology

Community Services

Parks and recreation
Special events
Sherriff's contract
Code enforcement and compliance
Security services
Youth services
Safety and emergency services
Pedestrian safety
Senior services
Fine Arts
Transportation
Community center

City Manager

Implementation of City Council policies
Intergovernmental relations
Public information
Preparation of agendas
Human resources
Recruitment/training
Worker's compensation
Risk assessment and management
Benefits administration

Public Works

General engineering
Contract administration
Construction engineering
Public works
Street and parkway maintenance
Vehicle and equipment maintenance
Median and tree maintenance
Waste management
Environmental
Building and landscape maintenance

Non-Departmental

Retiree health insurance
Program support

**City of Carson
GENERAL FUND
Schedule of Revenues –Budget and Actual
Year ended June 30, 2014**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Taxes				
Sales and use tax	\$ 22,810,696	\$ 22,810,696	\$ 23,668,795	\$ 858,099
Franchise tax	7,083,848	7,083,848	7,936,242	852,394
Property tax allocation from state	14,800,000	14,800,000	14,182,112	(617,888)
Transient occupancy tax	1,466,425	1,466,425	1,598,037	131,612
Utility Users tax	8,070,331	8,070,331	9,284,071	1,213,740
Real property transfer tax	253,216	253,216	226,006	(27,210)
Admissions tax	468,732	468,732	315,511	(153,221)
Total taxes	<u>54,953,248</u>	<u>54,953,248</u>	<u>57,210,774</u>	<u>2,257,526</u>
Licenses and permits				
Business licenses	2,519,456	2,519,456	2,546,608	27,152
Building permits	2,580,573	2,580,573	2,899,460	318,887
Other licenses and permits	651,916	651,916	711,458	59,542
Total licenses and permits	<u>5,751,945</u>	<u>5,751,945</u>	<u>6,157,526</u>	<u>405,581</u>
Fines, forfeitures and property:				
Traffic and parking fines	1,574,717	1,574,717	1,534,486	(40,231)
Other fines, forfeitures and penalties	312,258	312,258	289,642	(22,616)
Total fines, forfeitures and penalties	<u>1,886,975</u>	<u>1,886,975</u>	<u>1,824,128</u>	<u>(62,847)</u>
Use of money and property:				
Interest on investments	259,207	259,207	254,091	(5,116)
Rents and commissions	320,835	600,835	642,948	42,113
Community Center revenue	740,908	740,908	772,181	31,273
Total use of money and property	<u>1,320,950</u>	<u>1,600,950</u>	<u>1,669,220</u>	<u>68,270</u>
Intergovernmental:				
Motor vehicle licenses	51,917	51,917	41,716	(10,201)
Other intergovernmental	263,078	266,078	230,609	(35,469)
Total intergovernmental	<u>314,995</u>	<u>317,995</u>	<u>272,325</u>	<u>(45,670)</u>
Charges for services:				
Planning and public works	373,813	373,813	391,880	18,067
Recreation	1,385,844	1,385,844	1,415,087	29,243
Other service charges	382,757	386,757	383,118	(3,639)
Total charges for services	<u>2,142,414</u>	<u>2,146,414</u>	<u>2,190,085</u>	<u>43,671</u>
Other revenues	1,056,534	1,104,100	1,680,463	576,363
Other financing sources	1,037,344	2,290,344	938,605	(1,351,739)
Total General Fund revenues	<u>\$ 68,464,405</u>	<u>\$ 70,051,971</u>	<u>\$ 71,943,126</u>	<u>\$ 1,891,155</u>

**City of Carson
GENERAL FUND
Schedule of Expenditures – Budget and Actual
Year ended June 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government:				
City Council	\$ 886,204	\$ 917,730	\$ 805,732	\$ 111,998
City Attorney	1,090,558	1,130,558	1,669,096	(538,538)
Non Departmental	5,024,686	8,960,506	8,620,590	339,916
City Clerk	603,632	639,727	664,339	(24,612)
City Treasurer	729,059	759,729	753,239	6,490
City Manager	3,532,171	3,618,996	3,237,167	381,829
Administrative Services	6,267,701	6,822,361	6,291,963	530,398
Total General Government	<u>18,134,011</u>	<u>22,849,607</u>	<u>22,042,126</u>	<u>807,481</u>
Community Development	4,203,878	4,520,574	4,188,655	331,919
Public Works	13,916,900	14,560,320	13,797,470	762,850
Community Services	30,150,137	30,812,472	30,670,545	141,927
Subtotal current expenditures	<u>66,404,926</u>	<u>72,742,973</u>	<u>70,698,796</u>	<u>2,044,177</u>
Capital Improvement Program	2,130,674	3,225,745	1,134,021	2,091,724
Other Financing Uses	100,000	100,000	100,000	-
Total General Fund expenditures	<u>68,635,600</u>	<u>76,068,718</u>	<u>71,932,817</u>	<u>4,135,901</u>
Net General Fund expenditures	<u>\$ 68,635,600</u>	<u>\$ 76,068,718</u>	<u>\$ 71,932,817</u>	<u>\$ 4,135,901</u>

City of Carson
CARSON HOUSING AUTHORITY

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Year ended June 30, 2014**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues			
Taxes	\$ -	\$ 2,973,555	\$ 2,973,555
Use of money and property	1,254,059.00	714,183	(539,876)
Miscellaneous	123,575.00	1,138,741	1,015,166
Total revenues	<u>1,377,634</u>	<u>4,826,479</u>	<u>3,448,845</u>
Expenditures			
Current:			
Community development	7,057,655	8,983,595	(1,925,940)
Total expenditures	<u>7,057,655</u>	<u>8,983,595</u>	<u>(1,925,940)</u>
Excess (deficiency) of revenues over expenditures	(5,680,021)	(4,157,116)	1,522,905
Other financing sources (uses)			
Transfers out	-	(19,952)	(19,952)
Change in fund balance	<u>\$ (5,680,021)</u>	<u>(4,177,068)</u>	<u>\$ 1,502,953</u>
Fund balances, beginning of year		<u>36,745,742</u>	
Fund balances, beginning of year		<u>\$ 32,568,674</u>	

**Defined Benefit Pension Plan - Miscellaneous
(California Public Employees' Retirement System)**

Actuarial Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability/ (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/2010	\$ 175,896,151	\$ 133,535,154	\$ 42,360,997	75.9%	\$ 27,107,068	156.3%
6/30/2011	190,199,074	142,496,715	47,702,359	74.9%	25,455,297	187.4%
6/30/2012	198,662,253	150,707,176	47,955,077	75.9%	24,309,612	197.3%

*UAAL refers to unfunded actuarial accrued liability.

Postemployment Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (c)/(b-a)
7/1/2013	\$ 7,287,038	\$ 48,365,461	\$ 41,078,423	15%	\$ 23,621,000	174%

* The City has made a contribution to California Employer's Retiree Benefit Trust (CERBT) of \$3,384,670 \$3,404,726, and \$5,461,581 during the fiscal years 2011-2012, 2012-2013, and 2013-2014, respectively.

Budgetary Control and Accounting

The following procedures are utilized by the City in formulating its annual budget:

- Early in the calendar year, the Directors prepare estimates of required appropriations for the following fiscal year. These estimates are compiled into a proposed operating budget.
- The City Manager submits the proposed budget to the City Council for the subsequent fiscal year. The operating budget includes both the sources and types of funds for the proposed expenditures. The City Council and staff meet in budget workshops in order to relate requests with available resources.
- Public hearings are conducted to obtain taxpayer comments on the proposed budget being adopted. Pursuant to provisions of the Carson Municipal Code, the General Fund budget must be adopted no later than July 20 of the new fiscal year. The budget is legally enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revision that alters the total expenditures of any fund must be approved by the City Council. The budget is generally amended during the fiscal year to reflect adjustments, as authorized by the City Council. Expenditures may not legally exceed appropriations at the fund level.
- Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts are recorded during the year as encumbrances in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are treated as a reservation of fund balance since they do not constitute expenditures or liabilities.
- It is the practice of the City to give Finance staff some discretion with respect to budget amounts for year-end purposes.

Budgeted amounts are reported on the same basis of accounting as the fund types they relate to (modified-accrual) and adopted on a basis consistent with generally accepted accounting principles (GAAP). All unexpended appropriations expire at year-end and if warranted are reappropriated in the next budget cycle. Annual budgets are prepared for all governmental fund types expected to have activity during the fiscal year.