

REPORT TO CITY COUNCIL

DATE: JUNE 27, 2012

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

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

SUBJECT: APPROVAL OF RESOLUTION NO. 12-1673; ESTABLISHING FISCAL YEAR 2012-13 APPROPRIATIONS LIMITATIONS, RESOLUTION NO. 12-1674; ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2012-13

On June 14, 2012, the City Council held a budget workshop extensively covering all budget matters, and direction by the City Council has been incorporated into the final budget. The Fiscal Year 2012-13 Budget for the City of Agoura Hills and the Agoura Hills Redevelopment Agency of \$20.9 million includes approximately \$18.0 million in day-to-day operational/service costs with an additional \$2.9 million in Capital Improvement Projects. The Capital Improvement Projects include \$2.3 million in Measure R for several transportation related projects, which include the Chesebro Interchange and Agoura Road Widening Projects.

The General Fund operational budget is balanced, with revenues of \$11.47 million, and operating expenditures and transfers of \$11.44 million. The debt service transfer out is to pay for debt service on the 2007 bond refunding. This bond covers the Agoura Hills Civic Center (City Hall/Library), a portion of the Kanan Bridge Widening Project and is set-aside for the purchase of a recreation center. The recreation center operating transfer is to pay for utilities, maintenance and design services. Public Safety continues to be a high priority at 34% of the General Fund budget to fund various safety programs. These include patrol and traffic personnel, a juvenile intervention team, school crossing guards, youth drug awareness education programs, and animal control services. In addition to the Chesebro Interchange and Agoura Road Widening Projects, the Fiscal Year 2012-13 Budget includes funding for several capital improvement projects, including beautification through trash and weed abatement along the US 101 corridor, the annual street overlay program, sidewalk repairs, traffic signal lighting change outs, and other traffic improvement projects.

Since the date of the budget workshop, staff has made the following changes to the budget.

At the budget workshop, it was recommended that the General Fund community grants line item be increased from \$9,600 to \$14,050.

Furthermore CalPERS, our health insurance broker, finalized health insurance rates for the calendar year 2013. The finalized rates are \$11,526 less than the original projections and are reflected in the following funds: \$8,500 savings in the General Fund; \$2,472 in the Measure R Grant Fund and the remainder in the Prop A and Successor Agency Funds.

Although a grant for the creek naturalization was discussed at the budget workshop, no amount has been included at this time.

Including the above referenced changes in the budget, for the budget year 2012-13 the General Fund projected ending fund balance is \$8.6 million or 75% of operating expenditures and transfers.

Article XIII-b of the California State Constitution, known as Proposition 4, the Gann Initiative, was passed by the citizens of California on November 6, 1979. Proposition 4 placed limitations on the amount of annual appropriations for state and local governments. The legislation also provided a method to calculate the annual appropriation limit, using a growth factor comprised of the Consumer Price Index (CPI) for California per capital income and the percentage change in population. The City of Agoura Hills appropriation limit for fiscal year 2012-13 is in the amount of \$14,081,016.

RECOMMENDATION

Staff respectfully recommends the City Council approve Resolution 12-1673; Establishing the Appropriations Limit for Fiscal Year 2012-13, and Resolution No. 12-1674; adopting the Annual Budget for Fiscal Year 2012-13.

Attachments: City Council Resolutions

RESOLUTION NO. 12-1673

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF AGOURA HILLS, CALIFORNIA, ESTABLISHING
FISCAL YEAR 2012-13 APPROPRIATIONS LIMITATIONS**

WHEREAS, Article 13b of the California Constitution refers to a government entity's requirement for the establishment of an appropriations limit; and

WHEREAS, Senate Bill 1352, Chapter 1205, 1980, statutes adds Revenue and Taxation Code, Section 7910 which requires each local government to establish it's appropriation limits by resolution each year at a regularly scheduled meeting.

NOW, THEREFORE, BE IT RESOLVED, that the City of Agoura Hills' appropriation limitation for Fiscal Year 2012-13 shall be \$14,081,016.

BE IT FURTHER RESOLVED, that any challenge to the appropriations limits as per the above mentioned government codes must be brought to the City of Agoura Hills' attention within sixty (60) days of the effective date of this resolution.

PASSED, APPROVED, AND ADOPTED, this 28nd day of June, 2012, by the following vote to wit;

AYES: ()
NOES: ()
ABSENT: ()
ABSTAIN: ()

John M. Edelston, Mayor

ATTEST:

Kimberly Rodrigues, City Clerk

**CITY OF AGOURA HILLS
GANN APPROPRIATION LIMIT
FY 2012-13**

Appropriation Limitation Calculation				Schedule 1	Appropriation Subject to Limit				Schedule 2
% Change in			Growth Factor	Appropriation Limit by Fiscal Year	Source	Estimated Revenues	Proceeds of Tax	Non Proceeds of Tax	
Personal Income	Population per DOF	in							
1981-82 Base Year Approp Subject to Limit:				\$2,200,000	Unrestricted:				
Allowed Growth Rate:					Taxes	\$10,084,508	\$9,328,508	\$756,000	
1992-93	0.9936	1.0133	1.0068149	5,920,556	License and Permits	328,000		328,000	
1993-94	1.0272	1.0080	1.0354176	6,130,248	Intergovernmental	0		0	
1994-95	1.0071	1.0028	1.0099199	6,191,060	Charges for Services	657,830		657,830	
1995-96	1.0472	0.9969	1.0439537	6,463,180	Fines and Forfeitures	85,000		85,000	
1996-97	1.0467	1.0034	1.0502588	6,788,011	Interest Earnings	90,000	80,000	10,000	
1997-98	1.0467	1.0104	1.0575857	7,178,904	Miscellaneous	232,593		232,593	
1998-99	1.0415	1.0120	1.0539980	7,566,550	Total Unrestricted	11,477,931	9,408,508	2,069,423	
1999-00	1.0453	1.0158	1.0618157	8,034,282	Restricted:				
2000-01	1.0491	1.0148	1.0646267	8,553,511	Taxes	0		0	
2001-02	1.0782	1.0137	1.0929713	9,348,742	License and Permits	12,500		12,500	
2002-03	0.9873	1.0400	1.0267920	9,599,213	Intergovernmental	7,050,116		7,050,116	
2003-04	1.0231	1.0157	1.0391627	9,975,145	Charges for Services	83,350		83,350	
2004-05	1.0328	1.0102	1.0433346	10,407,413	Fines and Forfeitures	150,000		150,000	
2005-06	1.0526	1.0540	1.1094404	11,546,405	Interest Earnings	40,500		40,500	
2006-07	1.0396	1.0017	1.0413673	12,024,049	Miscellaneous	0		0	
2007-08	1.0442	1.0034	1.0477503	12,598,200	Total Restricted	7,336,466	0	7,336,466	
* 2008-09	1.0429	1.0056	1.0487402	13,212,239	Total Source of Funds	\$18,814,397	\$9,408,508	\$9,405,889	
* 2009-10	1.0062	1.0058	1.0120360	13,371,262					
2010-11	0.9746	1.0059	0.9803501	13,108,518					
2011-12	1.0251	1.0077	1.0329933	13,541,011					
2012-13	1.0377	1.0021	1.0398792	14,081,016					
2012-13 Appropriation Limit				\$14,081,016					
Less Appropriations subject to limit (Sched 2)				9,408,508					
2012-13 Appropriations Under Allowed Limit				\$4,672,508					

* Revised

RESOLUTION NO. 12-1674

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2012-13

WHEREAS, the City Council has reviewed the City Manager's preliminary budget for Fiscal Year 2012-13, and

WHEREAS, a budget workshop concerning the Fiscal Year 2012-13 proposed budget was held Wednesday, June 13, 2012,

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Agoura Hills, as follows:

1. That the Fiscal Year 2012-13 Budget be approved pursuant to Chapter 6, Section 2603 (Ordinance No. 22) of the City of Agoura Hills Municipal Code and that the proposed amendments to the Fiscal Year 2011-12 Budget be approved.
2. Any unused appropriations from the Fiscal Year 2011-12 Adopted Budget at the end of Fiscal Year 2011-12 may be re-appropriated by the City Manager for continued use in Fiscal Year 2012-13.

PASSED, APPROVED, AND ADOPTED, this 27th day of June, 2012, by the following vote to wit;

AYES: ()
NOES: ()
ABSENT: ()
ABSTAIN: ()

John M. Edelston, Mayor

ATTEST:

Kimberly Rodrigues, City Clerk

**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	10,765,616	(672,000)	8,592,687
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	768,377		457,620
61 Proposition C	(20,749)	267,507	45,906		200,852
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 Encmt	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	-	4,886,799	4,886,799		-
Subtotal City of Agoura Hills	17,140,161	18,813,317	19,292,029	-	16,661,448
<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	264,410		(101,335)
Grand Total	30,043,173	19,063,317	19,556,439	-	16,560,113

**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		
<u>City of Agoura Hills</u>														
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
<u>Agoura Hills RDA</u>														
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
<u>Successor Agency</u>														
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