

CITY OF AGOURA HILLS, CALIFORNIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2017

www.ci.agoura-hills.ca.us

On the Cover:

The beautiful Medea Creek Restoration Project replaced 450-feet of concrete-lined flood channel with native tree and plant species. New trails were constructed on both sides of the creek, and an 80-foot pedestrian bridge was installed to encourage residents and visitors of Agoura Hills to enjoy the natural beauty of the restored creek. In addition, water quality, habitat restoration, and groundwater recharge benefits were achieved as part of this project, that will be forever in place for current and future generations to enjoy.

CITY OF AGOURA HILLS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2017

Prepared by:
Finance Department

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CITY OF AGOURA HILLS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017

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"Gateway to the Santa Monica Mountains National Recreation Area"

December 12, 2017

**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, 2017. 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.

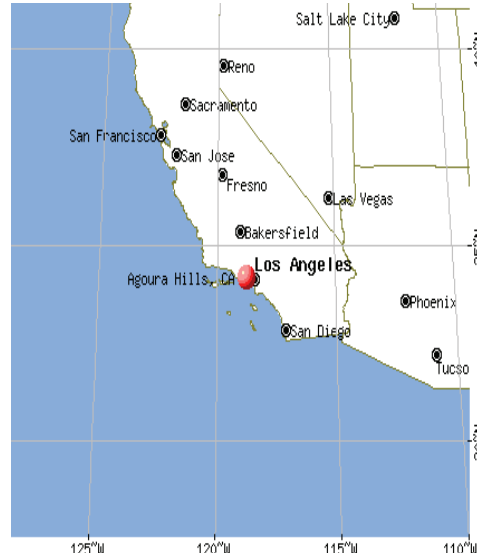
The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, an accounting firm fully licensed and qualified to perform audits of state and local governments within the State of California. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City of Agoura Hills' financial statements for the fiscal year ended June 30, 2017, 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.

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 21,211.



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

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



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

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

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

The City provides a full range of services, some of which are contracted through outside agencies and/or firms. These services include law enforcement, highways and roads, landscaping services, planning and zoning, building and environmental safety, emergency preparedness, and general administrative services. Certain services are provided by Public Facilities Corporation, the Public Financing Authority and the Improvement Authority. The Agoura Hills City Council exercises financial accountability over each entity, and city staff manages the operations of each of these organizations. These component units function, in essence, as departments of the City of Agoura Hills and therefore have been included as an integral part of the City of Agoura Hill's financial statements. Additional information on these entities can be found in note 1.a. of these financial statements.

For many centuries, the area that would become Agoura Hills was familiar territory for Native Americans who wandered inland from their hunts along the sea in search of game and other food. The permanent arrival of the Spanish in the late 1700s banished the Indians from their homes and introduced a ranching culture that would linger into the early twentieth century. In the 1900s, vast cattle and sheep ranches conceded ground to rows of lettuce and celery, orchards, and wheat fields. Ranching and agriculture eventually diminished in importance. Ranchers began dividing their property and selling individual tracts for housing.



From the outset, ranchers and farmers had worried about water supplies and the citizens of Agoura Hills into the mid-1950s shared those concerns. 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 \$821,900, which is 1.4 times that of Los Angeles County. The median age of Agoura Hills' residents in 2017 was 42.5, and the unemployment rate is at 4.3%, compared with 7.9% in Los Angeles County.

The City of Agoura Hill's financial position is 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 license 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 (sixty-five 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.

MAJOR INITIATIVES

In November 2008, the County of Los Angeles approved Measure R by a two-thirds majority, committing a projected \$40 billion to traffic relief and transportation upgrades throughout the county over the next 30 years. The City of Agoura Hills is scheduled to receive approximately \$40.6 million of these monies through 2016/17. Projects slated for the monies include the Chesebro/Palo Camodo Interchange (PR), and the Agoura Road Signal (design). The City utilized \$6.1 million in Measure R monies during the 2016/17 fiscal year, primarily on the Agoura Road Widening and Chesebro Bridge Projects.

AWARDS AND ACKNOWLEDGEMENTS

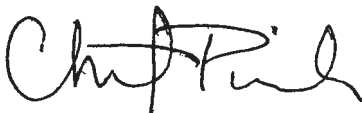
The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Agoura Hills for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This was the seventh 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

Fiscal Year 2016-2017



City Officials

Denis Weber, Mayor
William Koehler, Mayor Pro Tem
Illece Buckley-Weber, Councilmember
Linda Northrup, Councilmember

Harry Schwarz, Councilmember

Greg Ramirez, City Manager
Nathan Hamburger, Assistant City Manger
Louis Celaya, Deputy City Manager
Doug Hooper, Planning Director
Christy Pinuelas, Director of Finance
Ramiro Adeva, Director of Public Works
Kimberly Rodriques, City Clerk
Amy Brink, Director of Community Services
Amir Hamidzadeh, Building Official

CITY OF AGOURA HILLS

ORGANIZATIONAL STRUCTURE

AGOURA HILLS RESIDENTS



**Harry Schwarz
Councilmember**



**William Koehler
Mayor Pro Tem**



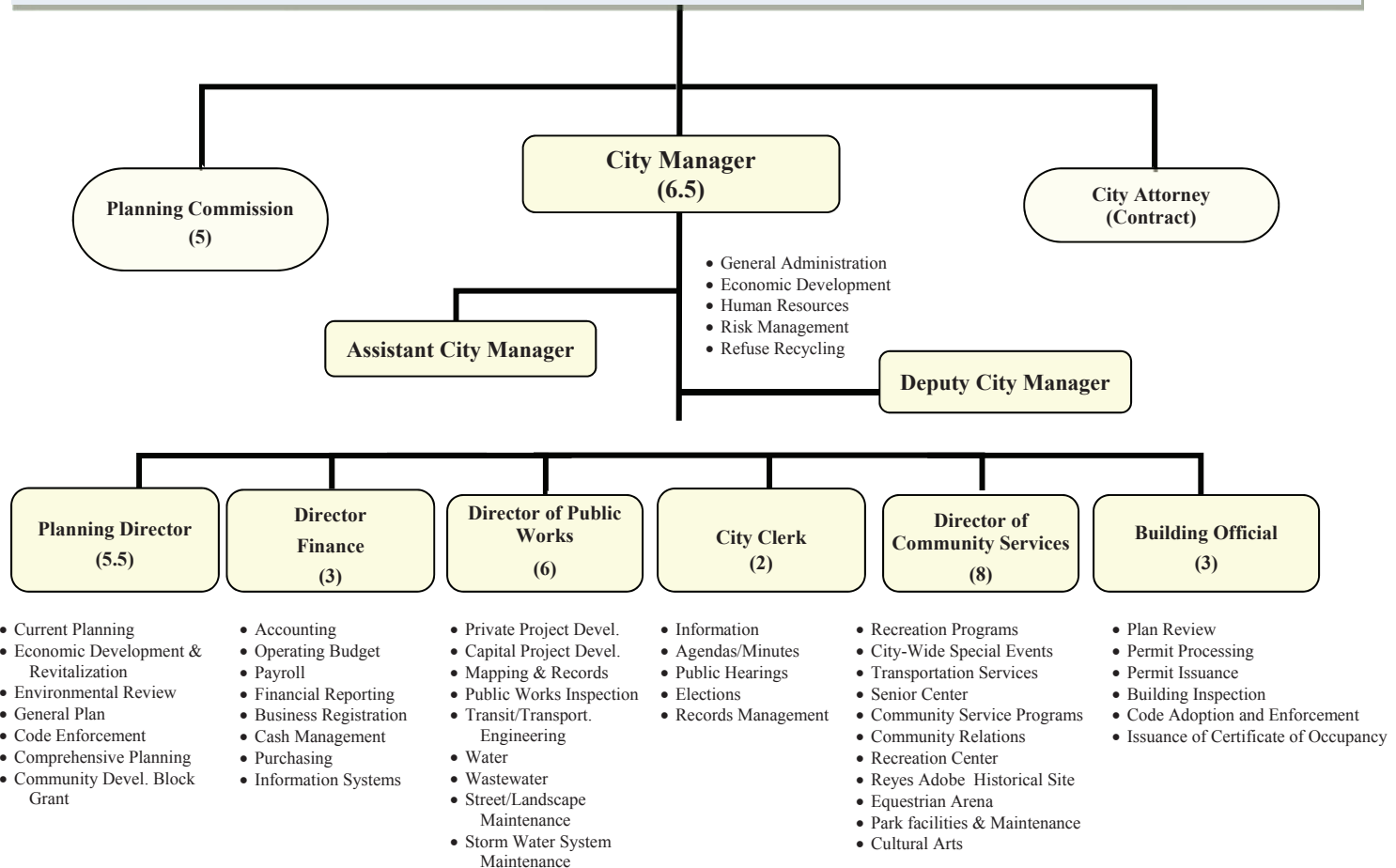
**Denis Weber
Mayor**



**Illece Buckley
Weber
Councilmember**



**Linda Northrup
Councilmember**



All police and fire services are provided to residents through a contract with the Los Angeles County Sheriffs Department and Consolidated Fire Protection District of Los Angeles County. The City receives fire protection and paramedic services as well as wild fire land fire protection and forestry service from Department of Forester and Fire Warden.



Government Finance Officers Association

**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, 2016

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Agoura Hills, California, (the City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



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

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, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund and the Housing Successor Fund, the schedule of proportionate share of the net pension liability, the schedule of plan contributions, and the schedule of funding progress (OPEB), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.



CPAs AND ADVISORS

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Solt & Lughard, LLP

Brea, California
December 12, 2017

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CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017

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, 2017. 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, 2017, the City's net position (excess of assets and deferred inflows/outflows of resources over liabilities) was \$145.9 million. Of this amount, \$37.1 million is available to meet the City's ongoing operations to citizens and creditors.
- ❖ During the fiscal year ended June 30, 2017, the City's total net position increased by \$5.3 million.
- ❖ As of June 30, 2017, the unassigned fund balance for the General Fund was \$9.8 million or 64 percent of total General Fund expenditures and operating transfers.
- ❖ The City's governmental funds reported combined ending fund balances of \$37.6 million, an increase of \$1.6 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 Public Facilities Corporation, The Improvement Authority, the Parking Authority and the Public Financing Authority. These component units have been included in the basic financial statements, as an integral part of the primary government, using the blended method.

Government-Wide Financial Statements

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

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

CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change's underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and unearned but unused vacation leave).

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, Successor Housing Agency Special Revenue Fund, the Measure R Capital Projects Fund, and the Agoura Hills Improvement Authority Debt Service 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.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017**

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

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position is a good indicator of the City's financial position. For the fiscal year ended June 30, 2017, net position of the City was \$145.9 million, which is an increase of \$5.3 million from the prior year.

Following is the condensed Statement of Net Position for the fiscal years ended June 30, 2017 and 2016.

**City of Agoura Hills Net Position
As of June 30, 2017, and 2016**

	2017	2016
Current and other assets	\$ 47,690,709	\$ 47,812,333
Capital assets	118,660,686	113,958,026
Total Assets	166,351,395	161,770,359
Deferred outflows	1,539,916	584,535
Current liabilities	3,184,287	4,110,848
Long-term liabilities outstanding	18,365,949	17,066,055
Total Liabilities	21,550,236	21,176,903
Deferred inflows	442,581	533,643
Net Position:		
Net investment in capital assets	107,036,227	102,402,711
Restricted	1,723,643	1,641,181
Unrestricted	37,138,624	36,600,456
Total Net Position	\$ 145,898,494	\$ 140,644,348

CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017

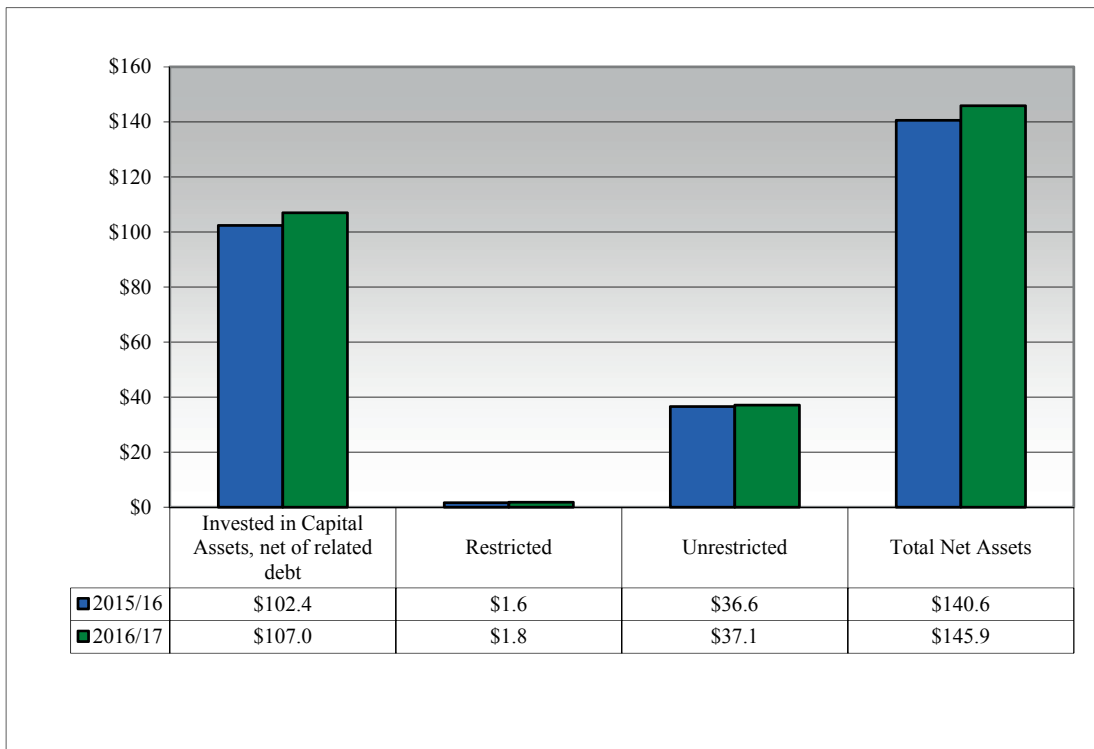
At June 30, 2017 the largest portion of net position (73 percent) consists of the City's investment in capital assets net of related debt. This component portrays the amount of funds required to acquire those assets, less any related debt used for such acquisition that is still outstanding. The City 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 position (\$1.7 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$37.1 million) may be used to meet the government's ongoing obligations to citizens and creditors.

For the years ended June 30, 2017 and 2016 the City reported positive balances in all three of the categories of net position.

- ❖ The \$4.6 million increase in the City's net investment in capital assets was primarily related to Measure R Capital Projects.
- ❖ Restricted net position increased \$82,462, which is a five percent increase.
- ❖ Unrestricted net position increased \$538,168, primarily due to the sale of property held by the City.

The following chart shows the comparison of the three components of net position for fiscal years 2015/16 and 2016/17 (in millions).



**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017**

Statement of Activities

The following is the condensed Statement of Activities for the fiscal years ended June 30, 2017 and 2016.

**Statement of Activities Changes
For the Years Ended June 30, 2017 and 2016**

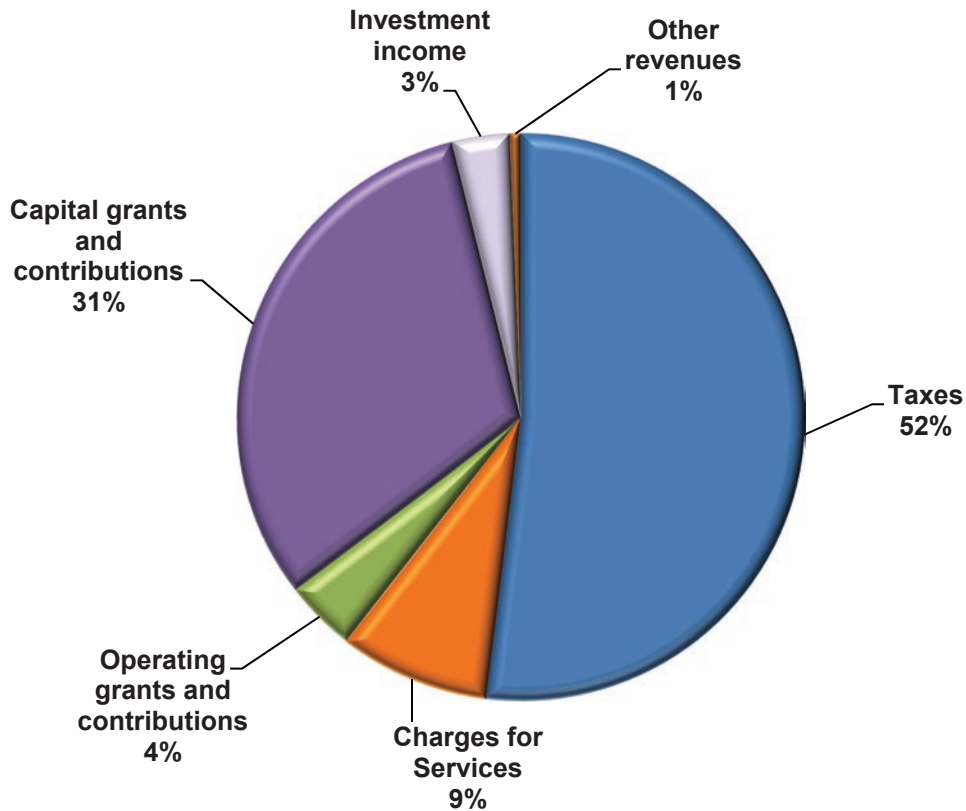
	2017	2016
Revenues:		
Program revenues:		
Charges for services	\$ 2,045,471	\$ 1,710,378
Operating grants and contributions	968,373	1,420,156
Capital grants and contributions	7,509,737	13,955,391
General revenues:		
Taxes	12,403,165	12,598,500
Investment Income	784,617	203,689
Other revenues	150,715	198,680
Gain on sale of capital asset	294,014	-
Total Revenues	24,156,092	33,086,794
Special Item	-	9,479,215
Expenses:		
General government	4,668,415	4,110,825
Public safety	4,461,825	4,194,614
Public works	4,463,701	4,053,734
Community development	1,618,074	1,398,948
Community services	2,823,604	2,470,941
Interest and fiscal charges	866,327	625,051
Total Expenses	18,901,946	16,854,113
Increase in Net Position	5,254,146	25,711,896
Net Position – beginning of year	140,644,348	117,932,453
Net Position – end of year	\$145,898,494	\$140,644,348

The City's activities increased net position by \$5.3 million which was a 3.7 percent increase from the prior fiscal year. The special item in 2015/16 represents a decrease in the allowance for doubtful accounts between the City and the Agoura Hills Successor Agency. In 2015/16 the Department of Finance (DOF) agreed that the loan should be stated at \$26.2 million up from \$17.2 million in the prior year. As further information becomes available, the allowance for uncollectable amounts may be adjusted in future periods.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017**

Revenues by source are shown in the chart below:

**Government Activities - Revenues by Source
June 30, 2016**



Revenue highlights:

- ❖ Charges for services increased 20 percent, or \$335 thousand, in fiscal year 2016/17. This increase is primarily related to Planning and Building and Safety fees. These development related fees fluctuate with the timing of projects.
- ❖ Operating grants and contributions decreased \$452 thousand or 32% in fiscal year 2016/17. This primarily relates to grant revenues which were received for the Medea Creek Restoration Project in 2015/16.
- ❖ Investment Income increased \$581 thousand, or 285 percent, primarily due to payment of the loan from the Successor Agency to the City of Agoura Hills to the City.
- ❖ Capital Grants and Contributions decreased \$6.4 million, or 46 percent, in fiscal year 2016/17 primarily due to the Measure R grant revenues for the Agoura Road Widening Project, which were received in 2015/16.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017**

Expense highlights:

Total expenses for the City's activities were \$18.9 million, \$2 million more than the prior fiscal year.

Program revenues offset total expenses as follows:

- ❖ Those who directly benefited from programs contributed \$2.0 million in charges for services.
- ❖ The City was able to fund some of its programs through grants and contributions from outside sources or other governments for a total amount of \$8.5 million.

Functional expenses (excluding interest on debt) for the years ended June 30, 2017 and 2016 were as follows (amount in millions):

	Total Cost of Services		Percent Change 2016/17	Net (Cost) Revenue of Services		Percent Change 2016/17
	2016	2017		2016	2017	
General Government	\$ 4.1	\$ 4.7	15%	\$ (3.8)	\$ (4.2)	11%
Public safety	4.2	4.5	8%	(3.5)	(3.5)	0%
Public works	4.1	4.5	10%	10.9	2.7	76%
Community development	1.4	1.6	15%	(.7)	(0.2)	72%
Community services	2.5	2.8	12%	(2.1)	(2.4)	15%
Total	16.3	18.1	10%	.8	(7.6)	1050%

In total, the net cost of services increased \$8.4 million. Highlights of the changes are:

- ❖ Public works increased 76 percent (\$8.2 million) primarily due to the timing of reimbursement of Measure R grant monies for the Agoura Road Widening in 2015/16.
- ❖ Community development decreased 72 percent (\$500 thousand) due to a capital grant received for a one-time project.

Financial Analysis of the City's Funds

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

As of the end of 2016/17, the City's funds reported ending fund balances of \$37.6 million, an increase of \$1.6 million in comparison with the prior fiscal year. The increase in fund balance primarily reflects a repayment of a grant for the Medea Creek Restoration Project of \$1.3 million in 2016/17. Of the \$37.6 million in fund balances at fiscal year-end 2016/17, \$26.5 million is Nonspendable because it represents prepaids, land held for resale, and long-term receivables, and \$6.3 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.

CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017

The General Fund is the chief operating fund of the City. At the end of fiscal year 2016/17, the fund balance of the General Fund was \$36.6 million, with \$26.5 million Nonspendable because it was for Land held for Resale, prepaids, and the receivable from the Successor Agency. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total expenditures. At June 30, 2017, unassigned fund balance was 64 percent of total General Fund expenditures and operating transfers out.

Fund balance in the City's General Fund increased by \$568,458 million in fiscal year 2016/17, when compared to a \$9.6 million increase in fund balance 2015/16. In 2010/11 the General Fund received a transfer in of \$30.6 million from the Redevelopment Agency to cover a reimbursement agreement for services. In January 2011 the City executed an agreement to cover the amounts that had been advanced since April of 1988. However, due to the dissolution of the Redevelopment Agency the General Fund established an allowance for the entire amount and recorded an extraordinary loss of \$31.1 million in 2011/12. Subsequently in 2013/14 the Oversight Board to the Successor Agency approved OB Resolution No. 14-23 determining that the loan was for legitimate redevelopment purposes. In 2014/15 the California State Department of Finance (DOF) further recalculated the loan to have a balance of \$17 million. In 2015/16, with new legislation, the DOF restated the loan to \$26.2 million. For further information, see Note 15(b) to the Basic Financial Statements.

The Successor Housing Agency Fund is a special revenue fund to acquire affordable housing. This fund follows guidelines established by the State of California. The fund balance increased by \$60,523, or 19% in 2016/17. To date, the City has \$392,932 in the fund. The Measure R Capital Projects fund is established to account for grant monies received from LA METRO. These monies are used for several capital projects, including the Agoura Road Widening and the Palo Camado Interchange. Fund balance decreased by \$482,075 (12%), as the project expenditures exceeded reimbursements. The fund has short-term borrowing from the General Fund and the Traffic Impact Fee Fund, to assist with cashflow needs (\$3.6 million). The last major fund is the Agoura Hills Improvement Authority Debt Service Fund. This fund was used to refinance the 2007 Lease Revenue Refunding Bonds, see Note 6 to the Basic Financial Statements.

GENERAL FUND AND MAJOR SPECIAL REVENUE FUND BUDGETARY HIGHLIGHTS

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

In the General Fund, amendments between the original budget and the final budget resulted in increased revenues of \$1.1 million, and increased expenditures and transfers of \$654,764. The increased revenues primarily related to the sale of capital asset related to a parcel held by the City. Expenditures remained flat, while transfers out increased \$600,000. These transfers relate to one-time set-asides for facilities, capital projects, and retirement costs. These amendments resulted in an overall budgeted increase to the fund balance of \$401,450.

CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017

The City budgets on a cash basis, which includes receipt of loan repayments from the Successor Agency in the amount of \$396,656. According to General Accepted Accounting Principles (GAAP) this revenue is reflected as a receivable in the loan between the City and the Successor Agency. Finally, for budgeting purposes, the City has established a Building Fund, to set-aside monies for future capital improvements, and a CalPERS set-aside Fund to account for future retirement costs. GAAP considers these funds to be a part of the General fund. Therefore, a reconciliation is included to reflect the variance between the actual and final budget amounts. When adjusted, the City General Fund reflected a net total favorable budget variance of \$95,191, when comparing actual amounts to the final budget for the current fiscal year.

The Housing Successor Agency special revenue fund had a positive variance of \$1,766 for revenue and a positive variance of \$3,960 in expenditures. The net change in fund balance increased \$5,726 over the budgeted amount.

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, 2017, net capital assets totaled \$118.7 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 \$4.6 million or 5 percent of capital assets net of accumulated depreciation. The increase in capital assets primarily reflects the addition of \$6.3 million in Construction in Progress, related to the Agoura Road Widening. The Agoura Road Widening Capital Project was funded through grant resources.

Major projects in fiscal year ended 2016/17 include:

- ❖ Construction in progress on the Agoura Road Widening, and the Medea Creek Restoration Capital Project.

City of Agoura Hills Capital Assets
(Net of depreciation)

	<u>2017</u>	<u>2016</u>
Land	\$ 12,766,358	\$ 13,396,358
Construction in progress	38,578,746	46,473,790
Building & improvements	18,922,893	7,183,812
Vehicles	90,901	105,977
Infrastructure	48,301,788	46,798,089
Total Capital Assets	<u>\$ 118,660,686</u>	<u>\$113,958,026</u>

Additional information on the City's capital assets can be found in Note 5 in the basic Financial Statements.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2017**

LONG-TERM DEBT

At the end of the current fiscal year, the City of Agoura Hills had total debt outstanding of \$14.6 million. The City's long-term obligations as of June 30, 2017 and 2016 were as follows:

City of Agoura Hills Outstanding Debt

	2017	2016
2007 Lease Revenue Bonds	\$ 0	\$ 10,260,447
2013 Lease Revenue Bonds	3,575,920	3,652,686
2016 Lease Revenue Refunding Bonds	10,591,891	0
Compensated Absences	440,451	405,853
Other post-employment benefits	10,059	10,333
Total Outstanding Debt	\$ 14,618,321	\$ 14,329,319

Additional information on the City's long-term debt can be found in Note 6 of the basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In preparing the budget for 2017/18 the following factors were taken in to consideration:

- ❖ Salary bands are budgeted to adjust 6.1% to bring positions to the average of like positions. Additionally the number of positions within the Community Services department was increased to staff the Recreation and Event Center. This resulted in a \$328,875 increase in salary and benefit costs.
- ❖ Several anticipated large capital projects, including Street Resurfacing (\$824 thousand), and the design phase of Palo Comado Interchange (\$682 thousand).

The City's operating budget for 2017/18 reflects the use of sales tax override funds provided as Measure R grant monies, for the Palo Comado Interchange.

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 AGOURA HILLS

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
Assets:	
Cash and investments	\$ 12,172,775
Receivables:	
Accounts	2,824,193
Accrued interest	29,663
Deferred loans	411,342
Other	3,121
Advances to Successor Agency, net of allowances	26,284,515
Investment in joint venture - Community Center	1,851,255
Prepaid costs	51,205
Due from other governments	3,696,943
Land held for resale	115,000
Restricted assets:	
Cash with fiscal agent	250,697
Capital assets not being depreciated	51,345,104
Capital assets, net of depreciation	<u>67,315,582</u>
Total Assets	<u>166,351,395</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	441,400
Deferred pension related items	<u>1,098,516</u>
Total Deferred Outflows of Resources	<u>1,539,916</u>
Liabilities:	
Accounts payable	2,554,541
Accrued liabilities	94,965
Accrued interest	155,899
Unearned revenue	378,882
Noncurrent liabilities:	
Due within one year	591,976
Due in more than one year	14,016,286
Other post employment benefits liability	10,059
Net pension liability	<u>3,747,628</u>
Total Liabilities	<u>21,550,236</u>
Deferred Inflows of Resources:	
Deferred pension related items	<u>442,581</u>
Total Deferred Inflows of Resources	<u>442,581</u>
Net Position:	
Net investment in capital assets	107,036,227
Restricted for:	
Capital projects	100,697
Debt service	265,216
Air quality improvement	49,492
Affordable housing programs	392,932
Grant programs	46,300
Transportation services	869,006
Unrestricted	<u>37,138,624</u>
Total Net Position	<u>\$ 145,898,494</u>

CITY OF AGOURA HILLS

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues		Capital Contributions and Grants	Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants		Total Governmental Activities
Functions/Programs					
Primary Government:					
Governmental Activities:					
General government	\$ 4,668,415	\$ 163,988	\$ 273,474	\$ -	\$ (4,230,953)
Public safety	4,461,825	875,646	129,324	-	(3,456,855)
Community development	1,618,074	333,529	-	1,130,457	(154,088)
Community services	2,823,604	445,655	-	-	(2,377,949)
Public works	4,463,701	226,653	565,575	6,379,280	2,707,807
Interest on long-term debt	866,327	-	-	-	(866,327)
Total Governmental Activities	18,901,946	2,045,471	968,373	7,509,737	(8,378,365)
Total Primary Government	\$ 18,901,946	\$ 2,045,471	\$ 968,373	\$ 7,509,737	(8,378,365)
General Revenues:					
Taxes:					
Property taxes, levied for general purpose					5,123,505
Transient occupancy taxes					2,670,834
Sales taxes					3,805,109
Franchise taxes					803,717
Use of money and property					784,617
Other					150,715
Gain on sale of capital asset					294,014
Total General Revenues					13,632,511
Change in Net Position					5,254,146
Net Position at Beginning of Year					140,644,348
Net Position at End of Year					\$ 145,898,494

CITY OF AGOURA HILLS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General	Special Revenue Fund Successor Housing Agency	Capital Projects Funds Measure R	Debt Service Funds Agoura Hills Improvement Authority
Assets:				
Cash and investments	\$ 6,375,751	\$ 393,388	\$ 3,237	\$ 14,520
Receivables:				
Accounts	824,145	-	1,700,751	-
Accrued interest	29,663	-	-	-
Deferred loans	-	92,431	-	-
Other	3,121	-	-	-
Prepaid costs	51,205	-	-	-
Due from other governments	987,987	-	2,561,129	-
Due from other funds	3,203,223	-	-	-
Advances to Successor Agency	26,284,515	-	-	-
Land held for resale	115,000	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	250,696
Total Assets	\$ 37,874,610	\$ 485,819	\$ 4,265,117	\$ 265,216
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 982,967	\$ -	\$ 1,091,356	\$ -
Accrued liabilities	87,185	456	5,364	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	3,614,986	-
Total Liabilities	1,070,152	456	4,711,706	-
Deferred Inflows of Resources:				
Unavailable revenues	193,392	92,431	4,261,862	-
Total Deferred Inflows of Resources	193,392	92,431	4,261,862	-
Fund Balances:				
Nonspendable:				
Prepaid costs	51,205	-	-	-
Land held for resale	115,000	-	-	-
Advances to other funds	26,284,515	-	-	-
Restricted for:				
Capital Projects	-	-	-	-
Debt service	-	-	-	265,216
Air quality improvement	-	-	-	-
Affordable housing programs	-	392,932	-	-
Grant programs	-	-	-	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	200,275	-	-	-
Waste management programs	-	-	-	-
Housing programs	-	-	-	-
CalPERS Set Aside	145,000	-	-	-
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	9,815,071	-	(4,708,451)	-
Total Fund Balances	36,611,066	392,932	(4,708,451)	265,216
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 37,874,610	\$ 485,819	\$ 4,265,117	\$ 265,216

CITY OF AGOURA HILLS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Other Governmental Funds	Total Governmental Funds
Assets:		
Cash and investments	\$ 5,385,879	\$ 12,172,775
Receivables:		
Accounts	299,297	2,824,193
Accrued interest	-	29,663
Deferred loans	318,911	411,342
Other	-	3,121
Prepaid costs	-	51,205
Due from other governments	147,827	3,696,943
Due from other funds	463,763	3,666,986
Advances to Successor Agency	-	26,284,515
Land held for resale	-	115,000
Restricted assets:		
Cash and investments with fiscal agents	1	250,697
Total Assets	\$ 6,615,678	\$ 49,506,440
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	\$ 480,218	\$ 2,554,541
Accrued liabilities	1,960	94,965
Unearned revenues	378,882	378,882
Due to other funds	52,000	3,666,986
Total Liabilities	913,060	6,695,374
Deferred Inflows of Resources:		
Unavailable revenues	674,344	5,222,029
Total Deferred Inflows of Resources	674,344	5,222,029
Fund Balances:		
Nonspendable:		
Prepaid costs	-	51,205
Land held for resale	-	115,000
Advances to other funds	-	26,284,515
Restricted for:		
Capital Projects	100,697	100,697
Debt service	-	265,216
Air quality improvement	49,492	49,492
Affordable housing programs	-	392,932
Grant programs	46,300	46,300
Transportation services	869,006	869,006
Committed to:		
Capital Projects	783,808	984,083
Waste management programs	154,105	154,105
Housing programs	2,784,348	2,784,348
CalPERS Set Aside	-	145,000
Assigned to:		
Capital Projects	557,479	557,479
Debt service	1,604	1,604
Unassigned	(318,565)	4,788,055
Total Fund Balances	5,028,274	37,589,037
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,615,678	\$ 49,506,440

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CITY OF AGOURA HILLS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Fund balances of governmental funds		\$ 37,589,037
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		118,660,686
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 recorded in the governmental funds.		1,851,255
Deferred outflows related to contributions made after the actuarial measurement date for the net pension liability:		
Contributions made subsequent to measurement date	\$ 392,645	
Difference between expected and actual experiences	12,529	
Net difference between projected and actual earnings on plan investments	616,955	
Adjustment due to differences in proportions	<u>76,387</u>	1,098,516
Deferred outflows related to the refunding of long term debt are recorded as expenditures in the current period and therefore is not reported in the funds.		441,400
Long-term debt, compensated absences and claims and judgment liability that have not been included in the governmental fund activity:		
Bonds payable	(13,355,000)	
Unamortized bond premiums/discounts	(812,811)	
Compensated Absences	<u>(440,451)</u>	(14,608,262)
Claims and judgment liability		
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(155,899)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability.		(10,059)
Governmental funds report all pension contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the proportionate share of contributions are recorded as an asset or liability.		(3,747,628)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		5,222,029
Deferred inflows related to unrecognized actuarial gains and losses for the net pension liability:		
Changes in assumptions	(118,538)	
Difference between expected and actual experiences	(2,872)	
Adjustment due to differences in proportions	(132,972)	
Difference in actual to proportionate share contribution	<u>(188,199)</u>	(442,581)
Net Position of governmental activities		<u>\$ 145,898,494</u>

CITY OF AGOURA HILLS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

	General	Special Revenue Fund Successor Housing Agency	Capital Projects Fund Measure R	Debt Service Funds Agoura Hills Improvement Authority
Revenues:				
Taxes	\$ 12,367,235	\$ -	\$ -	\$ -
Licenses and permits	480,926	-	-	-
Intergovernmental	-	-	5,909,733	-
Charges for services	1,400,582	-	-	-
Use of money and property	755,287	1,766	2,330	790
Fines and forfeitures	49,467	-	-	-
Contributions	42,071	-	-	-
Miscellaneous	82,971	-	-	-
Total Revenues	15,178,539	1,766	5,912,063	790
Expenditures:				
Current:				
General government	3,744,734	12,298	253,621	-
Public safety	4,321,337	-	-	-
Community development	1,469,925	8,277	5,332	-
Community Services	2,634,143	-	220	-
Public works	1,432,009	-	28,381	-
Capital outlay	330,515	-	6,106,584	-
Debt service:				
Principal retirement	-	-	-	10,605,000
Interest and fiscal charges	-	-	-	937,443
Total Expenditures	13,932,663	20,575	6,394,138	11,542,443
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,245,876	(18,809)	(482,075)	(11,541,653)
Other Financing Sources (Uses):				
Transfers in	-	79,332	-	707,100
Transfers out	(1,601,432)	-	-	-
Refunding bonds issued	-	-	-	10,055,000
Bond premium	-	-	-	800,234
Proceeds from sale of capital asset	924,014	-	-	-
Total Other Financing Sources (Uses)	(677,418)	79,332	-	11,562,334
Net Change in Fund Balances	568,458	60,523	(482,075)	20,681
Fund Balances, Beginning of Year	36,042,608	332,409	(4,226,376)	244,535
Fund Balances, End of Year	\$ 36,611,066	\$ 392,932	\$ (4,708,451)	\$ 265,216

CITY OF AGOURA HILLS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ 35,930	\$ 12,403,165
Licenses and permits	-	480,926
Intergovernmental	2,972,504	8,882,237
Charges for services	63,902	1,464,484
Use of money and property	24,444	784,617
Fines and forfeitures	40,936	90,403
Contributions	397,251	439,322
Miscellaneous	67,744	150,715
Total Revenues	3,602,711	24,695,869
Expenditures:		
Current:		
General government	83,444	4,094,097
Public safety	137,732	4,459,069
Community development	73,309	1,556,843
Community Services	107,070	2,741,433
Public works	1,241,913	2,702,303
Capital outlay	1,120,347	7,557,446
Debt service:		
Principal retirement	-	10,605,000
Interest and fiscal charges	220,117	1,157,560
Total Expenditures	2,983,932	34,873,751
Excess (Deficiency) of Revenues Over (Under) Expenditures	618,779	(10,177,882)
Other Financing Sources (Uses):		
Transfers in	815,000	1,601,432
Transfers out	-	(1,601,432)
Refunding bonds issued	-	10,055,000
Bond premium	-	800,234
Proceeds from sale of capital asset	-	924,014
Total Other Financing Sources (Uses)	815,000	11,779,248
Net Change in Fund Balances	1,433,779	1,601,366
Fund Balances, Beginning of Year	3,594,495	35,987,671
Fund Balances, End of Year	\$ 5,028,274	\$ 37,589,037

CITY OF AGOURA HILLS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

Net change in fund balances - total governmental funds		\$ 1,601,366
Amounts reported for 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 is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	\$ 7,276,935	
Depreciation	(1,944,275)	
Proceeds from sale of capital assets	(924,014)	
Gain/(loss) on sale of capital assets	<u>294,014</u>	4,702,660
Share of expenses for Joint Venture in Community Center is not recorded as an expenditure in the governmental funds; however, it is recorded in the statement of activities as an expense.		
		(57,403)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal repayments	10,605,000	
Amortization of bond premiums/discounts and deferred amounts on refunding	<u>(16,717)</u>	10,588,283
Issuance of refunding bonds is an other financing source in governmental funds, but increases long-term liabilities in the statement of net position.		
Refunding bonds issued	(10,055,000)	
Bond premium	(800,234)	
Deferred charge on refunding	<u>248,294</u>	(10,606,940)
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		
		94,765
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
		(34,598)
Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense.		
		274
Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
		(200,470)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		
		<u>(833,791)</u>
Change in net position of governmental activities		<u>\$ 5,254,146</u>

CITY OF AGOURA HILLS

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2017

	<u>Private-Purpose Trust Fund</u>	
	<u>Redevelopment Successor Agency Private- purpose Trust Fund</u>	<u>Agency Funds</u>
Assets:		
Pooled cash and investments	\$ 839,451	\$ 1,918,748
Receivables:		
Accounts	-	103,967
Accrued interest	844	-
Restricted assets:		
Cash and investments with fiscal agents	321,458	-
Total Assets	<u>1,161,753</u>	<u>\$ 2,022,715</u>
Liabilities:		
Accrued liabilities	4,228	-
Accrued interest	110,994	-
Deposits payable	-	2,022,715
Advance from the City of Agoura Hills	26,284,515	-
Long-term liabilities:		
Due in one year	105,000	-
Due in more than one year	6,245,000	-
Total Liabilities	<u>32,749,737</u>	<u>\$ 2,022,715</u>
Net Position:		
Held in trust for other purposes	(31,587,984)	
Total Net Position	<u>\$ (31,587,984)</u>	

CITY OF AGOURA HILLS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2017

	Private-Purpose Trust Fund
	Redevelopment Successor Agency Private-purpose Trust Fund
Additions:	
Taxes	\$ 1,173,293
Interest and change in fair value of investments	3,560
Total Additions	1,176,853
Deductions:	
Administrative expenses	249,827
Contractual services	3,619
Interest expense	918,730
Total Deductions	1,172,176
Changes in Net Position	4,677
Net Position - Beginning of the Year	(31,592,661)
Net Position - End of the Year	\$ (31,587,984)

NOTES TO FINANCIAL STATEMENTS

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Note 1: Summary of Significant Accounting Policies

a. Description of Reporting Entity

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

Blended Component Units

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

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

The Agoura Hills Public Financing Authority (Financing 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 Financing Authority does not issue separate financial statements.

The Parking Authority of the City of Agoura Hills (Parking Authority) was established June 26, 2013 pursuant to California Streets and Highways Code Section 32650. The members of City Council act as the Board of Directors, the governing board of the Parking Authority. The Parking Authority is considered a blended component unit due to the financial benefit or burden relationship the Parking Authority shares with the City. The Parking Authority does not issue separate financial statements.

The Agoura Hills Improvement Authority (Improvement Authority) was established June 26, 2013 under a joint exercise of power agreement with the Parking Authority and the City. The members of City Council act as the Authority Commission, the governing board of the Improvement Authority. The Improvement Authority is considered a blended component unit due to the financial benefit or burden relationship the Improvement Authority shares with the City as its financial transactions are reported in a debt service fund. The Improvement Authority does not issue separate financial statements.

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

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. The agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year from which all eligibility requirements have been satisfied.

Governmental Funds

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

Note 1: Summary of Significant Accounting Policies (Continued)

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

The City reports the following major governmental funds:

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 Housing Successor Fund accounts for restricted revenues and expenditures for the housing activities of the former Redevelopment Agency's Low and Moderate Income Fund activities. Revenues received relate to contributions for new housing and loan repayments.

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

Agoura Hills Improvement Authority To account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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

Fiduciary Funds

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

The Agency Fund is used to account for various assets such as developer fees and L.A. County Fire Department fees held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governments. The City also acts as a secretary for an organization in which the money is held in the Agency Fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operation. Agency funds have no measurement focus, but utilize the accrual basis of accounting.

The Redevelopment Successor Agency is used to account for assets, liabilities and activities of the former Redevelopment Agency of the City in a trustee capacity to pay enforceable obligations of the former Agoura Hills Redevelopment Agency. In accordance with Assembly Bill (AB) X1 26 and AB 1484, the Redevelopment Agency was dissolved February 1, 2012. The Private-Purpose Trust Fund is reported using the economic resources measurement focus and accrual basis of accounting.

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 and disclosures of contingent amounts at the date of the basic financial statements, and revenues and expense/expenditures during the reported period. Actual results could differ from those estimates.

Note 1: Summary of Significant Accounting Policies (Continued)

d. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

1. Deposits and Investments

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

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

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

2. Receivables and Payables

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

Property tax revenue is recognized when susceptible to accrual in the accounting period in which taxes are measurable and available. Property taxes are considered available by the City if they are collected within 60 days after year end. There is no allowance for uncollectible amounts. 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 when consumed.

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.

Note 1: Summary of Significant Accounting Policies (Continued)**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, donated works of art and similar items, and assets received in service concession arrangements are recorded at acquisition value at the point of acquisition. 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 position. 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

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 and gains and losses on debt refunding are deferred and amortized. Bonds payable are reported net of the applicable bond premium or discount.

Note 1: Summary of Significant Accounting Policies (Continued)

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.

8. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred outflows relating to net pension obligation reported in the government-wide statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year. In addition it includes differences between expected and actual and differences in proportions which are amortized over expected average remaining service lifetime.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. One arises under a modified accrual basis of accounting, unavailable revenue, which is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item in this category is the deferred inflows relating to the net pension obligation reported in the government-wide statement of net position. These inflows are the result of the net difference between projected and actual earnings on pension plan investments, adjustments due to difference in proportions, and the difference between actual contributions made and the proportionate share of the risk pool's total contributions. These amounts are deferred and amortized over the expected average remaining service life time.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

10. Effect of New Accounting Standards

GASB Statement No. 77 – Tax Abatement Disclosures. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government’s future ability to raise resources and meet its financial obligations and (2) the impact of those abatements on a government’s financial position and economic conditions. As this Statement affects disclosures only, no adjustments to beginning fund balance or net position were required.

Note 2: Cash and Investments

Cash and Investments

Cash and investments at June 30, 2017, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 12,172,775
Cash and investments with fiscal agents	250,697
Fiduciary Funds	
Cash and investments	2,758,199
Cash and investments with fiscal agents	321,458
Total Cash and Investments	<u>\$ 15,503,129</u>

Cash and investments at June 30, 2017, consisted of the following:

Deposits	<u>\$ 551,699</u>
Investments:	
Local Agency Investment Fund (LAIF)	13,881,702
Federal Agency Securities	497,570
Held by bond trustee:	
Cash with fiscal agent - money market funds	572,158
Total Investments	<u>14,951,430</u>
Total	<u>\$ 15,503,129</u>

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.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 2: Cash and Investments (Continued)

Investment Types Authorized by State Law	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund ** (LAIF)	N/A	\$50 million	None
U.S. Treasuries	5 years	75%	None
Federal Agency Securities	5 years	75%	20%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit (CD)	5 years	30%	None
Medium-Term Corporate Notes (1)	5 years	30%	None

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

Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	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

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 2: 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 was approximately 270 days. The City's investment policy recognized the interest rate risk and therefore places maximum maturity limits (up to five years) on various types of allowable investments.

Investment Type	Remaining Maturity (in Months)		
	12 Months or Less	13 to 24 Months	Total
LAIF	\$ 13,881,702	\$ -	\$ 13,881,702
Federal agency securities:			
FHLB	248,955	-	248,955
FFCB	-	248,615	248,615
U.S. Treasury Notes		-	-
Held by bond trustee			
Cash with fiscal agent - money market funds	572,158	-	572,158
Total	\$ 14,702,815	\$ 248,615	\$ 14,951,430

Disclosures Relating to Credit Risk

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

Investment Type	Total as of	AA+	Unrated
	June 30, 2017		
LAIF	\$ 13,881,702	\$ -	\$ 13,881,702
Federal agency securities:			
FHLB	248,955	248,955	-
FFCB	248,615	248,615	-
Held by bond trustee:			
Cash with fiscal agent - money market funds	572,158	-	572,158
Total	\$ 14,951,430	\$ 497,570	\$ 14,699,081

Concentrations of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. The City currently does not have any investments in any one issuer (other than U.S. Treasury Securities, mutual funds, and external investment pools) that represent 5 percent or more of total City investments.

Note 2: 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, \$39,756 was in excess of federal depository insurance limits. The uninsured deposits were held by financial institutions, which are legally required by the California Government Code to collateralize the City's deposits as noted above.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire

LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has all the investments in Level 2 inputs.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 3: Interfund Receivables, Payables and Transfers

Due to	Due From		
	General Fund	Nonmajor Governmental Funds	Total
Measure R major capital projects fund	\$ 3,151,223	\$ 463,763	\$ 3,614,986
Nonmajor governmental funds	52,000	-	52,000
Total	\$ 3,203,223	\$ 463,763	\$ 3,666,986

The General Fund and the Traffic Improvement nonmajor fund made loans to the Measure R fund for cash flow. The General Fund also loaned monies to the Community Development Block Grant nonmajor fund for cashflow purposes.

Transfers Out	Transfers In					Totals
	Housing Successor Special Revenue	Improvement Authority	Capital Projects	Storm Water Capital Projects	Financing Authority	
General Fund	\$ 79,332	\$ 707,100	\$ 250,000	\$ 350,000	\$ 215,000	\$ 1,601,432
Total	\$ 79,332	\$ 707,100	\$ 250,000	\$ 350,000	\$ 215,000	\$ 1,601,432

The General Fund transferred funds to the Capital Projects Fund to finance future capital projects. The General Fund transferred funds to the Housing Successor Special Revenue Fund to provide the 20 percent set-aside portion for the loan paid from the Successor Agency to the City. The General Fund transferred funds to the Storm Water Capital Projects fund to pay for storm drain inserts and to stay in compliance with NPDES requirements. The General Fund transferred funds to the Debt Service fund and Agoura Hills Improvement Authority Bond fund for bond payments due.

Note 4: Advances to Successor Agency

The City previously loaned the former Redevelopment Agency funds prior to dissolution. The repayment of the advances has been approved by the California Department of Finance. See Note 14b for further detail.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 5: Capital Assets

A summary of changes in capital asset activity at June 30, 2017, is as follows:

	Balance at July 1, 2016	Transfers of CIP	Additions	Deletions	Balance at June 30, 2017
Capital assets not being depreciated:					
Land	\$ 13,396,358	\$ -	\$ -	\$ 630,000	\$ 12,766,358
Construction in progress	46,473,790	(14,243,815)	6,348,771	-	38,578,746
Total Capital Assets Not being Depreciated	59,870,148	(14,243,815)	6,348,771	630,000	51,345,104
Capital assets being depreciated:					
Buildings and improvements	9,890,084	11,800,583	143,129	-	21,833,796
Vehicles	565,737	-	-	-	565,737
Infrastructure	97,505,231	2,443,232	785,035	-	100,733,498
Total Capital Assets being Depreciated	107,961,052	14,243,815	928,164	-	123,133,031
Less accumulated depreciation for:					
Buildings and improvements	2,706,272	-	204,631	-	2,910,903
Vehicles	459,760	-	15,076	-	474,836
Infrastructure	50,707,142	-	1,724,568	-	52,431,710
Total Accumulated Depreciation	53,873,174	-	1,944,275	-	55,817,449
Total Capital Assets Being Depreciated, Net	54,087,878	14,243,815	(1,016,111)	-	67,315,582
Governmental Activities Capital Assets, Net	<u>\$ 113,958,026</u>	<u>\$ -</u>	<u>\$ 5,332,660</u>	<u>\$ 630,000</u>	<u>\$ 118,660,686</u>

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

General government	\$ 175,755
Public works	1,724,568
Community services	43,952
Total depreciation expense - governmental activities	<u>\$ 1,944,275</u>

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 6: Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017, was as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017	Due Within One Year
Bonds:					
2007 Lease Revenue Refunding Bonds	\$ 10,300,000	\$ -	\$ (10,300,000)	\$ -	\$ -
Bond discount	(36,553)	-	36,553	-	-
2013 Lease Revenue Bonds	3,605,000	-	(75,000)	3,530,000	75,000
Bond premium	47,686	-	(1,766)	45,920	-
2016 Lease Revenue Refunding Bonds	-	10,055,000	(230,000)	9,825,000	235,000
Bond premium	-	800,234	(33,343)	766,891	-
Other Long Term Liabilities:					
Accrued compensated absences	405,853	316,574	(281,976)	440,451	281,976
Total Governmental Long-Term Liabilities	<u>\$ 14,321,986</u>	<u>\$ 11,171,808</u>	<u>\$ (10,885,532)</u>	<u>\$ 14,608,262</u>	<u>\$ 591,976</u>

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 full refunding of the 2007 Lease Revenue Refunding Bonds by the issuance of the 2016 Lease Revenue Refunding Bonds. As of June 30, 2017, the 2007 Lease Revenue Refunding Bonds were refunded with no principal outstanding.

2013 Lease Revenue Bonds

On September 1, 2013, the City issued \$3.675 million in Lease Revenue Bonds with interest rates ranging from 4.00 to 5.00 percent to finance a portion of the costs of the community recreation center project. 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, 2017 is \$3,530,000

The future debt service payments are as follows:

Year ending June 30	2013 Lease Revenue Bonds	
	Principal	Interest
2018	\$ 75,000	\$ 165,025
2019	80,000	162,025
2020	80,000	158,825
2021	85,000	155,625
2022	90,000	152,225
2023 - 2027	505,000	704,325
2028 - 2032	610,000	590,863
2033 - 2037	775,000	427,750
2038 - 2042	1,000,000	212,500
2043 - 2047	230,000	11,500
Totals	<u>\$ 3,530,000</u>	<u>\$ 2,740,663</u>

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 6: Long-Term Liabilities (Continued)

2016 Lease Revenue Refunding Bonds

On November 1, 2016, the City issued \$10.055 million in Lease Revenue Bonds with interest rates ranging from 4.00 to 5.00 percent to current refund \$10.3 million of 2007 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 June 1, and December 1, each year. The outstanding balance at June 30, 2017 is \$9,825,000. The refunding resulted in a difference in cash flow of \$769,859 and an economic gain of \$481,032.

The future debt service payments are as follows:

Year Ending June 30	2016 Lease Revenue Bonds		
	Principal	Interest	Total
2018	\$ 235,000	\$ 428,235	\$ 663,235
2019	235,000	425,650	660,650
2020	250,000	413,900	663,900
2021	260,000	401,400	661,400
2022	275,000	388,400	663,400
2023 - 2027	1,595,000	1,722,250	3,317,250
2028 - 2032	2,035,000	1,281,250	3,316,250
2033 - 2037	2,525,000	794,000	3,319,000
2038 - 2042	2,415,000	246,000	2,661,000
Totals	<u>\$ 9,825,000</u>	<u>\$ 6,101,085</u>	<u>\$ 15,926,085</u>

Employee Compensated Absences Payable

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

Note 7: Fund Balance

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

Nonspendable

Amounts that cannot be spent either because they are in nonspendable form or are legally or contractually required to be maintained intact (e.g. prepaid assets, inventory). At June 30, 2017, the balance is comprised of advances to other funds (net of allowances), prepaids and land held for resale.

Restricted

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

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2017

Note 7: Fund Balance (Continued)

Committed

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

Assigned

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

Unassigned

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

Spending Policy

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

Minimum Fund Balance Policy

An amount equal to or greater than 40 percent 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. At June 30, 2017, the City had set aside \$9.8M pursuant to this policy, which was classified as unassigned fund balance.

Note 8: Defined Benefit Pension Plan

a. Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City of Agoura Hill's miscellaneous cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov. The two Agoura Hills cost-sharing plans are Classic Miscellaneous and PEPRA Miscellaneous.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 8: Defined Benefit Pension Plan (Continued)

b. Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Below is a summary of the plan's provisions and benefits in effect at June 30, 2017, for which the City of Agoura Hills has contracted:

Major Benefit Options	Miscellaneous	Miscellaneous PEPRA
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Provision		
Benefit Formula	2.0% @ 55	2.0% @ 62
Social Security	no	no
Full/Modified	full	full
Benefit vesting schedule	5 yrs service	5 yrs service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employer contribution rates	12.277%	6.250%
Required employee contribution rates	6.886%	6.250%

New entrants are not allowed in the Miscellaneous Classic Plan.

c. Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2017, the contributions recognized as a reduction to the net pension liability was \$350,597.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 8: Defined Benefit Pension Plan (Continued)

d. *Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*

As of June 30, 2017, the City of Agoura Hills reported a net pension liability for its proportionate share of the net pension liability in the amount of \$3,747,628.

The City of Agoura Hills' net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2016, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2015 and 2016, was as follows:

Proportions as a percentage of the CalPERS Miscellaneous risk pool:

	<u>Miscellaneous</u>
Proportion - June 30, 2015	0.09965%
Proportion - June 30, 2016	0.10788%
Change - Increase (Decrease)	8.26427%

For the year ended June 30, 2017, the City of Agoura Hills recognized pension expense of \$593,115. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 392,645	\$ -
Changes in assumptions	-	118,538
Difference between expected and actual experiences	12,529	2,872
Net differences between projected and actual earnings on plan investments	616,955	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	188,199
Adjustment due to differences in proportions	76,387	132,972
Total	<u>\$ 1,098,516</u>	<u>\$ 442,581</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 8: Defined Benefit Pension Plan (Continued)

The \$392,645 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Deferred Outflow / (Inflows) of Resources
2018	\$ (106,849)
2019	(56,296)
2020	266,638
2021	159,797
2022	-
Thereafter	-
Total	<u>\$ 263,290</u>

e. Actuarial Assumptions

For the measurement period ended June 30, 2016 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2015, total pension liability. The June 30, 2015 and the June 30, 2016, total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.50%
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	7.50% (2)
Mortality Rate Table (3)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) Depending on age, service and type of employment

(2) Net of Pension Plan Investment and Administrative Expenses; includes Inflation

(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report on the CalPERS website.

All other actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Note 8: Defined Benefit Pension Plan (Continued)

f. *Change of Assumptions*

There were no changes of assumptions.

g. *Discount Rate*

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 8: Defined Benefit Pension Plan (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	10.0	6.83	6.95
Real Estate	10.0	4.50	5.13
Infrastructure and Forestland	2.0	4.50	5.09
Liquidity	1.0	(0.55)	(1.05)

- (1) An expected inflation of 2.5% used for this period
- (2) An expected inflation of 3.0% used for this period

h. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability/ (asset) of the Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.65 percent) or 1% point higher (8.65 percent) than the current rate:

Plan's Net Pension Liability/(Assets)	Discount Rate - 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate +1% (8.65%)
Miscellaneous	\$ 6,100,182	\$ 3,747,628	\$ 1,803,359

Note 9: Self Insurance

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

The Authority is comprised of 117 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.

Note 9: Self Insurance (Continued)

a. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage year 2012-2013 and prior. Coverage years 2013-2014 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

In the Liability program, claims are pooled separately between police and general government 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 from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2016-2017 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million excess of \$2 million layer, (b) \$3 million annual aggregate deductible in the \$5 million in excess of \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million in excess of \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$30 million per occurrence.

Note 9: Self Insurance (Continued)

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.

For 2016-2017 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

b. Purchased Insurance

Pollution Legal Liability Insurance

The City of Agoura Hills participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Agoura Hills. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2014 through July 1, 2017. 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 \$24,990,328. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 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.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2017

Note 9: Self Insurance (Continued)

c. 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 2016-2017.

Note 10: Commitments/Operating Leases

The City has entered into two operating leases for copiers. Lease terms are 60 months with both leases expiring in September 2017. The monthly payment escalates by CPI every 24 months.

The following schedule lists future minimum lease payments:

<u>Year Ending June 30,</u>	<u>Equipment</u>	<u>Totals</u>
2018	\$ 1,551	\$ 1,551

The City contracts with the Los Angeles County Sheriff's Department to provide safety services. During the year ended June 30, 2017, the City incurred expenditures of \$4,284,147 for Public Safety services.

Note 11: Joint Venture

On November 24, 1997, the Agoura Hills and Calabasas Community Center Authority (Authority) was created under a joint exercise of powers agreement. It was formed for the construction, furnishing, maintenance and operation of a Joint Recreation Center. The governing Board of Directors consists of one City Council Member from each City, two residents of each City appointed by City Council, and the President or a member of the Executive Board of the Alliance (a nonprofit organization formed for the sole purpose of raising funds for the Center). The City's participation in the joint venture is reported as Investment in Joint Venture, on the statement of net position. The balance as of June 30, 2017 was \$1,851,255.

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.

Note 12: Contingency

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, 2017. The ultimate resolution of these pending legal actions is not expected to have a material effect on the financial position of the City.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 12: Contingency (Continued)

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

Note 13: Other Post-Retirement Health Care Benefits

Plan Description

In addition to the pension benefits defined in Note 8, 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 (\$122 and \$125 for calendar years 2015 and 2016, respectively). Additionally, the City contributes longevity pay to a Retirement Health Savings (RHS) Trust plan of up to \$500 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), which is an agent-multiple-employer plan administered through CalPERS, 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, 2017:

	<u>Number of Employees</u>
Active Employees	33
Retirees and Surviving Spouses	<u>13</u>
Total	<u><u>46</u></u>

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 13: Other Post-Retirement Health Care Benefits (Continued)

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

Funding Policy

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

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

The City's OPEB obligation for the year ended June 30, 2017 was \$10,059. 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>2016-2017</u>
Normal Cost	\$ 100,000
Amortization of UAAL	68,000
Annual Required Contribution (ARC)	<u>168,000</u>
Interest on net OPEB Obligation	439
Adjustments to ARC	<u>(713)</u>
Annual OPEB Cost	167,726
Contributions	<u>168,000</u>
Increase in net OPEB Obligation	(274)
Net OPEB obligation - beginning of year	<u>10,333</u>
Net OPEB obligation - end of year	<u><u>\$ 10,059</u></u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 13: Other Post-Retirement Health Care Benefits (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Costs	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
6/30/15	\$ 143,376	100.1%	\$ 8,015
6/30/16	161,873	98.6%	10,333
06/30/17	167,726	100.2%	10,059

Funded Status and Funding Progress

As of June 30, 2015, the most recent valuation date, the actuarial accrued liability for benefits was \$2,004,000 , and the actuarial value of assets was \$1,050,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$954,000 and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 52.4 percent. The covered payroll (annual payroll of active employees covered by the plan) was \$3,189,000. The ratio of the UAAL to the covered payroll was 29.9 percent.

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

Actuarial Methods and Assumptions

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

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions included a 7.25 percent investment rate of return, which is based on the most recent California PERS pension valuations and an annual healthcare cost trend rate of 7.0 percent and 7.2 percent for non-medicare and medicare, respectively, then reduced by decrements to an ultimate rate of 5.0 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. As of the most recent actuarial valuation date the remaining amortization period is 23 years. It is assumed the City's payroll will increase 3.25 percent per year.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency

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

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

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

a. Cash and investments

As of June 30, 2017, cash and investments were reported in the accompanying financial statements as follows:

Cash and investments	\$ 839,451
Cash and investments with fiscal agent	<u>321,458</u>
	<u>\$ 1,160,909</u>

b. Advance from the City of Agoura Hills

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

The Oversight Board to the Successor Agency approved OB Resolution No. 14-23 determining that the amounts advanced to the former redevelopment agency were for legitimate redevelopment purposes. The Advance from the City of Agoura Hills as of June 30, 2017, consist of the following:

Advance from the City of Agoura Hills	\$ 28,757,842
Allowance for uncollectable	<u>(2,473,327)</u>
Advance from the City of Agoura Hills – net	<u>\$ 26,284,515</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

California Health and Safety Code Section 34191.4(b)(2) outlines the terms for restructuring city loans to former redevelopment agencies as follows: “the accumulated interest on the remaining principal amount of the loan shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund.” Management’s position is to apply the historical Local Agency Investment Fund (LAIF) rate over the life of the loan.

The California Department of Finance (DOF) has provided information regarding the recalculation of accrued interest for city loans to redevelopment agencies. The DOF applies the LAIF rate for the quarter during which the Oversight Board makes a finding that the loan was made for legitimate redevelopment purposes to the entire life of the loan. Based on this assumption, the advance from the City is recalculated to have a June 30, 2017 balance of \$26,284,515. The City has recorded an allowance for the difference between methodologies of the City and DOF. As further information becomes available, the allowance for uncollectable amounts may be adjusted in future periods.

During fiscal year ended June 30, 2017, the Successor Agency made a payment of \$396,656 to the City to pay down the balance.

c. Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2017, is as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017	Due Within One Year
Bonds:					
Housing Set-Aside Tax Allocation Bonds					
Series 2008 – following defeasance	\$ 1,135,000	\$ -	\$ (25,000)	\$ 1,110,000	\$ 25,000
Tax Allocation Bonds Series 2008 A-T	5,315,000	-	(75,000)	5,240,000	80,000
Total Fiduciary Long-Term Liabilities	<u>\$ 6,450,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ 6,350,000</u>	<u>\$ 105,000</u>

Housing Set-Aside Tax Allocation Bonds Series 2008

On June 5, 2008, the Redevelopment Agency issued \$10,000,000 in Housing Set-Aside Tax Allocation Bonds to finance low and moderate income housing of the Agoura Hills Redevelopment Agency. During fiscal year ended June 30, 2013, the Successor Agency defeased \$8,200,000 of this debt for a remaining bond balance of \$1,195,000 and interest rates ranging from 4.0 to 5.0 percent. The principal of the bonds is payable on their maturity date of October 1, of each year. Interest on the bond is payable on October 1, and April 1, each year. The outstanding balance at June 30, 2017 is \$1,110,000.

CITY OF AGOURA HILLS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2017

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

The future debt service payments are as follows:

Year Ending June 30	Housing Set-Aside Tax Allocation Bonds Series 2008		
	Principal	Interest	Total
2018	\$ 25,000	\$ 54,081	\$ 79,081
2019	25,000	53,003	78,003
2020	25,000	51,909	76,909
2021	25,000	50,800	75,800
2022	30,000	49,544	79,544
2023 - 2027	160,000	225,600	385,600
2028 - 2032	210,000	179,500	389,500
2033 - 2037	270,000	120,000	390,000
2038 - 2042	340,000	44,250	384,250
Totals	\$ 1,110,000	\$ 828,687	\$ 1,938,687

Tax Allocation Bonds Series 2008 A-T

On June 5, 2008, the Redevelopment Agency issued \$5,750,000 in Tax Allocation Bonds Series A-T with interest rates ranging from 4.728 to 7.842 percent to finance certain redevelopment project within the Agoura Hills Redevelopment Area. The principal of the bonds is payable on their maturity date of October 1, of each year. Interest on the bond is payable on October 1, and April 1, each year. The outstanding balance at June 30, 2017 is \$5,240,000.

The future debt service payments are as follows:

Year Ending June 30	Tax Allocation Bonds Series 2008 A-T		
	Principal	Interest	Total
2018	\$ 80,000	\$ 394,236	\$ 474,236
2019	85,000	388,929	473,929
2020	90,000	383,035	473,035
2021	100,000	376,452	476,452
2022	105,000	369,348	474,348
2023 - 2027	640,000	1,721,689	2,361,689
2028 - 2032	910,000	1,442,025	2,352,025
2033 - 2037	1,315,000	1,021,709	2,336,709
2038 - 2042	1,915,000	398,570	2,313,570
Totals	\$ 5,240,000	\$ 6,495,993	\$ 11,735,993

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

d. Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$13,674,680 with annual debt service requirements as indicated above. For the current year, the debt service obligation on the bonds was \$554,195 and taxes received to pay enforceable obligations was \$1,173,293.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (Inflows):				
Sales Tax	\$ 4,058,004	\$ 3,898,004	\$ 3,805,109	\$ (92,895)
Other Taxes	8,536,912	8,470,912	8,562,126	91,214
Licenses and permits	468,000	468,000	480,926	12,926
Charges for services	1,155,430	1,407,430	1,400,582	(6,848)
Fines and forfeitures	64,000	64,000	49,467	(14,533)
Investment Income	25,000	25,000	496,699	471,699
Rental Income	158,800	265,000	258,588	(6,412)
Other Revenues	528,356	528,356	125,042	(403,314)
Proceeds from sale of capital asset	-	924,014	924,014	-
Amounts Available for Appropriations	14,994,502	16,050,716	16,102,553	51,837
Charges to Appropriation (Outflow):				
General government				
City Council	142,118	132,818	131,107	1,711
City Manager	995,739	948,242	944,198	4,044
City Clerk	297,180	292,319	287,146	5,173
City Attorney	280,000	455,000	454,758	242
Finance	470,863	415,561	411,189	4,372
Public Facilities	344,000	256,200	255,665	535
Non-Departmental	1,031,198	1,045,198	1,040,841	4,357
Automated Office System	196,719	215,819	219,830	(4,011)
Total General Government	<u>3,757,817</u>	<u>3,761,157</u>	<u>3,744,734</u>	<u>16,423</u>
Public safety				
Los Angeles County Sheriff	4,234,742	4,213,242	4,208,476	4,766
Emergency Services	17,100	11,100	8,927	2,173
Animal Control	49,000	73,500	73,934	(434)
School Crossing Guards	-	31,000	30,000	1,000
Total Public Safety	<u>4,300,842</u>	<u>4,328,842</u>	<u>4,321,337</u>	<u>7,505</u>
Community development				
Community Development	1,052,317	903,358	899,573	3,785
Building & Safety	640,863	572,007	570,352	1,655
Total Community Development	<u>1,693,180</u>	<u>1,475,365</u>	<u>1,469,925</u>	<u>5,440</u>
Parks and recreation				
Recreation	701,860	661,760	675,899	(14,139)
Reyes Adobe	37,540	32,540	31,438	1,102
Recreation Center	275,000	278,000	277,047	953
Community Services	1,140,729	1,141,316	1,140,517	799
Parks Maintenance	621,700	504,700	509,242	(4,542)
Total Parks and recreation	<u>2,776,829</u>	<u>2,618,316</u>	<u>2,634,143</u>	<u>(15,827)</u>
Public works				
Public Works	673,685	943,837	943,574	263
Traffic Safety	23,000	23,000	22,588	412
Landscape Maintenance	267,000	340,000	338,035	1,965
Storm Drain & Flood Control	129,800	129,800	127,812	1,988
Total Public Works	<u>1,093,485</u>	<u>1,436,637</u>	<u>1,432,009</u>	<u>4,628</u>
Capital outlay	299,100	355,700	330,515	25,185
Total Charges to Appropriations	13,921,253	13,976,017	13,932,663	43,354
Excess (Deficiency) of Revenues Over (Under) Expenditures:	1,073,249	2,074,699	2,169,890	95,191
Other Financing Sources (Uses):				
Transfers out	(1,001,432)	(1,601,432)	(1,601,432)	-
Total Other Financing Sources (Uses)	<u>(1,001,432)</u>	<u>(1,601,432)</u>	<u>(1,601,432)</u>	<u>-</u>
Budgetary Fund Balance, July 1	36,042,608	36,042,608	36,042,608	-
Budgetary Fund Balance, June 30	\$ 36,114,425	\$ 36,515,875	\$ 36,611,066	\$ 95,191
Adjustments:				
Senate Bill acceptance of increase to Advance to Successor Agency			(465,920)	
Prior year's Advance to Successor Agency			(26,215,251)	
Current year payment to pay down Advance to Successor Agency			396,656	
Facilities' fund reserve			(200,275)	
CalPERS Set Aside fund reserve			(145,000)	
General Fund Budgetary Fund Balance, June 30			\$ 9,981,276	

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
HOUSING SUCCESSOR AGENCY
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 332,409	\$ 332,409	\$ 332,409	\$ -
Resources (Inflows):				
Use of money and property	-	-	1,766	1,766
Transfers in	79,332	79,332	79,332	-
Amounts Available for Appropriations	411,741	411,741	413,507	1,766
Charges to Appropriation (Outflow):				
General government	14,558	15,021	12,298	2,723
Community development	9,521	9,514	8,277	1,237
Total Charges to Appropriations	24,079	24,535	20,575	3,960
Budgetary Fund Balance, June 30	\$ 387,662	\$ 387,206	\$ 392,932	\$ 5,726

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2017

Note 1: Stewardship, Compliance and Accountability

Budgetary Data

Annual budgets are adopted on a basis consistent with GAAP. As a General Law City, the City is not legally required to adopt a budget; however, the City Municipal Code requires the City Manager to prepare an annual budget based on projections received from all city departments, boards and commissions. There was no legally adopted budget for the Reyes Adobe Interchange Capital Projects Fund. 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.

Budgetary Information

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

The budget is prepared by fund, function and activity, and includes actual information for the past year, current year estimates and requested appropriations for the next fiscal year. The budget is a statement of the goals and objectives of the City for that fiscal year. The legal level for which expenditures are not to exceed appropriations is at the fund level for all funds except the General Fund and at the department level for the General Fund. 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.

Excess of expenditures over appropriations per activity is as follows:

Fund	Final Budget	Expenditures	Excess
Major Funds			
General Fund			
General Government			
Automated Office System	\$ 215,819	\$ 219,830	\$ (4,011)
Public Safety			
Animal Control	73,500	73,934	(434)
Parks and Recreation			
Recreation	661,760	675,899	(14,139)
Parks Maintenance	504,700	509,242	(4,542)

CITY OF AGOURA HILLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
 JUNE 30, 2017

Schedule of Funding Progress – Other Post Retirement Health Care Benefits
 June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Status	Annual Covered Payroll	UAAL As a % of Covered Payroll
6/30/2015	\$ 1,050,000	\$ 2,004,000	\$ 954,000	52.4%	\$ 3,189,000	29.9%
7/1/2013	651,289	1,683,177	1,031,888	38.7%	3,116,000	33.1%
6/30/2011	301,096	1,569,351	1,268,255	19.2%	2,975,000	42.6%

CITY OF AGOURA HILLS

**COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLANS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Miscellaneous			
Proportion of the Net Pension Liability	0.04331%	0.03983%	0.04212%
Proportionate Share of the Net Pension Liability	\$ 3,747,628	\$ 2,733,736	\$ 2,621,118
Covered-Employee Payroll	\$ 3,196,408	\$ 3,109,153	\$ 3,403,443
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	117%	88.05%	77.01%
Pension Liability	74.06%	78.40%	79.82%

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a Golden Handshakes). Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities.

Changes of Assumptions: In 2016, there were no changes. In 2015, the discount rate was changed from 7.5 percent (net of administration expenses) to 7.65 percent.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only three years are shown.

CITY OF AGOURA HILLS

**COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLANS
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Miscellaneous			
Actuarially Determined Contribution	\$ 392,645	\$ 350,597	\$ 338,101
Contribution in Relation to the Actuarially Determined Contribution	<u>(392,645)</u>	<u>(350,597)</u>	<u>(338,101)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 3,196,408	\$ 3,109,153	\$ 3,104,821
Contributions as a Percentage of Covered-Employee Payroll	12.28%	18.13%	10.89%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only three years are shown.

Note to Schedule:

Valuation Date:	June 30, 2015
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal
Amortization method	Level percent of payroll, closed 20 years
Assets valuation method	Market value
Inflation	2.75%
Salary Increases	3.30% - 14.20% depending on age, service and type of employment
Investment rate of return	7.5% net of pension plan investment and administrative expense, including inflation
Retirement age	55 years
Mortality	RP-2000 Heath Annuitant Mortality Table

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SUPPLEMENTARY SCHEDULES

DESCRIPTION OF NON-MAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

Other Grants – To account for various state grant funds received for street improvements and park developments.

Inclusionary Housing – To account for in-lieu fees that are committed for the development or maintenance of housing that is affordable to low to moderate income households.

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

Nonmajor Capital Projects Funds

Recreation Center Capital Projects – To account for the funds to be used for that are assigned for the development or maintenance of the City's recreation center.

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

Capital Projects – To account for funds that are to be used for various capital projects throughout the City.

DESCRIPTION OF NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

Nonmajor Debt Service Funds

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

CITY OF AGOURA HILLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>Special Revenue Funds</u>			
	<u>Traffic Improvement</u>	<u>Traffic Safety</u>	<u>Transit Tax (Prop A)</u>	<u>Public Transit (Prop C)</u>
Assets:				
Cash and investments	\$ 315,170	\$ 13	\$ 772,241	\$ 135,535
Receivables:				
Accounts	-	-	15,000	-
Deferred loans	-	-	-	-
Due from other governments	-	3,984	38,801	-
Due from other funds	463,763	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 778,933</u>	<u>\$ 3,997</u>	<u>\$ 826,042</u>	<u>\$ 135,535</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 299,159	\$ -	\$ 60,455	\$ 8,345
Accrued liabilities	-	-	1,284	676
Due to other funds	-	-	-	-
Total Liabilities	<u>299,159</u>	<u>-</u>	<u>61,739</u>	<u>9,021</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	21,811	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>21,811</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Capital Projects	-	-	-	-
Air quality improvement	-	-	-	-
Grant programs	-	-	-	-
Transportation services	-	-	742,492	126,514
Committed to:				
Capital Projects	479,774	3,997	-	-
Waste management programs	-	-	-	-
Housing programs	-	-	-	-
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>479,774</u>	<u>3,997</u>	<u>742,492</u>	<u>126,514</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 778,933</u>	<u>\$ 3,997</u>	<u>\$ 826,042</u>	<u>\$ 135,535</u>

CITY OF AGOURA HILLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds			
	Air Quality Management	Community Development Block Grant	Supplemental Law Enforcement	Solid Waste Management
Assets:				
Cash and investments	\$ 42,607	\$ 34	\$ 53,319	\$ 134,671
Receivables:				
Accounts	-	-	-	23,102
Deferred loans	-	318,911	-	-
Due from other governments	6,885	51,968	39,416	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 49,492	\$ 370,913	\$ 92,735	\$ 157,773
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 2,490	\$ 8,167	\$ 3,668
Accrued liabilities	-	-	-	-
Due to other funds	-	52,000	-	-
Total Liabilities	-	54,490	8,167	3,668
Deferred Inflows of Resources:				
Unavailable revenues	-	366,221	39,416	-
Total Deferred Inflows of Resources	-	366,221	39,416	-
Fund Balances:				
Restricted for:				
Capital Projects	-	-	-	-
Air quality improvement	49,492	-	-	-
Grant programs	-	-	45,152	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Waste management programs	-	-	-	154,105
Housing programs	-	-	-	-
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	(49,798)	-	-
Total Fund Balances	49,492	(49,798)	45,152	154,105
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 49,492	\$ 370,913	\$ 92,735	\$ 157,773

CITY OF AGOURA HILLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds			
	State Gas Tax	Measure R	Other Grants	Inclusionary Housing
Assets:				
Cash and investments	\$ 131,641	\$ 34,701	\$ 104,024	\$ 2,784,348
Receivables:				
Accounts	-	-	261,195	-
Deferred loans	-	-	-	-
Due from other governments	-	-	6,773	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 131,641	\$ 34,701	\$ 371,992	\$ 2,784,348
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 58,922	\$ 6,723	\$ 13,833	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	58,922	6,723	392,715	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	246,896	-
Total Deferred Inflows of Resources	-	-	246,896	-
Fund Balances:				
Restricted for:				
Capital Projects	72,719	27,978	-	-
Air quality improvement	-	-	-	-
Grant programs	-	-	1,148	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Waste management programs	-	-	-	-
Housing programs	-	-	-	2,784,348
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	(268,767)	-
Total Fund Balances	72,719	27,978	(267,619)	2,784,348
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 131,641	\$ 34,701	\$ 371,992	\$ 2,784,348

CITY OF AGOURA HILLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

(CONTINUED)

	Special Revenue	Capital Projects Funds		
	Funds			
	Utility	Recreation	Storm Water	Capital
	Undergrounding	Center	Capital Projects	Projects Fund
Assets:				
Cash and investments	\$ 50,037	\$ 1,929	\$ 574,006	\$ 250,000
Receivables:				
Accounts	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 50,037	\$ 1,929	\$ 574,006	\$ 250,000
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 18,456	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	18,456	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted for:				
Capital Projects	-	-	-	-
Air quality improvement	-	-	-	-
Grant programs	-	-	-	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	50,037	-	-	250,000
Waste management programs	-	-	-	-
Housing programs	-	-	-	-
Assigned to:				
Capital Projects	-	1,929	555,550	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	50,037	1,929	555,550	250,000
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 50,037	\$ 1,929	\$ 574,006	\$ 250,000

CITY OF AGOURA HILLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Financing Authority Debt Service</u>	
Assets:		
Cash and investments	\$ 1,603	\$ 5,385,879
Receivables:		
Accounts	-	299,297
Deferred loans	-	318,911
Due from other governments	-	147,827
Due from other funds	-	463,763
Restricted assets:		
Cash and investments with fiscal agents	1	1
Total Assets	<u>\$ 1,604</u>	<u>\$ 6,615,678</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	\$ -	\$ 480,218
Accrued liabilities	-	1,960
Due to other funds	-	52,000
Total Liabilities	<u>-</u>	<u>913,060</u>
Deferred Inflows of Resources:		
Unavailable revenues	-	674,344
Total Deferred Inflows of Resources	<u>-</u>	<u>674,344</u>
Fund Balances:		
Restricted for:		
Capital Projects	-	100,697
Air quality improvement	-	49,492
Grant programs	-	46,300
Transportation services	-	869,006
Committed to:		
Capital Projects	-	783,808
Waste management programs	-	154,105
Housing programs	-	2,784,348
Assigned to:		
Capital Projects	-	557,479
Debt service	1,604	1,604
Unassigned	<u>-</u>	<u>(318,565)</u>
Total Fund Balances	<u>1,604</u>	<u>5,028,274</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,604</u>	<u>\$ 6,615,678</u>

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CITY OF AGOURA HILLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	Traffic Improvement	Traffic Safety	Transit Tax (Prop A)	Public Transit (Prop C)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	547,781	315,849
Charges for services	-	-	-	-
Use of money and property	73	-	3,851	833
Fines and forfeitures	-	40,936	-	-
Contributions	6,188	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	6,261	40,936	551,632	316,682
Expenditures:				
Current:				
General government	-	-	-	23,116
Public safety	-	39,551	-	-
Community development	-	-	-	-
Parks and recreation	-	-	97,412	-
Public works	-	-	312,276	167,161
Capital outlay	299,159	-	-	375,000
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	299,159	39,551	409,688	565,277
Excess (Deficiency) of Revenues Over (Under) Expenditures	(292,898)	1,385	141,944	(248,595)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(292,898)	1,385	141,944	(248,595)
Fund Balances, Beginning of Year	772,672	2,612	600,548	375,109
Fund Balances, End of Year	\$ 479,774	\$ 3,997	\$ 742,492	\$ 126,514

CITY OF AGOURA HILLS

COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds			
	Air Quality Management	Community Development Block Grant	Supplemental Law Enforcement	Solid Waste Management
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 35,930
Intergovernmental	27,086	9,658	129,324	-
Charges for services	-	-	-	63,902
Use of money and property	197	2	289	895
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	27,283	9,660	129,613	100,727
Expenditures:				
Current:				
General government	4,415	-	-	-
Public safety	-	-	98,181	-
Community development	-	-	-	73,309
Parks and recreation	-	9,658	-	-
Public works	-	-	-	-
Capital outlay	-	49,800	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	4,415	59,458	98,181	73,309
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,868	(49,798)	31,432	27,418
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	22,868	(49,798)	31,432	27,418
Fund Balances, Beginning of Year	26,624	-	13,720	126,687
Fund Balances, End of Year	\$ 49,492	\$ (49,798)	\$ 45,152	\$ 154,105

CITY OF AGOURA HILLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	State Gas Tax	Measure R	Other Grants	Inclusionary Housing
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	406,211	235,799	1,300,796	-
Charges for services	-	-	-	-
Use of money and property	379	36	-	15,302
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	406,590	235,835	1,300,796	15,302
Expenditures:				
Current:				
General government	-	-	50,399	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	334,150	-	12,624	-
Capital outlay	43,431	212,383	140,574	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	377,581	212,383	203,597	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,009	23,452	1,097,199	15,302
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	29,009	23,452	1,097,199	15,302
Fund Balances, Beginning of Year	43,710	4,526	(1,364,818)	2,769,046
Fund Balances, End of Year	\$ 72,719	\$ 27,978	\$ (267,619)	\$ 2,784,348

CITY OF AGOURA HILLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds		Capital Projects Funds	
	Utility Undergrounding	Recreation Center	Storm Water Capital Projects	Capital Projects Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	275	140	2,167	-
Fines and forfeitures	-	-	-	-
Contributions	-	391,063	-	-
Miscellaneous	-	-	67,744	-
Total Revenues	275	391,203	69,911	-
Expenditures:				
Current:				
General government	-	4,764	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	1,568	414,134	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	6,332	414,134	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	275	384,871	(344,223)	-
Other Financing Sources (Uses):				
Transfers in	-	-	350,000	250,000
Total Other Financing Sources (Uses)	-	-	350,000	250,000
Net Change in Fund Balances	275	384,871	5,777	250,000
Fund Balances, Beginning of Year	49,762	(382,942)	549,773	-
Fund Balances, End of Year	\$ 50,037	\$ 1,929	\$ 555,550	\$ 250,000

CITY OF AGOURA HILLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

	<u>Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Financing Authority Debt Service</u>	
Revenues:		
Taxes	\$ -	\$ 35,930
Intergovernmental	-	2,972,504
Charges for services	-	63,902
Use of money and property	5	24,444
Fines and forfeitures	-	40,936
Contributions	-	397,251
Miscellaneous	-	67,744
Total Revenues	<u>5</u>	<u>3,602,711</u>
Expenditures:		
Current:		
General government	750	83,444
Public safety	-	137,732
Community development	-	73,309
Parks and recreation	-	107,070
Public works	-	1,241,913
Capital outlay	-	1,120,347
Debt service:		
Interest and fiscal charges	220,117	220,117
Total Expenditures	<u>220,867</u>	<u>2,983,932</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(220,862)</u>	<u>618,779</u>
Other Financing Sources (Uses):		
Transfers in	<u>215,000</u>	<u>815,000</u>
Total Other Financing Sources (Uses)	<u>215,000</u>	<u>815,000</u>
Net Change in Fund Balances	<u>(5,862)</u>	<u>1,433,779</u>
Fund Balances, Beginning of Year	<u>7,466</u>	<u>3,594,495</u>
Fund Balances, End of Year	<u>\$ 1,604</u>	<u>\$ 5,028,274</u>

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC IMPROVEMENT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 772,672	\$ 772,672	\$ 772,672	\$ -
Resources (Inflows):				
Use of money and property	4,000	4,000	73	(3,927)
Contributions	1,604,996	1,604,996	6,188	(1,598,808)
Amounts Available for Appropriations	2,381,668	2,381,668	778,933	(1,602,735)
Charges to Appropriation (Outflow):				
Capital outlay	-	299,200	299,159	41
Total Charges to Appropriations	-	299,200	299,159	41
Budgetary Fund Balance, June 30	\$ 2,381,668	\$ 2,082,468	\$ 479,774	\$ (1,602,694)

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,612	\$ 2,612	\$ 2,612	\$ -
Resources (Inflows):				
Use of money and property	200	200	-	(200)
Fines and forfeitures	70,000	70,000	40,936	(29,064)
Amounts Available for Appropriations	72,812	72,812	43,548	(29,264)
Charges to Appropriation (Outflow):				
Public safety	70,000	70,000	39,551	30,449
Total Charges to Appropriations	70,000	70,000	39,551	30,449
Budgetary Fund Balance, June 30	\$ 2,812	\$ 2,812	\$ 3,997	\$ 1,185

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
TRANSIT TAX (PROP A)
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 600,548	\$ 600,548	\$ 600,548	\$ -
Resources (Inflows):				
Intergovernmental	534,400	534,400	547,781	13,381
Use of money and property	3,000	3,000	3,851	851
Amounts Available for Appropriations	1,137,948	1,137,948	1,152,180	14,232
Charges to Appropriation (Outflow):				
Parks and recreation	130,850	125,794	97,412	28,382
Public works	328,659	328,659	312,276	16,383
Capital outlay	100,000	15,000	-	15,000
Total Charges to Appropriations	559,509	469,453	409,688	59,765
Budgetary Fund Balance, June 30	\$ 578,439	\$ 668,495	\$ 742,492	\$ 73,997

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
PUBLIC TRANSIT (PROP C)
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 375,109	\$ 375,109	\$ 375,109	\$ -
Resources (Inflows):				
Intergovernmental	321,143	321,143	315,849	(5,294)
Use of money and property	500	500	833	333
Amounts Available for Appropriations	696,752	696,752	691,791	(4,961)
Charges to Appropriation (Outflow):				
General government	11,200	11,200	23,116	(11,916)
Public works	206,820	206,765	167,161	39,604
Capital outlay	375,000	375,000	375,000	-
Total Charges to Appropriations	593,020	592,965	565,277	27,688
Budgetary Fund Balance, June 30	\$ 103,732	\$ 103,787	\$ 126,514	\$ 22,727

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 AIR QUALITY MANAGEMENT
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 26,624	\$ 26,624	\$ 26,624	\$ -
Resources (Inflows):				
Intergovernmental	26,700	26,700	27,086	386
Use of money and property	300	300	197	(103)
Amounts Available for Appropriations	53,624	53,624	53,907	283
Charges to Appropriation (Outflow):				
General government	1,200	5,700	4,415	1,285
Total Charges to Appropriations	1,200	5,700	4,415	1,285
Budgetary Fund Balance, June 30	\$ 52,424	\$ 47,924	\$ 49,492	\$ 1,568

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	199,458	199,458	9,658	(189,800)
Use of money and property	-	-	2	2
Amounts Available for Appropriations	199,458	199,458	9,660	(189,798)
Charges to Appropriation (Outflow):				
Parks and recreation	9,658	9,658	9,658	-
Capital outlay	189,734	189,734	49,800	139,934
Total Charges to Appropriations	199,392	199,392	59,458	139,934
Budgetary Fund Balance, June 30	\$ 66	\$ 66	\$ (49,798)	\$ (49,864)

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 SUPPLEMENTAL LAW ENFORCEMENT
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 13,720	\$ 13,720	\$ 13,720	\$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	129,324	29,324
Use of money and property	700	700	289	(411)
Amounts Available for Appropriations	114,420	114,420	143,333	28,913
Charges to Appropriation (Outflow):				
Public safety	100,000	100,000	98,181	1,819
Total Charges to Appropriations	100,000	100,000	98,181	1,819
Budgetary Fund Balance, June 30	\$ 14,420	\$ 14,420	\$ 45,152	\$ 30,732

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
SOLID WASTE MANAGEMENT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 126,687	\$ 126,687	\$ 126,687	\$ -
Resources (Inflows):				
Taxes	36,000	36,000	35,930	(70)
Charges for services	77,750	77,750	63,902	(13,848)
Use of money and property	1,500	1,500	895	(605)
Amounts Available for Appropriations	241,937	241,937	227,414	(14,523)
Charges to Appropriation (Outflow):				
Community development	98,500	98,500	73,309	25,191
Total Charges to Appropriations	98,500	98,500	73,309	25,191
Budgetary Fund Balance, June 30	\$ 143,437	\$ 143,437	\$ 154,105	\$ 10,668

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
STATE GAS TAX FUND
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 43,710	\$ 43,710	\$ 43,710	\$ -
Resources (Inflows):				
Intergovernmental	433,795	413,829	406,211	(7,618)
Use of money and property	1,000	1,000	379	(621)
Amounts Available for Appropriations	478,505	458,539	450,300	(8,239)
Charges to Appropriation (Outflow):				
Public works	413,300	378,300	334,150	44,150
Capital outlay	50,000	50,000	43,431	6,569
Total Charges to Appropriations	463,300	428,300	377,581	50,719
Budgetary Fund Balance, June 30	\$ 15,205	\$ 30,239	\$ 72,719	\$ 42,480

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,526	\$ 4,526	\$ 4,526	\$ -
Resources (Inflows):				
Intergovernmental	240,840	240,840	235,799	(5,041)
Use of money and property	-	-	36	36
Amounts Available for Appropriations	245,366	245,366	240,361	(5,005)
Charges to Appropriation (Outflow):				
Capital outlay	210,000	212,400	212,383	17
Total Charges to Appropriations	210,000	212,400	212,383	17
Budgetary Fund Balance, June 30	\$ 35,366	\$ 32,966	\$ 27,978	\$ (4,988)

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 OTHER GRANTS
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,364,818)	\$ (1,364,818)	\$ (1,364,818)	\$ -
Resources (Inflows):				
Intergovernmental	403,672	1,500,672	1,300,796	(199,876)
Amounts Available for Appropriations	(961,146)	135,854	(64,022)	(199,876)
Charges to Appropriation (Outflow):				
General government	61,028	61,028	50,399	10,629
Public works	13,533	13,533	12,624	909
Capital outlay	249,000	249,000	140,574	108,426
Total Charges to Appropriations	323,561	323,561	203,597	119,964
Budgetary Fund Balance, June 30	\$ (1,284,707)	\$ (187,707)	\$ (267,619)	\$ (79,912)

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 INCLUSIONARY HOUSING
 YEAR ENDED JUNE 30, 2017

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 2,769,046	\$ 2,769,046	\$ 2,769,046	\$ -
Resources (Inflows):				
Use of money and property	8,000	8,000	15,302	7,302
Amounts Available for Appropriations	<u>2,777,046</u>	<u>2,777,046</u>	<u>2,784,348</u>	<u>7,302</u>
Budgetary Fund Balance, June 30	<u>\$ 2,777,046</u>	<u>\$ 2,777,046</u>	<u>\$ 2,784,348</u>	<u>\$ 7,302</u>

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 UTILITY UNDERGROUNDING
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 49,762	\$ 49,762	\$ 49,762	\$ -
Resources (Inflows):				
Use of money and property	500	500	275	(225)
Amounts Available for Appropriations	50,262	50,262	50,037	(225)
Budgetary Fund Balance, June 30	\$ 50,262	\$ 50,262	\$ 50,037	\$ (225)

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 MEASURE R CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (4,226,376)	\$ (4,226,376)	\$ (4,226,376)	\$ -
Resources (Inflows):				
Intergovernmental	6,419,863	6,419,863	5,909,733	(510,130)
Use of money and property	-	-	2,330	2,330
Amounts Available for Appropriations	2,193,487	2,193,487	1,685,687	(507,800)
Charges to Appropriation (Outflow):				
General government	155,464	239,838	253,621	(13,783)
Community development	-	-	5,332	(5,332)
Parks and recreation	-	-	220	(220)
Public works	19,465	25,563	28,381	(2,818)
Capital outlay	4,992,163	5,969,962	6,106,584	(136,622)
Total Charges to Appropriations	5,167,092	6,235,363	6,394,138	(158,775)
Budgetary Fund Balance, June 30	\$ (2,973,605)	\$ (4,041,876)	\$ (4,708,451)	\$ (666,575)

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
RECREATION CENTER CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2017**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (382,942)	\$ (382,942)	\$ (382,942)	\$ -
Resources (Inflows):				
Use of money and property	-	-	140	140
Contributions	500,000	500,000	391,063	(108,937)
Amounts Available for Appropriations	117,058	117,058	8,261	(108,797)
Charges to Appropriation (Outflow):				
General government	-	-	4,764	(4,764)
Public works	105,125	111,475	1,568	109,907
Total Charges to Appropriations	105,125	111,475	6,332	105,143
Budgetary Fund Balance, June 30	\$ 11,933	\$ 5,583	\$ 1,929	\$ (3,654)

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 STORM WATER CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 549,773	\$ 549,773	\$ 549,773	\$ -
Resources (Inflows):				
Use of money and property	-	-	2,167	2,167
Miscellaneous	-	36,000	67,744	31,744
Transfers in	-	350,000	350,000	-
Amounts Available for Appropriations	549,773	935,773	969,684	33,911
Charges to Appropriation (Outflow):				
Public works	430,000	415,000	414,134	866
Total Charges to Appropriations	430,000	415,000	414,134	866
Budgetary Fund Balance, June 30	\$ 119,773	\$ 520,773	\$ 555,550	\$ 34,777

CITY OF AGOURA HILLS

BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Transfers in	-	250,000	250,000	-
Amounts Available for Appropriation	-	250,000	250,000	-
Budgetary Fund Balance, June 30	\$ -	\$ 250,000	\$ 250,000	\$ -

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
FINANCING AUTHORITY
YEAR ENDED JUNE 30, 2017**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 7,466	\$ 7,466	\$ 7,466	\$ -
Resources (Inflows):				
Use of money and property	-	-	5	5
Transfers in	675,000	675,000	215,000	(460,000)
Amounts Available for Appropriations	682,466	682,466	222,471	(459,995)
Charges to Appropriation (Outflow):				
General government	4,000	4,000	750	3,250
Debt service:				
Principal retirement	220,000	220,000	-	220,000
Interest and fiscal charges	444,515	444,515	220,117	224,398
Total Charges to Appropriations	668,515	668,515	220,867	447,648
Budgetary Fund Balance, June 30	\$ 13,951	\$ 13,951	\$ 1,604	\$ (12,347)

CITY OF AGOURA HILLS

**BUDGETARY COMPARISON SCHEDULE
 AGOURA HILLS IMPROVEMENT AUTHORITY
 YEAR ENDED JUNE 30, 2017**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 244,535	\$ 244,535	\$ 244,535	\$ -
Resources (Inflows):				
Use of money and property	-	-	790	790
Transfers in	247,100	247,100	707,100	460,000
Refunding bonds issued	-	-	10,055,000	10,055,000
Bond premium	-	-	800,234	800,234
Amounts Available for Appropriations	<u>491,635</u>	<u>491,635</u>	<u>11,807,659</u>	<u>11,316,024</u>
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	75,000	10,605,000	10,605,000	-
Interest and fiscal charges	170,024	940,024	937,443	2,581
Total Charges to Appropriations	<u>245,024</u>	<u>11,545,024</u>	<u>11,542,443</u>	<u>2,581</u>
Budgetary Fund Balance, June 30	<u>\$ 246,611</u>	<u>\$ (11,053,389)</u>	<u>\$ 265,216</u>	<u>\$ 11,318,605</u>

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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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2017

	<u>Balance 7/1/2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2017</u>
<u>Agency Fund</u>				
Assets:				
Pooled cash and investments	\$ 688,094	\$ 2,838,222	\$ 1,607,568	\$ 1,918,748
Receivables:				
Accounts	808,961	926,630	1,631,624	103,967
Total Assets	<u>\$ 1,497,055</u>	<u>\$ 3,764,852</u>	<u>\$ 3,239,192</u>	<u>\$ 2,022,715</u>
Liabilities:				
Deposits payable	\$ 1,497,055	\$ 3,914,377	\$ 3,388,717	\$ 2,022,715
Total Liabilities	<u>\$ 1,497,055</u>	<u>\$ 3,914,377</u>	<u>\$ 3,388,717</u>	<u>\$ 2,022,715</u>

DESCRIPTION OF STATISTICAL SECTION CONTENTS

June 30, 2017

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.

Contents:	Schedules
<u>Financial Trends</u> – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1 - 4
<u>Revenue Capacity</u> – These schedules contain information to help the reader assess the government's most significant current local revenue source, the property tax.	5 - 8
<u>Debt Capacity</u> – These schedules 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.	9 - 11
<u>Demographic and Economic Information</u> – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	12 - 13
<u>Operating Information</u> – 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.	14 - 16

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

CITY OF AGOURA HILLS
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year		
	2008	2009	2010
Governmental activities			
Net Investment in capital assets	\$48,276,081	\$49,983,660	\$57,211,864 *
Restricted	23,887,822	26,521,423	12,056,277
Unrestricted	10,795,825	9,262,568	16,091,249
Total primary government net assets-restated	<u>\$82,959,728</u>	<u>\$85,767,651</u>	<u>\$85,359,390</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

Fiscal Year						
2011	2012	2013	2014	2015	2016	2017
\$66,710,006	\$ 67,179,564	\$66,545,330	\$ 71,090,637	\$ 88,327,674	\$ 102,402,711	\$ 107,036,227
4,028,535	2,662,523	2,476,389	4,054,814	1,569,275	1,641,181	1,723,643
15,309,694	13,973,910	15,956,212	37,983,934	28,035,386	36,440,786	37,138,624
<u>\$86,048,235</u>	<u>\$ 83,815,997</u>	<u>\$84,977,931</u>	<u>\$ 113,129,385</u>	<u>\$ 117,932,335</u>	<u>\$ 140,484,678</u>	<u>\$ 145,898,494</u>

CITY OF AGOURA HILLS**Changes in Net Position****Last Ten Fiscal Years***(accrual basis of accounting)*

	Fiscal Year		
	2008	2009	2010
Expenses			
Governmental activities			
General government	\$ 2,930,987	\$ 3,054,767	\$ 3,797,117
Public safety	3,456,845	4,186,728	4,069,389
Public works	4,717,054	4,129,327	5,557,145
Community development	1,549,091	1,899,937	1,821,939
Pass through to other agencies	3,436,430	3,805,788	3,677,954
Community services	1,590,653	1,992,453	2,223,534
Interest on long-term debt (unallocated)	2,530,675	1,486,082	1,407,800
Total primary government expenses	<u>\$ 20,211,735</u>	<u>\$ 20,555,082</u>	<u>\$ 22,554,878</u>
Program Revenues			
Governmental activities			
Charges for Services			
General government	\$ -	\$ 155,154	\$ 63,389
Public safety	224,473	575,792	751,293
Public works	1,047,910	162,319	119,493
Community development	-	182,152	78,863
Community services	327,249	286,443	244,876
Operating grants and contributions	4,884,543	1,894,247	2,256,379
Capital grants and contributions	-	3,555,911	3,102,464
Total primary government program revenues	<u>\$ 6,484,175</u>	<u>\$ 6,812,018</u>	<u>\$ 6,616,757</u>
Net (Expense)/Revenue			
Total primary government net expense	<u>\$ 13,727,560</u>	<u>\$ 13,743,064</u>	<u>\$ 15,938,121</u>
General Revenues and Other Changes in Net Position			
Governmental activities:			
Taxes	\$ 15,682,063	\$ 15,534,187	\$ 14,617,232
Intergovernmental revenues	218,813	84,860	68,491
Investment earnings	1,284,265	1,038,661	628,622
Other revenues	572,992	383,994	253,837
Special Item			
Total primary government	<u>\$ 17,758,133</u>	<u>\$ 17,041,702</u>	<u>\$ 15,568,182</u>
Change in Net Position			
Total primary government	<u>\$ 31,485,693</u>	<u>\$ 30,784,766</u>	<u>\$ 31,506,303</u>

Source: City of Agoura Hills financial data

Fiscal Year						
2011	2012	2013	2014	2015	2016	2017
\$ 3,192,991	\$ 2,809,488	\$ 4,224,974	\$ 4,395,273	\$ 3,636,202	\$ 4,270,495	\$ 4,668,415
4,355,912	4,101,347	4,307,129	4,364,195	4,014,645	4,194,614	4,461,825
5,563,786	5,141,512	3,095,828	3,114,273	3,885,466	4,053,734	4,463,701
1,595,785	1,055,293	989,646	985,074	1,625,957	1,398,948	1,618,074
3,602,569	1,449,565	-	-	-	-	-
1,912,544	1,957,257	1,999,606	2,184,204	2,214,787	2,470,941	2,823,604
1,359,595	953,642	470,616	761,822	631,316	625,051	866,327
<u>\$ 21,583,182</u>	<u>\$ 17,468,104</u>	<u>\$ 15,087,799</u>	<u>\$ 15,804,841</u>	<u>\$ 16,008,373</u>	<u>\$ 17,013,783</u>	<u>\$ 18,901,946</u>
\$ 64,506	\$ 92,593	\$ 129,026	\$ 139,006	\$ 478,314	\$ 156,807	\$ 163,988
622,151	530,285	570,023	565,016	694,531	618,883	875,646
156,468	153,422	237,538	240,192	280,493	224,895	226,653
216,354	146,932	246,279	160,965	378,825	336,236	333,529
273,920	285,797	241,107	267,356	56,408	337,557	445,655
2,934,225	2,788,229	3,705,524	9,016,536	1,004,621	1,420,156	968,373
2,680,376	669,308	329,511	2,578,791	9,379,954	13,955,391	7,509,737
<u>\$ 6,948,000</u>	<u>\$ 4,666,566</u>	<u>\$ 5,459,008</u>	<u>\$ 12,967,862</u>	<u>\$ 12,273,146</u>	<u>\$ 17,049,925</u>	<u>\$ 10,523,581</u>
<u>\$ 14,635,182</u>	<u>\$ 12,801,539</u>	<u>\$ 9,628,790</u>	<u>\$ 2,836,979</u>	<u>\$ (3,735,227)</u>	<u>\$ 72,142</u>	<u>\$ (8,378,365)</u>
\$ 14,661,200	\$ 12,278,663	\$ 10,483,355	\$ 11,274,539	\$ 12,062,480	\$ 12,598,500	\$ 12,403,165
118,561	-	-	-	-	-	-
323,286	273,503	119,576	154,096	15,564	203,689	784,617
220,980	165,757	187,793	427,017	298,521	198,680	150,715
					9,479,215	294,014
<u>\$ 15,324,027</u>	<u>\$ 12,717,923</u>	<u>\$ 10,790,724</u>	<u>\$ 11,855,652</u>	<u>\$ 12,376,565</u>	<u>\$ 22,480,084</u>	<u>\$ 13,632,511</u>
<u>\$ 29,959,209</u>	<u>\$ 25,519,462</u>	<u>\$ 20,419,514</u>	<u>\$ 14,692,631</u>	<u>\$ 8,641,338</u>	<u>\$ 22,552,226</u>	<u>\$ 5,254,146</u>

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

Function/Program	Fiscal Year		
	2008	2009	2010
Governmental activities			
General government	\$ 4,738	\$ 761,277	\$ 282,768
Public safety	337,573	680,227	931,494
Public works	2,558,996	3,904,182	4,554,613
Community development	2,040,266	182,152	415,188
Transportation	1,215,353	778,816	*
Community services	327,249	505,364	432,694
Subtotal governmental activities	<u>6,484,175</u>	<u>6,812,018</u>	<u>6,616,757</u>
Total primary government	<u>\$ 6,484,175</u>	<u>\$ 6,812,018</u>	<u>\$ 6,616,757</u>

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

Source: City of Agoura Hills financial data

							Fiscal Year
2011	2012	2013	2014	2015	2016	2017	
\$ 134,837	\$ 212,500	\$ 267,650	\$ 2,599,863	\$ 1,138,763	\$ 346,886	\$ 437,462	
803,246	651,076	670,023	665,016	800,761	718,883	1,004,970	
5,514,098	3,086,160	3,981,507	8,896,687	9,863,255	14,987,990	7,171,508	
216,354	156,574	298,721	538,940	413,959	658,609	1,463,986	
279,465	285,797	241,107	267,356	56,408	373,557	445,655	
6,948,000	4,392,107	5,459,008	12,967,862	12,273,146	17,085,925	10,523,581	
\$ 6,948,000	\$ 4,392,107	\$ 5,459,008	\$ 12,967,862	\$ 12,273,146	\$ 17,085,925	\$ 10,523,581	

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

	2008	Fiscal Year 2009	2010
General Fund			
Reserved	\$ 93,090	\$ 134,910	\$ 132,485
Unreserved	9,837,238	8,959,990	10,213,579
Nonspendable			
Unassigned			
Total general fund	<u>\$ 9,930,328</u>	<u>\$ 9,094,900</u>	<u>\$ 10,346,064</u>
All Other Governmental Funds			
Reserved	\$ 18,291,348	\$ 22,888,774	\$ 21,487,071
Unreserved, reported in:			
Special revenue funds	8,197,646	10,395,593	5,077,850
Capital projects funds	9,696,926	5,535,244	6,246,015
Debt service funds	9,970	8,958	2,948
Nonspendable			
Restricted			
Committed			
Assigned			
Unassigned			
Total all other governmental funds	<u>\$ 36,195,890</u>	<u>\$ 38,828,569</u>	<u>\$ 32,813,884</u>

Note: The change of fund balance descriptions is due to the implementation of Governmental Accounting Standards Board Statement No. 54(GASB54) for the fiscal year ended June 30, 2011. Information prior to the implementation of GASB 54 is unavailable.

Source: City of Agoura Hills financial data

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Fiscal Year 2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
					\$ 50,000	\$ 345,275
\$ 31,299,253	\$ 141,253	\$ 141,664	\$ 17,383,605	\$ 17,365,764	\$ 26,368,875	\$ 26,450,720
8,547,388	8,883,578	8,395,180	8,494,117	9,083,645	9,623,733	9,815,071
<u>\$ 39,846,641</u>	<u>\$ 9,024,831</u>	<u>\$ 8,536,844</u>	<u>\$ 25,877,722</u>	<u>\$ 26,449,409</u>	<u>\$ 35,992,608</u>	<u>\$ 36,611,066</u>
\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19,256,902	1,329,096	1,025,338	5,165,834	1,569,275	1,641,181	1,723,643
5,719,151	4,254,585	4,007,782	4,162,269	4,350,376	3,770,779	3,722,261
488,970	3,393,238	4,095,172	4,618,668	411,423	557,239	559,083
(31,333,386)	(726,092)	(1,203,852)	-	(3,154,713)	(5,974,136)	(5,027,016)
<u>\$ (5,868,338)</u>	<u>\$ 8,250,827</u>	<u>\$ 7,924,440</u>	<u>\$ 13,946,771</u>	<u>\$ 3,176,361</u>	<u>\$ (4,937)</u>	<u>\$ 977,971</u>

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

	2008	Fiscal Year 2009	2010
Revenues			
Taxes	\$ 15,682,063	\$ 15,534,187	\$ 14,617,232
Licenses and permits	353,731	265,706	395,989
Intergovernmental revenues	4,718,608	5,540,391	2,829,479
Charges for services	1,393,074	851,052	1,391,044
Fines and forfeitures	237,572	273,040	274,144
Use of money and property	1,284,265	1,038,662	670,791
Other revenues	572,992	658,490	1,347,064
Total Revenues	24,242,305	24,161,528	21,525,743
Expenditures			
General government	2,948,429	2,862,969	4,861,099
Pass through to other agencies	3,411,775	3,805,788	3,677,954
Public safety	3,456,845	4,186,728	4,067,469
Community development	1,492,470	1,899,937	1,760,141
Community services	1,590,653	1,945,018	2,172,320
Public works	3,394,282	2,542,687	2,129,187
Capital outlay	3,689,451	8,021,635	5,662,811
Debt service			
Cost of issuance	873,994	-	-
Interest	439,678	1,245,976	1,396,358
Principal payments	230,000	165,000	365,000
Total expenditures	21,527,577	26,675,738	26,092,339
Excess of revenues over (under) expenditures	2,714,728	(2,514,210)	(4,566,596)
Other Financing Sources (Uses)			
Debt proceeds	15,750,000	-	-
Premium/(discount) on debt issuance	(180,391)	-	-
Transfer in	19,024,551	3,206,479	10,821,932
Transfers out	(19,024,551)	(3,206,479)	(10,821,932)
Amount transferred to escrow	-	-	-
Total other financing sources (uses)	15,569,609	-	-
Net change in fund balances	\$ 18,284,337	\$ (2,514,210)	\$ (4,566,596)
Debt service as a percentage of noncapital expenditures	3.8%	7.6%	8.6%

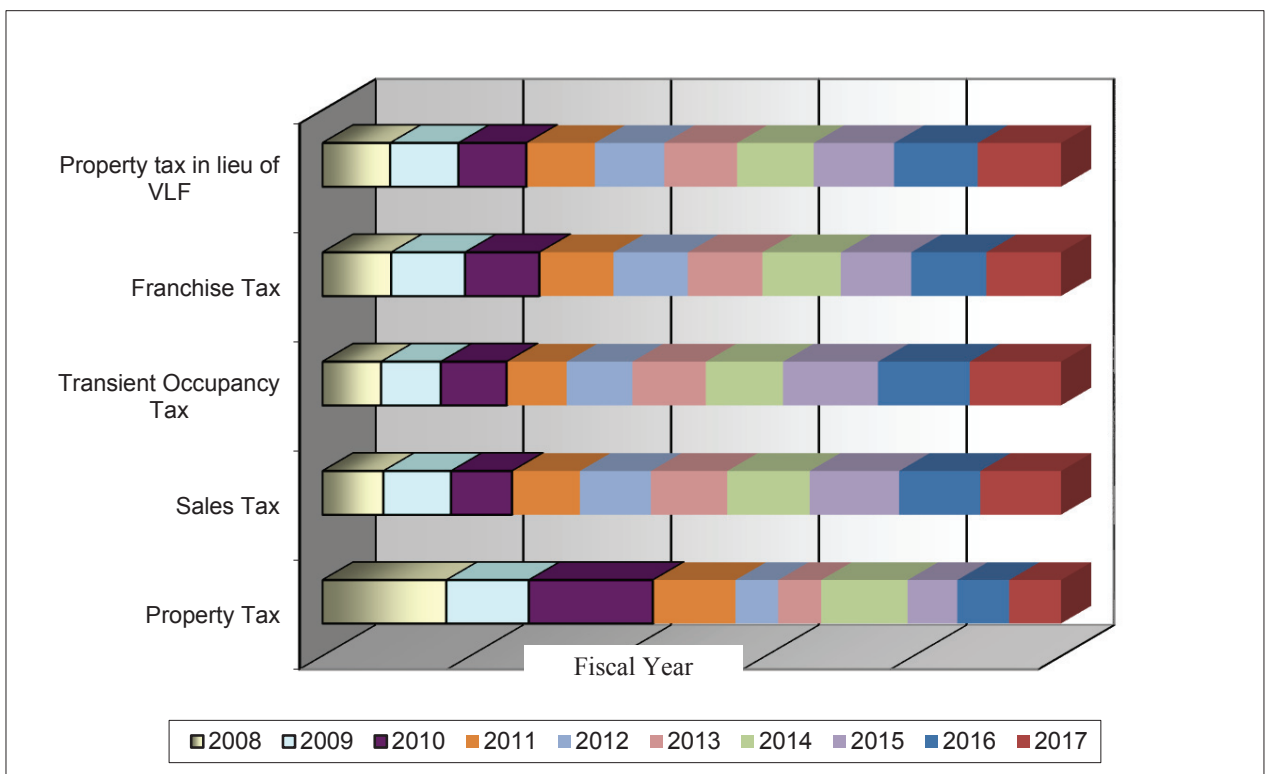
Source: City of Agoura Hills financial data

	Fiscal Year					
2011	2012	2013	2014	2015	2016	2017
\$ 14,661,200	\$ 12,278,663	\$ 10,483,355	\$ 11,270,895	\$ 12,062,480	\$ 12,598,500	\$ 12,403,165
288,600	329,863	394,768	430,875	503,586	524,799	480,926
1,801,400	2,424,323	2,181,324	9,755,904	7,390,407	13,346,694	8,882,237
1,680,175	1,679,567	1,710,409	1,420,436	1,188,228	1,018,776	1,464,484
240,884	215,936	154,311	133,653	139,746	104,803	90,403
365,301	313,926	157,882	197,514	15,564	203,689	784,617
3,099,374	677,494	174,803	195,034	707,911	303,505	590,037
<u>22,136,934</u>	<u>17,919,772</u>	<u>15,256,852</u>	<u>23,404,311</u>	<u>22,007,922</u>	<u>28,100,766</u>	<u>24,695,869</u>
4,670,903	4,015,644	3,811,416	8,209,942	3,951,759	3,935,083	4,094,097
3,602,569	1,449,565	-	-	-	-	-
4,354,162	4,094,222	4,295,475	4,356,837	4,012,790	4,182,601	4,459,069
1,540,226	997,422	986,968	983,413	1,665,528	1,481,732	1,556,843
1,856,083	1,475,157	1,951,342	1,999,590	2,176,803	2,481,518	2,741,433
2,141,322	2,638,353	2,281,079	2,995,490	2,089,716	2,315,180	2,702,303
11,392,225	1,980,972	2,076,715	3,783,745	18,666,025	15,906,914	7,557,446
-	-	-	-	-	-	-
1,381,089	925,126	473,231	763,158	631,316	625,051	1,157,560
380,000	395,000	195,000	200,000	210,000	290,000	10,605,000
<u>31,318,579</u>	<u>17,971,461</u>	<u>16,071,226</u>	<u>23,292,175</u>	<u>33,403,937</u>	<u>31,218,079</u>	<u>34,873,751</u>
<u>(9,181,645)</u>	<u>(51,689)</u>	<u>(814,374)</u>	<u>112,136</u>	<u>(11,396,015)</u>	<u>(3,117,313)</u>	<u>(10,177,882)</u>
-	-	-	3,675,000	-	-	10,055,000
-	-	-	52,984	-	-	800,234
34,881,363	6,410,105	1,961,194	3,749,109	2,247,685	1,569,645	1,601,432
(34,881,363)	(6,410,105)	(1,961,194)	(3,749,109)	(2,247,685)	(1,569,645)	(1,601,432)
-	-	-	-	-	-	924,014
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,727,984</u>	<u>-</u>	<u>-</u>	<u>11,779,248</u>
<u>\$ (9,181,645)</u>	<u>\$ (51,689)</u>	<u>\$ (814,374)</u>	<u>\$ 3,840,120</u>	<u>\$ (11,396,015)</u>	<u>\$ (3,117,313)</u>	<u>\$ 1,601,366</u>
8.8%	8.3%	4.8%	4.9%	5.7%	6.0%	43.1%

CITY OF AGOURA HILLS
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Property tax in lieu of VLF	Total
2008	7,421,654	3,829,708	2,033,069	718,194	1,679,438	\$ 15,682,063
2009	7,837,992	3,388,117	1,767,254	764,392	1,776,432	15,534,187
2010	7,586,568	2,948,718	1,590,124	757,737	1,734,085	14,617,232
2011	7,034,500	3,050,187	1,709,143	703,309	1,716,083	14,213,222
2012	4,678,338	3,379,646	1,738,467	753,957	1,728,255	12,278,663
2013	2,565,839	3,485,596	1,915,323	758,890	1,757,705	10,483,353
2014	2,678,400	3,859,515	2,134,688	762,214	1,839,717	11,274,534
2015	2,742,000	3,790,000	2,244,728	800,139	1,938,084	11,514,951
2016	2,819,000	4,471,077	2,764,208	718,696	2,033,448	12,806,429
2017	2,958,298	4,058,004	2,670,834	767,787	2,119,014	12,573,937
Change 2008-2017	-60.14%	5.96%	31.37%	6.91%	26.17%	-19.82%



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

CITY OF AGOURA HILLS

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal years

(in thousands of dollars)

Fiscal Year	Land	Improvements	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2008	2,038,122	1,964,075	1,506	14,663	3,989,040	0.00%
2009	1,943,554	1,967,527	312	14,051	3,897,342	0.00%
2010	1,919,453	1,953,601	615	15,882	3,857,787	0.00%
2011	1,940,771	1,956,441	807	15,556	3,882,463	0.00%
2012	1,934,879	2,002,645	1,378	16,663	3,922,239	0.00%
2013	2,032,603	2,103,373	1,363	17,064	4,120,275	0.00%
2014	2,175,810	2,185,634	2,173	17,301	4,346,316	0.00%
2015	2,293,585	2,286,622	2,253	17,581	4,564,879	0.00%
2016	2,419,636	2,352,608	2,124	19,540	4,754,828	0.00%
2017	2,543,117	2,439,867	1,935	10,511	4,974,408	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
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	Overlapping Rates					Total Tax Rates
	Basic County (1)	Los Angeles County	School Districts	Water Districts	Flood Control District	
2008	1.0000	0.0000	0.0578	0.0045	0.0000	1.0623
2009	1.0000	0.0000	0.0721	0.0043	0.0000	1.0764
2010	1.0000	0.0000	0.0775	0.0043	0.0000	1.0818
2011	1.0000	0.0000	0.1049	0.0037	0.0000	1.1086
2012	1.0000	0.0000	0.1049	0.0037	0.0000	1.1086
2013	1.0000	0.0000	0.1201	0.0035	0.0000	1.1236
2014	1.0000	0.0000	0.1135	0.0035	0.0000	1.1170
2015	1.0000	0.0000	0.1090	0.0035	0.0000	1.1125
2016	1.0000	0.0000	0.1050	0.0035	0.0000	1.1085
2017	1.0000	0.0000	0.1079	0.0035	0.0000	1.1114

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. The City of Agoura Hills receives 5.85% of the 1% property tax rate.

Source: California Municipal Statistics, Inc.

CITY OF AGOURA HILLS
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2017			2008		
	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	\$121,689,495	1	2.56%	\$120,554,590	1	3.20%
ARHC MBAGHCA01 LLC	59,879,445	2	1.26%			
Lexington Agoura Hills LLC	53,957,928	3	1.13%			
Khanna Enterprises LP	32,149,531	4	0.68%			
FW CA Twin Oaks Shopping Center	31,185,690	5	0.66%	23,367,375	6	0.62%
Whizin Market Square LLC	29,791,234	6	0.63%	26,200,000	4	0.69%
Oak Creek Square LLC	28,223,944	7	0.59%			
Hankey Investment Company LP	27,406,000	8	0.58%			
Apple Seven Hospitality	23,759,647	9	0.50%			3.12%
Agoura Design Center LP	21,842,879	10	0.46%			
Farmers Insurance Exchange				18,360,000	10	0.49%
Teredyne Inc				36,373,568	2	0.96%
RDB Agoura Hills LLC				33,321,931	3	0.88%
Arden Realty LP				23,970,000	5	0.64%
Countrywide Home Loans Inc				22,868,771	7	0.61%
Agoura Gateway LLC				20,723,952	8	0.55%
Agoura North Jacobsen Holsings				16,477,023	9	0.51%
Total	\$429,885,793		9.04%	\$342,217,210		12.27%

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
Secured Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2008	2,140,807	1,997,067	93.29%	143,740	2,140,807	100.00%
2009	2,241,091	2,040,506	91.05%	122,366	2,162,872	96.51%
2010	2,161,454	2,012,132	93.09%	77,094	2,089,226	96.66%
2011	2,158,455	2,012,517	93.24%	45,259	2,057,776	95.34%
2012	2,186,162	2,070,611	94.71%	51,656	2,122,267	97.08%
2013	2,207,605	2,098,798	95.07%	54,541	2,153,339	97.54%
2014	2,298,395	2,196,070	95.55%	35,028	2,231,098	97.07%
2015	2,413,441	2,315,154	95.93%	32,839	2,347,993	97.29%
2016	2,506,669	2,422,101	96.63%	18,062	2,440,163	97.35%
2017	2,607,191	2,511,264	96.32%	0	2,511,264	96.32%

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

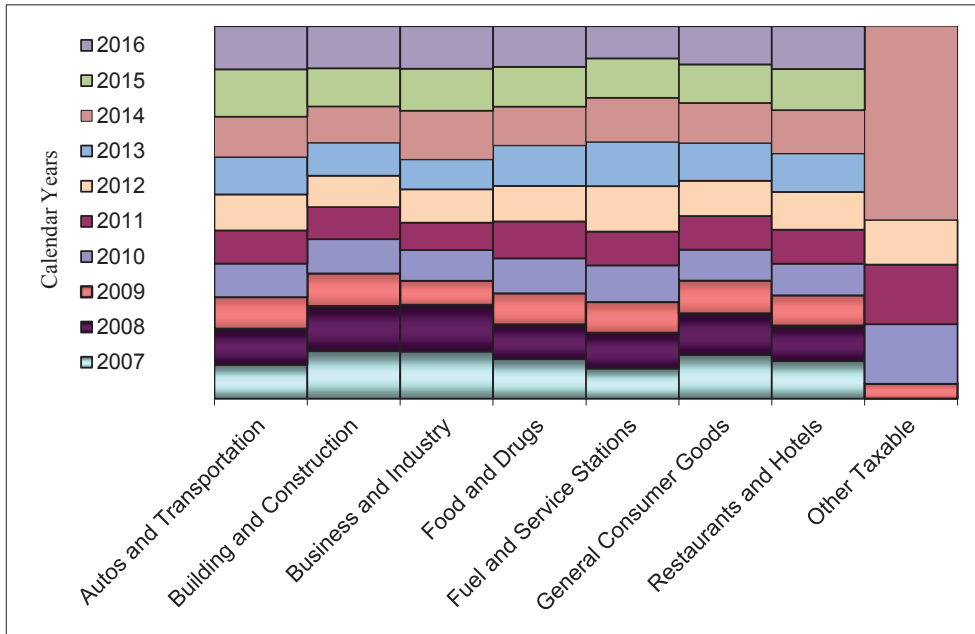
CITY OF AGOURA HILLS

Taxable Sales by Category

Last Ten Calendar Years

(in thousands of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Autos and Transportation	\$ 96	\$ 98	\$ 92	\$ 93	\$ 95	\$ 104	\$ 106	\$ 110	\$ 126	\$ 121
Building and Construction	198	188	146	133	137	133	147	152	159	177
Business and Industry	754	778	342	396	416	446	473	683	638	654
Food and Drugs	274	245	220	227	250	257	267	266	272	281
Fuel and Service Stations	594	703	589	657	786	900	881	869	751	637
General Consumer Goods	917	873	655	704	710	724	800	811	805	799
Restaurants and Hotels	622	588	509	513	569	643	643	691	683	704
Other Taxable		-	1	4	4	3		-		
Total	\$3,455	\$3,473	\$2,554	\$2,727	\$2,967	\$3,210	\$3,317	\$3,582	\$3,434	\$3,373
City direct sales tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Notes: Calendar year 2017 not available.

Source: MuniServices

CITY OF AGOURA HILLS
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Los Angeles County</u>	<u>State of California</u>
2008	0.00%	2.00%	6.25%
2009	0.00%	2.00%	6.25%
2010	0.00%	2.50%	7.25%
2011	0.00%	1.50%	7.25%
2012	0.00%	1.50%	7.25%
2013	0.00%	1.50%	7.50%
2014	0.00%	1.50%	7.50%
2015	0.00%	1.50%	7.50%
2016	0.00%	1.50%	7.50%
2017	0.00%	1.50%	8%

Source: California State Board of Equalization

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

Governmental Activities									
Fiscal Year	1999 Lease Revenue Bonds (1)	2008 RDA Tax Allocation Bonds (2)	2008 RDA Housing Set-Aside Bonds (3)	2013 Lease Revenue Bonds(4)	2016 Lease Refunding Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2008	-	5,750	10,000	-	-	-	15,750	1.15%	267
2009	-	5,750	10,000	-	-	-	15,750	1.11%	258
2010		5,690	9,850	-	-		15,540	1.46%	298
2011		5,640	9,720	-	-		15,360	1.57%	321
2012		5,580	9,570	-	-		15,150	1.54%	314
2013		5,515		-	-		9,190	0.84%	173
2014		5,515	-	3,675			9,190	0.98%	202
2015		-		3,675			3,605	0.35%	71
2016		-		3,605	10,555		14,160	1.37%	282
2017				3,576	10,592		14,168	1.33%	282

- 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) 2008 Tax Allocation Bonds issued June 5 to finance certain redevelopment projects within the Agoura Hills Redevelopment Area. (See Note 2)
- (3) June 5, 2008, the RDA issued Housing Set-Asie Tax Allocation Bonds bonds to finance low and moderate income housing of the Agoura Hills Redevelopment Agency.
- (4) September 1, 2013, the City issued Lease Revenue Bonds to finance a portion of the recreation center project.

Sources: Department of Finance
City of Agoura Hills financial data

CITY OF AGOURA HILLS
Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

(dollars in thousands, except per capita)

Fiscal Year	Lease Refunding Bonds	Redevelopment Bonds	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2008	\$ 11,830	\$ 15,750	\$ 27,580	0.73%	\$ 1,188.64
2009	\$ 11,665	\$ 15,570	\$ 27,235	0.68%	\$ 1,171.40
2010	\$ 11,490	\$ 15,560	\$ 27,050	0.69%	\$ 1,329.76
2011	\$ 11,310	\$ 15,360	\$ 26,670	0.69%	\$ 1,307.80
2012	\$ 11,125	\$ 15,150	\$ 26,275	0.68%	\$ 1,287.17
2013	\$ 10,930		\$ 10,930	0.28%	\$ 533.17
2014	\$ 14,405		\$ 14,405	0.35%	\$ 702.13
2015	\$ 14,195		\$ 14,195	0.33%	\$ 691.49
2016	\$ 13,905		\$ 13,905	0.30%	\$ 674.18
2017	\$ 14,168		\$ 14,168	0.30%	\$ 667.96

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
Direct and Overlapping Governmental Activities Debt
For the Year Ended June 30, 2017

<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	\$ -	0.000 %	\$ -
Metropolitan Water District	74,905,000	0.187	140,072
Los Angeles Community College District	3,847,880,000	0.648	24,934,262
Las Virgenes Joint Unified School District	132,851,686	22.551	29,959,384
Los Angeles Co. Regional Park & Open Space Assessment Dist.	38,895,000	0.360	140,022
Other debt			
Los Angeles County General Fund Obligations	1,996,576,065	0.360	7,187,674
Los Angeles County Supt. of Schools Certificates of Participation	7,204,988	0.360	25,938
Las Virgenes Joint Unified School District Certificates of Participat	10,575,000	22.551	2,384,768
Subtotal, overlapping debt			64,772,121
City direct debt			
City of Agoura Hills General Fund Obligations	14,168,000	100.000	14,168,000
Total direct and overlapping debt			<u>\$ 78,940,121</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
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year			
	2017	2016	2015	2014
Debt limit	\$ 181,391	\$ 174,088	\$ 165,786	\$ 157,301
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 181,391</u>	<u>\$ 174,088</u>	<u>\$ 165,786</u>	<u>\$ 157,301</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed Valuations:	
Gross Assessed Value	<u>\$ 4,837,104</u>
Debt Limitation - 3.75% of Total Assessed Value	\$ 181,391
Less debt applicable to limitation	-
Legal Debt Margin	<u>\$ 181,391</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.

2013	2012	Fiscal Year 2011	2010	2009	2008
\$ 150,109	\$ 148,608	\$ 147,562	\$ 149,109	\$ 152,754	\$ 144,390
-	-				
<u>\$ 150,109</u>	<u>\$ 148,608</u>	<u>\$ 147,562</u>	<u>\$ 149,109</u>	<u>\$ 152,754</u>	<u>\$ 144,390</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF AGOURA HILLS
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (2)</u>	<u>Percentage of Residents with at least some college</u>	<u>City Unemployment Rate (3)</u>
2008	23,203	1,368,432	58,977	39.0	80%	3.6%
2009	23,250	1,417,285	60,959	38.0	77%	5.0%
2010	20,342	1,061,385	52,177	39.0	77%	5.5%
2011	20,393	976,050	47,862	38.5	83%	5.5%
2012	20,413	986,417	48,323	42.5	82%	4.9%
2013	20,500	1,090,457	53,193	42.5	96%	4.5%
2014	20,516	933,437	45,498	42.5	96%	3.6%
2015	20,528	1,036,500	50,492	42.5	96%	6.1%
2016	20,625	1,036,241	50,242	43.2	96%	4.3%
2017	21,211	1,066,532	50,282	42.5	95%	3.7%

* 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
Principal Employers
Current Year and Nine Years Ago

Company or Organization	Activity	Fiscal Year			
		2017		2008	
		Employees	Percentage to Total City Employment	Employees	Percentage of Total City Employment
Bank Of America	Banking	507	4.53%	246	1.97%
Las Virgenes USD	Government	495	4.42%	465	3.72%
Touch Commerce	Internet	225	2.01%	275	2.20%
Teradyne Inc	Manufacturing	223	1.99%	237	1.90%
IBM Corporation	Technology	206	1.84%		0.00%
Cydcor LLC	Sales	150	1.34%		0.00%
Wood Ranch	Restaurant	135	1.21%	115	0.92%
Zebra Technologies	Publishing	131	1.17%		0.00%
Farmers Financial Solutions	Insurance	129	1.15%	175	1.40%
Motor Vehicle Software Corp	Technology	128	1.14%		0.00%
THQ Inc	Publishing			373	2.98%
Employers Direct Insurance	Insurance			209	1.67%
Community Medical Group	Medical			175	1.40%
Digital Theater Systems Inc	Electronics			115	0.92%
Total Top Employers		2,329	20.79%	2,385	19.08%
Total City Employment (1)		11,200		12,500	

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

Full-time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year		
	2008	2009	2010
General government	9.60	9.45	9.85
Community development	6.50	6.50	4.80
Community services	7.00	7.00	7.00
Public works	6.50	6.50	6.55
Building and safety	3.50	3.50	3.00
Redevelopment/Successor Agency	2.90	3.05	3.80
Total full-time equivalent employees	<u>36.00</u>	<u>36.00</u>	<u>35.00</u>

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

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
9.85	9.78	10.30	10.30	10.48	10.48	10.49
4.10	4.65	6.27	6.27	5.30	5.30	5.26
7.00	7.00	7.00	7.00	7.95	7.95	8.00
6.35	6.70	6.00	6.00	5.00	5.00	5.00
3.00	3.00	3.00	3.00	3.00	3.00	3.00
5.50	3.87	1.43	1.43	1.27	1.27	1.25
<u>35.80</u>	<u>35.00</u>	<u>34.00</u>	<u>34.00</u>	<u>33.00</u>	<u>33.00</u>	<u>33.00</u>

CITY OF AGOURA HILLS
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year		
	2008	2009	2010
Parks and recreation			
Number of City sponsored events	26	28	34
Public Works			
Street resurfacing (lane miles)	6	7	7
Solid Waste			
Residential Recycling Collected (pounds)*	8,093,120	15,789,700	14,518,840
Electronics Collected (pounds)*	7,398	10,994	3,943
Used Oil Collection (gallons)	860	1,130	867
Automobile Battery Collections (pounds)	5,368	2,288	1,920
Used Paint Collection (gallons)	2,621	2,256	1,959
Transportation			
Total route (miles)	162,299	115,188	122,274
Passengers (annually)	34,226	17,594	20,014

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

2011	2012	2013	2014	2015	2016	2017
34	36	36	40	44	45	45
8	3	3	2	2	2	2
18,702,640	15,014,000	15,086,440	15,261,800	14,877,780	15,123,660	15,675,500
18,791	13,241	11,755	13,011	10,801	10,504	6,099
775	921	620	519	462	415	335
1,000	1,450	6,138	640	1,000	700	760
1,967	3,027	1,933	1,165	1,013	1,120	556
137,395	179,945	166,772	121,435	77,582	93,813	93,674
32,501	38,122	34,760	20,296	12,668	10,880	9,070

CITY OF AGOURA HILLS
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2008	Fiscal Year 2009	2010
<u>Public works</u>			
Bridges	19	19	19
Streets/Highway (miles)	126	126	126
Traffic signals	100	100	100
<u>Parks and recreation</u>			
Basketball courts			
Full	1	1	1
Half Courts	3	3	3
Community centers	1	1	1
Recreation Centers	1	1	1
Parks	6	6	6
Tennis courts	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

2011	2012	2013	2014	2015	2016	2017
19	19	19	19	19	19	19
126	126	126	126	130	130	130
100	100	100	100	100	100	100
1	1	1	1	1	1	1
3	3	3	3	3	3	3
1	1	1	1	1	1	1
1	1	1	1	1	1	1
6	6	6	6	6	6	6
9	9	9	9	9	9	8

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