

# CITY OF AGOURA HILLS CALIFORNIA



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR 2012-13

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**CITY OF AGOURA HILLS,  
CALIFORNIA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2013**

**Prepared by Department of Finance**

CITY OF



AGGURA HILLS

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Comprehensive Annual Financial Report**  
**June 30, 2013**

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## **INTRODUCTORY SECTION**

CITY OF



AGGURA HILLS





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*"Gateway to the Santa Monica Mountains National Recreation Area"*

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***December 17, 2013***

***Honorable Mayor and Members of the City Council  
Citizens of the City of Agoura Hills, California***

The City (City) of Agoura Hills is pleased to submit its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. The CAFR represents a complete set of financial statements presented in conformity, with generally accepted accounting principles (GAAP), and audited, in accordance with generally accepted auditing standards, by a firm of licensed certified public accountants.

Responsibility for the accuracy of the data and the fairness of presentation, including all footnotes and disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All material, statements, and disclosures, necessary to enable the reader to gain an understanding of the City's financial activities, have been included. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements, in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we attest that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by Vavrinek, Trine, Day & Co., LLP, an accounting firm fully licensed and qualified to perform audits of state and local governments within the State of California. 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 reasonable basis for rendering an unmodified opinion that the City of Agoura Hills' financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organization chart, and a list of City officials. The financial section includes the independent auditor's report, the basic financial statements, notes to the financial statements, and the combining and individual fund financial statements. The statistical section, which is unaudited, contains selected financial and demographic information, generally presented on a multi-year basis.

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

**CITY OF AGOURA HILLS**  
**Letter of Transmittal**  
**For the Year Ended June 30, 2013**

**PROFILE OF THE CITY OF AGOURA HILLS**

Perched on the western edge of Los Angeles County in the foothills of the Santa Monica Mountains, Agoura Hills is located just forty-five minutes from busy downtown Los Angeles, but is nevertheless rich with undulating hills and inspiring canyons. Agoura Hills was incorporated December 8, 1982. It is 7.86 square miles in size and has an average climate of 65 degrees Fahrenheit, with an average rainfall of 19.5". The City has an altitude of 936 feet to 2,036 feet. Agoura Hills is one of the smaller communities in Los Angeles County, with a population of only 20,500.

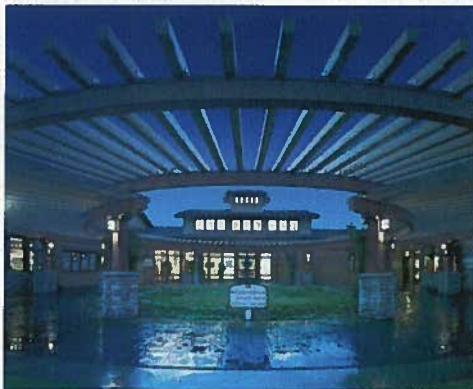
The City of Agoura Hills is governed by the City Council/City Manager form of government. A five-member City Council is elected by the residents to oversee City operations and to guide the future development of the community. The terms are staggered so that a measure of continuity is maintained in the transitions from one Council to the next. The Mayor is selected annually by the City Council to serve a one-year term.



The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and appointing a City Manager and City Attorney. The City Council members also serve as the governing body of the following:

- ❖ Public Facilities Corporation
- ❖ Public Financing Authority
- ❖ Improvement Authority

In addition, the City Council appoints the members of the Planning Commission and has representation on the following Boards:



- ❖ Agoura Hills/Calabasas Community Center Board
- ❖ Las Virgenes/Malibu Council of Governments
- ❖ Santa Monica Mountains Conservancy

The City provides a full range of services, some of which are contracted through outside agencies and/or firms. These services include law enforcement, highways and roads, landscaping services, planning and zoning, building and environmental safety, emergency preparedness, and general administrative services. Certain services are provided by Public Facilities Corporation, the Public Financing Authority

**CITY OF AGOURA HILLS**  
**Letter of Transmittal**  
**For the Year Ended June 30, 2013**

and the Improvement Authority. The Agoura Hills City Council exercises financial accountability over each entity, and city staff manages the operations of each of these organizations. These component units function, in essence, as departments of the City of Agoura Hills and therefore have been included as an integral part of the City of Agoura Hill's financial statements. Additional information on these entities can be found in note 1.a. of these financial statements.

For many centuries, the area that would become Agoura Hills was familiar territory for Native Americans who wandered inland from their hunts along the sea in search of game and other food. The permanent arrival of the Spanish in the late 1700s banished the Indians from their homes and introduced a ranching culture that would linger into the early twentieth century. In the 1900s, vast cattle and sheep ranches conceded ground to rows of lettuce and celery, orchards, and wheat fields. Ranching and agriculture eventually diminished in importance. Ranchers began dividing up their property and selling individual tracts for housing. From the outset, ranchers and farmers had worried about water supplies and those concerns were shared by the citizens of Agoura Hills into the mid 1950s. At that time, provision of outside sources of water helped ensure the growth of the community, aided by the new highways which acted as a conduit for fresh faces and commercial development and contributed to the maturation of Agoura Hills.



The City is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund and department. The City Manager has the authority to transfer between expenditure accounts within the same department, office, agency, or program activity.

### **LOCAL ECONOMY**

Agoura Hills is one of the wealthier communities in California with a median home value of \$686,000, which is 1.8 times that of Southern California. The median age of Agoura Hills' residents in 2013 was 42.5, and the unemployment rate is at 4%, compared with 9.2% in Los Angeles County.

While the State of California struggles with a significant budget deficit and many government agencies have been impacted by a slower economy in recent years, the City of Agoura Hill's financial position remains strong. The largest revenue source is sales tax. Agoura Hills entices companies to relocate to and remain in the City by charging a low business registration fee. As a result, the City enjoys a strong and diverse business and retail base, both of which contribute to revenue received through sales tax.

### **LONG-TERM FINANCIAL PLANNING**

The unassigned fund balance in the General Fund (74 percent of total general fund expenditures and operating transfers) falls within the policy guidelines set by the Council for budgetary and planning purposes. In June 2005, the City adopted Resolution No. 05-1378, stating 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.

**CITY OF AGOURA HILLS**  
**Letter of Transmittal**  
**For the Year Ended June 30, 2013**

**MAJOR INITIATIVES**

The City of Agoura Hills currently leases space for a recreation center. The lease expires in December, 2014. In June, 2011, the City purchased an existing building for \$4.6 million to use as a new recreation center. The source for the purchase included \$1.5 million in bond proceeds from the 2007 Agoura Hills Financing Authority Lease Revenue Refunding Bonds and \$3.1 million the City had previously set-aside.

In November 2008, the County of Los Angeles approved Measure R by a 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 \$40.6 million of these monies through 2015/16. Projects slated for the monies include the Chesebro/Palo Camodo Interchange (PR); the Agoura Road Widening; and the Agoura Road Roundabout (design). The City utilized \$1.7 million in Measure R monies during the 2012/13 fiscal year, primarily on the Agoura Road Widening and Chesebro Bridge Projects.

**AWARDS AND ACKNOWLEDGEMENTS**

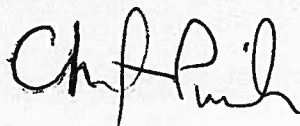
The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Agoura Hills for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. This was the third year that the City achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized CAFR. 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 only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff. I would also like to express my appreciation to all departments within the City who provided assistance and support.

Sincere appreciation is also expressed to the City Manager, Mayor, and members of the City Council for their support in planning and conducting the operations of the City in a responsible and progressive manner.

Respectfully submitted,

CITY OF AGOURA HILLS



Christy Pinuelas  
Director of Finance

# CITY OF AGOURA HILLS

## 2012-2013

### ORGANIZATIONAL STRUCTURE AND DIRECTORY OF CITY OFFICIALS

AGOURA HILLS RESIDENTS



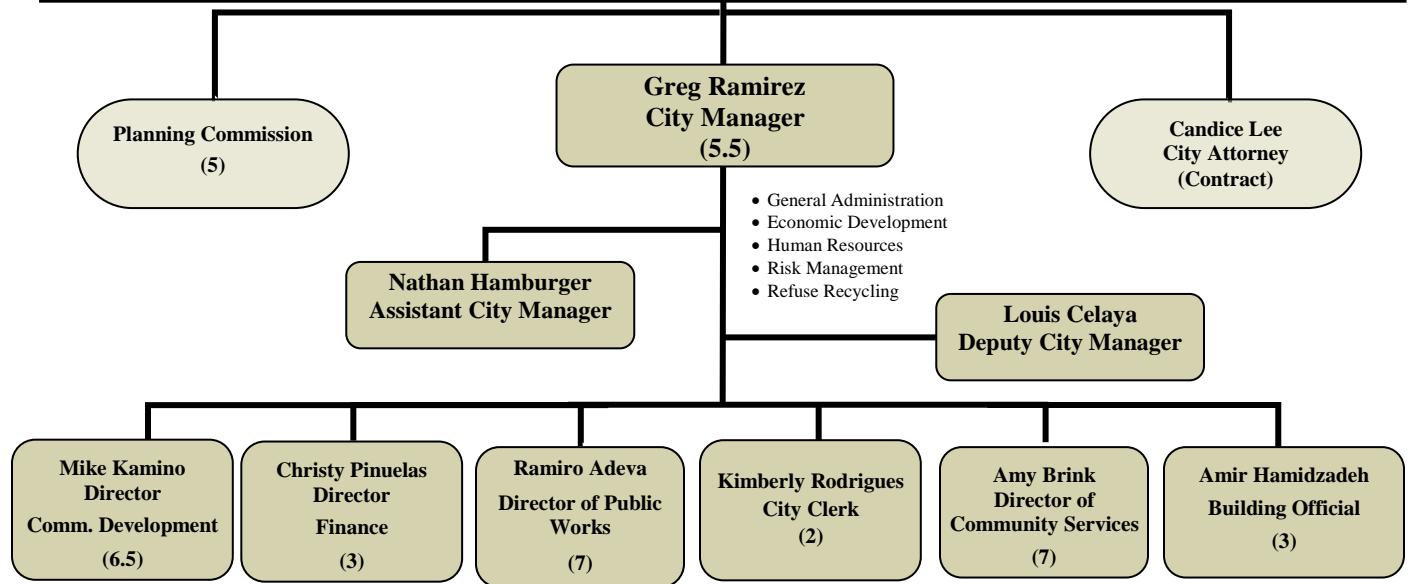
**John Edelston**  
Councilmember

**William Koehler**  
Mayor Pro Tem

**Denis Weber**  
Mayor

**Illece Buckley-Weber**  
Councilmember

**Harry Schwarz**  
Councilmember



- 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

- 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



Government Finance Officers Association

**Certificate of  
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for Excellence  
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**City of Agoura Hills  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

## **FINANCIAL SECTION**

CITY OF



AGGURA HILLS





## INDEPENDENT AUDITORS' REPORT

The Honorable City Council of  
The City of Agoura Hills, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Agoura Hills (City), California as of and for the year ended June 30, 2013, 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 auditor's 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 auditor considers internal control relevant to the entity'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 entity'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, each major fund and the aggregate remaining fund information of the City as of June 30, 2013, and the respective change in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

As discussed in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as of July 1, 2012. 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 on pages 3 through 12 and the required supplementary schedule on pages 51 through 53 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 required supplementary information 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 information 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 accompanying major capital projects fund budgetary comparison schedules, and the combining and individual nonmajor fund financial statements and schedules (supplementary information) and the other information such as the introductory and statistical sections (other information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 other information has 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2013, 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 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 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.

*Vavrinch, Train, Day & Co., LLP*

Rancho Cucamonga, California  
December 17, 2013

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

Management's Discussion and Analysis (MD&A) is presented as a supplement to the City of Agoura Hills' (City) financial statements. The MD&A offers an objective narrative of the City's financial activities based upon facts, decisions, and conditions known to management as of the auditor's report date for the fiscal year ended June 30, 2013. Readers are encouraged to utilize this report in conjunction with the information outlined in the City's financial statements and notes to the financial statements (found on subsequent pages). A summary of the fiscal year's financial picture immediately follows.

**FINANCIAL HIGHLIGHTS**

- ❖ On June 30, 2013, the City's net position (excess of assets over liabilities) was \$84.9 million. Of this amount, \$15.9 million is available to meet the City's ongoing operations to citizens and creditors.
- ❖ During the fiscal year ended June 30, 2013, the City's total net position increased by \$1.1 million.
- ❖ As of June 30, 2013, the unassigned fund balance for the General Fund was \$8.3 million or 74 percent of total General Fund expenditures and operating transfers.
- ❖ The City's governmental funds reported combined ending fund balances of \$16.4 million, a decrease of \$814,374 compared with the prior fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include the City (primary government) and all legally separate entities for which the City is financially accountable. The City's component units consist of the following: The Public Facilities Corporation, The Improvement Authority and the Public Financing Authority. These component units have been included in the basic financial statements, as an integral part of the primary government, using the blended method.

***Government-Wide Financial Statements***

The Government-Wide Financial Statements present the financial picture of the City and provide readers with a broad view of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with a difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Agoura Hills is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change's underlying event 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 (i.e uncollected taxes and unearned but unused vacation leave).

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

While some governmental agencies have governmental and business-type activities, the City of Agoura Hills records all activities under governmental activities.

***Fund Financial Statements***

The Fund Financial Statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required to be established by state law (i.e. Measure R & Transit Tax) and by bond covenants. However, management establishes other funds (i.e. Other Grants) to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The Fund Financial Statements include statements for governmental and fiduciary categories of activities. The governmental activities are reported using the current financial resources measurement focus and modified accrual basis of accounting. The following sections provide a more in-depth detailing of the fund groups.

Governmental funds are reported, in essentially the same way as governmental activities in the government-wide financial statements with an exception; governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources. This means governmental fund financial statements identify current sources and uses of money within the immediate fiscal year. Benefits derived include a detailed short-term view of the City's general government operations and the basic services it provides, which assist in determining whether there are sufficient financial resources available to meet the City's current needs.

Since the scope of the governmental funds is different than that of the government-wide financial statements, it is beneficial to comparatively examine information presented for the governmental funds with information presented for governmental activities in the government-wide financial statements. From this, readers gain a clearer picture of the long-term impacts current financial decisions might yield. When examined together, the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide the reader with a different snapshot that identifies variances between the two different methodologies of governmental activities and governmental funds.

The major governmental funds include: the General Fund, Inclusionary Housing In-Lieu Fund, Recreation Center Capital Projects Fund, and the Measure R Capital Projects Fund which are reported in detail in the Governmental Fund Financial Statements. All other funds are shown in the aggregate as other non-major funds. Individual fund data for other non-major governmental funds is provided in the form of supplementary information elsewhere in the report.

Fiduciary Funds– the City is the trustee, or fiduciary, for certain funds held on behalf of external parties. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities are excluded from the City's other financial statements because the resources of these funds are not available to support the City's own programs. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

*Notes to the Basic Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

*Required Supplementary Information*

In addition to the basic financial statements, this report also presents certain Required Supplementary Information, including the City's budgetary schedules.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

*Statement of Net Position*

Net position is a good indicator of the City's financial position. For the fiscal year ended June 30, 2013, net assets of the City were \$84.9 million, which is a decrease of \$1.1 million from the prior year.

Following is the condensed Statement of Net Position for the fiscal years ended June 30, 2013 and 2012.

**City of Agoura Hills Net Position**  
**As of June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Current and other assets	\$22,764,761	\$22,415,421
Capital assets	<u>75,292,078</u>	<u>74,210,125</u>
Total Assets	<u>98,056,839</u>	<u>96,625,546</u>
Current liabilities	1,772,440	1,603,070
Long-term liabilities outstanding	<u>11,306,468</u>	<u>11,206,479</u>
Total Liabilities	<u>13,078,908</u>	<u>12,809,549</u>
Net Position:		
Net investment in capital assets	66,545,330	67,179,564
Restricted	2,476,389	2,662,523
Unrestricted	<u>15,956,212</u>	<u>13,973,910</u>
Total Net Position	<u>\$84,977,931</u>	<u>\$83,815,997</u>

At June 30, 2013 the largest portion of net position (79 percent) consists of the City's investment in capital assets, net of related debt. This component portrays the amount of funds required to acquire those assets, less any related debt used for such acquisition that is still outstanding. The City uses these capital assets to provide services to citizens. The capital assets of the City are not sources of income for repayment of debt as most assets are not revenue generating and generally are not liquidated to repay debt. Therefore, debt service payments are funded from other sources available to the City.

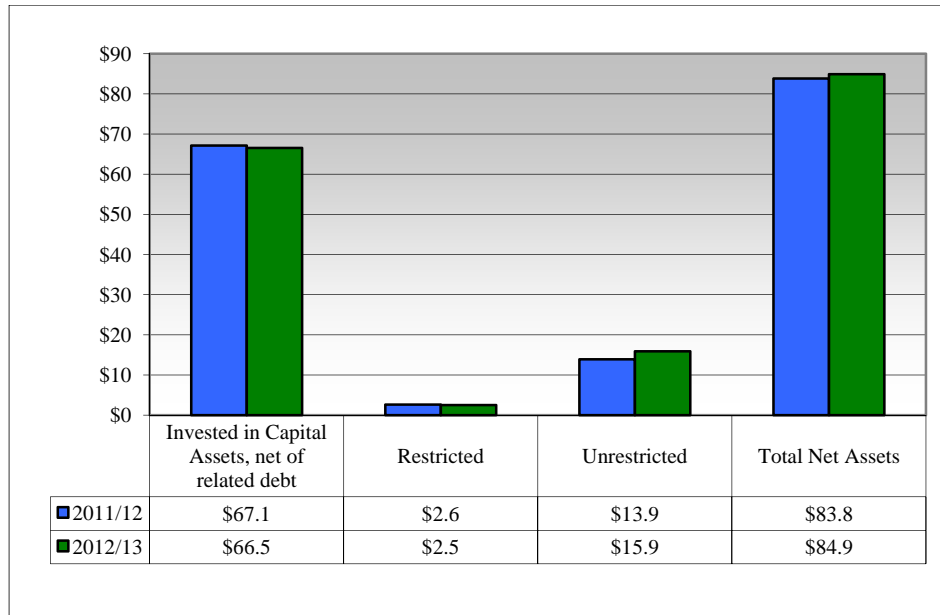
An additional portion of the City's net assets (\$2.4 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$15.9 million) may be used to meet the government's ongoing obligations to citizens and creditors.

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

For the years ended June 30, 2013 and 2012 the City reported positive balances in all three of the categories of net position.

- ❖ The \$634 thousand increase in the City's net investment in capital assets was primarily related to the construction in progress expenditures for the widening of Agoura Road.
- ❖ Restricted net assets decreased \$186 thousand primarily due to the use of Gas Tax Funds for the annual overlay of the streets.
- ❖ Unrestricted net assets increased \$1.9 million primarily due to the receipt of grant funds as reimbursement for the Agoura Road Widening and Reyes Adobe Bridge Widening Capital Projects.

The following chart shows the comparison of the three components of net assets for fiscal years 2011/12 and 2012/13 (in millions).



**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

*Statement of Activities*

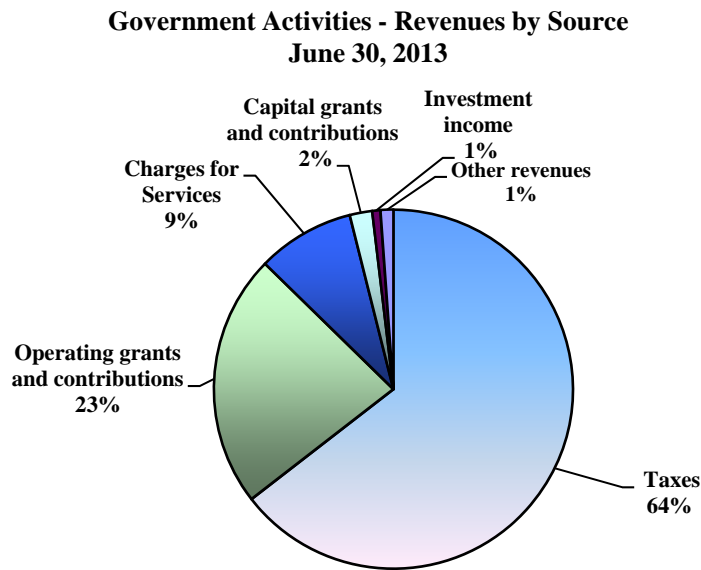
The following is the condensed Statement of Activities for the fiscal years ended June 30, 2013 and 2012.

**Statement of Activities Changes**  
**For the Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Revenues:		
Program revenues:		
Charges for services	\$1,423,973	\$1,209,029
Operating grants and contributions	3,705,524	2,788,229
Capital grants and contributions	329,511	669,308
General revenues:		
Taxes	10,483,355	12,278,663
Investment Income	119,576	273,503
Other revenues	187,793	165,757
Total Revenues	<u>16,249,732</u>	<u>17,384,489</u>
Expenses:		
General government	4,224,974	2,809,488
Public safety	4,307,129	4,101,347
Public works	3,095,828	5,141,512
Community development	989,646	1,055,293
Pass through to other agencies	0	1,449,565
Community services	1,999,605	1,957,257
Interest and fiscal charges	470,616	953,642
Total Expenses	<u>15,087,798</u>	<u>17,468,105</u>
Extraordinary Loss – RDA Dissolution	<u>0</u>	<u>(2,148,622)</u>
Change in net position	1,161,934	(2,232,238)
Net Position – Beginning of Year	83,815,997	86,048,235
Net Position – End of Year	<u>\$84,977,931</u>	<u>\$83,815,997</u>

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

The City's activities increased net assets by \$1.1 million, which was a 2 percent increase from the prior fiscal year. Revenues by source are shown in the chart below:



**Revenue highlights:**

- ❖ Taxes decreased \$1.8 million, or 15 percent, in fiscal year 2012/13. This primarily relates to the dissolution of the Agoura Hills Redevelopment Agency in February 2012. This resulted in a decrease of \$2.4 million in net increment (100%). This was offset by an increase in Property Tax of \$246 thousand (7%), and Transient occupancy taxes of \$177 thousand, or 11 percent as the economy continues to improve.
- ❖ Operating grants and contributions increased \$917 thousand or 33% in fiscal year 2012/13. This primarily relates to grant revenues which were received for the Agoura Road Widening Project.
- ❖ Investment Income decreased \$154 thousand, or 57 percent, primarily due to the dissolution of the Agoura Hills Redevelopment Agency in February 2012.
- ❖ Capital Grants and Contributions decreased \$339 thousand, or 51 percent, in fiscal year 2012/13 primarily due to the fact that in 2011/12 the City received a Federal Appropriation to complete the Reyes Adobe Bridge Widening Project.

**Expenditure highlights:**

Total expenditures for the City's activities were \$17.4 million, \$4.1 million less than the prior fiscal year. Program revenues offset total expenditures as follows:

- ❖ Those who directly benefited from programs contributed \$1.2 million in charges for services.



**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

- ❖ The City was able to fund some of its programs through grants and contributions from outside sources or other governments for a total amount of \$4.0 million.

As a result, total expenditures that were funded by tax revenues, investment income, and other general revenues were \$10.7 million.

Functional expenses (excluding interest on debt) for the years ended June 30, 2013 and 2012 were as follows (amount in millions):

	<b>Total Cost of Services</b>		<b>Percent Change</b>	<b>Net (Cost) Revenue of Services</b>		<b>Percent Change</b>
	2012	2013	2012/13	2012	2013	2012/13
General government	\$2.8	\$4.2	50%	-2.6	-3.9	50%
Public safety	4.1	4.3	5%	-3.5	-3.6	3%
Public works	5.1	3.1	-39%	-1.8	.9	150%
Community development	1.1	.9	-18%	-0.9	-.7	22%
Pass thru to agencies	1.4	0.0	-100%	-1.4	0.0	100%
Community services	2.0	1.9	-5%	-1.7	-1.8	6%
<b>Total</b>	<b>\$16.5</b>	<b>\$14.4</b>	<b>-13%</b>	<b>-11.9</b>	<b>-9.1</b>	<b>-24%</b>

In total, the net cost of services decreased \$1.5 million or 12 percent. Highlights of the changes are:

- ❖ Public works increased \$1.8 million primarily because in 2012/13 the City received a large grant to offset cost of services.
- ❖ Community development decreased 36 percent (\$500,000) primarily due to the dissolution of the Agoura Hills Redevelopment Agency.
- ❖ Pass thru to agencies decreased \$1.4 million or 100 percent primarily because of the dissolution of the Agoura Hills Redevelopment Agency.

***Financial Analysis of the City's Funds***

The City of Agoura Hills only has governmental fund types whose focus is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

As of the end of 2012/13, the City's funds reported ending fund balances of \$16.4 million, a decrease of \$814 thousand in comparison with the prior fiscal year. The decrease in fund balance primarily reflects \$1.1 million in expenditures for the Agoura Road Widening Project in the Measure R Capital Projects Fund. The City will receive grants to reimburse these expenditures. Additionally the Recreation Capital Project Fund netted \$184 thousand from a transfer received by the General Fund. Of the \$16.4 million in fund balances at fiscal year-end 2012/13, \$141 thousand is Nonspendable because it represents prepaids and land held for

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

resale, and \$9.1 million is Restricted, Committed or Assigned to indicate that it is not available for appropriation because it had already been restricted for a variety of purposes.

The General Fund is the chief operating fund of the City. At the end of fiscal year 2012/13, the fund balance of the General Fund was \$8.5 million, with \$141 thousand Nonspendable because it was for Land held for Resale. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total expenditures. At June 30, 2013, unassigned fund balance was 75 percent of total General Fund expenditures and operating transfers out.

Fund balance in the City's General Fund decreased by \$487 thousand in fiscal year 2012/13, when compared to a decrease in fund balance of \$32.5 million in 2011/12. In 2010/11 the General Fund received a transfer in of \$30.6 million from the Redevelopment Agency to cover a reimbursement agreement for services. In January 2011 the city executed an agreement to cover the amounts that had been advanced since April of 1988. However, due to the dissolution of the Redevelopment Agency the General Fund established an allowance for the entire amount and recorded an extraordinary loss of \$31.1 million in 2011/12. Additionally in 2011/12 the General Fund transferred out \$1.6 million towards the completion of the new recreation center.

In 2012/13 the City transferred out an additional \$1 million towards the completion of the new recreation center. This transfer out was offset by net revenues, resulting in a \$487 thousand decrease.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

In preparing the budget, the City attempts to estimate its revenue using realistic, but conservative, methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing programs. During the course of the year, the City Council amended the originally adopted budget to reappropriate prior year approved projects and expenditures and to amend the spending plan of the City.

In the General Fund, amendments between the original budget and the final budget resulted in increased revenues of \$459 thousand, increased expenditures of \$286.8 thousand and increased net transfers out of \$1.672 million. The transfers out related to debt service and contributions to the newly planned recreation center. These amendments resulted in an overall budgeted decrease to the fund balance of \$1.49 million.

The General Fund reflected a net total favorable budget variance of \$316 thousand, when comparing actual amounts to the final budget for the current fiscal year. The \$316 thousand variance is primarily a result of a savings in expenditures in various departments. The budget reflects a negative variance in revenues of \$46 thousand and a positive variance in total expenditures of \$285.6 thousand. The revenue variances primarily relate to a decline in sales tax (\$59.7 thousand) from what was projected. The expenditure variances are primarily due to projected expenditures coming in less than projected in City attorney (\$53.6 thousand), Finance (\$84.7 thousand) and Public Works (\$36.4 thousand).

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

**CAPITAL ASSETS**

Capital assets, including infrastructure of the City, are those assets that are used in the performance of the City's functions. At June 30, 2013, net capital assets totaled \$75.2 million.

This investment in capital assets includes land, construction in progress, buildings and improvements, leased equipment, vehicles, and infrastructure. The total increase in the City's investment of capital assets, net of related debt, for the current fiscal year is \$1.0 million or 2 percent of capital assets net of accumulated depreciation. The increase in capital assets primarily reflects the addition of \$1.5 million in Construction in Progress, related to the Agoura Road Widening. The Agoura Road Widening Capital Project was funded through grant resources.

Major projects in fiscal year ended 2012/13 include:

- ❖ Construction in progress on the Agoura Road Widening, and the Agoura Hills Recreation Center Capital Project.

**City of Agoura Hills Capital Assets**  
**(Net of depreciation)**

	<b>2013</b>	<b>2012</b>
Land	\$11,636,428	\$11,636,428
Construction in progress	38,327,217	36,744,370
Building & improvements	10,062,497	10,276,464
Vehicles	131,212	139,432
Infrastructure	15,134,724	15,413,431
Total Capital Assets	\$75,292,078	\$74,210,124

Additional information on the City's capital assets can be found in Note 3(C) in the basic Financial Statements.

**LONG-TERM DEBT**

At the end of the current fiscal year, the City of Agoura Hills had total debt outstanding of \$11.2 million. The City's long-term obligations as of June 30, 2012 and 2013 were as follows:

**City of Agoura Hills Outstanding Debt**

	<b>2013</b>	<b>2012</b>
2007 Lease Revenue Bonds	\$10,644,507	\$10,820,474
Compensated Absences	365,557	329,404
Other post-employment benefits	56,601	56,601
Total Outstanding Debt	\$11,066,665	\$11,206,479

Additional information on the City's long-term debt can be found in Note 3(D) of the basic Financial Statements.

**CITY OF AGOURA HILLS**  
**Management's Discussion and Analysis (MD&A)**  
**For the Year Ended June 30, 2013**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

In preparing the budget for 2013/14 the following factors were taken in to consideration:

- ❖ Salary bands are budgeted to adjust 2% and retirement expenses are budgeted for a 0.2% increase. This resulted in a \$212,341 increase in salary and benefit costs (4%) overall.
- ❖ Several anticipated large capital projects, including Street Resurfacing (\$600 thousand), the design and construction phase of Agoura Road Widening (\$3.5 million) and the design phase of the Chesebro Bridge Widening (\$2.1million).
- ❖ The Agoura Hills Improvement Authority will issue bonds (\$3 million) for the renovation and construction of the newly purchased recreation center (\$10 million). Additional monies will come from the Agoura Hills Recreation Center Capital Projects Fund (\$4 million) and outside grant monies.

The City's operating budget for 2013/14 reflects the use of sales tax override funds provided as Measure R grant monies, for the design of the Chesebro Interchange and Agoura Road Widening Projects. Furthermore the City is anticipating spending monies on the renovation of the recently purchased recreation center.

It is anticipated that the City will remain in good financial condition throughout the fiscal year and beyond.

**REQUEST FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Agoura Hills Finance Department, 30001 Ladyface Court, Agoura Hills, California 91301 or (818) 597-7319.

## **BASIC FINANCIAL STATEMENTS**

CITY OF



AGGURA HILLS

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statement of Net Position**  
**June 30, 2013**

	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 16,513,280
Receivables:	
Accounts and taxes	733,110
Interest	7,022
Deferred loans	456,386
Due from other governments	2,097,760
Other	438,176
Prepays	26,664
Deferred charges	239,802
Investment in Joint Venture - Community Center	2,137,561
Land held for resale	115,000
Capital assets:	
Capital assets not being depreciated	49,963,645
Capital assets being depreciated, net of accumulated depreciation	25,328,433
Total Assets	98,056,839
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	1,617,312
Interest payable	155,128
Noncurrent liabilities:	
Due within one year	236,153
Due in more than one year	11,070,315
Total Liabilities	13,078,908
<b>NET POSITION</b>	
Net investment in capital assets	66,545,330
Restricted for:	
Inclusionary housing in lieu	2,476,389
Unrestricted	15,956,212
Total Net Position	\$ 84,977,931

See accompanying Notes to Basic Financial Statements.

CITY OF



AGGURA HILLS



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statement of Activities**  
**For the Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Position
					Total Governmental Activities
<b>Governmental Activities:</b>					
General government	\$ 4,224,974	\$ 129,026	\$ 138,624	\$ -	\$ (3,957,324)
Public safety	4,307,129	570,023	100,000	-	(3,637,106)
Public works	3,095,828	237,538	3,466,900	277,069	885,679
Community development	989,646	246,279	-	52,442	(690,925)
Community services	1,999,606	241,107	-	-	(1,758,499)
Interest and fiscal charges	470,616	-	-	-	(470,616)
<b>Total Governmental Activities</b>	<b>\$ 15,087,798</b>	<b>\$ 1,423,973</b>	<b>\$ 3,705,524</b>	<b>\$ 329,511</b>	<b>(9,628,790)</b>
<b>General Revenues:</b>					
					4,323,545
					3,485,597
					758,890
					1,915,323
					119,576
					187,793
					<b>10,790,724</b>
					1,161,934
					<b>83,815,997</b>
					<b>\$ 84,977,931</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

	General	Special Revenue Fund	Capital Projects Funds	
		Inclusionary Housing In Lieu	Recreation Center	Measure R
<b>ASSETS</b>				
Cash and investments	\$ 7,850,130	\$ 2,476,389	\$ 4,009,838	\$ -
Receivables:				
Accounts	700,027	-	-	-
Interest	7,022	-	-	-
Deferred loans	-	-	-	-
Due from other governments	602,752	-	-	1,031,250
Other	2,742	-	-	179,273
Due from other funds	-	-	-	-
Advances to Successor Agency	31,158,769	-	-	-
Less: Allowance for Advances	(31,158,769)	-	-	-
Prepays	26,664	-	-	-
Land held for resale	115,000	-	-	-
Total Assets	<u>\$ 9,304,337</u>	<u>\$ 2,476,389</u>	<u>\$ 4,009,838</u>	<u>\$ 1,210,523</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenditures	\$ 767,493	\$ -	\$ 40,219	\$ 549,352
Due to other funds	-	-	-	732,763
Deferred revenue	-	-	-	1,408,787
Total Liabilities	<u>767,493</u>	<u>-</u>	<u>40,219</u>	<u>2,690,902</u>
<b>FUND BALANCES</b>				
Nonspendable	141,664	-	-	-
Restricted	-	-	-	-
Committed	-	2,476,389	-	-
Assigned	-	-	3,969,619	-
Unassigned	8,395,180	-	-	(1,480,379)
Total Fund Balances	<u>8,536,844</u>	<u>2,476,389</u>	<u>3,969,619</u>	<u>(1,480,379)</u>
Total Liabilities and Fund Balances	<u>\$ 9,304,337</u>	<u>\$ 2,476,389</u>	<u>\$ 4,009,838</u>	<u>\$ 1,210,523</u>

See accompanying Notes to Basic Financial Statements.

Non-major Governmental Funds	Total Governmental Funds
\$ 2,176,923	\$ 16,513,280
33,083	733,110
-	7,022
456,386	456,386
463,758	2,097,760
256,161	438,176
732,763	732,763
-	31,158,769
-	(31,158,769)
-	26,664
-	115,000
<u>\$ 4,119,074</u>	<u>\$ 21,120,161</u>

\$ 260,248	\$ 1,617,312
-	732,763
<u>900,015</u>	<u>2,308,802</u>
<u>1,160,263</u>	<u>4,658,877</u>

-	141,664
1,276,217	1,276,217
1,531,393	4,007,782
176,074	4,145,693
<u>(24,873)</u>	<u>6,889,928</u>
<u>2,958,811</u>	<u>16,461,284</u>

<u>\$ 4,119,074</u>	<u>\$ 21,120,161</u>
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CITY OF



AGGURA HILLS

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Reconciliation of the Government Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2013**

Fund Balances of Governmental Funds	\$ 16,461,284
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	75,292,078
Investment in Joint Venture Community Center represents interest only in capital assets of the joint venture rather than a financial asset and, therefore, is not reported in the funds.	2,137,561
The long-term debt (e.g. bonds, leases, compensated absences) is not due and payable in the current period and therefore is not reported in the funds.	(11,249,867)
Deferred charges related to the issuance of long term debt are recorded as expenditures in governmental fund statements.	239,802
Interest on long-term debt liabilities are not due and payable in the current period and therefore, are not reported in the funds.	(155,128)
Post-employment benefits are considered long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.	(56,601)
Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. However, the revenues are included on the accrual basis used in the governmental-wide statements.	<u>2,308,802</u>
Net Position of Governmental Activities	<u><u>\$ 84,977,931</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2013**

	<u>Special Revenue Fund</u>		<u>Capital Projects Funds</u>	
	General Fund	Inclusionary Housing In Lieu	Recreation Center	Measure R
<b>REVENUES:</b>				
Taxes	\$ 10,483,355	\$ -	\$ -	\$ -
Licenses and permits	394,768	-	-	-
Intergovernmental revenues	51,243	-	-	622,650
Charges for services	801,619	-	-	-
Fines and penalties	57,590	-	-	-
Investment income	(22,596)	20,834	26,790	-
Rental income	113,569	-	-	-
Other revenues	59,050	-	-	-
Total Revenues	<u>11,938,598</u>	<u>20,834</u>	<u>26,790</u>	<u>622,650</u>
<b>EXPENDITURES:</b>				
Current:				
General government	3,138,464	-	354,495	226,401
Public safety	4,133,330	-	-	-
Community development	986,968	-	-	-
Community services	1,705,334	-	-	-
Public works	775,311	-	-	416,186
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	31,850	-	-	1,084,434
Total Expenditures	<u>10,771,257</u>	<u>-</u>	<u>354,495</u>	<u>1,727,021</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,167,341</u>	<u>20,834</u>	<u>(327,705)</u>	<u>(1,104,371)</u>
Other Financing Sources (Uses):				
Transfers in	16,672	-	1,000,000	-
Transfers out	(1,672,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(1,655,328)</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Net Changes in Fund Balances	(487,987)	20,834	672,295	(1,104,371)
Fund Balances (Deficit) at Beginning of Year	9,024,831	2,455,555	3,297,324	(376,008)
Fund Balances (Deficit) at End of Year	<u>\$ 8,536,844</u>	<u>\$ 2,476,389</u>	<u>\$ 3,969,619</u>	<u>\$ (1,480,379)</u>

See accompanying Notes to Basic Financial Statements.

Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ 10,483,355
-	394,768
1,507,431	2,181,324
908,790	1,710,409
96,721	154,311
19,285	44,313
-	113,569
115,753	174,803
<u>2,647,980</u>	<u>15,256,852</u>
92,056	3,811,416
162,145	4,295,475
-	986,968
246,008	1,951,342
1,089,582	2,281,079
195,000	195,000
473,231	473,231
960,431	2,076,715
<u>3,218,453</u>	<u>16,071,226</u>
<u>(570,473)</u>	<u>(814,374)</u>
944,522	1,961,194
<u>(289,194)</u>	<u>(1,961,194)</u>
<u>655,328</u>	<u>-</u>
84,855	(814,374)
<u>2,873,956</u>	<u>17,275,658</u>
<u>\$ 2,958,811</u>	<u>\$ 16,461,284</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2013**

Net Change in Fund Balances - Total Governmental Funds		\$ (814,374)
Amounts reported for the governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital expenditures	\$ 2,514,282	
Depreciation expense	<u>(1,432,329)</u>	1,081,953
Issuance of long-term debt including compensated absences and leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources in governmental funds. Neither transaction has any effect on net position.		
Principal payment	195,000	
Amortization of bond issuance costs	(1,149)	
Amortization of deferral on refunding and discount	(258,835)	
Change in compensated absences	<u>(36,154)</u>	(101,138)
Interest on long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
		2,615
Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. However, the revenues are included on the accrual basis used in the government-wide statements.		
		<u>992,878</u>
Change in Net Position of Governmental Activities		<u><u>\$ 1,161,934</u></u>

See accompanying Notes to Basic Financial Statements.



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2013**

	<b>Redevelopment Successor Agency Private-purpose Trust Fund</b>	<b>Agency Fund</b>
<b>ASSETS</b>		
Cash and investments	\$ 1,632,165	\$ 942,472
Interest receivable	2,369	-
Accounts receivable	-	28,305
Due from other governments	-	86,842
Deferred charges	308,206	-
Land held for resale	2,840,000	-
Total Assets	\$ 4,782,740	\$ 1,057,619
<b>LIABILITIES</b>		
Accounts payable	\$ 78,632	\$ 1,057,619
Interest payable	117,826	-
Bonds payable	6,715,000	-
City loan	206,968	-
Total Liabilities	7,118,426	\$ 1,057,619
<b>NET POSITION</b>		
Held in trust for other beneficiaries	\$ (2,335,686)	

See accompanying Notes to Basic Financial Statements.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statement of Changes in Fiduciary Net Position**  
**Private-Purpose Trust Fund**  
**For the year ended June 30, 2013**

<b>ADDITIONS</b>	
Property tax revenue	\$ 1,481,001
Investment income	19,277
Total Additions	<u>1,500,278</u>
 <b>DEDUCTIONS</b>	
Community services	2,339,685
Interest and fiscal charges	784,088
Loss on early defeasance of debt	2,092,338
Reduction in value of land held for resale	1,262,618
Total Deductions	<u>6,478,729</u>
 <b>CHANGE IN NET POSITION</b>	 (4,978,451)
 <b>NET POSITION, BEGINNING OF YEAR</b>	 <u>2,642,765</u>
 <b>NET POSITION, END OF YEAR</b>	 <u><u>\$ (2,335,686)</u></u>

See accompanying Notes to Basic Financial Statements.

## **NOTES TO FINANCIAL STATEMENTS**

CITY OF



AGGURA HILLS

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

***A. Description of Reporting Entity***

The City of Agoura Hills (City) was incorporated December 8, 1982, under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The City operates under a Council/Manager form of government. As required by generally accepted accounting principles, these financial statements present the government and its component units for which the government is considered financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations and data from these units are combined with data of the City of Agoura Hills, the primary government. Each component unit has a June 30 year end.

***Blended Component Units***

The Agoura Hills Public Facilities Corporation and the Agoura Hills Public Financing Authority are legally separate entities. The Agoura Hills City Council exercises financial accountability over each entity. Financial accountability is determined on the basis of budget adoption, taxing authority, funding, and the appointment of the governing board. Additionally, City staff manages the operations of each of these organizations on a contractual or reimbursement basis. A discussion of each entity follows.

The Agoura Hills Public Facilities Corporation (Corporation) was incorporated January 5, 1988 as a not-for-profit public benefit corporation and determined to be tax exempt pursuant to Revenue and Taxation Code 23701(d) of the State of California. The sole purpose of the Corporation is to provide a financing vehicle for the construction of public facilities. The members of the City Council act as the governing board of the Corporation. No financial activity is reported as the Corporation is not active.

The Agoura Hills Public Financing Authority (Authority) was organized in April 2001 under a joint exercise of power agreement to provide financing for public capital improvements for the City and the Agoura Hills Redevelopment Agency. The members of the City Council act as the governing board of the Financing Authority. The Authority does not issue separate financial statements.

***B. Government-wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

***B. Government-wide and Fund Financial Statements (Continued)***

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 and 2) grant and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds even though the latter is excluded from the government-wide statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

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

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year from which all eligibility requirements have been satisfied.

***Governmental Funds:***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end, except for sales tax revenues which are considered to be available if collected within ninety days after year-end. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments and compensated absences, which are recognized as an expenditure to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

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

The General Fund is the general operating fund of the City. It is used to account for resources traditionally associated with the government which are not required legally or by sound financial management to be accounted for in another fund. All general tax revenue and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

The Inclusionary Housing Special Revenue Fund is used to account for in-lieu fees that are committed for the development or maintenance of housing that is affordable to low to moderate income households.

The Recreation Center Capital Projects Fund is used to account for the funds that are assigned for the development or maintenance of the City's recreation center.

The Measure R Capital Projects Fund is used to account for grant monies received from the County and restricted for specific projects within the City.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources as needed.

***Fiduciary Fund***

The Fiduciary Funds include the Agency Fund and Redevelopment Successor Private-purpose Trust Fund.

The Agency Fund is used to account for various assets such as developer fees and L.A. County Fire Department fees held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governments. The City also acts as a secretary for an organization in which the money is held in the Agency Fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operation. Agency funds are accounted for using the accrual basis of accounting.

The Redevelopment Successor Agency is used to account for assets, liabilities and activities of the former Redevelopment Agency of the City in a trustee capacity to pay enforceable obligations of the former Agoura Hills Redevelopment Agency. In accordance with Assembly Bill (AB) X1 26 and AB 1484, the Redevelopment Agency was dissolved February 1, 2012.

***Use of Estimates***

The preparation of the City's basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the basic financial statements, and revenues and expense/expenditures during the reported period. Actual results could differ from those estimates.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

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

***New Accounting Pronouncements***

Effective in this Fiscal Year

GASB Statement No. 63 – In June 2011, GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Positions*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and the resulting net position. This statement was effective July 1, 2012.

Effective in Future Fiscal Years

GASB Statement No. 65 – In March 2012, GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. This Statement provides guidance on proper classification of certain items previously reported as assets and liabilities as deferred outflows or inflows of resources. This Statement also provides guidance on recognition of certain items that were previously reported as assets and liabilities as outflows or inflows of resources. This statement is effective as of July 1, 2013. The City has not determined the effect on the financial statements.

GASB Statement No. 66 – In March 2012, GASB issued Statement 66, *Technical Corrections—2012—an Amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to resolve conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement is effective as of July 1, 2013. The City has not determined the effect on the financial statements.

GASB Statement No. 67 – In June 2012, GASB issued Statement 67, *Accounting and Financial Reporting for Pension Plans—an Amendment of GASB Statement No. 25*. This statement establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for non-employer governments that have a legal obligation to contribute to those plans. This Statement also addresses accounting and financial reporting for the activities of pension plans that are administered through trusts. This Statement is effective as of July 1, 2013. The City has not determined the effect on the financial statements.

GASB Statement No. 68 – In June 2012, GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This Statement is effective as of July 1, 2014. The City has not determined the effect on the financial statements.



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

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

***New Accounting Pronouncements (Continued)***

**Effective in Future Fiscal Years (Continued)**

GASB Statement No. 69 – In January 2013, GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective as of July 1, 2014. The City has not determined the effect on the financial statements.

GASB Statement No. 70 – In April 2013, GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement is effective as of July 1, 2014. The City has not determined the effect on the financial statements.

***D. Assets, Liabilities, and Net Position or Equity***

***1. Deposits and Investments***

The City's cash and investment balance consists of cash on hand, demand deposits and investments. Investments are stated at fair value.

The City maintains a cash and investment pool for the general operation of the City. Each fund type's portion of the pool is reported on the financial statements as Cash and Investments. Interest earned on pooled cash and investments is distributed quarterly to each fund based upon each fund's proportionate share of the pool.

The City has monies held by trustees or fiscal agents pledged to the payment or security of certain bonds. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions and indentures are generally more restrictive than the City's general investment policy.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities, and Net Assets or Equity (Continued)**

**2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., short-term interfund loans) or as "advances to/from other funds" (i.e., long-term interfund loans).

Property tax revenue is recognized when susceptible to accrual in the accounting period in which taxes are measurable and available. Property taxes are considered available by the City if they are collected within 60 days after year end. There is no allowance for uncollectible. Assessed valuations are determined on an annual basis by the Los Angeles County Assessor. Taxes attach as an enforceable lien on property as of January 1, are levied on July 1, are due November 1 and February 1, and are delinquent if not paid by December 10 and April 10 of each year.

**3. Prepaids**

Certain membership dues and payments to vendors represent expenses that apply to future accounting periods. Prepaid items are expensed according to the purchases method.

**4. Land Held for Resale**

Land held for resale is carried at the lower of cost or estimated realizable value determined at the date a disposition and development agreement is executed.

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the governmental activities columns in the government-wide financial statements. Capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair value on the date donated. Capital assets subject to lease obligations are valued at the present value of future lease payments at the inception of the lease. Depreciation of all exhaustible capital assets used by governmental activities is charged as an expense against their operations. Accumulated depreciation is reported on the statement of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method over the following estimated useful lives:

Buildings and improvements	50 years
Vehicles	7-15 years
Machinery	5-30 years
Equipment	5-15 years
Infrastructure	20-50 years

Capitalization threshold of capital assets is based at a minimum value as follows:

Buildings and building improvements	\$	25,000
Vehicles, machinery, and equipment		10,000
Infrastructure		25,000

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

***D. Assets, Liabilities, and Net Assets or Equity (Continued)***

***6. Vacation and Compensatory Time (Compensated Absences)***

Compensated absences are recorded in accordance with GAAP. Only vested or accumulated compensated absences that are expected to be due or mature are reported as an expenditure and fund liability of the governmental fund that will pay it. Amounts of vested or accumulated compensated absences that are not expected to be liquidated with expendable available financial resources are reported in the governmental activities of the government-wide financial statements. General fund resources have been used to liquidate the liability for compensated absences.

***7. Long-term Obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, as well as issuance costs and gains and losses on debt refunding are deferred and amortized. Bonds payable are reported net of the applicable bond premium or discount and deferral on refunding.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance 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.

***NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY***

***A. Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The City is required to adopt an annual budget resolution for the General Fund and Special Revenue Funds, except the Successor Housing Agency. All annual appropriations lapse at year end, but can be carried forward at the City Manager's discretion.

The budget is prepared by fund, function and activity, and includes actual information for the past year, current year estimates and requested appropriations for the next fiscal year. The budget is a statement of the goals and objectives of the City for that fiscal year. The budget provides management control at the functional departmental level. The City Manager may authorize the transfer between expenditure accounts within the same department, office, agency or program activity. Where an appropriation requires an increase that cannot be supported by transfer guidelines, City Council authorization is required. Responsible individuals review progress against their budget each month. The City Council considers supplemental budget amendment requests during the year and reviews changes at mid-year and year end.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

Excess of expenditures over appropriations in department cost centers of individual funds is as follows:

Fund	Final Budget	Expenditures	Excess
Major Funds:			
General Fund:			
City Manager	\$ 799,069	\$ 804,327	\$ (5,258)
Public works landscape maintenance	112,500	117,742	(5,242)
Non-major Funds:			
Traffic Safety Special Revenue Fund			
Public safety	60,000	66,306	(6,306)
Transit Tax Special Revenue Fund			
Community services	115,852	155,389	(39,537)
State Gas Tax Special Revenue Fund			
Public works	455,885	467,494	(11,609)
Other Grants Special Revenue Fund			
Capital outlay	241,400	246,281	(4,881)

**B. Deficit Fund Balances**

The following funds had deficit fund balances at June 30, 2013:

Major governmental funds:	
Measure R capital projects fund	\$ (1,480,379)
Non major governmental funds:	
Other grants special revenue fund	(24,873)

The deficits are expected to be eliminated with reimbursements from the County, State and Federal government.

**NOTE 3 – DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

Cash and investments as of June 30, 2013 are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 16,513,280
Fiduciary Funds	
Cash and investments	2,574,637
Total Cash and Investments	<u>\$ 19,087,917</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash and Investments (Continued)**

Cash and investments at June 30, 2013 consisted of the following:

Deposits and Petty Cash	\$ 366,163
Investments:	
State of California Local Agency Investment Fund (LAIF)	13,295,799
U.S. Treasury Notes	1,851,297
Federal agency securities	3,574,658
Total Investments	18,721,754
Total Cash and Investments	\$ 19,087,917

**Investments Authorized by the California Government Code and the City's investment Policy:**

The City's investment policy authorizes the following investments under provisions of California Government Code Section 53601.

Investment Types Authorized by State Law	Maximum Percentage of Portfolio	Maximum Maturity	Maximum Investment In One Issuer
Local Agency Investment Fund ** (LAIF)	\$40 million	N/A	None
U.S. Treasuries	75%	5 Years	None
Federal Agency Securities	75%	5 Years	20%
Commercial Paper	25%	270 Days	10%
Negotiable Certificates of Deposit (CD)	30%	5 Years	None
Medium Term Corporate Notes	30%	5 Years	None

\*\* Limit set by LAIF Governing Board not State Government Code.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash and Investments (Continued)**

**Investments Authorized by Debt Agreements:**

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the general investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment In One Issuer
U.S. Treasury Obligations	None	None	None
Federal Housing Administration Debentures	None	None	None
U.S. Agency Securities	None	None	None
Unsecured CDs, time deposits, and Banker's Acceptances	30 days	None	None
FDIC Insured Bank Deposits	None	None	None
Commercial Paper	270 days	None	None
Money Market Funds	N/A	None	None
State Obligations	None	None	None
Pre-funded Municipal Obligations	None	None	None
Repurchase Agreements	270 days	None	None
Investment Agreements	None	None	None
Local Agency Investment Fund (LAIF)	None	None	None

**Disclosures Relating to Interest Rate Risk:**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of the year end the weighted average maturity of the investments contained in LAIF investment pool was approximately 270 days. The City's investment policy recognized the interest rate risk and therefore places maximum maturity limits (up to five years) on various types of allowable investments.

Investment Type	Totals	Remaining Maturity (In Months)		
		12 Months Or Less	13 to 24 Months	25 to 60 Months
LAIF	\$ 13,295,799	\$ 13,295,799	\$ -	\$ -
Federal agency securities:				
FHLB	249,727	-	-	249,727
FFCB	1,001,640	1,001,640	-	-
FNMA	1,349,925	-	493,335	856,590
FHLMC	973,366	-	241,818	731,548
U.S. Treasury Notes	1,851,297	816,727	1,034,570	-
Total	<u>\$ 18,721,754</u>	<u>\$ 15,114,166</u>	<u>\$ 1,769,723</u>	<u>\$ 1,837,865</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash and Investments (Continued)**

**Disclosures Relating to Credit Risk:**

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

Investment Type	Totals	Minimum Legal Rating	Rating as of Year End	
			AA+	Not Rated
LAIF	\$ 13,295,799	N/A	\$ -	\$ 13,295,799
Federal agency securities:				
FHLB	249,727	N/A	249,727	-
FFCB	1,001,640	N/A	1,001,640	-
FNMA	1,349,925	N/A	1,349,925	-
FHLMC	973,366	N/A	973,366	-
U.S. Treasury Notes	1,851,297	N/A	1,851,297	-
Total	<u>\$ 18,721,754</u>		<u>\$ 5,425,955</u>	<u>\$ 13,295,799</u>

**Concentration of Credit Risk:**

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. Investments in anyone issuer (other than U.S. Treasury Securities, mutual funds, and external investment pools) that represent 5 percent or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Farm Credit Bank (FFCB)	Federal Agency Security	\$ 1,001,640
Federal National Mortgage Association (FNMA)	Federal Agency Security	1,349,925
Federal Home Loan Mortgage Corporation (FHLMC)	Federal Agency Security	973,366

**Custodial Credit Risk:**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's 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:

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash and Investments (Continued)**

***Custodial Credit Risk (Continued):***

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

Of the City's deposits with financial institutions, \$494,725 was in excess of federal depository insurance limits. The uninsured deposits were held by financial institutions, which are legally required by the California Government Code to collateralize the City's deposits as noted above.

***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 under the oversight of the Treasurer of the State of California. LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. 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.

**B. Interfund Receivables, Payables, and Transfers**

***Due to/Due from***

	Due to
	Traffic Improvement
	Nonmajor
Due from	Special Revenue Fund
Measure R major capital projects fund	\$ 732,763

The Traffic Improvement nonmajor fund made a loan to the Measure R fund to cover a negative cash balance.



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Interfund Receivables, Payables, and Transfers (Continued)**

**Interfund transfers**

	Transfers In				Totals
	General Fund	Recreation Center	Nonmajor governmental funds		
			Reyes Adobe Interchange Fund	Financing Authority	
Transfers out					
General fund	\$ -	\$ 1,000,000	\$ -	\$ 672,000	\$ 1,672,000
Traffic improvement (nonmajor governmental fund)	-	-	272,522	-	272,522
Other grants (nonmajor governmental fund)	16,672	-	-	-	16,672
Total	<u>\$ 16,672</u>	<u>\$ 1,000,000</u>	<u>\$ 272,522</u>	<u>\$ 672,000</u>	<u>\$ 1,961,194</u>

The General Fund transferred funds to the Recreation Center to help fund the construction of the new recreation center and to the nonmajor Financing Authority Debt Service Fund to provide funding for a debt service payment. The Traffic Improvement Nonmajor Fund transferred funds to aid in capital expenditure costs incurred for the Reyes Adobe Interchange capital projects fund.

**C. Capital Assets**

A summary of changes in capital asset activity for the year ended June 30, 2013 is as follows:

	Balance at June 30, 2012	Additions	Deletions	Balance at June 30, 2013
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 11,636,428	\$ -	\$ -	\$ 11,636,428
Construction in progress	36,744,370	1,730,625	(147,778)	38,327,217
Total Capital Assets Not Being Depreciated	<u>48,380,798</u>	<u>1,730,625</u>	<u>(147,778)</u>	<u>49,963,645</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	12,447,147	-	-	12,447,147
Vehicles	524,660	41,934	-	566,594
Infrastructure	59,248,510	889,502	-	60,138,012
Total Capital Assets Being Depreciated	<u>72,220,317</u>	<u>931,436</u>	<u>-</u>	<u>73,151,753</u>
Less Accumulated Depreciation for:				
Buildings and improvements	(2,170,683)	(213,967)	-	(2,384,650)
Vehicles	(385,228)	(50,154)	-	(435,382)
Infrastructure	(43,835,080)	(1,168,208)	-	(45,003,288)
Total Accumulated Depreciation	<u>(46,390,991)</u>	<u>(1,432,329)</u>	<u>-</u>	<u>(47,823,320)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,829,326</u>	<u>(500,893)</u>	<u>-</u>	<u>25,328,433</u>
Governmental Activities Capital Assets, Net	<u>\$ 74,210,124</u>	<u>\$ 1,229,732</u>	<u>\$ (147,778)</u>	<u>\$ 75,292,078</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets (Continued)**

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

Governmental Activities:		
General government		\$ 143,233
Public works		1,246,126
Community services		42,970
Total Depreciation Expense - Governmental Activities		<u>\$ 1,432,329</u>

**D. Long-term Liability**

Long-term liability activity for the year ended June 30, 2013 was as follows:

<u>Governmental Activities</u>	<u>Balance at June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2013</u>	<u>Portion Due Within One Year</u>
Bonds:					
2007 Lease Revenue Refunding Bonds	\$ 11,125,000	\$ -	\$ (195,000)	\$ 10,930,000	\$ 200,000
Bond discount	(48,737)	-	3,046	(45,691)	-
Other Long-Term Liabilities:					
Accrued compensated absences	329,404	278,228	(242,075)	365,557	36,153
Other post-employment benefits (See Note 4G)	56,601	180,255	(180,255)	56,601	-
Total Governmental Long-Term Liabilities	<u>\$ 11,462,268</u>	<u>\$ 458,483</u>	<u>\$ (614,284)</u>	<u>\$ 11,306,467</u>	<u>\$ 236,153</u>

As of June 30, 2013, costs of issuance of \$239,802 related to the 2007 Lease Revenue Refunding Bonds were deferred. Costs of issuance of \$1,149 were recognized during the year.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Long-term Liability (Continued)**

**1. 2007 Lease Revenue Refunding Bonds**

On March 1, 2007, the City issued \$12.06 million in Lease Revenue Refunding Bonds with interest rates ranging from 3.875 to 4.375 percent to defease \$8.8 million of 1999 Lease Revenue outstanding bonds. The principal of the bonds is payable on their maturity date of February 1, of each year. Interest on the bond is payable on February 1, and August 1, each year. The outstanding balance at June 30, 2013 is \$10,644,507 net of unamortized discount of \$45,691 and deferral on refunding of \$239,802.

The future debt service payments are as follows:

Year Ending June 30	2007 Lease Revenue Bonds		
	Principal	Interest	Total
2014	\$ 200,000	\$ 465,432	\$ 665,432
2015	210,000	457,432	667,432
2016	220,000	449,032	669,032
2017	230,000	440,232	670,232
2018	235,000	431,032	666,032
2019-2023	1,325,000	2,008,606	3,333,606
2024-2028	1,625,000	1,713,432	3,338,432
2029-2033	2,000,000	1,337,112	3,337,112
2034-2038	2,480,000	860,782	3,340,782
2039-2042	2,405,000	268,624	2,673,624
Total	<u>\$ 10,930,000</u>	<u>\$ 8,431,716</u>	<u>\$ 19,361,716</u>

**2. Arbitrage Rebate**

The Tax Reform Act instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not paid to the federal government at least every five years.

The City performed calculations of excess investment earnings on various bonds and financings in accordance with arbitrage regulations. The City has determined that no arbitrage rebate liability exists as of June 30, 2013.

**3. Employee Compensated Absences Payable**

The City's policies relating to compensated absences are described in Note (l)(d)6. This liability will be paid in future years from future resources.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Fund Balance**

The following classifications, in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, describe the relative strength of the constraints placed on the purposes for which resources can be used:

Nonspendable

Amounts that cannot be spent either because they are in nonspendable form or are legally or contractually required to be maintained intact (e.g. prepaid assets, inventory). At June 30, 2013, the balance is comprised of advances to other funds (net of allowances), prepaids and land held for resale.

Restricted

Amounts that are constrained to specific purposes by state or federal laws, enabling legislation, or externally imposed conditions by grantors or creditors.

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council, the City's highest level of decision-making authority, through formal actions taken, such as an ordinance or resolution, which are considered to be equally binding. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.

Assigned

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The authority to assign amounts to be used for specific purposes has been delegated to the Finance Director pursuant to the City's fund balance policy.

Unassigned

These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories. This classification also includes amounts set aside for the City's minimum fund balance policy. Unassigned fund balance also includes negative fund balances in funds outside of the General Fund.

Spending Policy

Restricted fund balance is considered to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Fund Balance (Continued)**

The details of the fund balances as of June 30, 2013 are presented below:

	General Fund	Special Revenue	Capital Projects		Nonmajor Governmental Funds	Total
		Inclusionary Housing	Recreation Center	Measure R		
<b>Nonspendable</b>						
Prepays	\$ 26,664	\$ -	\$ -	\$ -	\$ -	\$ 26,664
Land held for resale	115,000	-	-	-	-	115,000
Total Nonspendable	141,664	-	-	-	-	141,664
<b>Restricted</b>						
Air quality improvement	-	-	-	-	58,745	58,745
Housing programs	-	-	-	-	206,968	206,968
Capital improvement projects	-	-	-	-	165,515	165,515
Grant programs	-	-	-	-	4,857	4,857
Transportation services	-	-	-	-	840,132	840,132
Total Restricted	-	-	-	-	1,276,217	1,276,217
<b>Committed</b>						
Housing programs	-	2,476,389	-	-	-	2,476,389
Capital improvement projects	-	-	-	-	1,389,381	1,389,381
Waste management program	-	-	-	-	142,012	142,012
Total Committed	-	2,476,389	-	-	1,531,393	4,007,782
<b>Assigned</b>						
Capital improvement projects	-	-	3,969,619	-	174,311	4,143,930
Payment of debt service	-	-	-	-	1,763	1,763
Total Assigned	-	-	3,969,619	-	176,074	4,145,693
<b>Unassigned</b>						
	8,395,180	-	-	(1,480,379)	(24,873)	6,889,928
Total Fund Balance	\$ 8,536,844	\$ 2,476,389	\$ 3,969,619	\$ (1,480,379)	\$ 2,958,811	\$ 16,461,284

Minimum Fund Balance Policy

An amount equal to or greater than 40% of each fiscal year’s proposed General Fund Operating Budget is to be designated as the City’s unobligated General Fund Reserve pursuant to Resolution 05-1378 adopted in June 2005. At June 30, 2013, the City had set aside \$4.5M pursuant to this policy, which was classified as part of unassigned fund balance.

**NOTE 4 – OTHER INFORMATION**

**A. Defined Benefit Pension Plan**

Plan Description: The City of Agoura Hills contributes to the California Public Employees Retirement System (PERS), a cost sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of PERS' annual financial report may be obtained from their executive office: 400 "P" Street, Sacramento, California 95814.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

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

Funding Policy: Participants are required to contribute 7 percent of their annual covered salary. The City makes the contributions required of the City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 9.72 percent of annual payroll for covered employees. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost: For the year ended June 30, 2013, the City's annual pension cost of \$299,438 for was equal to the City's required and actual contributions.

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
6/30/2011	\$ 320,603	100%
6/30/2012	299,000	100%
6/30/2013	299,438	100%

**B. Self-Insurance**

**1. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement**

The City of Agoura Hills is a member of the California Joint Powers Insurance Authority (Authority).

The Authority is comprised of 121 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange 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 Board of Directors. The Board operates through a nine-member Executive Committee.

**2. Self-Insurance Programs of the Authority**

Each member pays an annual contribution to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

**B. Self-Insurance (Continued)**

**2. Self-Insurance Programs of the Authority (Continued)**

Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. On a cumulative basis for all 2012-2013 reinsurance contracts the annual aggregate deductible is \$5.5 million. (6) Costs of covered claims from \$15 million up to \$50 million are covered through excess insurance policies.

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$35 million per occurrence. This \$35 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$10 million in reinsurance and (c) \$20 million in excess insurance. The excess insurance layer has a \$20 million annual aggregate.

Workers' Compensation

The City of Agoura Hills also participates in the workers' compensation pool administered by the Authority. In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$4 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$4 million to \$10 million are pooled among members.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

**B. Self-Insurance (Continued)**

**3. Purchased Insurance**

Pollution Legal Liability Insurance

The City of Agoura Hills participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Agoura Hills. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2011 through July 1, 2014. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of Agoura Hills participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Agoura Hills property is currently insured according to a schedule of covered property submitted by the City of Agoura Hills to the Authority. City of Agoura Hills property currently has all-risk property insurance protection in the amount of \$23,548,128. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

The City of Agoura Hills purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

**4. Adequacy of Protection**

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 2013-2014.

**C. Commitments/Operating Leases**

1. The City has entered into two operating leases for copiers. Lease terms are 60 months with both leases expiring in September 2017. The City also executed a ground lease with Saint Paul's Lutheran Church for a recreation facility site. This lease will expire in fiscal year ending 2014. The monthly payment escalates by CPI every 24 months.

The following schedule lists future minimum lease payments:

Year Ending June 30,	Recreation Center	Equipment	Totals
2014	\$ 10,356	\$ 6,204	\$ 16,560
2015	-	6,204	6,204
2016	-	6,204	6,204
2017	-	6,204	6,204
2018	-	1,551	1,551



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

**C. Commitments/Operating Leases (Continued)**

2. The City contracts with the Los Angeles County Sheriff's Department to provide safety services. During the year ended June 30, 2013, the City incurred expenditures of \$3,722,684 for Public Safety services.

**D. Joint Venture**

On November 24, 1997, the Agoura Hills and Calabasas Community Center Authority (Authority) was created under a joint exercise of powers agreement. It was formed for the construction, furnishing, maintenance and operation of a Joint Recreation Center. The governing Board of Directors consists of one City Council Member from each City, two residents of each City appointed by City Council, and the President or a member of the Executive Board of the Alliance (a nonprofit organization formed for the sole purpose of raising funds for the Center). The City's participation in the joint venture is reported as Investment in Joint Venture, on the statement of net position. The balance at June 30, 2013 was \$2,137,561.

Each City contributed money towards the construction of the Community Center, which was completed in March 2001. The Authority now oversees the operations and maintenance of the Community Center. The Cities of Agoura Hills and Calabasas will equally share in any profit or loss from operation of the Community Center. Copies of the Authority's annual financial statements may be obtained from their location at 27040 Malibu Hills Road, Calabasas, California 91301.

**E. Contingency**

Any claims for damages alleged against the City are referred to a claims adjuster through California Joint Powers Independent Authority (CJPIA) (see Note (4)(b)). Management believes that there is minimal exposure to the City on these matters, and that no case, so reported, exceeds existing liability coverage.

There are certain legal actions pending against the City which have arisen in the normal course of operations. Management believes these matters will be covered by insurance; however, their outcome and financial effect on the City cannot presently be determined, and no provision for any potential liability or losses has been included in the financial statements as of June 30, 2013.

The ultimate resolution of these pending legal actions is not expected to have a material effect on the financial position of the City.

The City has received property tax revenues for specific enforceable obligations of the former redevelopment agency that are subject to review by the Department of Finance (DOF). The DOF has disallowed certain obligations listed on the Recognized Obligation Payment Schedule (ROPS) submitted by the City. The City is continuing to dispute obligations listed as enforceable, including the City-former RDA loan advances.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

**F. Advances to Successor Agency**

The City previously loaned the former Redevelopment Agency funds prior to dissolution. The General Fund loaned \$31,158,769 to finance expenditures incurred in the redevelopment project areas. The balance includes advances and interest calculated on previous advances of \$16,961,431 and \$14,197,448, respectively. The repayment of the loans is subject to the approval of the California Department of Finance. DOF determined that the City loans were not enforceable obligations and in their correspondence, DOF referenced Health and Safety Code (HSC) section 34171(d)(2) as the basis.

In addition, the City of Agoura Hills Successor Housing Authority Fund is owed \$206,968 for funds loaned for the allocation to the Supplemental Education Revenue Augmentation (“SERAF”) pursuant to the Health and Safety Code Section 33690(c).

The City’s management and legal counsel have asserted that it will continue to note the loans on the Recognized Obligation Payment Schedule (ROPS) and proceed with working with the Oversight Board for the Successor Agency to find and determine that such loans are enforceable obligations pursuant to HSC 34191.4(b). The loans denied by DOF, in the amount of \$31,158,769, are reported in the City’s General Fund, however there is an allowance for the entire amount due to the uncertainty as to whether such loans will be determined to be enforceable obligations.

**G. Other Post-Retirement Health Care Benefits**

Effective July 1, 2009, the City implemented GASB Statement No. 45, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions by State and Local Governmental Employers*.

Plan description

In addition to the pension benefits defined in Note (4)(a), the City provides post-retirement health care benefits to all full time employees in accordance with the City's contract with the Public Employees' Retirement System (PERS) for participation in the State of California Public Employees' Medical and Hospital Care Act (PEMHCA). The City's contribution for each retiree is the same as full-time employees. The City contributed the PEMHCA minimum for all retirees (\$112 for 2012). Additionally, the City contributes longevity pay to a Retirement Health Savings (RHS) Trust plan of up to \$388 for those retirees with 10 years of service with the City of Agoura Hills, enrolled in a CalPERS health plan. The total of the PEMHCA minimum employer contribution and the additional benefit will not exceed \$500 per month. The RHS contribution may only be used to reimburse medical premiums. In the event of the retiree's death, the CalPERS eligible surviving spouse has the right to \$300 per month to pay for medical premiums for a maximum of 12 months. After 12 months surviving spouses will still be eligible to receive the PEMHCA minimum employer contribution.

In September 2009, the City established an irrevocable trust through the CalPERS California Employers' Retiree Benefit Trust (CERBT) in order to prefund its other post-employment benefit (OPEB) obligation. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

**G. Other Post-Retirement Health Care Benefits (Continued)**

Eligibility

Employees are eligible for retiree health benefits if they retire from the City and are eligible for a PERS pension and are enrolled in a CalPERS retiree health plan. The benefits are available only to employees who retire from the City. Membership of the plan consisted of the following at June 30, 2013:

	Number of Employees
Active Employees	33
Retirees and Surviving Spouses	9
Total	42

The above table does not reflect current retirees not enrolled in the CalPERS health plan that may be eligible to enroll in the plan at a later date.

Funding Policy

The City's contribution is based on an actuarially determined amount. Current active employees are not required to contribute any portion towards these benefits.

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other post-employment benefit cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) not to exceed thirty years.

The City's OPEB obligation as for the year ended June 30, 2013, per the completed actuarial valuation dated July 1, 2011, was \$56,601. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	2012-2013
Normal Cost	\$ 95,735
Amortization of UAAL	83,959
Annual Required Contribution (ARC)	179,694
Interest on net OPEB Obligation	4,307
Adjustment to ARC	(3,746)
Annual OPEB Cost	180,255
Contributions	180,255
Increase in net OPEB Obligation	-
Net OPEB Obligation - Beginning of Year	56,601
Net OPEB Obligation - End of Year	\$ 56,601

The City's obligation is accounted for in long-term liabilities at Note 3D.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 4 – OTHER INFORMATION (Continued)**

**G. Other Post-Retirement Health Care Benefits (Continued)**

Funding Policy (Continued)

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2011	\$ 155,646	106.7%	\$ 56,601
6/30/2012	174,020	100.0%	56,601
6/30/2013	180,255	100.0%	56,601

Funding Status and Progress

As of July 1, 2011, the most recent valuation date, the actuarial accrued liability for benefits was \$1,569,351, and the actuarial value of assets was \$301,096, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,268,255 and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 19.2 percent. The covered payroll (annual payroll of active employees covered by the plan) was \$2.975 million. The ratio of the UAAL to the covered payroll was 42.6 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions included a 7.61 percent investment rate of return, which is based on the most recent California PERS pension valuations and an annual healthcare cost trend rate of 7.3 percent initially, reduced by decrements to an ultimate rate of 5.5 percent. The rates included a 3 percent inflation assumption. The UAAL is being amortized as a level percentage of projected payroll over 30 years on a closed basis. It is assumed the City’s payroll will increase 3.25 percent per year.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

***NOTE 5 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY***

On December 29, 2011, the California Supreme Court upheld AB 1X 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Agoura Hills that previously had reported a redevelopment agency as a blended component unit. The City Council elected to become the Successor Agency for the former redevelopment agency.

Successor agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations as approved by the Successor Agency Oversight Board and the California Department of Finance.

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

On May 15, 2013, the City received notification that a Finding of Completion has been granted, which allows for: 1) loan agreements between the former redevelopment agency and City may be placed on the ROPS as an enforceable obligation, provided the oversight board makes a finding that the loan was for a legitimate redevelopment purpose per California Health and Safety Code (HSC) section 34191.4(b)(1), and 2) utilizing proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4(c).

The City approved the transfer of housing assets which allowed creation of the Successor Housing Agency. The City retained all housing activities and assets of the former redevelopment agency's low and moderate income housing fund.

In May 2013 an appraisal was performed on land held for resale by the Successor Agency resulting in a write down of in the amount of \$1,262,618.

On June 27, 2013, the Successor Agency defeased \$8,200,000 of debt related to the 2008 RDA Housing Set-Aside bonds. The defeasance resulted in a loss of \$2,092,338.

***NOTE 6 – SUBSEQUENT EVENT***

The City issued Lease Revenue Bonds in the amount of \$3,675,000 in September 2013. Proceeds of the bonds will be used to assist the City in financing a portion of the costs of the community recreation center project.

CITY OF



AGGURA HILLS

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF



AGGURA HILLS



**CITY OF AGOURA HILLS, CALIFORNIA**  
**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 3,503,962	\$ 3,545,379	\$ 3,485,597	\$ (59,782)
Other taxes:				
Property tax	3,952,046	4,025,716	4,034,894	9,178
Property transfer tax	105,000	267,500	288,651	21,151
Transient occupancy tax	1,767,500	1,840,000	1,915,323	75,323
Franchise fee	756,000	756,000	758,890	2,890
Total Taxes	<u>10,084,508</u>	<u>10,434,595</u>	<u>10,483,355</u>	<u>48,760</u>
Licenses and permits:				
Business registration	100,000	125,000	126,674	1,674
Building permits	207,000	220,000	245,382	25,382
Other licenses and fees	21,000	23,000	22,712	(288)
Total Licenses and permits	<u>328,000</u>	<u>368,000</u>	<u>394,768</u>	<u>26,768</u>
Intergovernmental:				
Other grants	50,593	50,593	51,243	650
Total Intergovernmental	<u>50,593</u>	<u>50,593</u>	<u>51,243</u>	<u>650</u>
Charges for services:				
Planning fees	140,000	165,000	220,660	55,660
Engineer plan check/inspection	30,000	30,000	24,042	(5,958)
Grading plan check	2,000	2,000	1,484	(516)
Building plan check	89,900	168,000	168,846	846
Encroachment permits	38,000	40,000	68,286	28,286
Park and recreation fees	292,200	260,000	237,842	(22,158)
Special event fees	2,500	2,500	3,265	765
Sale of maps and copies	3,000	2,000	1,613	(387)
SCACQ administrative service charges	1,200	1,200	1,200	-
Waste hauling administrative charges	47,000	47,000	47,000	-
Other charges for services	12,030	31,040	27,381	(3,659)
Total Charges for Services	<u>645,800</u>	<u>748,740</u>	<u>801,619</u>	<u>52,879</u>
Fines and penalties:				
Parking fines	55,000	55,000	44,682	(10,318)
False alarm fines	2,000	2,000	2,400	400
Restitution	2,000	2,000	-	(2,000)
Municipal court fines	26,000	15,000	10,508	(4,492)
Total Fines and Penalties	<u>85,000</u>	<u>74,000</u>	<u>57,590</u>	<u>(16,410)</u>
Investment income	90,000	75,000	(22,596)	(97,596)
Rental income	86,800	103,800	113,569	9,769
Other revenues	95,200	70,200	59,050	(11,150)
Total Revenues	<u>11,465,901</u>	<u>11,924,928</u>	<u>11,938,598</u>	<u>(46,112)</u>

(Continued)

See accompanying Note to the Required Supplementary Information.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General government:				
City council	\$ 131,578	\$ 131,578	\$ 121,705	\$ 9,873
City manager	783,369	799,069	804,327	(5,258)
City clerk	228,635	228,135	225,601	2,534
City attorney	385,000	415,600	361,959	53,641
Finance	334,233	433,530	348,763	84,767
Public facilities	228,250	235,600	235,575	25
Nondepartmental	704,910	796,710	784,295	12,415
Automated office systems	315,800	256,250	256,239	11
Total General Government	<u>3,111,775</u>	<u>3,296,472</u>	<u>3,138,464</u>	<u>158,008</u>
Public safety:				
L.A. County Sheriff	3,602,684	3,602,684	3,598,960	3,724
Disaster response team	15,000	13,078	13,076	2
Building and safety	444,109	492,609	486,080	6,529
Animal control	62,000	62,000	35,214	26,786
Total Public Safety	<u>4,123,793</u>	<u>4,170,371</u>	<u>4,133,330</u>	<u>37,041</u>
Community development:				
Planning and administration	974,161	987,287	986,968	319
Total Community Development	<u>974,161</u>	<u>987,287</u>	<u>986,968</u>	<u>319</u>
Community services:				
Recreation	473,200	478,805	450,753	28,052
Reyes Adobe	25,700	27,700	16,817	10,883
Parks maintenance	467,000	458,300	458,253	47
Community services administration	789,613	794,373	779,511	14,862
Total Community Services	<u>1,755,513</u>	<u>1,759,178</u>	<u>1,705,334</u>	<u>53,844</u>
Public works:				
Administration	539,824	557,774	557,715	59
Landscape maintenance	117,500	112,500	117,742	(5,242)
Drain and flood maintenance	147,500	141,500	99,854	41,646
Total Public Works	<u>804,824</u>	<u>811,774</u>	<u>775,311</u>	<u>36,463</u>
Capital outlay	-	31,850	31,850	-
Total Expenditures	<u>10,770,066</u>	<u>11,056,932</u>	<u>10,771,257</u>	<u>285,675</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>695,835</u>	<u>867,996</u>	<u>1,167,341</u>	<u>239,563</u>

(Continued)

See accompanying Note to the Required Supplementary Information.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Transfers in	\$ -	\$ -	\$ 16,672	\$ 16,672
Transfers out	-	(1,672,000)	(1,672,000)	-
Total Other Financing Sources (Uses)	-	(1,672,000)	(1,655,328)	16,672
Net Change in Fund Balance	695,835	(804,004)	(487,987)	256,235
Fund Balance, Beginning of Year	9,024,831	9,024,831	9,024,831	-
Fund Balance, End of Year	<u>\$ 9,720,666</u>	<u>\$ 8,220,827</u>	<u>\$ 8,536,844</u>	<u>\$ 316,017</u>

See accompanying Note to the Required Supplementary Information.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Inclusionary Housing In Lieu Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ 10,000	\$ 20,834	\$ 10,834
Total Revenues	-	10,000	20,834	10,834
Net Change in Fund Balance	-	10,000	20,834	10,834
Fund Balance, Beginning of Year	2,455,555	2,455,555	2,455,555	-
Fund Balance, End of Year	<u>\$ 2,455,555</u>	<u>\$ 2,465,555</u>	<u>\$ 2,476,389</u>	<u>\$ 10,834</u>

See accompanying Note to the Required Supplementary Information.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Note to Required Supplementary Information**  
**June 30, 2013**

***NOTE 1 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY***

***Budgetary Data***

Annual budgets are adopted on a basis consistent with GAAP. As a General Law City, the City is not legally required to adopt a budget; however, the City Municipal Code requires the City Manager to prepare an annual budget based on projections received from all city departments, boards and commissions. There was no legally adopted budget for the new fund Housing Successor Agency and Community Development Funds. All annual appropriations lapse at year end or are carried forward at the City Manager's discretion.

The budget is prepared by fund and department and includes actual information for the past year, current year estimates and requested appropriations for the next fiscal year. The budget is a statement of the goals and objectives of the City for that fiscal year. The City Manager may authorize the 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.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Schedule of Funding Progress – Other Post-Retirement Health Care Benefits**

**June 30, 2013**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Status	Annual Covered Payroll	UAAL As a % of Covered Payroll
6/30/2011	\$ 301,096	\$ 1,569,351	\$ 1,268,255	19.2%	\$ 2,975,000	42.6%
6/30/2010	119,818	1,298,387	1,178,569	9.2%	2,914,000	40.4%
6/30/2009	-	1,298,000	1,298,000	0%	2,722,000	47.7%

**SUPPLEMENTARY SCHEDULES**

CITY OF



AGGURA HILLS



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Recreation Center Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ 20,000	\$ 20,000	\$ 26,790	\$ 6,790
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>26,790</u>	<u>6,790</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>309,000</u>	<u>355,000</u>	<u>354,495</u>	<u>505</u>
Total Expenditures	<u>309,000</u>	<u>355,000</u>	<u>354,495</u>	<u>505</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(289,000)</u>	<u>(335,000)</u>	<u>(327,705)</u>	<u>7,295</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(289,000)</u>	<u>665,000</u>	<u>672,295</u>	<u>7,295</u>
Fund Balance, Beginning of Year	<u>3,297,324</u>	<u>3,297,324</u>	<u>3,297,324</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,008,324</u>	<u>\$ 3,962,324</u>	<u>\$ 3,969,619</u>	<u>\$ 7,295</u>

CITY OF



AGGURA HILLS

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Measure R Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 4,734,718	\$ 4,734,718	\$ 622,650	\$ (4,112,068)
Total Revenues	<u>4,734,718</u>	<u>4,734,718</u>	<u>622,650</u>	<u>(4,112,068)</u>
<b>EXPENDITURES</b>				
Current:				
General government	231,536	231,536	226,401	5,135
Public works	305,263	505,260	416,186	89,074
Capital outlay	4,350,000	4,500,000	1,084,434	3,415,566
Total Expenditures	<u>4,886,799</u>	<u>5,236,796</u>	<u>1,727,021</u>	<u>3,509,775</u>
Net Change in Fund Balance	(152,081)	(502,078)	(1,104,371)	(602,293)
Fund Balance (Deficit), Beginning of Year	<u>(376,008)</u>	<u>(376,008)</u>	<u>(376,008)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (528,089)</u></u>	<u><u>\$ (878,086)</u></u>	<u><u>\$ (1,480,379)</u></u>	<u><u>\$ (602,293)</u></u>

## DESCRIPTION OF NON MAJOR GOVERNMENTAL FUNDS

### Nonmajor Special Revenue Funds

**Traffic Improvement** - To account for traffic improvement and arterial street system fees paid by developers which may only be used for constructing traffic impacted arterial streets.

**Traffic Safety** - To account of traffic fines which may only be used for traffic safety purposes.

**Transit Tax** - To account for Proposition A funds received from the County of Los Angeles which may only be used to provide transportation services.

**Public Transit** - To account for Proposition C funds received from the County of Los Angeles which may only be used to provide transportation services.

**Air Quality Management** - To account for funds received from the South Coast Air Quality Management District which may only be used for air quality improvement.

**Community Development** - To account for restricted housing rehabilitation loans administered with Community Development Block Grant (CDBG) funds.

**Successor Housing Agency** – To account for restricted revenues and expenditures for the housing activities of the former Redevelopment Agency’s Low and Moderate Income Fund activities.

**Supplemental Law Enforcement** - To account for Brulte funds received from the state for the use of Public Safety (COPS) programs.

**Solid Waste Management** - To account for the funds relating to collection, transportation and recycling of refuse materials for City residents and businesses.

**State Gas Tax** - To account for funds allocated to the City by the State which may only be used for street maintenance, construction, right of way acquisition and/or reconstruction.

**Measure R** - To account for public transit tax received under Measure R. These funds are paid by the County of Los Angeles.

**Other Grants** - To account for various state grant funds received for street improvements and park development.

**Utility Undergrounding** - To account for the undergrounding of utility lines within the City undergrounding district.

### Nonmajor Debt Service Fund

**Financing Authority Debt Service** - To account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

## DESCRIPTION OF NON MAJOR GOVERNMENTAL FUNDS

### Nonmajor Capital Projects Funds

**Financing Authority Capital Projects** - To account for bond money expenditures specifically for the Reyes Adobe Interchange project.

**Reyes Adobe Interchange** - To account for the funds to be used for the widening of the Reyes Adobe Bridge.

**Storm Water Capital Projects** - To account for the funds to be used for the development or maintenance of the City's storm water program.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2013**

	Special Revenue Funds					
	Traffic Improvement	Traffic Safety	Transit Tax	Public Transit	Air Quality Management	Community Development
<b>ASSETS</b>						
Cash and investments	\$ 525,016	\$ 20,771	\$ 582,003	\$ 290,896	\$ 52,297	\$ 2
Receivables:						
Accounts	-	-	-	-	-	-
Deferred loans	-	-	-	-	-	456,386
Due from other governments	-	4,799	110,441	-	6,448	-
Other	-	-	-	-	-	-
Due from other funds	732,763	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,257,779</b>	<b>\$ 25,570</b>	<b>\$ 692,444</b>	<b>\$ 290,896</b>	<b>\$ 58,745</b>	<b>\$ 456,388</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued expenditures	\$ -	\$ 14,330	\$ 103,018	\$ 40,190	\$ -	\$ -
Deferred revenue	-	-	-	-	-	456,388
<b>Total Liabilities</b>	<b>-</b>	<b>14,330</b>	<b>103,018</b>	<b>40,190</b>	<b>-</b>	<b>456,388</b>
<b>FUND BALANCES</b>						
Restricted	-	-	589,426	250,706	58,745	-
Committed	1,257,779	11,240	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>1,257,779</b>	<b>11,240</b>	<b>589,426</b>	<b>250,706</b>	<b>58,745</b>	<b>-</b>
<b>Total Liabilities and     Fund Balances</b>	<b>\$ 1,257,779</b>	<b>\$ 25,570</b>	<b>\$ 692,444</b>	<b>\$ 290,896</b>	<b>\$ 58,745</b>	<b>\$ 456,388</b>

Special Revenue Funds

Successor Housing Agency	Supplemental Law Enforcement	Solid Waste Management	State Gas Tax	Measure R	Other Grants
\$ -	\$ 12,786	\$ 124,012	\$ 151,300	\$ 173	\$ 116,524
-	-	18,000	-	-	15,083
-	-	-	-	-	-
206,968	-	-	48,190	-	86,150
178,618	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 385,586</u>	<u>\$ 12,786</u>	<u>\$ 142,012</u>	<u>\$ 199,490</u>	<u>\$ 173</u>	<u>\$ 217,757</u>
\$ -	\$ 7,929	\$ -	\$ 34,149	\$ -	\$ 56,175
178,618	-	-	-	-	186,455
<u>178,618</u>	<u>7,929</u>	<u>-</u>	<u>34,149</u>	<u>-</u>	<u>242,630</u>
206,968	4,857	-	165,341	173	-
-	-	142,012	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(24,873)
<u>206,968</u>	<u>4,857</u>	<u>142,012</u>	<u>165,341</u>	<u>173</u>	<u>(24,873)</u>
<u>\$ 385,586</u>	<u>\$ 12,786</u>	<u>\$ 142,012</u>	<u>\$ 199,490</u>	<u>\$ 173</u>	<u>\$ 217,757</u>

CITY OF



AGGURA HILLS



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (Continued)**  
**June 30, 2013**

	Special	Debt	Capital Projects Funds			Total Nonmajor Governmental Funds
	Revenue Funds	Service	Financing Authority	Financing Authority Capital Projects	Reyes Adobe Interchange	
	Utility Undergrounding	Debt Service				
<b>ASSETS</b>						
Cash and investments	\$ 120,362	\$ 2,063	\$ 1	\$ 54,927	\$ 123,790	\$ 2,176,923
Receivables:						
Accounts	-	-	-	-	-	33,083
Deferred loans	-	-	-	-	-	456,386
Due from other governments	-	-	-	762	-	463,758
Other	-	-	-	77,543	-	256,161
Due from other funds	-	-	-	-	-	732,763
<b>Total Assets</b>	<b>\$ 120,362</b>	<b>\$ 2,063</b>	<b>\$ 1</b>	<b>\$ 133,232</b>	<b>\$ 123,790</b>	<b>\$ 4,119,074</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued expenditures	\$ -	\$ 300	\$ -	\$ 4,157	\$ -	\$ 260,248
Deferred revenue	-	-	-	78,554	-	900,015
<b>Total Liabilities</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>82,711</b>	<b>-</b>	<b>1,160,263</b>
<b>FUND BALANCES</b>						
Restricted	-	-	1	-	-	1,276,217
Committed	120,362	-	-	-	-	1,531,393
Assigned	-	1,763	-	50,521	123,790	176,074
Unassigned	-	-	-	-	-	(24,873)
<b>Total Fund Balances</b>	<b>120,362</b>	<b>1,763</b>	<b>1</b>	<b>50,521</b>	<b>123,790</b>	<b>2,958,811</b>
<b>Total Liabilities and     Fund Balances</b>	<b>\$ 120,362</b>	<b>\$ 2,063</b>	<b>\$ 1</b>	<b>\$ 133,232</b>	<b>\$ 123,790</b>	<b>\$ 4,119,074</b>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2013**

	Special Revenue Funds					
	Traffic Improvement	Traffic Safety	Transit Tax	Public Transit	Air Quality Management	Community Development
<b>REVENUES:</b>						
Intergovernmental	\$ -	\$ -	\$ 464,782	\$ 299,422	\$ 24,625	\$ -
Charges for services	12,399	-	294,797	-	-	-
Fines and penalties	-	96,721	-	-	-	-
Investment income	10,307	35	4,257	1,365	414	-
Other revenues	-	-	-	-	-	-
Total Revenues	<u>22,706</u>	<u>96,756</u>	<u>763,836</u>	<u>300,787</u>	<u>25,039</u>	<u>-</u>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	16,895	-
Public safety	-	66,306	-	-	-	-
Community services	-	-	155,389	-	-	-
Public works	-	30,144	568,705	5,776	-	-
Capital outlay	4,200	-	-	40,000	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal changes	-	-	-	-	-	-
Total Expenditures	<u>4,200</u>	<u>96,450</u>	<u>724,094</u>	<u>45,776</u>	<u>16,895</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,506</u>	<u>306</u>	<u>39,742</u>	<u>255,011</u>	<u>8,144</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	<u>(272,522)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(272,522)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(254,016)</u>	<u>306</u>	<u>39,742</u>	<u>255,011</u>	<u>8,144</u>	<u>-</u>
Fund Balances at Beginning of Year	<u>1,511,795</u>	<u>10,934</u>	<u>549,684</u>	<u>(4,305)</u>	<u>50,601</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 1,257,779</u>	<u>\$ 11,240</u>	<u>\$ 589,426</u>	<u>\$ 250,706</u>	<u>\$ 58,745</u>	<u>\$ -</u>

Special Revenue Funds

Successor Housing Agency	Supplemental Law Enforcement	Solid Waste Management	State Gas Tax	Measure R	Other Grants	Utility Undergrounding
\$ -	\$ 100,000	\$ -	\$ -	\$ 224,551	\$ 394,051	\$ -
-	-	70,798	530,796	-	-	-
-	-	-	-	-	-	-
-	148	1,381	1,524	389	280	1,013
-	-	3,500	-	-	-	-
-	100,148	75,679	532,320	224,940	394,331	1,013
-	-	-	-	-	71,540	-
-	95,839	-	-	-	-	-
-	-	90,619	-	-	-	-
-	-	-	467,494	-	-	-
-	-	-	254,044	389,041	246,281	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	95,839	90,619	721,538	389,041	317,821	-
-	4,309	(14,940)	(189,218)	(164,101)	76,510	1,013
-	-	-	-	-	-	-
-	-	-	-	-	(16,672)	-
-	-	-	-	-	(16,672)	-
-	4,309	(14,940)	(189,218)	(164,101)	59,838	1,013
206,968	548	156,952	354,559	164,274	(84,711)	119,349
\$ 206,968	\$ 4,857	\$ 142,012	\$ 165,341	\$ 173	\$ (24,873)	\$ 120,362

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**For the Year Ended June 30, 2013**

	Debt Service		Capital Projects Funds		Total Nonmajor Governmental Funds
	Financing Authority Debt Service	Financing Authority Capital Projects	Reyes Adobe Interchange	Storm Water Capital Projects	
<b>REVENUES:</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 1,507,431
Charges for services	-	-	-	-	908,790
Fines and penalties	-	-	-	-	96,721
Investment income	1	(2,461)	21	611	19,285
Other revenues	-	-	65,911	46,342	115,753
<b>Total Revenues</b>	<b>1</b>	<b>(2,461)</b>	<b>65,932</b>	<b>46,953</b>	<b>2,647,980</b>
<b>EXPENDITURES:</b>					
Current:					
General government	3,621	-	-	-	92,056
Public safety	-	-	-	-	162,145
Community services	-	-	-	-	246,008
Public works	-	-	-	17,463	1,089,582
Capital outlay	-	-	26,865	-	960,431
Debt service:					
Principal	195,000	-	-	-	195,000
Interest and fiscal changes	473,231	-	-	-	473,231
<b>Total Expenditures</b>	<b>671,852</b>	<b>-</b>	<b>26,865</b>	<b>17,463</b>	<b>3,218,453</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(671,851)	(2,461)	39,067	29,490	(570,473)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	672,000	-	272,522	-	944,522
Transfers out	-	-	-	-	(289,194)
<b>Total Other Financing Sources (Uses)</b>	<b>672,000</b>	<b>-</b>	<b>272,522</b>	<b>-</b>	<b>655,328</b>
<b>Net Change in Fund Balances</b>	<b>149</b>	<b>(2,461)</b>	<b>311,589</b>	<b>29,490</b>	<b>84,855</b>
Fund Balances at Beginning of Year	1,614	2,462	(261,068)	94,300	2,873,956
Fund Balances at End of Year	\$ 1,763	\$ 1	\$ 50,521	\$ 123,790	\$ 2,958,811

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Traffic Improvement Special Revenue**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 45,000	\$ 35,000	\$ 12,399	\$ (22,601)
Investment income	12,500	12,500	10,307	(2,193)
Total Revenues	<u>57,500</u>	<u>47,500</u>	<u>22,706</u>	<u>(24,794)</u>
<b>EXPENDITURES</b>				
Capital outlay	20,000	5,000	4,200	800
Total Expenditures	<u>20,000</u>	<u>5,000</u>	<u>4,200</u>	<u>800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>37,500</u>	<u>42,500</u>	<u>18,506</u>	<u>(23,994)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(272,522)	(272,522)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(272,522)</u>	<u>(272,522)</u>	<u>-</u>
Net Change in Fund Balance	37,500	(230,022)	(254,016)	(23,994)
Fund Balance, Beginning of Year	<u>1,511,795</u>	<u>1,511,795</u>	<u>1,511,795</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 1,549,295</u></u>	<u><u>\$ 1,281,773</u></u>	<u><u>\$ 1,257,779</u></u>	<u><u>\$ (23,994)</u></u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Traffic Safety Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and penalties	\$ 150,000	\$ 104,000	\$ 96,721	\$ (7,279)
Investment income	1,000	200	35	(165)
Total Revenues	<u>151,000</u>	<u>104,200</u>	<u>96,756</u>	<u>(7,444)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	60,000	60,000	66,306	(6,306)
Public works	96,000	96,000	30,144	65,856
Total Expenditures	<u>156,000</u>	<u>156,000</u>	<u>96,450</u>	<u>59,550</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,000)</u>	<u>(51,800)</u>	<u>306</u>	<u>52,106</u>
Net Change in Fund Balance	(5,000)	(51,800)	306	52,106
Fund Balance, Beginning of Year	10,934	10,934	10,934	-
Fund Balance, End of Year	<u>\$ 5,934</u>	<u>\$ (40,866)</u>	<u>\$ 11,240</u>	<u>\$ 52,106</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Transit Tax Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 453,095	\$ 456,795	\$ 464,782	\$ 7,987
Charges for service	271,000	282,500	294,797	12,297
Investment income	3,000	3,000	4,257	1,257
Total Revenues	<u>727,095</u>	<u>742,295</u>	<u>763,836</u>	<u>21,541</u>
<b>EXPENDITURES</b>				
Current:				
Community services	115,852	115,852	155,389	(39,537)
Public works	601,025	573,936	568,705	5,231
Total Expenditures	<u>716,877</u>	<u>689,788</u>	<u>724,094</u>	<u>(34,306)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,218</u>	<u>52,507</u>	<u>39,742</u>	<u>(12,765)</u>
Net Change in Fund Balance	10,218	52,507	39,742	(12,765)
Fund Balance, Beginning of Year	549,684	549,684	549,684	-
Fund Balance, End of Year	<u>\$ 559,902</u>	<u>\$ 602,191</u>	<u>\$ 589,426</u>	<u>\$ (12,765)</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Public Transit Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 267,007	\$ 300,750	\$ 299,422	\$ (1,328)
Investment income	500	500	1,365	865
Total Revenues	<u>267,507</u>	<u>301,250</u>	<u>300,787</u>	<u>(463)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	5,906	5,906	5,776	130
Capital outlay	40,000	40,000	40,000	-
Total Expenditures	<u>45,906</u>	<u>45,906</u>	<u>45,776</u>	<u>130</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>221,601</u>	<u>255,344</u>	<u>255,011</u>	<u>(333)</u>
Net Change in Fund Balance	<u>221,601</u>	<u>255,344</u>	<u>255,011</u>	<u>(333)</u>
Fund Balance (Deficit), Beginning of Year	<u>(4,305)</u>	<u>(4,305)</u>	<u>(4,305)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ 217,296</u></u>	<u><u>\$ 251,039</u></u>	<u><u>\$ 250,706</u></u>	<u><u>\$ (333)</u></u>



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Air Quality Management Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 26,700	\$ 26,700	\$ 24,625	\$ (2,075)
Investment income	300	300	414	114
Total Revenues	<u>27,000</u>	<u>27,000</u>	<u>25,039</u>	<u>(1,961)</u>
<b>EXPENDITURES</b>				
Current:				
General government	23,000	24,200	16,895	7,305
Capital outlay	50,000	30,000	-	30,000
Total Expenditures	<u>73,000</u>	<u>54,200</u>	<u>16,895</u>	<u>37,305</u>
Net Change in Fund Balance	(46,000)	(27,200)	8,144	35,344
Fund Balance, Beginning of Year	50,601	50,601	50,601	-
Fund Balance, End of Year	<u>\$ 4,601</u>	<u>\$ 23,401</u>	<u>\$ 58,745</u>	<u>\$ 35,344</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Supplemental Law Enforcement Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Investment income	700	700	148	(552)
Total Revenues	<u>100,700</u>	<u>100,700</u>	<u>100,148</u>	<u>(552)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	100,000	100,000	95,839	4,161
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>95,839</u>	<u>55,404</u>
Net Change in Fund Balance	700	700	4,309	3,609
Fund Balance, Beginning of Year	<u>548</u>	<u>548</u>	<u>548</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,248</u>	<u>\$ 1,248</u>	<u>\$ 4,857</u>	<u>\$ 3,609</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Solid Waste Management Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 80,100	\$ 78,925	\$ 70,798	\$ (8,127)
Investment income	1,500	1,500	1,381	(119)
Other revenues	3,250	3,500	3,500	-
Total Revenues	<u>84,850</u>	<u>83,925</u>	<u>75,679</u>	<u>(8,246)</u>
<b>EXPENDITURES</b>				
Current:				
Community services	107,000	97,000	90,619	6,381
Total Expenditures	<u>107,000</u>	<u>97,000</u>	<u>90,619</u>	<u>6,381</u>
Net Change in Fund Balance	<u>(22,150)</u>	<u>(13,075)</u>	<u>(14,940)</u>	<u>(1,865)</u>
Fund Balance, Beginning of Year	156,952	156,952	156,952	-
Fund Balance, End of Year	<u>\$ 134,802</u>	<u>\$ 143,877</u>	<u>\$ 142,012</u>	<u>\$ (1,865)</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor State Gas Tax Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 614,531	\$ 541,654	\$ 530,796	\$ (10,858)
Investment income	2,000	2,000	1,524	(476)
Total Revenues	<u>616,531</u>	<u>543,654</u>	<u>532,320</u>	<u>(11,334)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	435,500	455,885	467,494	(11,609)
Capital outlay	275,000	266,000	254,044	11,956
Total Expenditures	<u>710,500</u>	<u>721,885</u>	<u>721,538</u>	<u>347</u>
Net Change in Fund Balance	(93,969)	(178,231)	(189,218)	(10,987)
Fund Balance, Beginning of Year	354,559	354,559	354,559	-
Fund Balance, End of Year	<u>\$ 260,590</u>	<u>\$ 176,328</u>	<u>\$ 165,341</u>	<u>\$ (10,987)</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Measure R Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 200,267	\$ 200,267	\$ 224,551	\$ 24,284
Investment income			389	389
Total Revenues	<u>200,267</u>	<u>200,267</u>	<u>224,940</u>	<u>24,284</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>411,500</u>	<u>411,500</u>	<u>389,041</u>	<u>22,459</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(211,233)</u>	<u>(211,233)</u>	<u>(164,101)</u>	<u>47,132</u>
Fund Balance, Beginning of Year	<u>164,274</u>	<u>164,274</u>	<u>164,274</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (46,959)</u>	<u>\$ (46,959)</u>	<u>\$ 173</u>	<u>\$ 47,132</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Other Grants Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 151,000	\$ 468,400	\$ 394,051	\$ (74,349)
Investment income	-	-	280	280
Total Revenues	<u>151,000</u>	<u>468,400</u>	<u>394,331</u>	<u>(74,069)</u>
<b>EXPENDITURES</b>				
Current:				
General government	78,000	78,000	71,540	6,460
Capital outlay	86,000	241,400	246,281	(4,881)
Total Expenditures	<u>164,000</u>	<u>319,400</u>	<u>317,821</u>	<u>1,579</u>
Excess (Deficiency) of Revenues Over (Under) expenditures	<u>(13,000)</u>	<u>149,000</u>	<u>76,510</u>	<u>(75,648)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(16,000)	(16,672)	672
Total Other Financing Sources (Uses)	<u>-</u>	<u>(16,000)</u>	<u>(16,672)</u>	<u>672</u>
Net Change in Fund Balance	(13,000)	133,000	59,838	(74,976)
Fund Balance (Deficit), Beginning of Year	<u>(84,711)</u>	<u>(84,711)</u>	<u>(84,711)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u>\$ (97,711)</u>	<u>\$ 48,289</u>	<u>\$ (24,873)</u>	<u>\$ (74,976)</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Utility Undergrounding Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 500	\$ 500	\$ 1,013	\$ 513
Net Change in Fund Balance	500	500	1,013	513
Fund Balance, Beginning of Year	119,349	119,349	119,349	-
Fund Balance, End of Year	<u>\$ 119,849</u>	<u>\$ 119,849</u>	<u>\$ 120,362</u>	<u>\$ 513</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Financing Authority Debt Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 1	\$ 1
Total Revenues	-	-	1	1
<b>EXPENDITURES</b>				
Current:				
General government	4,000	4,000	3,621	379
Debt service:				
Principal	185,000	195,000	195,000	-
Interest and fiscal changes	480,631	473,231	473,231	-
Total Expenditures	669,631	672,231	671,852	379
Excess (Deficiency) of Revenues Over (Under) Expenditures	(669,631)	(672,231)	(671,851)	380
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	672,000	672,000	672,000	-
Total Other Financing Sources (Uses)	672,000	672,000	672,000	-
Net Change in Fund Balance	2,369	(231)	149	380
Fund Balance, Beginning of Year	1,614	1,614	1,614	-
Fund Balance, End of Year	\$ 3,983	\$ 1,383	\$ 1,763	\$ 380



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Financing Authority Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	-	\$ (2,461)	(2,461)
Net Change in Fund Balance	-	-	(2,461)	(2,461)
Fund Balance, Beginning of Year	2,462	2,462	2,462	-
Fund Balance, End of Year	\$ 2,462	\$ 2,462	\$ 1	\$ (2,461)

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Reyes Adobe Interchange Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 21	\$ 21
Other revenues	-	15,500	65,911	50,411
Total Revenues	<u>-</u>	<u>15,500</u>	<u>65,932</u>	<u>50,432</u>
<b>EXPENDITURES</b>				
Capital outlay	-	27,000	26,865	135
Total Expenditures	<u>-</u>	<u>27,000</u>	<u>26,865</u>	<u>135</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(11,500)</u>	<u>39,067</u>	<u>50,567</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	272,522	272,522	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>272,522</u>	<u>272,522</u>	<u>-</u>
Net Change in Fund Balance	-	261,022	311,589	50,567
Fund Balance (Deficit), Beginning of Year	<u>(261,068)</u>	<u>(261,068)</u>	<u>(261,068)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u>\$ (261,068)</u>	<u>\$ (46)</u>	<u>\$ 50,521</u>	<u>\$ 50,567</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Nonmajor Storm Water Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ 500	\$ 500	\$ 611	\$ 111
Other revenues	-	30,000	46,342	16,342
Total Revenues	500	30,500	46,953	16,453
<b>EXPENDITURES</b>				
Current:				
Public works	\$ 91,000	45,300	17,463	27,837
Total Expenditures	91,000	45,300	17,463	27,837
Net Change in Fund Balance	(90,500)	(14,800)	29,490	44,290
Fund Balance, Beginning of Year	94,300	94,300	94,300	-
Fund Balance, End of Year	\$ 3,800	\$ 79,500	\$ 123,790	\$ 44,290

CITY OF



AGGURA HILLS

## **FIDUCIARY FUND**

**Agency Fund** – To account for assets held by the City in a trustee capacity or as an agent on behalf of others.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund**  
**For the Year Ended June 30, 2013**

	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013
<b>ASSETS</b>				
Cash and investments	\$ 1,454,685	\$ -	\$ (512,213)	\$ 942,472
Interest receivable	1,380	-	(1,380)	-
Accounts receivable	9,092	19,213	-	28,305
Due from other governments	93,673	-	(6,831)	86,842
Total Assets	<u>\$ 1,558,830</u>	<u>\$ 19,213</u>	<u>\$ (520,424)</u>	<u>\$ 1,057,619</u>
<b>LIABILITIES</b>				
Accounts payable	<u>\$ 1,558,830</u>	<u>\$ -</u>	<u>\$ (501,211)</u>	<u>\$ 1,057,619</u>

## **STATISTICAL SECTION**

CITY OF



AGGURA HILLS



**CITY OF AGOURA HILLS, CALIFORNIA**  
**Statistical Section (Unaudited)**  
**For the Year Ended June 30, 2013**

This part of the City of Agoura Hill's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b>Page(s)</b>
<b>Financial Trends</b>	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	<b>82</b>
<b>Revenue Capacity</b>	
<i>These schedules contain trend information to help the reader assess the government's most significant current local revenue source, the property tax.</i>	<b>92</b>
<b>Debt Capacity</b>	
<i>These schedules contain present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	<b>99</b>
<b>Demographic and Economic Information</b>	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	<b>104</b>
<b>Operating Information</b>	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	<b>108</b>

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006. Schedules presenting government-wide information include information beginning in that year.

**CITY OF AGOURA HILLS, CALIFORNIA**

**Net Assets by Component**

**Last Eight Fiscal Years**

*(accrual basis of accounting)*

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	<b>Fiscal Year</b>		
	<b>2006</b>	<b>2007</b>	<b>2008</b>
Governmental activities			
Net Investment in capital assets	\$ 39,154,947	\$ 46,162,983	\$ 48,276,081 *
Restricted	11,384,644	8,427,779	23,887,822
Unrestricted	19,552,713	24,640,773	10,795,825
Total primary government net assets-restated	<u>\$ 70,092,304</u>	<u>\$ 79,231,535</u>	<u>\$ 82,959,728</u>

\*See note 4(i)-The beginning net assets of July 1, 2008 have been restated due to an error in recording of capital assets. The City adjusted the beginning building and improvements account to include the community center building.

Source: City of Agoura Hills financial data

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<b>Fiscal Year</b>				
<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
\$ 49,983,660	\$ 57,211,864	\$ 66,710,006	\$ 67,179,564	\$ 66,545,330
26,521,423	12,056,277	4,028,535	2,662,523	2,476,389
9,262,568	16,091,249	15,309,694	13,973,910	15,956,212
<b>\$ 85,767,651</b>	<b>\$ 85,359,390</b>	<b>\$ 86,048,235</b>	<b>\$ 83,815,997</b>	<b>\$ 84,977,931</b>

**CITY OF AGOURA HILLS, CALIFORNIA**

**Changes in Net Assets**

**Last Eight Fiscal Years**

*(accrual basis of accounting)*

	Fiscal Year			
	2006	2007	2008	2009
<b>Expenses</b>				
Governmental activities				
General government	\$ 3,110,794	\$ 2,955,695	\$ 2,930,987	\$ 3,054,767
Public safety	2,719,899	2,917,439	3,456,845	4,186,728
Public works	3,291,807	2,797,710	4,717,054	4,129,327
Community development	3,605,839	1,424,676	1,549,091	1,899,937
Pass through to other agencies	2,528,528	2,721,575	3,436,430	3,805,788
Community services	1,815,186	1,348,155	1,590,653	1,992,453
Interest on long-term debt (unallocated)	463,903	245,668	2,530,675	1,486,082
Total primary government expenses	<u>\$ 17,535,956</u>	<u>\$ 14,410,918</u>	<u>\$ 20,211,735</u>	<u>\$ 20,555,082</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for Services				
General government	\$ 16,009	\$ 5,465	\$ -	\$ 155,154
Public safety	315,266	221,310	224,473	575,792
Public works	1,582,580	1,650,150	1,047,910	162,319
Community development	-	-	-	182,152
Community services	342,090	331,778	327,249	286,443
Operating grants and contributions	5,121,839	4,495,414	4,884,543	1,894,247
Capital grants and contributions	128,782	1,189,144	-	3,555,911
Total primary government program revenues	<u>\$ 7,506,566</u>	<u>\$ 7,893,261</u>	<u>\$ 6,484,175</u>	<u>\$ 6,812,018</u>
<b>Net (Expense)/Revenue</b>				
Total primary government net expense	<u>\$ (10,029,390)</u>	<u>\$ (6,981,808)</u>	<u>\$ (14,439,436)</u>	<u>\$ (14,233,778)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes	\$ 11,598,025	\$ 14,159,127	\$ 15,682,063	\$ 15,534,187
Intergovernmental revenues	1,709,143	145,874	218,813	84,860
Investment earnings	1,159,494	1,487,500	1,284,265	1,038,661
Other revenues	268,863	328,538	572,992	383,994
Total primary government	<u>\$ 14,735,525</u>	<u>\$ 16,121,039</u>	<u>\$ 17,758,133</u>	<u>\$ 17,041,702</u>
<b>Change in Net Position</b>				
Total primary government	<u>\$ 4,706,135</u>	<u>\$ 9,139,231</u>	<u>\$ 3,318,697</u>	<u>\$ 2,807,924</u>

Source: City of Agoura Hills financial data

Fiscal Year			
2010	2011	2012	2013
\$ 3,797,117	\$ 3,192,991	\$ 2,809,488	\$ 4,224,974
4,069,389	4,355,912	4,101,347	4,307,129
5,557,145	5,563,786	5,141,512	3,095,828
1,821,939	1,595,785	1,055,293	989,646
3,677,954	3,602,569	1,449,565	-
2,223,534	1,912,544	1,957,257	1,999,606
1,407,800	1,359,595	953,642	470,616
<u>\$ 22,554,878</u>	<u>\$ 21,583,182</u>	<u>\$ 17,468,104</u>	<u>\$ 15,087,799</u>
\$ 63,389	\$ 64,506	\$ 92,593	\$ 129,026
751,293	622,151	530,285	570,023
119,493	156,468	153,422	237,538
78,863	216,354	146,932	246,279
244,876	273,920	285,797	241,107
2,256,379	2,934,225	2,788,229	3,705,524
3,102,464	2,680,376	669,308	329,511
<u>\$ 6,616,757</u>	<u>\$ 6,948,000</u>	<u>\$ 4,666,566</u>	<u>\$ 5,459,008</u>
<u>\$ (15,938,121)</u>	<u>\$ (14,635,182)</u>	<u>\$ (12,801,539)</u>	<u>\$ 9,628,791</u>
\$ 14,617,232	\$ 14,661,200	\$ 12,278,663	\$ 10,483,355
68,491	118,561	-	-
628,622	323,286	273,503	119,576
253,837	220,980	165,757	187,793
<u>\$ 15,568,182</u>	<u>\$ 15,324,027</u>	<u>\$ 12,717,923</u>	<u>\$ 10,790,724</u>
<u>\$ (369,939)</u>	<u>\$ 688,845</u>	<u>\$ (83,616)</u>	<u>\$ 1,161,934</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Program Revenues by Function/Program**  
**Last Eight Fiscal Years**  
*(accrual basis of accounting)*

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<b>Function/Program</b>	<b>Fiscal Year</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Governmental activities				
General government	\$ 16,009	\$ 285,465	\$ 4,738	\$ 761,277
Public safety	501,727	351,260	337,573	680,227
Public works	3,578,328	4,491,664	2,558,996	3,904,182
Community development	256,661	34,729	2,040,266	182,152
Transportation	2,811,751	2,398,365	1,215,353	778,816
Community services	342,090	331,778	327,249	505,364
Subtotal governmental activities	<u>7,506,566</u>	<u>7,893,261</u>	<u>6,484,175</u>	<u>6,812,018</u>
Total primary government	<u>\$ 7,506,566</u>	<u>\$ 7,893,261</u>	<u>\$ 6,484,175</u>	<u>\$ 6,812,018</u>

\*Amounts for transportation were reclassified to Public Works for FY09-10.

Source: City of Agoura Hills financial data

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<b>Fiscal Year</b>			
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
\$ 282,768	\$ 134,837	\$ 212,500	\$ 267,650
931,494	803,246	651,076	670,023
4,554,613	5,514,098	3,086,160	3,981,507
415,188	216,354	156,574	246,279
432,694	279,465	285,797	241,107
<u>6,616,757</u>	<u>6,948,000</u>	<u>4,392,107</u>	<u>5,406,566</u>
<u>\$ 6,616,757</u>	<u>\$ 6,948,000</u>	<u>\$ 4,392,107</u>	<u>\$ 5,406,566</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Fund Balances, Governmental Funds**  
**Last Eight Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year			
	2006	2007	2008	2009
General Fund				
Reserved	\$ 180,819	\$ 71,069	\$ 93,090	\$ 134,910
Unreserved	12,359,069	12,103,349	9,837,238	8,959,990
Nonspendable				
Unassigned				
Total general fund	<u>\$ 12,539,888</u>	<u>\$ 12,174,418</u>	<u>\$ 9,930,328</u>	<u>\$ 9,094,900</u>
All Other Governmental Funds				
Reserved	\$ 4,098,168	\$ 7,448,983	\$ 18,291,348	\$ 22,888,774
Unreserved, reported in:				
Special revenue funds	7,286,476	3,500,346	8,197,646	10,395,593
Capital projects funds	3,278,994	4,613,514	9,696,926	5,535,244
Debt service funds	324,222	104,617	9,970	8,958
Nonspendable				
Restricted				
Committed				
Assigned				
Unassigned				
Total all other governmental funds	<u>\$ 14,987,860</u>	<u>\$ 15,667,460</u>	<u>\$ 36,195,890</u>	<u>\$ 38,828,569</u>

Source: City of Agoura Hills financial data



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Fiscal Year			
2010	2011	2012	2013
\$ 132,485			
10,213,579	\$ 31,299,253	\$ 141,253	\$ 141,664
	8,547,388	8,883,578	8,395,180
<u>\$ 10,346,064</u>	<u>\$ 39,846,641</u>	<u>\$ 9,024,831</u>	<u>\$ 8,536,844</u>
\$ 21,487,071			
5,077,850			
6,246,015			
2,948	\$ 25	\$ -	\$ -
	19,256,902	1,329,096	1,025,338
	5,719,151	4,254,585	4,007,782
	488,970	3,393,238	4,095,172
	(31,333,386)	(726,092)	(1,203,852)
<u>\$ 32,813,884</u>	<u>\$ (5,868,338)</u>	<u>\$ 8,250,827</u>	<u>\$ 7,924,440</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Changes in Fund Balances, Governmental Funds**  
**Last Eight Fiscal Years**  
*(modified basis of accounting)*

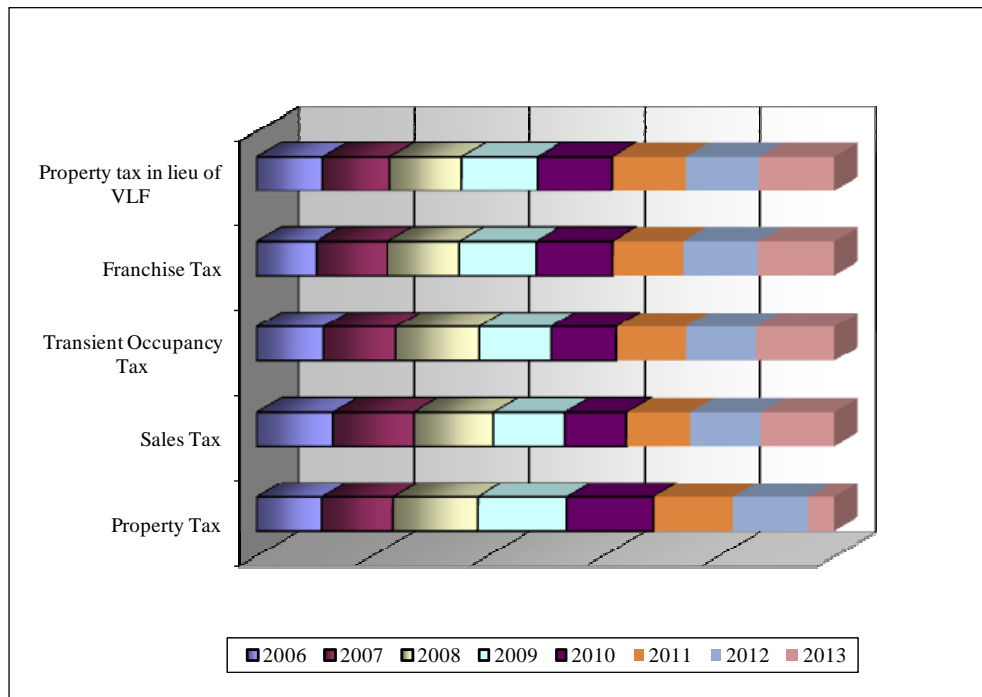
	Fiscal Year			
	2006	2007	2008	2009
<b>Revenues</b>				
Taxes	\$ 13,139,767	\$ 14,159,127	\$ 15,682,063	\$ 15,534,187
Licenses and permits	370,768	509,804	353,731	265,706
Intergovernmental revenues	3,729,532	2,924,586	4,718,608	5,540,391
Charges for services	1,772,383	3,143,141	1,393,074	851,052
Fines and forfeitures	315,266	221,310	237,572	273,040
Use of money and property	1,299,706	1,509,049	1,284,265	1,038,662
Other revenues	256,044	362,048	572,992	658,490
<b>Total Revenues</b>	<b>20,883,466</b>	<b>22,829,065</b>	<b>24,242,305</b>	<b>24,161,528</b>
<b>Expenditures</b>				
General government	2,608,602	2,694,762	2,948,429	2,862,969
Pass through to other agencies	2,528,528	2,721,575	3,411,775	3,805,788
Public safety	2,719,899	2,917,439	3,456,845	4,186,728
Community development	1,952,492	1,409,765	1,492,470	1,899,937
Community services	1,806,016	1,320,147	1,590,653	1,945,018
Public works	1,650,323	2,627,186	3,394,282	2,542,687
Capital outlay	10,068,857	11,097,394	3,689,451	8,021,635
Debt service				
Cost of issuance		331,308	873,994	-
Interest	463,903	226,635	439,678	1,245,976
Principal payments	205,000		230,000	165,000
<b>Total expenditures</b>	<b>24,003,620</b>	<b>25,346,211</b>	<b>21,527,577</b>	<b>26,675,738</b>
Excess of revenues over (under) expenditures	(3,120,154)	(2,517,146)	2,714,728	(2,514,210)
<b>Other Financing Sources (Uses)</b>				
Debt proceeds		12,060,000	15,750,000	-
Premium/(discount) on debt issuance		(67,013)	(180,391)	-
Transfer in		6,445,254	19,024,551	3,206,479
Transfers out		(6,445,254)	(19,024,551)	(3,206,479)
Amount transferred to escrow		(9,161,711)		
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>2,831,276</b>	<b>15,569,609</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (3,120,154)</b>	<b>\$ 314,130</b>	<b>\$ 18,284,337</b>	<b>\$ (2,514,210)</b>
Debt service as a percentage of noncapital expenditures	4.8%	1.6%	3.8%	7.6%

Source: City of Agoura Hills financial data

<b>Fiscal Year</b>			
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
\$ 14,617,232	\$ 14,661,200	\$ 12,278,663	\$ 10,483,355
395,989	288,600	329,863	394,768
2,829,479	1,801,400	2,424,323	2,181,324
1,391,044	1,680,175	1,679,567	1,710,409
274,144	240,884	215,936	154,311
670,791	365,301	313,926	157,882
1,347,064	3,099,374	677,494	174,803
<u>21,525,743</u>	<u>22,136,934</u>	<u>17,919,772</u>	<u>15,256,852</u>
4,861,099	4,670,903	4,015,644	3,811,416
3,677,954	3,602,569	1,449,565	-
4,067,469	4,354,162	4,094,222	4,295,475
1,760,141	1,540,226	997,422	986,968
2,172,320	1,856,083	1,475,157	1,951,342
2,129,187	2,141,322	2,638,353	2,281,079
5,662,811	11,392,225	1,980,972	2,076,715
-	-	-	-
1,396,358	1,381,089	925,126	473,231
365,000	380,000	395,000	195,000
<u>26,092,339</u>	<u>31,318,579</u>	<u>17,971,461</u>	<u>16,071,226</u>
<u>(4,566,596)</u>	<u>(9,181,645)</u>	<u>(51,689)</u>	<u>(814,374)</u>
-	-	-	-
-	-	-	-
10,821,932	34,881,363	6,410,105	6,410,105
(10,821,932)	(34,881,363)	(6,410,105)	(6,410,105)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (4,566,596)</u>	<u>\$ (9,181,645)</u>	<u>\$ (51,689)</u>	<u>\$ (814,374)</u>
8.6%	8.8%	8.3%	4.8%

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Tax Revenues by Source, Governmental Funds**  
**Last Eight Fiscal Years**  
*(modified basis of accounting)*

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Transient Occupancy Tax</b>	<b>Franchise Tax</b>	<b>Property tax in lieu of VLF</b>	<b>Total</b>
2006	\$ 5,740,245	\$ 3,622,790	\$ 1,643,675	\$ 591,312	\$ 1,541,745	\$ 13,139,767
2007	6,264,171	3,845,844	1,766,582	713,001	1,569,529	14,159,127
2008	7,421,654	3,829,708	2,033,069	718,194	1,679,438	15,682,063
2009	7,837,992	3,388,117	1,767,254	764,392	1,776,432	15,534,187
2010	7,586,568	2,948,718	1,590,124	757,737	1,734,085	14,617,232
2011	7,034,500	3,050,187	1,709,143	703,309	1,716,083	14,213,222
2012	6,607,200	3,341,232	1,738,467	753,957	1,728,255	14,169,111
2013	2,322,357	3,506,962	1,915,323	758,890	1,757,705	10,261,237
Change 2006-2013	15.10%	-7.77%	5.77%	27.51%	12.10%	7.83%



Notes: Includes all governmental fund types (General, Special Revenue, Capital Projects and Debt Service Funds).

Source: City of Agoura Hills financial data

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Eight Fiscal Years**  
*(in thousands of dollars)*

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<b>Fiscal Year</b>	<b>Land</b>	<b>Improvements</b>	<b>Personal Property</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2006	1,753,862	1,776,430	1,050	6,301	3,525,041	0.00%
2007	1,931,694	1,854,197	973	14,216	3,772,643	0.00%
2008	2,038,122	1,964,075	1,506	14,663	3,989,040	0.00%
2009	1,943,554	1,967,527	312	14,051	3,897,342	0.00%
2010	1,919,453	1,953,601	615	15,882	3,857,787	0.00%
2011	1,940,771	1,956,441	807	15,556	3,882,463	0.00%
2012	1,934,879	2,002,645	1,378	16,663	3,922,239	0.00%
2013	2,032,603	2,103,373	1,363	17,064	4,120,276	0.00%

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at a time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above. The County does not

Source: County of Los Angeles, Auditor - Controller

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Direct and Overlapping Property Tax Rates**  
**Last Eight Fiscal Years**

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<b>Fiscal Year</b>	<b>Overlapping Rates</b>					<b>Total Tax Rates</b>
	<b>Basic County (1)</b>	<b>Los Angeles County</b>	<b>School Districts</b>	<b>Water Districts</b>	<b>Flood Control District</b>	
2006	1.0000	0.0008	0.0413	0.0052	0.0001	1.0474
2007	1.0000	0.0007	0.0495	0.0047	0.0000	1.0549
2008	1.0000	0.0000	0.0578	0.0045	0.0000	1.0623
2009	1.0000	0.0000	0.0721	0.0043	0.0000	1.0764
2010	1.0000	0.0000	0.0775	0.0043	0.0000	1.0818
2011	1.0000	0.0000	0.1049	0.0037	0.0000	1.1086
2012	1.0000	0.0000	0.1049	0.0037	0.0000	1.1086
2013	1.0000	0.0000	0.1201	0.0035	0.0000	1.1236

Note: (1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of school, water and flood control district bonds.

Source: California Municipal Statistics, Inc.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Principal Property Tax Payers**  
**Current Year and Ten Years Ago**

Taxpayer	2013			2000		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Tishman Speyer Archstone Smith	\$113,681,480	1	2.90%	\$21,915,130	2	0.94%
WSI I AHR LLC	35,543,329	2	0.91%			
Bank of America	29,813,746	3	0.76%			
FW CA Twin Oaks Shopping Center LLC	29,391,643	4	0.75%			
Whizin Market Square	20,976,105	5	0.53%			
MEF Realty LLC	20,000,000	6	0.51%			
Teradyne Inc	19,399,199	7	0.49%	72,590,771	1	3.12%
Arden Realty LP	19,000,000	8	0.48%	11,547,536	10	0.50%
Agoura Business Center East	18,937,710	9	0.48%			
Agoura Design Center	18,826,091	10	0.48%			
Litton International Development Corp				16,020,000	3	0.69%
Cornerstone Properties LP				18,360,000	4	0.79%
Agoura Hills Realty LP				17,391,232	5	0.75%
BPP Retail LLC				16,000,740	6	0.69%
Holualoa Agoura E and R				13,773,285	7	0.59%
Agoura Meadows Investors				12,690,731	8	0.54%
Kanan Group				11,771,601	9	0.51%
Total	\$ 325,569,303		8.30%	\$ 212,061,026		9.12%

Comparative amounts for 9 years ago are unavailable. The City will incorporate comparative information as it becomes available. The amounts shown above include assessed value data for both the City and the Redevelopment Agency.

Source: California Municipal Statistics, Inc.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Secured Property Tax Levies and Collections**  
**Last Eight Fiscal Years**

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<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2006	1,840,131	1,827,723	99.33%	12,404	1,840,127	100.00%
2007	2,041,232	1,964,090	96.22%	77,142	2,041,232	100.00%
2008	2,140,807	1,997,067	93.29%	143,740	2,140,807	100.00%
2009	2,241,091	2,040,506	91.05%	122,366	2,162,872	96.51%
2010	2,161,454	2,012,132	93.09%	77,094	2,089,226	96.66%
2011	2,158,455	2,012,517	93.24%	45,259	2,057,776	95.34%
2012	2,186,162	2,070,611	94.71%	51,656	2,122,267	97.08%
2013	2,207,605	2,098,798	95.07%	0	2,098,798	95.07%

Sources: City of Agoura Hills financial information.  
County of Los Angeles, Auditor - Controller.  
California Municipal Statistics, Inc.



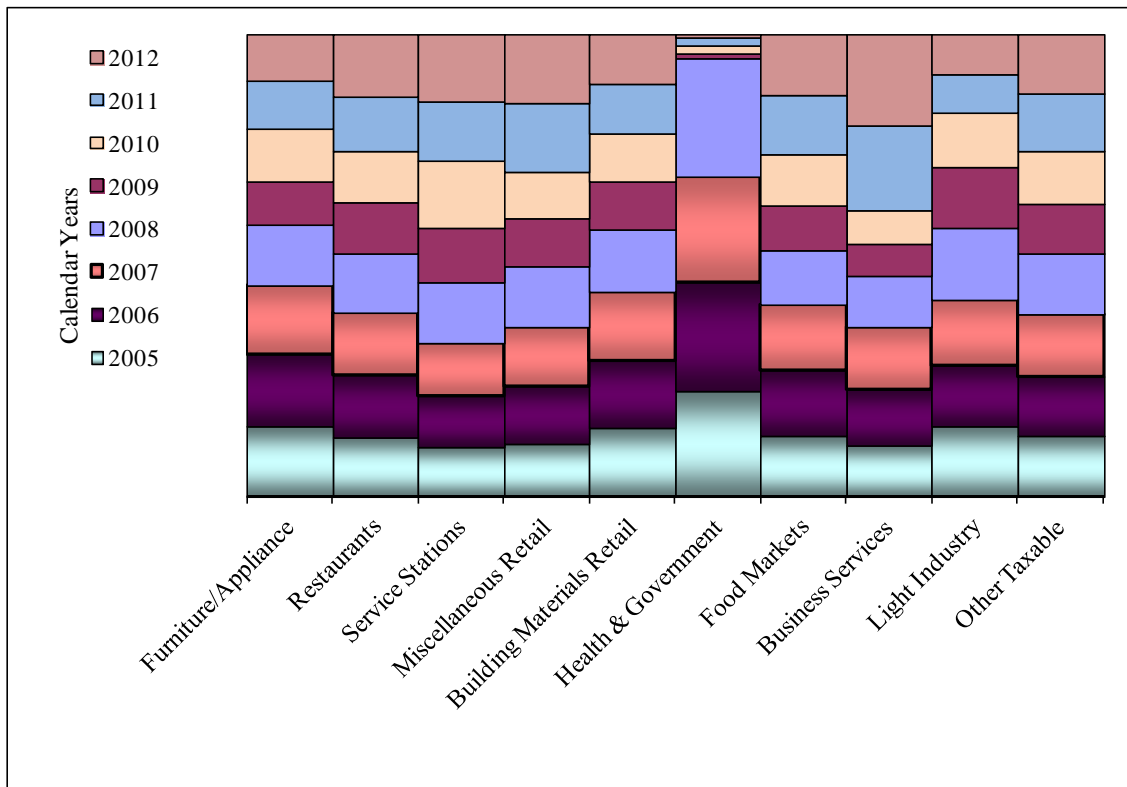
**CITY OF AGOURA HILLS, CALIFORNIA**

**Taxable Sales by Category**

**Last Eight Fiscal Years**

*(in thousands of dollars)*

	2005	2006	2007	2008	2009	2010	2011	2012
Furniture/Appliance	\$ 683	\$ 706	\$ 680	\$ 588	\$ 428	\$ 521	\$ 464	\$ 463
Restaurants	564	606	611	573	490	498	537	604
Service Stations	562	582	598	704	613	770	672	772
Miscellaneous Retail	220	235	247	251	201	191	282	290
Building Materials - Retail	203	198	203	183	138	141	150	146
Health & Government	194	199	193	216	10	12	15	8
Food Markets	156	167	170	141	117	130	153	159
Business Services	71	77	89	70	45	46	119	128
Light Industry	83	72	79	85	73	64	46	49
Other Taxable	504	502	510	510	418	437	478	506
<b>Total</b>	<b>\$ 3,240</b>	<b>\$ 3,344</b>	<b>\$ 3,380</b>	<b>\$ 3,321</b>	<b>\$ 2,533</b>	<b>\$ 2,810</b>	<b>\$ 2,916</b>	<b>\$ 3,125</b>
City direct sales tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Notes: Calendar year 2013 not available.

Source: MuniServices

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Direct and Overlapping Sales Tax Rates**  
**Last Eight Fiscal Years**

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<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Los Angeles County</u>	<u>State of California</u>
2006	0.00%	2.00%	6.25%
2007	0.00%	2.00%	6.25%
2008	0.00%	2.00%	6.25%
2009	0.00%	2.00%	6.25%
2010	0.00%	2.50%	7.25%
2011	0.00%	1.50%	7.25%
2012	0.00%	1.50%	7.25%
2013	0.00%	1.50%	7.50%

Source: California State Board of Equalization

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Ratios of Outstanding Debt by Type**  
**Last Eight Fiscal Years**  
*(dollars in thousands, except per capita)*

<b>Governmental Activities</b>								
<b>Fiscal Year</b>	<b>1999 Lease Revenue Bonds (1)</b>	<b>2007 Lease Refunding Bonds (2)</b>	<b>2008 RDA Tax Allocation Bonds (3)</b>	<b>2008 RDA Housing Set-Aside Bonds (4)</b>	<b>Capital Leases</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income (a)</b>	<b>Per Capita (a)</b>
2006	8,810	-	-	-	10	8,820	0.72%	167
2007	-	12,060	-	-	-	12,060	0.93%	218
2008	-	11,830	5,750	10,000	-	27,580	2.02%	468
2009	-	11,665	5,750	10,000	-	27,415	1.93%	450
2010	-	11,490	5,690	9,850	-	27,030	2.55%	518
2011	-	11,310	5,640	9,720	-	26,670	2.73%	557
2012	-	11,125	5,580	9,570	-	26,275	2.66%	544
2013	-	10,930	-	-	-	10,930		205

- Notes: (a) See Schedule for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (1) These Lease Revenue Bonds were issued during fiscal year 1999, and refunded in March 2007.
- (2) March 2007, the City issued Series 2007 Lease Revenue Refunding Bonds to refund the 1999 Lease Revenue Bonds.
- (3) 2008 Tax Allocation Bonds issued June 5 to finance certain redevelopment projects within the Agoura Hills Redevelopment Area. (See Note 2)
- (4) June 5, 2008, the RDA issued Housing Set-Aside Tax Allocation Bonds bonds to finance low and moderate income housing of the Agoura Hills Redevelopment Agency.

Sources: Department of Finance  
City of Agoura Hills financial data

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Ratio of Net General Bonded Debt Outstanding**  
**Last Eight Fiscal Years**  
**(dollars in thousands, except per capita)**

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<b>Fiscal Year</b>	<b>Lease Refunding Bonds</b>	<b>Redevelopment Bonds</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
2006	\$ 8,820		\$ 8,820	0.25%	\$ 379.67
2007	12,060		12,060	0.32%	516.71
2008	11,830	15,750	27,580	0.73%	1,188.64
2009	11,665	15,570	27,235	0.68%	1,171.40
2010	11,490	15,560	27,050	0.69%	1,329.76
2011	11,310	15,360	26,670	0.69%	1,307.80
2012	\$ 11,125	\$ 15,150	26,275	0.68%	\$ 1,285.97
2013	\$ 10,930		10,930	0.28%	\$ 532.75

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(1) See schedule for property value data.

(2) See scehdule for population data.

Source: City of Agoura Hills financial data.

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Direct and Overlapping Governmental Activities Debt**  
**Last Eight Fiscal Years**  
*(dollars in thousands, except per capita)*

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<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Los Angeles County Flood Control District	\$ 19,770,000	0.371 %	\$ 73,347
Metropolitan Water District	165,085,000	0.191	315,312
Los Angeles Community College District	3,712,555,000	0.671	24,911,244
Las Virgenes Joint Unified School District	164,058,238	22.292	36,571,862
Los Angeles Co. Regional Park & Open Space Assessment Dist.	142,870,000	0.368	525,762
<b>Other debt</b>			
Los Angeles County General Fund Obligations	1,729,437,327	0.368	6,364,329
Los Angeles County Supt. of Schools Certificates of Participation	10,377,239	0.368	38,188
Las Virgenes Joint Unified School District Certificates of Participation	11,720,000	22.292	<u>2,612,622</u>
Subtotal, overlapping debt			71,412,667
<b>City direct debt</b>			
City of Agoura Hills General Fund Obligations	10,930,000	100.000	10,930,000
<b>Total direct and overlapping debt</b>			<u><u>\$ 82,342,667</u></u> (b)

Notes: (a) Percentage of overlapping agency's assessed valuation located within the boundaries of the city. The method used was ratio of the overlapping district's assessed valuation that lies within the city multiplied by the total debt outstanding.  
(b) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Sources: California Municipal Statistics, Inc.  
City of Agoura Hills financial data

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Legal Debt Margin Information**  
**Last Eight Fiscal Years**  
*(dollars in thousands)*

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	Fiscal Year			
	2013	2012	2011	2010
Debt limit	\$ 150,109	\$ 148,608	\$ 147,562	\$ 149,109
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 150,109</u>	<u>\$ 148,608</u>	<u>\$ 147,562</u>	<u>\$ 149,109</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2012**

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Assessed Valuations:	
Gross Assessed Value	<u>\$ 4,002,918</u>
Debt Limitation - 3.75% of Total Assessed Value	\$ 150,109
Less debt applicable to limitation	-
Legal Debt Margin	<u>\$ 150,109</u>

Notes: Under state finance law, the city's outstanding general obligation debt should not exceed 15 percent of total assessed property value. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Sources: County of Los Angeles, Auditor - Controller  
City of Agoura Hills financial data  
California Municipal Statistics, Inc.

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<b>Fiscal Year</b>			
<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 152,754	\$ 144,390	\$ 109,873	\$ 126,970
-	-		
<u>\$ 152,754</u>	<u>\$ 144,390</u>	<u>\$ 109,873</u>	<u>\$ 126,970</u>
0.00%	0.00%	0.00%	0.00%

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Demographic and Economic Statistics**  
**Last Eight Calendar Years**

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<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income (thousands of dollars)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (2)</b>	<b>Percentage of Residents with at least some college</b>	<b>City Unemployment Rate (3)</b>
2006	23,231	1,226,132	52,780	38.0	80%	1.8%
2007	23,340	1,296,234	55,537	38.5	80%	2.2%
2008	23,203	1,368,432	58,977	39.0	80%	3.6%
2009	23,250	1,417,285	60,959	38.0	77%	5.0%
2010	20,342	1,061,385	52,177	39.0	77%	5.5%
2011	20,393	976,050	47,862	38.5	83%	5.5%
2012	20,413	986,417	48,323	42.5	82%	4.9%
2013	20,516	1,091,308	53,193	42.5	96%	4.5%

\* Projected figures

(1) Source: State of California, Department of Finance

(2) Source: UCSB Economic Forecast Project

(3) Source: State of California, Employment Development Department, Labor Market Information Division



**CITY OF AGOURA HILLS, CALIFORNIA**

**Principal Employers  
Last Two Fiscal Years**

Company or Organization	Activity	Fiscal Year			
		2013		2012	
		Employees	Percentage to Total City Employment	Employees	Percentage of Total City Employment
Bank of America	Banking	928	7.93%	1153	10.29%
Las Virgenes USD*	Government	568	4.85%	482	4.30%
Teradyne Inc	Manufacturing	230	1.97%	200	1.79%
IBM Corporation	Technology	206	1.76%	206	1.84%
Farmers Financial Solutions	Insurance	200	1.71%	200	1.79%
Zebra Technologies	Publishing	190	1.62%	190	1.70%
Nationwide Medical Inc	Medical	150	1.28%		0.00%
Pacific Compensation Insurance	Insurance	149	1.27%	158	1.41%
Wood Ranch Barbecue	Restaurant	135	1.15%	162	1.45%
THQ Inc	Publishing	0	0.00%	160	1.43%
Total Top Employers		2,756	23.56%	2,911	25.99%
Total City Employment (1)		<u>11,700</u>		<u>11,200</u>	

Note: Data for nine years ago (2003) is not available  
 Pacific Compensation Insurance formerly Employers Direct Insurance  
 Source: Results based on direct correspondence with city’s local businesses  
 \* Employee Count is based on Agoura Hills school sites only  
 (1.) Total City Employment provided by EDD Labor Force Data  
 \*\*Company is new to Agoura Hills

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Full-time Equivalent City Government Employees by Function/Program**  
**Last Eight Fiscal Years**

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<b>Function/Program</b>	<b>Fiscal Year</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
General government	9.50	9.45	9.60	9.45
Community development	7.54	6.50	6.50	6.50
Community services	7.65	7.00	7.00	7.00
Public works	6.25	6.50	6.50	6.50
Building and safety	3.50	3.50	3.50	3.50
Redevelopment/Successor Agency	2.40	3.05	2.90	3.05
<b>Total full-time equivalent employees</b>	<b>36.84</b>	<b>36.00</b>	<b>36.00</b>	<b>36.00</b>

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006. Schedules presenting government-wide information include information beginning in that year.

Sources: City of Agoura Hills financial information

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<b>Fiscal Year</b>			
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
9.85	9.85	9.78	9.43
4.80	4.10	4.65	6.27
7.00	7.00	7.00	7.00
6.55	6.35	6.70	6.00
3.00	3.00	3.00	3.00
3.80	5.50	3.87	1.30
<u>35.00</u>	<u>35.80</u>	<u>35.00</u>	<u>33.00</u>

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Operating Indicators by Function/Program**  
**Last Eight Fiscal Years**

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<b>Function/Program</b>	<b>Fiscal Year</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Parks and recreation</b>				
Number of City sponsored events	21	26	26	28
<b>Public Works</b>				
Street resurfacing (lane miles)	9	6	6	7
<b>Solid Waste</b>				
Residential Recycling Collected (pounds)*	5,826,240	7,306,880	8,093,120	15,789,700
Electronics Collected (pounds)*	0	0	7,398	10,994
Used Oil Collection (gallons)	859	859	860	1,130
Automobile Battery Collections (pounds)	5,016	5,016	5,368	2,288
Used Paint Collection (gallons)	1,547	2,726	2,621	2,256
<b>Transportation</b>				
Total route (miles)	180,330	180,096	162,299	115,188
Passengers (annually)	38,134	38,792	34,226	17,594

Note: The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006.

Schedules presenting government-wide information include information beginning in that year.

\* Residential Recycling Collected includes items such as paper/cardboard/glass/metal/plastic & greenwaste

Electronics did not have a city collection program prior to 2008

Source: Various city departments

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<b>Fiscal Year</b>			
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
34	34	36	36
7	8	3	3
14,518,840	18,702,640	15,014,000	15,086,440
3,943	18,791	13,241	11,755
867	775	921	620
1,920	1,000	1,450	6,138
1,959	1,967	3,027	1,933
122,274	137,395	179,945	166,772
20,014	32,501	38,122	34,760

**CITY OF AGOURA HILLS, CALIFORNIA**  
**Capital Asset Statistics by Function/Program**  
**Last Eight Fiscal Years**

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Function/Program	Fiscal Year			
	2006	2007	2008	2009
<b><u>Public works</u></b>				
Bridges	19	19	19	19
Streets/Highway (miles)	126	126	126	126
Traffic signals	52	52	52	53
<b><u>Parks and recreation</u></b>				
Basketball courts				
Full	0	1	1	1
Half Courts	3	3	3	3
Community centers	1	1	1	1
Recreation Centers	1	1	1	1
Parks	6	6	6	6
Tennis courts	0	0	9	9

Note: The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006. Schedules presenting government-wide information include information beginning in that year.

Source: Various city departments

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<b>Fiscal Year</b>				
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	
19	19	19	19	
126	126	126	126	
53	53	53	53	
1	1	1	1	
3	3	3	3	
1	1	1	1	
1	1	1	1	
6	6	6	6	
9	9	9	9	