

**CITY OF AGOURA HILLS,
CALIFORNIA**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2011**

CITY OF AGOURA HILLS, CALIFORNIA
Comprehensive Annual Financial Report
June 30, 2011

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INTRODUCTORY SECTION

CITY OF



AGGURA HILLS



"Gateway to the Santa Monica Mountains National Recreation Area"

December 21, 2011

*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, 2011. 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 unqualified opinion that the City of Agoura Hills' financial statements for the fiscal year ended June 30, 2011, 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.

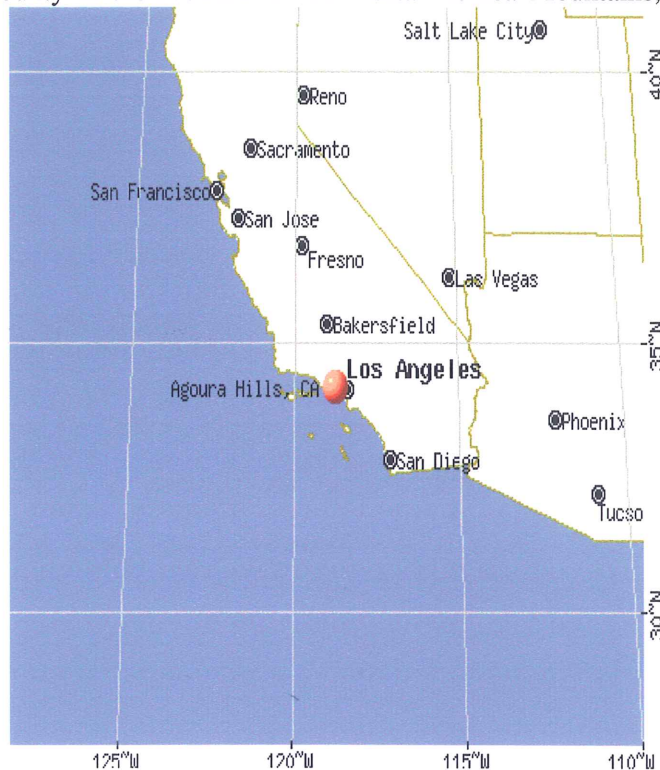
GAAP requires that management provide a narrative introduction, overview, and analysis, to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the City's MD&A and should be read in conjunction with it. 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, 2011

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 20,393.

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:

- ❖ Agoura Hills Redevelopment Agency
- ❖ Public Facilities Corporation
- ❖ Public Financing 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 the Agoura Hills Redevelopment Agency, the Public Facilities

CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2011

Corporation, and the Public Financing 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 \$600,000, which is 2.1 times that of Southern California. The median age of Agoura Hills' residents in 2011 was 42.5, and the unemployment rate is at 6%, compared with 13.3% 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 (76 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, 2011

MAJOR INITIATIVES

The Agoura Hills Redevelopment Agency has been affected by recent State legislation. AB X1 26, which was signed by the Governor of California on June, 29, 2011, added Parts 1.8 and 1.85 to the Community Redevelopment Law. Part 1.8 immediately suspends most redevelopment agency activities and, among other things, prohibits redevelopment agencies from incurring indebtedness or entering into or modifying contracts. Part 1.85 provides that on October 1, 2011, all existing redevelopment agencies and redevelopment agency components of community development agencies are dissolved, and successor agencies are designated as successor entities to the former redevelopment agencies.

AB X1 27 was signed by the Governor concurrently with AB X1 26 and added Part 1.9 to the Community Redevelopment Law. Part 1.9 establishes an Alternative Voluntary Redevelopment Program whereby a redevelopment agency will, notwithstanding Parts 1.8 and 1.85, be authorized to continue to exist and carry out the provisions of the Community Redevelopment Law. To opt into the Alternative Voluntary Redevelopment Program, the City must adopt an ordinance by which the City agrees to make specified annual payments to the County Auditor-Controller for allocation to special districts and educational entities.

Effective October 1, 2011, AB X1 26 dissolves all existing redevelopment agencies and redevelopment agency components of community development agencies, provides for the designation of successor agencies as successor entities to former redevelopment agencies, and provides that except for those provisions of the Redevelopment Law that are repealed, restricted, or revised pursuant to AB X1 26, all authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies under the Redevelopment Law, are vested in the successor agencies. AB X1 26 imposes numerous requirements on the successor agencies and subjects successor agency actions to the review of oversight boards established pursuant to the provisions of Part 1.85.

The City Council has made a determination that the City will not participate in the Alternative Voluntary Redevelopment Program. Therefore, Part 1.85 provides for the City Council to adopt a resolution making an election with respect to serving as the successor agency under Part 1.85. The City Council has determined that the City will serve as the successor agency.

It should be noted that the California Redevelopment Association and League of California Cities have filed a lawsuit in the Supreme Court of California alleging that AB X1 26 and AB X1 27 are unconstitutional. On August 11, 2011, the Supreme Court of California decided to hear the case and set a briefing schedule designed to allow the Supreme Court to decide the case before January 15, 2012. On August 11, 2011, the Supreme Court also issued a stay order, which was subsequently modified on August 17, 2011. Pursuant to the modified stay order, the Supreme Court granted a stay of all of AB X1 27 (i.e., Part 1.9), except for Health and Safety Code Section 34194(b)(2) (relating to the determination of cities' fiscal year 2011-12 remittance amounts) and a partial stay of AB X1 26. With respect to AB X1 26, Part 1.85 was stayed in its entirety, but Part 1.8 (including Health and Safety Code Section 34173) was not stayed.

As successor agency, the City will be entitled to an annual administrative cost allowance of not less than \$250,000 per year, provided that the allowance will exclude any administrative costs that can be paid from bond proceeds or sources other than property tax, and provided that the amount is subject to reduction if there is a shortfall of funds available to make payments to taxing entities and to pay debt service on enforceable obligations.

CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2011



In June, 2011, the City held a ribbon cutting ceremony to celebrate the nearly completed expansion of the Reyes Adobe Interchange, which spans US Freeway 101. To date, this interchange cost \$7.1 million with a construction cost of \$5.7 million. It was funded with \$2.3 million from a Federal Grant, \$690,000 in ARRA Federal Funds, \$2.1 million in a Los Angeles County Metropolitan Transportation Authority (METRO) Grant, \$980,000 in RDA Tax

Allocation Bonds and approximately \$1.03 million in Traffic Improvement Fees. The expansion of the bridge provides for new safety measures and traffic movement enhancements and anticipates future development along the US 101 corridor.

The City of Agoura Hills currently leases space for a recreation center. The lease expires in December, 2014. 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 2011/12 the City plans to set-aside an additional \$1.6 million towards improvements utilizing General Fund Reserves.

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 \$15.6 million of these monies through 2013/14. 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 \$1.0 million in Measure R monies during the 2010/11 fiscal year, primarily on the Agoura Road Widening and Chesebro Bridge Projects. In 2011/12 the City plans to spend \$2.3 million, primarily on the Agoura Road Widening Project.

CASH MANAGEMENT

The City manages cash and investments on a pooled basis, consisting primarily of participation in the local Agency Investment Fund (LAIF), a pooled fund controlled by the State Treasurer. The City's investment portfolio allows for investment, in U.S. Treasury, certain Agency securities (Federal Farm Credit Bank and Federal Home Loan Bank System only) Commercial Paper, Negotiable Certificates of Deposit, and Medium Term Corporate Notes.

In fiscal year 2010/11, the City's investment portfolio included \$19.1 million invested in LAIF, and \$11.1 million in U.S. Securities. This included bond proceeds held by the City of Agoura hills. Further information on this can be found in Note (3).

RISK MANAGEMENT

The City is self-insured for worker's compensation and general liability as a member of the California Joint Powers Insurance Authority (CJPIA). Other insurances, including auto physical damage, fire and extended coverage, earthquake and flood, and crime insurance, are covered by a third party insurance carrier, which is explained in greater detail in Note (4)(B).

CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2011

PENSION AND POSTEMPLOYMENT BENEFITS

All full-time employees of the City are eligible to participate in the California Public Employees Retirement System (CalPERS). CalPERS is a cost-sharing multiple-employer defined benefit pension plan that acts as a common investment and administrative agent for participating public entities within the State of California. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Employees vest after five years of service and are eligible to receive benefits at age 50. The annual actuarial valuation by CalPERS changes from year to year, and the City's contribution rates are modified accordingly. For more information, please refer to Note (4)(A).

In addition to pension benefits, the City provides post-retirement health care benefits. In an effort to better manage these costs and still provide a benefit to the City's retirees, effective January 1, 2009, the retiree medical reimbursement was established at the CalPERS minimum for participation in the State of California Public Employees' Medical and Hospital Care Act (PEMHCA) which is \$108 for 2011. Additionally, the city contributes longevity pay to a Retirement Health Savings (RHS) Trust plan of up to \$392 for those retirees with 10 years of service with the city, enrolled in a CalPERS health plan. The total benefit will not exceed \$500 per month. For additional information, please refer to Note (4) (I).

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, 2010. This was the first 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,

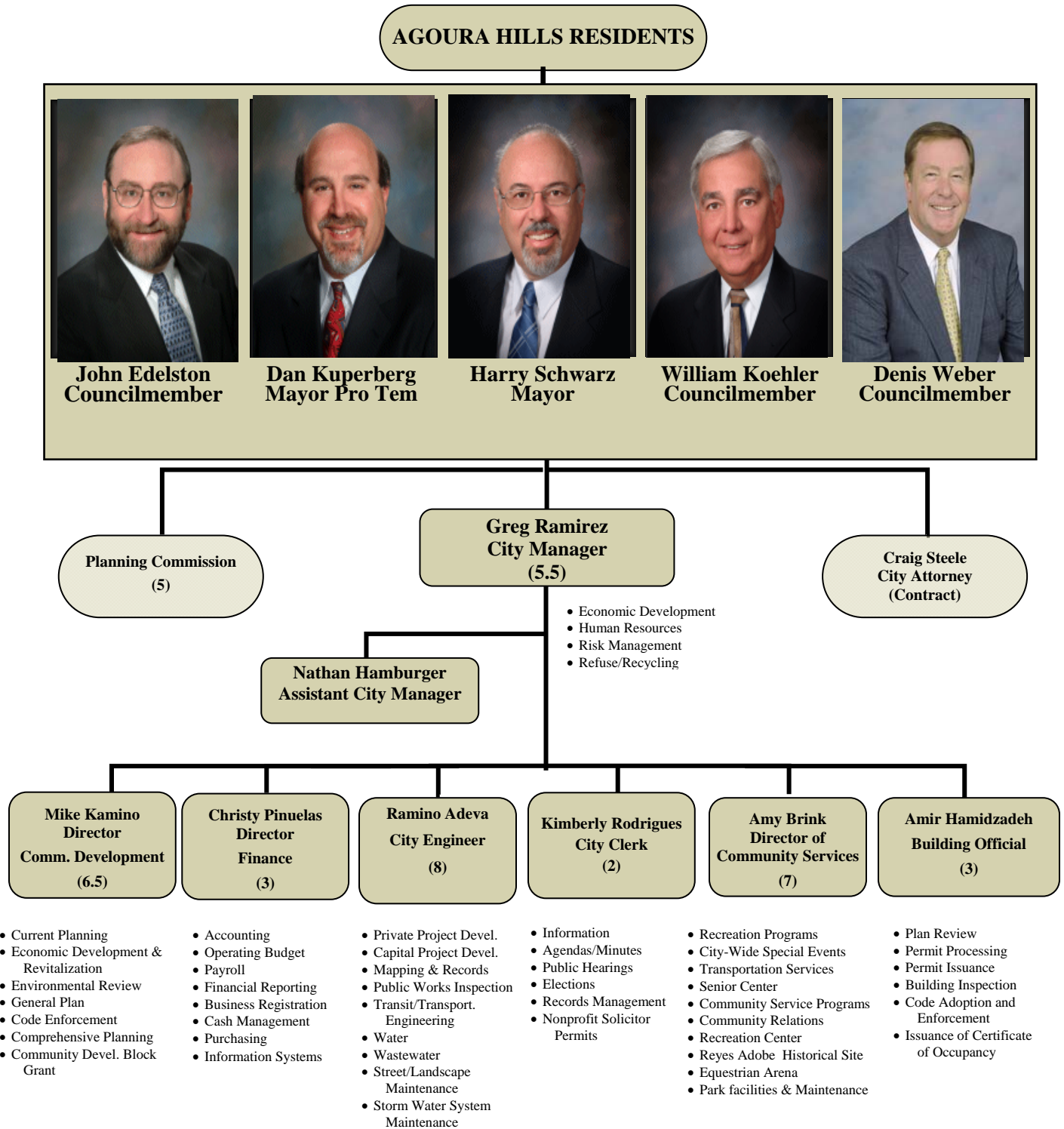
CITY OF AGOURA HILLS



Christy Pinuelas
Director of Finance

CITY OF AGOURA HILLS

ORGANIZATIONAL STRUCTURE AND DIRECTORY OF CITY OFFICIALS



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Agoura Hills
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL SECTION

CITY OF



AGGURA HILLS



INDEPENDENT AUDITORS' REPORT

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

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, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 of Agoura Hills, California, as of June 30, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, the City adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, as of July 1, 2010.

As described in Note 4C to the financial statements, the California State Legislature has enacted legislation that is intended to provide for the dissolution of redevelopment agencies or continuance of redevelopment agencies under new laws in the State of California. The effects of this legislation are uncertain pending the result of certain lawsuits that have been initiated to challenge the legislation by outside parties. Further described in Note 4C, the City has determined that it will not participate in the Voluntary Alternative Redevelopment Program.

As described in Notes 3B and 4H to the financial statements, the City executed a promissory note with the Agoura Hills Redevelopment Agency (Agency) for an amount not to exceed \$44,000,000.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011, 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, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 12 and the required supplementary information on pages 52 through 56 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The accompanying introductory section, the major fund budgetary comparison schedule, the combining and individual nonmajor fund financial statements and schedules listed as supplementary information in the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The major fund budgetary comparison schedule and the combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Rancho Cucamonga, California
December 21, 2011

CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

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, 2011. 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, 2011, the City's net assets (excess of assets over liabilities) were \$86.0 million. Of this amount, \$15.3 million is available to meet the City's ongoing operations to citizens and creditors.
- ❖ During the fiscal year ended June 30, 2011, the City's total net assets increased by \$689 thousand.
- ❖ As of June 30, 2011, the unassigned fund balance for the General Fund was \$8.5 million or 76 percent of total General Fund expenditures and operating transfers.
- ❖ The City's governmental funds reported combined ending fund balances of \$34.0 million, a decrease of \$9.2 million 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 Agoura Hills Redevelopment Agency, the Public Facilities Corporation, 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 assets presents information on all of the City's assets and liabilities, with a difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

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, the Redevelopment Debt Service Fund, the Redevelopment Set-Aside Fund, the Redevelopment Capital Projects Fund, the Recreation Center Capital Projects Fund, the Reyes Adobe Interchange 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 Fund – 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 assets and liabilities. 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, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

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 Assets

Net assets are a good indicator of the City's financial position. For the fiscal year ended June 30, 2011, net assets of the City were \$86.0 million, which is an increase of \$689 thousand from the prior year.

Following is the condensed Statement of Net Assets for the fiscal years ended June 30, 2011 and 2010.

City of Agoura Hills Net Assets
As of June 30, 2011 and 2010

	2011	2010
Current and other assets	\$42,636,956	\$50,446,565
Capital assets	73,940,092	64,554,558
Total Assets	116,577,048	115,001,123
Current liabilities	4,437,776	3,165,501
Long-term liabilities outstanding	26,091,037	26,476,232
Total Liabilities	30,528,813	29,641,733
Net Assets:		
Invested in capital assets, net of related debt	66,710,006	57,211,864
Restricted	4,028,535	12,056,277
Unrestricted	15,309,694	16,091,249
Total Net Assets	\$86,048,235	\$85,359,390

At June 30, 2011 the largest portion of net assets (78 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 (\$4.0 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$15.3 million) may be used to meet the government's ongoing obligations to citizens and creditors.

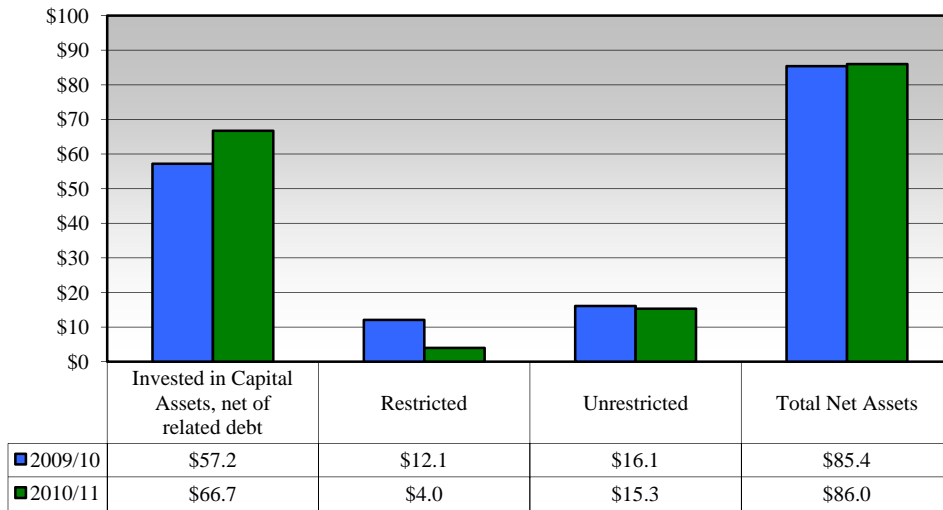
CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2011

An additional portion of the City's net assets (\$4.0 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$15.3 million) may be used to meet the government's ongoing obligations to citizens and creditors.

For the years ended June 30, 2011 and 2010, the City reported positive balances in three of the three categories of net assets.

- ❖ The \$9.5 million increase in the City's investment in capital assets net of related debt was primarily related to the \$4.3 million construction in progress expenditures for the widening of the Reyes Adobe Bridge, \$4.4 million in land and construction in progress for the purchase of a recreation center.
- ❖ Restricted net assets decreased \$8.0 million primarily due to the execution of a promissory note between the Redevelopment Agency and the City for the reimbursement of services (Note 4(H) of the Basic Financial Statements).
- ❖ Unrestricted net assets decreased \$782 thousand primarily due to the use of Public Transit Funds on Thousand Oaks Boulevard.

The following chart shows the comparison of the three components of net assets for fiscal years 2009/10 and 2010/11 (in millions).



CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

Statement of Activities

The following is the condensed Statement of Activities for the fiscal years ended June 30, 2011 and 2010.

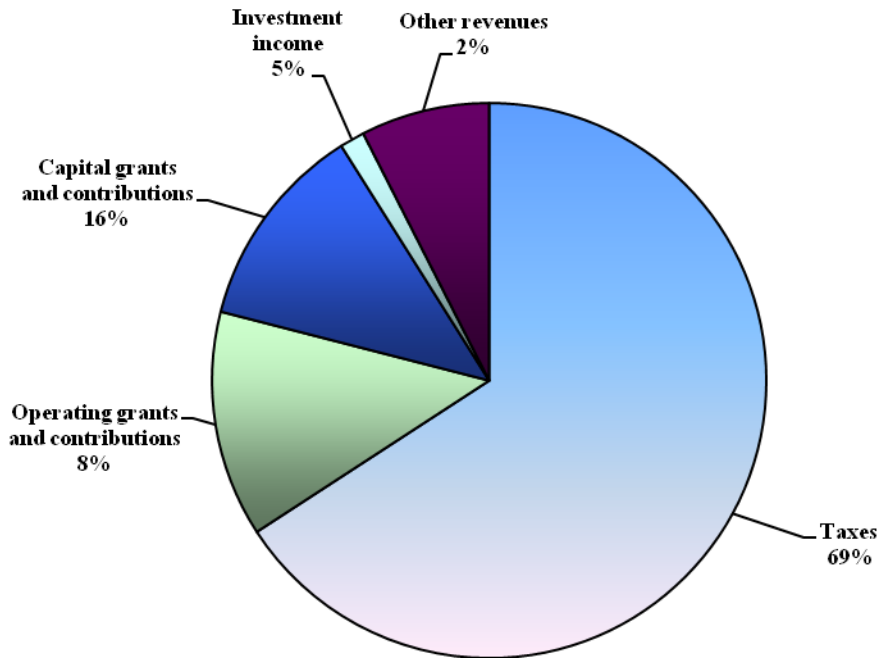
Statement of Activities Changes
For the Years Ended June 30, 2011 and 2010

	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$1,333,399	\$1,257,914
Operating grants and contributions	2,934,225	2,256,379
Capital grants and contributions	2,680,376	3,102,464
General revenues:		
Taxes	14,661,200	14,617,232
Intergovernmental revenues	118,561	68,491
Investment Income	323,286	628,622
Other revenues	220,980	253,837
Total Revenues	22,272,027	22,184,939
Expenses:		
General government	3,192,991	3,797,117
Public safety	4,355,912	4,069,389
Public works	5,563,786	5,557,145
Community development	1,595,785	1,821,939
Pass through to other agencies	3,602,569	3,677,954
Community services	1,912,544	2,223,534
Interest and fiscal charges	1,359,595	1,407,800
Total Expenses	21,583,182	22,554,878
Change in net assets	688,845	-369,939
Net Assets – Beginning of Year	85,359,390	85,729,329
Net Assets – End of Year	\$86,048,235	\$85,359,390

CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

The City's activities increased net assets by \$689 thousand, which was a .8 percent increase from the prior fiscal year. Revenues by source are shown in the chart below:

Government Activities - Revenues by Source
June 30, 2011



Revenue highlights:

- ❖ Operating grants and contributions increased \$678 thousand or 30 percent in fiscal year 2010/11 primarily due to grant monies received in the new sales tax override monies (Measure R Capital Projects).
- ❖ Taxes increased \$43 thousand, or 3 percent, in fiscal year 2010/11. This primarily relates to a decrease in Property taxes of \$114 thousand, or 2 percent and a decrease in net increment of \$64 thousand or 2 percent, related to the downturn in the economy in 2009/10. This was offset by an increase in Sales Tax of \$93 thousand (4 percent), and Transient occupancy taxes of \$119 thousand, or 8 percent as the economy turns around.
- ❖ Investment Income decreased \$305 thousand, or 51 percent, primarily due to the decrease in interest rates which went from an average yield of .75 percent for fiscal year 2009/10 to an average yield of .5 percent in fiscal year 2010/11.

CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

Expense highlights:

Total expenses for the City's activities were \$21.6 million, \$968 thousand less than the prior fiscal year. Program revenues offset total expenditures as follows:

- ❖ Those who directly benefited from programs contributed \$1.3 million in charges for services.
- ❖ The City was able to fund some of its programs through operating grants and contributions from outside sources or other governments for a total amount of \$5.6 million.

As a result, total expenditures that were funded by tax revenues, investment income, grants and contributions not restricted to specific programs, and other general revenues were \$14.6 million.

Functional expenses (excluding interest on debt) for the years ended June 30, 2011 and 2010 were as follows (amount in millions):

	Total Cost of Services		Percent Change	Net (Cost) Revenue of Services		Percent Change
	2011	2010	2010/11	2011	2010	2010/11
General government	\$3.2	\$ 3.8	-16%	-3.1	-3.5	-11%
Public safety	4.4	4.1	7%	-3.6	-3.1	16%
Public works	5.6	5.6	0%	-0.0	-1.0	-100%
Community development	1.6	1.8	-11%	-1.4	-1.4	0%
Pass thru to agencies	3.6	3.7	-3%	-3.6	-3.7	-3%
Community services	1.9	2.2	-14%	-1.6	-1.8	-11%
Total	\$21.6	\$21.2	2%	-13.3	-14.5	-8%

In total, the net cost of services decreased \$1.2 million or 8 percent. Highlights of the changes are:

- ❖ Public safety increased by \$500 thousand or 16 percent primarily due to increased costs in the Sheriff Contract (\$286 thousand) along with a decrease in building permit revenues of \$105,000.
- ❖ Public works decreased \$1 million or 100 percent primarily due to the receipt of Utility Undergrounding Fees (\$150,000) and Measure R Grants (\$1 million).

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.

CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

As of the end of 2010/11, the City's funds reported ending fund balances of \$34.0 million, a decrease of \$9.2 million in comparison with the prior fiscal year. The decrease in fund balance primarily reflects the use of \$4.4 million in the Recreation Center Capital Projects Fund to purchase a Recreation Center, \$1.3 million in the Public Transit Special revenue Fund to pay for the overlay of Thousand Oaks Boulevard. \$2.7 million in the Redevelopment Capital Projects Fund to primarily pay for the Reyes Adobe Bridge Widening Project (\$1.1 million), and the design of Affordable Housing (\$1.1 million). Of the \$34.0 million in fund balances at fiscal year end 2010/11, \$31.3 million is Nonspendable because it represents prepaids, land held for resale, and loans receivable and \$2.6 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 2010/11, the fund balance of the General Fund was \$39.8 million, with \$31.3 million Nonspendable because it was for Land held for Resale, prepaid items or the promissory note between the City and the RDA. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total expenditures. At June 30, 2011, unassigned fund balance was 76 percent of total General Fund expenditures and transfers out.

Fund balance in the City's General Fund increased by \$29.5 million in fiscal year 2010/11, when compared to an increase in fund balance of \$1.3 million in 2009/10. The 2010/11 increase primarily relates to the transfer in of \$30.6 million from the Redevelopment Agency to the City 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 (see Note 4(H)). The 2009/10 increase primarily related to the transfer in of \$1 million that the City has previously set-aside for the Reyes Adobe Interchange Capital Project. General Fund monies were no longer needed for that project due to the receipt of additional grant monies.

Taken as a whole, the three Redevelopment Agency Funds in 2010/11 decreased \$32.0 million, as compared to a decrease of \$594 thousand in 2009/10. The 2010/11 decrease relates to the transfer out of \$30.6 million from the Redevelopment Agency to the city as discussed earlier (see Note 4(H) of the basic Financial Statements).

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 and Redevelopment Agency.

In the General Fund, amendments between the original budget and the final budget resulted in increased revenues of \$258 thousand, increased expenditures of \$289 thousand and increased net transfers out of \$825 thousand. The transfers out related to debt service and an advance to the RDA. These amendments resulted in an overall budgeted increase to the fund balance of \$855 thousand.

The General Fund reflected a net total unfavorable budget variance of \$17 thousand, when comparing actual amounts to the final budget for the current fiscal year. The budget reflects a negative variance in revenues of \$70 thousand and a positive variance in total expenditures of \$53 thousand. The revenue variances primarily relate to a decline in Franchise fees (\$59 thousand) due to decreased natural gas prices. The expenditure variances are primarily due to timing differences in planned expenditures.

CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

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, 2011, net capital assets totaled \$73.9 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 \$9.5 million or 15 percent of capital assets net of accumulated depreciation. The increase in capital assets primarily reflects the addition of \$5.2 million in Construction in Progress, related to the Reyes Adobe Bridge Widening. The Reyes Adobe Bridge Widening was funded primarily through grant resources and bond proceeds from the 2008 Redevelopment debt issue. Additionally buildings and improvements increased \$1.5 million and land increased \$2.7 million related to the purchase of a Recreation Center which was funded by bond proceeds from the 2007 debt issue and General Fund monies.

Major projects in fiscal year ended 2010/11 include:

- ❖ Street resurfacing for Thousand Oaks Boulevard.
- ❖ Construction in progress on the Reyes Adobe Bridge Widening.
- ❖ Acquisition of a Recreation Center.

City of Agoura Hills Capital Assets
(Net of depreciation)

	2011	2010
Land	\$11,636,428	\$8,971,428
Construction in progress	34,795,987	29,557,988
Building & improvements	10,490,432	8,955,596
Vehicles	196,257	253,082
Infrastructure	16,820,988	16,816,464
Total Net Assets	\$73,940,092	\$64,554,558

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

CITY OF AGOURA HILLS, CALIFORNIA
Management's Discussion and Analysis
June 30, 2011

LONG-TERM DEBT

At the end of the current fiscal year, the City of Agoura Hills had total debt outstanding of \$26.5 million. The City's long-term obligations as of June 30, 2011 and 2010 were as follows:

City of Agoura Hills Outstanding Debt

	<u>2011</u>	<u>2010</u>
2007 Lease Revenue Bonds	\$10,986,441	\$11,147,408
2008 RDA Tax allocation Bonds	5,640,000	5,695,000
2008 RDA Housing Set-Aside Bonds	9,555,527	9,695,221
Compensated Absences	307,011	285,931
Other post-employment benefits	56,601	66,955
Total Outstanding Debt	<u>\$26,545,580</u>	<u>\$26,890,515</u>

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In preparing the budget for 2011/12 the following factors were taken in to consideration:

- ❖ Salary and benefits are estimated to adjust upward by 1.3%.
- ❖ Several anticipated large capital projects, including Thousand Oaks Boulevard Resurfacing (\$1.7 million), and the design phase of the Chesebro Bridge Widening (\$557 thousand).

The City's operating budget for 2011/12 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 design of the recently purchased recreation center.

Although the City budget was prepared with the expectation that Redevelopment activities would continue with the RDA, an alternative forecast was prepared, considering information that was known at the time (see Note 5 of the basic Financial Statements). 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 Assets
June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 30,545,807
Receivables:	
Accounts and taxes	1,122,428
Interest	70,354
Deferred loans	655,003
Due from other governments	2,583,735
Other	169,780
Prepays	25,509
Deferred charges	1,052,899
Investment in Joint Ventures - Community Center	2,193,823
Land held for resale	4,217,618
Capital assets:	
Capital assets not being depreciated	46,432,415
Capital assets being depreciated, net of accumulated depreciation	<u>27,507,677</u>
Total Assets	<u>116,577,048</u>
LIABILITIES	
Accounts payable and accrued liabilities	3,560,723
Interest payable	422,510
Noncurrent liabilities:	
Due within one year	454,543
Due in more than one year	<u>26,091,037</u>
Total Liabilities	<u>30,528,813</u>
NET ASSETS	
Invested in capital assets, net of related debt	66,710,006
Restricted for:	
RDA set-aside (low/moderate income housing)	3,243,411
Debt service	785,124
Unrestricted	<u>15,309,694</u>
Total Net Assets	<u><u>\$ 86,048,235</u></u>

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, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Assets
					Total Governmental Activities
Governmental Activities:					
General government	\$ 3,192,991	\$ 64,506	\$ 70,331	\$ -	\$ (3,058,154)
Public safety	4,355,912	622,151	181,095	-	(3,552,666)
Public works	5,563,786	156,468	2,682,799	2,674,831	(49,688)
Community development	1,595,785	216,354	-	-	(1,379,431)
Pass through to other agencies	3,602,569	-	-	-	(3,602,569)
Community services	1,912,544	273,920	-	5,545	(1,633,079)
Interest and fiscal charges	1,359,595	-	-	-	(1,359,595)
Total Governmental Activities	\$ 21,583,182	\$ 1,333,399	\$ 2,934,225	\$ 2,680,376	(14,635,182)
General Revenues:					
					9,206,942
					3,041,806
					118,561
					703,309
					1,709,143
					323,286
					220,980
					<u>15,324,027</u>
					688,845
					<u>85,359,390</u>
					<u>\$ 86,048,235</u>

See accompanying Notes to Basic Financial Statements.

CITY OF AGOURA HILLS, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Debt Service		Capital Projects	
		Redevelopment	Redevelopment Set-Aside	Redevelopment	Recreation Center
ASSETS					
Cash and investments	\$ 7,651,439	\$ 1,218,874	\$ 11,740,084	\$ 3,208,258	\$ 391,919
Receivables:					
Accounts	647,749	-	-	-	-
Interest	32,280	1,561	13,861	1,670	1,745
Deferred loans	-	-	178,618	-	-
Due from other governments	683,318	337,909	-	-	-
Other	294	-	-	-	-
Due from other funds	371,545	-	-	-	-
Advances to other funds	31,158,769	-	206,968	-	-
Prepays	25,484	-	-	-	-
Land held for resale	115,000	-	-	4,102,618	-
Total Assets	<u>\$ 40,685,878</u>	<u>\$ 1,558,344</u>	<u>\$ 12,139,531</u>	<u>\$ 7,312,546</u>	<u>\$ 393,664</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenditures	\$ 839,237	\$ 659,742	\$ 21,874	\$ 1,074,324	\$ 7,390
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	31,365,737	-
Deferred revenue	-	-	178,618	-	-
Total Liabilities	<u>839,237</u>	<u>659,742</u>	<u>200,492</u>	<u>32,440,061</u>	<u>7,390</u>
FUND BALANCES					
Nonspendable	31,299,253	-	-	-	-
Restricted	-	890,039	11,939,039	4,102,618	-
Committed	-	-	-	-	-
Assigned	-	8,563	-	-	386,274
Unassigned	8,547,388	-	-	(29,230,133)	-
Total Fund Balances	<u>39,846,641</u>	<u>898,602</u>	<u>11,939,039</u>	<u>(25,127,515)</u>	<u>386,274</u>
Total Liabilities and Fund Balances	<u>\$ 40,685,878</u>	<u>\$ 1,558,344</u>	<u>\$ 12,139,531</u>	<u>\$ 7,312,546</u>	<u>\$ 393,664</u>

See accompanying Notes to Basic Financial Statements.

Capital Projects			
Reyes Adobe Interchange	Measure R	Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 6,335,233	\$ 30,545,807
369,059	-	105,620	1,122,428
-	-	19,237	70,354
-	-	476,385	655,003
650,966	651,277	260,265	2,583,735
118,554	50,932	-	169,780
-	-	2,022,212	2,393,757
-	-	-	31,365,737
-	-	25	25,509
-	-	-	4,217,618
<u>\$ 1,138,579</u>	<u>\$ 702,209</u>	<u>\$ 9,218,977</u>	<u>\$ 73,149,728</u>
\$ 278,741	228,629	\$ 450,786	\$ 3,560,723
1,552,917	469,295	371,545	2,393,757
-	-	-	31,365,737
511,323	555,030	606,237	1,851,208
<u>2,342,981</u>	<u>1,252,954</u>	<u>1,428,568</u>	<u>39,171,425</u>
-	-	25	31,299,278
-	-	2,325,206	19,256,902
-	-	5,719,151	5,719,151
-	-	94,133	488,970
<u>(1,204,402)</u>	<u>(550,745)</u>	<u>(348,106)</u>	<u>(22,785,998)</u>
<u>(1,204,402)</u>	<u>(550,745)</u>	<u>7,790,409</u>	<u>33,978,303</u>
<u>\$ 1,138,579</u>	<u>\$ 702,209</u>	<u>\$ 9,218,977</u>	<u>\$ 73,149,728</u>

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Reconciliation of the Government Funds Balance Sheet
to the Statement of Net Assets
June 30, 2011

Fund Balances of Governmental Funds	\$ 33,978,303
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	73,940,092
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.	2,193,823
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.	(26,488,979)
Deferred charges related to the issuance of long term debt are recorded as expenditures in governmental fund statements.	1,052,899
Interest on long-term debt liabilities are not due and payable in the current period and therefore, are not reported in the funds.	(422,510)
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>1,851,208</u>
Net Assets of Governmental Activities	<u><u>\$ 86,048,235</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, 2011

	General Fund	Debt Service		Capital Projects	
		Redevelopment	Redevelopment Set-Aside	Redevelopment	Recreation Center
REVENUES:					
Taxes	\$ 9,423,134	\$ 5,238,066	\$ -	\$ -	\$ -
Licenses and permits	288,600	-	-	-	-
Intergovernmental revenues	193,004	-	-	-	-
Charges for services	805,155	-	-	-	-
Fines and penalties	84,245	-	-	-	-
Investment income	59,936	13,254	80,765	9,006	37,245
Rental income	95,836	-	-	-	-
Other revenues	81,830	-	11,000	-	-
Total Revenues	11,031,740	5,251,320	91,765	9,006	37,245
EXPENDITURES:					
Current:					
General government	3,532,402	-	509,264	223,142	43,304
Pass through to other agencies	-	3,602,569	-	-	-
Public safety	4,114,683	-	-	-	-
Community development	553,298	-	617,219	369,709	-
Community services	1,573,232	-	-	-	-
Public works	875,739	-	15,464	66,711	-
Debt service:					
Principal	-	200,000	-	-	-
Interest and fiscal charges	-	893,258	-	-	-
Capital outlay	-	-	-	1,065,494	4,413,803
Total Expenditures	10,649,354	4,695,827	1,141,947	1,725,056	4,457,107
Excess (deficiency) of revenues over (under) expenditures	382,386	555,493	(1,050,182)	(1,716,050)	(4,419,862)
Other Financing Sources (Uses):					
Transfers in	30,611,665	1,133,231	1,047,613	1,418,743	-
Transfers out	(1,493,474)	(1,642,993)	(617,405)	(31,127,491)	-
Total Other Financing Sources (Uses)	29,118,191	(509,762)	430,208	(29,708,748)	-
Net Change in Fund Balances	29,500,577	45,731	(619,974)	(31,424,798)	(4,419,862)
Fund Balances (Deficit) at Beginning of Year	10,346,064	852,871	12,559,013	6,297,283	4,806,136
Fund Balances (Deficit) at End of Year	\$ 39,846,641	\$ 898,602	\$ 11,939,039	\$ (25,127,515)	\$ 386,274

See accompanying Notes to Basic Financial Statements.

Capital Projects			
Reyes Adobe Interchange	Measure R	Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 14,661,200
-	-	-	288,600
-	463,600	1,144,796	1,801,400
-	-	875,020	1,680,175
-	-	156,639	240,884
1,348	-	67,911	269,465
-	-	-	95,836
3,003,294	-	3,250	3,099,374
<u>3,004,642</u>	<u>463,600</u>	<u>2,247,616</u>	<u>22,136,934</u>
5,982	61,992	294,817	4,670,903
-	-	-	3,602,569
-	-	239,479	4,354,162
-	-	-	1,540,226
-	-	282,851	1,856,083
-	109,137	1,074,271	2,141,322
-	-	180,000	380,000
-	-	487,831	1,381,089
3,355,966	843,216	1,713,746	11,392,225
<u>3,361,948</u>	<u>1,014,345</u>	<u>4,272,995</u>	<u>31,318,579</u>
(357,306)	(550,745)	(2,025,379)	(9,181,645)
-	-	670,111	34,881,363
-	-	-	(34,881,363)
-	-	670,111	-
(357,306)	(550,745)	(1,355,268)	(9,181,645)
(847,096)	-	9,145,677	43,159,948
<u>\$ (1,204,402)</u>	<u>\$ (550,745)</u>	<u>\$ 7,790,409</u>	<u>\$ 33,978,303</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, 2011

Net Change in Fund Balances - Total Governmental Funds		\$ (9,181,645)
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	\$ 11,295,322	
Depreciation expense	<u>(1,909,788)</u>	9,385,534
Share of expenses for Joint Venture in Community Center is not recorded as a financial expenditure in the governmental funds. However, it is recorded in the statement of activities as an expense.		
		(56,261)
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 assets.		
Principal payment	380,000	
Amortization of bond issuance costs	(40,765)	
Amortization of deferral on refunding and discount	(24,339)	
Change in compensated absences	<u>(21,080)</u>	293,816
Interest on long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.		
		21,494
Post-employment benefits considered long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.		
		10,354
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>215,553</u>
Change in Net Assets of Governmental Activities		<u><u>\$ 688,845</u></u>

See accompanying Notes to Basic Financial Statements.

CITY OF AGOURA HILLS, CALIFORNIA
Statement of Fiduciary Assets and Liabilities
Agency Fund
June 30, 2011

ASSETS

Cash and investments	\$ 1,102,540
Interest receivable	270
Accounts receivable	6,176
Due from other governments	89,829
Total Assets	<u>\$ 1,198,815</u>

LIABILITIES

Accounts payable	1,198,815
Total Liabilities	<u>\$ 1,198,815</u>

See accompanying Notes to Basic Financial Statements.

CITY OF



AGGURA HILLS

NOTES TO FINANCIAL STATEMENTS

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

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 Redevelopment Agency, 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 Redevelopment Agency (Agency) was established March 9, 1988 pursuant to the laws of the State of California Health and Safety Code, Section 33000 et. seq., and is a separate governmental entity. The elected City Council serves as board members for the Agency. The primary purpose of the Agency is to address blighting conditions that exist within the City's freeway and roadside commercial corridor. The area is suffering from physical blight and economic disuse arising from poor and inadequate planning, street layout and street access. Improvements are necessary to increase economic growth in the City.

On November 9, 1994, the Redevelopment Agency adopted its Redevelopment Plan. Pass-through agreements with all of the underlying taxing entities were completed by June 30, 1994. No new pass through agreements were approved during fiscal year 2010-2011. Complete financial statements for the Agoura Hills Redevelopment Agency can be obtained from the Finance Department at:

City of Agoura Hills
30001 Ladyface Court
Agoura Hills, California 91301

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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The effect of interfund activity has been eliminated from these statements.

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 grant, entitlements and donations is recognized in the fiscal year from which all eligibility requirements have been satisfied.

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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major governmental funds:

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 Redevelopment Debt Service Fund is used to account for accumulation of resources for, and the payments of, long-term debt principal, interest and related costs.

The Redevelopment Set-Aside Capital Projects Fund is used to account for financial resources that were required to be set-aside for low and moderate income housing and related expenditures.

The Redevelopment Capital Projects Fund is used to account for financial resources segregated for the acquisition and rehabilitation of capital projects within the redevelopment project area.

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

The Reyes Adobe Interchange Capital Projects Fund is used to account for the funds to be used for the widening of the Reyes Adobe Bridge.

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

Additionally, the City reports the following fund types:

Governmental Funds:

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fiduciary Fund:

The Fiduciary Fund is an Agency Fund 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.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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.

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.

New Accounting Pronouncements

GASB Statement No. 54 – In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This statement is effective in June 30, 2011. The City has implemented this statement for the fiscal year ended June 30, 2011. See Note 3(E).

GASB Statement No. 57 – In December 2009, GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. This statement addresses the use and reporting of the alternative measurement method are effective immediately. The provisions related to the frequency and timing of measurements are effective for actuarial valuations first used to report funded status information in OPEB plan financial statements. This statement is effective in June 30, 2012. The City has determined that this statement is not applicable.

GASB Statement No. 59 – In June 2010, GASB issued Statement No. 59, *Financial Instruments Omnibus*. This statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. This statement is effective in June 30, 2011. The City has determined that this statement is not applicable.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

GASB Statement No. 61 – In December 2010, GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. This statement is to results in financial reporting entity financial statements being more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. This statement is not effective until June 30, 2013. The City has not determined the effect of this statement.

GASB Statement No. 62 – In June 2011, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA pronouncements issued on or before November 30, 1989 which does not conflict with our contradict GASB pronouncements. This statement is not effective until June 30, 2013. The City has not determined the effect of this statement.

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 is not effective until June 30, 2013. The City has not determined the effect of this statement.

GASB Statement No. 64 – In June 2011, GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB No. 53*. The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. This statement is not effective until June 30, 2012. The City has not determined the effect of this statement.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The City's cash and investments are cash on hand, demand deposits and the State of California Local Agency Investment Fund. 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 funds 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 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, 2011

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 uncollectibles. 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, 2011

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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt 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. All annual appropriations either lapse at year end or are carried forward at 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, 2011

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

B. Deficit Fund Balances

The following funds had deficit fund balances at June 30, 2011:

Major governmental funds:	
Redevelopment capital projects fund	\$ 25,127,515
Reyes Adobe interchange capital projects fund	1,204,402
Measure R capital projects fund	550,745
Non major governmental funds:	
Other grants special revenue fund	\$ 60,350
Public transit special revenue fund	287,756

The deficit for the Redevelopment capital projects fund is expected to be eliminated with future tax increment. The remaining 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, 2011 are classified in the accompanying financial statements as follows:

Statement of Net Assets	
Cash and investments	\$ 30,545,807
Fiduciary Fund	
Cash and investments	1,102,540
Total Cash and Investments	<u>\$ 31,648,347</u>

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash and Investments (Continued)

Cash and investments at June 30, 2011 consisted of the following:

Demand accounts (bank balances):		\$ 1,911,103
Add deposits in transit		8,203
Less outstanding checks		(474,163)
Book balance		1,445,143
Petty cash		800
Total Deposits and Petty Cash		1,445,943
Investments:		
State of California Local Agency Investment Fund (LAIF)		17,534,350
Federal agency securities		10,211,651
Held by bond trustee		
State of California Local Agency Investment Fund (LAIF)		1,563,560
Money market funds		370,681
Federal agency securities		522,162
Total Held by Bond Trustee		2,456,403
Total Investments		30,202,404
Total Cash and Investments		\$ 31,648,347

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. Treasury Issues	Unlimited	5 Years	None
Federal Agency Securities			
Federal Farm Credit Bank (FFCB) and Federal Home Loan Bank (FHLB) only	30%	5 Years	None
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, 2011

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, credit 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

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash and Investments (Continued)

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 is approximately 237 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	\$ 17,534,350	\$ 17,534,350	\$ -	\$ -
Federal agency securities:				
FHLB	4,043,258	2,011,109	2,032,149	-
FFCB	4,123,813	-	1,029,014	3,094,799
U.S. Treasury Notes	2,044,580	999,890	-	1,044,690
Held by bond trustee:				
LAIF	1,563,560	1,563,560	-	-
Money market funds	370,681	370,681	-	-
Federal agency securities:				
FHLB	103,182	-	-	103,182
FFCB	418,980	-	-	418,980
Total	<u>\$ 30,202,404</u>	<u>\$ 22,479,590</u>	<u>\$ 3,061,163</u>	<u>\$ 4,661,651</u>

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

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 rating as of year-end for each investment type.

Investment Type	Totals	Minimum Legal Rating	Rating as of Year End	
			AAA	Not Rated
LAIF	\$ 17,534,350	N/A	\$ -	\$ 17,534,350
Federal agency securities:				
FHLB	4,043,258	N/A	4,043,258	-
FFCB	4,123,813	N/A	4,123,813	-
U.S. Treasury Notes	2,044,580	N/A	2,044,580	-
Held by bond trustee:				
LAIF	1,563,560	N/A	-	1,563,560
Money market funds	370,681	AAA	370,681	-
Federal agency securities:				
FHLB	103,182	N/A	103,182	-
FFCB	418,980	N/A	418,980	-
Total	<u>\$ 30,202,404</u>		<u>\$ 11,104,494</u>	<u>\$ 19,097,910</u>

Concentration of Credit Risk:

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. 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 Home Loan Bank (FHLB)	Federal Agency Security	\$ 4,146,440
Federal Farm Credit Bank (FFCB)	Federal Agency Security	\$ 4,542,793

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash and Investments (Continued)

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:

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, \$432,248 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. 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. LAIF is not registered with the Securities and Exchange Commission.

LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2011 had a balance of \$66.5 billion. The average maturity of PMIA investments was 237 days as of June 30, 2011.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

B. Interfund Receivables, Payables, Transfers, and Advances

Due to/Due from

Due from	Due to		Totals
	General Fund	Traffic Improvement Nonmajor Special Revenue Fund	
Reyes adobe interchange project major capital projects fund	\$ -	\$ 1,552,917	\$ 1,552,917
Measure r major capital projects fund	-	469,295	469,295
Public transit nonmajor special revenue fund	279,402	-	279,402
Other grants nonmajor special revenue fund	92,143	-	92,143
Total	<u>\$ 371,545</u>	<u>\$ 2,022,212</u>	<u>\$ 2,393,757</u>

The General Fund makes loans to other funds to cover the negative cash balance in those funds.

Interfund transfers

Transfers out	Transfers In					Totals
	General Fund	Capital Projects		Redevelopment Debt Service Fund	Nonmajor Governmental Funds	
		Redevelopment Set-Aside Fund	Redevelopment Fund			
General fund	\$ -	\$ -	\$ 823,363	\$ -	\$ 670,111	\$ 1,493,474
Redevelopment set-aside fund	-	-	-	617,405	-	617,405
Redevelopment capital projects fund	30,611,665	-	-	515,826	-	31,127,491
Redevelopment debt service fund	-	1,047,613	595,380	-	-	1,642,993
Total	<u>\$ 30,611,665</u>	<u>\$ 1,047,613</u>	<u>\$ 1,418,743</u>	<u>\$ 1,133,231</u>	<u>\$ 670,111</u>	<u>\$ 34,881,363</u>

The General Fund provides transfers to reimburse the Traffic Congestion Relief Fund, and fund debt repayment. The General Fund also provides transfer to the Redevelopment capital projects fund for advances. The Redevelopment set-aside, capital projects and debt service funds transfer tax increment and debt repayment. The Redevelopment capital projects fund provides transfers to the General Fund to reimburse the City for services performed since April 1988. In the current year, the City and the Agency executed a promissory note in an amount not to exceed \$44,000,000. Refer to Note 4H for more information.

Advances

Advances from	Advances to Redevelopment Major Capital Projects Fund
General fund	\$ 31,158,769
Redevelopment set-aside major capital projects fund	206,968
Total	<u>\$ 31,365,737</u>

In the current year, the City and the Agency executed a promissory note in an amount not to exceed \$44,000,000, for services performed by the City. The previous balance of the advances and the current year activity is recorded as an advance due from the Redevelopment capital projects fund to the General Fund. Refer to Note 4H for more information. The Redevelopment Set-Aside capital projects fund made an advance to the Redevelopment capital projects fund for the FY 2010-2011 SERAF payment. Refer to Note 4C for more information.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

Advances activity related to the Promissory Note with the General Fund for the year ended June 30, 2011 was as follows:

Advances	Balance at June 30, 2010	Additions	Reductions	Balance at June 30, 2011
To RDA Capital Projects Fund from General Fund	\$ -	\$32,335,011	\$ (1,176,242)	\$31,158,769

C. Capital Assets

A summary of changes in capital asset activity for the year ended June 30, 2011 is as follows:

Governmental Activities:	Balance at June 30, 2010	Additions	Deletions	Balance at June 30, 2011
Capital Assets Not Being Depreciated:				
Land	\$ 8,971,428	\$ 2,665,000	\$ -	\$ 11,636,428
Construction in progress	29,557,988	5,237,999	-	34,795,987
Total Capital Assets Not Being Depreciated	38,529,416	7,902,999	-	46,432,415
Capital Assets, Being Depreciated:				
Buildings and improvements	10,698,345	1,748,802	-	12,447,147
Vehicles	524,660	-	-	524,660
Infrastructure	57,489,716	1,643,521	-	59,133,237
Total Capital Assets Being Depreciated	68,712,721	3,392,323	-	72,105,044
Less Accumulated Depreciation for:				
Buildings and improvements	1,742,749	213,967	-	1,956,716
Vehicles	271,578	56,825	-	328,403
Infrastructure	40,673,252	1,638,997	-	42,312,249
Total Accumulated Depreciation	42,687,579	1,909,788	-	44,597,367
Total Capital Assets, Being Depreciated, Net	26,025,142	1,482,535	-	27,507,677
Governmental Activities Capital Assets, Net	\$ 64,554,558	\$ 9,385,534	\$ -	\$ 73,940,092

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

Governmental Activities:	
General government	\$ 175,740
Public works	1,682,857
Park and recreation	51,191
Total Depreciation Expense - Governmental Activities	\$ 1,909,788

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Liability

Long-term liability activity for the year ended June 30, 2011 was as follows:

Governmental Activities	Balance at June 30, 2010	Additions	Reductions	Balance at June 30, 2011	Portion Due Within One Year
Bonds:					
2007 Lease Revenue Refunding Bonds	\$11,490,000	\$ -	\$ (180,000)	\$11,310,000	\$ 185,000
Bond discount	(54,829)	-	3,046	(51,783)	-
Deferred on refunding	(287,763)	-	15,987	(271,776)	-
2008 RDA Tax Allocation Bonds	5,695,000	-	(55,000)	5,640,000	60,000
2008 RDA Housing Set-Aside bonds	9,865,000	-	(145,000)	9,720,000	150,000
Bond discount	(169,779)	-	5,306	(164,473)	-
Other Long-Term Liabilities:					
Accrued compensated absences	285,931	271,027	(249,947)	307,011	59,543
Other post-employment benefits (See Note 4I)	66,955	166,000	(176,354)	56,601	-
Total Governmental Long-Term Liabilities	<u>\$ 26,890,515</u>	<u>\$ 437,027</u>	<u>\$ (781,962)</u>	<u>\$ 26,545,580</u>	<u>\$ 454,543</u>

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, 2011 is \$10,986,441 net of unamortized discount of \$51,783 and deferral on refunding of \$271,776.

The future debt service payments are as follows:

Year Ending June 30	Lease Revenue Bond		
	Principal	Interest	Total
2012	\$ 185,000	\$ 480,632	\$ 665,632
2013	195,000	473,232	668,232
2014	200,000	465,432	665,432
2015	210,000	457,432	667,432
2016	220,000	449,032	669,032
2017-2021	1,230,000	2,107,730	3,337,730
2022-2026	1,495,000	1,840,810	3,335,810
2027-2031	1,840,000	1,498,218	3,338,218
2032-2036	2,275,000	1,064,218	3,339,218
2037-2041	2,820,000	520,844	3,340,844
2042	640,000	28,000	668,000
Total	<u>\$ 11,310,000</u>	<u>\$ 9,385,580</u>	<u>\$ 20,695,580</u>

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Liability (Continued)

2. 2008 Redevelopment Agency Tax Allocation Bonds

On May 23, 2008, the Agoura Hills Redevelopment Agency issued \$5,750,000 of Series 2008 A-T tax allocation bonds with interest rates ranging from 4.728 to 6.53 percent. The proceeds from the sale of bonds will be used to finance redevelopment projects benefiting the Agoura Hills Redevelopment Project areas. The Agency has pledged tax increment revenues to repay the entire principal and interest on the bonds. Principal of the bonds is payable on their maturity date of October 1 of each year. Interest on the bonds is payable on April 1 and October 1 each year. Total principal and interests remaining on the bond is \$14,590,465, payable through October 2041. For the current year, principal and interest paid and total tax increment revenues were \$477,396 and \$4,190,453 respectively. The outstanding balance at June 30, 2011 is \$5,640,000.

The future debt service payments are as follows:

Year Ending June 30	2008 Tax Allocation Bonds Series A-T		
	Principal	Interest	Total
2012	\$ 60,000	\$ 418,089	\$ 478,089
2013	60,000	414,889	474,889
2014	65,000	411,429	476,429
2015	70,000	407,558	477,558
2016	70,000	403,441	473,441
2017-2021	430,000	1,941,718	2,371,718
2022-2026	600,000	1,765,708	2,365,708
2027-2031	845,000	1,507,494	2,352,494
2032-2036	1,220,000	1,119,437	2,339,437
2037-2041	1,775,000	543,255	2,318,255
2042	445,000	17,448	462,448
Total	\$ 5,640,000	\$ 8,950,465	\$ 14,590,465

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Liability (Continued)

3. 2008 Redevelopment Agency Housing Set-Aside Tax Allocation Bonds

On May 23, 2008, the Agoura Hills Redevelopment Agency issued \$10,000,000 of Series 2008 Housing Set-Aside Tax Allocation bonds with interest rates ranging from 4.00 to 4.75 percent. The proceeds from the bond will be issued to finance low and moderate income housing of the Agency. The Agency has pledged Housing Set-Aside Revenues to repay the entire principal and interest on the bonds. Principal of the Bonds is payable on their maturity date of October 1 of each year. Interest on the bonds will be payable semi-annually on April 1 and October 1 of each year commencing October 1, 2008. Total principal and interest remaining on the bonds is \$18,930,334, payable through October 2041. For the current year, principal and interest paid and total Housing Set-Aside revenues were \$620,131 and \$1,047,613 respectively. The outstanding balance at June 30, 2011 is \$9,555,527, net of unamortized discount of \$164,473.

The future debt service payments are as follows:

Year Ending June 30	Housing Set-Aside Tax Allocation Bonds 2008		
	Principal	Interest	Total
2012	\$ 150,000	\$ 466,331	\$ 616,331
2013	155,000	460,231	615,231
2014	160,000	453,931	613,931
2015	165,000	447,431	612,431
2016	175,000	440,631	615,631
2017-2021	985,000	2,084,363	3,069,363
2022-2026	1,230,000	1,831,416	3,061,416
2027-2031	1,560,000	1,616,000	3,176,000
2032-2036	2,000,000	916,500	2,916,500
2037-2041	2,550,000	478,750	3,028,750
2042	590,000	14,750	604,750
Total	<u>\$ 9,720,000</u>	<u>\$ 9,210,334</u>	<u>\$ 18,930,334</u>

4. 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, 2011.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Liability (Continued)

5. 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.

E. Fund Balance

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in fiscal year 2010/2011. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications 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, 2011, the balance is comprised of advances to other funds, 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. 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 Fund Balance Policy adopted on June 22, 2011.

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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

E. Fund Balance (Continued)

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.

The details of the fund balances as of June 30, 2011 are presented below:

	General Fund	Debt Service Redevelopment	Capital Projects				Nonmajor Governmental Funds	Total
			Redevelopment Set-Aside	Redevelopment	Recreation Center	Reyes Adobe Interchange Measure R		
Nonspendable								
Prepays	\$ 25,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ 25,509
Advances from other funds	31,158,769	-	-	-	-	-	-	31,158,769
Land held for resale	115,000	-	-	-	-	-	-	115,000
Total Nonspendable	31,299,253	-	-	-	-	-	25	31,299,278
Restricted								
Land held for resale	-	-	-	4,102,618	-	-	-	4,102,618
Air quality improvement	-	-	-	-	-	-	42,362	42,362
Housing programs	-	-	11,939,039	-	-	-	-	11,939,039
Capital improvement projects	-	-	-	-	-	-	1,750,654	1,750,654
Grant programs	-	-	-	-	-	-	9,213	9,213
Payment of debt service	-	890,039	-	-	-	-	-	890,039
Transportation services	-	-	-	-	-	-	522,977	522,977
Total Restricted	-	890,039	11,939,039	4,102,618	-	-	2,325,206	19,256,902
Committed								
Housing programs	-	-	-	-	-	-	2,434,486	2,434,486
Capital improvement projects	-	-	-	-	-	-	3,103,145	3,103,145
Waste management program	-	-	-	-	-	-	181,520	181,520
Total Committed	-	-	-	-	-	-	5,719,151	5,719,151
Assigned								
Capital improvement projects	-	-	-	-	386,274	-	94,128	480,402
Payment of debt service	-	8,563	-	-	-	-	5	8,568
Total Assigned	-	8,563	-	-	386,274	-	94,133	488,970
Unassigned	8,547,388	-	-	(29,230,133)	-	(1,204,402)	(550,745)	(348,106)
Total Fund Balance	\$ 39,846,641	\$ 898,602	\$ 11,939,039	\$ (25,127,515)	\$ 386,274	\$ (1,204,402)	\$ (550,745)	\$ 7,790,409

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, 2011, the City had \$4.4M pursuant to this policy, which was classified as unassigned.

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, 2011

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 10.77 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, 2011, the City's annual pension cost of \$320,603 for PERS was equal to the City's required and actual contributions.

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2009	\$ 307,000	100%	-
6/30/2010	318,200	100%	-
6/30/2011	320,603	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 composed 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

A revised cost allocation methodology was introduced in 2010-2011; however, it retains many elements of the previous cost allocation methodology. Each member pays an annual contribution (formerly called the primary deposit) 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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

B. Self-Insurance (Continued)

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

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. Additional information regarding the cost allocation methodology is provided below.

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 2010-2011 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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

B. Self-Insurance (Continued)

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

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.

3. Purchased Insurance

Pollution Legal Liability Insurance

The City of Agoura Hills participates in the pollution legal liability insurance program (formerly called environmental insurance) 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, 2008 through July 1, 2011. 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 \$18,502,135. 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 2010-2011.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

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 August 2012. The City also executed a ground lease with Saint Paul's Lutheran Church for a recreation facility site. This lease expired in fiscal year ending 2009. The City exercised an option to extend for an additional 5 year period and 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
2012	\$ 20,711	\$ 8,676	\$ 29,387
2013	20,711	-	20,711
2014	10,356	-	10,356

2. The City contracts with the Los Angeles County Department of Public Works and Sheriff's Department to provide certain municipal services. During the year ended June 30, 2011, the City incurred expenditures of approximately \$103,003 and \$3,778,853 for Public Works and Public Safety services, respectively.
3. In January 2009, the Agency entered into an option agreement with the Las Virgenes Unified School District (District). This agreement granted the Agency three consecutive options to lease certain real property owned by the District. In consideration of the option, the Agency agreed to pay the District three annual payments of \$250,000, beginning in fiscal year 2008-2009 and ending in 2010-2011. In fiscal year 2010-2011 the Agency extended the option and paid the third installment of \$250,000. The payment was accounted for by the City in the general government function of the Redevelopment Set-Aside Capital Projects Fund. In June 2011, the Agency approved three additional consecutive options on the District property in the amount of \$50,000 annually, beginning in fiscal year 2011-2012 and ending in 2013-2014.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

C. Commitments/Operating Leases, (Continued)

4. On July 24, 2009, the State Legislature passed Assembly Bill (AB) 26 4x, which requires redevelopment agencies statewide to deposit a total of \$2.05 billion of property tax increment in county "Supplemental" Educational Revenue Augmentation Funds (SERAF) to be distributed to meet the State's Proposition 98 obligations to schools. The SERAF revenue shift of \$2.05 billion was made over two years, \$1.7 billion in fiscal year 2009-2010 and \$350 million in fiscal year 2010-2011. The SERAF would then be paid to school districts and the county offices of education which have students residing in redevelopment project areas, or residing in affordable housing projects financially assisted by a redevelopment agency, thereby relieving the State of payments to those schools. The Agency made a payment of \$206,968 during fiscal year 2010-2011 using funds advanced to the Redevelopment Capital Projects Fund by the Redevelopment Set-Aside Capital Projects Fund. Payments are to be made by May 10 of each respective fiscal year and are being accounted for by the City in the general government function of the Redevelopment Capital Projects Fund.

5. On June 29, 2011, the Governor of the State of California signed Assembly Bill X1 26 and 27 as part of the State's budget package. Assembly Bill X1 26 requires each California redevelopment agency to suspend nearly all activities except to implement existing contracts, meet already-incurred obligations, preserve its assets and prepare for the impending dissolution of the agency. Assembly Bill X1 27 provides a means for redevelopment agencies to continue to exist and operated by means of a Voluntary Alternative Redevelopment Program. Under this program, each city would adopt an ordinance agreeing to make certain payments to the County Auditor Controller in fiscal year 2011-2012 and annual payments each fiscal year thereafter. Assembly Bill X1 27 indicates that the city "may use any available funds not otherwise obligated for other uses" to make this payment. The amounts to be paid after fiscal year 2012-2013 have yet to be determined by the state legislature. The City has made the determination that they will not participate in the Voluntary Alternative Redevelopment Program.

Assembly Bill X1 26 directs 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 Assembly Bill X1 26. As describe in Note 4H, the City and Agency executed a promissory note for an amount not to exceed \$44,000,000.

The League of California Cities and the California Redevelopment Association (CRA) filed a lawsuit on July 18, 2011 on behalf of cities, counties and redevelopment agencies petitioning the California Supreme Court to overturn Assembly Bills X1 26 and 27 on the grounds that these bills violate the California Constitution. On August 11, 2011m the California Supreme Court issued a stay of all of Assembly Bill X1 27 and most of Assembly Bill X1 26. The California Supreme Court stated in its order that "the briefing schedule is designed to facilitate oral argument as early as possible in 2011, and a decision before January 15, 2012." A second order issued by the California Supreme Court on August 17, 2011 indicated that certain provisions of Assembly Bills X1 26 and 27 were still in effect and not affected by its previous stay, including requirements to file an appeal of the determination of the community remittance payment by August 15, 2011, the requirement to adopt an Enforceable Obligation Payment Schedule ("EOPS") by August 29, 2011 and the requirement to prepare a preliminary draft of the initial Recognized Obligation Payment Schedule ("ROPS") by September 30, 2011.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

C. Commitments/Operating Leases, (Continued)

Since the stay provided by Assembly Bill X1 26 only affects enforcement, each agency must adopt an Enforceable Obligation Payment Schedule (EOPS) and draft Recognized Obligation Payment Schedule (ROPS) by September 30, 2011, as required by the statute. Enforceable obligations include bonds, loans and payments required by the Federal or State government; legally enforceable payments required in connection with agency employees such as pension payments and unemployment payments, judgments or settlements; legally binding and enforceable agreements or contracts; and contracts or agreements necessary for the continued administration or operation of the agency that are permitted for purposes set forth in Assembly Bill X1 26.

As previously noted, the City has determined that they will not participate in the Voluntary Alternative Redevelopment Program. Accordingly, consistent with Assembly Bill X1 26, various redevelopment activities would be suspended and the Redevelopment Agency would be prohibited from incurring indebtedness as of June 29, 2011. The Agency would be subject to the “winddown” provisions of Assembly Bill X1 26 where subsequent property tax increment would be allocated to a successor agency for making payments on indebtedness incurred by the Agency prior to dissolution and remaining balances would be allocated to cities, counties, special districts and school and community college districts based on the existing property tax allocations within the County.

The nature and extent of the future operation of the Agency is dependent upon the outcome of the noted litigation.

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 assets. The balance at June 30, 2011 was \$2,193,823.

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. Housing Rehabilitation Loan Program

During the year, the City participated in a housing rehabilitation loan program through the County of Los Angeles, administered with CDBG funds. The loan program offers qualified applicants a \$5,000 grant award and loan amount up to \$20,000 which is due to the City upon the sale or refinancing of the property. As of June 30, 2011, the City has outstanding loans in the amount of \$476,385. During the fiscal year ending June 30, 2011 the City had no new loans. The City records their loans as deferred loans receivable and deferred revenue in the Community Development Block Grant Special Revenue Fund.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

F. Redevelopment Set-Aside Loans

During the year the Redevelopment Agency participated in a housing rehabilitation loan program, and a first time home buyer program, with Redevelopment Set-Aside funds. The housing rehabilitation loan program offers qualified applicants a loan amount up to \$25,000 which is due to the Agency upon the sale or refinancing of the property. The first time homebuyer program offers qualified applicants up to \$85,900, which is due upon sale or refinancing of the property. As of June 30, 2010, the Agency has outstanding loans in the amount of \$92,718 for rehabilitation loans, and \$85,900 for first time homebuyer loans. The Agency records these loans as deferred loans receivable in the Redevelopment Set-Aside Capital Projects Fund.

G. 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, 2011.

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

H. Redevelopment Agency Support

On April 13, 2008 the City and the Agency entered into a reimbursement agreement for services. Previous to fiscal year 2010-2011 the City estimated the Agency would be unable to pay the entire advance from available future revenues and therefore the advance and any related interest was not reflected in the financial statements. Such amounts were reflected as transfers from the City to the Agency. On January 26, 2011 the Agency executed a promissory note to the City in an amount not to exceed \$44,000,000 to recapture such amounts, in which interest will be calculated at the average LAIF rate for the past five years (2.94%), and repayments will be made over a period of 50 years at the rate of \$1,176,242 per year. The City made advances of \$823,363 to the Agency during the fiscal year 2010-2011. The Agency made a payment of \$1,176,242 to the City during the fiscal year 2010-2011, all of which was principal. Accrued interest due but unpaid during the fiscal year of \$899,983 was added to the principal balance. Consistent with the execution of the promissory note, the Agency recorded the full amount of the note in the financial statements with a corresponding transfer to the City during the current year. The balance of \$31,158,769 at June 30, 2011 includes advances and interest calculated on previous advances of \$16,961,431 and \$14,197,338, respectively.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

I. 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 (\$108 for 2011). Additionally, the City contributes longevity pay to a Retirement Health Savings (RHS) Trust plan of up to \$392 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.

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, 2011:

	<u>Number of</u>
	<u>Employees</u>
Active Employees	34
Retirees and Surviving Spouses	8
Total	<u><u>42</u></u>

The above table does not reflect current retirees not enrolled in the CalPERS health plan who 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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

I. Other Post-Retirement Health Care Benefits (Continued)

The City's OPEB obligation as for the year ended June 30, 2011, 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:

	<u>2010-2011</u>	<u>2009-2010</u>
Actuarial Accrued Liability (AAL)	\$ 1,298,387	\$ 1,408,199
Actuarial Value of Assets at beginning of year	119,818	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>1,178,569</u>	<u>1,408,199</u>
Remaining Amortization Period	28	29
Normal Cost	78,703	78,000
Amortization of UAAL	76,076	88,000
Annual Required Contribution (ARC)	<u>154,779</u>	<u>166,000</u>
Annual Required Contribution (ARC)	154,779	166,000
Interest on net OPEB Obligation	5,189	5,118
Adjustment to ARC	<u>(4,322)</u>	<u>(4,186)</u>
Annual OPEB Cost	155,646	166,932
Contributions	<u>166,000</u>	<u>166,000</u>
Increase in net OPEB Obligation	<u>(10,354)</u>	<u>932</u>
Net OPEB Obligation - Beginning of Year	66,955	66,022
Net OPEB Obligation - End of Year	<u><u>\$ 56,601</u></u>	<u><u>\$ 66,955</u></u>

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

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	\$ 156,000	57.7%	\$ 66,022
6/30/2010	166,932	99.4%	66,955
6/30/2011	155,646	106.7%	56,601

Funding Status and Progress

As of July 1, 2011, the most recent valuation date, the actuarial accrued liability for benefits was \$1.6 million, and the actuarial value of assets was \$301,096, resulting in an unfunded actuarial accrued liability (UAAL) of \$1.3 million 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.

CITY OF AGOURA HILLS, CALIFORNIA
Notes to the Basic Financial Statements
June 30, 2011

NOTE 4 - OTHER INFORMATION (Continued)

I. Other Post-Retirement Health Care Benefits (Continued)

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.

NOTE 5 – SUBSEQUENT EVENTS

1. Management believes that the Redevelopment Agency will have sufficient funds to pay its obligations as they become due during the fiscal year ending June 30, 2012. The nature and extent of the operation of redevelopment agencies in the State of California beyond that time frame are dependent upon the outcome of litigation surrounding the actions of the state. In the event that Assembly Bills X1 26 and/or 27 are specifically found by the courts to be unconstitutional, there is possibility that future legislative acts may create new challenges to the ability of redevelopment agencies in the State of California to continue in view of the California State Legislature's stated intent to eliminate California redevelopment agencies and to reduce their funding.

On August 24, 2011, the Agency adopted the Enforceable Obligation Payment Schedule (EOPS) and the City made an election for the City to serve as a successor agency in the event that the Agency is dissolved.

2. On August 15, 2011, S&P downgraded all long term outstanding debt of the U.S. Government from AAA to AA+.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$ 2,865,519	\$ 3,050,187	\$ 3,041,806	\$ (8,381)
Other taxes:				
Property tax	3,951,157	3,866,400	3,883,599	17,199
Property transfer tax	100,000	100,000	85,277	(14,723)
Transient occupancy tax	1,700,000	1,700,000	1,709,143	9,143
Franchise fee	788,271	762,764	703,309	(59,455)
Total Other Taxes	<u>9,404,947</u>	<u>9,479,351</u>	<u>9,423,134</u>	<u>(47,836)</u>
Licenses and permits:				
Business registration	61,000	61,000	61,745	745
Building permits	180,000	280,000	207,795	(72,205)
Other licenses and fees	18,000	18,000	19,060	1,060
Total Licenses and permits	<u>259,000</u>	<u>359,000</u>	<u>288,600</u>	<u>(70,400)</u>
Intergovernmental:				
Motor vehicle in lieu	93,000	87,000	118,561	31,561
Other grants	64,400	68,600	74,443	5,843
Total Intergovernmental	<u>157,400</u>	<u>155,600</u>	<u>193,004</u>	<u>37,404</u>
Charges of services:				
Planning fees	92,500	159,500	216,354	56,854
Engineer plan check/inspection	30,000	30,000	24,085	(5,915)
Grading plan check	3,000	2,000	1,540	(460)
Building plan check	125,000	169,250	171,594	2,344
Encroachment permits	29,000	38,000	65,123	27,123
Park and recreation fees	254,600	254,600	271,304	16,704
Special event fees	2,300	2,300	2,616	316
Sale of maps and copies	3,000	3,000	2,761	(239)
SCACQ administrative service charges	1,200	1,200	1,200	-
Waste hauling administrative charges	47,000	47,000	47,000	-
Fire development fee	8,000	8,000	1,523	(6,477)
SIMP administrative fee	100	100	55	(45)
Total Charges for Services	<u>595,700</u>	<u>714,950</u>	<u>805,155</u>	<u>90,205</u>
Fines and penalties:				
Parking fines	80,000	80,000	55,310	(24,690)
False alarm fines	4,000	4,000	1,000	(3,000)
Restitution	1,500	1,500	1,400	(100)
Municipal court fines	25,000	30,000	26,535	(3,465)
Total Fines and Penalties	<u>110,500</u>	<u>115,500</u>	<u>84,245</u>	<u>(31,255)</u>

(Continued)

CITY OF AGOURA HILLS, CALIFORNIA
General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Investment income	\$ 130,000	\$ 90,000	\$ 59,936	\$ (30,064)
Rental income	85,800	86,800	95,836	9,036
Other revenues	100,200	100,200	81,830	(18,370)
Total Revenues	<u>10,843,547</u>	<u>11,101,401</u>	<u>11,031,740</u>	<u>(69,661)</u>
EXPENDITURES				
General government:				
City council	115,466	117,600	117,583	17
City manager	635,128	653,732	653,707	25
City clerk	224,847	224,097	215,433	8,664
City attorney	290,000	752,950	752,920	30
Finance	340,018	337,382	334,020	3,362
Public facilities	233,830	245,830	247,778	(1,948)
Nondepartmental	926,385	1,031,954	1,023,334	8,620
Automated office systems	167,800	190,300	187,627	2,673
Total General Government	<u>2,933,474</u>	<u>3,553,845</u>	<u>3,532,402</u>	<u>21,443</u>
Public safety:				
L.A. County Sheriff	3,623,270	3,601,931	3,598,611	3,320
Disaster response team	23,255	23,250	23,120	130
Building and safety	445,729	430,729	428,441	2,288
Animal control	32,000	64,600	64,510	90
Total Public Safety	<u>4,124,254</u>	<u>4,120,510</u>	<u>4,114,682</u>	<u>5,828</u>
Community development:				
Planning and administration	597,266	558,266	553,297	4,969
Total Community Development	<u>597,266</u>	<u>558,266</u>	<u>553,297</u>	<u>4,969</u>
Community services:				
Recreation	492,100	433,328	428,674	4,654
Reyes Adobe	24,600	24,600	19,694	4,906
Community services administration	747,828	696,591	696,932	(341)
Total Community Services	<u>1,264,528</u>	<u>1,154,519</u>	<u>1,145,300</u>	<u>9,219</u>

(Continued)

CITY OF AGOURA HILLS, CALIFORNIA
General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public works:				
Administration	\$ 439,928	\$ 404,482	\$ 403,227	\$ 1,255
Parks maintenance	457,800	429,800	427,934	1,866
Landscape maintenance	296,500	249,500	241,029	8,471
Drain and flood maintenance	230,000	231,500	231,483	17
Total Public Works	<u>1,424,228</u>	<u>1,315,282</u>	<u>1,303,673</u>	<u>11,609</u>
Capital outlay	<u>70,000</u>	-	-	-
Total Expenditures	<u>10,413,750</u>	<u>10,702,422</u>	<u>10,649,354</u>	<u>53,068</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>429,797</u>	<u>398,979</u>	<u>382,386</u>	<u>(16,593)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	30,611,665	30,611,665
Transfers out	<u>(672,000)</u>	<u>(1,497,000)</u>	<u>(1,493,474)</u>	<u>3,526</u>
Total Other Financing Sources (Uses)	<u>(672,000)</u>	<u>(1,497,000)</u>	<u>29,118,191</u>	<u>30,615,191</u>
Net Change in Fund Balance	<u>(242,203)</u>	<u>(1,098,021)</u>	<u>29,500,577</u>	<u>30,598,598</u>
Fund Balance, Beginning of Year	<u>10,346,064</u>	<u>10,346,064</u>	<u>10,346,064</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 10,103,861</u>	<u>\$ 9,248,043</u>	<u>\$ 39,846,641</u>	<u>\$ 30,598,598</u>

See accompanying Note to the Required Supplementary Information.

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Note to Required Supplementary Information
June 30, 2011

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. 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, 2011

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%
6/30/2008	-	1,298,000	1,298,000	0%	2,722,000	47.7%

SUPPLEMENTARY SCHEDULES

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Redevelopment Debt Service fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 5,653,281	\$ 4,784,500	\$ 5,238,066	\$ 453,566
Investment income	25,000	25,000	13,254	(11,746)
Total Revenues	<u>5,678,281</u>	<u>4,809,500</u>	<u>5,251,320</u>	<u>441,820</u>
EXPENDITURES				
Current:				
Pass through to other agencies	3,811,871	3,602,969	3,602,569	400
Debt service:				
Principal	205,000	205,000	200,000	5,000
Interest and fiscal charges	893,258	893,258	893,258	-
Total Expenditures	<u>4,910,129</u>	<u>4,701,227</u>	<u>4,695,827</u>	<u>5,400</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>768,152</u>	<u>108,273</u>	<u>555,493</u>	<u>447,220</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,093,257	1,133,257	1,133,231	(26)
Transfers out	(1,837,410)	(1,643,410)	(1,642,993)	417
Total Other Financing Sources (Uses)	<u>(744,153)</u>	<u>(510,153)</u>	<u>(509,762)</u>	<u>391</u>
Net Change in Fund Balance	23,999	(401,880)	45,731	447,611
Fund Balance, Beginning of Year	852,871	852,871	852,871	-
Fund Balance, End of Year	<u>\$ 876,870</u>	<u>\$ 450,991</u>	<u>\$ 898,602</u>	<u>\$ 447,611</u>

CITY OF AGOURA HILLS, CALIFORNIA
Redevelopment Set-Aside Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 150,000	\$ 150,000	\$ 80,765	\$ (69,235)
Other revenues	-	-	11,000	11,000
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>91,765</u>	<u>(58,235)</u>
EXPENDITURES				
Current:				
General government	494,823	509,823	509,264	559
Community development	522,436	633,716	617,219	16,497
Public works	16,697	16,697	15,464	1,233
Total Expenditures	<u>1,033,956</u>	<u>1,160,236</u>	<u>1,141,947</u>	<u>18,289</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(883,956)</u>	<u>(1,010,236)</u>	<u>(1,050,182)</u>	<u>(39,946)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,130,656	1,047,870	1,047,613	(257)
Transfers out	(617,230)	(824,198)	(617,405)	206,793
Total Other Financing Sources (Uses)	<u>513,426</u>	<u>223,672</u>	<u>430,208</u>	<u>206,536</u>
Net Change in Fund Balance	(370,530)	(786,564)	(619,974)	166,590
Fund Balance, Beginning of Year, as restated	<u>12,559,013</u>	<u>12,559,013</u>	<u>12,559,013</u>	-
Fund Balance, End of Year	<u>\$ 12,188,483</u>	<u>\$ 11,772,449</u>	<u>\$ 11,939,039</u>	<u>\$ 166,590</u>

CITY OF AGOURA HILLS, CALIFORNIA
Redevelopment Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 20,000	\$ 20,000	\$ 9,006	\$ (10,994)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>9,006</u>	<u>(10,994)</u>
EXPENDITURES				
Current:				
General government	268,094	1,400,186	223,142	1,177,044
Community development	387,345	390,145	369,709	20,436
Public works	64,885	64,885	66,711	(1,826)
Capital outlay	-	1,130,000	1,065,494	64,506
Total Expenditures	<u>720,324</u>	<u>2,985,216</u>	<u>1,725,056</u>	<u>1,260,160</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(700,324)</u>	<u>(2,965,216)</u>	<u>(1,716,050)</u>	<u>1,249,166</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	706,754	1,418,508	1,418,743	235
Transfers out	(476,027)	(516,027)	(31,127,491)	(30,611,464)
Total Other Financing Sources (Uses)	<u>230,727</u>	<u>902,481</u>	<u>(29,708,748)</u>	<u>(30,611,229)</u>
Net Change in Fund Balance	<u>(469,597)</u>	<u>(2,062,735)</u>	<u>(31,424,798)</u>	<u>(29,362,063)</u>
Fund Balance, Beginning of Year	6,297,283	6,297,283	6,297,283	-
Fund Balance, End of Year	<u>\$ 5,827,686</u>	<u>\$ 4,234,548</u>	<u>\$ (25,127,515)</u>	<u>\$ (29,362,063)</u>

CITY OF AGOURA HILLS, CALIFORNIA
Recreation Center Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 45,000	\$ 45,000	\$ 37,245	\$ (7,755)
Total Revenues	45,000	45,000	37,245	(7,755)
EXPENDITURES				
Current:				
General government	-	50,000	43,304	6,696
Capital outlay	-	4,400,000	4,413,803	(13,803)
Total Expenditures	-	4,450,000	4,457,107	(7,107)
Net Change in Fund Balance	45,000	(4,405,000)	(4,419,862)	(14,862)
Fund Balance, Beginning of Year	4,806,136	4,806,136	4,806,136	-
Fund Balance, End of Year	<u>\$ 4,851,136</u>	<u>\$ 401,136</u>	<u>\$ 386,274</u>	<u>\$ (14,862)</u>

CITY OF AGOURA HILLS, CALIFORNIA
Reyes Adobe Interchange Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ 200	\$ 1,348	\$ 1,148
Other revenues		\$ 3,439,587	\$ 3,003,294	\$ (436,293)
Total Revenues	-	3,439,787	3,004,642	(435,145)
EXPENDITURES				
Current:				
General government	-	3,879	5,982	(2,103)
Debt Service:				
Interest and fiscal charges	-	5,683,905	3,355,966	2,327,939
Total Expenditures	-	5,687,784	3,361,948	2,325,836
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,247,997)	(357,306)	1,890,691
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,153,292		(2,153,292)
Total Other Financing Sources (Uses)	-	2,153,292	-	(2,153,292)
Net Change in Fund Balance	-	(94,705)	(357,306)	(262,601)
Fund Balance, Beginning of Year	-	(847,096)	(847,096)	-
Fund Balance, End of Year	\$ -	\$ (941,801)	\$ (1,204,402)	\$ (262,601)

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Measure R Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 1,211,284	\$ 806,350	\$ 463,600	\$ (342,750)
Total Revenues	<u>1,211,284</u>	<u>806,350</u>	<u>463,600</u>	<u>(342,750)</u>
EXPENDITURES				
Current:				
General government	73,645	62,052	61,992	60
Public works	126,090	109,172	109,137	35
Capital outlay	1,011,900	844,300	843,216	1,084
Total Expenditures	<u>1,211,635</u>	<u>1,015,524</u>	<u>1,014,345</u>	<u>1,179</u>
Net Change in Fund Balance	(351)	(209,174)	(550,745)	(341,571)
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ (351)</u>	<u>\$ (209,174)</u>	<u>\$ (550,745)</u>	<u>\$ (341,571)</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.

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.

Traffic Congestion Relief - To account for funds allocated to the City by the State (AB2928) which may only be used for street road maintenance or reconstruction. Cities are required to maintain their existing commitment of general funds for streets or road works.

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.

Community Development Block Grant - To account for federal Housing and Community Development Act funds received through the County of Los Angeles Community Development Commission.

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

Nonmajor Debt Service Fund

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

Inclusionary Housing In Lieu - To account for in lieu fees to be used for the development or maintenance of housing affordable to low to moderate income households.

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

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, 2011

	Special Revenue Funds				
	Traffic Improvement	Traffic Safety	Transit Tax	Public Transit	Air Quality Management
ASSETS					
Cash and investments	\$ 1,186,406	\$ 19,962	\$ 541,239	\$ -	\$ 36,950
Receivables:					
Accounts	-	-	-	-	-
Interest	7,265	70	1,580	-	106
Deferred loans	-	-	-	-	-
Due from other governments	-	12,866	64,236	-	5,531
Due from other funds	2,022,212	-	-	-	-
Prepays	-	-	-	-	-
Total Assets	<u>\$ 3,215,883</u>	<u>\$ 32,898</u>	<u>\$ 607,055</u>	<u>\$ -</u>	<u>\$ 42,587</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenditures	\$ 249,843	\$ 14,118	\$ 84,078	\$ 8,354	\$ 225
Due to other funds	-	-	-	279,402	-
Deferred revenue	-	-	-	-	-
Total Liabilities	<u>249,843</u>	<u>14,118</u>	<u>84,078</u>	<u>287,756</u>	<u>225</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	522,977	-	42,362
Committed	2,966,040	18,780	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	(287,756)	-
Total Fund Balances	<u>2,966,040</u>	<u>18,780</u>	<u>522,977</u>	<u>(287,756)</u>	<u>42,362</u>
Total Liabilities and Fund Balances	<u>\$ 3,215,883</u>	<u>\$ 32,898</u>	<u>\$ 607,055</u>	<u>\$ -</u>	<u>\$ 42,587</u>

Special Revenue Funds

Supplemental Law Enforcement	Solid Waste Management	Traffic Congestion Relief	State Gas Tax	Measure R	Other Grants	Community Development Block Grant	Utility Undergrounding
\$ 4,572	\$ 159,565	\$ -	\$ 173,802	\$ 8,124	\$ -	\$ 2	\$ 117,988
-	21,930	-	-	-	83,690	-	-
18	537	-	274	-	-	-	337
-	-	-	-	-	-	476,385	-
12,706	-	-	71,635	-	93,291	-	-
-	-	-	-	-	-	-	-
-	25	-	-	-	-	-	-
<u>\$ 17,296</u>	<u>\$ 182,057</u>	<u>\$ -</u>	<u>\$ 245,711</u>	<u>\$ 8,124</u>	<u>\$ 176,981</u>	<u>\$ 476,387</u>	<u>\$ 118,325</u>
\$ 8,083	\$ 512	\$ -	\$ 70,235	\$ -	\$ 15,338	\$ -	\$ -
-	-	-	-	-	92,143	-	-
-	-	-	-	-	129,850	476,387	-
<u>8,083</u>	<u>512</u>	<u>-</u>	<u>70,235</u>	<u>-</u>	<u>237,331</u>	<u>476,387</u>	<u>-</u>
-	25	-	-	-	-	-	-
9,213	-	-	175,476	8,124	-	-	-
-	181,520	-	-	-	-	-	118,325
-	-	-	-	-	-	-	-
-	-	-	-	-	(60,350)	-	-
<u>9,213</u>	<u>181,545</u>	<u>-</u>	<u>175,476</u>	<u>8,124</u>	<u>(60,350)</u>	<u>-</u>	<u>118,325</u>
<u>\$ 17,296</u>	<u>\$ 182,057</u>	<u>\$ -</u>	<u>\$ 245,711</u>	<u>\$ 8,124</u>	<u>\$ 176,981</u>	<u>\$ 476,387</u>	<u>\$ 118,325</u>

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2011

	Debt Service		Capital Projects		Total Nonmajor Governmental Funds
	Financing Authority Debt Service	Inclusionary Housing In Lieu	Financing Authority Capital Projects	Storm Water Capital Projects	
ASSETS					
Cash and investments	\$ 5	\$ 2,427,557	\$ 1,565,201	\$ 93,860	\$ 6,335,233
Receivables:					
Accounts	-	-	-	-	105,620
Interest	-	6,929	1,853	268	19,237
Deferred loans	-	-	-	-	476,385
Due from other governments	-	-	-	-	260,265
Due from other funds	-	-	-	-	2,022,212
Prepays	-	-	-	-	25
Total Assets	<u>\$ 5</u>	<u>\$ 2,434,486</u>	<u>\$ 1,567,054</u>	<u>\$ 94,128</u>	<u>\$ 9,218,977</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ 450,786
Due to other funds	-	-	-	-	371,545
Deferred revenue	-	-	-	-	606,237
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,428,568</u>
FUND BALANCES					
Nonspendable	-	-	-	-	25
Restricted	-	-	1,567,054	-	2,325,206
Committed	-	2,434,486	-	-	5,719,151
Assigned	5	-	-	94,128	94,133
Unassigned	-	-	-	-	(348,106)
Total Fund Balances	<u>5</u>	<u>2,434,486</u>	<u>1,567,054</u>	<u>94,128</u>	<u>7,790,409</u>
Total Liabilities and Fund Balances	<u>\$ 5</u>	<u>\$ 2,434,486</u>	<u>\$ 1,567,054</u>	<u>\$ 94,128</u>	<u>\$ 9,218,977</u>

CITY OF AGOURA HILLS, CALIFORNIA
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2011

	Special Revenue Funds					
	Traffic Improvement	Traffic Safety	Transit Tax	Public Transit	Air Quality Management	Supplemental Law Enforcement
REVENUES:						
Intergovernmental	\$ -	\$ -	\$ 401,863	\$ 261,463	\$ 25,599	\$ 100,000
Charges for services	2,440	-	44,221	-	-	-
Fines and penalties	-	156,639	-	-	-	-
Investment income	26,609	176	5,149	1,002	309	45
Other revenues	-	-	-	-	-	-
Total Revenues	<u>29,049</u>	<u>156,815</u>	<u>451,233</u>	<u>262,465</u>	<u>25,908</u>	<u>100,045</u>
EXPENDITURES:						
Current:						
General government	138,355	-	-	45,500	1,200	-
Public safety	-	58,390	-	-	-	100,000
Community services	-	-	190,954	-	-	-
Public works	-	93,779	446,480	254,954	-	-
Capital outlay	44,474	-	-	1,235,000	17,995	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal changes	-	-	-	-	-	-
Total Expenditures	<u>182,829</u>	<u>152,169</u>	<u>637,434</u>	<u>1,535,454</u>	<u>19,195</u>	<u>100,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(153,780)</u>	<u>4,646</u>	<u>(186,201)</u>	<u>(1,272,989)</u>	<u>6,713</u>	<u>45</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(153,780)</u>	<u>4,646</u>	<u>(186,201)</u>	<u>(1,272,989)</u>	<u>6,713</u>	<u>45</u>
Fund Balances at Beginning of Year	<u>3,119,820</u>	<u>14,134</u>	<u>709,178</u>	<u>985,233</u>	<u>35,649</u>	<u>9,168</u>
Fund Balances at End of Year	<u>\$ 2,966,040</u>	<u>\$ 18,780</u>	<u>\$ 522,977</u>	<u>\$ (287,756)</u>	<u>\$ 42,362</u>	<u>\$ 9,213</u>

Special Revenue Funds

Solid Waste Management	Traffic Congestion Relief	State Gas Tax	Measure R	Other Grants	Community Development Block Grant	Utility Undergrounding
\$ -	\$ -	\$ -	\$ 195,691	\$ 160,180	\$ -	\$ -
77,152	-	601,207	-	-	-	150,000
-	-	-	-	-	-	-
1,656	2	352	-	-	-	818
3,250	-	-	-	-	-	-
<u>82,058</u>	<u>2</u>	<u>601,559</u>	<u>195,691</u>	<u>160,180</u>	<u>-</u>	<u>150,818</u>
-	-	-	-	73,373	-	32,493
-	-	-	-	81,089	-	-
86,352	-	-	-	5,545	-	-
-	-	278,057	-	-	-	-
-	1,912	218,765	195,600	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>86,352</u>	<u>1,912</u>	<u>496,822</u>	<u>195,600</u>	<u>160,007</u>	<u>-</u>	<u>32,493</u>
(4,294)	(1,910)	104,737	91	173	-	118,325
-	1,330	-	-	-	-	-
-	1,330	-	-	-	-	-
(4,294)	(580)	104,737	91	173	-	118,325
185,839	580	70,739	8,033	(60,523)	-	-
<u>\$ 181,545</u>	<u>\$ -</u>	<u>\$ 175,476</u>	<u>\$ 8,124</u>	<u>\$ (60,350)</u>	<u>\$ -</u>	<u>\$ 118,325</u>

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, 2011

	Debt Service	Capital Projects			
	Financing Authority Debt Service	Inclusionary Housing In Lieu	Financing Authority Capital Projects	Storm Water Capital Projects	Total Nonmajor Governmental Funds
REVENUES:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 1,144,796
Charges for services	-	-	-	-	875,020
Fines and penalties	-	-	-	-	156,639
Investment income	3	21,301	9,664	825	67,911
Other revenues	-	-	-	-	3,250
Total Revenues	<u>3</u>	<u>21,301</u>	<u>9,664</u>	<u>825</u>	<u>2,247,616</u>
EXPENDITURES:					
Current:					
General government	3,896	-	-	-	294,817
Public safety	-	-	-	-	239,479
Community services	-	-	-	-	282,851
Public works	-	-	-	1,001	1,074,271
Capital outlay	-	-	-	-	1,713,746
Debt service:					
Principal	180,000	-	-	-	180,000
Interest and fiscal changes	487,831	-	-	-	487,831
Total Expenditures	<u>671,727</u>	<u>-</u>	<u>-</u>	<u>1,001</u>	<u>4,272,995</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(671,724)</u>	<u>21,301</u>	<u>9,664</u>	<u>(176)</u>	<u>(2,025,379)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	668,781	-	-	-	670,111
Total Other Financing Sources (Uses)	<u>668,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>670,111</u>
Net Change in Fund Balances	(2,943)	21,301	9,664	(176)	(1,355,268)
Fund Balances at Beginning of Year	2,948	2,413,185	1,557,390	94,304	9,145,677
Fund Balances at End of Year	<u>\$ 5</u>	<u>\$ 2,434,486</u>	<u>\$ 1,567,054</u>	<u>\$ 94,128</u>	<u>\$ 7,790,409</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Traffic Improvement Special Revenue
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 105,000	\$ 105,000	\$ 2,440	\$ (102,560)
Investment income	50,000	25,000	26,609	1,609
Total Revenues	<u>155,000</u>	<u>130,000</u>	<u>29,049</u>	<u>(100,951)</u>
EXPENDITURES				
Current:				
General government	-	-	138,355	(138,355)
Capital outlay	159,000	194,500	44,474	150,026
Total Expenditures	<u>159,000</u>	<u>194,500</u>	<u>182,829</u>	<u>11,671</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,000)</u>	<u>(64,500)</u>	<u>(153,780)</u>	<u>(89,280)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	2,153,292	-	(2,153,292)
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,153,292</u>	<u>-</u>	<u>(2,153,292)</u>
Net Change in Fund Balance	(4,000)	2,088,792	(153,780)	(2,242,572)
Fund Balance, Beginning of Year	<u>3,119,820</u>	<u>3,119,820</u>	<u>3,119,820</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,115,820</u>	<u>\$ 5,208,612</u>	<u>\$ 2,966,040</u>	<u>\$ (2,242,572)</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Traffic Safety Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and penalties	\$ 150,000	\$ 150,000	\$ 156,639	\$ 6,639
Investment income	1,100	1,100	176	(924)
Total Revenues	<u>151,100</u>	<u>151,100</u>	<u>156,815</u>	<u>5,715</u>
EXPENDITURES				
Current:				
Public safety	67,000	60,000	58,390	1,610
Public works	84,000	104,000	93,779	10,221
Total Expenditures	<u>151,000</u>	<u>164,000</u>	<u>152,169</u>	<u>11,831</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>100</u>	<u>(12,900)</u>	<u>4,646</u>	<u>17,546</u>
Net Change in Fund Balance	100	(12,900)	4,646	17,546
Fund Balance, Beginning of Year	<u>14,134</u>	<u>14,134</u>	<u>14,134</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 14,234</u>	<u>\$ 1,234</u>	<u>\$ 18,780</u>	<u>\$ 17,546</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Transit Tax Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 410,763	\$ 394,854	\$ 401,863	\$ 7,009
Charges for service	47,000	51,500	44,221	(7,279)
Investment income	9,500	9,500	5,149	(4,351)
Total Revenues	<u>467,263</u>	<u>455,854</u>	<u>451,233</u>	<u>(4,621)</u>
EXPENDITURES				
Current:				
Community services	249,300	221,163	190,954	30,209
Public works	422,030	445,542	446,480	(938)
Total Expenditures	<u>671,330</u>	<u>666,705</u>	<u>637,434</u>	<u>29,271</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(204,067)</u>	<u>(210,851)</u>	<u>(186,201)</u>	<u>24,650</u>
Net Change in Fund Balance	(204,067)	(210,851)	(186,201)	24,650
Fund Balance, Beginning of Year	<u>709,178</u>	<u>709,178</u>	<u>709,178</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 505,111</u>	<u>\$ 498,327</u>	<u>\$ 522,977</u>	<u>\$ 24,650</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Public Transit Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 260,897	\$ 260,897	\$ 261,463	\$ 566
Investment income	10,400	1,002	1,002	-
Total Revenues	<u>271,297</u>	<u>261,899</u>	<u>262,465</u>	<u>566</u>
EXPENDITURES				
Current:				
General government	-	-	45,500	(45,500)
Public works	246,695	246,695	254,954	(8,259)
Capital outlay	1,320,000	1,335,000	1,235,000	100,000
Total Expenditures	<u>1,566,695</u>	<u>1,581,695</u>	<u>1,535,454</u>	<u>46,241</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,295,398)</u>	<u>(1,319,796)</u>	<u>(1,272,989)</u>	<u>46,807</u>
Net Change in Fund Balance	<u>(1,295,398)</u>	<u>(1,319,796)</u>	<u>(1,272,989)</u>	<u>46,807</u>
Fund Balance, Beginning of Year	<u>985,233</u>	<u>985,233</u>	<u>985,233</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (310,165)</u></u>	<u><u>\$ (334,563)</u></u>	<u><u>\$ (287,756)</u></u>	<u><u>\$ 46,807</u></u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Air Quality Management Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 26,700	\$ 26,700	\$ 25,599	\$ (1,101)
Investment income	500	500	309	(191)
Total Revenues	<u>27,200</u>	<u>27,200</u>	<u>25,908</u>	<u>(1,292)</u>
EXPENDITURES				
Current:				
General government	1,200	1,200	1,200	-
Capital outlay	23,000	23,000	17,995	5,005
Total Expenditures	<u>24,200</u>	<u>24,200</u>	<u>19,195</u>	<u>5,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,000</u>	<u>3,000</u>	<u>6,713</u>	<u>3,713</u>
Net Change in Fund Balance	3,000	3,000	6,713	3,713
Fund Balance, Beginning of Year	35,649	35,649	35,649	-
Fund Balance, End of Year	<u>\$ 38,649</u>	<u>\$ 38,649</u>	<u>\$ 42,362</u>	<u>\$ 3,713</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Supplemental Law Enforcement Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Investment income	500	500	45	(455)
Total Revenues	<u>100,500</u>	<u>100,500</u>	<u>100,045</u>	<u>(455)</u>
EXPENDITURES				
Current:				
Public safety	100,000	100,000	100,000	-
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>500</u>	<u>500</u>	<u>45</u>	<u>(455)</u>
Net Change in Fund Balance	500	500	45	(455)
Fund Balance, Beginning of Year	<u>9,168</u>	<u>9,168</u>	<u>9,168</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 9,668</u></u>	<u><u>\$ 9,668</u></u>	<u><u>\$ 9,213</u></u>	<u><u>\$ (455)</u></u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Solid Waste Management Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 70,000	\$ 69,750	\$ 77,152	\$ 7,402
Investment income	2,000	2,000	1,656	(344)
Other revenues	3,250	3,000	3,250	250
Total Revenues	<u>75,250</u>	<u>74,750</u>	<u>82,058</u>	<u>7,308</u>
EXPENDITURES				
Current:				
Community services	112,000	100,035	86,352	13,683
Total Expenditures	<u>112,000</u>	<u>100,035</u>	<u>86,352</u>	<u>13,683</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(36,750)</u>	<u>(25,285)</u>	<u>(4,294)</u>	<u>20,991</u>
Net Change in Fund Balance	<u>(36,750)</u>	<u>(25,285)</u>	<u>(4,294)</u>	<u>20,991</u>
Fund Balance, Beginning of Year	185,839	185,839	185,839	-
Fund Balance, End of Year	<u>\$ 149,089</u>	<u>\$ 160,554</u>	<u>\$ 181,545</u>	<u>\$ 20,991</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Traffic Congestion Relief Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Investment income	-	1,330	2	(1,328)
Total Revenues	-	1,330	2	(1,328)
EXPENDITURES				
Capital outlay	-	1,850	1,912	(62)
Total Expenditures	-	1,850	1,912	(62)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(520)	(1,910)	(1,390)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,330	1,330
Total Other Financing Sources (Uses)	-	-	1,330	1,330
Net Change in Fund Balance	-	(520)	(580)	(60)
Fund Balance, Beginning of Year	580	580	580	-
Fund Balance, End of Year	\$ 580	\$ 60	\$ -	\$ (60)

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor State Gas Tax Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 603,296	\$ 610,954	601,207	\$ (9,747)
Investment income	2,000	2,000	352	(1,648)
Total Revenues	<u>605,296</u>	<u>612,954</u>	<u>601,559</u>	<u>(11,395)</u>
EXPENDITURES				
Current:				
Public works	353,350	303,500	278,057	25,443
Capital outlay	290,600	243,130	218,765	24,365
Total Expenditures	<u>643,950</u>	<u>546,630</u>	<u>496,822</u>	<u>49,808</u>
Excess (Deficiency) of Revenues Over (Under) expenditures	<u>(38,654)</u>	<u>66,324</u>	<u>104,737</u>	<u>38,413</u>
Net Change in Fund Balance	(38,654)	66,324	104,737	38,413
Fund Balance, Beginning of Year	70,739	70,739	70,739	-
Fund Balance, End of Year	<u>\$ 32,085</u>	<u>\$ 137,063</u>	<u>\$ 175,476</u>	<u>\$ 38,413</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Measure R Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 195,938	\$ 195,938	\$ 195,691	\$ (247)
Total Revenues	<u>195,938</u>	<u>195,938</u>	<u>195,691</u>	<u>(247)</u>
EXPENDITURES				
Capital outlay	<u>195,600</u>	<u>195,600</u>	<u>195,600</u>	<u>-</u>
Total Expenditures	<u>195,600</u>	<u>195,600</u>	<u>195,600</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>338</u>	<u>338</u>	<u>91</u>	<u>(247)</u>
Net Change in Fund Balance	<u>338</u>	<u>338</u>	<u>91</u>	<u>(247)</u>
Fund Balance, Beginning of Year	<u>8,033</u>	<u>8,033</u>	<u>8,033</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 8,371</u></u>	<u><u>\$ 8,371</u></u>	<u><u>\$ 8,124</u></u>	<u><u>\$ (247)</u></u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Other Grants Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 347,000	\$ 237,000	\$ 160,180	\$ (76,820)
Total Revenues	<u>347,000</u>	<u>237,000</u>	<u>160,180</u>	<u>(76,820)</u>
EXPENDITURES				
Current:				
General government	72,000	86,158	73,373	12,785
Public safety	-	82,000	81,089	911
Community services	-	5,600	5,545	55
Capital outlay	275,000	125,000	-	125,000
Total Expenditures	<u>347,000</u>	<u>298,758</u>	<u>160,007</u>	<u>138,751</u>
Excess (Deficiency) of Revenues Over (Under) expenditures	<u>-</u>	<u>(61,758)</u>	<u>173</u>	<u>(215,571)</u>
Net Change in Fund Balance	-	(61,758)	173	(215,571)
Fund Balance, Beginning of Year	(60,523)	(60,523)	(60,523)	-
Fund Balance, End of Year	<u>\$ (60,523)</u>	<u>\$ (122,281)</u>	<u>\$ (60,350)</u>	<u>\$ (215,571)</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Utility Undergrounding Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ 150,000	150,000	\$ -
Investment income	-	-	818	818
Total Revenues	-	150,000	150,818	818
EXPENDITURES				
Current:				
General government	-	50,000	32,493	17,507
Total Expenditures	-	50,000	32,493	17,507
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	100,000	118,325	18,325
Net Change in Fund Balance	-	100,000	118,325	18,325
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ 100,000	\$ 118,325	\$ 18,325

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Financing Authority Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 3	\$ 3
Total Revenues	-	-	3	3
EXPENDITURES				
Current:				
General government	4,000	4,000	3,896	104
Debt Service:				
Principal	180,000	180,000	180,000	-
Interest and fiscal changes	487,831	487,831	487,831	-
Total Expenditures	671,831	671,831	671,727	104
Excess (Deficiency) of Revenues Over (Under) Expenditures	(671,831)	(671,831)	(671,724)	107
OTHER FINANCING SOURCES (USES)				
Transfers in	672,000	672,000	668,781	(3,219)
Total Other Financing Sources (Uses)	672,000	672,000	668,781	(3,219)
Net Change in Fund Balance	169	169	(2,943)	(3,112)
Fund Balance, Beginning of Year	2,948	2,948	2,948	-
Fund Balance, End of Year	\$ 3,117	\$ 3,117	\$ 5	\$ (3,112)

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Inclusionary Housing In Lieu Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 25,000	\$ 25,000	\$ 21,301	\$ (3,699)
Total Revenues	25,000	25,000	21,301	(3,699)
EXPENDITURES				
Current:				
General government	-	-		-
Total Expenditures	-	-	-	-
Net Change in Fund Balance	25,000	25,000	21,301	(3,699)
Fund Balance, Beginning of Year	2,413,185	2,413,185	2,413,185	-
Fund Balance, End of Year	<u>\$ 2,438,185</u>	<u>\$ 2,438,185</u>	<u>\$ 2,434,486</u>	<u>\$ (3,699)</u>

CITY OF AGOURA HILLS, CALIFORNIA
Nonmajor Storm Water Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income		\$ 500	\$ 825	\$ 325
Total Revenues	-	500	825	325
EXPENDITURES				
Current:				
Public works	\$ 93,800	1,000	1,001	(1)
Total Expenditures	93,800	1,000	1,001	(1)
Net Change in Fund Balance	(93,800)	(500)	(176)	324
Fund Balance, Beginning of Year	94,304	94,304	94,304	-
Fund Balance, End of Year	\$ 504	\$ 93,804	\$ 94,128	\$ 324

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, 2011

	Balance June 30, 2010	Additions	Reductions	Balance June 30, 2011
ASSETS				
Cash and investments	\$ 1,036,954	\$ 863,736	\$ (798,150)	\$ 1,102,540
Interest receivable	-	270	-	270
Accounts receivable	35,230	150,936	(179,990)	6,176
Due from other governments	74,471	120,800	(105,442)	89,829
Total Assets	<u>\$ 1,146,655</u>	<u>\$ 1,135,742</u>	<u>\$ (1,083,582)</u>	<u>\$ 1,198,815</u>
LIABILITIES				
Accounts payable	<u>\$ 1,146,655</u>	<u>\$ 1,655,168</u>	<u>\$ (1,603,008)</u>	<u>\$ 1,198,815</u>

STATISTICAL SECTION

CITY OF



AGGURA HILLS

CITY OF AGOURA HILLS, CALIFORNIA
Statistical Section (Unaudited)
For the Year Ended June 30, 2011

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.

<u>Contents</u>	Page(s)
Financial Trends	
<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>	83
Revenue Capacity	
<i>These schedules contain trend information to help the reader assess the government's most significant current local revenue source, the property tax.</i>	88
Debt Capacity	
<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>	95
Demographic and Economic Information	
<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>	99
Operating Information	
<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>	102

Unless otherwise noted, the information in these schedules is derived 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 Six Fiscal Years***(accrual basis of accounting)*

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Governmental activities						
Invested in capital assets, net of related debt	\$ 39,154,947	\$ 46,162,983	\$ 48,276,081 *	\$ 49,983,660	\$ 57,211,864	\$ 66,710,006
Restricted	11,384,644	8,427,779	23,887,822	26,521,423	12,056,277	4,028,535
Unrestricted	19,552,713	24,640,773	10,795,825	9,262,568	16,091,249	15,309,694
Total primary government net assets-restated	<u>\$ 70,092,304</u>	<u>\$ 79,231,535</u>	<u>\$ 82,959,728</u>	<u>\$ 85,767,651</u>	<u>\$ 85,359,390</u>	<u>\$ 86,048,235</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

CITY OF AGOURA HILLS, CALIFORNIA

Changes in Net Assets

Last Six Fiscal Years

(accrual basis of accounting)

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Expenses						
Governmental activities						
General government	\$ 3,110,794	\$ 2,955,695	\$ 2,930,987	\$ 3,054,767	\$ 3,797,117	\$ 3,192,991
Public safety	2,719,899	2,917,439	3,456,845	4,186,728	4,069,389	4,355,912
Public works	3,291,807	2,797,710	4,717,054	4,129,327	5,557,145	5,563,786
Community development	3,605,839	1,424,676	1,549,091	1,899,937	1,821,939	1,595,785
Pass through to other agencies	2,528,528	2,721,575	3,436,430	3,805,788	3,677,954	3,602,569
Community services	1,815,186	1,348,155	1,590,653	1,992,453	2,223,534	1,912,544
Interest on long-term debt (unallocated)	463,903	245,668	2,530,675	1,486,082	1,407,800	1,359,595
Total primary government expenses	<u>\$ 17,535,956</u>	<u>\$ 14,410,918</u>	<u>\$ 20,211,735</u>	<u>\$ 20,555,082</u>	<u>\$ 22,554,878</u>	<u>\$ 21,583,182</u>
Program Revenues						
Governmental activities						
Charges for Services						
General government	\$ 16,009	\$ 5,465	\$ -	\$ 155,154	\$ 63,389	\$ 64,506
Public safety	315,266	221,310	224,473	575,792	751,293	622,151
Public works	1,582,580	1,650,150	1,047,910	162,319	119,493	156,468
Community development	-	-	-	182,152	78,863	216,354
Community services	342,090	331,778	327,249	286,443	244,876	273,920
Operating grants and contributions	5,121,839	4,495,414	4,884,543	1,894,247	2,256,379	2,934,225
Capital grants and contributions	128,782	1,189,144	-	3,555,911	3,102,464	2,680,376
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>	<u>\$ 6,616,757</u>	<u>\$ 6,948,000</u>
Net (Expense)/Revenue						
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>	<u>\$ (15,938,121)</u>	<u>\$ (14,635,182)</u>
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes	\$ 11,598,025	\$ 14,159,127	\$ 15,682,063	\$ 15,534,187	\$ 14,617,232	\$ 14,661,200
Intergovernmental revenues	1,709,143	145,874	218,813	84,860	68,491	118,561
Investment earnings	1,159,494	1,487,500	1,284,265	1,038,661	628,622	323,286
Other revenues	268,863	328,538	572,992	383,994	253,837	220,980
Total primary government	<u>\$ 14,735,525</u>	<u>\$ 16,121,039</u>	<u>\$ 17,758,133</u>	<u>\$ 17,041,702</u>	<u>\$ 15,568,182</u>	<u>\$ 15,324,027</u>
Change in Net Assets						
Total primary government	<u>\$ 4,706,135</u>	<u>\$ 9,139,231</u>	<u>\$ 3,318,697</u>	<u>\$ 2,807,924</u>	<u>\$ (369,939)</u>	<u>\$ 688,845</u>

Source: City of Agoura Hills financial data

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

Function/Program	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Governmental activities						
General government	\$ 16,009	\$ 285,465	\$ 4,738	\$ 761,277	\$ 282,768	\$ 134,837
Public safety	501,727	351,260	337,573	680,227	931,494	803,246
Public works	3,578,328	4,491,664	2,558,996	3,904,182	4,554,613	5,514,098
Community development	256,661	34,729	2,040,266	182,152	415,188	216,354
Transportation	2,811,751	2,398,365	1,215,353	778,816 *	-	-
Community services	342,090	331,778	327,249	505,364	432,694	279,465
Subtotal governmental activities	<u>7,506,566</u>	<u>7,893,261</u>	<u>6,484,175</u>	<u>6,812,018</u>	<u>6,616,757</u>	<u>6,948,000</u>
Total primary government	<u>\$ 7,506,566</u>	<u>\$ 7,893,261</u>	<u>\$ 6,484,175</u>	<u>\$ 6,812,018</u>	<u>\$ 6,616,757</u>	<u>\$ 6,948,000</u>

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

Source: City of Agoura Hills financial data

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

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
General Fund						
Reserved	\$ 180,819	\$ 71,069	\$ 93,090	\$ 134,910	\$ 132,485	\$ -
Unreserved	12,359,069	12,103,349	9,837,238	8,959,990	10,213,579	-
Nonspendable	-	-	-	-	-	31,299,253
Unassigned	-	-	-	-	-	8,547,388
Total general fund	<u>\$ 12,539,888</u>	<u>\$ 12,174,418</u>	<u>\$ 9,930,328</u>	<u>\$ 9,094,900</u>	<u>\$ 10,346,064</u>	<u>\$ 39,846,641</u>
All Other Governmental Funds						
Reserved	\$ 4,098,168	\$ 7,448,983	\$ 18,291,348	\$ 22,888,774	\$ 21,487,071	\$ -
Unreserved, reported in:						
Special revenue funds	7,286,476	3,500,346	8,197,646	10,395,593	5,077,850	-
Capital projects funds	3,278,994	4,613,514	9,696,926	5,535,244	6,246,015	-
Debt service funds	324,222	104,617	9,970	8,958	2,948	-
Nonspendable	-	-	-	-	-	25
Restricted	-	-	-	-	-	19,256,902
Committed	-	-	-	-	-	5,719,151
Assigned	-	-	-	-	-	488,970
Unassigned	-	-	-	-	-	(31,333,386)
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>	<u>\$ 32,813,884</u>	<u>\$ (5,868,338)</u>

Source: City of Agoura Hills financial data

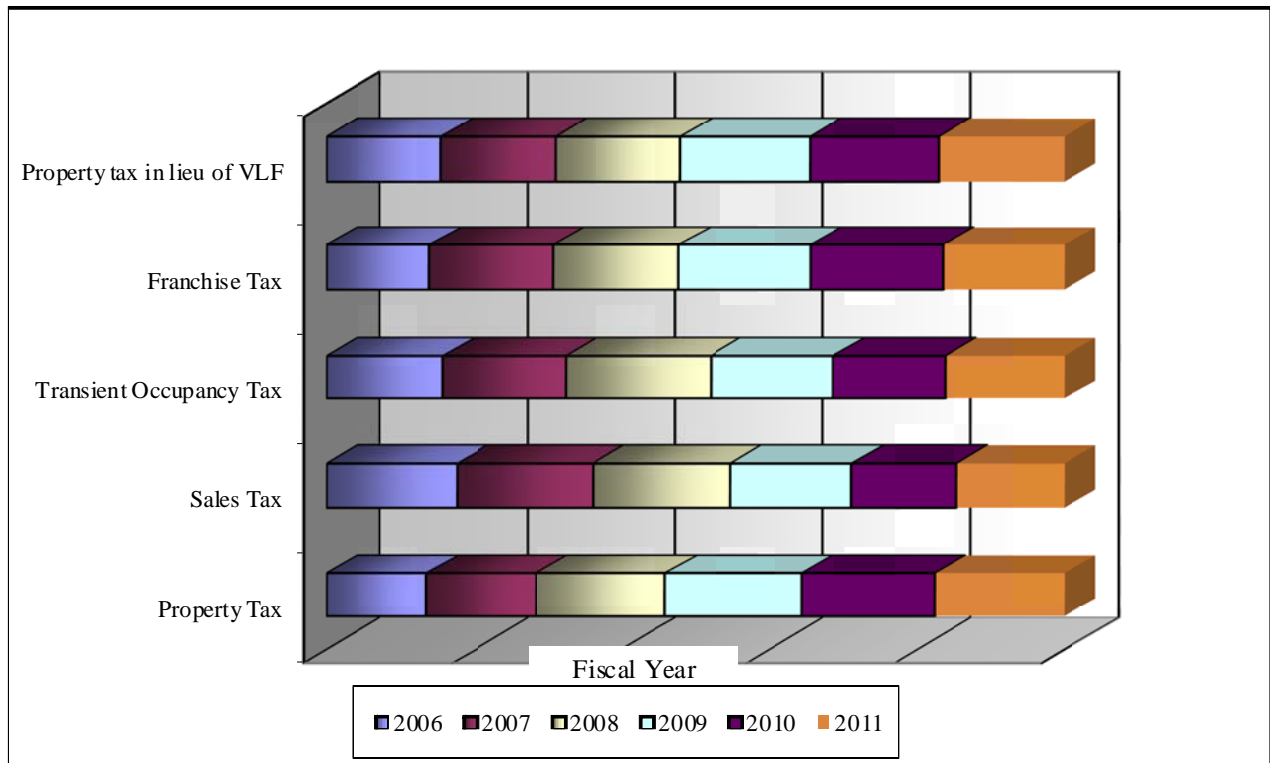
CITY OF AGOURA HILLS, CALIFORNIA
Changes in Fund Balances, Governmental Funds
Last Six Fiscal Years
(modified basis of accounting)

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Revenues						
Taxes	\$ 13,139,767	\$ 14,159,127	\$ 15,682,063	\$ 15,534,187	\$ 14,617,232	\$ 14,661,200
Licenses and permits	370,768	509,804	353,731	265,706	395,989	288,600
Intergovernmental revenues	3,729,532	2,924,586	4,718,608	5,540,391	2,829,479	1,801,400
Charges for services	1,772,383	3,143,141	1,393,074	851,052	1,391,044	1,680,175
Fines and forfeitures	315,266	221,310	237,572	273,040	274,144	240,884
Use of money and property	1,299,706	1,509,049	1,284,265	1,038,662	670,791	365,301
Other revenues	256,044	362,048	572,992	658,490	1,347,064	3,099,374
Total Revenues	20,883,466	22,829,065	24,242,305	24,161,528	21,525,743	22,136,934
Expenditures						
General government	2,608,602	2,694,762	2,948,429	2,862,969	4,861,099	4,670,903
Pass through to other agencies	2,528,528	2,721,575	3,411,775	3,805,788	3,677,954	3,602,569
Public safety	2,719,899	2,917,439	3,456,845	4,186,728	4,067,469	4,354,162
Community development	1,952,492	1,409,765	1,492,470	1,899,937	1,760,141	1,540,226
Community services	1,806,016	1,320,147	1,590,653	1,945,018	2,172,320	1,856,083
Public works	1,650,323	2,627,186	3,394,282	2,542,687	2,129,187	2,141,322
Capital outlay	10,068,857	11,097,394	3,689,451	8,021,635	5,662,811	11,392,225
Debt service						
Cost of issuance		331,308	873,994	-	-	-
Interest	463,903	226,635	439,678	1,245,976	1,396,358	1,381,089
Principal payments	205,000		230,000	165,000	365,000	380,000
Total expenditures	24,003,620	25,346,211	21,527,577	26,675,738	26,092,339	31,318,579
Excess of revenues over (under) expenditures	(3,120,154)	(2,517,146)	2,714,728	(2,514,210)	(4,566,596)	(9,181,645)
Other Financing Sources (Uses)						
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	10,821,932	34,881,363
Transfers out		(6,445,254)	(19,024,551)	(3,206,479)	(10,821,932)	(34,881,363)
Amount transferred to escrow		(9,161,711)				
Total other financing sources (uses)	-	2,831,276	15,569,609	-	-	-
Net change in fund balances	\$ (3,120,154)	\$ 314,130	\$ 18,284,337	\$ (2,514,210)	\$ (4,566,596)	\$ (9,181,645)
Debt service as a percentage of noncapital expenditures	4.8%	1.6%	3.8%	7.6%	8.6%	8.8%

Source: City of Agoura Hills financial data

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

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Property tax in lieu of VLF	Total
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	7,490,859	3,041,806	1,709,143	703,309	1,716,083	14,661,200
Change 2006-2011	30.50%	-16.04%	3.98%	18.94%	11.31%	11.58%



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 Six Fiscal Years
(in thousands of dollars)

Fiscal Year	Land	Improvements	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
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%

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 provide breakout of residential, commercial and industrial assessed values to the cities.

Source: County of Los Angeles, Auditor - Controller

CITY OF AGOURA HILLS, CALIFORNIA
Direct and Overlapping Property Tax Rats
Last Six Fiscal Years

Fiscal Year	Overlapping Rates					Total Tax Rates
	Basic County (1)	Los Angeles County	School Districts	Water Districts	Flood Control District	
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

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	2011			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	\$126,956,244	1	3.29%	\$21,915,130	2	0.94%
RBD Agoura Hills LLC	34,585,970	2	0.90%			
Bank of America	28,249,003	3	0.73%			
MEF Realty LLC	27,744,389	4	0.72%			
FW CA Twin Oaks Shopping Center LLC	24,253,770	5	0.63%			
Whizin Market Square	20,763,301	6	0.54%			
Aviation Building LLC	20,451,414	7	0.53%			
Arden Realty LP	20,440,000	8	0.53%			
Teradyne Inc	18,876,682	9	0.49%	72,590,771	1	3.12%
Agoura Business Center East	18,427,625	10	0.48%	11,547,536	10	0.50%
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	\$ 340,748,398		8.83%	\$ 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 Six Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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%	-	2,012,517	93.24%

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

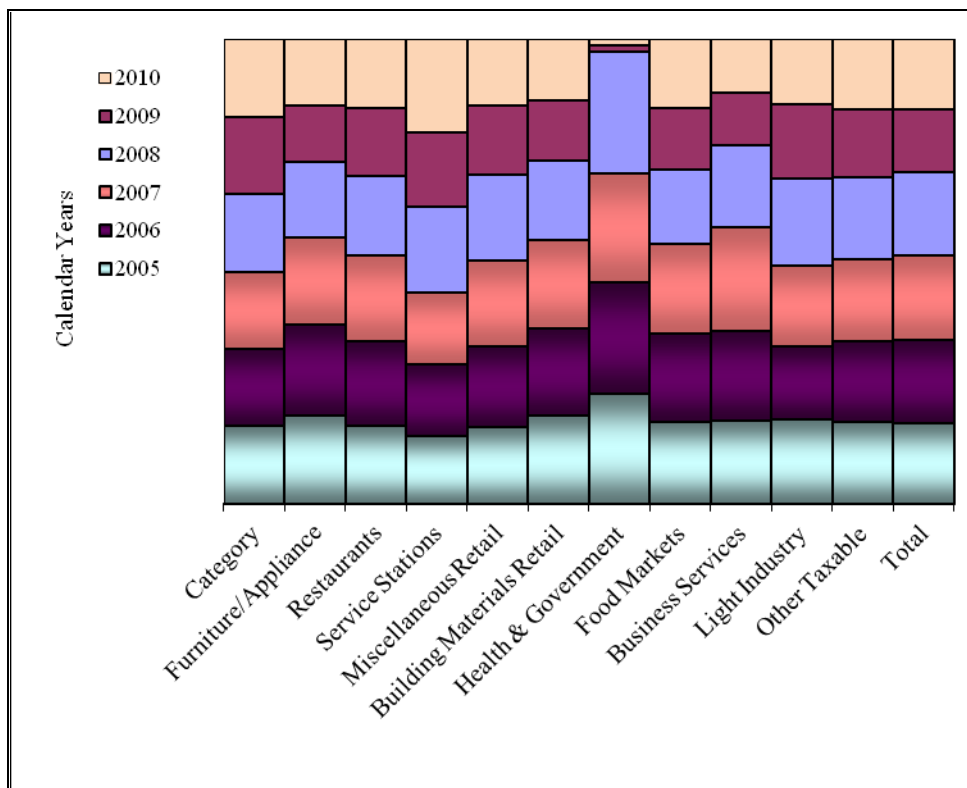
CITY OF AGOURA HILLS, CALIFORNIA

Taxable Sales by Category

Last Six Fiscal Years

(in thousands of dollars)

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



Notes: Calendar year 2011 not available.

Source: MuniServices

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

<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%

Source: California State Board of Equalization

CITY OF AGOURA HILLS, CALIFORNIA

Ratios of Outstanding Debt by Type

Last Six Fiscal Years

(dollars in thousands, except per capita)

Governmental Activities

Fiscal Year	1999 Lease Revenue Bonds (1)	2007 Lease Refunding Bonds (2)	2008 RDA Tax Allocation Bonds (3)	2008 RDA Housing Set-Aside Bonds (4)	Capital Leases	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
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	2.00%	450
2010	-	11,490	5,690	9,850	-	27,030	2.18%	518
2011	-	11,310	5,640	9,720	-	26,670	2.51%	557

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
For the Year Ended June 30, 2011

Fiscal Year	Lease Refunding Bonds	Redevelopment Bonds	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
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

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 schedule for population data.

Source: City of Agoura Hills financial data.

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Los Angeles County Flood Control District	\$ 53,795,000	0.377 %	\$ 202,807
Metropolitan Water District	227,670,000	0.191	434,850
Los Angeles Community College District	3,536,745,000	0.659	23,307,150
Las Virgenes Joint Unified School District	175,961,908	19.729	34,715,525
Los Angeles Co. Regional Park & Open Space Assessment Dist.	197,285,000	0.373	735,873
Other debt			
Los Angeles County General Fund Obligations	1,496,977,755	0.373	5,583,727
Los Angeles County Supt. of Schools Certificates of Participation	12,204,890	0.373	45,524
Las Virgenes Joint Unified School District Certificates of Participation	12,240,000	19.729	2,414,830
Subtotal, overlapping debt			67,440,285
City direct debt			
City of Agoura Hills General Fund Obligations	11,310,000	100.000	11,310,000
Total direct and overlapping debt			<u><u>\$ 78,750,285</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 Six Fiscal Years

(dollars in thousands)

	Fiscal Year					
	2011	2010	2009	2008	2007	2006
Debt limit	\$ 147,562	\$ 149,109	\$ 152,754	\$ 144,390	\$ 109,873	\$ 126,970
Total net debt applicable to limit	-	-	-	-	-	-
Legal debt margin	<u>\$ 147,562</u>	<u>\$ 149,109</u>	<u>\$ 152,754</u>	<u>\$ 144,390</u>	<u>\$ 109,873</u>	<u>\$ 126,970</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed Valuations:	
Gross Assessed Value	<u>\$ 3,934,984</u>
Debt Limitation - 3.75% of Total Assessed Value	\$ 147,562
Less debt applicable to limitation	-
Legal Debt Margin	<u>\$ 147,562</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.

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

Calendar Year	Population (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (2)	Median Age (2)	Percentage of Residents with at least some college	City Unemployment Rate (3)
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	1,371,204	60,959	38.0	77%	5.0%
2010	20,342	1,240,018	52,177	39.0	77%	5.5%
2011	20,393	1,064,046	47,862	38.5	83%	5.5%

* 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
Current Year

Company or Organization	Activity	Fiscal Year			
		2011		2010	
		Employees	Percentage to Total City Employment	Employees	Percentage of Total City Employment
Bank of America	Banking	824	7.42%	860	7.75%
Las Virgenes USD*	Government	457	4.12%	487	4.39%
THQ Inc	Publishing	309	2.78%	425	3.83%
Touch Commerce	Internet	207	1.86%	197	1.77%
IBM Corporation	Technology	206	1.86%	220	1.98%
Farmers Financial Solutions	Insurance	187	1.68%	150	1.35%
Teradyne Inc	Manufacturing	167	1.50%	197	1.77%
Pacific Compensation Insurance	Insurance	148	1.33%	150	1.35%
Wood Ranch Barbecue	Restaurant	120	1.08%	130	1.17%
Renaissance Hotel	Hotel	106	0.95%	150	1.35%
Total Top Employers		2,731	24.60%	2,966	26.72%
Total City Employment (1)		11,100		11,100	

Note: Data for nine years ago (2001) 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

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

Function/Program	Fiscal Year					
	2006	2007	2008	2009	2010	2011
General government	9.5	9.45	9.6	9.45	9.85	9.85
Community development	7.54	6.5	6.5	6.5	4.8	4.1
Community services	7.65	7	7	7	7	7
Public works	6.25	6.5	6.5	6.5	6.55	6.35
Building and safety	3.5	3.5	3.5	3.5	3	3
Redevelopment	2.4	3.05	2.9	3.05	3.8	5.5
Total full-time equivalent employees	36.84	36	36	36	35	35.8

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

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

Function/Program	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Parks and recreation						
Number of City sponsored events	21	26	26	28	34	34
Public Works						
Street resurfacing (lane miles)	9	6	6	7	7	8
Solid Waste						
Residential Recycling Collected (pounds)*	5,826,240	7,306,880	8,093,120	15,789,700	14,518,840	18,702,640
Electronics Collected (pounds)*	0	0	7,398	10,994	3,943	18,791
Used Oil Collection (gallons)	859	859	860	1,130	867	775
Automobile Battery Collections (pounds)	5,016	5,016	5,368	2,288	1,920	1,000
Used Paint Collection (gallons)	1,547	2,726	2,621	2,256	1,959	1,967
Transportation						
Total route (miles)	180,330	180,096	162,299	115,188	122,274	137,395
Passengers (annually)	38,134	38,792	34,226	17,594	20,014	32,501

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

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

Function/Program	Fiscal Year					
	2006	2007	2008	2009	2010	2011
<u>Public works</u>						
Bridges	19	19	19	19	19	19
Streets/Highway (miles)	126	126	126	126	126	126
Traffic signals	52	52	52	53	53	53
<u>Parks and recreation</u>						
Basketball courts						
Full	0	1	1	1	1	1
Half Courts	3	3	3	3	3	3
Community centers	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1
Parks	6	6	6	6	6	6
Tennis courts	0	0	9	9	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