

REPORT TO CITY COUNCIL

DATE: JUNE 28, 2023

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: NATHAN HAMBURGER, CITY MANAGER

BY: CHRISTY TRUELSEN, DIRECTOR OF FINANCE

SUBJECT: CONDUCT A PUBLIC HEARING TO CONSIDER THE ADOPTION OF RESOLUTION NO. 23-2039; ESTABLISHING FISCAL YEAR 2023-24 APPROPRIATIONS LIMITATIONS, RESOLUTION NO. 23-2040; ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2023-24, INCLUDING FISCAL YEAR 2023-24 APPROPRIATIONS, APPROVING THE ANNUAL BUDGET FOR FISCAL YEAR 2024-25, AND AUTHORIZING AMENDMENTS TO THE FISCAL YEAR 2022-23 ANNUAL BUDGET AND ADOPTING CITYWIDE GOALS FOR FISCAL YEARS 2023-24 AND 2024-25

Article 13-b of the California State Constitution, known as Proposition 4, the Gann Initiative, was passed by the citizens of California on November 6, 1979. Proposition 4 placed limitations on the amount of annual appropriations "from the proceeds of taxes" for state and local governments. The legislation also provided a method to calculate the annual appropriation limit, using a growth factor comprised of the Consumer Price Index (CPI) for California per capital income and the percentage change in population. The City of Agoura Hills appropriation limit for the General Fund from the "proceeds of taxes" for Fiscal Year 2023-24 is \$22,141,590.

The City has a two-year budget plan. This year, staff will recommend the adoption and appropriation of the Fiscal Year 2023-24 Annual Budget. Furthermore, staff recommends the approval of the Fiscal Year 2024-25 Annual Budget. The General Fund operational budget is balanced. Revenues are projected to be \$20.6 million in the General Fund for Fiscal Year 2023-24.

Proposed expenditures for the Fiscal Year 2023-24 General Fund are recommended at \$18.8 million, with operating transfers of \$1.7 million (\$20.5 million total). Public safety continues to be one of the highest priorities, at 30% of the General Fund Budget, to fund various programs. These include patrol and traffic personnel, a shared crime analyst, crossing guards and animal control services.

On June 14, 2023, the City Council held a budget workshop, extensively covering all budget matters, and direction by the City Council has been incorporated into the final budget.

The proposed adjustments within the General Fund 2023-24 Budget include adjusting the Community Service Grants to include additional amounts to several other local organizations, adjusting consultant fees for grant oversight assistance and including a possible contribution to the Agoura Hills Calabasas Community Center. These recommendations are incorporated within the proposed budget for the Fiscal Year 2023-24.

The Fiscal Year 2024-25 Budget was also adjusted to include consultant fees for grant oversight assistance.

The Fiscal Year 2023-24 Budget for the City of Agoura Hills is \$40.6 million, which includes approximately \$23.4 million in day-to-day operational/service costs, with an additional \$17.6 million in capital improvement projects. The capital improvement projects include \$11.0 million for the construction of the Linear Park utilizing various grants.

For the budget year 2023-24, the General Fund projected ending fund balance is \$13.8 million, or 68% of operating expenditures and transfers. The fund balance within the General Fund will be used for operational needs during the upcoming fiscal year, and for cashflow on any grant related projects. These reserves serve as a temporary funding source for the many grants the City receives, as they come in the form of reimbursements. Additionally, the City utilizes the reserve for cash flow and emergency reserves.

RECOMMENDATION

Staff respectfully recommends the City Council conduct a public hearing to consider the adoption of:

Resolution No. 23-2039 Establishing Fiscal Year 2023-24 Appropriations Limitations; and
Resolution No. 23-2040; Adopting the Annual Budget for Fiscal Year 2023-24 including Fiscal Year 2023-24 appropriations and approving the annual budget for Fiscal Year 2024-25 and authorizing amendments to the Fiscal Year 2022-23 Annual Budget and adopting Citywide goals for Fiscal Years 2023-24 and 2024-25.

Attachments: Sources and Uses
City Council Resolution No. 23-2039
City Council Resolution No. 23-2040

RESOLUTION NO. 23-2039

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
AGOURA HILLS, CALIFORNIA, ESTABLISHING FISCAL
YEAR 2023-24 APPROPRIATIONS LIMITATIONS**

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

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

NOW, THEREFORE, BE IT RESOLVED, that the City of Agoura Hills' appropriation limitation for Fiscal Year 2023-24 shall be \$22,141,590.

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

PASSED, APPROVED, AND ADOPTED, this 28th day of June 2023, by the following vote to wit.

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

Chris Anstead, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk

**CITY OF AGOURA HILLS
GANN APPROPRIATION LIMIT
FY 2023-24**

Appropriation Limitation Calculation				Schedule 1	Appropriation Subject to Limit				Schedule 2
% Change in				Appropriation Limit by Fiscal Year	Source	Estimated Revenues	Proceeds of Tax	Non Proceeds of Tax	
Per Capita Income	Population per DOF	Growth Factor	in						
1981-82 Base Year Approp Subject to Limit:				\$2,200,000	Unrestricted:				
Allowed Growth Rate:					Taxes	\$17,128,941	\$16,248,941	\$880,000	
1992-93	0.9936	1.0133	1.0068149	5,920,556	License and Permits	530,000		530,000	
1993-94	1.0272	1.0080	1.0354176	6,130,248	Charges for Services	1,120,500		1,120,500	
1994-95	1.0071	1.0028	1.0099199	6,191,060	Fines and Forfeitures	41,000		41,000	
1995-96	1.0472	0.9969	1.0439537	6,463,180	Interest Earnings	300,000	237,000	63,000	
1996-97	1.0467	1.0034	1.0502588	6,788,011	Miscellaneous	1,443,058		1,443,058	
1997-98	1.0467	1.0104	1.0575857	7,178,904	Total Unrestricted	20,563,499	16,485,941	4,077,558	
1998-99	1.0415	1.0120	1.0539980	7,566,550	Restricted:				
1999-00	1.0453	1.0158	1.0618157	8,034,282	Taxes	36,000	36,000	0	
2000-01	1.0491	1.0148	1.0646267	8,553,511	License and Permits			0	
2001-02	1.0782	1.0137	1.0929713	9,348,742	Intergovernmental	18,265,858		18,265,858	
2002-03	0.9873	1.0400	1.0267920	9,599,213	Charges for Services	76,000		76,000	
2003-04	1.0231	1.0157	1.0391627	9,975,145	Fines and Forfeitures	45,000		45,000	
2004-05	1.0328	1.0102	1.0433346	10,407,413	Interest Earnings	86,100		86,100	
2005-06	1.0526	1.0540	1.1094404	11,546,405	Miscellaneous	100,000		100,000	
2006-07	1.0396	1.0017	1.0413673	12,024,049	Total Restricted	18,608,958	36,000	18,572,958	
2007-08	1.0442	1.0034	1.0477503	12,598,200	Total Source of Funds	\$39,172,457	\$16,521,941	\$22,650,516	
* 2008-09	1.0429	1.0056	1.0487402	13,212,239					
* 2009-10	1.0062	1.0058	1.0120360	13,371,262					
2010-11	0.9746	1.0059	0.9803501	13,108,518					
* 2011-12	1.0251	1.0025	1.0276628	13,471,136					
* 2012-13	1.0377	1.0021	1.0398792	14,008,354					
2013-14	1.0512	1.0045	1.0559304	14,791,847					
2014-15	0.9977	1.0047	1.0023892	14,827,188					
2015-16	1.0382	1.0064	1.0448445	15,492,106					
2016-17	1.0537	1.0068	1.0608652	16,435,036					
2017-18	1.0369	1.0001	1.0370037	17,043,191					
2018-19	1.0367	1.0010	1.0377367	17,686,345					
2019-20	1.0385	0.9985	1.0369430	18,339,732					
2020-21	1.0373	0.9973	1.0344993	18,972,440					
2021-22	1.0573	0.9931	1.0500046	19,921,149					
2022-23	1.0755	0.9898	1.0645299	21,206,659					
2023-24	1.0444	0.9997	1.0440867	22,141,590					
2023-24 Appropriation Limit				\$22,141,590					
Less Appropriations subject to limit (Sched 2)				16,521,941					
2023-24 Appropriations Under Allowed Limit				\$5,619,649					

* Revised

RESOLUTION NO. 23-2040

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2023-24, INCLUDING FISCAL YEAR 2023-24 APPROPRIATIONS, APPROVING THE ANNUAL BUDGET FOR FISCAL YEAR 2024-25, AND AUTHORIZING AMENDMENTS TO THE FISCAL YEAR 2022-23 ANNUAL BUDGET AND ADOPTING CITYWIDE GOALS FOR FISCAL YEARS 2023-24 AND 2024-25

WHEREAS, the City Council has reviewed the preliminary budget for Fiscal Years 2023-24 and 2024-25 and the amended budget for Fiscal Year 2022-23; and

WHEREAS, a Budget Workshop concerning the Fiscal Year 2023-24 and 2024-25 proposed budget was held on Wednesday, June 14, 2023.

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

1. That the Fiscal Years 2023-24 Budget be adopted, pursuant to Chapter 6, Section 2603 (Ordinance No. 22) of the City of Agoura Hills Municipal Code,
2. That the amounts shown on Exhibit "A" for the Fiscal Year 2023-24 Budget are hereby appropriated.
3. That the Fiscal Year 2024-25 Budget be approved, subject to modification prior to the commencement of Fiscal Year 2024-25.
4. That the proposed amendments to the Fiscal Year 2022-23 Budget be approved.
5. Any unused appropriations from the Fiscal Year 2022-23 Adopted Budget at the end of Fiscal Year 2022-23 may be re-appropriated by the City Manager for continued use in Fiscal Year 2022-23.
6. That the Citywide Goals for Fiscal Year 2023-24 and 2024-25 be approved.

PASSED, APPROVED, and ADOPTED this 28th day of June, 2023, by the following vote to wit:

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

Chris Anstead, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk

**City of Agoura Hills
Sources and Uses
Estimated Budget 2022-23**

Fund	----- Estimate 2022/23-----				Fund Balance 6/30/2023
	Fund Balance 6/30/2022	Revenues	Expenditures	Transfers (Out)/In	
<u>City of Agoura Hills</u>					
<u>Major Funds</u>					
10 General Fund	13,690,128	19,532,327	18,285,372	(1,220,505)	13,716,578
Subtotal Major Funds	<u>13,690,128</u>	<u>19,532,327</u>	<u>18,285,372</u>	<u>(1,220,505)</u>	<u>13,716,578</u>
20 Gas Tax	59,162	522,551	527,300	-	54,413
22 RRAA	91,237	440,127	450,000	-	81,364
30 Retirement Rate Stabilization	200,636	3,000	222,000	23,000	4,636
40 Traffic Safety	28,899	40,350	40,000	-	29,249
60 Proposition A	1,173,230	629,535	445,372	-	1,357,393
61 Proposition C	686,282	547,478	845,626	-	388,134
63 Measure R	173,062	312,983	305,485	-	180,560
64 Measure M	103,266	353,381	406,741	-	49,906
65 Measure W	113,313	345,800	328,000	-	131,113
70 SCAQMD	140,595	27,700	112,000	-	56,295
110 Traffic Improvement	1,617,431	10,000	650,000	-	977,431
111 Utility Undergrounding	53,674	750	-	-	54,424
240 Suppl. Law Enfcmt	148,444	168,000	192,866	-	123,578
250 CDBG	(7,574)	16,400	16,400	-	(7,574)
260 Misc. Grants	(829,196)	2,766,367	2,614,545	-	(677,374)
520 Waste Management	236,757	112,000	93,900	-	254,857
420 Inc. Housing In-Lieu	1,816,920	20,000	30,000	-	1,806,920
300 Public Fin Auth Debt Service	1,095	11	-	-	1,106
305 Improvement Authority Debt Serv	293,850	1,500	914,225	913,274	294,399
620 Successor Housing	797,420	10,000	51,435	134,231	890,215
11 Capital Projects Fund	568,626	218,500	135,000	100,000	752,126
12 Facilities Fund	404,632	4,000	-	-	408,632
13 Open Space Fund	-	-	-	50,000	50,000
15 Rec Center Capital Projects	(29,997)	65,000	35,000	-	3
16 Stormwater Capital Projects	799,265	225,000	122,000	-	902,265
18 Measure R Capital Projects	(3,064,224)	900,000	66,322	-	(2,230,546)
19 Measure M Capital Projects	(488,371)	30,000	410,523	-	(868,894)
Subtotal Non-Major Funds	<u>5,088,432</u>	<u>7,770,433</u>	<u>9,014,740</u>	<u>1,220,505</u>	<u>5,064,630</u>
Total City of Agoura Hills	<u>18,778,560</u>	<u>27,302,760</u>	<u>27,300,112</u>	<u>-</u>	<u>18,781,207</u>

**City of Agoura Hills
Sources and Uses
Estimated Budget 2023-24**

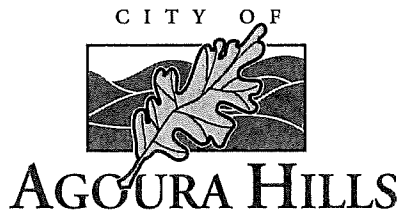
----- Estimate 2023/24-----

Fund	Fund Balance 6/30/2023	Revenues	Expenditures	Transfers (Out)/In	Fund Balance 6/30/2024
<u>City of Agoura Hills</u>					
<u>Major Funds</u>					
10 General Fund	13,716,578	20,563,499	18,759,258	(1,673,150)	13,847,669
18 Measure R Capital Projects	(2,230,546)	5,622,000	5,989,446	-	(2,597,992)
19 Measure M Capital Projects	(868,894)	4,393,250	4,287,385	-	(763,029)
260 Misc. Grants	(677,374)	4,524,500	4,524,500	-	(677,374)
Subtotal Major Funds	<u>9,939,764</u>	<u>35,103,249</u>	<u>33,560,589</u>	<u>(1,673,150)</u>	<u>9,809,273</u>
20 Gas Tax	54,413	578,961	556,311	-	77,063
22 RRAA	81,364	501,488	480,000	-	102,852
30 Retirement Rate Stabilization	4,636	-	-	89,550	94,186
40 Traffic Safety	29,249	45,350	43,505	-	31,094
60 Proposition A	1,357,393	709,853	840,388	-	1,226,858
61 Proposition C	388,134	481,964	640,871	-	229,227
63 Measure R	180,560	357,973	409,440	-	129,093
64 Measure M	49,906	404,369	413,884	-	40,391
65 Measure W	131,113	345,800	452,000	-	24,913
70 SCAQMD	56,295	27,700	70,000	-	13,995
110 Traffic Improvement	977,431	6,000	-	-	983,431
111 Utility Undergrounding	54,424	750	-	-	55,174
240 Suppl. Law Enfcmt	123,578	100,000	183,000	-	40,578
250 CDBG	(7,574)	250,000	236,000	-	6,426
520 Waste Management	254,857	115,000	98,804	-	271,053
420 Inc. Housing In-Lieu	1,806,920	25,000	-	-	1,831,920
300 Public Fin Auth Debt Service	1,106	-	-	-	1,106
305 Improvement Authority Debt Serv	294,399	-	916,000	915,000	293,399
620 Successor Housing	890,215	12,000	54,483	168,600	1,016,332
11 Capital Projects Fund	752,126	3,000	640,000	200,000	315,126
12 Facilities Fund	408,632	4,000	-	300,000	712,632
13 Open Space Fund	50,000	-	-	-	50,000
15 Rec Center Capital Projects	3	-	-	-	3
16 Stormwater Capital Projects	902,265	100,000	1,000,000	-	2,265
Subtotal Non-Major Funds	<u>8,841,444</u>	<u>4,069,208</u>	<u>7,034,686</u>	<u>1,673,150</u>	<u>7,549,116</u>
Total City of Agoura Hills	<u>18,781,207</u>	<u>39,172,457</u>	<u>40,595,275</u>	<u>-</u>	<u>17,358,389</u>

**City of Agoura Hills
Sources and Uses
Estimated Budget 2024-25**

----- Estimate 2024/25-----

Fund	Fund Balance 6/30/2024	Revenues	Expenditures	Transfers (Out)/In	Fund Balance 6/30/2025
<u>City of Agoura Hills</u>					
<u>Major Funds</u>					
10 General Fund	13,847,669	20,978,505	19,414,241	(1,382,035)	14,029,898
260 Misc. Grants	(677,374)	3,297,000	3,297,000	-	(677,374)
Subtotal Major Funds	<u>13,170,294</u>	<u>24,275,505</u>	<u>22,711,241</u>	<u>(1,382,035)</u>	<u>13,352,524</u>
20 Gas Tax	77,063	578,961	560,343	-	95,681
22 RRAA	102,852	501,488	400,000	-	204,340
30 Retirement Rate Stabilization	94,186	-	-	95,850	190,036
40 Traffic Safety	31,094	45,350	45,247	-	31,197
60 Proposition A	1,226,858	709,853	837,874	-	1,098,837
61 Proposition C	229,227	481,964	308,316	-	402,875
63 Measure R	129,093	357,973	268,480	-	218,586
64 Measure M	40,391	404,369	400,160	-	44,600
65 Measure W	24,913	345,800	340,000	-	30,713
70 SCAQMD	13,995	27,700	-	-	41,695
110 Traffic Improvement	983,431	6,000	-	-	989,431
111 Utility Undergrounding	55,174	750	-	-	55,924
240 Suppl. Law Enfcmt	40,578	100,000	133,000	-	7,578
250 CDBG	6,426	100,000	110,000	-	(3,574)
520 Waste Management	271,053	115,000	98,804	-	287,249
420 Inc. Housing In-Lieu	1,831,920	25,000	-	-	1,856,920
300 Public Fin Auth Debt Service	1,106	-	-	-	1,106
305 Improvement Authority Debt Serv	293,399	-	931,225	908,175	270,349
620 Successor Housing	1,016,332	12,000	58,584	178,010	1,147,758
11 Capital Projects Fund	315,126	-	290,000	200,000	225,126
12 Facilities Fund	712,632	4,000	24,000	-	692,632
13 Open Space Fund	50,000	-	-	-	50,000
15 Rec Center Capital Projects	3	-	-	-	3
16 Stormwater Capital Projects	2,265	-	-	-	2,265
18 Measure R Capital Projects	(2,597,992)	25,000	27,489	-	(2,600,481)
19 Measure M Capital Projects	(763,029)	5,070,000	5,257,078	-	(950,107)
Subtotal Non-Major Funds	<u>4,188,095</u>	<u>8,911,208</u>	<u>10,090,600</u>	<u>1,382,035</u>	<u>4,390,738</u>
Total City of Agoura Hills	<u>17,358,389</u>	<u>33,186,713</u>	<u>32,801,841</u>	<u>-</u>	<u>17,743,262</u>



Goals

The goals established by the General Plan are intended to be achievable and measurable. Agoura Hills's key community goals are derived from and grouped by the adopted set of six guiding principles which includes:

A. Infrastructure

1. Continue Bikeway Improvements consistent with draft plan.
2. Complete a photometric study for lighting on Reyes Adobe Interchange/bridge.
3. Implement a light pole solution on Reyes Adobe Interchange/bridge.
4. Implement any proposed updates to public meeting equipment.

B. Land Use and Economic Development

1. Complete public outreach process on possibility of commercial cannabis.
2. Review penalties for the removal of protected tree species.

C. Parks/Recreation/Transportation

1. Research additional outdoor recreation/facility opportunities.
2. Dial-A-Ride program analysis.
3. Review basketball court layouts (full court vs half court).
4. Implement the next capital park improvement(s).

D. Emergency Preparedness/Public Safety

1. Support the Community Emergency Response Team (CERT) via funding for expanded training and additional storage.
2. Expand the use of technology for public safety monitoring programs.

E. Communications

1. Research and implement City website infrastructure updates.
2. Expand followers and viewership via paid social media ads.
3. Review software and technology for public meetings and consider alternatives.
4. Preserve/archive City's historical documents and photos electronically.

F. Environmental Sustainability

1. Remove non-native trees and seek tree planting opportunities for native trees.
2. Consider an ordinance to ban Styrofoam and plastic utensils.
3. Analyze the use of landscape and tree planting along Agoura Road to serve as an alternative to a sound wall.
4. Complete a city-wide feasibility analysis on the potential for naturalization of creeks and waterways.
5. Consider options to reduce light impacts near wildlife migration and significant ecological areas.