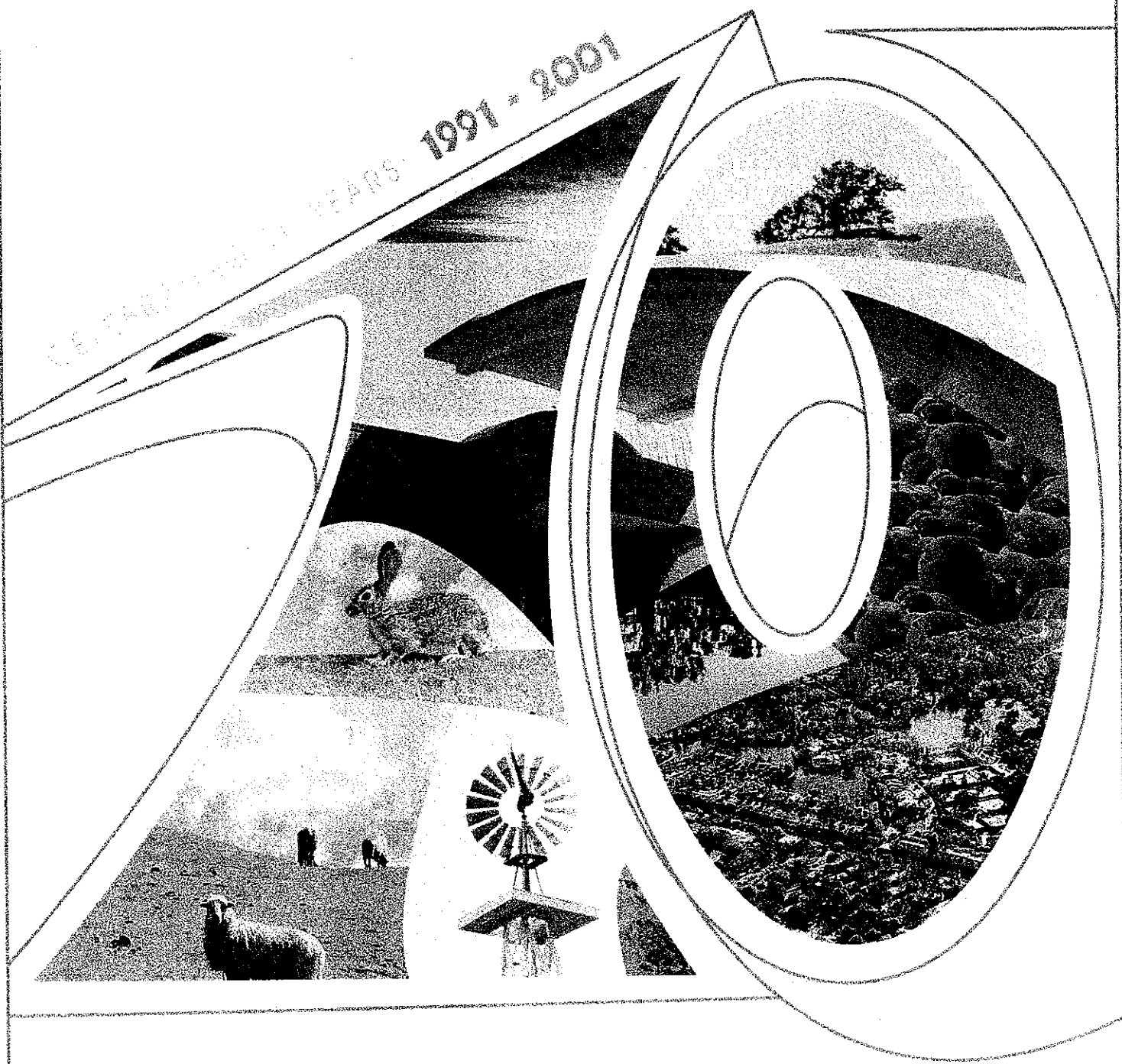


COMPREHENSIVE ANNUAL FINANCIAL REPORT CITY OF CALABASAS, CALIFORNIA

CELEBRATING 10 YEARS - 1991 - 2001



FOR THE YEAR ENDED JUNE 30, 2001



CITY *of* CALABASAS

CALIFORNIA

www.ci.calabasas.ca.us

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2001**

**PREPARED BY:
FINANCE DEPARTMENT**

**CYNTHIA L. BORCHARD
Finance Director**

**CITY OF CALABASAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

TABLE OF CONTENTS

	<u>PAGE</u>
 <u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i
Calabasas Area Map	xv
Certificate of Achievement for Excellence in Financial Reporting – Government Finance Officers Association	xvi
Certificate of Award for Outstanding Financial Reporting – California Society of Municipal Finance Officers	xvii
Directory of City Officials	xviii
Elected Officials	xix
Organizational Chart.....	xx
 <u>FINANCIAL SECTION</u>	
Independent Auditors' Report.....	1
 <u>General Purpose Financial Statements:</u>	
Combined Balance Sheet - All Fund Types and Account Groups.....	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.....	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types.....	6
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - Enterprise Fund	9
Comparative Statements of Cash Flows - Enterprise Fund.....	10
Notes to Financial Statements.....	11
 <u>Combining and Individual Fund Financial Statements (Supplementary Information):</u>	
<u>General Fund:</u>	
Comparative Balance Sheets	30
<u>Special Revenue Funds:</u>	
Combining Balance Sheet.....	34
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	38
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	42
<u>Debt Service Fund:</u>	
Comparative Balance Sheets	56

**CITY OF CALABASAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

TABLE OF CONTENTS
 (Continued)

	<u>PAGE</u>
<u>Capital Projects Fund:</u>	
Comparative Balance Sheets	58
<u>Enterprise Fund:</u>	
Comparative Balance Sheets	60
<u>Agency Funds:</u>	
Statements of Changes in Assets and Liabilities.....	62
<u>Account Groups:</u>	
<u>General Fixed Asset Account Group:</u>	
Comparative Schedule of General Fixed Assets by Source	64
Schedule of General Fixed Assets by Function and Activity	65
Schedule of Changes in General Fixed Assets by Function and Activity.....	66
<u>General Long-Term Debt Account Group:</u>	
Comparative Schedule of General Long-Term Debt.....	67

STATISTICAL SECTION (UNAUDITED)

General Governmental Expenditures by Function – Last Ten Fiscal Years	70-71
General Governmental Revenues by Source – Last Ten Fiscal Years.....	72-73
General Governmental Tax Revenues by Source – Last Ten Fiscal Years.....	74-75
Property Tax Rates – All Overlapping Governments – Last Ten Fiscal Years.....	76-77
Secured Property Tax Levies and Collections – Last Ten Fiscal Years.....	78
Assessed Values of Taxable Property – Last Ten Fiscal Years	78
Computation of Legal Debt Margin – June 30, 2001	79
Demographic Statistics – Last Ten Fiscal Years.....	80
Estimated Direct and Overlapping Bonded Debt – June 30, 2001	81
Principal Taxpayers – June 30, 2001	82
Construction Permits and Bank Deposits – Last Ten Fiscal Years.....	83
Schedule of Insurance Coverage – June 30, 2001	84
Miscellaneous Statistics	85-86



CITY *of* CALABASAS

December 3, 2001

Honorable Mayor, Members of the City Council and Citizens of Calabasas:

We are pleased to present this Comprehensive Annual Financial Report (CAFR) of the City of Calabasas, California for the fiscal year ended June 30, 2001, which has been prepared by the Finance Department in accordance with Generally Accepted Accounting Principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of this data, and the completeness and fairness of its presentation, including all 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 that presents fairly the financial position and operational results of the City's various funds and account groups and component units. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

The CAFR is presented in three sections: Introductory, Financial and Statistical. The Introductory Section, which is unaudited, includes this letter of transmittal, a geographic area map, copies of the awards received for the prior year CAFR, a list of the City's principal elected and appointed officials and an organizational chart. The Financial Section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules. The Statistical Section, which is unaudited, includes selected financial and demographic information that is generally presented on a multi-year basis.

The financial reporting entity includes all the funds and account groups of the City of Calabasas, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. In accordance with GASB Statement No. 14, "The Financial Reporting Entity," the City has determined that the City of Calabasas Facilities Corporation meets the criteria for inclusion within the City's general purpose financial statements as a "blended" component unit of the City.

The City of Calabasas was incorporated on April 5, 1991. The City is a "General Law" City with a Council-Manager form of government. A five-member Council is elected at large to staggered four year terms. In April of each year, the Council selects one of its members to serve as Mayor and one to serve as Mayor Pro-Tem.

The City provides a full range of services. Contractual services with Los Angeles County or private vendors include law enforcement, fire protection, animal control, public works maintenance, park maintenance, and traffic signal maintenance. Other contract services include refuse collection, landscape maintenance, street sweeping, crossing guards, parking administration, janitorial services and major capital projects. The City provides Planning, Building and Safety, Code Enforcement, Engineering, Traffic and Transportation, Recreation Programs, Media Operations and Administrative Management Services with City employees.

Local Economic Condition and Outlook

Calabasas is located in western Los Angeles County along the heavily-traveled Ventura Freeway, approximately 25 miles from downtown Los Angeles. Neighboring cities include Los Angeles, Agoura Hills, Malibu, Westlake Village and Hidden Hills. A portion of the City's northern boundary borders the Ventura County line. The City's distinctive character is derived from its natural environment, oak-studded hillsides, and natural open space; physical diversity; unique Old Town area; small town atmosphere and its active population. From the early settlements of the Chumash Indians, through the era of ranching and farming, to the present urban community, Calabasas has retained its peaceful and pastoral setting.

As with the greater region, the local area housing market has been characterized by substantial growth in the number of units and values over the last 20 years. Reflecting the severity of the recent recession, pricing and the number of units sold dropped in the early 1990's only to rebound significantly in the last three years. Further cause for increased demand and rising prices is the limited number of new projects to be built in the City. Future residential development is anticipated outside of the City limits, potentially to include the proposed Ahmanson Ranch development, northwest of the City.

The median household income in Calabasas in 1990 was \$66,421 compared with \$34,965 for the county as a whole. Calabasas is one of America's wealthiest communities with a current average household income of about \$209,000. The median age of Calabasas residents in 2000 was 38.5, while the median age in Los Angeles County as a whole was 32 years.

For the future, economists at the Southern California Association of Government's annual Regional Economic Forecast Conference noted that Southern California's economy will slow further next year, but the region will continue to fare better than the nation as a whole. Recovery from the current economic slowdown won't begin until next spring and slow economic growth will continue through 2003. Los Angeles County is predicted to suffer more than the rest of Southern California and its growth will be negligible in early 2002.

Anil K. Puri, Dean of the College of Business and Economics at Cal State Fullerton, said the slow growth combined with continuing population increases will mean that unemployment rates will continue to rise in 2002. He forecast that Los Angeles County's jobless rate will average 6.3 percent next year, up from 5.7 percent this year. Job growth in Los Angeles County this year is expected to be only 0.7 percent, dropping to 0.5 percent growth in 2003 before recovering to around 1.2 percent in 2003.

Service sector employment, considered a mainstay of the regional economy, will continue to grow at around 2 percent through 2003, the study said, down slightly from the 3 percent annual growth rate seen recently. More harder hit, especially in Los Angeles County, will continue to be durable-goods manufacturing, where the job picture likely won't improve regionally until 2004. The City is largely a bedroom community but it's also growing an economic base attracting high-tech industry to the area.

The State Department of Finance has estimated the City's population for 2001 at 20,390 with a total of 7,434 housing units. The 1990 median home values and rents in Calabasas (\$450,000 and \$925) are much higher than in the county as a whole (\$223,800 and \$626). Calabasas currently ranks as the 11th highest-priced community in the county with a median home price of \$725,000.

At the State level, Governor Gray Davis has asked all state agencies to trim expenses to reduce the current state budget by \$150 million. Additionally, observers have been predicting a budget deficit for next year in the range of \$5 to \$10 billion.

Early indications are that the State may again look to take money out of local communities to fill the estimated deficit in the 2002-2003 state budget. As a result, local government could be facing a marked decrease in its ability to finance critical local services such as police, fire and emergency medical response if the state looks to local government and the \$3.7 billion in Motor Vehicle Licence Fee backfill to solve the budget deficit. In response, the League of California Cities political action committee has filed two potential initiatives for the November 2002 ballot to prevent diversion of critical local funds for state purposes.

Major Initiatives - Current Year Projects

The City's staff has been involved in a variety of projects throughout the year.

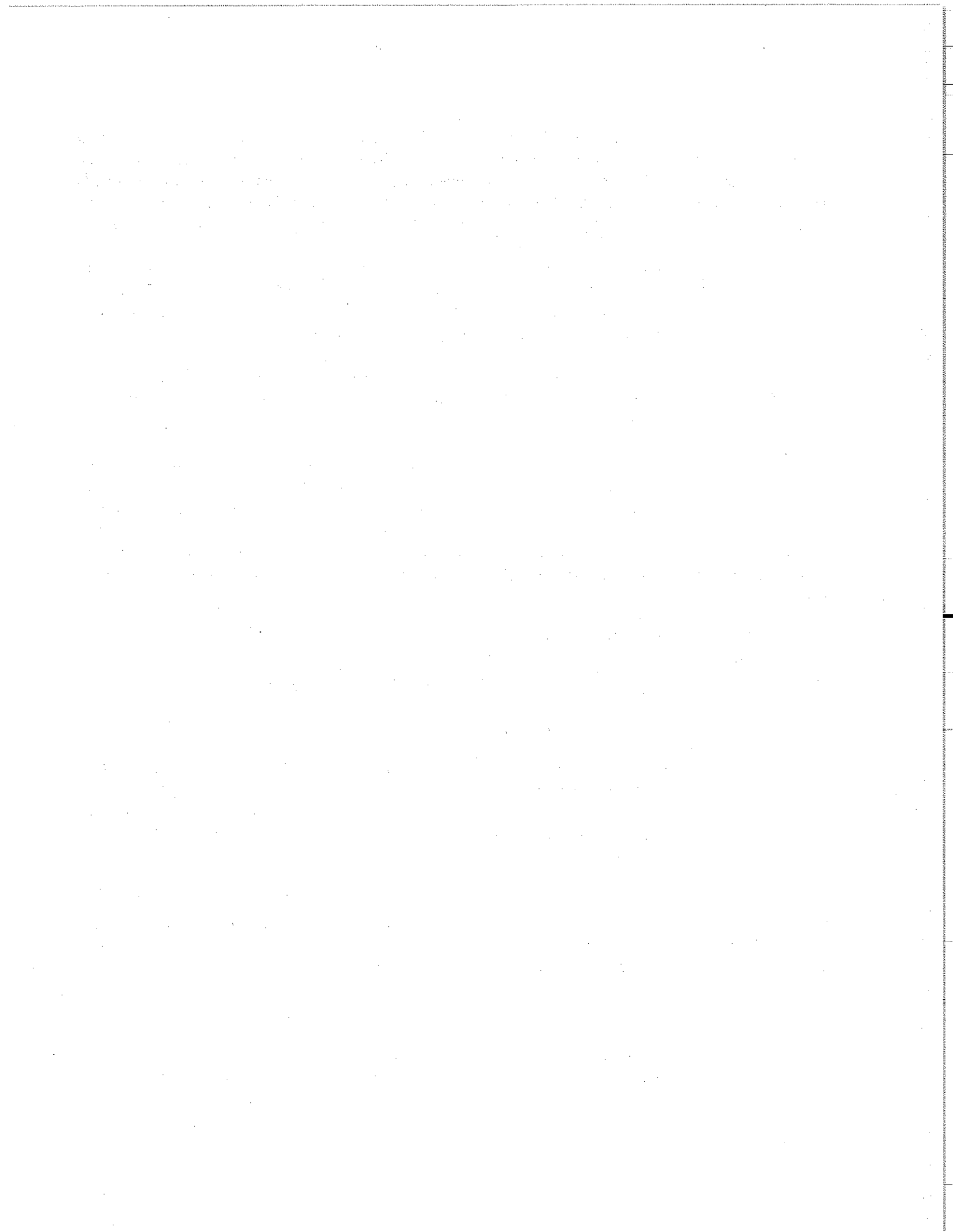
Transportation & Intergovernmental Relations

The following programs have been implemented: Created the Chaparral Elementary School and A.E. Wright Community Center Shuttle; Modified and improved the Dial-A-Ride, Teen Safe Ride, After School Enrichment, Saturday Recreation Shuttle to the Skate Park, Summer Beach Bus, Old Town/Commons Trolley and Lupin Hill Elementary School Shuttle Programs. Also, the department implemented the Citywide Zebra Crossing for safe street parking.

The Department finalized Neighborhood Traffic Calming Policy and implemented traffic calming devices in Regions 1 & 2 and the design and specification of the Parkway Calabasas Interchange Landscape Project. Also completed were the map and education pamphlets for the Recommended Safe Walk to School Program including the creation of alternative drop off/pick up locations.

Public Works

Several Capital Improvement Projects were completed during the year. A contract was awarded for the management and construction of the Las Virgenes Creek Bridge Widening at Agoura Road project. This



project involves the widening of the Agoura Road Bridge from 50 feet to 92 feet which will allow the bridge to accommodate two lanes of travel in each direction.

The Thousand Oaks Beautification Project was completed with the installation of landscaped medians and parkways and a new block garden wall. The street surface was also overlaid from Las Virgenes Road to the City limit. Also, oak tree plantings were completed at the freeway offramps.

Repairs to Mulholland Highway were completed due to damage incurred in 1998 winter storms including stabilizing the slope above the roadway and replacing the culvert. Various maintenance programs were implemented including sidewalk, curb and gutter repair, street sweeping, tree trimming, and trash pickup.

Media Operations

The City newsletter and monthly E-news continue to provide useful information to Calabasas residents. Also, the department continued to develop and expand local origination programming including regular programming and coverage of special events for CTV - The Calabasas Channel. Progress was made in negotiating the Charter/Mulwood Cable Franchise. A variety of programming awards were received including WAVE, Axiem, NATOA, SCAN NATOA, Aegis, Communicator, Videographer, Hometown Video Festival, Omni and Aurora Awards.

Additional information was added to the City's web-site. This included working with City Commissioners to prepare web pages about their primary activities, and the Chamber of Commerce and School District to develop web sites that link and provide civic educational and business information for Calabasas citizens and visitors.

The City's computer network was upgraded with new virus software and a new e-mail system, MS Exchange 2000 and Outlook.

Building and Safety

An automated permit system was completed which enables the department to issue mechanical, electrical and plumbing permits "on line." The department also completed the education process with real estate professionals at the three largest agencies concerning property sales requisites.

Several other administrative documents were revised and updated including the building and safety division policy manual to reflect current management directives and requests for service. In addition, the procedure for complaint investigation was revised to allow for better documentation and followup on citizen requests for service as well as improved response time on citizen service requests from three days to one.

Administration

The City continued to effectively administer a two year operating and capital improvement budget. A format change to a Program Budget was implemented for the 2001-02 fiscal year budget and the budget

was submitted for the first time to the Government Finance Officer's Association for their award program.

Grants totaling nearly \$1 million dollars were applied for and awarded during the year including Public Safety Grants (Local Law Enforcement Block Grant; COPS Grant; CLEEP High Technology Grant) as well as the Malibu Creek Clean Beaches Initiative and Prop 12/Santa Monica Bay Restoration Project.

The City Clerk's department conducted the 2001 General Municipal Election. The Human Resources Department coordinated the update of the Human Resources Manual and conducted an annual salary survey for compensation equity purposes. A new computer module was obtained for Human Resources data to link with the ADP Payroll system.

A Civic Center Advisory Committee was formed and a contract for architect services was awarded for the design of the new Civic Center/Library.

The City's first "Citizens Guide to Calabasas" was completed which includes information on the history of Calabasas and services available within the community.

The City celebrated its tenth anniversary on April 5th with various events scheduled throughout the entire year. A full day celebration was held at Park Sorrento on April 21st. An arts and crafts festival was also held on May 5th and 6th. The City also hosted a tenth anniversary Fourth of July celebration.

Community Services

The department continued to provide a wide variety of leisure activities to serve the citizens of Calabasas. Additionally, the department provided the City with quality holiday special events programs such as Egg Stravaganza, Family Movie Night, Snow, Snow, Snow, Halloween, ski trip and trips to local amusement parks for youth, as well as coordinating the Arts Council events and trips, Arts and Craft Festival, Mothers Day Boutique, trips to local museums and the Calabasas Chamber Orchestra.

The Creekside Pre-school Klubhouse had another successful year graduating our second class of 31 students. A new play structure for 5-12 year olds was installed at Grape Arbor Park. Maintenance improvements were completed at various park locations. A new Ordinance regulating the use of skateboards within the City was adopted.

At the Tennis and Swim Center, construction was completed on a 1,100 sq. ft. Fitness Center and new equipment was purchased. The cardiovascular room was moved and the indoor cycling room was created. Renovation and improvements were made to locker rooms. The Center also hosted its first professional Tennis Challenger Tournament.

The landscape maintenance division inspected and supervised the contract and landscape installations and maintenance contract for Mulholland Highway and traffic calming devices as well as the Agoura Hills/Calabasas Community Center. Landscape Maintenance District reformation took place with approval of changes that implement fair share cost benefit allocations.

Planning/Environmental Programs

The department developed rules for implementing California Environmental Quality Act (CEQA) for Council approval. The department also saw the completion of the Housing Element which was certified by the State Department of Housing and Community Development and a revision to the Oak Tree Ordinance.

Approvals were completed for a 98,000 square foot BMW Dealership, a 92,500 square foot office building in the Lost Hills Business Center, and an expansion of the Pacific Bell switching facility on Park Sorrento.

The City purchased, in conjunction with the Santa Monica Mountains Conservancy (Mountains Restoration Trust and Mountains Recreation and Conservation Authority), property (Calmont and O'Hare Property) designated for open space.

Major Initiatives - For the Future:

Traffic & Transportation

Several traffic related projects are in progress. The signal design and implementation at Mulholland Highway and the Calabasas High School main entrance will be completed. The Bike Lane Gap Closure project will be implemented as well as the Parkway Calabasas Interchange Landscape Project and Calabasas Connecting Trail.

Public Works

A \$5 million capital improvement program will be implemented as well as development of a 5 year Capital Improvement Program. Also, various road/drainage improvements will be completed including the Agoura Road Bridge widening and overlay of Las Virgenes Road.

A second Continuous Deflective Separator (CDS) Unit will be installed in the eastern corridor of the City. The CDS Unit allows for the separation of solids (trash), sediment and oil/grease from storm water without the use of screens or physical stops which results in reducing the amount of trash that flows from the City's storm drains to the Los Angeles River. Also, the City will perform a Comprehensive Creek Assessment Study from which water quality and restoration decisions will be made.

Media Operations

A multi-camera studio will be created and the development of a multi-media library will continue. The department will also work to enhance the City's web site as well as work with City Commissions to prepare web pages about their primary activities.

Building and Safety

Plans for 2002 include implementing a "one-stop" public counter. Also, an effective process to quickly process environmental crimes and recover all costs will be developed.

Administration

The City facilitated the restructuring of Los Angeles County Community Facilities District to provide a new special tax formula, an exchange for the existing bonds with restructured bonds and the City's acceptance of the future administration of the District from the County of Los Angeles (Community Facilities District 2001-1).

The City plans to complete the design and financing plan for the new civic center site. Policies for open space acquisition and annexations will be developed and an Administrative Policy Manual will be prepared.

The City Clerk's department will develop a Commissions Handbook and a Citizen's Guide to the City Council Meeting Process. Also, the software/hardware for implementation of a paperless agenda packet will be acquired as well as contract tracking software. Also, an upgrade to the document management system will be completed.

The Personnel function will revise the Human Resource Manual and Employee Handbook and coordinate employee training programs.

The Finance Department will continue to prepare a Comprehensive Annual Financial Report (CAFR) and participate in the CAFR and budget award programs. A fixed asset inventory system and purchase order system will be completed. A new Program Budget for fiscal years 2002-2004 will be completed.

Community Services

Various improvements will be completed at parks throughout the City. Various community events will be coordinated throughout the year. A new hockey warm-up pad will be installed. A senior citizens recreation program needs assessment will be conducted. Shade structures over the playgrounds at Creekside Park will be installed.

Planning/Environmental Programs

The design process for the City's new Civic Center will continue. A Design Review Panel will be established to aid the Planning Commission with architecture review. Updates of the Open Space, Land Use, and Transportation and Circulation Elements will begin. A night lighting (Dark Skies) ordinance will be prepared.

Financial Information

Internal Control Structure and Budgetary Control

The City's accounting and budgeting records for general government operations are maintained on a modified accrual basis, with the revenues being recorded when measurable and available to meet current financial operations and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's enterprise fund are maintained on the accrual basis where expenses are recognized when the liability is incurred and revenues are recognized when earned.

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the bi-annual appropriation budget approved by the City Council. The Council approves operating appropriations at the department and fund level prior to July 1 of the budget year and may amend the budget during the fiscal year by motion. The City operates with a two-year budget to provide flexibility and to simplify administration. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed appropriated amount) is at the overall fund level. Operating appropriations lapse at the end of each fiscal year.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

General Government Functions

General Government Functions include activities of the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

Revenues. The following schedule presents a summary of General Governmental revenues for the fiscal year ended June 30, 2001 and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase (Decrease) From 2000	Percent Increase (Decrease)
Taxes	\$14,052,461	65.65%	\$1,556,696	12.5%
Licenses and Fees	1,113,000	5.20%	284,171	34.3%
Intergovernmental	3,207,607	14.98%	633,735	24.6%
Fines and Forfeitures	251,081	1.17%	(41,320)	-14.1%
Developer Fees	807,866	3.77%	(2,806,808)	-77.6%
Other	1,976,841	9.23%	(106,553)	-5.1%
Total	\$21,408,856	100.00%	(\$480,079)	-2.2%

Taxes provide the majority (65.65%) of revenue for operations. Sales taxes increased by \$1,210,289 due to favorable economic conditions. Utility Users Tax increased \$318,267 over last year. Property taxes increased by \$138,617 as property values began to recover and new developments were included in the tax rolls. The City's assessed value increased 8% over last fiscal year. Licenses and Fees increased with several new residential and industrial buildings being processed. The decline in Developer Fees is due to a one-time receipt of a developer fee collected in the previous fiscal year.

Expenditures. The following schedule presents a summary of general governmental expenditures for the fiscal year ended June 30, 2001. Also included are the dollar and percentage increase or decrease from the prior year.

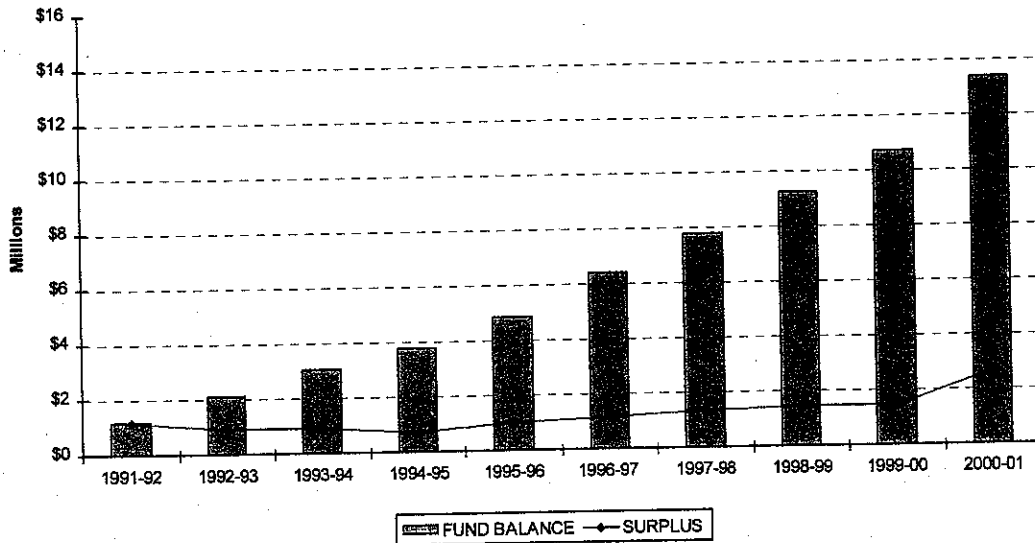
Expenditures	Amount	Percent of Total	Increase (Decrease) From 2000	Percent Increase (Decrease)
General Government	\$1,650,551	9.54%	\$326,883	24.7%
Public Safety	2,716,715	15.70%	109,820	4.2%
Public Works	3,305,554	19.11%	(467,738)	-12.4%
Community Development	2,076,197	12.01%	281,707	15.7%
Community Services	6,422,009	37.12%	(2,804,766)	-30.4%
Unreimbursable Grant Exp.	0	0.00%	(85,437)	-100.0%
Debt Service	335,383	1.94%	(70,374)	-20.9%
Capital Outlay	792,086	4.58%	433,014	120.6%
Total	\$17,298,495	100.00%	(\$2,276,891)	-11.6%

General Government expenditures increased over last year primarily as a result of increased legal fees. The decline in Community Services expenditures is the result of the completion of the construction of the Community Center in fiscal year 1999-00. Expenditures in the Public Works category declined as a result of a reduction in the completion of capital improvement projects over the prior year. An increase in capital outlay expenditures resulted from the acquisition of open space. The Debt Service expenditures were for the interest and principal payments on the COP's for Creekside and the Civic Center property.

General Fund - Fund Balance

Many of the General Government funds are restricted. The primary unrestricted resources for the City are accounted for in the General Fund. These resources are utilized for general administration of the City, as well as special support and specific projects. In fiscal year 2000-2001, revenue and other financial resources for the General Fund totaled \$14,343,394; expenditures and other financial uses totaled \$11,673,368, increasing the General Fund balance by \$2,670,026 or 25% to \$13,368,201.

GENERAL FUND BALANCE AND SURPLUS Fiscal Year Ending June 30



Enterprise Fund Operations

The City's enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that costs and expenses (including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund of the City consists of activities for the Tennis and Swim Center. Retained earnings increased by \$68,315 for this fund for the year ended June 30, 2001.

Appropriations Limit

The voters of California, during a special election in 1979, approved Article XIII-B of the California State Constitution. Informally known as the "Gann Initiative," Article XIII-B provides limits regarding the total amount of appropriations in any fiscal year from the "proceeds of taxes."

The State Legislature, in 1980, added Section 9710 to the Government Code providing that the governing body of each local jurisdiction must establish, by resolution, an appropriations limit for the following year. The appropriations limit for any fiscal year is equal to the previous year's limit, adjusted for city or county population changes, whichever is greater, and the change in California per capita income or the growth in non-residential assessed valuation due to new construction within the City, whichever is greater.

The Appropriations Limit and the City's Appropriations Subject to Limit for the fiscal year 2000-01 amounted to \$11,857,192 and \$8,795,000 respectively. The City's appropriations consistently remain far below the appropriations limit and are not expected to approach it in the foreseeable future.

Cash Management

The City Treasurer is responsible for investing available cash in accordance with the State Government Code and the Investment Policy adopted by the City Council. The State Treasurer's Local Agency Investment Fund has been utilized for the City's investments totaling \$23.1 million at fiscal year ending June 30, 2001. The cash management system of the City is designed to monitor revenues and expenditures to ensure the investment of monies to the fullest extent possible. The criteria for selecting investments are, in order of priority: (a) safety, (b) liquidity, and (c) yield.

The average yield on investments during the fiscal year was 6.10% and total interest earnings for all funds was \$1,145,524. At June 30, 2001, City investments were scheduled to mature in less than 360 days. The City Treasurer submits an annual statement of investment policy to the City Council.

General Fixed Assets

The General Fixed Assets of the City are those assets used in the performance of general governmental functions and exclude the fixed assets of the Enterprise Fund. As of June 30, 2001, the general fixed assets of the City totaled \$8,460,514. This amount represents the original or estimated historical cost of the assets.

Debt Administration

Note 8 of the CAFR outlines the future debt payments required to be made by the City or one of its related entities. The City currently maintains a bond rating of "Aa3" by Moody's Investors Service.

Risk Management

The City is a member of the California Joint Powers Insurance Authority (CJPIA). CJPIA is a consortium of approximately 80 California cities and other public agencies in California established under the provisions of California Government Code Section 6500, et seq. CJPIA provides risk coverage for its members through the pooling of risks and purchased insurance. This coverage extends to workers' compensation and general and vehicle liability. The CJPIA is governed by a Board consisting of one board member appointed by each member agency. The Board elects officers which meet monthly to supervise and conduct CJPIA affairs. CJPIA maintains a staff headed by a manager to implement the policies of the Board.

In the event of termination, and after all claims have been settled, any excess or deficit will be divided among the agencies in accordance with an approved formula. Various risk control techniques, including safety and ergonomic training have been implemented to minimize risk losses.

OTHER INFORMATION

Independent Audit

It has been the continuing policy of the City of Calabasas to have an audit performed annually by an independent certified public accountant. The accounting firm of Moreland & Associates, Inc., CPAs, performed the audit for fiscal year ended June 30, 2001. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. Their examination has been completed and the auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included at the beginning of the Financial Section of this report.

Single Audit

The City is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards and the independent auditors' reports on the internal controls over financial reporting and compliance with applicable laws and regulations, is included in a separately issued single audit report.

As a recipient of federal, state and local financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded. As part of the single audit, the City's internal controls over financial reporting and its compliance with applicable laws and regulations, including those related to federal financial assistance programs are tested.

Awards

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 Calabasas for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Calabasas received a Certificate of Achievement with its first submission for fiscal year 1996-97 and every year since. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for their review.

The California Society of Municipal Finance Officers (CSMFO) is a state organization which sponsors extensive training and emphasizes high standards in all aspects of municipal finance operations, including financial reporting. Beginning with the 1996-97 fiscal year the City of Calabasas has received from CSMFO the "Outstanding Financial Report" award. This award is designed to recognize cities which demonstrate superior financial reporting. The report must meet requirements outlined in the CSMFO Awards Checklist, satisfying generally accepted accounting principles in all material respects, and including certain statistical information.

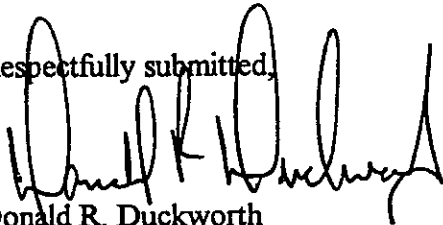
The Certificate of Award is valid for a period of one year only. The City will continue to participate in the program by submitting the current comprehensive annual financial report to CSMFO to determine its eligibility for another award.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire city staff. We would like to express appreciation to all employees who assisted and contributed to the preparation of this report, particularly to the members of the Finance Department. Credit also should be given to the Mayor and members of the City Council for their vision and

commitment in planning and conducting the operations of the City in a responsible and progressive manner that serves the best interest of the citizens of the City of Calabasas. We would also like to thank our auditors, Moreland & Associates, Inc., for their time and assistance in the preparation of the report.

Respectfully submitted,



Donald R. Duckworth
City Manager



Cynthia L. Borchard
Finance Director



CITY of CALABASAS

REGIONAL LOCATION MAP



LOS ANGELES COUNTY BOUNDARY

SOURCE: PLANNING NETWORK, 1993.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Calabasas,
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Thomas A. Drew
President

Jeffrey L. Esser
Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Outstanding Financial Reporting 1999-2000

Presented to the

City of Calabasas



This certificate is issued in recognition of meeting professional standards and criteria in reporting which reflect a high level of quality in the annual financial statements and in the underlying accounting system from which the reports were prepared.

February 26, 2001

Genie Roberts
Chair, Professional & Technical Standards Committee

Dedicated to Excellence in Municipal Financial Management



CITY of CALABASAS

DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

Janice Lee, Mayor

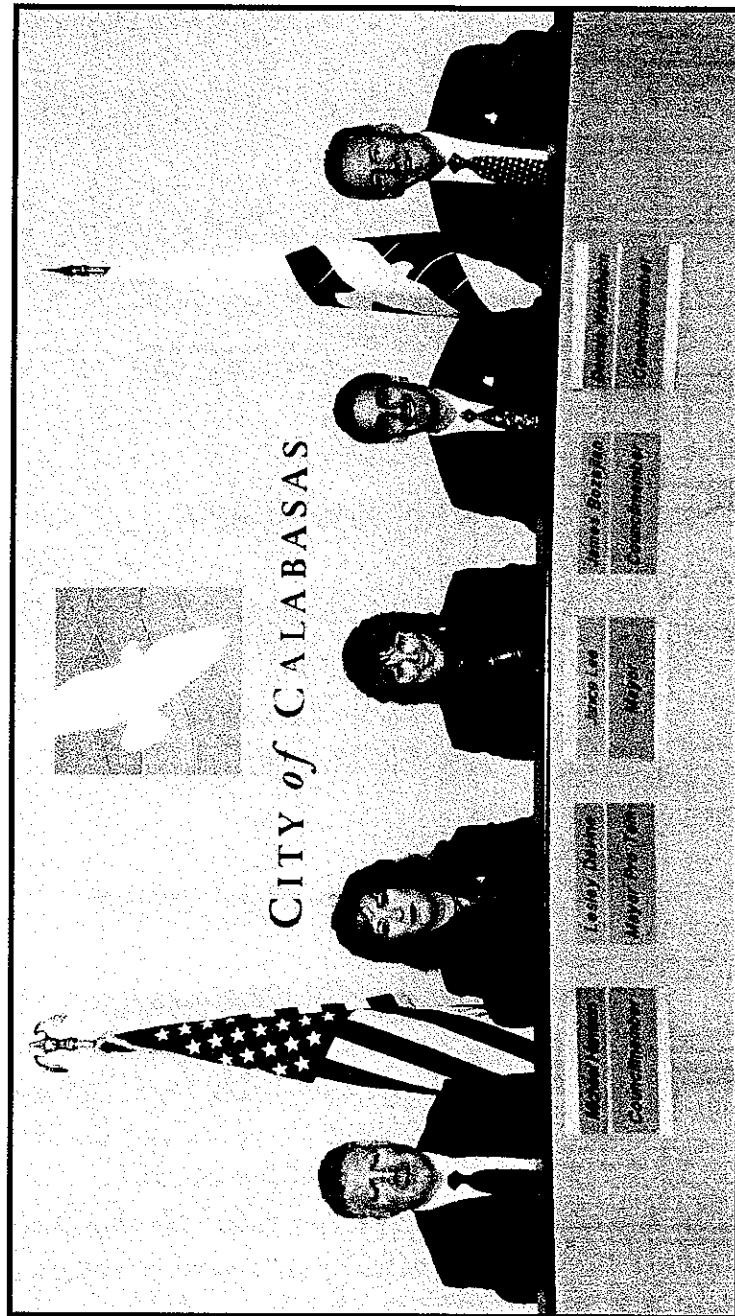
James Bozajian
Lesley Devine, Mayor Pro Tem
Michael Harrison
Dennis Washburn

CITY MANAGEMENT STAFF

Donald Duckworth, City Manager

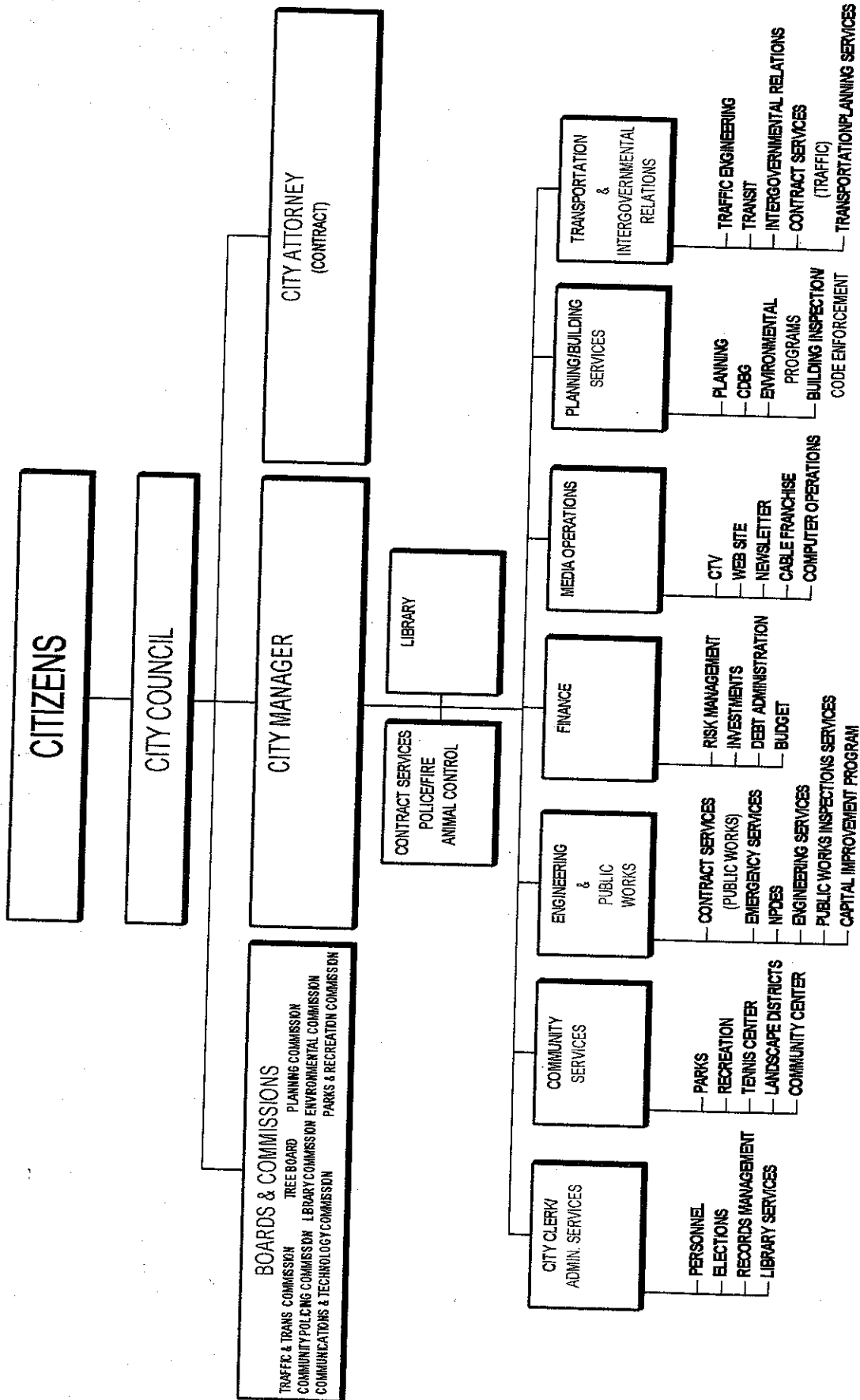
Cynthia Borchard, Finance Director/Treasurer
Steve Craig, Interim Community Development Director
Bob Harvey, Building Official
Chuck Mink, City Engineer/Public Works Director
Robin Parker, City Clerk/Administrative Services Director
Jeff Rubin, Community Services Director
Deborah Steller, Media Operations Director
Robert Yalda, Transportation & Intergovernmental Relations Director

City of Calabasas City Council



Michael Harrison Councilmember	Lesley Devine Mayor Pro Tem	Janice Lee Mayor	James Bozajian Councilmember	Dennis Washburn Councilmember
--	---------------------------------------	----------------------------	--	---

CITY OF CALABASAS ORGANIZATION CHART



October 26, 2001

The Honorable City Council of the
City of Calabasas, California

Independent Auditors' Report

We have audited the accompanying general purpose financial statements of the City of Calabasas, California, as of and for the year ended June 30, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Calabasas management. Our responsibility is to express an opinion on these general purpose 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Calabasas as of June 30, 2001, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 16 and in Note 1, paragraph O to the financial statements, the City changed its method of accounting for certain revenues and capital contributions.

In accordance with Government Auditing Standards, we have also issued a report dated October 26, 2001 on our consideration of the City of Calabasas' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Calabasas taken as a whole. The accompanying combining, individual fund and account group financial statements and schedules listed as supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. The statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

1 *Moreland & Associates, Inc.*

CITY OF CALABASAS
 Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 2001

<u>ASSETS AND OTHER DEBITS</u>	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash and investments (Note 2)	\$ 12,279,473	\$ 9,788,571		\$ 603,552
Cash with fiscal agent (Note 2)			\$ 467,753	
Accounts and taxes receivable	896,556			
Interest receivable	177,617	115,934	8,603	
Prepaid items	254,514	6,685		
Due from other agencies		1,671,900		
Due from other funds (Note 6)	1,536,739			
Due from employees-computer loans	5,322			
Property, plant and equipment, net (Note 3)				
Amounts available for retirement of long-term debt				
Amounts to be provided for payment of long-term debt				
Total Assets and Other Debits	\$ 15,150,221	\$ 11,583,090	\$ 476,356	\$ 603,552
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,273,224	\$ 485,454		\$ 603,552
Retentions payable				17,145
Compensated absences (Note 8)				
Deposits	508,796			
Due to fiscal agent				
Due to other funds (Note 6)		1,410,631		
Deferred revenue (Note 17)		1,441,478		
Certificates of participation payable (Note 8)				
Total Liabilities	1,782,020	3,337,563		620,697
Fund Equity and Other Credits:				
Investment in general fixed assets				
Contributed capital (Note 10)				
Retained earnings - reserved for capital improvements				
Retained earnings - unreserved				
Fund balance:				
Reserved for prepaid items	254,514	6,685		
Unreserved:				
Designated	73,939	250,000		
Undesignated	13,039,748	7,988,842	\$ 476,356	(17,145)
Total Equity and Other Credits	13,368,201	8,245,527	476,356	(17,145)
Total Liabilities, Equity and Other Credits	\$ 15,150,221	\$ 11,583,090	\$ 476,356	\$ 603,552

See Accompanying Notes to Financial Statements.

Proprietary Fund Type Enterprise Fund - Tennis and Swim Center	Fiduciary Fund Type Agency Fund	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long- Term Debt	2001	2000
		\$ 509,222	\$ 49,540		
3,755	295,615			467,753	495,770
2,209				1,195,926	955,992
				304,363	269,645
				261,199	139,921
				1,671,900	2,228,249
				1,536,739	1,569,610
				5,322	15,149
2,233,623		\$ 8,460,514		10,694,137	10,029,190
			\$ 476,356	476,356	504,477
			5,918,332	5,918,332	5,881,711
<u>\$ 2,748,809</u>	<u>\$ 345,155</u>	<u>\$ 8,460,514</u>	<u>\$ 6,394,688</u>	<u>\$ 45,762,385</u>	<u>\$ 39,750,143</u>
\$ 95,543	\$ 49,540			\$ 2,507,313	\$ 2,037,860
5,333			\$ 134,688	17,145	37,794
	169,507			140,021	111,488
	126,108			508,796	147,903
				169,507	
				1,536,739	1,569,610
				1,441,478	1,084,781
			6,260,000	6,260,000	6,275,000
100,876	345,155		6,394,688	12,580,999	11,264,436
		\$ 8,460,514		8,460,514	7,943,511
1,558,729				1,558,729	1,558,729
49,087				49,087	125,830
1,040,117				1,040,117	895,059
				261,199	139,921
				323,939	
				21,487,801	17,822,657
<u>2,647,933</u>		<u>8,460,514</u>		<u>33,181,386</u>	<u>28,485,707</u>
<u>\$ 2,748,809</u>	<u>\$ 345,155</u>	<u>\$ 8,460,514</u>	<u>\$ 6,394,688</u>	<u>\$ 45,762,385</u>	<u>\$ 39,750,143</u>

CITY OF CALABASAS
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances
 All Governmental Fund Types
 For the Year Ended June 30, 2001

	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes (Note 1)	\$ 9,600,473	\$ 4,451,988		
Licenses and fees	1,113,000			
Intergovernmental	1,639,954	1,287,061	\$ 280,592	
Fines and forfeitures	251,081			
Developer fees		807,866		
Other	1,466,339	484,132	26,370	
Total Revenues	14,070,847	7,031,047	306,962	
Expenditures:				
Current:				
General government	1,650,551			
Public safety	2,634,396	82,319		
Public works	850,568	698,877		\$ 1,756,109
Community development	1,947,761	128,436		
Community services	3,206,925	3,215,084		
Unreimbursable grant expenditures				
Debt service:				
Principal			15,000	
Interest and fiscal charges			320,383	
Capital outlay	566,480	225,606		
Total Expenditures	10,856,681	4,350,322	335,383	1,756,109
Excess (Deficiency) of Revenues Over Expenditures	3,214,166	2,680,725	(28,421)	(1,756,109)
Other Financing Sources (Uses):				
Operating transfers in	272,547	167,204		1,738,964
Operating transfers out	(816,687)	(1,362,028)		
Total Other Financing Sources (Uses)	(544,140)	(1,194,824)		1,738,964
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	2,670,026	1,485,901	(28,421)	(17,145)
Fund Balances, July 1, as restated (Note 16)	10,698,175	6,759,626	504,777	
Fund Balances, June 30	<u>\$ 13,368,201</u>	<u>\$ 8,245,527</u>	<u>\$ 476,356</u>	<u>\$ (17,145)</u>

See Accompanying Notes to Financial Statements.

Totals (Memorandum Only)	
2001	2000
\$ 14,052,461	\$ 12,495,765
1,113,000	828,829
3,207,607	2,573,872
251,081	292,401
807,866	3,614,674
1,976,841	2,083,394
<u>21,408,856</u>	<u>21,888,935</u>
1,650,551	1,323,668
2,716,715	2,606,895
3,305,554	3,773,292
2,076,197	1,794,490
6,422,009	9,226,775
	85,437
15,000	70,000
320,383	335,757
792,086	359,072
<u>17,298,495</u>	<u>19,575,386</u>
<u>4,110,361</u>	<u>2,313,549</u>
2,178,715	2,736,300
(2,178,715)	(2,736,300)
<u>4,110,361</u>	<u>2,313,549</u>
17,962,578	15,649,029
<u>\$ 22,072,939</u>	<u>\$ 17,962,578</u>

CITY OF CALABASAS
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 All Governmental Fund Types
 For the Year Ended June 30, 2001

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes (Note 1)	\$ 8,695,000	\$ 9,600,473	\$ 905,473
Licenses and fees	1,141,000	1,113,000	(28,000)
Intergovernmental	1,575,000	1,639,954	64,954
Fines and forfeitures	230,000	251,081	21,081
Developer fees			
Other	1,522,500	1,466,339	(56,161)
Total Revenues	<u>13,163,500</u>	<u>14,070,847</u>	<u>907,347</u>
Expenditures:			
Current:			
General government	1,613,794	1,650,551	(36,757)
Public safety	2,666,048	2,634,396	31,652
Public works	923,500	850,568	72,932
Community development	2,089,008	1,947,761	141,247
Community services	3,511,260	3,206,925	304,335
Unreimbursable grant expenditures			
Debt service:			
Principal			
Interest and fiscal charges			
Capital outlay	655,279	566,480	88,799
Total Expenditures	<u>11,458,889</u>	<u>10,856,681</u>	<u>602,208</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,704,611</u>	<u>3,214,166</u>	<u>1,509,555</u>
Other Financing Sources (Uses):			
Operating transfers in	130,089	272,547	142,458
Operating transfer out	(1,387,083)	(816,687)	570,396
Total Other Financing Sources (Uses)	<u>(1,256,994)</u>	<u>(544,140)</u>	<u>712,854</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	447,617	2,670,026	2,222,409
Fund Balances, July 1, as restated (Note 16)	<u>10,698,175</u>	<u>10,698,175</u>	
Fund Balances (Deficits), June 30	<u>\$ 11,145,792</u>	<u>\$ 13,368,201</u>	<u>\$ 2,222,409</u>

See Accompanying Notes to Financial Statements.

Special Revenue Funds			Debt Service Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,192,639	\$ 4,451,988	\$ 259,349			
1,176,915	1,287,061	110,146		\$ 280,592	\$ 280,592
1,281,000	807,866	(473,134)			
273,750	484,132	210,382		26,370	26,370
<u>6,924,304</u>	<u>7,031,047</u>	<u>106,743</u>		<u>306,962</u>	<u>306,962</u>
141,076	82,319	58,757			
924,066	698,877	225,189			
93,506	128,436	(34,930)			
3,355,017	3,215,084	139,933			
			\$ 15,000	15,000	
			320,383	320,383	
<u>50,000</u>	<u>225,606</u>	<u>(175,606)</u>			
<u>4,563,665</u>	<u>4,350,322</u>	<u>213,343</u>	<u>335,383</u>	<u>335,383</u>	
<u>2,360,639</u>	<u>2,680,725</u>	<u>320,086</u>	<u>(335,383)</u>	<u>(28,421)</u>	<u>306,962</u>
66,185	167,204	101,019			
<u>(5,332,968)</u>	<u>(1,362,028)</u>	<u>3,970,940</u>			
<u>(5,266,783)</u>	<u>(1,194,824)</u>	<u>4,071,959</u>			
(2,906,144)	1,485,901	4,392,045	(335,383)	(28,421)	306,962
<u>6,759,626</u>	<u>6,759,626</u>		<u>504,777</u>	<u>504,777</u>	
<u>\$ 3,853,482</u>	<u>\$ 8,245,527</u>	<u>\$ 4,392,045</u>	<u>\$ 169,394</u>	<u>\$ 476,356</u>	<u>\$ 306,962</u>

(Continued)

CITY OF CALABASAS
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 All Governmental Fund Types (Continued)
 For the Year Ended June 30, 2001

	Capital Projects Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes (Note 1)			
Licenses and fees			
Intergovernmental			
Fines and forfeitures			
Developer fees			
Other			
Total Revenues			
Expenditures:			
Current:			
General government			
Public safety			
Public works			
Community development	\$ 6,523,777	\$ 1,756,109	\$ 4,767,668
Community services			
Unreimbursable grant expenditures			
Debt service:			
Principal			
Interest and fiscal charges			
Capital outlay			
Total Expenditures	6,523,777	1,756,109	4,767,668
Excess (Deficiency) of Revenues Over Expenditures	(6,523,777)	(1,756,109)	4,767,668
Other Financing Sources (Uses):			
Operating transfers in	6,523,777	1,738,964	(4,784,813)
Operating transfer out			
Total Other Financing Sources (Uses)	6,523,777	1,738,964	(4,784,813)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses		(17,145)	(17,145)
Fund Balances, July 1, as restated (Note 16)			
Fund Balances (Deficits), June 30	\$ -	\$ (17,145)	\$ (17,145)

See Accompanying Notes to Financial Statements.

CITY OF CALABASAS
 Comparative Statements of Revenues, Expenses and
 Changes in Retained Earnings
 Enterprise Fund - Tennis and Swim Center
 For the Years Ended June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Operating Revenues:		
Tennis and swim fees	\$ 2,070,018	\$ 2,047,300
Other	<u>12,866</u>	<u>11,521</u>
Total Revenues	<u>2,082,884</u>	<u>2,058,821</u>
Operating Expenses:		
Depreciation	150,370	140,550
Administrative	<u>1,908,994</u>	<u>1,787,542</u>
Total Operating Expenses	<u>2,059,364</u>	<u>1,928,092</u>
Operating Income	23,520	130,729
Nonoperating Revenues:		
Interest	<u>14,795</u>	<u>15,430</u>
Net Income Before Capital Contribution	38,315	146,159
Capital contribution	<u>30,000</u>	<u> </u>
Net Income	68,315	146,159
Retained Earnings, July 1	<u>1,020,889</u>	<u>874,730</u>
Retained Earnings, June 30	<u><u>\$ 1,089,204</u></u>	<u><u>\$ 1,020,889</u></u>

See Accompanying Notes to Financial Statements.

CITY OF CALABASAS
 Comparative Statements of Cash Flows
 Enterprise Fund - Tennis and Swim Center
 For the Years Ended June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Cash Flows From Operating Activities:		
Operating income	\$ 23,520	\$ 130,729
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	150,370	140,550
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(3,755)	7,529
Increase (decrease) in accounts payable and accrued liabilities	<u>(54,650)</u>	<u>27,370</u>
Net Cash Provided by Operating Activities	<u>115,485</u>	<u>306,178</u>
Cash Flows From Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(298,314)	(126,259)
Capital contribution	<u>30,000</u>	<u> </u>
Net Cash Used For Capital and Related Financing Activities	(268,314)	(126,259)
Cash Flows From Investing Activities:		
Interest received	<u>17,673</u>	<u>12,909</u>
Increase (decrease) in cash and cash equivalents	(135,156)	192,828
Cash and Cash Equivalents, July 1	<u>644,378</u>	<u>451,550</u>
Cash and Cash Equivalents, June 30	<u>\$ 509,222</u>	<u>\$ 644,378</u>

See Accompanying Notes to Financial Statements.

CITY OF CALABASAS
Notes to Financial Statements
June 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the City of Calabasas, California:

A. Reporting Entity

The City of Calabasas was incorporated on April 5, 1991 as a "General Law" City covering approximately eleven square miles. The City operates under a council-city manager form of government.

The City of Calabasas Facilities Corporation (the Corporation) was established on December 17, 1998 for the purpose of providing financing and funding for property acquisition and public capital improvements.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement 14. The City of Calabasas is the primary government unit. A component unit is an entity which is financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The Corporation has been accounted for as a "blended" component unit of the City. Despite being legally separate, this entity is, in substance, part of the City's operations. Accordingly, the balances and transactions of this component unit are reported within a debt service fund of the City.

The following specific criteria were used in determining that the Corporation was a blended component unit:

- The members of the City Council also act as the governing body of the Corporation.
- The Corporation is managed by employees of the City.

The accounting policies of the City conform to generally accepted accounting principles. The following is a summary of the City's significant accounting policies.

B. Description of Fund and Accounting System

The accounts of the City are organized on the basis of funds and account groups. A fund is defined as an independent fiscal accounting entity with a self-balancing set of accounts recording resources, together with all related liabilities, obligations,

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

reserves and equities, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The combined financial statements in this report are grouped into three broad fund categories containing five generic fund types and into two account groups as follows:

Governmental Funds Types

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to fund expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for payment of interest and principal on general long-term debt.

Capital Projects Fund - The Capital Projects Fund accounts for the acquisition of fixed assets or construction of capital projects not being financed by proprietary funds.

Proprietary Fund Type

Enterprise Fund - The Enterprise Fund accounts for operations of the City of Calabasas Tennis and Swim Center (Center).

Fiduciary Fund Type

Fiduciary funds (Agency Funds) are used to account for assets held by the City as an agent. These funds are custodial in nature and do not involve measurement of results of operations.

Account Groups

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for all fixed assets of the City other than those accounted for in the proprietary fund.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

General Long-Term Debt Account Group - This account group is used to account for all long-term liabilities of the City other than those accounted for in the proprietary fund.

C. Measurement Focus

All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally only current assets and current liabilities are included on their balance sheets. Statements of revenues, expenditures and changes in fund balances for governmental funds generally present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with the activity are included on the balance sheets. Their reported fund equity presents total net assets. Proprietary Fund operating statements present increases (revenues) and decreases (expenses) in total net assets.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental fund types and Agency funds are accounted for using the modified-accrual basis of accounting. Expenditures are recorded when the related fund liability is incurred, other than principal and interest on long-term debt which are recorded when due; and revenues are recorded when they become measurable and available to finance current operations. The term available is interpreted by the City to mean those revenues that will be collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City regards property and sales and use taxes, interest revenues, certain other intergovernmental revenues and certain grant funds to which it is entitled, based on outlays made but not yet reimbursed, as susceptible to accrual.

Proprietary fund types are accounted for using the accrual basis of accounting. Expenses are recognized when the liability is incurred and revenues are recognized when earned. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the City applies all GASB pronouncements currently in effect as well

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

as Financial Accounting Standard Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989.

Fiduciary fund types are custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations.

E. Budgetary Control and Accounting

General Budget Policies:

The City Council reviews and adopts an annual budget for the General, Special Revenue, Debt Service and Capital Projects Funds. The City Council holds public hearings and may modify the appropriations by general approval. Budgeted amounts may be transferred between departments with the City Manager's approval. The legal level of expenditure control is at the fund level. Operating appropriations lapse at the end of each fiscal year.

The budget is reported on the same basis as the fund types and on a basis consistent with generally accepted accounting principles. Additional appropriations or other changes during the year may be submitted by the departments for Council review and approval. For the year ended June 30, 2001 budget amendments in the aggregate amount of \$6,762,010 were made.

F. Cash and Cash Equivalents

All cash and investments are held in the City's cash management pool. Therefore, all cash and investments in the proprietary fund are considered cash and cash equivalents.

G. Investments

Investments are included within the financial statement caption "Cash and investments." All investments are stated at fair value (the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

H. General Fixed Assets

General fixed assets purchased for general governmental purposes are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded in the General Fixed Assets Account Group at the estimated fair market value at the time they are received.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

Public domain (infrastructure) assets such as parkland, park improvements, paving and drainage systems that are immovable and of value only to the City have not been capitalized. Assets in the General Fixed Assets Account Group are not depreciated.

I. Property, Plant and Equipment - Proprietary Fund

Property, plant and equipment owned by the Enterprise Fund are carried at cost or estimated fair market value of donated assets, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, five years for equipment, ten years for improvements other than buildings, and fifteen years for buildings.

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned, but unused vacation benefits, which will be paid to employees upon separation from City service. Under current City policy, sick leave does not vest with the employee; therefore, a liability has not been accrued. Governmental fund types recognize the cost of vacation benefits when payments are made to employees. Since these unused vacation benefits will not be liquidated with available financial resources, a long-term liability for accrued vacation benefits has been recorded in the general long-term debt account group. Proprietary fund types accrue vacation benefits in the period they are earned.

K. Property Taxes

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period.

Under California law, property taxes are assessed and collected by the counties at up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. The County of Los Angeles bills and collects property taxes for the City. Tax liens attach annually as of 12:01 a.m. on the first day of January preceding the fiscal year for which the taxes are levied. Taxes are levied on July 1 and cover the fiscal period July 1 to June 30. All secured personal taxes and one-half of the taxes on real property are due November 1; the second installment is due March 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

Unsecured personal property taxes become due on March 1 each year, and are delinquent, if unpaid, on August 31. At June 30, 2001, there were no material delinquent, unsecured property taxes. Property taxes receivable are included with accounts receivable in the financial statements and are not offset by deferred revenues because they are collectable within 60 days after year end.

L. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that represent reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/ expenses in the fund that is reimbursed.

All other interfund transfers are reported as operating transfers.

M. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

N. Totals (Memorandum Only)

Total columns on the combined statements are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

O. Contributed Capital

In accordance with GASB Statement No. 33, effective July 1, 2000, governments are required to recognize capital contributions to proprietary funds and to other governmental entities that use proprietary fund accounting as revenues, not contributed capital. However, governments are not to restate contributed capital arising in periods prior to implementation of GASB Statement No. 33.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

2. CASH AND INVESTMENTS

Cash and investments at June 30, 2001, consist of the following pooled cash and investments:

Cash on Hand	\$ 1,650
Pooled Deposits:	
Demand cash accounts (bank balance)	662,728
Less: Outstanding checks	(567,877)
Add: Deposits in transit	<u>561</u>
Book Balance	97,062
Investments:	
Pooled:	
Local Agency Investment Fund	23,133,296
Held by Fiscal Agent:	
Money Market Mutual Fund	99,041
United States Treasury Notes	<u>368,712</u>
Total Cash and Investments	<u>\$23,698,111</u>

Interest income earned on pooled cash and investments is allocated monthly to the funds based on average monthly cash and investment balances.

Deposits/Credit Risk:

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City may waive collateral requirements for deposits which are fully insured by Federal depository insurance.

In accordance with GASB Statement No. 3, deposits are classified as to credit risk by three categories as follows:

- Category 1: Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3: Uncollateralized.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

Authorized Investments:

Under provision of the City's investment policy, and in accordance with Section 53601 of the California Government Code, the City may invest in the following types of investments:

- Securities of the U.S. Government, or its agencies
- Certificates of deposit (or time deposits) placed with commercial banks and/or banks and/or savings and loan companies
- State of California Local Agency Investment Fund (LAIF)
- Passbook savings account demand deposits
- Money market mutual funds

Credit Risk and Fair Value of Investments:

Investments that are represented by specific identifiable investment securities are classified as to credit risk by three categories as follows:

Category 1: Insured or registered, or securities held by the City or its agent in the City's name.

Category 2: Uninsured and unregistered with securities held by the counterparty's trust department or agent in the City's name.

Category 3: Uninsured and unregistered with securities held by the counterparty, or its agent, but not in the City's name.

Deposits and investments at June 30, 2001 by risk category are as follows:

	Category			Fair Value
	1	2	3	
Pooled Deposits:				
Demand Deposits:				
Bank Balance	\$115,135	\$547,593		\$ 662,728
Investments:				
Pooled:				
LAIF ⁽¹⁾⁽²⁾				23,133,296
Held by Fiscal Agent:				
U.S. Treasury Notes			\$368,712	368,712
Money Market Mutual Fund ⁽¹⁾				99,041
Totals	<u>\$115,135</u>	<u>\$547,593</u>	<u>\$368,712</u>	<u>\$24,263,777</u>

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

- (1) Not subject to categorization.
- (2) The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in the 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. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgaged-backed securities, other asset-backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations.

3. PROPERTY, PLANT AND EQUIPMENT

A summary of changes in the general fixed assets account group follows:

	<u>Balance at July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2001</u>
Land	\$2,385,587	\$426,061		\$2,811,648
Building	1,553,838			1,553,838
Equipment	1,191,026	90,942		1,281,968
Investment in Joint Venture – Community Center (Note 10)	<u>2,813,060</u>	<u> </u>	<u> </u>	<u>2,813,060</u>
Total	<u>\$7,943,511</u>	<u>\$517,003</u>	<u>\$ -</u>	<u>\$8,460,514</u>

A summary of property, plant and equipment in the Enterprise Fund - Tennis and Swim Center is as follows:

	<u>Balance at July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2001</u>
Land	\$ 837,819			\$ 837,819
Improvements	86,149			86,149
Building	1,583,853	\$329,089		1,912,942
Equipment	308,794	22,046		330,840
Construction in Progress	<u>57,811</u>	<u>227,757</u>	<u>\$(280,578)</u>	<u>4,990</u>
Subtotal	2,874,426	578,892	(280,578)	3,172,740

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

	<u>Balance at</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2001</u>
Accumulated depreciation	<u>(788,747)</u>	<u>(150,370)</u>	<u> </u>	<u>(939,117)</u>
Total Enterprise Fund	<u>\$2,085,679</u>	<u>\$428,522</u>	<u>\$(280,578)</u>	<u>\$2,233,623</u>

4. DEFINED BENEFIT PENSION PLAN

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

Funding Policy: Participants are required to contribute 7% of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 3.638% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost: For 2001, the City's annual pension cost of \$86,997 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 1999 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 8.25% investment rate of return (net administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 3.75% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.50%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2001 was 23 years.

THREE-YEAR TREND INFORMATION FOR PERS (\$ Amount in Thousands)

<u>Fiscal</u> <u>Year</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
6/30/99	\$191	100%	-
6/30/00	118	100%	-
6/30/01	87	100%	-

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

SCHEDULE OF FUNDING PROGRESS FOR PERS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (A)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (B)</u>	<u>Unfunded AAL (Excess Assets) (B-A)</u>	<u>Funded Ratio (A/B)</u>	<u>Covered Payroll (C)</u>	<u>UAAL as a % of Covered Payroll [(B-A)/C]</u>
6/30/97	\$1,090,634	\$ 887,399	\$(203,235)	122.9%	\$1,598,872	(12.711%)
6/30/98	1,532,890	1,061,244	(471,646)	144.4%	1,518,948	(31.051%)
6/30/99	2,033,461	1,427,731	(605,730)	142.4%	2,012,559	(30.097%)

5. INSURANCE

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

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 84 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 coverages. The Authority's pool 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 9-member Executive Committee.

B. Self-Insurance Programs of the Authority in which the City Participates

General Liability – Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). Six months after the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Costs are spread to members as follows: the first \$20,000 of each occurrence is charged directly to the member; costs from \$20,001 to \$500,000 are pooled, based on a member's share of costs under \$20,000; costs from \$500,001 to \$5,000,000 are pooled based on payroll. Costs of covered claims above \$5,000,000 are currently paid by reinsurance. The protection for each member is \$50,000,000 per occurrence and \$50,000,000 annual aggregate.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

Workers Compensation – The City also participates in the workers compensation pool administered by the Authority. Pool deposits and retrospective adjustments are valued in a manner similar to the General Liability pool. The City is charged for the first \$25,000 of each claim. Costs are pooled above that level to \$50,000. Costs from \$50,001 to \$100,000 per claim are pooled based on the member's losses under its retention level. Costs between \$100,001 and \$500,000 per claim are pooled based on payroll. Costs in excess of \$500,000 are paid by excess insurance purchased by the Authority. The excess insurance provides coverage to statutory limits.

C. Purchased Insurance

Property Insurance – The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City's property is currently insured according to a schedule of covered property submitted by the City to the Authority. Total all-risk property insurance coverage is \$6,791,102. There is a \$5,000 per loss deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Earthquake and Flood Insurance - The City of Calabasas purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the authority. The City of Calabasas' property currently has earthquake protection in the amount of \$1,427,624. There is a deductible of 5% of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

D. Fidelity Bonds

The City of Calabasas purchases blanket fidelity bond coverage in the amount of \$1,000,000 with a \$5,000 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

E. Adequacy of Protection

During the past three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

6. INTERFUND RECEIVABLES/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., the current portion of interfund loans) or as "advances to/from other funds" (i.e., the long-term portion of interfund loans).

Interfund receivables/payables at June 30, 2001 are as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$1,536,739	
Special Revenue Funds:		
Community Development Block Grant		\$ 10,481
Storm Damage		903,818
Grants		496,332
Agency Fund:		
CFD 98-1	_____	126,108
	<u>\$1,536,739</u>	<u>\$1,536,739</u>

Advances receivable from other funds are long-term in nature and are offset by a fund balance reserve account in the applicable governmental fund to indicate that they are not available for appropriation and are not expendable available financial resources.

7. SEGMENT INFORMATION ON TENNIS AND SWIM CENTER

Net working capital of the Tennis and Swim Center at June 30, 2001 is as follows:

Current assets	\$515,186
Current liabilities payable from current assets	(95,543)
Net working capital	<u>\$419,643</u>

All other required segment information is contained either in the accompanying general purpose financial statements or the notes to financial statements.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

8. LONG-TERM DEBT

Changes in the General Long-Term Debt Account Group for the year ended June 30, 2001 are summarized below:

	<u>Balance at</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2001</u>
Facilities Corporation Certificates of Participation – Series 1999	\$6,275,000		\$(15,000)	\$6,260,000
Compensated Absences Payable	<u>111,488</u>	<u>\$23,200</u>		<u>134,688</u>
Totals	<u>\$6,386,488</u>	<u>\$23,200</u>	<u>\$(15,000)</u>	<u>\$6,394,688</u>

Changes in the Proprietary Fund for the year ended June 30, 2001 are summarized below:

	<u>Balance at</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2001</u>
Compensated Absences Payable	<u>\$ -</u>	<u>\$5,333</u>	<u>\$ -</u>	<u>\$5,333</u>

Facilities Corporation Certificates of Participation – 1999

On February 1, 1999, the City of Calabasas Facilities Corporation issued \$6,345,000 in Certificates of Participation (COP's) with rates ranging from 3.1% to 5.0%. The net proceeds of \$5,674,897 (after payment of \$670,103 in underwriting and other issuance costs) became a lump sum lease payment to the City for the lease of two properties. These included the Creekside Park Community Center and the "Kilroy" land which is located in Los Angeles County CFD 98-1. Part of the lease payment, \$2,424,897, was used to prepay all future special taxes on the Kilroy land which will be used for a new City Hall and Library.

The City and the Facilities Corporation entered into a concurrent sublease of the Creekside and Kilroy properties by which the Corporation will receive lease rental amounts sufficient to satisfy debt service on the COPs.

Principal amounts on \$2,025,000 of serial certificates mature annually on each December 1 in the year 2000 through 2015. Term certificates in the amounts of \$1,335,000 and \$2,985,000 are due December 1, 2020 and 2028 respectively. Interest is payable semiannually on June 1 and December 1.

The COPs are subject to optional redemption on or after December 1, 2010 and on any interest payment date thereafter at a price equal to the principal amount plus accrued interest to the redemption date, plus a premium ranging from 0.0% to 2.0%. The term certificates are subject to mandatory redemption on any December 1 from 2016 to 2028 as described in the official statement.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

Future debt service requirements on the certificates are as follows:

<u>Fiscal Year</u>	
2001-02	\$ 338,508
2002-03	347,410
2003-04	360,813
2004-05	373,595
2005-06	380,828
Thereafter	<u>10,368,144</u>
Total Debt Service	12,169,298
Less Interest	<u>(5,909,298)</u>
Remaining Principal	<u>\$ 6,260,000</u>

9. SPECIAL ASSESSMENT DISTRICTS BONDS

Bonds issued for improvements in certain special assessment districts in accordance with the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, are liabilities of the property owners and are secured by liens against the assessed property. The City Treasurer acts as an agent for collection of principal and interest payments by the property owners and remittance of such moneys to the bondholders.

Neither the faith and credit nor the general taxing power of the City of Calabasas have been pledged to the payment of the bonds. Therefore none of the following special assessment bonds have been included in the accompanying financial statements.

<u>AD#</u>	<u>Special Assessment Bonds</u>	<u>Amount of Issue</u>	<u>Outstanding June 30, 2001</u>
98-1	Community Facilities District	\$12,515,000	\$12,095,000

10. CONTRIBUTED CAPITAL

There was no change in the contributed capital balance of \$1,558,729 during the fiscal year ended June 30, 2001 (See note 1, paragraph O).

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 between the Cities of Agoura Hills and Calabasas. It was formed for the operation and maintenance 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 the City

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

Council, and the president or a member of the Executive Board of the Alliance (a non-profit organization formed for the sole purpose of raising funds for the Community Center). Each City contributed money towards the construction of the Community Center, which was completed in March 2000. 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. Although Authority financial statements will be prepared for the fiscal year ending June 30, 2001, they were not completed prior to the issuance of these financial statements. Therefore, results of operations will be included in the City of Calabasas' financial statements for the fiscal year ending June 30, 2002.

12. INDIVIDUAL FUND DISCLOSURES

At June 30, 2001 certain Special Revenue Fund expenditures exceeded final budgeted appropriations, as follows:

	<u>Final Budget</u>	<u>Expenditures</u>
Special Revenue Funds:		
Proposition A	\$243,500	\$287,633
Community Development Block Grant	93,506	175,792
Park and Recreation Improvement	30,000	56,195
Grants		104,150
B & T Lost Hills District		57,701

The following funds reported deficits in their respective fund balances as of June 30, 2001:

Special Revenue Funds:	
Community Development Block Grant	\$ 3,442
Storm Damage	905,414
Grants	516,121
Capital Projects Fund	17,145

These deficits are expected to be recovered from future revenues or operating transfers.

13. CONTINGENCIES

The City has been named as a defendant in various general damage and personal injury lawsuits and claims. Such claims arise primarily from injuries or damages sustained by claimants while on property owned and maintained by the City. Management believes that the ultimate result of the pending lawsuits and claims will not have a material adverse affect upon the City's general purpose financial statements taken as a whole.

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

14. COMMITMENTS

The City is obligated under operating lease agreements for the rental of space for city hall and the city library. Future minimum lease payments under these operating leases are as follows:

<u>Fiscal Year</u>	
2002	\$ 378,150
2003	393,370
2004	393,370
2005	393,370
2006	<u>98,343</u>
Total	<u>\$1,656,603</u>

15. POST-EMPLOYMENT MEDICAL BENEFITS

Pursuant to Government Code Sections 22850 and 22857 and City Resolutions 93-196, 2000-611, 2000-617, 2000-649 and 2000-658, the City provides post-employment medical benefits to all retired employees in the amount of \$16 per month. This amount is paid on the employees' behalf to the Public Employees Retirement System for health benefits. In addition, certain management employees and City Council members who have retired with at least 8 years of PERS service credit with the City and who have reached age 55, are reimbursed for PERS health benefit payments up to \$412 per month. The reimbursement is reduced by the amount of eligible Medicare benefits. This benefit is funded on a pay-as-you-go basis. For fiscal year 2000-01, the City paid \$20,776 for post-employment medical benefits covering 6 participants.

16. PRIOR PERIOD ADJUSTMENT

The beginning fund balance of the Special Revenue Funds as of July 1, 2000 has been restated to reclassify revenues receivable from certain grants as deferred revenue, in accordance with GASB Statement No. 33.

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Special Revenue Funds	<u>\$7,842,333</u>	<u>\$(1,082,707)</u>	<u>\$6,759,626</u>

CITY OF CALABASAS
Notes to Financial Statements (Continued)
June 30, 2001

17. DEFERRED REVENUE AND LOANS RECEIVABLE

At June 30, 2001, deferred revenue consisted of grant funds collected in advance or grant reimbursements receivable not meeting the availability criteria for revenue recognition, which are therefore deferred in accordance with GASB Statement No. 33.

Special Revenue Funds:

Community Development Block Grant Fund	\$ 3,442
Storm Damage Fund	905,414
Grants Fund	530,801
LLEBG Fund	<u>1,821</u>
	<u>\$1,441,478</u>

18. SUBSEQUENT EVENT

On July 19, 2001, subsequent to the fiscal year end of June 30, 2001, Special Tax Refunding Bonds were issued in the amount of \$28,645,000. The bonds were issued for improvements in a special assessment district in accordance with the provisions of the Mello-Roos Community Facilities Act of 1982, as amended. The bonds are liabilities of the property owners and are secured by liens against the assessed property. The City Treasurer acts as an agent for collection of principal and interest payments by the property owners and remittance of such moneys to the bondholders.

Neither the faith and credit nor the general taxing power of the City of Calabasas have been pledged to the payment of the bonds.

GENERAL FUND

The General Fund is used to account for all financial resources traditionally associated with government activities which are not required legally to be accounted for in another fund.

Principal sources of revenues are utility tax, property tax, sales tax, licenses and permits, and motor vehicle in-lieu fees.

Primary expenditures in the General Fund are made for general administration, police and fire protection, parks maintenance, streets and transportation services and community development.

CITY OF CALABASAS
 General Fund
 Comparative Balance Sheets
 June 30, 2001 and 2000

<u>Assets</u>	<u>2001</u>	<u>2000</u>
Cash and investments	\$ 12,279,473	\$ 9,051,989
Accounts receivable	896,556	955,992
Interest receivable	177,617	149,895
Prepaid items	254,514	139,921
Due from other funds	1,536,739	1,569,610
Due from employees-computer loans	5,322	15,149
	<u>\$ 15,150,221</u>	<u>\$ 11,882,556</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 1,273,224	\$ 1,036,478
Deposits	508,796	147,903
	<u>1,782,020</u>	<u>1,184,381</u>
Fund Balances:		
Reserved for prepaid items	254,514	139,921
Unreserved:		
Designated for open space	73,939	
Undesignated	13,039,748	10,558,254
	<u>13,368,201</u>	<u>10,698,175</u>
Total Fund Balances	<u>13,368,201</u>	<u>10,698,175</u>
Total Liabilities and Fund Balances	<u>\$ 15,150,221</u>	<u>\$ 11,882,556</u>

This page left blank intentionally.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Proposition A Fund – used to account for the City's share of an additional one-half percent sales tax which was approved in 1980 and is collected by the County of Los Angeles and is used to finance transportation projects.

Highway Users Tax Fund – used to account for the expenditures financed by money apportioned under the Streets and Highways Code of the State of California.

Proposition C Fund – used to account for the City's share of an additional one-half percent sales tax which was approved in 1990 and is collected by the County of Los Angeles to finance transportation projects.

South Coast Air Quality Management Fund – used to account for the City's share of additional motor vehicle registration fees imposed by the South Coast Air Quality Management District to finance the implementation of mobile source emission reduction programs under the provisions of the California Clean Air Act.

Community Development Block Grant Fund – used to account for expenditures of funds made available from the U.S. Department of Housing and Urban Development for community development and housing assistance.

Storm Damage Fund – used to account for expenditures of funds made available from the Federal Emergency Management Agency and the State of California Office of Emergency Services for disaster relief necessitated by 1993 Winter Storms.

Park and Recreation Improvement Fund – used to account for grant revenue that is specifically restricted to park and recreation improvement projects.

AB 939 Fund – used to account for recycling program revenue as required by Assembly Bill 939.

Landscape District Maintenance Fund – used to account for receipts and expenditures relating to the benefit assessment district for landscape maintenance.

TDA Fund – used to account for State Transportation Development Act, Article 3 funds for bike route and pedestrian facilities improvements.

Grants Fund – used to account for other grants requiring segregated fund accounting. Financing is provided by federal, state and county agencies.

Developer Impact Fees Fund – used to account for fees collected from developers for future projects necessitated by new development.

Affordable Housing Fund – used to account for activities related to the City’s affordable housing program.

B & T Lost Hills District Fund – used to account for receipts and expenditures relating to the bridges and thoroughfares of the Lost Hills District.

Local Law Enforcement Grant Fund – used to account for expenditures of funds made available from the U.S. Department of Justice for local law enforcement assistance.

COPS AB3229 Fund – used to account for monies received from the State of California to be used for policing activities in accordance with Assembly Bill 3229.

Library District Fund - used to account for expenditures and receipts, including Secured Property Tax, of the City’s Library.

CITY OF CALABASAS
Combining Balance Sheet
All Special Revenue Funds
June 30, 2001

	Proposition A	Highway Users Tax	Proposition C	South Coast Air Quality Management
<u>Assets</u>				
Cash and investments	\$ 111,859	\$ 549,384	\$ 1,260,147	\$ 51,370
Interest receivable	1,551	7,226	18,308	579
Due from other agencies	22,918	33,334	19,012	5,984
Prepaid items				
Total Assets	\$ 136,328	\$ 589,944	\$ 1,297,467	\$ 57,933
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 28,331			
Retentions payable				
Due to other funds				
Deferred revenue				
Total Liabilities	28,331			
Fund Balances (Deficits) -				
Reserved for prepaid items				
Unreserved:				
Designated for construction				
Undesignated	107,997	\$ 589,944	\$ 1,297,467	\$ 57,933
Total Fund Balances (Deficits)	107,997	589,944	1,297,467	57,933
Total Liabilities and Fund Balances	\$ 136,328	\$ 589,944	\$ 1,297,467	\$ 57,933

<u>Community Development Block Grant</u>	<u>Storm Damage</u>	<u>Park and Recreation Improvement</u>	<u>AB 939</u>	<u>Landscape District Maintenance</u>	<u>TDA</u>
		\$ 248,313	\$ 398,639	\$ 1,201,905	
\$ 21,805	\$ 905,414	20,772	44,264	15,983	
				62,763	
<u>\$ 21,805</u>	<u>\$ 905,414</u>	<u>\$ 269,085</u>	<u>\$ 442,903</u>	<u>\$ 1,280,651</u>	<u>\$ -</u>
\$ 11,324	\$ 1,596			\$ 287,493	
10,481	903,818				
3,442	905,414				
<u>25,247</u>	<u>1,810,828</u>			<u>287,493</u>	
<u>(3,442)</u>	<u>(905,414)</u>	<u>\$ 269,085</u>	<u>\$ 442,903</u>	<u>993,158</u>	
<u>(3,442)</u>	<u>(905,414)</u>	<u>269,085</u>	<u>442,903</u>	<u>993,158</u>	
<u>\$ 21,805</u>	<u>\$ 905,414</u>	<u>\$ 269,085</u>	<u>\$ 442,903</u>	<u>\$ 1,280,651</u>	<u>\$ -</u>

(Continued)

CITY OF CALABASAS
Combining Balance Sheet
All Special Revenue Funds (Continued)
June 30, 2001

	Grants	Developer Impact Fees	Affordable Housing	B & T Lost Hills District
<u>Assets</u>				
Cash and investments		\$ 1,529,890	\$ 679,807	\$ 2,719,230
Interest receivable		18,841	6,876	33,610
Due from other agencies	\$ 516,121			
Prepaid items				
 Total Assets	<u>\$ 516,121</u>	<u>\$ 1,548,731</u>	<u>\$ 686,683</u>	<u>\$ 2,752,840</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 5,109			\$ 57,701
Retentions payable				
Due to other funds	496,332			
Deferred revenue	530,801			
 Total Liabilities	<u>1,032,242</u>			<u>57,701</u>
 Fund Balances (Deficits) -				
Reserved for prepaid items				
Unreserved:				
Designated for construction				
Undesignated	(516,121)	\$ 1,548,731	\$ 686,683	2,695,139
 Total Fund Balances (Deficits)	<u>(516,121)</u>	<u>1,548,731</u>	<u>686,683</u>	<u>2,695,139</u>
 Total Liabilities and Fund Balances	<u>\$ 516,121</u>	<u>\$ 1,548,731</u>	<u>\$ 686,683</u>	<u>\$ 2,752,840</u>

Local Law Enforcement Grant	COPS AB3229	Library	Totals	
			2001	2000
\$ 15,827	\$ 94,121	\$ 928,079	\$ 9,788,571	\$ 7,840,797
171	982	11,807	115,934	105,631
		19,513	1,671,900	2,228,249
		6,685	6,685	
<u>\$ 15,998</u>	<u>\$ 95,103</u>	<u>\$ 966,084</u>	<u>\$ 11,583,090</u>	<u>\$ 10,174,677</u>
\$ 8,202	\$ 10,825	\$ 74,873	\$ 485,454	\$ 726,432
				33,953
			1,410,631	1,569,585
1,821			1,441,478	1,085,081
<u>10,023</u>	<u>10,825</u>	<u>74,873</u>	<u>3,337,563</u>	<u>3,415,051</u>
		6,685	6,685	
		250,000	250,000	
5,975	84,278	634,526	7,988,842	6,759,626
<u>5,975</u>	<u>84,278</u>	<u>891,211</u>	<u>8,245,527</u>	<u>6,759,626</u>
<u>\$ 15,998</u>	<u>\$ 95,103</u>	<u>\$ 966,084</u>	<u>\$ 11,583,090</u>	<u>\$ 10,174,677</u>

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds
For the Year Ended June 30, 2001

	<u>Proposition A</u>	<u>Highway Users Tax</u>	<u>Proposition C</u>	<u>South Coast Air Quality Management</u>
Revenues:				
Taxes	\$ 287,226	\$ 652,504	\$ 269,976	
Intergovernmental				\$ 22,658
Developer fees				
Other	<u>8,458</u>	<u>19,724</u>	<u>77,807</u>	<u>2,112</u>
Total Revenues	<u>295,684</u>	<u>672,228</u>	<u>347,783</u>	<u>24,770</u>
Expenditures:				
Current:				
Public safety				
Public works				
Community development				
Community services	287,633			
Unreimbursable grant expenditures				
Capital outlay				
Total Expenditures	<u>287,633</u>			
Excess (Deficiency) of Revenues Over Expenditures	<u>8,051</u>	<u>672,228</u>	<u>347,783</u>	<u>24,770</u>
Other Financing Sources (Uses):				
Operating transfers in				
Operating transfers out		<u>(148,620)</u>	<u>(300,207)</u>	
Total Other Financing Sources (Uses)		<u>(148,620)</u>	<u>(300,207)</u>	
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	8,051	523,608	47,576	24,770
Fund Balances (Deficits), July 1, as restated	<u>99,946</u>	<u>66,336</u>	<u>1,249,891</u>	<u>33,163</u>
Fund Balances (Deficits), June 30	<u>\$ 107,997</u>	<u>\$ 589,944</u>	<u>\$ 1,297,467</u>	<u>\$ 57,933</u>

<u>Community Development Block Grant</u>	<u>Storm Damage</u>	<u>Park and Recreation Improvement</u>	<u>AB 939</u>	<u>Landscape District Maintenance</u>	<u>TDA</u>
				\$ 2,502,163	
\$ 155,928	\$ 752,671	\$ 5,380	\$ 159,090		
<u>18,511</u>				<u>50,667</u>	
<u>174,439</u>	<u>752,671</u>	<u>5,380</u>	<u>159,090</u>	<u>2,552,830</u>	
	679,937				
128,436		56,195		2,545,334	
<u>47,356</u>					
<u>175,792</u>	<u>679,937</u>	<u>56,195</u>		<u>2,545,334</u>	
<u>(1,353)</u>	<u>72,734</u>	<u>(50,815)</u>	<u>159,090</u>	<u>7,496</u>	
<u>(2,089)</u>	<u>(143,245)</u>	<u>45,435</u>	<u>(49,213)</u>		\$ 216
<u>(2,089)</u>	<u>(143,245)</u>	<u>45,435</u>	<u>(49,213)</u>		<u>216</u>
(3,442)	(70,511)	(5,380)	109,877	7,496	216
	<u>(834,903)</u>	<u>274,465</u>	<u>333,026</u>	<u>985,662</u>	<u>(216)</u>
<u>\$ (3,442)</u>	<u>\$ (905,414)</u>	<u>\$ 269,085</u>	<u>\$ 442,903</u>	<u>\$ 993,158</u>	<u>\$ -</u>

(Continued)

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds (Continued)
For the Year Ended June 30, 2001

	<u>Grants</u>	<u>Developer Impact Fees</u>	<u>Affordable Housing</u>	<u>B & T Lost Hills District</u>
Revenues:				
Taxes				
Intergovernmental	\$ 38,872			
Developer fees		\$ 299,553	\$ 262,158	\$ 246,155
Other		84,684	27,219	142,908
Total Revenues	<u>38,872</u>	<u>384,237</u>	<u>289,377</u>	<u>389,063</u>
Expenditures:				
Current:				
Public safety				
Public works	18,250	690		
Community development				
Community services				
Unreimbursable grant expenditures				
Capital outlay	85,900			57,701
Total Expenditures	<u>104,150</u>	<u>690</u>		<u>57,701</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(65,278)</u>	<u>383,547</u>	<u>289,377</u>	<u>331,362</u>
Other Financing Sources (Uses):				
Operating transfers in	85,900			
Operating transfers out	(288,939)	(296,163)		(48,220)
Total Other Financing Sources (Uses)	<u>(203,039)</u>	<u>(296,163)</u>		<u>(48,220)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(268,317)</u>	<u>87,384</u>	<u>289,377</u>	<u>283,142</u>
Fund Balances (Deficits), July 1, as restated	<u>(247,804)</u>	<u>1,461,347</u>	<u>397,306</u>	<u>2,411,997</u>
Fund Balances (Deficits), June 30	<u>\$ (516,121)</u>	<u>\$ 1,548,731</u>	<u>\$ 686,683</u>	<u>\$ 2,695,139</u>

Local Law Enforcement Grant	COPS AB3229	Library	Totals	
			2001	2000
		\$ 740,119	\$ 4,451,988	\$ 4,598,289
\$ 17,712	\$ 100,000	34,750	1,287,061	821,300
			807,866	3,614,674
<u>207</u>	<u>5,571</u>	<u>46,264</u>	<u>484,132</u>	<u>484,772</u>
<u>17,919</u>	<u>105,571</u>	<u>821,133</u>	<u>7,031,047</u>	<u>9,519,035</u>
32,810	49,509		82,319	59,436
			698,877	492,776
			128,436	42,704
		325,922	3,215,084	6,113,683
				85,437
		<u>34,649</u>	<u>225,606</u>	<u>192,911</u>
<u>32,810</u>	<u>49,509</u>	<u>360,571</u>	<u>4,350,322</u>	<u>6,986,947</u>
(14,891)	56,062	460,562	2,680,725	2,532,088
35,653			167,204	170,093
	<u>(33,685)</u>	<u>(51,647)</u>	<u>(1,362,028)</u>	<u>(1,863,919)</u>
<u>35,653</u>	<u>(33,685)</u>	<u>(51,647)</u>	<u>(1,194,824)</u>	<u>(1,693,826)</u>
20,762	22,377	408,915	1,485,901	838,262
<u>(14,787)</u>	<u>61,901</u>	<u>482,296</u>	<u>6,759,626</u>	<u>5,921,364</u>
<u>\$ 5,975</u>	<u>\$ 84,278</u>	<u>\$ 891,211</u>	<u>\$ 8,245,527</u>	<u>\$ 6,759,626</u>

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds
For the Year Ended June 30, 2001

	Proposition A		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 261,644	\$ 287,226	\$ 25,582
Intergovernmental			
Developer fees			
Other	6,500	8,458	1,958
Total Revenues	268,144	295,684	27,540
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services	243,500	287,633	(44,133)
Capital outlay			
Total Expenditures	243,500	287,633	(44,133)
Excess (Deficiency) of Revenues Over Expenditures	24,644	8,051	(16,593)
Other Financing Sources (Uses):			
Operating transfers in			
Operating transfers out			
Total Other Financing Sources (Uses)			
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	24,644	8,051	(16,593)
Fund Balances (Deficits), July 1, as restated	99,946	99,946	
Fund Balances (Deficits), June 30	\$ 124,590	\$ 107,997	\$ (16,593)

Highway Users Tax			Proposition C		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 519,302	\$ 652,504	\$ 133,202	\$ 188,670	\$ 269,976	\$ 81,306
<u>5,000</u>	<u>19,724</u>	<u>14,724</u>	<u>20,000</u>	<u>77,807</u>	<u>57,807</u>
<u>524,302</u>	<u>672,228</u>	<u>147,926</u>	<u>208,670</u>	<u>347,783</u>	<u>139,113</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
<u>524,302</u>	<u>672,228</u>	<u>147,926</u>	<u>208,670</u>	<u>347,783</u>	<u>139,113</u>
<u>(534,000)</u>	<u>(148,620)</u>	<u>385,380</u>	<u>(732,000)</u>	<u>(300,207)</u>	<u>431,793</u>
<u>(534,000)</u>	<u>(148,620)</u>	<u>385,380</u>	<u>(732,000)</u>	<u>(300,207)</u>	<u>431,793</u>
(9,698)	523,608	533,306	(523,330)	47,576	570,906
<u>66,336</u>	<u>66,336</u>	_____	<u>1,249,891</u>	<u>1,249,891</u>	_____
<u>\$ 56,638</u>	<u>\$ 589,944</u>	<u>\$ 533,306</u>	<u>\$ 726,561</u>	<u>\$ 1,297,467</u>	<u>\$ 570,906</u>

(Continued)

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds (Continued)
For the Year Ended June 30, 2001

	<u>South Coast Air Quality Management</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes			
Intergovernmental	\$ 28,000	\$ 22,658	\$ (5,342)
Developer fees			
Other	<u>1,000</u>	<u>2,112</u>	<u>1,112</u>
Total Revenues	<u>29,000</u>	<u>24,770</u>	<u>(4,230)</u>
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services			
Capital outlay	<u>10,000</u>	<u> </u>	<u>10,000</u>
Total Expenditures	<u>10,000</u>	<u> </u>	<u>10,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>19,000</u>	<u>24,770</u>	<u>5,770</u>
Other Financing Sources (Uses):			
Operating transfers in			
Operating transfers out	<u> </u>	<u> </u>	<u> </u>
Total Other Financing Sources (Uses)	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	19,000	24,770	5,770
Fund Balances (Deficits), July 1, as restated	<u>33,163</u>	<u>33,163</u>	<u> </u>
Fund Balances (Deficits), June 30	<u>\$ 52,163</u>	<u>\$ 57,933</u>	<u>\$ 5,770</u>

<u>Community Development Block Grant</u>			<u>Storm Damage</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 131,595	\$ 155,928	\$ 24,333		\$ 752,671	\$ 752,671
	18,511	18,511			
<u>131,595</u>	<u>174,439</u>	<u>42,844</u>		<u>752,671</u>	<u>752,671</u>
93,506	128,436	(34,930)	\$ 910,066	679,937	230,129
	47,356	(47,356)			
<u>93,506</u>	<u>175,792</u>	<u>(82,286)</u>	<u>910,066</u>	<u>679,937</u>	<u>230,129</u>
<u>38,089</u>	<u>(1,353)</u>	<u>(39,442)</u>	<u>(910,066)</u>	<u>72,734</u>	<u>982,800</u>
<u>(38,089)</u>	<u>(2,089)</u>	<u>36,000</u>		<u>(143,245)</u>	<u>(143,245)</u>
<u>(38,089)</u>	<u>(2,089)</u>	<u>36,000</u>		<u>(143,245)</u>	<u>(143,245)</u>
	(3,442)	(3,442)	(910,066)	(70,511)	839,555
			<u>(834,903)</u>	<u>(834,903)</u>	
<u>\$ -</u>	<u>\$ (3,442)</u>	<u>\$ (3,442)</u>	<u>\$ (1,744,969)</u>	<u>\$ (905,414)</u>	<u>\$ 839,555</u>

(Continued)

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds (Continued)
For the Year Ended June 30, 2001

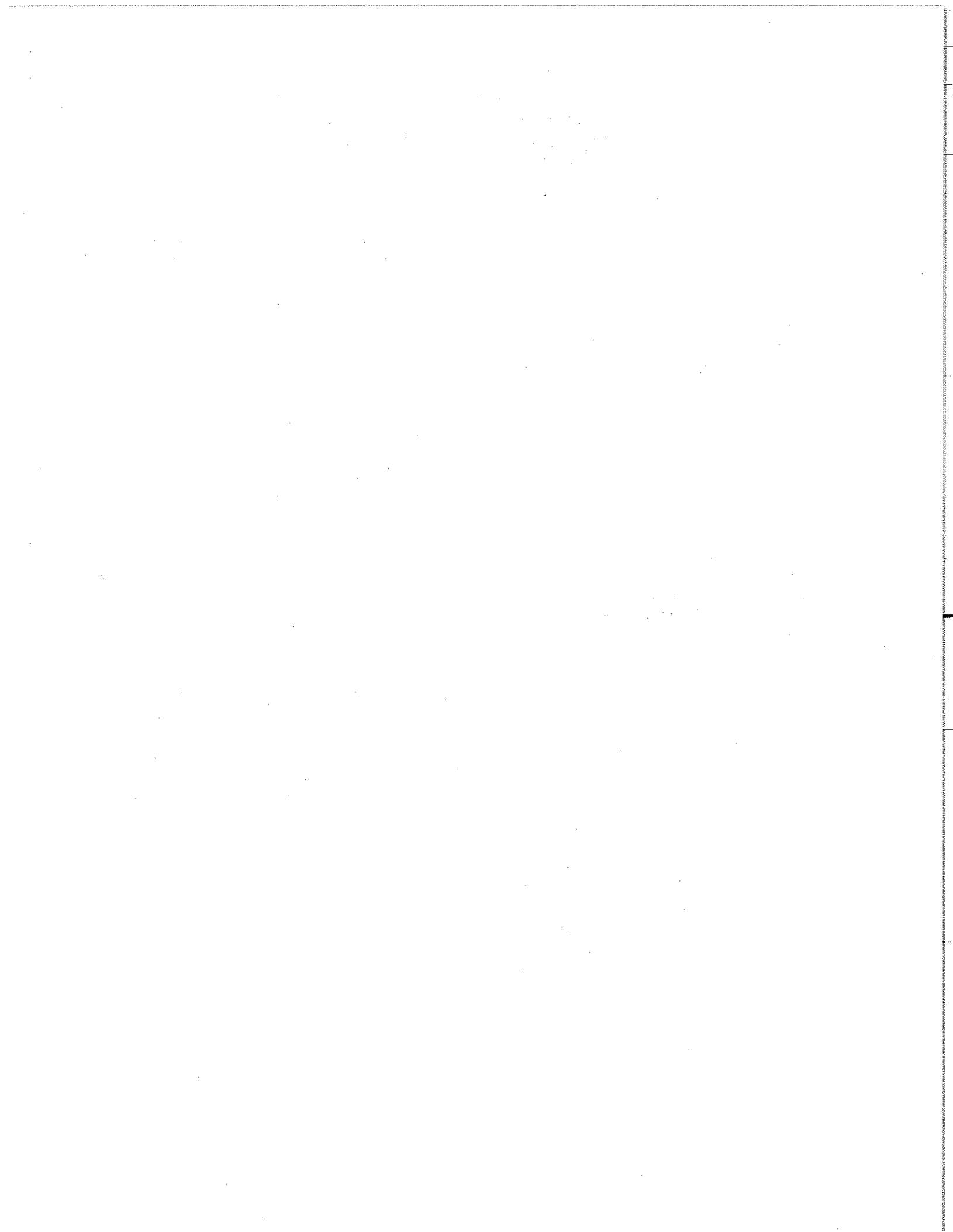
	<u>Park and Recreation Improvement</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes			
Intergovernmental	\$ 150,000	\$ 5,380	\$ (144,620)
Developer fees			
Other	50,000		(50,000)
	<u>200,000</u>	<u>5,380</u>	<u>(194,620)</u>
Total Revenues			
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services	30,000	56,195	(26,195)
Capital outlay			
	<u>30,000</u>	<u>56,195</u>	<u>(26,195)</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures			
	<u>170,000</u>	<u>(50,815)</u>	<u>(220,815)</u>
Other Financing Sources (Uses):			
Operating transfers in	30,000	45,435	15,435
Operating transfers out	(150,000)		150,000
	<u>(120,000)</u>	<u>45,435</u>	<u>165,435</u>
Total Other Financing Sources (Uses)			
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses			
	50,000	(5,380)	(55,380)
Fund Balances (Deficits), July 1, as restated			
	<u>274,465</u>	<u>274,465</u>	
Fund Balances (Deficits), June 30			
	<u>\$ 324,465</u>	<u>\$ 269,085</u>	<u>\$ (55,380)</u>

<u>AB 939</u>			<u>Landscape District Maintenance</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 125,000	\$ 159,090	\$ 34,090	\$ 2,498,023	\$ 2,502,163	\$ 4,140
			58,400	50,667	(7,733)
<u>125,000</u>	<u>159,090</u>	<u>34,090</u>	<u>2,556,423</u>	<u>2,552,830</u>	<u>(3,593)</u>
			2,742,595	2,545,334	197,261
			<u>2,742,595</u>	<u>2,545,334</u>	<u>197,261</u>
<u>125,000</u>	<u>159,090</u>	<u>34,090</u>	<u>(186,172)</u>	<u>7,496</u>	<u>193,668</u>
<u>(50,000)</u>	<u>(49,213)</u>	<u>787</u>			
<u>(50,000)</u>	<u>(49,213)</u>	<u>787</u>			
75,000	109,877	34,877	(186,172)	7,496	193,668
<u>333,026</u>	<u>333,026</u>		<u>985,662</u>	<u>985,662</u>	
<u>\$ 408,026</u>	<u>\$ 442,903</u>	<u>\$ 34,877</u>	<u>\$ 799,490</u>	<u>\$ 993,158</u>	<u>\$ 193,668</u>

(Continued)

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds (Continued)
For the Year Ended June 30, 2001

	<u>TDA</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Revenues:			
Taxes			
Intergovernmental			
Developer fees			
Other			
Total Revenues			
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services			
Capital outlay			
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures			
Other Financing Sources (Uses):			
Operating transfers in		\$ 216	\$ 216
Operating transfers out			
Total Other Financing Sources (Uses)		216	216
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses		216	216
Fund Balances (Deficits), July 1, as restated	\$ (216)	(216)	
Fund Balances (Deficits), June 30	<u>\$ (216)</u>	<u>\$ -</u>	<u>\$ 216</u>



<u>Grants</u>			<u>Developer Impact Fees</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 646,320	\$ 38,872	\$ (607,448)	\$ 656,000	\$ 299,553	\$ (356,447)
			60,000	84,684	24,684
<u>646,320</u>	<u>38,872</u>	<u>(607,448)</u>	<u>716,000</u>	<u>384,237</u>	<u>(331,763)</u>
	18,250	(18,250)	6,500	690	5,810
	85,900	(85,900)			
	104,150	(104,150)	6,500	690	5,810
<u>646,320</u>	<u>(65,278)</u>	<u>(711,598)</u>	<u>709,500</u>	<u>383,547</u>	<u>(325,953)</u>
	85,900	85,900			
<u>(763,334)</u>	<u>(288,939)</u>	<u>474,395</u>	<u>(1,199,546)</u>	<u>(296,163)</u>	<u>903,383</u>
<u>(763,334)</u>	<u>(203,039)</u>	<u>560,295</u>	<u>(1,199,546)</u>	<u>(296,163)</u>	<u>903,383</u>
(117,014)	(268,317)	(151,303)	(490,046)	87,384	577,430
<u>(247,804)</u>	<u>(247,804)</u>		<u>1,461,347</u>	<u>1,461,347</u>	
<u>\$ (364,818)</u>	<u>\$ (516,121)</u>	<u>\$ (151,303)</u>	<u>\$ 971,301</u>	<u>\$ 1,548,731</u>	<u>\$ 577,430</u>

(Continued)

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds (Continued)
For the Year Ended June 30, 2001

	<u>Affordable Housing</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes			
Intergovernmental			
Developer fees	\$ 25,000	\$ 262,158	\$ 237,158
Other	15,000	27,219	12,219
Total Revenues	<u>40,000</u>	<u>289,377</u>	<u>249,377</u>
Expenditures:			
Current:			
Public safety			
Public works	7,500		7,500
Community development			
Community services			
Capital outlay			
Total Expenditures	<u>7,500</u>		<u>7,500</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>32,500</u>	<u>289,377</u>	<u>256,877</u>
Other Financing Sources (Uses):			
Operating transfers in			
Operating transfers out			
Total Other Financing Sources (Uses)			
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	32,500	289,377	256,877
Fund Balances (Deficits), July 1, as restated	<u>397,306</u>	<u>397,306</u>	
Fund Balances (Deficits), June 30	<u>\$ 429,806</u>	<u>\$ 686,683</u>	<u>\$ 256,877</u>

<u>B & T Lost Hills District</u>			<u>Local Law Enforcement Grant</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
			\$ 21,000	\$ 17,712	\$ (3,288)
\$ 600,000	\$ 246,155	\$ (353,845)	50	207	157
40,000	142,908	102,908			
<u>640,000</u>	<u>389,063</u>	<u>(250,937)</u>	<u>21,050</u>	<u>17,919</u>	<u>(3,131)</u>
			40,576	32,810	7,766
	57,701	(57,701)			
	57,701	(57,701)	40,576	32,810	7,766
640,000	331,362	(308,638)	(19,526)	(14,891)	4,635
(1,707,314)	(48,220)	1,659,094	36,185	35,653	(532)
(1,707,314)	(48,220)	1,659,094	36,185	35,653	(532)
(1,067,314)	283,142	1,350,456	16,659	20,762	4,103
2,411,997	2,411,997		(14,787)	(14,787)	
<u>\$ 1,344,683</u>	<u>\$ 2,695,139</u>	<u>\$ 1,350,456</u>	<u>\$ 1,872</u>	<u>\$ 5,975</u>	<u>\$ 4,103</u>

(Continued)

CITY OF CALABASAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds (Continued)
For the Year Ended June 30, 2001

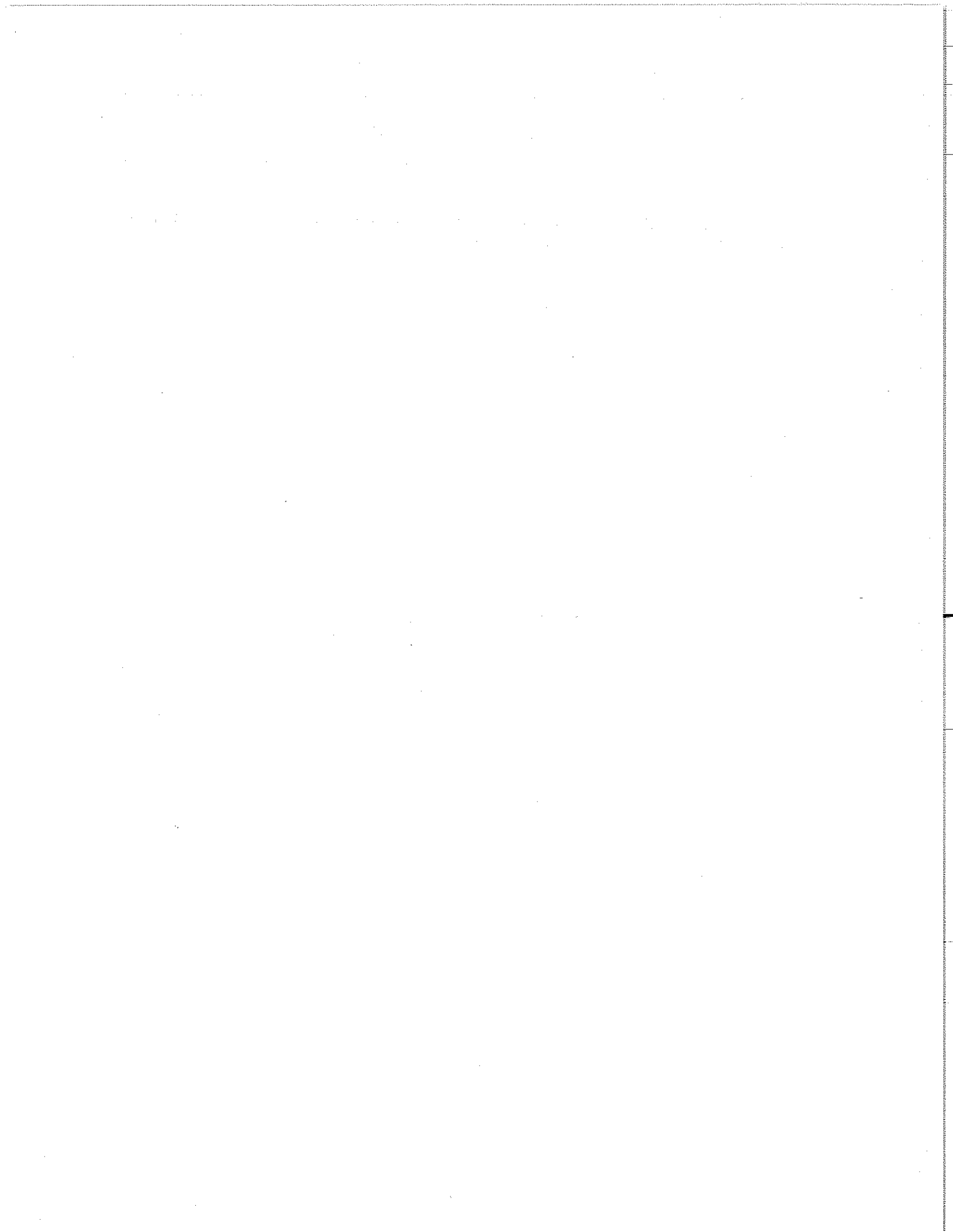
	COPS - AB3229		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 45,000	\$ 100,000	\$ 55,000
Intergovernmental			
Developer fees	2,800	5,571	2,771
Other			
Total Revenues	<u>47,800</u>	<u>105,571</u>	<u>57,771</u>
Expenditures:			
Current:			
Public safety	100,500	49,509	50,991
Public works			
Community development			
Community services			
Capital outlay			
Total Expenditures	<u>100,500</u>	<u>49,509</u>	<u>50,991</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(52,700)</u>	<u>56,062</u>	<u>108,762</u>
Other Financing Sources (Uses):			
Operating transfers in			
Operating transfers out	(33,685)	(33,685)	
Total Other Financing Sources (Uses)	<u>(33,685)</u>	<u>(33,685)</u>	
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(86,385)	22,377	108,762
Fund Balances (Deficits), July 1, as restated	<u>61,901</u>	<u>61,901</u>	
Fund Balances (Deficits), June 30	<u>\$ (24,484)</u>	<u>\$ 84,278</u>	<u>\$ 108,762</u>

Library			Totals		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 725,000	\$ 740,119	\$ 15,119	\$ 4,192,639	\$ 4,451,988	\$ 259,349
30,000	34,750	4,750	1,176,915	1,287,061	110,146
15,000	46,264	31,264	1,281,000	807,866	(473,134)
			273,750	484,132	210,382
<u>770,000</u>	<u>821,133</u>	<u>51,133</u>	<u>6,924,304</u>	<u>7,031,047</u>	<u>106,743</u>
			141,076	82,319	58,757
			924,066	698,877	225,189
			93,506	128,436	(34,930)
338,922	325,922	13,000	3,355,017	3,215,084	139,933
40,000	34,649	5,351	50,000	225,606	(175,606)
<u>378,922</u>	<u>360,571</u>	<u>18,351</u>	<u>4,563,665</u>	<u>4,350,322</u>	<u>213,343</u>
<u>391,078</u>	<u>460,562</u>	<u>69,484</u>	<u>2,360,639</u>	<u>2,680,725</u>	<u>320,086</u>
			66,185	167,204	101,019
(125,000)	(51,647)	73,353	(5,332,968)	(1,362,028)	3,970,940
(125,000)	(51,647)	73,353	(5,266,783)	(1,194,824)	4,071,959
266,078	408,915	142,837	(2,906,144)	1,485,901	4,392,045
482,296	482,296		6,759,626	6,759,626	
<u>\$ 748,374</u>	<u>\$ 891,211</u>	<u>\$ 142,837</u>	<u>\$ 3,853,482</u>	<u>\$ 8,245,527</u>	<u>\$ 4,392,045</u>

This page left blank intentionally.

DEBT SERVICE FUND

The Debt Service Fund - used to account for the accumulation of resources for payment of interest and principal on general long-term debt.



CITY OF CALABASAS
Debt Service Fund
Comparative Balance Sheets
June 30, 2001 and 2000

<u>Assets</u>	<u>2001</u>	<u>2000</u>
Cash with fiscal agent	\$ 467,753	\$ 495,770
Interest receivable	8,603	9,032
Total Assets	<u>\$ 476,356</u>	<u>\$ 504,802</u>
 <u>Liabilities</u>		
Due to other funds	<u> </u>	<u>\$ 25</u>
Total Liabilities	<u> </u>	<u>25</u>
 Fund Balances - Unreserved and Undesignated	 <u>\$ 476,356</u>	 <u>504,777</u>
Total Liabilities and Fund Balances	 <u>\$ 476,356</u>	 <u>\$ 504,802</u>

CAPITAL PROJECTS FUND

The Capital Projects Fund - used to account the acquisition and construction of major capital facilities other than those financed by the proprietary fund.

CITY OF CALABASAS
 Capital Projects Fund
 Comparative Balance Sheets
 June 30, 2001 and 2000

<u>Assets</u>	<u>2001</u>	<u>2000</u>
Cash and investments	<u>\$ 603,552</u>	<u>\$ 58,059</u>
Total Assets	<u>\$ 603,552</u>	<u>\$ 58,059</u>
<u>Liabilities</u>		
Accounts payable	\$ 603,552	\$ 58,059
Retentions payable	<u>17,145</u>	<u> </u>
Total Liabilities	620,697	58,059
Fund Balances (Deficits) - Unreserved and Undesignated	<u>(17,145)</u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 603,552</u>	<u>\$ 58,059</u>

ENTERPRISE FUND

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government's governing board is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's governing board has decided that periodic determination of net income is appropriate for accountability purposes.

Tennis and Swim Center Fund – used to account for the activities of the City of Calabasas Tennis and Swim Center which is financed and operated with the intent that the costs of providing goods or services to the general public on a continuing basis be financed primarily by user charges.

CITY OF CALABASAS
Enterprise Fund
Comparative Balance Sheets
June 30, 2001 and 2000

<u>Assets</u>	<u>2001</u>	<u>2000</u>
Current Assets:		
Cash and investments	\$ 509,222	\$ 644,378
Accounts receivable	3,755	
Interest receivable	<u>2,209</u>	<u>5,087</u>
Total Current Assets	515,186	649,465
Property, plant and equipment, net	<u>2,233,623</u>	<u>2,085,679</u>
Total Assets	<u>\$ 2,748,809</u>	<u>\$ 2,735,144</u>
 <u>Liabilities and Fund Equity</u>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 95,543	\$ 151,685
Retentions payable		<u>3,841</u>
Total Current Liabilities	95,543	155,526
Compensated absences payable	<u>5,333</u>	
Total Liabilities	<u>100,876</u>	<u>155,526</u>
Fund Equity:		
Contributed capital	1,558,729	1,558,729
Retained earnings - reserved for capital improvements	49,087	125,830
Retained earnings - unreserved	<u>1,040,117</u>	<u>895,059</u>
Total Fund Equity	<u>2,647,933</u>	<u>2,579,618</u>
Total Liabilities and Fund Equity	<u>\$ 2,748,809</u>	<u>\$ 2,735,144</u>

AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Las Virgenes Parking Authority – used to account for assets held for the Las Virgenes Parking Authority.

Community Facilities District 98-1 – used to account for monies held to account for debt service requirements of Community Facilities District No. 98-1.

CITY OF CALABASAS
Agency Funds
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2001

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2001</u>
<u>Las Virgenes Parking Authority Fund</u>				
Assets:				
Cash and investments	\$ 65,206	\$ 246,972	\$ 262,638	\$ 49,540
Liabilities:				
Accounts payable and accrued liabilities	\$ 65,206	\$ 244,177	\$ 259,843	\$ 49,540
<u>Community Facilities District 98-1</u>				
Assets:				
Special tax receivable	\$ -	\$ 295,615	\$ -	\$ 295,615
Liabilities:				
Due to fiscal agent		\$ 169,507		\$ 169,507
Due to other funds		126,108		126,108
	\$ -	\$ 295,615	\$ -	\$ 295,615
<u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 65,206	\$ 246,972	\$ 262,638	\$ 49,540
Special tax receivable		295,615		295,615
	\$ 65,206	\$ 542,587	\$ 262,638	\$ 345,155
Liabilities:				
Accounts payable and accrued liabilities	\$ 65,206	\$ 244,177	\$ 259,843	\$ 49,540
Due to fiscal agent		169,507		169,507
Due to other funds		126,108		126,108
	\$ 65,206	\$ 539,792	\$ 259,843	\$ 345,155

ACCOUNT GROUPS

Account Groups are accounting entities used to establish control over and accountability for the government's general fixed assets and unmatured principal of its general long-term debt. The Account Groups are not funds and do not report operations.

The General Fixed Assets Account Group – used to account for all fixed assets of the City other than those accounted for in the proprietary fund.

The General Long-Term Debt Account Group – used to account for all long-term liabilities of the City other than those accounted for in the proprietary fund.

CITY OF CALABASAS
Comparative Schedule of General Fixed Assets by Source
June 30, 2001 and 2000

	<u>2001</u>	<u>2000</u>
General Fixed Assets:		
Land	\$ 2,811,648	\$ 2,385,587
Building	1,553,838	1,553,838
Equipment	1,281,968	1,191,026
Investment in Joint Venture - Community Center	<u>2,813,060</u>	<u>2,813,060</u>
Total	<u><u>\$ 8,460,514</u></u>	<u><u>\$ 7,943,511</u></u>
 Investment in General Fixed Assets by Source:		
General fund	\$ 5,416,226	\$ 4,899,223
Special revenue funds	3,018,246	3,018,246
Federal grants	10,488	10,488
Donated capital	<u>15,554</u>	<u>15,554</u>
Total Investment in General Fixed Assets	<u><u>\$ 8,460,514</u></u>	<u><u>\$ 7,943,511</u></u>

CITY OF CALABASAS
 Schedule of General Fixed Assets by Function and Activity
 June 30, 2001

Function and Activity	<u>Land</u>	<u>Building</u>	<u>Equipment</u>	<u>Investment in Joint Venture- Community Center</u>	<u>Total</u>
General Government:					
General government	\$ 1,810,779		\$ 642,104		\$ 2,452,883
City clerk			3,375		3,375
City treasurer			1,624		1,624
<u>Total General Government</u>	<u>1,810,779</u>		<u>647,103</u>		<u>2,457,882</u>
Public safety			56,324		56,324
Community development			63,038		63,038
Community services	1,000,869	\$ 1,553,838	494,285	\$ 2,813,060	5,862,052
Public works			21,218		21,218
<u>Total General Fixed Assets</u>	<u>\$ 2,811,648</u>	<u>\$ 1,553,838</u>	<u>\$ 1,281,968</u>	<u>\$ 2,813,060</u>	<u>\$ 8,460,514</u>

CITY OF CALABASAS
 Schedule of Changes in General Fixed Assets by Function and Activity
 Year Ended June 30, 2001

	<u>Balance July 1, 2000</u>	<u>Additions and Transfers In</u>	<u>Deletions and Transfers Out</u>	<u>Balance June 30, 2001</u>
General Government:				
General government	\$ 2,007,520	\$ 445,363		\$ 2,452,883
City clerk	1,727	1,648		3,375
City treasurer	1,624			1,624
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total General Government	2,010,871	447,011		2,457,882
Public safety	56,324			56,324
Community development	39,940	23,098		63,038
Community services	5,820,767	41,285		5,862,052
Public works	15,609	5,609		21,218
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total General Fixed Assets	<u>\$ 7,943,511</u>	<u>\$ 517,003</u>	<u>\$ -</u>	<u>\$ 8,460,514</u>

CITY OF CALABASAS
 Comparative Schedule of General Long-Term Debt
 June 30, 2001 and 2000

	2001	2000
Amounts Available and to be Provided for the Payment of General Long-Term Debt:		
Amount available for retirement of long-term debt	\$ 476,356	\$ 504,777
Amount to be provided for payment of long-term debt	5,918,332	5,881,711
Total Amount Available and to be Provided for Payment of General Long-Term Debt	\$ 6,394,688	\$ 6,386,488
General Long-Term Debt Payable:		
Certificates of Participation -		
City of Calabasas Facilities Corporation	\$ 6,260,000	\$ 6,275,000
Compensated absences	134,688	111,488
Total General Long-Term Debt Payable	\$ 6,394,688	\$ 6,386,488

This page left blank intentionally.

This page left blank intentionally.

CITY OF CALABASAS
 General Governmental Expenditures by Function ⁽¹⁾
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Community Development</u>	<u>Community Services</u>
1992	\$ 1,105,427	\$ 1,929,400	\$ 297,791	\$ 2,032,247	\$ 79,372
1993	1,588,955	2,042,824	2,071,544	1,686,764	239,597
1994	1,886,251	2,213,143	4,507,153	1,527,708	502,283
1995	1,688,811	2,252,641	6,498,554	2,124,548	585,323
1996	1,048,730	2,256,148	2,896,646	4,479,600	2,758,591
1997	862,808	2,312,954	2,726,192	4,605,175	2,116,594
1998	1,081,893	2,302,951	4,894,917	3,421,369	1,898,468
1999	3,817,704	2,718,653	6,679,080	1,694,545	8,363,190
2000	1,323,668	2,606,895	3,773,292	1,794,490	9,226,775
2001	1,650,551	2,716,715	3,305,554	2,076,197	6,422,009

Notes:

(1) Includes all governmental fund types.

Source: City of Calabasas, Finance Department.

<u>Unreimbursable Grant Expenditures</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
			\$ 5,444,237
			7,629,684
			10,636,538
			13,149,877
		\$ 721,308	14,161,023
		880,364	13,504,087
		1,401,465	15,001,063
\$ 411,440	\$ 181,648	403,582	24,269,842
85,437	405,757	359,072	19,575,386
	335,383	792,086	17,298,495

CITY OF CALABASAS
 General Governmental Revenues by Source ⁽¹⁾
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Fees</u>	<u>Intergovern- mental</u>	<u>Fines and Forfeitures</u>	<u>Developer Fees</u>
1992	\$ 4,227,732	\$ 1,157,067	\$ 1,171,760	\$ 37,518	
1993	5,447,644	2,722,228	2,114,785	78,000	
1994	5,716,363	1,076,648	4,852,693	71,429	
1995	5,613,810	1,747,877	6,907,456	84,246	
1996	9,921,929	1,722,084	3,852,385	77,641	
1997	9,082,973	1,675,407	3,436,232	99,380	\$ 589,665
1998	9,235,157	1,796,392	4,566,187	159,634	1,423,433
1999	11,017,194	1,433,990	5,229,241	363,284	726,093
2000	12,495,765	828,829	2,573,872	292,401	3,614,674
2001	14,052,461	1,113,000	3,207,607	251,081	807,866

Notes:

(1) Includes all governmental fund types.

Source : City of Calabasas, Finance Department

<u>Other</u>	<u>Total</u>
\$ 99,569	\$ 6,693,646
224,902	10,587,559
412,448	12,129,581
418,539	14,771,928
634,674	16,208,713
671,016	15,554,673
741,946	17,922,749
1,298,050	20,067,852
2,083,394	21,888,935
1,976,841	21,408,856

CITY OF CALABASAS
 General Governmental Tax Revenues by Source ⁽¹⁾
 Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales and Use Tax	Gas Tax	Utility Users Tax	Transient Occupancy Tax
1992	\$ 551,198	\$ 967,664	\$ 478,994	\$ 1,258,571	\$ 420,766
1993	573,610	1,491,234	539,435	1,678,124	433,449
1994	964,189	1,363,487	497,861	1,717,029	438,433
1995	801,458	1,384,298	498,537	1,725,857	445,660
1996	4,827,720	1,588,903	517,545	1,779,345	400,109
1997	3,327,410	1,706,657	501,761	1,892,517	444,160
1998	3,435,427	1,791,502	512,176	1,990,977	462,071
1999	4,006,586	2,986,121	517,282	1,819,766	509,927
2000	4,251,960	3,483,320	514,486	2,127,436	600,089
2001	4,390,577	4,693,609	652,504	2,445,703	668,316

Notes:

(1) Includes all governmental fund types.

Source : City of Calabasas, Finance Department

<u>Cigarette Tax</u>	<u>Franchise Tax</u>	<u>Real Property Transfer Tax</u>	<u>Los Angeles County Transit Taxes</u>	<u>Total</u>
\$ 11,357	\$ 201,718	\$ 41,319	\$ 296,145	\$ 4,227,732
2,822	353,463	82,742	292,763	5,447,642
	346,733	90,508	298,123	5,716,363
	331,711	146,887	279,402	5,613,810
	344,862	109,534	353,911	9,921,929
	370,528	139,277	700,663	9,082,973
	388,961	240,006	414,037	9,235,157
	495,735	208,535	473,242	11,017,194
	436,139	173,429	908,906	12,495,765
	464,766	179,784	557,202	14,052,461

CITY OF CALABASAS
 Property Tax Rates - All Overlapping Governments
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years

	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
General	1.000000	1.000000	1.000000	1.000000
County	0.001888	0.001409	0.001713	0.001993
Las Virgenes Unified School District	0.010581	0.007326	0.007230	0.008140
Los Angeles County Flood Control District	0.005376	0.003397	0.004212	0.006041
Metropolitan Water District	0.008900	0.008900	0.008900	0.008900
Las Virgenes Municipal Water District	<u>0.017695</u>	<u>0.011348</u>	<u>0.009874</u>	<u>0.007223</u>
Total	<u>1.044440</u>	<u>1.032380</u>	<u>1.031929</u>	<u>1.032297</u>

Special Assessments

The City is not obligated in any manner for special assessment bonded debt; therefore, ten year trend data have not been presented.

General Obligation Bonds

The City is not obligated in any manner for general obligation bonded indebtedness; therefore, ten year trend data of the ratio of net general bonded debt to assessed value, net general bonded debt per capita and ratio of annual debt service expenditures for general bonded debt to total general expenditures have not been presented.

Source: County of Los Angeles, Auditor-Controller

<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>
1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
0.001814	0.001584	0.001604	0.001451	0.001422	0.001314
0.003102	0.012017	0.000938	0.029576	0.030760	0.034773
0.000963	0.002197	0.001991	0.001953	0.001765	0.001552
0.008900	0.008900	0.008900	0.008900	0.008900	0.008800
0.005478	0.005857	0.005478	0.005478	0.004930	0.004437
<u>1.020257</u>	<u>1.030555</u>	<u>1.018911</u>	<u>1.047358</u>	<u>1.047777</u>	<u>1.050876</u>

CITY OF CALABASAS
Secured Property Tax Levies and Collections ⁽¹⁾
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected
1992	Information Not Available		
1993	\$ 478,040	\$ 438,925	91.82%
1994	505,393	329,256	65.15%
1995	1,078,888	943,063	87.41% ⁽²⁾
1996	1,250,828	1,140,847	91.21%
1997	1,264,675	1,136,484	89.86%
1998	1,393,060	1,314,749	94.38%
1999	1,909,467	1,810,483	94.82%
2000	2,128,968	1,992,094	93.57%
2001	2,315,044	2,195,116	94.82%

Source: County of Los Angeles, Auditor-Controller

⁽¹⁾- Includes Secured Tax Roll for the City of Calabasas

⁽²⁾ - Information reported for 1995 includes material adjustment to prior year levy.

CITY OF CALABASAS
Assessed Values of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Secured Valuation	Unsecured Valuation	Assessed Valuation
1992	\$ 2,333,837,039	\$ 11,155,059	\$ 2,344,992,098
1993	2,505,883,936	30,134,940	2,536,018,876
1994	2,534,043,821	37,961,915	2,572,005,736
1995	2,530,321,945	42,153,092	2,572,475,037
1996	2,513,831,945	43,499,829	2,557,331,774
1997	2,536,008,731	47,827,491	2,583,836,222
1998	2,550,633,271	53,317,256	2,603,950,527
1999	2,665,848,403	59,118,054	2,724,966,457
2000	2,895,072,481	75,730,960	2,970,803,441
2001	3,086,838,928	121,979,071	3,208,817,999

Source: HDL,Coren & Cone.

CITY OF CALABASAS
Computation of Legal Debt Margin ⁽¹⁾
June 30, 2001

Total Assessed Value of all Real and Personal Property	\$ 3,208,817,999
Debt Limit Percentage	<u>15.00%</u>
Total Debt Limit	481,322,700
Amount of Debt Applicable to Debt Limit	<u>-</u> ⁽²⁾
Legal Debt Margin	<u><u>\$ 481,322,700</u></u>

⁽¹⁾ - In accordance with California Government Code Section 43605, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation.

⁽²⁾ - The City currently has no general bonded indebtedness.

Source: City of Calabasas Finance Department.

CITY OF CALABASAS
Demographic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>% Increase (Decrease)</u>
1992	16,992	-
1993	17,360	2.2%
1994	17,719	2.1%
1995	18,366	3.7%
1996	18,835	2.6%
1997	19,170	1.8%
1998	19,530	1.9%
1999	20,098	2.9%
2000	20,455	1.8%
2001	20,390	-0.3%

Source: California Department of Finance

CITY OF CALABASAS
Estimated Direct and Overlapping Bonded Debt
As of June 30, 2001

2000-01 Assessed Valuation: \$3,208,817,999

	<u>% Applicable</u>	<u>Debt 6/30/01</u>
OVERLAPPING TAX AND ASSESSMENT DEBT:		
Los Angeles County	0.616%	\$ 261,030
Los Angeles County Flood Control District	0.623%	147,277
Metropolitan Water District	0.327%	1,724,860
Los Angeles Community College District	1.092%	5,733,000
Las Virgenes Joint Unified School District	33.136%	19,103,345
Las Virgenes Municipal Water District I.D. No. U-1	15.244%	191,312
Las Virgenes Municipal Water District I.D. No. U-2	80.977%	481,813
Los Angeles County Community Facilities Dist No. 4-A	100.000%	12,095,000
Los Angeles County Community Facilities Dist No. 4-B	100.000%	28,700,000
Los Angeles Regional Park and Open Space Assessment District	0.616%	2,698,203
City of Calabasas	100.000%	
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 71,135,840
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:		
Los Angeles County General Fund Obligations	0.616%	\$ 10,367,081
Los Angeles County Pension Obligations	0.616%	11,830,788
Los Angeles County Superintendent of Schools Certificates of Participation	0.616%	195,917
Los Angeles County Flood Control District General Fund Obligations	0.623%	1,048,166
Los Angeles County Community College District Certificates of Participatic	1.092%	711,056
Las Virgenes Joint Unified School District Certificates of Participation	33.136%	62,958
City of Calabasas Certificates of Participation	100.000%	6,260,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$ 30,475,966
Less: Los Angeles County Certificates of Participation (100% self-supporting from leasehold revenues on properties in Marina Del Rey)		\$ 702,979
TOTAL NET OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$ 29,772,987
GROSS COMBINED TOTAL DEBT		\$ 101,611,806 ⁽¹⁾
NET COMBINED TOTAL DEBT		\$ 100,908,827
⁽¹⁾ Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.		
Ratios to 2000-01 Assessed Valuation:		
Combined Direct Debt (\$6,260,000)	0.20%	
Total Direct and Overlapping Tax and Assessment Debt	2.22%	
Gross Combined Total Debt	3.17%	
Net Combined Total Debt	3.14%	
STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/01:		\$ -

Source: California Municipal Statistics, Inc.

CITY OF CALABASAS
Principal Taxpayers: Secured Property Tax
June 30, 2001

<u>Taxpayer</u>	<u>Primary Use</u>	<u>2000-01 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Casden Malibu Canyon	Residential	\$ 68,638,438	2.14%
Arden Realty Limited Partnership	Industrial	54,687,741	1.70%
Countrywide Home Loans, Inc.	Commercial	35,094,060	1.09%
Commons At Calabasas LLC	Commercial	28,125,090	0.88%
Kilroy Realty Limited Partnership	Commercial	27,338,865	0.85%
ACD2	Commercial	25,981,773	0.81%
Lincoln Malibu Meadows	Residential	24,547,968	0.77%
Lincoln Malibu Meadows II	Residential	17,900,713	0.56%
Malibu Canyon Office Partners LLC	Residential	15,986,801	0.50%
Baldwin Building Contractors	Vacant Land	<u>15,931,527</u>	0.50%
TOTAL		<u>\$ 314,232,976</u>	<u>9.79%</u>
Total Assessed Value		<u>\$ 3,208,817,999</u>	

Source: HDL, Coren & Cone.

CITY OF CALABASAS
Construction Permits and Bank Deposits
Last Ten Fiscal Years

Fiscal Year	Construction Permits ⁽¹⁾			Percent Change	Total Bank Deposits ⁽²⁾
	#	Percent Change	Value ⁽⁴⁾		
1992	542	N/A	\$ 37,107	N/A	\$ 227,303
1993	429	-20.85%	28,933	-22.03%	223,472
1994	561	30.77%	24,179	-16.43%	242,445
1995	941	67.74%	52,804	118.39%	261,468
1996	667	-29.12%	41,906	-20.64%	246,603
1997	536	-19.64%	47,018	12.20%	225,903
1998	644	20.15%	62,016	31.90%	238,716
1999	596	-7.45%	42,285	-31.82%	264,035
2000	431	-27.68%	22,490	-46.81%	269,054
2001	510	18.33%	55,528	146.90%	⁽³⁾

Notes:

- (1) Source: City of Calabasas Building Department (Building Permits).
- (2) Source: The Findley Reports, Inc., includes bank and savings and loan deposits.
- (3) Not available at time of printing.
- (4) Amounts expressed in thousands.

CITY OF CALABASAS
 Schedule of Insurance Coverage
 June 30, 2001

<u>Type of Coverage</u>	<u>Insurer/Limits</u>	<u>Deductible or Self-Insured Retention</u>
General, Automobile and Special Liability	Joint Powers Risk Sharing Pool (CJPIA) \$50,000,000 limit per occurrence \$50,000,000 aggregate limit	\$ 20,000
Workers' Compensation	Joint Powers Risk Sharing Pool (CJPIA) Statutory Limits	\$ 25,000
Property (all risk excludes earthquake & flood also excludes boiler & machinery) ⁽¹⁾ - Vehicles	Joint Powers Risk Sharing Pool (CJPIA) \$100,000,000 limit per occurrence	\$5,000 \$1,000
Public Official Bonds	Honesty Blanket Bond Coverage - \$1,000,000	\$5,000

⁽¹⁾ - City carries Earthquake and Flood Insurance on Creekside Park at \$1,427,624

Source: City of Calabasas Finance Department

CITY OF CALABASAS
Miscellaneous Statistics
June 30, 2001

DATE OF INCORPORATION	April 5, 1991
CITY LOGO	Red Tail Hawk flying over Santa Monica Mountains
FORM OF GOVERNMENT	Council - Manager
TYPE OF CITY	General Law
AREA	12.9 square miles - Incorporated 19 square miles - Unincorporated
ELEVATION (range)	500-2,800 feet
CLIMATE	
Summer	50-95 degrees F
Winter	40-65 degrees F
Rain	13.6 inches (Mean Annual Average)
POPULATION - 2000 Census	20,033
Males	9,737
Females	10,296
White	16,789
Hispanic	949
Black	222
American Indian	22
Asian	1,529
Pacific Islander	7
Other	56
Two or more races	459
Average Household Size	2.76 persons
Average Family Size	3.14 persons
Median age	38.5 years
Income (1990 Census)	
Median Household Income	\$66,421
Households earning over \$100,000	31.5%
HOUSING AND LAND USE (1990 Census)	
Median value, single family homes	\$450,000
Median rent	\$925
Single family units	18.7%
Multi-family units	1.9%
Mobilehomes	0.4%
Retail	0.8%
Commercial	1.3%
Vacant/Undeveloped	18.0%
Uncommitted open space	23.2%
Dedicated open space	25.8%
Public/right-of-way	9.9%

(Continued)

CITY OF CALABASAS
Miscellaneous Statistics (Continued)
June 30, 2001

TRANSPORTATION	
Vehicle	Dial-a-Ride, transportation for elderly and disabled, Trolley
Bus	Metropolitan Transportation Authority, Calabasas Shuttle Service, Beach Bus
Highways	Highway 101
MILES OF STREETS	53.17
UTILITIES	
Water Supplier	Las Virgenes Municipal Water District
Sewer Supplier	Las Virgenes Municipal Water District
Refuse Haulers	2 Private Haulers
Natural Gas Supplier	Southern California Gas Company
Electric Power Supplier	Southern California Edison Company
Telephone Supplier	Pacific Bell
Cable TV	Adelphia, Charter
PUBLIC SAFETY	
Fire Protection	Contract with Los Angeles County Fire Department
Police Protection	Contract with Los Angeles County Sheriff's Department
ELECTIONS	
Municipal election (03/06/01)	
Number of registered voters	12,683
Number of ballots cast	2,626
Percentage of registered voters voting	20.7%
CULTURE AND LEISURE	
Parks	7 (41 acres)
Tennis and Swim Center	1
Basketball courts	5
Tennis Courts	18
Swimming pools	1
Fitness Center	1
Community Center	1
Libraries	1
Education	
Elementary schools	4
Junior high schools	2
High schools	1
Continuation high schools	1
Private schools	2
HOTELS/MOTELS	
Number of Hotels/Motels	2

Source: City of Calabasas, Finance Department.

