

CITY OF AGOURA HILLS

91301

A CULTURAL EXPERIENCE


PRELIMINARY BUDGET



FISCAL YEAR 2012-13

REPORT TO CITY COUNCIL

DATE: JUNE 13, 2012

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER 

BY: CHRISTY PINUELAS, DIRECTOR OF FINANCE 
NATHAN HAMBURGER, ASSISTANT CITY MANAGER 

SUBJECT: OVERVIEW OF PROPOSED AMENDMENTS TO FISCAL YEAR 2011-12
AND PROPOSED FISCAL YEAR 2012-13 BUDGET

The City Council is being presented the proposed amendments to the Fiscal Year 2011-12 Budget based on current revenue and expenditure data. In addition, the City Council is being asked to review and provide any necessary feedback on the proposed Fiscal Year 2012-13 Budget. As with many municipal agencies throughout the State, Agoura Hills has been faced with the challenge of dealing with a revenue loss in the post-redevelopment world. The City Council and staff had anticipated some loss of funding and had implemented a two-year plan to address the losses. The former Redevelopment Agency funded approximately \$625,000 in salaries that was addressed in the following cost-saving recommendations: 1) With the retirement of a current employee, it is recommended that the position remain vacant (\$150,000); 2) Receipt of an administrative allowance for the Successor Agency (\$250,000); 3) Increase in property tax that in the past was revenue to the RDA (\$100,000). The City would only need to absorb the remaining \$126,000 in salaries and benefits, which is recommended to be spread throughout the General Fund, Measure R Fund, and various other special funds.

Even with the extremely difficult economic state of our country and the loss of redevelopment in our State, the City's General Fund remains stable. In looking at the final projections for Fiscal Year 2011-12, a slight decrease in revenues (\$46,173) and a decrease in expenses (\$22,611). In addition, as discussed at the mid-year budget review, there is a transfer of \$353,000 that will need to be moved back to the Redevelopment Retirement Fund, based on a directive received by the State. In the previous fiscal year, the City had formalized a loan repayment schedule, based on the agreement already in place between the former RDA and the City, for the loan of monies utilized for administrative and capital improvements within the RDA Project Area. An unsecured promissory note was recorded for \$31 million, with the first payment of \$353,000 originally being received by the City.

Since that time, the passage of ABX1 26 limited loans to the first two years a redevelopment agency was formed and thus changed the allowable loan amount to \$4 million. However, there are several pending legislative bills that may change that, but at this point in time; the \$4 million is the only allowable recognized loan that the Oversight Board for the Successor Agency to the Agoura Hills Redevelopment Agency could approve. Staff will be presenting a proposed

repayment schedule to the Oversight Board at its regularly scheduled June meeting. The State's Department of Finance has also directed the City to return the payment of \$353,000 to the Successor Agency until a further review can be completed.

The bottom line numbers also reflect the City Council's direction to complete a one-time capital transfer of \$1,202,000 from the General Fund to the Recreation Center Fund, to insure that adequate funding was available to be utilized for a much needed community facility. Details of all of the proposed amendments are included in the attached Financial Report. Thus, the Fiscal Year 2011-12 recommended budget is shown below for consideration.

General Fund	Original Budget 2011-12	Amended Budget 2011-12	Recommended Budget 2011-12
Revenues	\$11,484,656	\$11,395,656	\$11,349,483
Expenses	10,407,967	10,271,975	10,249,364
Operating Transfers:			
Debt Service	672,000	672,000	672,000
Rec Center	428,000	428,000	428,000
Net Operating Income	(23,311)	23,681	119
Other Special Funds			
Capital Rec Center Costs	1,202,000	1,202,000	1,202,000
RDA Transfer Out	247,787	0	353,000

For Fiscal Year 2012-13, staff is projecting a slight increase in revenue (1%), offset by a matching increase in operating expenses and transfers (1%). The General Fund proposed 2012-13 budget is balanced with \$33,322 in net income.

General Fund	Proposed Budget 2011-12	Proposed Budget 2012-13	Difference
Revenues	\$11,349,483	\$11,477,931	\$128,448
Expenses	10,249,364	10,772,609	523,245
Operating Transfers			
Debt Service	672,000	672,000	0
Rec Center	428,000		(428,000)
Net Income	119	33,322	33,203

The largest change is the operating transfer for the new recreation center (\$428,000), which last year was needed to pay for the design phase of the project and for start-up costs on the newly acquired building. This year there are sufficient funds in the Recreation Center Capital Projects Funds to pay the operational costs of the building.

The Fiscal Year 2012/13 proposed budget recommends the following changes to the General Fund budget from the previous year:

- City Clerk – recommended reduction of \$48,000 for contract services, which were needed in 2011-12 to cover election costs
- Computer Equipment – recommended increase of \$115,000 to pay for server upgrades, new personal computers for employees, finance software and recreation software (\$144,000 total)
- Sheriff Contract – recommended increase \$145,393 primarily related to the reinstatement of liability insurance and an increase in contract rates 2.23%.
- Community Development (Planning) – recommended increase in salaries of \$280,000, primarily due to the transfer of positions from the RDA Housing Fund back to the General Fund.
- Public Works Salaries – recommended decrease in salaries of \$150,000 as a result of a retirement of the City’s Civil Engineer and the elimination of the position.

The Special Revenue Funds of the City, where money is restricted to special uses, have the following highlights:

- Overlay – The 2012-13 overlay project will be presented to the Council detailing nearly \$700,000 in overlay costs. This project is budgeted using Gas Tax, Measure R Sales Tax Override, and Recycled Asphalt Grant Funds.
- Vehicles – The recommended replacement of a truck in Public Works and Community Development, using AQMD Funds (General Use) and Proposition A Funds (Dial-A-Ride Van).
- Proposition C – An additional Bus Pad is recommended (\$46,000 total).
- Measure R Capital Projects – The Agoura Road widening and U.S. 101/Palo Comado Canyon Interchange expansion projects are included within this budget (\$4.9 million total).

Overall, the City remains very healthy. At the end of Fiscal Year 2012-13, the General Fund Reserve is projected to be \$8,559,650 or 75% of Operating Expenses and Operating Transfers. A Reserve Analysis is included in this packet for your review.

RECOMMENDATION

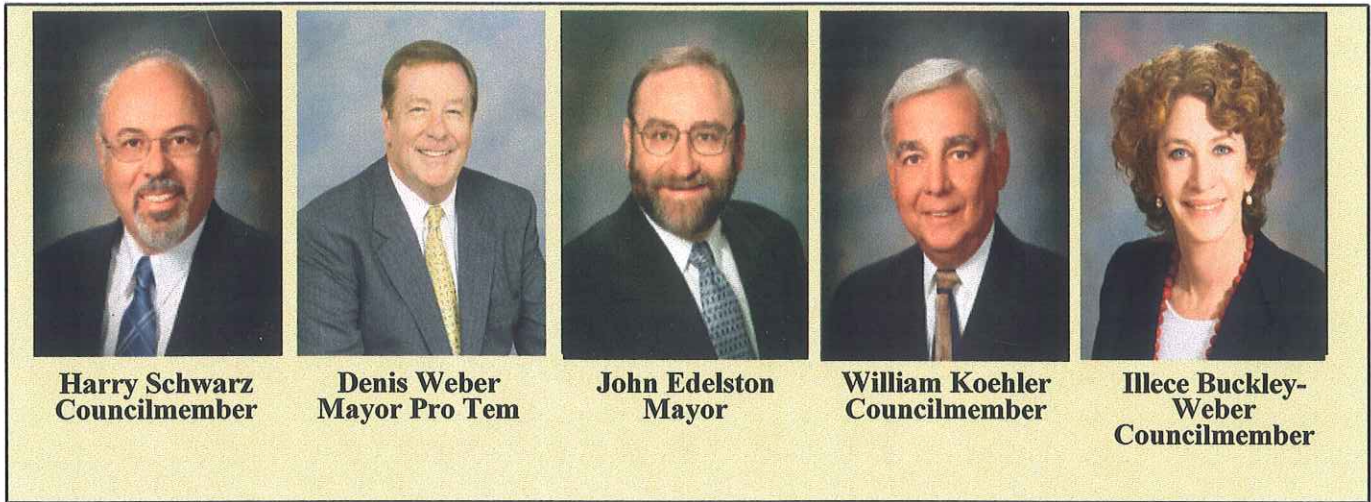
Staff is recommending the City Council review the proposed amendments to the Fiscal Year 2011-12 Budget and the proposed Fiscal Year 2012-13 Budget and provide direction to staff as needed.

Attachments: 1) Financial Report

CITY OF AGOURA HILLS

ORGANIZATIONAL STRUCTURE AND DIRECTORY OF CITY OFFICIALS

AGOURA HILLS RESIDENTS



Harry Schwarz
Councilmember

Denis Weber
Mayor Pro Tem

John Edelston
Mayor

William Koehler
Councilmember

Illece Buckley-Weber
Councilmember

Planning Commission
(5)

Greg Ramirez
City Manager
(5.5)

Craig Steele
City Attorney
(Contract)

Nathan Hamburger
Assistant City Manager

- Economic Development
- Human Resources
- Risk Management
- Refuse/Recycling

Mike Kamino
Director
Comm. Development
(6.5)

Christy Pinuelas
Director
Finance
(3)

Ramino Adeva
Director of Public Works
(7)

Kimberly Rodrigues
City Clerk
(2)

Amy Brink
Director of
Community Services
(7)

Amir Hamidzadeh
Building Official
(3)

- Current Planning
- Economic Development & Revitalization
- Environmental Review
- General Plan
- Code Enforcement
- Comprehensive Planning
- Community Devel. Block Grant

- Accounting
- Operating Budget
- Payroll
- Financial Reporting
- Business Registration
- Cash Management
- Purchasing
- Information Systems

- Private Project Devel.
- Capital Project Devel.
- Mapping & Records
- Public Works Inspection
- Transit/Transport. Engineering
- Water
- Wastewater
- Street/Landscape Maintenance
- Storm Water System Maintenance

- Information
- Agendas/Minutes
- Public Hearings
- Elections
- Records Management
- Nonprofit Solicitor Permits

- Recreation Programs
- City-Wide Special Events
- Transportation Services
- Senior Center
- Community Service Programs
- Community Relations
- Recreation Center
- Reyes Adobe Historical Site
- Equestrian Arena
- Park facilities & Maintenance

- Plan Review
- Permit Processing
- Permit Issuance
- Building Inspection
- Code Adoption and Enforcement
- Issuance of Certificate of Occupancy

ATTACHMENT A
COMMUNITY OUTREACH GRANT PROGRAM REQUESTS

ORGANIZATION	FUNDED FY 2008-2009	FUNDED FY 2009-2010	FUNDED FY 2010-2011	FUNDED FY 2011-2012	REQUESTED FY 2012-2013	PROPOSED FUNDING BY COMMITTEE FY 2012-2013
Agoura High School Music Program (Boosters)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,200	\$ 5,000	\$ 1,500
A. H. S. Senior Class Booster Club, Inc. (Grad Night)	\$ 1,000	\$ 1,000	\$ 1,000	\$ 600	\$ 1,000	\$ 1,000
Agoura H.S. PFC "Every 15 Minutes" Program					\$ 6,500	
Agoura High School Theater Arts Boosters		\$ 1,000	\$ 1,000	\$ 600	\$ 3,500	\$ 1,000
Agoura High School Recycling Environ. Student Program			\$ 500	\$ 300	\$ 3,475	\$ 300
BookEnds	\$ 1,000	\$ 1,500	\$ 750		\$ 1,000	\$ 300
California Wildlife Center	\$ 1,000	\$ 1,000	\$ 500			
Conejo Free Clinic (New Applicant 2011)						
Conejo/Las Virgenes Future Foundation	\$ 2,500	\$ 2,500	\$ 2,500	\$ 1,500	\$ 6,975	\$ 2,500
Discovery Center for Science & Technology			\$ 1,000		\$ 4,485	\$ 1,000
Friendship Circle, The	\$ 2,500	\$ 2,500	\$ 2,000	\$ 1,200	\$ 3,500	\$ 1,500
Manna Conejo Valley Food Bank			\$ 1,000	\$ 600	\$ 3,000	\$ 1,000
Many Mansions	\$ 1,110		\$ 1,500	\$ 900	\$ 2,000	\$ 750
Meals-On-Wheels, Inc.	\$ 1,000	\$ 1,000	\$ 1,000	\$ 600	\$ 1,000	\$ 700
Thousand Oaks Arts Festival		\$ 500			\$ 1,000	
Triunfo YMCA	\$ 3,000	\$ 3,000	\$ 3,000	\$ 1,800	\$ 5,000	\$ 2,500
Universal Love Foundation (New Applicant 2011)					\$ 2,000	
Westlake-Agoura Girls' Softball (WAGS) (New App. 2011)				\$ 300		
Westlake Village Junior Women's Club		\$ 500				
Total Funded & Requested Funding (& See Below) *	\$ 15,110	\$ 16,500	\$ 17,750	\$ 9,600	\$ 49,435	\$ 14,050
Total Funded in 08-09 Actually \$26,110.00 *						
Total Funded in 09-10 Actually \$20,000.00 *						
Total Funded in 10-11 Actually \$19,250.00 *						
(* Funding amounts may be different due to certain applicants' names being deleted from this chart due to not being chosen for funding in subsequent years.						

City of Agoura Hills
FY 2012-13



Date: June 13, 2012
To: Honorable Mayor and Members of the City Council
From: Greg Ramirez, City Manager
Subject: Fiscal Year 2012/13 Budget Executive Summary

Introduction

This document includes the 2012/13 recommended budget for the City of Agoura Hills. The adoption of the budget is one of the most important actions taken by the City Council, as it establishes the City's direction for the near future.

Developing and monitoring the budget is an ongoing process and the budget that is developed from this process is modified throughout the budget period to respond to unanticipated events. At the June 13 budget study session the City Council will review the 2012/13 preliminary budget.

In reviewing the 2012/13 financial projections, it is important to note that although it is imperative that we take steps to meet new and continuing economic challenges facing our region and the entire nation, the City of Agoura Hills remains fiscally sound thanks to prudent and conservative planning by the City Council. Keeping to a clear and strong financial plan and maintaining prudent reserves will continue to be the goal of this budget process.

The City of Agoura Hills, like many other cities in California, had a Redevelopment Agency. Effective February 1, 2012 the California Supreme Court ruled to eliminate all Redevelopment Agencies throughout the state. On February 8, 2012, the City of Agoura Hills elected to become a Successor Agency. The Successor Agency is expected to wind down the Agency affairs, and it is overseen by an oversight board, comprised of representatives of other affected taxing entities, until the debts of the Agency are paid for.

Financial Highlights

The City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010 was awarded its first Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the City and its management. The City has submitted its' 2011 CAFR and is waiting for the results of the review.

City of Agoura Hills

FY 2012-13

For the second time, the City's Budget for the fiscal year ended June 30, 2012 received the California Society of Municipal Finance Officer's (CSMFO) Excellence in Operating Budgets Award. It is our intention to submit to both of these programs for consideration this year.

In April 2012, the City of Agoura Hills received a very strong financial endorsement from S&P, who affirmed the City's rating on the Agoura Hills Public Financing Authority's Series 2007 Refunding Lease Revenue Bonds at AA+ with a stable outlook. The City continues to enjoy one of the highest bond ratings available to cities in California. The S&P Rating Report reflects Standard & Poor's view of the city's participation in the Los Angeles-Long Beach Metropolitan Statistical Area, Low level of funding interdependencies with the federal government, historically very strong financial position, and low overall debt burden as a percent of market value. See a later discussion in this summary on the City's debt obligations.

Overall Budget

The 2012/13 Adopted Budget of \$19.6 million includes approximately \$19.3 million in City of Agoura Hills expenditures and operating transfers and \$265 thousand in expenditures for the Successor Agency to the Agoura Hills Redevelopment Agency (Successor Agency). The day-to-day operational/service costs for the organization as a whole are \$14.3 million and we are recommending an additional \$5.3 million in Capital Improvement Projects. The Capital Improvement Projects include \$4.9 million in Measure R, a Los Angeles County sales tax initiative, for several transportation related projects which include the Chesebro Interchange and Agoura Road Widening Projects.

The overall budget consists of the following:

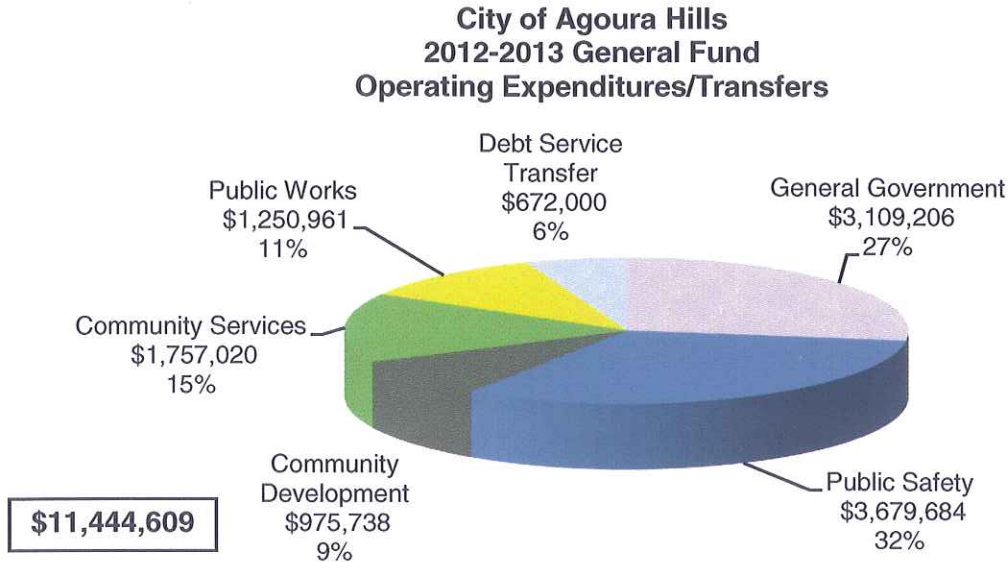
General Fund	\$10,772,609
Other City Funds	<u>\$ 8,527,688</u>
Total City of Agoura Hills	<u>\$19,300,297</u>
Successor Agency	<u>\$ 264,581</u>
Total All Funds	\$19,564,878

Public Safety continues to be a high priority, as is seen through the City's financial commitment (32% of the General Fund budget) to the various safety programs. The City contracts with the Los Angeles Sheriff's Department (Sheriff) to provide public safety. Services include patrol and traffic personnel, a juvenile intervention team, school crossing guards, youth drug awareness education programs, and animal control services. The Sheriff's Department is requesting a 2.23% increase in rates for the 2012/13 year. In 2011/12, the Sheriff's Department provided agencies with a one year rate holiday from liability insurance. This year the City will be billed \$138 thousand to cover their share of the liability insurance. The City will receive \$100,000 in State COPS grant monies to assist in paying for our public safety program. These monies are budgeted in the Supplemental Law Enforcement Fund.

In addition to the Measure R transportation related projects, the City Council has approved funding for several other capital improvement projects, including design work for the new

City of Agoura Hills FY 2012-13

Recreation Center, Storm Water projects, the overlay of various city streets, sidewalk repairs, and other traffic improvement projects.



General Fund

The General Fund is where the majority of discretionary funds are recorded and where the majority of general municipal services are provided. The General Fund operational budget is balanced with revenues of \$11.5 million, expenditures of \$10.8 million, and operating fund transfers of \$672 thousand (\$11.5 million total). The debt service transfer out is to pay for debt service on the 2007 bond refunding. This bond paid for the Civic Center (City Hall/Library), for a portion of the Kanan Bridge Widening Project and is set-aside for the purchase of a recreation center.

General Fund revenue is budgeted to increase \$128,448 (1%). This is primarily a result of projected growth in sales tax. Agoura Hills receives a large portion of sales tax from both gasoline sales and furniture store sales. This, coupled with the opening of a small retail center with restaurants and a Trader Joe's grocery store, has led to a \$100 thousand (3%) increased projection in sales tax.

Operational expenses and transfers are budgeted to increase 1% (\$123,245) in the General Fund. The City is anticipating reduced City Clerk costs due to the fact that there is no election during the 2012/13 year (\$48,000) coupled with a reduction in the Public Works budget of \$150,000 due to the elimination of a position. Offsetting the above mentioned decreases is a shifting of costs for Community Development (\$280,000) from the Agoura Hills Redevelopment Agency and a \$115,000 increase in computer equipment to pay for new personal computers for

City of Agoura Hills FY 2012-13

employees, finance and recreation software. Personnel costs are further discussed elsewhere in this summary.

The Budget Process

The budget process began in February when the department heads were asked to prepare revenue and expenditure projections and to provide recommendations for reducing expenses. During the first week of March, the City Manager met with each of the department heads to discuss their requests for the 2012/13 year and to review their estimates for the 2011/12 year.

On March 28, 2012, the City Council held a Goal/Budget Workshop to set a plan for the 2012/13 Budget. On May 23, 2012, the Finance Committee, met to review the draft budget and to discuss community service grant requests, which were received from various service organizations in the community. The City Council will hold a budget study session on June 13, 2012 to discuss the 2012/13 Preliminary Budget. On June 27, 2011, the City Council is anticipated to adopt the 2012/13 Budget.

2012 Budget Calendar:

- | | |
|---------------|--|
| ➤ February 17 | Department Heads – Budgets to Finance |
| ➤ March 6-7 | City Manager met with Department Heads |
| ➤ March 10 | Department Heads – Revenue Projections |
| ➤ March 28 | Goals/Budget Workshop |
| ➤ May 23 | Finance Committee/Community Grants |
| ➤ June 6 | Preliminary Budget Review Workshop |
| ➤ June 27 | Adopt Budget |

Developing and monitoring the budget is an ongoing process. The estimates that are developed from this process are modified throughout the budget period to respond to unanticipated events.

Level of Budgetary Control

Since the budget is an estimate, from time to time, it is necessary to make adjustments to fine-tune the line items within it. Various levels of budgetary control have been established to maintain the integrity of the budget. The City Manager has the authority to transfer between expenditure accounts, within the same department, office, agency, or program activity. Where an appropriation requires an increase that cannot be supported by a transfer within those guidelines, City Council authorization is required.

Basis of Budgeting

The City of Agoura Hills' basis of budgeting is the same as the basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP). The City only has governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) whose budgets are prepared on a modified accrual basis where revenues are recognized when they become measurable and available, and expenditures are recorded when

City of Agoura Hills FY 2012-13

the related liability is incurred; except that principal and interest payments on general long-term debt are recognized when due. Revenue availability criteria are defined as collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period (i.e., sixty days after fiscal year end).

The Funds within the Budget

All of the 20 budgeted funds are segregated into fund types as shown in the following list. They are described in more detail later in this summary. The City also holds fiduciary responsibility for several funds which are shown in the financial statements, but are not budgeted.

City of Agoura Hills

General Fund

010 – General Fund

Special Revenue Funds (12)

020 – Gas Tax Fund

040 – Traffic Safety Fund

060 – Proposition A Fund

061 – Proposition C Fund

063 – Measure R Fund

070 – South Coast Air Quality Control Fund

110 – Traffic Improvement Fund

111 – Undergrounding in Lieu Fund

240 – Supplemental Law Enforcement Fund

260 – Miscellaneous Grants Fund

420 – Inclusionary Housing In-Lieu Fund

520 – Solid Waste Management Fund

Debt Service Fund

300 – Financing Authority Debt Service Fund

Capital Projects Funds (4)

015 – Recreation Center Capital Projects Fund

016 – Storm Water Capital Projects Fund

017 – Reyes Adobe Interchange Project Fund

018 – Measure R Capital Projects Fund

Successor Agency to the Agoura Hills Redevelopment Agency

Debt Service Fund

390 – RDA Debt Service Fund

Trust Fund

600 – RDA Capital Projects Fund

City of Agoura Hills FY 2012-13

Basis for Assumption for Key Revenue Estimates

The 2012/13 Budget was built upon a series of assumptions related to employee compensation, insurance rates, economic forecasts and development patterns. The impact of any further State of California budget changes on revenues and expenses will not be known until after this budget is adopted. Therefore no financial cuts from Federal or State grants or legislative changes have been made unless we have already been notified of such change. The budget reflects the best information available from the Governor's and Legislative's proposals for the State 2012/13 budget.

Net Tax Increment – The Agoura Hills Redevelopment Agency (RDA) was established in 1991/92 and dissolved in 2011/12. A new Agency, the Successor Agency to the Agoura Hills Redevelopment Agency was formed to manage and dissolve the assets of the Agency. The revenues are still pledged to bonds outstanding by the Agency. This revenue, known as net tax increment, represents the increase in property tax over the base year. In 2010/11, several property owners were successful in appealing their assessed valuations. These appeals resulted in a \$900 thousand loss of revenue (18%). Several appeals remain outstanding. These revenues are expected to further decline \$470 thousand in 2011/12 based on projections obtained from the County of Los Angeles. The Net Tax Increment is pledged to bond repayment, to pass through payments, and to enforceable loans with the City. The Successor Agency continues to experience new development which will bring additional revenue in future years. See further discussion of the RDA later in this summary.

Property Taxes – The City's General Fund receives property taxes. The estimate is projected to increase one percent, based on information received from the State and the County of Los Angeles, historical trends, and a forecast of a moderate decrease in assessed valuations. The decrease in assessed valuations is primarily the result of temporary appeals to the County Assessor based on declining property values. Also included in this category is the Property Tax In-Lieu of Vehicle License Fee (VLF). Beginning with 2005/06, a majority of the VLF revenue source has been reclassified from Grants and Subventions as the State reallocates its funding methodology.

Transient Occupancy Tax – The City imposes a 12% Transient Occupancy Tax on occupants at hotel, motel, or other lodging facilities within the incorporated area of the City. The Transient Occupancy Tax is forecasted to increase 1% based on current economic trends.

Major Issues

There are certain current issues that are of major interest to the City. They include the following:

- The State's Budget and Legislative Issues
- Agoura Hills Redevelopment Agency
- The Agoura Hills Recreation Center
- Measure R Funding
- Five Year Computer Upgrades Plan

City of Agoura Hills FY 2012-13

The State's Budget and Legislative Issues

In January, the 2012/13 Governor's Budget projected that the state needed to address a budget problem of \$9.2 billion to balance the 2012-13 General Fund budget. In the May Revision, the administration estimates that the problem has increased to \$15.7 billion. The increase mainly results from lower revenue projections, which have the counterintuitive effect of increasing the state's Proposition 98 minimum guarantee for schools and community colleges in 2012/13. The Governor's May Revision projects a \$1 billion reserve if the Governor's Proposals are adopted. The administration also estimates the plan would leave the state with a small structural surplus in the coming years.

The 2012/13 Governor's Budget is balanced on the backs of the assets of former redevelopment agency's liquid assets (cash) to local governments including school and community college districts. See later discussion of the Agoura Hills Redevelopment Agency.

Since the passage of Proposition 13, the Legislature of the State of California has had the power to reallocate property taxes among local governments. The most significant use of this authority has been to allocate city, county and special district shares of the property tax to schools through Educational Revenue Augmentation Funds (ERAF) and reduce state general fund support for schools. Proposition 1A, passed by the voters in November 2004, and Proposition 1A (Prop 1A) passed by the voters in November 2006, preclude the State from taking away resources but does not preclude the State from borrowing from local government. As a part of the 2009/10 Budget package, the State of California Legislative Budget Conference Committee suspended the 2004 Prop1A and borrowed monies from local government.

The suspension of the 2004 Prop 1A required the Governor to declare a "severe state fiscal hardship" and for the Legislature to enact an urgency statute suspending Prop 1A with 2/3 vote of each house; and for the Legislature to enact a law providing for full repayment of the "borrowed funds", plus interest, within three years. The Legislature may not enact such a suspension more than twice in any ten-year period and may only do so if any previous borrowings have been repaid. The City of Agoura Hills' share of the loan was \$400,641. These monies came from the City's General Fund Reserves (see discussion later). The City participated in a third party securitization program and received 100% of the receivables by the end of 2009/10. As such, the monies borrowed have all been repaid to the City although, since it was a securitization, the State monies are still outstanding and another borrowing may not occur until this has been fully repaid.

As of the date of this letter, the State has still not reached a decision on the final 2012/13 State Budget. There are no current budget proposals that would impact the City of Agoura Hills. However, the City will continue to monitor the progress of the State budget, and if any recommendations are passed which impact the City's budget, staff will bring recommendations forward at a later date.

Agoura Hills Redevelopment Agency/Successor Agency

In his 2011/12 budget, Governor Jerry Brown proposed eliminating the state's Redevelopment Agencies (RDAs) to help address the state's ongoing budget deficit. In June 2011, the

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Legislature passed, and the Governor signed, two bills in response to his proposal:

- ABx1 26 prevented RDAs from engaging in new activities and dissolved the agencies
- ABx1 27 allowed RDAs to opt-in to an alternative redevelopment program to avoid dissolution.

The bills were challenged on constitutional grounds. On December 29, 2011 the California Supreme Court upheld the constitutionality of ABx1 26 and struck down ABx1 27 as unconstitutional. As a result the Agoura Hills Redevelopment Agency was dissolved on February 1, 2012. The assets and liabilities (excluding housing assets) of RDAs have now been transferred to Successor Agencies pursuant to ABx1 26. The City has chosen the County of Los Angeles as the Successor Housing Agency, managing the RDA's housing assets.

The Agoura Hills Redevelopment Agency was formed in 1988 and covered 1,028 acres, most of which lay in the southern portion of the City along commercial arterials and the U.S. 101 Freeway. The Agency issued the following debt in June, 2008:

- \$10 million in Housing Set-Aside Tax Allocation Bonds
- \$ 5.7 million in Tax Allocation Bonds

In 2008/09, the Agoura Hills Redevelopment Agency used \$4.1 million of the Tax Allocation Bonds to purchase property within the Redevelopment Agency. Furthermore, the City has used some of the Housing Set-Aside Bond proceeds to lease property within the Agency for the construction of Affordable Housing.

The 2010/11 Budget included the use of the remaining Tax Allocation Bonds (\$1.5 million) to pay for the completion of the Reyes Adobe Interchange Capital Project and the signal and intersection upgrades at Kanan/Canwood.

Resolution No. 2 of the Agoura Hills RDA, adopted on April 13, 1988, established that the City would loan monies to the Agency to pay for the "administrative expenses" of the Agoura Hills RDA. Resolution No. 93-24, adopted on September 22, 2003, approved payment by the RDA for all or part of the value of the land and the cost of the installation and construction of certain improvements. Beginning in 1988/89, the City loaned \$16,414,328 to the Agency. The total amount owed currently stands at \$30,611,655. In February, 2011, the City Council and the RDA took formal action to consolidate the City's loans, and any additional administrative expenses into one master loan.

The current language within the Health and Safety code Section 34178(b) provides that a written agreement between the former Redevelopment Agency and the sponsoring city that provided loans for the first two years of the formation of the redevelopment agency are valid and cannot be deemed invalid. Although the City is unwilling to relinquish or give up its right to be repaid the full loan amount, the Oversight Board for the Successor Agency has agreed to repayment on the loan amount for the first two years of formation. The new amount is \$4,013,073. The Board will meet to determine the repayment amount to the City.

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Proposed payments to the City vary from \$111 thousand to \$264 thousand. It is important to note that the City has not included any amounts for the loan in the proposed budget.

AB 1389 was approved by the State Legislature in September 2008 as part of the 2008/09 State Budget package and authorized a one-time take of \$350 million from redevelopment agencies. In April 2009, a California Superior Court ruled that State raids of redevelopment funds are unconstitutional, invalidating AB 1389. Despite the clear unconstitutionality, just three months later legislators and the Governor approved budget bill ABX4-26 as part of the 2009 State budget which authorized a \$2.05 billion raid of local redevelopment funds, including \$1.7 billion in 2009/10 and another \$350 million in 2010/11. The California Redevelopment Association (CRA) and two of its member agencies filed a lawsuit on October 20, 2009, to challenge the constitutionality of State raids of redevelopment funds. This time the California Superior Court ruled against the Redevelopment Agencies. In May of 2010, the Agoura Hills RDA was forced to pay \$1 million to the State and in May 2011, the Agoura Hills RDA paid another \$206 thousand. The CRA is appealing the Superior Court ruling to the Court of Appeal.

The payment of these funds to the State greatly hampered the ability of the Agoura Hills RDA to complete projects slated within the Agency.

AB1389 required agencies to file a report of all pass-through obligations and payments for fiscal years 2003/04 through 2007/08 to their County Auditor. Because the Agoura Hills Redevelopment Agency is not subject to AB 1290 statutory pass-through, no findings were made against the agency.

The RDA did not expend any of the Housing Bond Proceeds and the Oversight Board is currently seeking ways to defease the bonds, thus freeing up more tax increment to pass on to the taxing entities.

The Agoura Hills Recreation Center

The City of Agoura Hills currently leases space for a recreation center. The lease expires in December, 2014. In June, 2011, the City acquired an existing school site for \$4.4 million to replace the leased facility. The City has set-aside an additional \$3.3 million towards the cost of the recreation center. Costs for completing architectural review and for maintaining the site are budgeted in the 2012/13 Budget.

Measure R Funding

In November 2008, Measure R was approved by an amazing two-thirds majority, committing a projected \$40 billion to traffic relief and transportation upgrades throughout the county over the next 30 years. The City of Agoura Hills is scheduled to receive approximately \$15.6 million of these monies through 2013/14. Projects slated for the monies include the Chesebro/Palo Comado Interchange(PR); the Agoura Road Widening; and the Agoura Road Roundabout (design). The City plans to utilize \$4.9 million in Measure R monies during 2012/13. The Capital Improvement Plan (CIP) includes the projects utilizing these funds in 2012/13.

City of Agoura Hills FY 2012-13

Five-Year Computer Upgrades Plan

The City recently completed a network assessment. The City has a reliable and secure Information Technology environment and realizes that a long range plan has to be laid out to maintain the system. It is the goal of the City to begin providing more accessibility to citizens by providing on-line services and information. In order to achieve this goal, adjustments to the 2011/12 budget recommend the purchase of a new server and two new laptops, the 2012/13 budget recommends the purchase of new software for recreation and finance, and the refreshing of staff personal computers. The needs of the network were reviewed over the next five years and the costs of this maintenance are included within the General Fund operating budget.

General Fund Reserve Policy

A prudent General Fund reserve policy should be an integral part of municipal financial operations. In June, 2005, the City of Agoura Hills passed Resolution No. 05-1378 stating that the City Council and City Staff will endeavor to designate an amount equal to or greater than forty percent (40%) of each year's proposed General Fund Operating Budget as the City's unobligated General Fund Reserve. The City Council recognizes that the unobligated General Fund reserves are needed for cash flow requirements and contingencies, such as exposure to natural disasters, exposure to economic impacts, and vulnerability to actions of the State. This resolution requires that if, in any budget year, the City Council determines that the public interest requires expending any amount remaining in General Fund Reserves causing it to fall below forty percent (40%) of that year's General Fund Operating Budget, the City Council and City staff, shall, in the following budget year, present a plan for returning the General Fund Reserve to the 40% level, as soon as practicable, based on the City's then-current budget circumstances.

For the budget year 2012/13 the fund balance in the General Fund is projected to be \$8.6 million or 75% of operating expenditures and transfers at June 30, 2013. This fund balance will increase 1% from the 2011/12 level.

It is important to note that the General Fund serves as a temporary funding source for the many grants the City receives, including the Measure R Capital Projects. The total of these advances is anticipated to be \$2.2 million. These amounts are included in the above referenced fund balance.

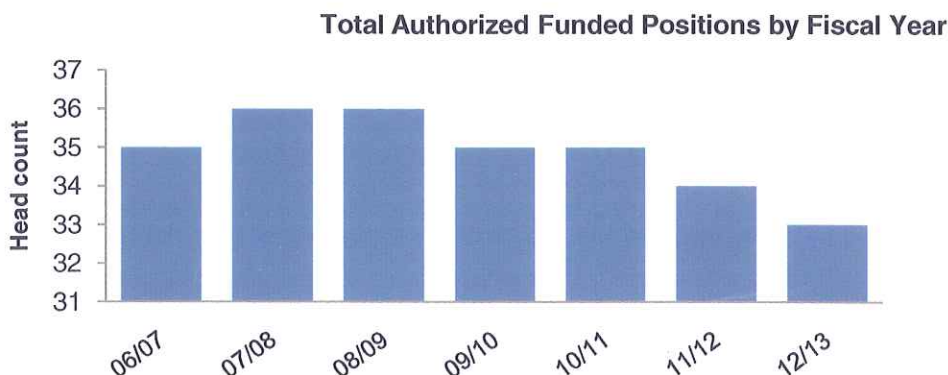
Overall, the combined City of Agoura Hills fund balances are projected to decrease \$510 thousand from 6/30/2012 to 6/30/2013. The decrease primarily relates to a one-time use of funds in the Gas Tax Fund, the Measure R Sales Tax Fund and the Recreation Center Capital Projects Fund.

City of Agoura Hills FY 2012-13

Fund	<u>6/30/12</u>	<u>6/30/13</u>	Percent Change
General	\$8,552,372	\$8,585,694	1%
Other City Funds	<u>8,587,789</u>	<u>8,068,566</u>	- 6%
Total All Funds	\$17,140,161	\$16,654,260	- 3%

Personnel Additions/Promotions and Reclassifications

The 2012/13 headcount includes 33 full-time employees, 5 Council members, 5 Planning Commissioners, 1 appointed part-time Treasurer, and numerous part-time staff, who are primarily employed at the Recreation Center.



One full-time position, Senior Civil Engineer, has been eliminated in the 2012/13 budget and the duties have been assumed by a contractor and from within the department. The City previously reduced staffing levels in 2009/10 by leaving two Community Development positions unfilled and in 2011/12 by eliminating a Parks and Landscape Superintendent position.

Staffing levels have been shifted from the Proposition C and the RDA Capital Projects Funds to the General Fund and Measure R Capital Projects Fund, primarily to reflect new capital expenditures and the staff time committed to complete these projects. Although the salary bands are budgeted to adjust 3.0% in 2012/13, due to the elimination of the Senior Civil Engineering position, the overall costs of salaries and benefits are budgeted to remain flat.

The Public Employees Retirement System (CalPERS) has set the City's rate at 10.00%. The rate in 2011/12 was 9.539%. In 2006, CalPERS pooled all plans with fewer than 100 actives. When the plans were pooled, their unfunded liability was calculated and each agency was placed on a 15-year repayment plan with an interest rate of 7.75%. The unfunded liability was placed in a "Side Fund". In 2010/11 the City paid-off its "Side Fund". By pre-paying the "Side Fund" the City saved approximately \$400,000 in interest and reduced the overall rate it pays to CalPERS.

City of Agoura Hills FY 2012-13

GASB 45, implemented by the Governmental Accounting Standards Board, requires that the City record the Annual Required Contribution each year for Other Post Employment Benefits provided to retirees or place the amount in a trust. In the fall of 2008, the City Council took action to mitigate retiree medical costs by establishing a longer service period and lower threshold for retiree benefits. By taking these actions, the liability was established at only \$1.3 million. The City's contribution for 2012/13 is budgeted at \$179,700. The City has budgeted for this contribution in the General Fund and has joined the CalPERS CERBT. It is the City's intention to fund its contribution annually.

Debt Obligations

The 2012/13 Budget includes certain debt obligations for the City and the Successor Agency. The obligations included in the budget represent the annual installment payments of principal and interest to be paid on debt existing at July 1, 2012. For 2012/13, there is currently not a plan for any additional bond issues.

Currently the City of Agoura Hills has very little debt. The Successor Agency, relatively speaking, does have considerable debt, but that is the nature of redevelopment.

The following descriptions include current outstanding debt for each of these issues:

2007 Lease Revenue Refunding Bonds

Purpose: Refunding the Lease Revenue Bonds, Series 1999; assist the City in financing a portion of the costs of the Reyes Adobe Road Freeway Interchange Project and the related improvements and other public infrastructure.

\$12,030,000 issued February 2007

Principal Outstanding 7/1/2012: \$11,125,000

Maturity Date: 2042

Interest Rate: 4.0% - 4.375%

Funding Sources: General Fund

Agoura Hills Redevelopment Agency Tax Allocations Bonds Series 2008 A-T

Purpose: Financing redevelopment projects benefiting the Agoura Hills Redevelopment Project Area.

\$5,740,000 issued June 2008

Principal Outstanding 7/1/2012: \$5,580,000

Maturity: 2041

Interest Rate: 4.728% - 7.842%

Funding Sources: RDA tax increment revenue

City of Agoura Hills FY 2012-13

Agoura Hills Redevelopment Agency Housing Set-Aside Tax Allocation Bonds, Series 2008

Purpose: Financing low and moderate income housing projects benefiting the Agoura Hills Redevelopment Agency.

\$10,000,000 issued June 2008

Principal Outstanding 7/1/2011: \$9,570,000

Maturity: 2041

Interest Rate: 4.0% - 5.0%

Funding Sources: RDA tax increment revenue

Agoura Hills Redevelopment Agency Promissory Note due to the City

Purpose: Financing low and moderate income housing projects benefiting the Agoura Hills Redevelopment Agency.

\$44,000,000 note dated February 9, 2011

Principal Outstanding 7/1/2011: \$43,723,765

Maturity: 2042

Interest Rate: 2.94%

Funding Sources: RDA tax increment revenue

Agoura Hills Redevelopment Agency Capital Projects Fund Loan due to the Housing Fund

Purpose: Payment of 2011/12 SERAF to State of California

\$206,968 dated January 26, 2011

Principal Outstanding 7/1/2011: \$206,968

Maturity: 2015

Interest Rate: 0.00%

Funding Sources: RDA tax increment revenue

Debt Limit

The only legal debt limit in California is for general obligation debt. If a city wants to issue general obligation debt, they must go out to the voters and receive a 2/3 majority vote. The city does not have general obligation debt because of the difficulty in obtaining a 2/3 vote, as required in the State of California; therefore a legal limit has not been established. It is up to the governing body of the City to decide whether or not a debt limit should be imposed on issuing other types of debt. Because of the limited debt that the City has had to issue and because of the tight fiscal policies in place, we have not adopted a debt limit on any other type of debt.

Summary

This year's budget document is the culmination of continuous dialogue and review with department heads and their staffs. This budget could not have been produced without their creative ideas and their professional discipline and desire to serve the community. It is anticipated that the City of Agoura Hills will remain in good financial condition throughout the next fiscal year. The City has been very committed to establishing and maintaining good fiscal health.

City of Agoura Hills
FY 2012-13

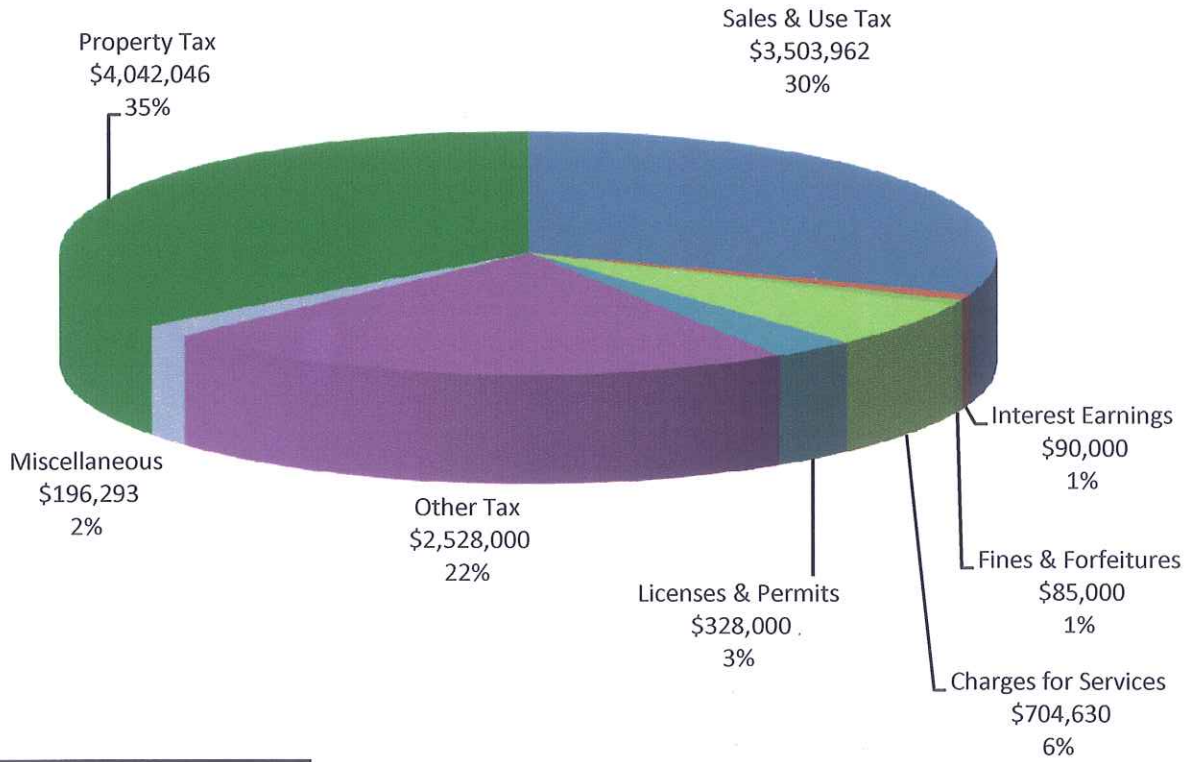
I appreciate the support and cooperative policy direction given by the City Council during the past year and believe that this budget fully supports the adopted policies and programs of the Agoura Hills City Council. I sincerely appreciate the hard work staff put into this budget, especially Finance Director Christy Pinuelas and Assistant City Manager Nathan Hamburger. I look forward to working with you when we make this budget a reality.

Respectfully,

A handwritten signature in black ink, appearing to read 'Greg Ramirez', written over a horizontal line.

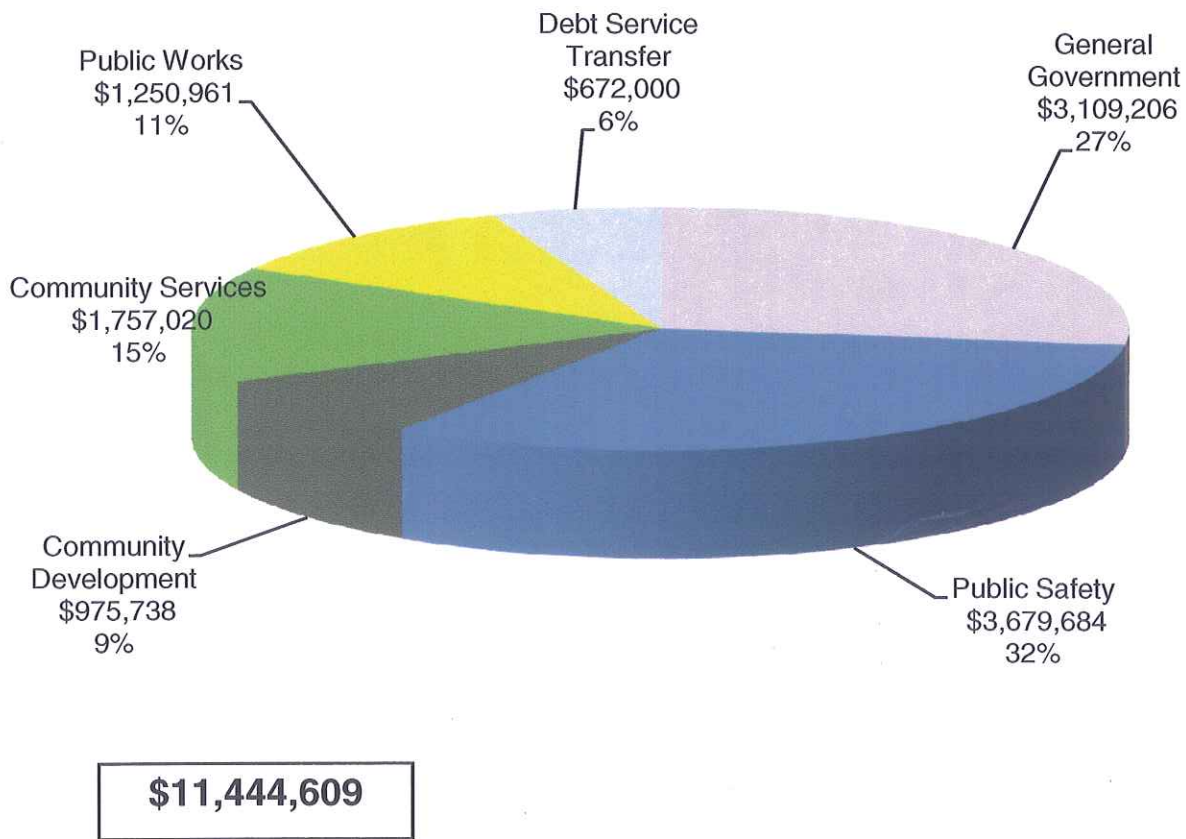
Greg Ramirez
City Manager

City of Agoura Hills 2012-2013 General Fund Revenue



\$11,477,931

City of Agoura Hills 2012-2013 General Fund Operating Expenditures/Transfers



**City of Agoura Hills
Sources and Uses
Actual 2012-13**

Fund	Fund Balance 6/30/2012	----- Estimate 2012/13-----		Transfers (Out)/In	Fund Balance 6/30/2013
		Revenues	Expenditures		
<u>City of Agoura Hills</u>					
010 General Fund	8,552,372	11,477,931	10,772,609	(672,000)	8,585,694
20 Gas Tax	227,586	616,531	710,500		133,617
21 Traffic Congestion	0	-	-	-	0
40 Traffic Safety	17,098	151,000	156,000		12,098
60 Proposition A	498,902	727,095	768,549		457,448
61 Proposition C	(20,749)	267,507	45,929		200,829
63 Measure R	208,391	200,267	411,500		(2,842)
70 SCAQMD	50,162	27,000	74,200		2,962
110 Traffic Improvement	1,580,257	57,500	32,500		1,605,257
111 Utility Undergrounding	118,825	500	-		119,325
240 Suppl. Law Enfcmnt	562	100,700	100,000		1,262
260 Misc. Grants	(0)	164,000	164,000		(0)
520 Waste Management	165,245	84,850	107,000		143,095
420 Inc. Housing In-Lieu	2,444,486	21,301			2,465,787
300 Public Fin Auth Debt Service	2,369		669,631	672,000	4,738
500 Public Fin Auth Cap Projects	2,462	9,664			12,126
15 Rec Center Capital Projects	3,201,866	20,000	309,000		2,912,866
16 Stormwater Capital Projects	90,328	672	91,000		(0)
17 Reyes Adobe Interchange Project	0				0
18 Measure R Capital Projects	-	4,887,879	4,887,879		-
Subtotal City of Agoura Hills	17,140,161	18,814,397	19,300,297	-	16,654,260
<u>Agoura Hills RDA</u>					
390 RDA Debt Service	600,002				
400 RDA Capital Projects	456,839				
410 RDA Housing Set-Aside	11,933,097				
Subtotal Agoura Hills RDA	12,989,938	-	-	-	-
<u>Successor Agency</u>					
600 Successor Agency	(86,925)	250,000	264,581		(101,506)
Grand Total	30,043,173	19,064,397	19,564,878	-	16,552,754

**City of Agoura Hills
Sources and Uses
Budget 2011-12**

Fund	Budget 2011/12				-----Proposed Amendments-----			Working Capital Adjustments	Prop. Fund Balance 6/30/2012					
	Fund Balance 6/30/2011	Revenues	Expenditures	Transfers (Out)/In	Projected Fund Balance 6/30/2012	Revenues	Expenditures			Transfers	Adjustment to Fund Balance	Revenues	Expenditures	Transfers
City of Agoura Hills														
010 General Fund	9,839,753	11,395,656	10,271,975	(2,302,000)	8,661,434	(46,173)	(22,611)	(353,000)	(376,562)	11,349,483	10,249,364	(2,655,000)	267,500	8,552,372
20 Gas Tax	175,476	630,622	738,000		68,098	(22,400)	(181,888)		159,488	608,222	556,112			227,586
21 Traffic Congestion	0				0					-	-			0
40 Traffic Safety	18,780	151,000	152,500		17,280		182		(182)	151,000	152,682			17,098
60 Proposition A	522,977	729,494	720,666		531,805	(32,601)	302		(32,903)	696,893	720,968			498,902
61 Proposition C	(287,756)	267,507			(20,249)	(500)			(500)	267,007	-			(20,749)
63 Measure R	8,124	200,267	201,500		6,891		(201,500)		201,500	200,267	-			208,391
70 SCAQMD	42,362	27,000	24,200		45,162	(5,000)			5,000	27,000	19,200			50,162
110 Traffic Improvement	2,966,040	175,000	255,000	(1,276,560)	1,609,480	(2,500)	26,723		(29,223)	172,500	281,723	(1,276,560)		1,580,257
111 Utility Undergrounding	118,325				118,325	500			500	500	-			118,825
240 Suppl. Law Enfemt	9,213	100,700	109,001		912	(350)			(350)	100,350	109,001			562
260 Misc. Grants	(60,350)	213,350	153,000		(0)	(40,015)	(40,015)		-	173,335	112,985			(0)
520 Waste Management	181,545	72,850	107,000		147,395	11,130	(6,720)		17,850	83,980	100,280			165,245
420 Inc. Housing In-Lieu	2,434,486	15,000			2,449,486	(5,000)			(5,000)	10,000	-			2,444,486
300 Public Fin Auth Debt Service	(0)		669,631	672,000	2,369				-	-	669,631	672,000		2,369
500 Public Fin Auth Cap Projects	1,567,054			(1,557,390)	9,664			(7,202)	(7,202)	-	-	(1,564,592)		2,462
15 Rec Center Capital Projects	386,274	20,000	400,000	3,187,390	3,193,664	(10,000)	(11,000)	7,202	8,202	10,000	389,000	3,194,592		3,201,866
16 Stormwater Capital Projects	94,128	500	91,000		3,628	(500)	(87,200)		86,700	-	3,800			90,328
17 Reyes Adobe Interchange Project	(1,204,401)	1,503,841	1,576,000	1,276,560	0				-	1,503,841	1,576,000	1,276,560		0
18 Measure R Capital Projects	(550,745)	2,864,798	2,313,575		478	(1,176,174)	(1,175,696)		(478)	1,688,624	1,137,879			-
Subtotal City of Agoura Hills	16,261,284	18,367,585	17,783,048	-	16,845,821	(1,324,583)	(1,704,423)	(353,000)	26,840	17,043,002	16,078,625	(353,000)		17,140,161
Agoura Hills RDA														
390 RDA Debt Service	898,602	2,461,988	2,725,132	657,573	1,293,031	2,473,988	2,725,132	(441,885)	(693,029)	4,935,976	5,450,264	215,688		600,002
400 RDA Capital Projects	381,049	20,000	275,021	(122,739)	3,289	(12,000)	(210,468)	255,082	453,550	8,000	64,553	132,343		456,839
410 RDA Housing Set-Aside	11,939,038	40,000	562,079	(534,834)	10,882,125	30,000	(394,244)	626,728	1,050,972	70,000	167,835	91,894		11,933,097
Subtotal Agoura Hills RDA	13,218,689	2,521,988	3,562,232	-	12,178,445	2,491,988	2,120,420	439,925	811,493	5,013,976	5,682,652	439,925		12,989,938
Successor Agency														
600 Successor Agency	-				-			(86,925)	(86,925)	-	-	(86,925)		(86,925)
Grand Total	29,479,972	20,889,573	21,345,280	-	29,024,265	1,167,405	415,997	-	751,408	22,056,978	21,761,277	-	-	30,043,173

City of Agoura Hills
DRAFT General Fund Five Year Forecast - RDA RAID 11/12 as c j/12

	2008-09	2009-10	2010-11		FORECAST				
	Actual	Actual	Budget	Actual	2011-12	2012-13	2013-14	2014-15	2015-16
REVENUES & OTHER SOURCES									
Sales Tax - General	3,388,117	2,948,718	3,050,187	3,041,806	3,383,991	3,503,962	3,702,256	3,839,105	4,076,000
Property Tax	2,293,037	2,183,933	2,150,000	2,167,516	2,190,000	2,202,357	2,279,439	2,370,617	2,465,442
Property Tax - RDA Take	0	0	0	0	0	15,000	15,000	15,000	15,000
Property Tax in lieu of VLF	1,776,431	1,734,085	1,716,400	1,716,083	1,729,500	1,734,689	1,795,403	1,867,219	1,941,908
Transient Occupancy Tax	1,767,254	1,590,124	1,700,000	1,709,143	1,750,000	1,767,500	1,802,850	1,838,907	1,875,685
Franchise Fees	764,392	757,736	762,764	703,309	763,459	756,000	771,120	786,542	802,273
Real Property Transfer Tax	90,661	100,930	100,000	85,277	118,000	105,000	109,200	120,000	130,000
Licenses and Permits									
Business Registration	59,466	60,585	61,000	61,745	90,000	100,000	105,000	110,300	115,800
Building Permits	192,823	313,348	280,000	207,795	200,000	207,000	250,000	275,000	275,000
Industrial Waste Fees	13,417	22,056	18,000	19,060	21,000	21,000	21,800	22,700	23,600
Revenues From Other Agencies									
Motor Vehicle In Lieu	84,860	68,490	87,000	118,561	0	0	0	0	0
Service Charges									
Development Review Fees	309,028	243,149	398,750	478,736	307,150	311,900	325,000	350,000	350,000
Recreation Fees	283,718	242,213	254,600	271,304	317,600	292,200	303,900	350,000	364,000
Other Service Charges	73,202	57,543	61,600	55,151	101,500	100,530	104,600	108,800	113,200
Other Revenues									
Fines & Forfeitures	119,505	110,845	115,500	84,245	85,000	85,000	87,600	90,200	95,000
Interest Earnings	171,300	89,321	90,000	59,936	90,000	90,000	85,860	125,589	167,494
Grant - YB Property	600,000	147,000	0	0	0	0	0	0	0
Transition Revenue - RDA	0	0	0	0	0	0	0	0	0
Other Revenues	584,020	297,316	255,600	252,073	202,283	185,793	193,200	200,900	208,900
Total Revenues	12,571,231	10,967,392	11,101,401	11,031,740	11,349,483	11,477,931	11,952,228	12,470,880	13,019,302
EXPENDITURES & OTHER USES									
Salaries and Benefits	3,594,245	3,666,514	3,449,404	3,158,810	3,661,362	3,894,415	4,042,992	4,405,911	4,775,508
Sheriff Expenses	3,394,860	3,358,179	3,601,931	3,598,610	3,457,291	3,602,684	3,710,765	3,803,534	3,917,640
Other Operating Programs	4,078,095	3,596,357	3,651,087	3,644,694	3,130,711	3,275,510	3,459,520	3,593,711	3,659,585
Interfund Transfers - debt service/rec center operating	669,931	669,831	672,000	670,111	1,100,000	672,000	667,832	665,632	665,632
Total Operating Expenditures and Transfers	11,737,131	11,290,881	11,374,422	11,072,225	11,349,364	11,444,609	11,881,108	12,468,788	13,018,364
Net Operating Revenue/(Loss)	834,100	(323,489)	(273,021)	(40,485)	119	33,322	71,120	2,092	938
Capital Improvement Plan	1,682,879	0	0	0	0	0	0	0	0
CJPIA - Retrospective Adjustment	0	0	0	0	0	0	284,469	0	0
Land Acquisition	0	630,000	0	0	0	0	0	0	0
Side Fund PERS Prepayment	0	240,000	0	247,244	0	0	0	0	0
Total Expenditures and Transfers	13,420,010	12,160,881	11,374,422	11,319,469	11,349,364	11,444,609	12,165,577	12,468,788	13,018,364
Revenues Over (Under) Expenditures	(848,779)	(1,193,489)	(273,021)	(287,729)	119	33,322	(213,349)	2,092	938
FUND BALANCE, START OF YEAR									
Interfund Transfers - Stormwater	(53,507)	(43,726)	0	0	0	0	0	0	0
Interfund Transfers - TCRF	7,609	0	0	0	0	0	0	0	0
Interfund Transfers - Kanan	0	2,871,902	0	0	0	0	0	0	0
Loans-Reyes Adobe Grants	0	(1,755,958)	1,755,958	1,755,958	0	0	0	0	0
Loans - Traffic Congestion relief	0	(57,988)	57,988	57,988	0	0	0	0	0
Recreation Center	0	(1,500,000)	0	0	(1,202,000)	0	0	0	0
Transfer Back from TIF	0	1,000,000	0	0	0	0	0	0	0
RDA Loan Payment	0	0	1,176,218	1,176,242	(375,000)	0	0	0	0
Advance RDA Fund	0	0	(825,000)	(824,693)	0	0	0	0	0
Advance Prop C Fund	0	0	(279,402)	(279,402)	269,500	20,257	0	0	0
Land Held for Resale, not cash	0	(115,000)	0	0	0	0	0	0	0
Designated @ 40% of Operating Budget	4,694,852	4,516,352	4,549,769	4,428,890	4,539,746	4,577,844	4,752,443	4,987,515	5,207,346
Undesignated	4,340,796	3,725,037	5,304,361	5,410,863	3,992,626	4,008,107	3,620,158	3,387,179	3,168,286
Total General Fund Balance, End of Year	9,035,648	8,241,389	9,854,130	9,839,753	8,532,372	8,585,951	8,372,601	8,374,694	8,375,631
Special Revenues/ Capital Projects									
Gas Tax	280,567	70,739	137,063	175,476	227,586	133,617	121,313	115,487	97,142
Traffic Congestion Relief	323,886	580	580	0	0	0	0	0	0
Traffic Safety	79,422	14,135	1,235	18,605	16,923	11,923	9,793	10,770	15,106
Proposition A	900,667	709,178	498,327	522,976	498,901	457,447	480,545	517,563	547,251
Proposition C	942,713	985,233	(334,563)	0	7	201,328	83,535	372,871	673,780
Measure R	0	8,033	8,371	8,124	208,391	(2,842)	(2,842)	2,158	2,158
Recreation Center	3,280,215	4,806,136	7,928,135	386,276	3,201,868	0	0	0	0
Reyes Adobe Interchange	0	(847,095)	(847,095)	(1,204,401)	0	0	0	0	0
2007 Bond Proceeds	2,658,332	1,557,390	(1,100,942)	1,567,054	0	0	0	0	0
Traffic Improvement Fund	5,454,658	3,119,820	902,028	2,966,040	1,580,317	1,605,317	1,680,317	1,755,317	280,317
Total Special Revenues	13,920,460	10,424,149	7,193,139	4,440,150	5,733,993	2,406,790	2,372,661	2,774,165	1,615,753
Total of Available Funds	22,956,108	18,665,538	17,047,269	14,279,903	14,266,365	10,992,741	10,745,262	11,148,859	9,991,385

**CITY OF AGOURA HILLS
DRAFT SELECTED SPECIAL REVENUE/CAPITAL PROJECTS FUNDS FORECAST**

	2008-09	2009-10	2010-11		FORECAST				
	Actual	Actual	Budget	Actual	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Gas Tax									
Beginning Balance	306,737	280,567	70,739	70,739	175,476	227,586	133,617	121,313	115,487
Revenue	380,580	363,285	612,954	601,559	608,222	616,531	622,696	628,923	636,448
Operational Expenditures	406,750	249,235	303,500	285,814	396,112	405,500	325,000	334,750	344,793
Capital Expenditures	0	323,878	243,130	211,008	160,000	305,000	310,000	300,000	310,000
Net Revenue over Expenditures	280,567	70,739	137,063	175,476	227,586	133,617	121,313	115,487	97,142
Traffic Congestion Relief									
Beginning Balance	313,025	323,886	580	580	0	0	0	0	0
Revenue	525,345	211,752	0	2	0	0	0	0	0
Transfer In/(out)	(7,609)	0	1,330	1,330	0	0	0	0	0
Capital Expenditures	506,875	535,058	0	1,912	0	0	0	0	0
Net Revenue over Expenditures	323,886	580	580	0	0	0	0	0	0
Traffic Safety									
Beginning Balance	309,052	79,422	14,135	14,135	18,605	16,923	11,923	9,793	10,770
Revenue	158,783	163,695	151,100	156,638	151,000	151,000	158,550	166,478	174,801
Expenditures	254,980	228,982	164,000	152,168	152,682	156,000	160,680	165,500	170,465
Capital Expenditures	133,433	0	0	0	0	0	0	0	0
Net Revenue over Expenditures	79,422	14,135	1,235	18,605	16,923	11,923	9,793	10,770	15,106
Proposition A									
Beginning Balance	1,136,627	900,667	709,178	709,178	522,976	498,901	457,447	480,545	517,563
Revenue	497,494	451,936	455,854	451,232	696,893	727,095	778,832	800,010	800,010
Expenditures	721,368	643,425	666,705	637,434	720,968	718,549	725,734	732,992	740,322
Capital Expenditures	12,086	0	0	0	0	50,000	30,000	30,000	30,000
Net Revenue over Expenditures	900,667	709,178	498,327	522,976	498,901	457,447	480,545	517,563	547,251
Proposition C									
Beginning Balance	697,336	942,713	985,233	985,233	-	7	201,328	83,535	372,871
Revenue	297,218	256,672	261,899	262,465	267,507	267,507	278,207	289,336	300,909
Repay General Fund	0	0	0	(287,757)	267,500	20,257	0	0	0
Expenditures	0	68,154	246,695	200,455	0	5,929	6,000	0	0
Capital Expenditures	51,841	145,998	1,335,000	1,335,000	0	40,000	390,000	0	0
Net Revenue over Expenditures	942,713	985,233	(334,563)	0	7	201,328	83,535	372,871	673,780
Measure R									
Beginning Balance	0	0	8,033	8,033	8,124	208,391	(2,842)	(2,842)	2,158
Revenue	0	148,193	195,938	195,691	200,267	200,267	213,000	215,000	220,000
Capital Expenditures	0	140,160	195,600	195,600	0	411,500	213,000	210,000	220,000
Net Revenue over Expenditures	0	8,033	8,371	8,124	208,391	(2,842)	(2,842)	2,158	2,158
Recreation Center									
Beginning Balance	3,219,946	3,280,215	4,806,136	4,806,136	386,276	3,201,868	1,912,868	0	0
Revenue	77,474	32,566	100,000	37,245	10,000	20,000	57,386	0	0
Transfer In/(out)	0	1,500,000	3,021,999	0	3,194,592	0	0	0	0
Expenditures	0	6,645	0	43,303	389,000	309,000	0	0	0
Capital Expenditures	17,205	0	0	4,413,802	0	1,000,000	1,970,254	0	0
Net Revenue over Expenditures	3,280,215	4,806,136	7,928,135	386,276	3,201,868	1,912,868	0	0	0
Reyes Adobe Interchange									
Beginning Balance	0	0	(847,095)	(847,095)	(1,204,401)	0	0	0	0
Revenue	0	1,186,098	5,069,250	3,004,642	0	0	0	0	0
Transfer In/(out)	0	680,378	3,197,105	0	0	0	0	0	0
Expenditures	0	0	0	0	1,204,401	0	0	0	0
Capital Expenditures	0	2,713,571	8,266,355	3,361,948	0	0	0	0	0
Net Revenue over Expenditures	0	(847,095)	(847,095)	(1,204,401)	0	0	0	0	0
2007 Bond Proceeds									
Beginning Balance	2,601,172	2,658,332	1,557,390	1,557,390	1,567,054	0	0	0	0
Revenue	57,160	14,156	0	9,664	7,000	0	0	0	0
Transfer In/(out)	0	(1,115,098)	(2,658,332)	0	#####	0	0	0	0
Expenditures	0	0	0	0	0	0	0	0	0
Capital Expenditures	0	0	0	0	0	0	0	0	0
Net Revenue over Expenditures	2,658,332	1,557,390	(1,100,942.00)	1,567,054	0	0	0	0	0
Traffic Improvement Fund									
Beginning Balance	5,907,275	5,454,658	3,119,820	3,119,820	2,966,040	1,580,317	1,605,317	1,680,317	1,755,317
Revenue	248,721	416,150	130,000	29,049	172,500	57,500	75,000	75,000	75,000
Expenditures	701,338	1,117,853	194,500	182,829	281,723	32,500	0	0	1,550,000
Transfer In/(out)	0	(1,633,135)	(2,153,292)	0	(1,276,500)	0	0	0	0
Net Revenue over Expenditures	5,454,658	3,119,820	902,028	2,966,040	1,580,317	1,605,317	1,680,317	1,755,317	280,317
Total Special Revenues/Capital Projects	13,920,460	11,271,244	8,040,234	5,644,551	5,733,993	4,319,658	2,372,661	2,774,165	1,615,753