

REPORT TO CITY COUNCIL AND REDEVELOPMENT AGENCY

DATE: JANUARY 14, 2009

**TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL AND
HONORABLE CHAIR AND MEMBERS OF THE REDEVELOPMENT
AGENCY**

FROM: GREG RAMIREZ, CITY MANAGER/EXECUTIVE DIRECTOR

**BY: MIKE KAMINO, DIRECTOR OF PLANNING AND COMMUNITY
DEVELOPMENT
NATHAN HAMBURGER, ASSISTANT CITY MANAGER
CHRISTY PINUELAS, FINANCE DIRECTOR**

**SUBJECT: JOINT PUBLIC MEETING OF THE CITY COUNCIL AND THE
REDEVELOPMENT AGENCY REGARDING THE AGOURA HILLS
REDEVELOPMENT AGENCY ANNUAL FINANCIAL REPORT**

California Health and Safety Code Sections 33000 et seq. (California Redevelopment Law) require that the Redevelopment Agency submit an annual financial report to its legislative body within six months after the end of the Agency's fiscal year. Because there was only one meeting held in December, staff presented a draft of the annual financial report to the Finance Committee. The reporting information has been filed with the State Department of Housing and Community Development and with the State Controller. Staff has prepared the attached memo to the City Manager/Executive Director summarizing the contents of the report.

RECOMMENDATION

Pursuant to the requirements of California Redevelopment Law, staff respectfully requests the Redevelopment Board:

1. Receive and file the Redevelopment Agency's financial audit report for FY 2007-2008; the Agency's annual report of housing activity for FY 2007-2008; and the 2008 Redevelopment Agency's Transactions as Reported to the State of California.

Attachments:

- Memorandum to City Manager/Executive Director – "Summary of the Agoura Hills Redevelopment Agency Annual Report"
- Agoura Hills Redevelopment Agency Annual Financial Report (Attachment 1)
- HCD Report of Redevelopment Agency Housing Activities for Fiscal Year Ending June 30, 2008 (Attachment 2)
- 2008 Redevelopment Agency's Transactions as Reported to the State of California (Attachment 3)

MEMORANDUM

DATE: DECEMBER 30, 2008

TO: GREG RAMIREZ, CITY MANAGER/EXECUTIVE DIRECTOR

FROM: MIKE KAMINO, DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT
NATHAN HAMBURGER, ASSISTANT CITY MANAGER
CHRISTY PINUELAS, FINANCE DIRECTOR

SUBJECT: SUMMARY OF THE AGOURA HILLS REDEVELOPMENT AGENCY ANNUAL REPORT

BACKGROUND/DISCUSSION

California Health and Safety Code Sections 33000 et seq. (California Redevelopment Law or "CRL") require that the Redevelopment Agency submit an annual financial report to its legislative body within six months after the end of the agency's fiscal year. This report and the attached documents and forms, included as Attachment 1, serve to fulfill the annual report requirements under applicable sections of the CRL. Reporting information must also be filed with the State Department of Housing and Community Development (Attachment 2), and with the State Controller (Attachment 3).

The annual financial report must contain the following:

1. An independent financial audit ("Audit Report") of the previous fiscal year, which presents the results of the operations and financial position of the agency, including all financial activities with money required to be held in a separate Low and Moderate Income Housing Fund (LMIHF) per Section 33334.3 of the CRL. The audit must also contain a report on the Agency's compliance with laws, regulations and administrative requirements governing activities of the Agency, and a calculation of excess surplus in the LMIHF.
2. A fiscal statement containing the following information:
 - a. The amount of outstanding indebtedness of the Agency in each Project Area.
 - b. The amount of tax increment property tax revenue generated in the Agency and in each Project Area.
 - c. The amount of tax increment revenues paid to, or spent on behalf of, taxing agencies per Section 33401(b) or Section 33676 of the CRL.
 - d. The required annual report of financial transactions to the State Controller's Office.
 - e. The amount allocated to school or community college districts.

- f. The amount of existing indebtedness, as defined in Section 33582 of the CRL, and the total amount of payments required to be paid on existing indebtedness for that fiscal year.
 - g. Any other fiscal information that the Agency believes is useful to describe its programs.
- 3. A description of the Agency's activities affecting housing and displacement, containing the following information:
 - a. The total number of households displaced or moved from their dwelling units as a part of a redevelopment project during Fiscal Year 2007-08.
 - b. An estimate of the total number of households that will be displaced during 2008-09.
 - c. The total number of dwelling units provided to persons and families of low to moderate income as part of a redevelopment project.
 - d. The total number of Agency assisted dwelling units constructed, substantially rehabilitated, acquired or subsidized during Fiscal Year 2007-08 for occupancy at affordable cost by persons and families of low to moderate income.
 - e. The status and use of the Low to Moderate Income Housing Fund, created pursuant to Section 33334.3, including identification of any excess surplus funds that have accumulated in the Low to Moderate Income Housing Funds. Excess surplus funds are defined as any unexpended or unencumbered amount in the Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited in the fund in the preceding four (4) fiscal years. Monies are deemed encumbered if committed by a legally enforceable contract or agreement.
 - f. Compilation of annual monitoring reports by the agency under Section 33419 of the CRL, identifying continuing compliance under terms of recorded agreements and restrictive affordable housing covenants, and identification of any projects or dwelling units in violation of recorded agreements and covenants.
 - g. The total amount of funds expended for planning and general administrative costs.
 - h. Any other information the Agency believes is useful to explain its housing program.
- 4. A description of the Agency's progress, including specific actions and expenditures, in alleviating blight in the previous fiscal year.
- 5. A list of, and status report on, all loans made by the Agency in the amount of \$50,000 or more, that in the previous fiscal year were in default, or not in compliance with the terms of the loan approved by the Agency.
- 6. A description of the total number and nature of the properties owned by or acquired by the Agency during the previous fiscal year.

7. Any other information the Agency believes is useful to explain its programs, including, but not limited to, the number of jobs created or lost in the previous fiscal year as a result of its activities.

ANALYSIS

Since there was only one City Council/Agency meeting scheduled in December 2008, it was necessary to provide the Agency's financial audit materials in draft form to the Finance Committee. The following summarizes the specific information required by the State.

1. Independent financial audit and compliance audit:

A copy of the draft independent financial audit and compliance audit for FY 2007-08 is included as Attachment 1.

2. Fiscal statement:

- a. The amount of outstanding bonded indebtedness of the Redevelopment Agency as of June 30, 2008 was reported to be \$15,894,630. In addition, the Agency has outstanding loan obligations of \$29,754,586 to the City Loan.
- b. The amount of gross tax increment property tax revenue received by the Agency in 2007-08 was \$5,021,406.
- c. The amount of tax increment paid to taxing agencies pursuant to Section 33401 of the CRL was \$3,325,715.
- d. The required annual report of financial transactions to the State Controller will be submitted with all final reporting documentation, forms and the final audit prior to December 31, 2008 (Attachment 3).

3. There is no other fiscal information that the Agency believes useful to describe its programs at this time.

4. Activities affecting housing and residential displacement:

- a. The total number of households displaced or moved as part of a redevelopment project of the Agency in FY 2007-08 was 0.
- b. The total number of households estimated to be displaced as part of a redevelopment project of the Agency in FY 2008-09 is 0.

- c. The total number of low to moderate-income dwelling units destroyed or removed from the housing stock as part of a redevelopment project of the Agency in FY 2007-08 was 0.
 - d. The total number of Agency-assisted dwelling units that were constructed, rehabilitated, acquired or subsidized for occupancy at an affordable housing cost by persons and families of low to moderate income in FY 2007-08 was 0.
 - e. As of June 30, 2008, the Agency's Low and Moderate Income Housing Fund (LMIHF) set aside balance for the Redevelopment Project Area was \$12,733,705, which, after adjustment for assets (loans receivable and land held for resale), results in an available funds balance of \$12,805,393. The available funds balance does not reflect other Agency approved encumbrances as reported in the HCD report Schedule C (Attachment 2).
 - f. For FY 2007-08, the Agency has an LMIHF excess surplus of \$915,605. The Agency is currently working with property owners and developers in the Project Area for the production or acquisition of very low- and low-income restricted units, and expects to extend or encumber the excess surplus amount within the next one year period per the requirements under Section 3334.12(a)(1) of the CRL.
5. The Agency's progress in alleviating blight during FY 2007-08 includes public improvements to upgrade infrastructure and facility capacity to mitigate deficiencies. Examples include the Chesebro Road Interchange Project, the Reyes Adobe Road Interchange Project, and the design coordination of the future Kanan and Agoura Roads roundabout with potential developers in the Agoura Village Specific Plan area. Additionally, the Agency has continued efforts toward planning and negotiating with land owners and potential developers for projects in Agoura Village, regarding the inclusion of affordable housing opportunities within their projects.
 6. There is no other information that the Agency believes is useful to explain its housing programs at this time.

All final reporting documentation and forms will be filed with the State Controller and State Department of Housing and Community Development.

ATTACHMENTS

1. *Agoura Hills Redevelopment Agency Annual Financial Report (Year ended June 30, 2008).*
2. *HCD Report of Redevelopment Agency Housing Activities for Fiscal Year Ending June 30, 2008.*
3. *2008 Redevelopment Agency's Transactions as Reported to the State of California.*

ATTACHMENT 1

AGOURA HILLS REDEVELOPMENT AGENCY ANNUAL FINANCIAL REPORT
(YEAR ENDED JUNE 30, 2008)

AGOURA HILLS REDEVELOPMENT AGENCY

Annual Financial Report

Year Ended June 30, 2008

AGOURA HILLS REDEVELOPMENT AGENCY
Annual Financial Report
Year Ended June 30, 2008

Table of Contents

	<i>Page(s)</i>
Financial Section	
Independent Auditor’s Report	1
Basic Financial Statements:	
Statement of Net Assets	3
Statement of Activities.....	4
Balance Sheet – Governmental Funds	5
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets	6
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	8
Notes to Financial Statements.....	9
Supplementary Information:	
Budgetary Comparison Schedule – Redevelopment..... Capital Projects Fund	18
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance (Including the Provisions Contained in the Guidelines for Compliance Audits of Redevelopment Agencies) and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	19



MACIAS GINI & O'CONNELL LLP
Certified Public Accountants & Management Consultants

NEWPORT BEACH
1201 Dove Street, Suite 680
Newport Beach, CA 92660
949.221.0025

SACRAMENTO

OAKLAND

WALNUT CREEK

LOS ANGELES

SAN MARCOS

SAN DIEGO

The Board of Directors of the
Agoura Hills Redevelopment Agency

Independent Auditor's Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Agoura Hills Redevelopment Agency (Agency), a component unit of the City of Agoura Hills, California as of and for the year ended June 30, 2008, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Agency management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Agency as of June 30, 2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 23, 2008, on our consideration of the Agency'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. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Agency has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying major fund budgetary comparison schedule listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The major fund budgetary comparison schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

Macias Fini & O'Connell LLP

Certified Public Accountants
Newport Beach, California

December 23, 2008

AGOURA HILLS REDEVELOPMENT AGENCY
Statement of Net Assets
June 30, 2008

	Governmental Activities
Assets:	
Cash and investments	\$ 20,135,777
Interest receivable	49,360
Deferred loans	261,925
Due from other governments	389,160
Deposits	41,000
Deferred charges	873,994
	21,751,216
Liabilities:	
Accounts payable	723,679
Interest payable	48,630
Unearned revenue	65,000
Due in more than one year	15,569,609
	16,406,918
Net Assets:	
Restricted for low/moderate income housing	12,733,705
Restricted for debt service	877,857
Unrestricted (deficit)	(8,267,264)
	5,344,298
Total net assets	\$ 5,344,298

See Accompanying Notes to Financial Statements.

AGOURA HILLS REDEVELOPMENT AGENCY
Statement of Activities
Year Ended June 30, 2008

	Expenses	Net (Expense) Revenue and Changes in Net Assets
Functions/Programs:		Total Governmental Activities
Governmental Activities:		
Community development	\$ 904,751	\$ (904,751)
Pass through to other agencies	3,490,015	(3,490,015)
Interest and fiscal charges	48,630	(48,630)
Total governmental activities	\$ 4,443,396	(4,443,396)

General revenues:	
Taxes	5,021,406
Use of money and property	202,640
Other	20,000
Total general revenues and transfers	5,244,046
Change in net assets	800,650
Net assets, beginning of year	4,543,648
Net assets, end of year	\$ 5,344,298

See Accompanying Notes to Financial Statements.

AGOURA HILLS REDEVELOPMENT AGENCY
Balance Sheet
Governmental Funds
June 30, 2008

	<u>Capital Projects</u>		<u>Debt Service</u>	<u>Total</u>
	<u>Set-Aside Fund</u>	<u>Redevelopment Fund</u>	<u>Redevelopment Fund</u>	<u>Governmental Funds</u>
Assets:				
Cash and investments	\$ 12,510,801	\$ 6,493,630	\$ 1,131,346	\$ 20,135,777
Interest receivable	32,667	15,909	784	49,360
Deferred loans	261,925	-	-	261,925
Due from other governments	-	-	389,160	389,160
Deposits	-	41,000	-	41,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 12,805,393</u>	<u>\$ 6,550,539</u>	<u>\$ 1,521,290</u>	<u>\$ 20,877,222</u>
Liabilities:				
Liabilities:				
Accounts payable	\$ 6,688	\$ 73,558	\$ 643,433	\$ 723,679
Deferred revenue	65,000	-	-	65,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>71,688</u>	<u>73,558</u>	<u>643,433</u>	<u>788,679</u>
Fund Balances:				
Reserved for low/moderate income housing	12,733,705	-	877,857	13,611,562
Unreserved, undesignated	-	6,476,981	-	6,476,981
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>12,733,705</u>	<u>6,476,981</u>	<u>877,857</u>	<u>20,088,543</u>
Total liabilities and fund balances	<u>\$ 12,805,393</u>	<u>\$ 6,550,539</u>	<u>\$ 1,521,290</u>	<u>\$ 20,877,222</u>

See Accompanying Notes to Financial Statements.

AGOURA HILLS REDEVELOPMENT AGENCY
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2008

Fund balance of governmental funds	\$ 20,088,543
<p>The issuance of long term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term liabilities and related items. Issuance of bonds \$15,570,000 less discount \$180,391.</p>	
	(15,569,609)
<p>Interest on long-term liabilities are not due and payable in the current period and therefore are not reported in funds.</p>	
	(48,630)
<p>Deferred charges related to the issuance of long term debt are recorded as expenditures in governmental fund statements.</p>	
	873,994
Net assets of governmental activities	\$ 5,344,298

See Accompanying Notes to Financial Statements.

AGOURA HILLS REDEVELOPMENT AGENCY
Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2008

	<u>Capital Projects</u>		<u>Debt Service</u>	<u>Total Governmental Funds</u>
	<u>Set-Aside Fund</u>	<u>Redevelopment Fund</u>	<u>Redevelopment</u>	
Revenues:				
Tax increment	\$ -	\$ -	\$ 5,021,406	\$ 5,021,406
Use of money and property	135,708	66,148	784	202,640
Other	20,000	-	-	20,000
Total revenues	<u>155,708</u>	<u>66,148</u>	<u>5,022,190</u>	<u>5,244,046</u>
Expenditures:				
Current:				
General government	53,585	24,655	-	78,240
Pass through to other agencies	-	-	3,411,775	3,411,775
Community development	244,720	330,731	-	575,451
Public works	-	39,851	-	39,851
Cost of issuance	-	-	873,994	873,994
Capital outlay	-	289,449	-	289,449
Total expenditures	<u>298,305</u>	<u>684,686</u>	<u>4,285,769</u>	<u>5,268,760</u>
Excess (deficiency) of revenues over expenditures	<u>(142,597)</u>	<u>(618,538)</u>	<u>736,421</u>	<u>(24,714)</u>
Other financing sources (uses):				
Transfers in	9,828,042	5,739,191	-	15,567,233
Transfers out	-	(139,060)	(15,428,173)	(15,567,233)
Issuance of bonds	-	-	15,750,000	15,750,000
Discount on bonds	-	-	(180,391)	(180,391)
Total other financing sources (uses)	<u>9,828,042</u>	<u>5,600,131</u>	<u>141,436</u>	<u>15,569,609</u>
Net change in fund balances	<u>9,685,445</u>	<u>4,981,593</u>	<u>877,857</u>	<u>15,544,895</u>
Fund balances, beginning of year	<u>3,048,260</u>	<u>1,495,388</u>	<u>-</u>	<u>4,543,648</u>
Fund balances, end of year	<u><u>\$ 12,733,705</u></u>	<u><u>\$ 6,476,981</u></u>	<u><u>\$ 877,857</u></u>	<u><u>\$ 20,088,543</u></u>

See Accompanying Notes to Financial Statements.

AGOURA HILLS REDEVELOPMENT AGENCY
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2008

Net change in fund balances - total governmental funds \$ 15,544,895

Amounts reported for governmental activities in the Statement of Activities are different because:

Issuance of long-term debt including bonds, leases, etc. provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources in governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term liabilities and related items. Issuance of bonds \$15,570,000 less discount \$180,391.

Debt issuance	\$ (15,750,000)	
Discount on debt issuance	180,391	
Deferred charges	<u>873,994</u>	(14,695,615)

Interest on long-term liabilities are not due and payable in the current period and therefore are not reported in funds.	<u>(48,630)</u>
--	-----------------

Change in net assets of governmental activities	<u><u>\$ 800,650</u></u>
---	--------------------------

See Accompanying Notes to Financial Statements.

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements
June 30, 2008

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Agoura Hills Redevelopment Agency.

(a) Reporting Entity - Agoura Hills Redevelopment Agency

The Agoura Hills Redevelopment Agency (Agency) was established March 9, 1988 pursuant to the California Community Redevelopment laws. The primary purpose of the Redevelopment Agency is to address blight conditions that exist within the City's freeway and roadside commercial corridor. The project area consists of approximately 1,041 acres.

The Agency is a blended component unit of the City of Agoura Hills (City) and, accordingly, is included in the City's basic financial statements.

(b) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the Agoura Hills Redevelopment Agency. For the most part, the effect of interfund activity has been eliminated from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges for services and grants 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. On the accrual basis, revenue from property taxes is recognized in the fiscal year from 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.

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

Governmental fund statements are reported using the modified accrual basis of accounting wherein revenues are recognized as soon as they are both measurable and available. The primary revenue sources susceptible to accrual are property taxes and investment income. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on long-term debt which is recognized when due.

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 Agency if they are collected within 60 days after year end. There is no allowance for uncollectibles. Assessed valuations are determined on an annual basis by the Los Angeles County Assessor. Taxes attach as an enforceable lien on property as of January 1, are levied on July 1, are due November 1 and February 1, and are delinquent if not paid by December 10 and April 10 of each year.

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

The Agency reports the following major governmental funds:

The Set-Aside Capital Projects Fund is used to account for the 20% portion of the Agency's tax increment revenue and other revenue sources that are required to be set-aside for low and moderate income housing and related expenditures.

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

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

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Practices

The Agency adopts an annual budget for the Redevelopment Capital Projects Fund on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

All annual appropriations either lapse at year end or are carried forward at City Manager's discretion. The budget is prepared by fund, function and activity, and includes actual information for the past year, current year estimates and requested appropriations for the next fiscal year. The budget provides management control at the functional departmental level. The City Manager may authorize the transfer of funds within the same department. 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.

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

(3) DETAILED NOTES ON ALL FUNDS

(a) Cash and Investments

Cash and investments at June 30, 2008 consisted of the following:

Equity in City investment pool	\$ 5,480,849
Held by bond trustee:	
Money market funds	14,654,928
Total cash and investments	\$ 20,135,777

Equity in the Pool of the City of Agoura Hills

The Agency has no separate bank accounts or investments other than investments held by bond trustee and the Agency's equity in the cash and investment pool managed by the City of Agoura Hills. The Agency is a voluntary participant in that pool. This pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City of Agoura Hills.

The Agency has not adopted an investment policy separate from that of the City of Agoura Hills. The fair value of the Agency's investment in this pool is reported in the accompanying financial statements at amounts based upon the Agency's pro-rata share of the fair value calculated by the City for the entire City portfolio. The balance available for withdrawal is based on the accounting records maintained by the City, which are recorded on an original cost basis.

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

The City's investment policy authorizes investment in all investments authorized under provisions of California Government Code Section 53601.

Investments Authorized by Debt Agreements:

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

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
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 Bankers' Acceptance	30 days	None	None
FDIC Insured bank deposits	None	None	None
Commercial Paper	270 days	None	None
Money Market Funds	N/A	None	None
State Obligations	None	None	None
Pre-funded Municipal Obligations	None	None	None
Repurchase Agreements	270 days	None	None
Investment Agreements	None	None	None
Local Agency Investment Fund (LAIF)	None	None	None

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of the year end, the weighted average maturity of the investments contained in the City investment pool is approximately 212 days.

<u>Investment Types</u>	<u>Remaining Maturity</u>
	<u>Less than 1 Year</u>
Held by bond trustee:	
Money market funds	\$ <u>14,654,928</u>

Disclosures Relating to Credit Risk:

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

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

<u>Investment Type</u>	<u>Fair Value</u>	<u>Minimum Credit Rating</u>	<u>Rating as of Year End</u>	
			<u>AAA</u>	<u>Not Rated</u>
Equity in City pool	\$ 5,480,849	N/A	\$ -	\$ 5,480,849
Held by bond trustee:				
Money market funds	<u>14,654,928</u>	AAA	<u>14,654,928</u>	<u>-</u>
Total	<u><u>\$ 20,135,777</u></u>		<u><u>\$ 14,654,928</u></u>	<u><u>\$ 5,480,849</u></u>

Concentration of Credit Risk:

The investment policy of the Agency contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer that represent 5% or more of the Agency's investments.

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 Agency'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% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

(b) Transfers

The following is a summary of transfers for the year ended June 30, 2008:

	Transfers In		
	Capital Projects		
	Set-Aside Fund	Redevelopment Fund	Total
Transfers Out:			
Redevelopment capital projects fund	\$ 139,060	\$ -	\$ 139,060
Debt service redevelopment fund	9,688,982	5,739,191	15,428,173
Total	\$ 9,828,042	\$ 5,739,191	\$ 15,567,233

The Redevelopment Capital Projects Fund transferred funds to the Housing Set-Aside Fund equal to the 20% of taxes to be used to improve and preserve low and moderate income housing programs in accordance with budgetary authorizations. The transfer from Redevelopment Debt Service Fund to the Capital Projects Funds represents proceeds from the issuance of the 2008 Redevelopment Bonds.

(c) Long-term Debt

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008	Due within one year
Governmental activities:					
RDA Tax Allocation Bonds	\$ -	\$ 5,750,000	\$ -	\$ 5,750,000	\$ -
RDA Housing Set-Aside Bonds	-	10,000,000	-	10,000,000	-
Discount	-	(180,391)	-	(180,391)	-
Total governmental long-term liabilities	\$ -	\$ 15,569,609	\$ -	\$ 15,569,609	\$ -

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

2008 Redevelopment Agency Tax Allocation Bonds

On May 23, 2008, the Agoura Hills Redevelopment Agency issued \$5,750,000 of Series 2008 A-T tax allocation bonds with interest rates ranging from 4.728% to 6.53%. The proceeds from the sale of bonds will be used to finance redevelopment projects benefiting the Agoura Hills Redevelopment Project areas. Principal of the Bonds is payable on their maturity date of October 1 of each year. Interest on the bonds is payable on April 1 and October 1 each year commencing October 1, 2008. The outstanding balance at June 30, 2008 net of unamortized discounts is \$5,569,609, net of unamortized discount of \$180,391. The future debt service payments of the 2008 Redevelopment Agency Tax Allocations Bonds are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>2008 Tax Allocation Bonds Series A-T</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ -	\$ 349,441	\$ 349,441
2010	55,000	423,696	478,696
2011	55,000	421,027	476,027
2012	60,000	418,088	478,088
2013	60,000	414,889	474,889
2014-2018	360,000	2,015,731	2,375,731
2019-2023	490,000	1,879,661	2,369,661
2024-2028	685,000	1,674,256	2,359,256
2029-2033	980,000	1,370,797	2,350,797
2034-2038	1,415,000	915,901	2,330,901
2039-2042	1,590,000	261,139	-
Total	<u>\$ 5,750,000</u>	<u>\$ 10,144,627</u>	<u>\$ 14,043,488</u>

2008 Redevelopment Agency Housing Set-Aside Tax Allocation Bonds

On May 23, 2008, the Agoura Hills Redevelopment Agency issued \$10,000,000 of Series 2008 Housing Set-Aside Tax Allocation bonds with interest rates ranging from 4.00% to 4.75%. The proceeds from the bond will be issued to finance low and moderate income housing of the Agency. Principal of the Bonds is payable on their maturity date of October 1 each year. Interest on the bonds will be payable semi-annually on April 1 and October 1 of each year commencing October 1, 2008. The outstanding balance at June 30, 2008 is \$10,000,000. The future debt service payments of the 2008 Redevelopment Agency Housing Set-Aside Tax Allocation Bonds are as follows:

AGOURA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

Year Ending June 30	Housing Set-Aside Tax Allocation Bonds 2008		
	Principal	Interest	Total
2009	\$ -	\$ 395,105	\$ 395,105
2010	135,000	477,831	612,831
2011	145,000	472,231	617,231
2012	150,000	466,331	616,331
2013	155,000	460,231	615,231
2014-2028	870,000	2,201,081	3,071,081
2019-2023	1,075,000	1,992,997	3,067,997
2024-2028	1,350,000	1,704,944	3,054,944
2029-2033	1,720,000	1,323,750	3,043,750
2034-2038	2,205,000	834,875	3,039,875
2039-2042	2,195,000	226,125	2,421,125
Total	\$ 10,000,000	\$ 10,555,503	\$ 20,555,503

(4) OTHER INFORMATION

(a) *Redevelopment Set-Aside Loans*

During the year the Redevelopment Agency participated in a housing rehabilitation loan program, and a first time home buyer program, with Redevelopment Set-Aside funds. The housing rehabilitation loan program offers qualified applicants a loan amount up to \$20,000 which is due to the Agency upon the sale or refinancing of the property. The first time homebuyer program offers qualified applicants up to \$85,900 which is due upon sale or refinancing of the property. As of June 30, 2008, the Agency has outstanding loans in the amount of \$176,025 for rehabilitation loans, and \$85,900 for first time homebuyer loans. The Agency records these loans as deferred loans in the fund.

(b) *Tax increment revenue*

The Agency's primary source of revenue is property taxes, referred to in the accompanying financial statements as "tax increment revenue." Property taxes allocated to the Agency will be computed in the following manner:

- (a) The assessed valuation of all property within the project area is determined on the date of adoption of the Redevelopment Plan.
- (b) Property taxes related to the incremental increase in assessed values after the adoption of the Redevelopment Plan are allocated to the Agency. All taxes on the "frozen" assessed valuation of the property are allocated to the City and other districts.

AGOORA HILLS REDEVELOPMENT AGENCY
Notes to Financial Statements (Continued)
June 30, 2008

The Agency has no power to levy and collect taxes, and any legislative property tax reduction might correspondingly reduce the amount of tax revenues that would otherwise be available to pay the principal and interest on long-term debt. Broadened property tax exemptions could have a similar effect. Conversely, any increase in the tax rate or assessed valuation, or any reduction or elimination of present exemptions would necessarily increase the amount of tax revenues that would be available to pay principal and interest on long-term debt.

(c) *Commitment*

The City and the Agency entered into a reimbursement agreement for services. The City estimated the Agency will be unable to pay the entire advance from available future revenues. There were no advances in the current fiscal year. The balance of advances from the City at June 30, 2008 was \$16,414,328.

(d) *Subsequent Event*

The State Legislature passed AB 1389, which became effective September 30, 2008. The bill includes a requirement for a payment to the Educational Revenue Augmentation Fund (ERAF) by each redevelopment agency by May 10, 2009. The California Redevelopment Association's estimate of the Agency payment is \$207,837.

AGOORA HILLS REDEVELOPMENT AGENCY
Budgetary Comparison Schedule
Redevelopment Capital Projects Fund
Year Ended June 30, 2008

	<u>Budgeted Amount</u>		<u>Variance Positive (Negative)</u>
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Use of money and property	\$ 50,000	\$ 66,148	\$ 16,148
Total revenues	<u>50,000</u>	<u>66,148</u>	<u>16,148</u>
Expenditures:			
Current:			
Pass through to other agencies	82,300	24,655	57,645
Community development	340,821	330,731	10,090
Public works	41,938	39,851	2,087
Capital outlay	<u>250,000</u>	<u>289,449</u>	<u>(39,449)</u>
Total expenditures	<u>715,059</u>	<u>684,686</u>	<u>30,373</u>
Excess (deficiency) of revenues over expenditures	<u>(665,059)</u>	<u>(618,538)</u>	<u>46,521</u>
Other financing sources (uses):			
Transfers in	5,739,191	5,739,191	
Transfers out	<u>(139,060)</u>	<u>(139,060)</u>	-
Total other financing sources (uses)	<u>5,600,131</u>	<u>5,600,131</u>	-
Net change in fund balances	4,935,072	4,981,593	46,521
Fund balances, beginning of year	<u>1,495,388</u>	<u>1,495,388</u>	
Fund balances, end of year	<u>\$ 6,430,460</u>	<u>\$ 6,476,981</u>	<u>\$ 46,521</u>



MACIAS GINI & O'CONNELL LLP
Certified Public Accountants & Management Consultants

NEWPORT BEACH
1201 Dove Street, Suite 680
Newport Beach, CA 92660
949.221.0025

SACRAMENTO

OAKLAND

WALNUT CREEK

LOS ANGELES

SAN MARCOS

SAN DIEGO

The Board of Directors of the
Agoura Hills Redevelopment Agency

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance (Including the Provisions Contained in the Guidelines for Compliance Audits of Redevelopment Agencies) and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

We have audited the financial statements of the governmental activities and each major fund of the Agoura Hills Redevelopment Agency, (Agency) a component unit of the City of Agoura Hills, California as of and for the year ended June 30, 2008, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 23, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agoura Hills Redevelopment Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the basic financial statements of the Agoura Hills Redevelopment Agency are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Such provisions include those provisions of laws and regulations identified in the Guidelines for Compliance Audits of California Redevelopment Agencies issued by the State Controller's Office, Division of Accounting and Reporting. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we have reported to the management of the City of Agoura Hills in a separate letter dated December 23, 2008.

This report is intended for the information of the Board of Directors, management and others within the Agoura Hills Redevelopment Agency and the State Controller's Office, Division of Accounting and Reporting and is not intended to be and should not be used by anyone other than these specified parties.

Macias Fini & O'Connell LLP

Certified Public Accountants
Newport Beach, California

December 23, 2008

ATTACHMENT 2

HCD REPORT OF REDEVELOPMENT AGENCY HOUSING ACTIVITIES
(YEAR ENDED JUNE 30, 2008)

**Status of Low and Moderate Income Housing Funds
Sch C Agency Financial Summary
AGOURA HILLS**

Adjusted Beginning Balance	Project Area Receipts	Agency Other Revenue	Total Expenses	Net Resources Available	Other Housing Fund Assets	Total Housing Fund Assets	Encumbrances	* Unencumbered Balance	Unencumbered Designated	Unencumbered Not Dsgntd
\$3,048,260	\$9,983,750	\$0	\$298,305	\$12,733,705	\$0	\$12,733,705	\$0	\$12,733,705	\$0	\$12,733,705

Expenses	Planning and Administration Costs	Total
2007/2008	\$298,305	\$298,305

*The Unencumbered Balance is equal to Net Resources Available minus Encumbrances

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

Project Area Contributions to Low and Moderate Income Housing Funds
Sch A Project Area Summary Report
AGOURA HILLS

Project Area	100% of Tax Increment	20% Set Aside Requirement	Tax Increment Allocated	Amount Exempted	Deferral Repayment	Tax Incr. Deposited to Hsng Fund	Percent of Tax Incr Dep	Repayment Deferrals	Other Income	Total Deposited to Housing
AGOURA HILLS PROJECT AREA	\$5,021,406	\$1,004,281	\$1,004,281	\$0	\$0	\$1,004,281	20.00%	\$0	\$8,979,469	\$9,983,750
Agency Totals:	\$5,021,406	\$1,004,281	\$1,004,281	\$0	\$0	\$1,004,281	20.00%	\$0	\$8,979,469	\$9,983,750

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
AGOURA HILLS

	Beginning Balance	\$3,048,260
	Adjustment to Beginning Balance	\$0
	Adjusted Beginning Balance	\$3,048,260
Total Tax Increment From PA(s) \$1,004,281	Total Receipts from PA(s)	\$9,983,750
	Other Revenues not reported on Schedule A	\$0
	Sum of Beginning Balance and Revenues	\$13,032,010

Expenditure	<u>Item</u>	<u>Subitem</u>	<u>Amount</u>	<u>Remark</u>
Planning and Administration Costs				
	Administration Costs		\$53,585	
	Professional Services		\$244,720	
		Subtotal of Planning and Administration Costs	\$298,305	
		Total Expenditures	\$298,305	

Net Resources Available \$12,733,705

Indebtedness For Setasides Deferred \$0

Other Housing Fund Assets				
<u>Category</u>			<u>Amount</u>	<u>Remark</u>
		Total Other Housing Fund Assets		

Total Fund Equity \$12,733,705

2003/2004	\$292376			
2004/2005	\$398341	sum of 4 Previous Years'	Prior Year Ending	Excess Surplus for
2005/2006	\$651374	Tax Increment for 2007/2008	Unencumbered Balance	2007/2008
2006/2007	\$790564	\$2132655	\$3,048,260	\$915,605

Sum of Current and 3 Previous Years' Tax Increments \$2,844,560

Adjusted Balance \$12,733,705

Excess Surplus for next year \$9,889,145

Net Resources Available \$12,733,705

Unencumbered Designated \$0

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
AGOURA HILLS

Unencumbered Undesignated	\$12,733,705
Total Encumbrances	\$0
Unencumbered Balance	\$12,733,705
Unencumbered Balance Adjusted for Debt Proceeds	\$0
Unencumbered Balance Adjusted for Land Sales	\$0
Excess Surplus Expenditure Plan	No
Excess Surplus Plan Adoption Date	

Site Improvement Activities Benefiting Households				
<u>Income Level</u>	<u>Low</u>	<u>Very Low</u>	<u>Moderate</u>	<u>Total</u>
Construction	0	0	0	0
Rehabilitation	0	0	0	0
Health and Safety Hazard	0	0	0	0

Land Held for Future Development					
<u>Site Name</u>	<u>Num Of Acres</u>	<u>Zoning</u>	<u>Purchase Date</u>	<u>Estimated Start Date</u>	<u>Remark</u>

Use of the Housing Fund to Assist Mortgageors

Income Adjustment Factors	<input type="text"/>	Requirements Completed	<input type="text"/>
Home	\$ <input type="text"/>	Hope	\$ <input type="text"/>

Non Housing Redevelopment Funds Usage

Resource Needs

LMIHF Deposits/Withdrawals				
<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>

Achievements
Description

SCHEDULE HCD E
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
 (This Form is Information Only: Actual Obligation is based on Implementation Plan)

Report Year: 2007/2008

Agency: AGOURA HILLS

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

PART I [H & SC Section 33413(b)(1)] AGENCY DEVELOPED	
1. New Units	0
2. Substantially Rehabilitated Units	0
3. Subtotal - Baseline of Units (add line 1 & 2)	0
4. Subtotal of Inclusionary Obligation Accrued this Year for Units (line 3 x 30%)	0
5. Subtotal of Inclusionary Obligation Accrued this year for <u>Very-Low</u> Income Units (line 4 x 50%)	0
PART II [H & SC Section 33413(b)(2)] NON-AGENCY DEVELOPED UNITS	
6. New Units	0
7. Substantially Rehabilitated Units	0
8. Subtotal - Baseline of Units (add lines 6 & 7)	0
9. Subtotal of Inclusionary Obligation Accrued this year for Units (line 8 x 15%)	0
10. Subtotal of Inclusionary Obligation Accrued this year for Very Low Income Units (line 9 x 40%)	0
PART III TOTALS	
11. Total Increase in Inclusionary Obligations During This Fiscal Year (add line 4 & 9)	0
12. Total Increase in Very Low Income Units Inclusionary Obligations During This Fiscal Year (add line 5 & 10)	0

**SCHEDULE HCD E1
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
(This Form is Information Only: Actual Obligation is based on Implementation Plan)**

Report Year: 2007/2008

Agency: AGOURA HILLS

Project Area: AGOURA HILLS PROJECT AREA

Project: OAK CREEK APARTMENTS

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

**PART I
[H & SC Section 33413(b)(1)]
AGENCY DEVELOPED**

1. New Units	0
2. Substantially Rehabilitated Units	0
3. Subtotal - Baseline of Units (add line 1 & 2)	0
4. Subtotal of Inclusionary Obligation Accrued this Year for Units (line 3 x 30%)	0
5. Subtotal of Inclusionary Obligation Accrued this year for <u>Very-Low</u> Income Units (line 4 x 50%)	0

**PART II
[H & SC Section 33413(b)(2)]
NON-AGENCY DEVELOPED UNITS**

6. New Units	0
7. Substantially Rehabilitated Units	0
8. Subtotal - Baseline of Units (add lines 6 & 7)	0
9. Subtotal of Inclusionary Obligation Accrued this year for Units (line 8 x 15%)	0
10. Subtotal of Inclusionary Obligation Accrued this year for Very Low Income Units (line 9 x 40%)	0

**PART III
TOTALS**

11. Total Increase in Inclusionary Obligations During This Fiscal Year (add line 4 & 9)	0
12. Total Increase in Very Low Income Units Inclusionary Obligations During This Fiscal Year (add line 5 & 10)	0

ATTACHMENT 3

2008 REDEVELOPMENT AGENCY'S TRANSACTIONS AS REPORTED TO THE
STATE OF CALIFORNIA
(YEAR ENDED JUNE 30, 2008)

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

General Information

Fiscal Year 2008

Members of the Governing Body			
	Last Name	First Name	Middle Initial
Chairperson	Weber	Denis	J
Member	Kuperberg	Daniel	A
Member	Edelston	John	M
Member	Schwarz	Harry	
Member	Koehler	William	D
Member			
Member			
Member			
Member			
Member			

Agency Officials				
	Last Name	First Name	Middle Initial	Phone
Executive Director	Ramirez	Greg	P	(818) 597-7300
Fiscal Officer	Pinuelas	Christy	S	(818) 597-7319
Secretary	Rodriguez	Kimberly	M	(818) 597-7303
Report Prepared By		Independent Auditor		
Firm Name	Macias Gini & O'Connell			
Last	Netty	Charles		
First	Lynne	Acocello		
Middle Initial				
Street	1201 Dove St, Suite 680	1201 Dove Street, Suite 680		
City	Newport Beach	Newport Beach		
State	CA	CA		
Zip Code	92660-	92660-		
Phone	(949) 221-0025	(949) 221-0025		

Mailing Address

Street 1 30001 Ladyface Court

Street 2

City Agoura Hills State CA Zip 91301-

Phone (818) 597-7319 Is Address Changed?

**Agoura Hills Redevelopment Agency
 Redevelopment Agencies Financial Transactions Report**

Project Area Report

Fiscal Year 2008

Project Area Name

Agoura Hill Project Area

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

Activity Report

Forwarded from Prior Year ?

Yes

Enter Code for Type of Project Area Report

P = Standard Project Area Report

A = Administrative Fund

L = Low and Moderate Income Housing Fund

M = Mortgage Revenue Bond Program

O = Other Miscellaneous Funds or Programs

S = Proposed (Survey) Project Area

Does the Plan Include Tax Increment Provisions?

Yes

Date Project Area was Established (MM-DD-YY)

Most Recent Date Project Area was Amended

Did this Amendment Add New Territory?

Most Recent Date Project Area was Merged

Will this Project Area be Carried Forward to Next Year?

Yes

Established Time Limit :

Repayment of indebtedness (Year Only)

Effectiveness of Plan (Year Only)

New Indebtedness (Year Only)

Size of Project Area in Acres

Percentage of Land Vacant at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Percentage of Land Developed at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Objectives of the Project Area as Set Forth in the Project Area Plan

(Enter the Appropriate Code(s) in Sequence as Shown)

R = Residential I = Industrial C = Commercial P = Public O = Other

Aguora Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Assessed Valuation Data

Fiscal Year **2008**

Project Area Name

Aguora Hill Project Area

Frozen Base Assessed Valuation

336,636,718

Increment Assessed Valuation

451,479,846

Total Assessed Valuation

788,116,564

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Pass-Through / School District Assistance

Fiscal Year 2008

Project Area Name **Agoura Hill Project Area**

Tax Increment Pass Through Detail

Other Payments

Amounts Paid To Taxing
Agencies Pursuant To:

H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	Total	H & S Code Section 33445	H & S Code Section 33445.5
-----------------------------	-----------------------------	-----------------------------	-------	-----------------------------	-------------------------------

County	2,900,946			\$2,900,946		
Cities				\$0		
School Districts		353,882		\$353,882		
Community College District		65,023		\$65,023		
Special Districts		5,864		\$5,864		
Total Paid to Taxing Agencies	\$2,900,946	\$424,769	\$0	\$3,325,715	\$0	\$0
Net Amount to Agency				\$1,695,691		
Gross Tax Increment Generated				5,021,406		

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="City/County Debt"/>
Year of Authorization	<input type="text" value="1992"/>
Principal Amount Authorized	<input type="text" value="28,529,592"/>
Principal Amount Issued	<input type="text" value="28,529,592"/>
Purpose of Issue	<input type="text" value="Project Expenses"/>
Maturity Date Beginning Year	<input type="text" value="1992"/>
Maturity Date Ending Year	<input type="text" value="2037"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$28,529,592"/>
Adjustment Made During Year	<input type="text" value="-12,115,264"/>
Adjustment Explanation	<input type="text" value="To adjust to CY advances"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$16,414,328"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US, State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year	<input type="text" value="2008"/>
Project Area Name	<input type="text" value="Aguora Hill Project Area"/>
Forward from Prior Year	<input type="text"/>
Bond Type	<input type="text" value="Tax Allocation Bonds"/>
Year of Authorization	<input type="text" value="2008"/>
Principal Amount Authorized	<input type="text" value="5,750,000"/>
Principal Amount Issued	<input type="text" value="5,750,000"/>
Purpose of Issue	<input type="text" value="To finance redevelopment project areas"/>
Maturity Date Beginning Year	<input type="text" value="2009"/>
Maturity Date Ending Year	<input type="text" value="2042"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text" value="5,750,000"/>
Principal Amount Matured During Fiscal Year	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$5,750,000"/>
Principal Amount in Default	<input type="text"/>
Interest in Default	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year	<input type="text" value="2008"/>
Project Area Name	<input type="text" value="Aguora Hill Project Area"/>
Forward from Prior Year	<input type="text"/>
Bond Type	<input type="text" value="Revenue Bonds"/>
Year of Authorization	<input type="text" value="2008"/>
Principal Amount Authorized	<input type="text" value="10,000,000"/>
Principal Amount Issued	<input type="text" value="10,000,000"/>
Purpose of Issue	<input type="text" value="To finance low and moderate income housing"/>
Maturity Date Beginning Year	<input type="text" value="2009"/>
Maturity Date Ending Year	<input type="text" value="2042"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text" value="10,000,000"/>
Principal Amount Matured During Fiscal Year	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$10,000,000"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Revenues

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross <i>(Include All Apportionments)</i>		5,021,406			\$5,021,406
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	66,148	784	135,708		\$202,640
Rental Income					\$0
Lease Income					\$0
Sale of Real Estate					\$0
Gain on Land Held for Resale					\$0
Federal Grants					\$0
Grants from Other Agencies					\$0
Bond Administrative Fees					\$0
Other Revenues			20,000		\$20,000
Total Revenues	\$66,148	\$5,022,190	\$155,708	\$0	\$5,244,046

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	24,655		53,585		\$78,240
Professional Services	370,582		244,720		\$615,302
Planning, Survey, and Design					\$0
Real Estate Purchases					\$0
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs					\$0
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs	289,449				\$289,449
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					\$0
Rehabilitation Costs					\$0
Rehabilitation Grants					\$0
Interest Expense					\$0
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing					\$0
Debt Issuance Costs		873,994			\$873,994
Other Expenditures Including Pass-Through Payment(s)		3,411,775			\$3,411,775
Debt Principal Payments:					
Tax Allocation Bonds and Notes					\$0
Revenue Bonds, Certificates of Participation, Financing Authority Bonds					\$0
City/County Advances and Loans					\$0
All Other Long-Term Debt					\$0
Total Expenditures	\$684,686	\$4,285,769	\$298,305	\$0	\$5,268,760
Excess (Deficiency) Revenues over (under) Expenditures	(\$618,538)	\$736,421	(\$142,597)	\$0	(\$24,714)

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Proceeds of Long-Term Debt		15,750,000			\$15,750,000
Proceeds of Refunding Bonds					\$0
Payment to Refunded Bond Escrow Agent					\$0
Advances from City/County					\$0
Sale of Fixed Assets					\$0
Miscellaneous Financing Sources (Uses)		-180,391			(\$180,391)
Operating Transfers In	5,739,191		9,828,042		\$15,567,233
Tax Increment Transfers In					\$0
Operating Transfers Out	139,060	15,428,173			\$15,567,233
Tax Increment Transfers Out					\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
Total Other Financing Sources (Uses)	\$5,600,131	\$141,436	\$9,828,042	\$0	\$15,569,609

Aguora Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$4,981,593	\$877,857	\$9,685,445	\$0	\$15,544,895
Equity, Beginning of Period	\$1,495,388	\$0	\$3,048,260	\$0	\$4,543,648
Prior Period Adjustments					\$0
Residual Equity Transfers					\$0
Equity, End of Period	\$6,476,981	\$877,857	\$12,733,705	\$0	\$20,088,543

Agoura Hills Redevelopment Agency
Redevelopment Agencies Financial Transactions Report

Balance Sheet - Assets and Other Debits

Fiscal Year 2008	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long- Term Debt	General Fixed Assets	Total
Assets and Other Debits							
Cash and Imprest Cash	6,493,630	1,131,346	12,510,801				\$20,135,777
Cash with Fiscal Agent							\$0
Tax Increments Receivable							\$0
Accounts Receivable							\$0
Accrued Interest Receivable	15,909	784	32,667				\$49,360
Loans Receivable	0	0	261,925				\$261,925
Contracts Receivable							\$0
Lease Payments Receivable							\$0
Unearned Finance Charge							\$0
Due from Capital Projects Fund							\$0
Due from Debt Service Fund							\$0
Due from Low/Moderate Income Housing Fund							\$0
Due from Special Revenue/Other Funds							\$0

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Assets and Other Debits

Fiscal Year	2008	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Investments								\$0
Other Assets		41,000	389,160					\$430,160
Investments: Land Held for Resale								\$0
Allowance for Decline In Value of Land Held for Resale								\$0
Fixed Assets: Land, Structures, and Improvements								\$0
Equipment								\$0
Amount Available In Debt Service Fund								\$0
Amount to be Provided for Payment of Long-Term Debt						32,164,328		\$32,164,328
Total Assets and Other Debits		\$6,550,539	\$1,521,290	\$12,805,393	\$0	\$32,164,328	\$0	\$53,041,550

(Must Equal Total Liabilities, Other Credits, and Equities)

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2008	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Liabilities and Other Credits								
Accounts Payable		73,558	643,433	6,688				\$723,679
Interest Payable								\$0
Tax Anticipation Notes Payable								\$0
Loans Payable								\$0
Other Liabilities				65,000				\$65,000
Due to Capital Projects Fund								\$0
Due to Debt Service Fund								\$0
Due to Low/Moderate Income Housing Fund								\$0
Due to Special Revenue/Other Funds								\$0
Tax Allocation Bonds Payable						5,750,000		\$5,750,000
Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds						10,000,000		\$10,000,000
All Other Long-Term Debt						16,414,328		\$16,414,328
Total Liabilities and Other Credits		\$73,558	\$643,433	\$71,688	\$0	\$32,164,328		\$32,953,007

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2008	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Equities								
Investment In General Fixed Assets								\$0
Fund Balance Reserved			877,857	12,733,705				\$13,611,562
Fund Balance Unreserved-Designated								\$0
Fund Balance Unreserved-Undesignated		6,476,981						\$6,476,981
Total Equities		\$6,476,981	\$877,857	\$12,733,705	\$0		\$0	\$20,088,543
Total Liabilities, Other Credits, and Equities		\$6,550,539	\$1,521,290	\$12,805,393	\$0	\$32,164,328	\$0	\$53,041,550

Agoura Hills Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Summary, Combined Transfers In/Out

Fiscal Year 2008

Operating Transfers In	\$15,567,233
Tax Increment Transfers In	\$0
Operating Transfers Out	\$15,567,233
Tax Increment Transfers Out	\$0