



CITY OF CALABASAS

City of Calabasas,  
California

Comprehensive Annual

Financial  
Report

For the year ended:

June 30, 2002



**COVER DESIGN**

*by: Gil Kenan, City Intern*



**CITY *of* CALABASAS**

**CALIFORNIA**

*www.cityofcalabasas.com*

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2002**

**PREPARED BY:  
FINANCE DEPARTMENT**

**CYNTHIA L. BORCHARD  
Finance Director**



**CITY OF CALABASAS  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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## INTRODUCTORY SECTION







*CITY of CALABASAS*

December 6, 2002

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, 2002, 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 account groups and the financial position and operational results of the City's various funds 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 family income in Calabasas in 2000 was \$107,330 which is 202.4% of the State of California's median family income. Calabasas is one of America's wealthiest communities with a current per capita income of \$48,189 which is 212% of California per capita income. 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 that during 2001, payroll jobs in the six-county Southern California region (Orange, Los Angeles, Riverside, San Bernardino, Ventura and Imperial) grew by 1.45% and the average unemployment rate was 5.1%. This compares with a 5.3% unemployment rate for California and a 4.8% rate nationally. The 2001 growth rates for payroll jobs were 1.5% for California and 0.2% for the U.S. He noted that job growth in

Southern California in 2002 has been confined to the government, wholesale trade and finance, insurance and real estate sectors. All other areas suffered job losses. The region's job growth has come to a standstill and this trend is likely to continue for the rest of the year.

As far as the local economy, he noted the shortfall in state revenue will have a negative impact. From a 23% increase in fiscal 2000, California's revenue fell by 14% in fiscal 2002. Another major issue facing California is the lack of housing. The situation is a lot worse in Southern California than in the rest of the state. Nationally, for every 1.38 jobs created, a housing permit was taken out, but for California one permit was taken out for every 2.7 jobs. For Southern California the new jobs/permits ratio is 2.9, for Orange County, 3.6, and for Riverside-San Bernardino, 2.05. Housing construction has not kept up with the new jobs created and the overall housing growth in the region is slower than for the nation and the state. Additionally, housing price inflation could pose additional risks for the Southern California economy if the economy falters in the coming months.

In summary, the region's longer-term prospects remain healthy. It is assumed the current economic slowdown will come to an end in mid-2003.

The State Department of Finance has estimated the City's population for 2002 at 20,730. The 2000 median value of owner occupied housing in Calabasas was \$497,900 which is 235.4% of California median value.

### **Major Initiatives - Current Year Projects**

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

#### **Traffic & Transportation**

The following programs have been implemented: Advanced traffic signal coordination and timing, surveillance and video detection systems; installation of fiber optic wires citywide for traffic signal interconnect; installation of Class II bike lanes along Calabasas Road; installation of traffic signal on Mulholland Highway at Calabasas High School. Also, the department secured various grants for Bike Lane Gap Closure, Safe Routes to School Program, Traffic Operation Center and development of FTA Grant application for new bus acquisition.

The Department implemented various traffic calming devices including a raised cross-walk at Lupin Hills Elementary and various speed humps. Also completed was a Traffic Busters incentive program for local elementary school children.

#### **Public Works**

Several Capital Improvement Projects were completed during the year. Construction began on the Las Virgenes Creek Bridge Widening Project at Agoura Road. 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.

An overlay of 2.5 miles of Las Virgenes Road from Mulholland Road to Agoura Road was completed. Annual access ramp construction, concrete rehabilitation, slurry seal and rubberized overlay programs were also completed.

The reformation of the City's Landscape Districts was completed along with the annexation of the Saratoga Area into Landscape District #24.

### 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. Work continues with local and national agencies to explore the options available to Calabasas regarding cable competition, open access and other cable related issues. A variety of programming awards were received including the following:

- ✧ NATOA Award - First Place City Web Site.
- ✧ Communicator Award - Honorable Mention for "Calabasas Chamber Orchestra Poster;" Award of Distinction for "Citizens' Guide to Calabasas."
- ✧ Videographer Award - Honorable Mention for "The CTV Billboard;" Award of Distinction for "Your City, Your Issues #38 - LAFD, Sept. 11<sup>th</sup> Special."
- ✧ Telly Award - Finalist for "Teen Forum, Colleges."
- ✧ STAR Award - 2<sup>nd</sup> Place for "CTV Billboard."
- ✧ Hometown Video Festival - Winner for "CTV Billboard"; Honorable Mention for "Your City, Your Issues, #38."
- ✧ Axiem Awards - Silver Award for "CTV Billboard."

The department created and implemented a multi-media library which will encompass videos, digital pictures and 35 mm photos. Enhancements were also made to the City's web-site including redesign, virtual tours and new links.

The City's computer network was upgraded with new virus software and a new firewall for DSL internet access. The City's LAN was upgraded to 100 mbs speed and the main file server was upgraded to Windows 2000 or XP.

### Building and Safety

The department successfully implemented a "one-stop" counter for serving customers. The services of a contract Prosecutor were secured for the department. The inspection approval process for new buildings was streamlined. The department also completed the annual training forum with real estate professionals at the three largest agencies concerning property sales requisites.

Several other administrative documents were revised and updated including the complete adoption of model codes in December 2002 and public counter handout material updates.

### Administration

The City continued to effectively administer a two year operating and capital improvement budget. A new two-year budget was adopted for the 2002-2004 fiscal years.

Grants totaling over \$2 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 Safe Route to Schools Grant and Dry Canyon Creek Restoration Project Grant.

The Administrative Services/City Clerk's department coordinated the annual records management program, relocation of the City Library and organized the space improvements at City Hall. The Human Resources Department conducted an internal equity classification salary study and implemented a new Employee Assistance Program. Various employee training programs were also conducted.

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

A new Education Commission was formed. This 5-member commission will act in an advisory capacity to the City Council in all matters pertaining to community educational programs and communication and coordination with local schools.

### 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, Mothers Day Boutique, and trips to local museums.

The Creekside Pre-school Klubhouse had another successful year graduating the third class of students. A Pre-school Summer Camp Program was also implemented. Maintenance and safety improvements were completed at various park locations. An Inclusion Basketball League was also added at the Agoura Hills/ Calabasas Community Center.

The Tennis and Swim Center hosted its second USTA Tennis Challenger Tournament. One clay tennis court was upgraded to a better clay material surface and the other clay court to a hard surface. The swimming pool was resurfaced and re-tiled.

The Arts Council produced another successful arts and crafts festival with over 200 vendors and 10,000 in attendance. The Calabasas Orchestra provided a series of five concerts for the community and performed at the State of the City Address by the Mayor.

### Planning/Environmental Programs

The department applied for an \$8 million library grant and continued work on the site design phase for the new Civic Center complex.

The department entered into a partnership with Mountains Restoration Trust to acquire, manage and restore open space lands.

The department initiated the New Millennium Homes development project and continued efforts to stop the Ahmanson Ranch development project. Completed projects include the Creekside Village development project and the Hilton Canyon View office building project development. Also initiated was the expansion and remodeling of the Mercedes and Volvo dealerships.

A contract for “city prosecutor” was executed.

### **Major Initiatives - For the Future:**

#### Traffic & Transportation

Several traffic related projects are in progress. The traffic signal installation at Old Topanga Canyon Road and Bluebird Drive will be completed. New transit vehicles and buses will be acquired and the trolley route will be expanded to serve high density housing and attractions. The Bike Lane Gap Closure project will be completed with the construction of Class II Bike Lanes along Mureau Road.

#### Public Works

Capital Improvement Projects totaling \$6 million dollars will be implemented as part of the City’s 5 year Capital Improvement Program. Also, various road/drainage improvements will be completed including the A. E. Wright Middle School Pedestrian Footbridge. Various water quality improvements are also planned for the Las Virgenes Creek

#### 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. A detailed computer inventory will be completed and various technology improvements will be implemented.

#### Administration

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 Department will develop a Commissions Handbook and a Citizen's Guide to the City Council Meeting Process. They will also conduct the 2003 General Municipal Election and create a voter outreach program. 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.

Human Resources will conduct annual salary surveys and create and implement an employee retention program.

The Finance Department will continue to prepare a Comprehensive Annual Financial Report (CAFR) and participate in the CAFR and budget award programs. A new time management system (E-time) will be implemented for payroll and improved record keeping. The payroll for the Agoura Hills/Calabasas Community Center will be converted to the E-time system and administered by the Calabasas Finance Department. The department will implement the conversion of the financial statements in accordance with Government Standards Board (GASB) Statement No. 34.

### Community Services

Various improvements will be completed at parks throughout the City as well as the Tennis and Swim Center. 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. The department will continue to work toward joint use agreements with Las Virgenes Unified School District and explore after-school enrichment programs. The Parks and Recreation Master Plan will be updated.

### Planning/Environmental Programs

The design process for the City's new Civic Center will continue. The Trails Master Plan will be finalized and various annexations will be completed. The department will also research potential affordable housing projects, including site identification and funding availability and sources.

## **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, 2002 and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase (Decrease) From 2001	Percent Increase (Decrease)
Taxes	\$14,366,022	63.18%	\$313,561	2.2%
Licenses and Fees	1,253,387	5.51%	140,387	12.6%
Intergovernmental	2,027,151	8.91%	(1,180,456)	-36.8%
Fines and Forfeitures	210,669	0.93%	(40,412)	-16.1%
Developer Fees	2,772,155	12.19%	1,964,289	243.1%
Other	2,109,529	9.28%	132,688	6.7%
Total	\$22,738,913	100.00%	\$1,330,057	6.1%



Taxes provide the majority (63.18%) of revenue for operations. Sales taxes decreased by \$233,910 due to the slowing economic conditions. Gas Tax also decreased by \$219,670 due to a reduction in population figures as a result of the 2000 census. Utility Users Tax increased \$232,467 over last year. Property taxes increased by \$459,532 as property values began to recover and new developments were included in the tax rolls. The City's assessed value increased 6.5% over last fiscal year. Licenses and Fees increased with several new residential and industrial buildings being processed. The decline in Intergovernmental Revenue is a result of a decrease in reimbursement of one-time grant expenditures. The increase in Developer Fees is due to receipt of monies due under development agreements and monies collected by Los Angeles County for city impacts.

Expenditures. The following schedule presents a summary of general governmental expenditures for the fiscal year ended June 30, 2002. Also included are the dollar and percentage increase or decrease from the prior year.

Expenditures	Amount	Percent of Total	Increase (Decrease) From 2001	Percent Increase (Decrease)
General Government	\$3,423,505	17.28%	\$550,183	19.1%
Public Safety	2,848,251	14.37%	131,536	4.8%
Public Works	5,348,336	27.00%	1,506,027	39.2%
Community Development	1,675,352	8.45%	135,910	8.8%
Community Services	5,776,214	29.01%	576,976	11.1%
Debt Service	344,658	1.74%	9,275	2.8%
Capital Outlay	425,089	2.15%	(366,997)	-46.3%
Total	\$19,841,405	100.00%	\$2,542,910	14.7%

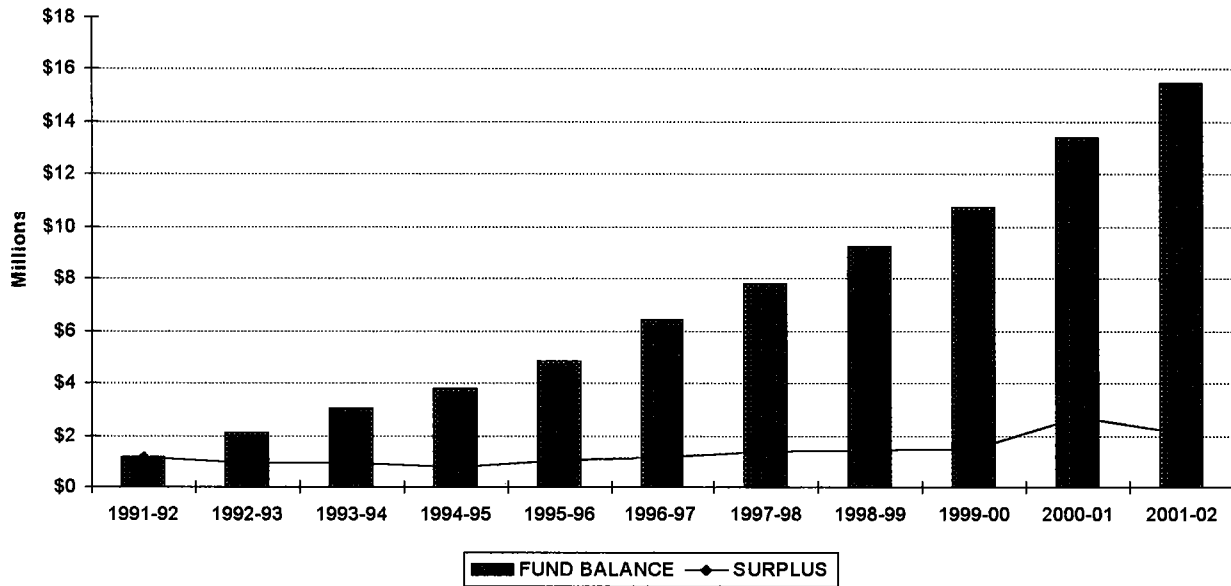
General Government expenditures increased over last year primarily as a result of increased legal fees. The increase in Community Services expenditures is the result of increased landscape maintenance expenditures. Expenditures in the Public Works category increased as a result of an increase in capital improvement projects over the prior year. The decrease in capital outlay expenditures resulted from a reduction in the purchase of open space property over the prior fiscal year.

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 2001-2002, revenue and other financial resources for the General Fund totaled \$14,354,146; expenditures and other financial uses totaled \$12,270,345, increasing the General Fund balance by \$2,083,801 or 16% to \$15,452,002.

# 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 \$85,511 for this fund for the year ended June 30, 2002.

### 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 2001-02 amounted to \$12,996,646 and \$10,400,000 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 \$25.6 million at fiscal year ending June 30, 2002. 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 3.445% and total interest earnings for all funds was \$853,391. At June 30, 2002, City investments were scheduled to mature in less than 360 days. The City Treasurer submits an annual statement of investment policy and quarterly investment reports 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, 2002, the general fixed assets of the City totaled \$8,778,075. 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 84 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, 2002. 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, 2001. 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.

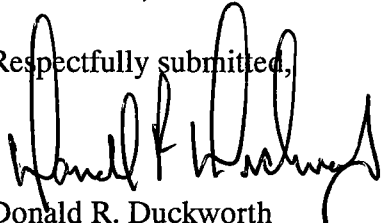
A Certificate of Achievement is valid for a period of one year only. The City of Calabasas received a Certificate of Achievement with its first submission for fiscal year 1996-97 and every year since. We believe our current report continues to conform to the Certificate of Achievement program requirements,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

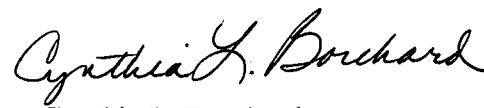
The California Society of Municipal Finance Officers (CSMFO) is a state organization which sponsors extensive training and emphasizes high standards in all aspects of municipal finance operations, including financial reporting. Beginning with the 1996-97 fiscal year the City of Calabasas has received 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



**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, 2001

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.



*Timothy A. Howe*  
President

*Jeffrey L. Essler*  
Executive Director

# California Society of Municipal Finance Officers

Certificate of Award

*Outstanding Financial Reporting 2000-2001*

Presented to the

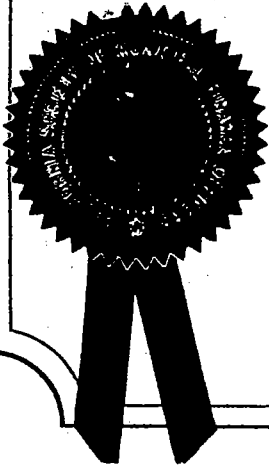
*City of Calabasas*

*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 20, 2002*

  
Chair, Professional & Technical Standards Committee

*Dedicated to Excellence in Municipal Financial Management*







*CITY of CALABASAS*

# **DIRECTORY OF CITY OFFICIALS**

## **CITY COUNCIL**

**Lesley Devine, Mayor**

**James Bozajian, Mayor Pro Tem**

**Michael Harrison**

**Janice Lee**

**Dennis Washburn**

## **CITY MANAGEMENT STAFF**

**Donald Duckworth, City Manager**

**Cynthia Borchard, Finance Director/Treasurer**

**Steve Craig, 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, Traffic & Transportation Director**



# CITY *of* CALABASAS



*Janice Lee*  
*Councilmember*

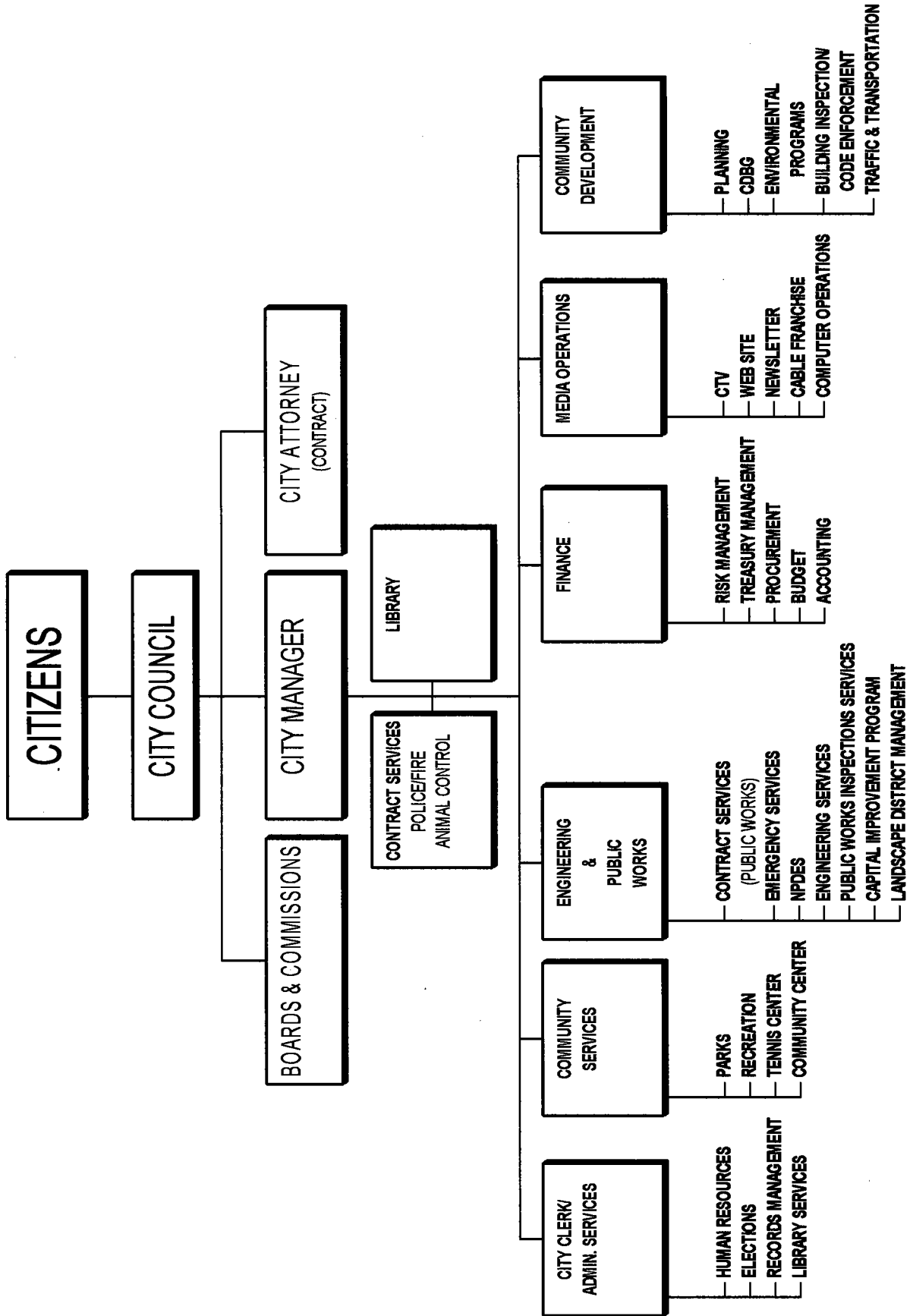
*James Bozajian*  
*Mayor Pro Tem*

*Lesley Devine*  
*Mayor*

*Michael Harrison*  
*Councilmember*

*Dennis Washburn*  
*Councilmember*

# CITY OF CALABASAS ORGANIZATION CHART



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FINANCIAL SECTION



October 24, 2002

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, 2002, 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, 2002, 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.

In accordance with Government Auditing Standards, we have also issued a report dated October 24, 2002 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.

*Moreland & Associates, Inc.*

CITY OF CALABASAS  
 Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 2002

<u>ASSETS AND OTHER DEBITS</u>	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash and investments (Note 2)	\$ 13,213,058	\$ 11,176,811		\$ 463,102
Cash with fiscal agent (Note 2)			\$ 467,039	
Accounts and taxes receivable	1,006,519			
Interest receivable	105,108	71,925	4,080	
Prepaid items	323,896			
Due from other agencies		2,095,274		
Due from other funds (Note 6)	1,819,801			
Due from employees-computer loans	8,576			
Property, plant and equipment, net (Note 3)				
Land held for resale	137,500			
Amounts available for retirement of long-term debt				
Amounts to be provided for payment of long-term debt				
Total Assets and Other Debits	\$ 16,614,458	\$ 13,344,010	\$ 471,119	\$ 463,102
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 898,680	\$ 403,094		\$ 506,808
Retentions payable				175,588
Compensated absences (Note 8)				
Deposits	263,776			
Due to fiscal agent				
Due to other funds (Note 6)		1,819,801		
Deferred revenue (Note 16)		1,854,495		
Certificates of participation payable (Note 8)				
Total Liabilities	1,162,456	4,077,390		682,396
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	323,896			
Reserved for debt service			\$ 471,119	
Unreserved:				
Designated				
Undesignated	15,128,106	9,266,620		(219,294)
Total Equity and Other Credits	15,452,002	9,266,620	471,119	(219,294)
Total Liabilities, Equity and Other Credits	\$ 16,614,458	\$ 13,344,010	\$ 471,119	\$ 463,102

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	2002	2001
		\$ 580,145	\$ 493,208		
11,859	63,169			467,039	467,753
1,152				1,081,547	1,195,926
8,443				182,265	304,363
				332,339	261,199
				2,095,274	1,671,900
				1,819,801	1,536,739
				8,576	5,322
2,273,100		\$ 8,778,075		11,051,175	10,694,137
				137,500	
			\$ 471,119	471,119	476,356
			5,957,911	5,957,911	5,918,332
<u>\$ 2,874,699</u>	<u>\$ 556,377</u>	<u>\$ 8,778,075</u>	<u>\$ 6,429,030</u>	<u>\$ 49,530,870</u>	<u>\$ 45,762,385</u>
\$ 131,090	\$ 42,549			\$ 1,982,221	\$ 2,507,313
10,165			\$ 194,030	175,588	17,145
	513,828			204,195	140,021
				263,776	508,796
				513,828	169,507
				1,819,801	1,536,739
				1,854,495	1,441,478
			6,235,000	6,235,000	6,260,000
<u>141,255</u>	<u>556,377</u>		<u>6,429,030</u>	<u>13,048,904</u>	<u>12,580,999</u>
1,558,729		\$ 8,778,075		8,778,075	8,460,514
				1,558,729	1,558,729
74,829				74,829	49,087
1,099,886				1,099,886	1,040,117
				323,896	261,199
				471,119	476,356
					323,939
				24,175,432	21,011,445
<u>2,733,444</u>		<u>8,778,075</u>		<u>36,481,966</u>	<u>33,181,386</u>
<u>\$ 2,874,699</u>	<u>\$ 556,377</u>	<u>\$ 8,778,075</u>	<u>\$ 6,429,030</u>	<u>\$ 49,530,870</u>	<u>\$ 45,762,385</u>

CITY OF CALABASAS  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 All Governmental Fund Types  
 For the Year Ended June 30, 2002

	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes (Note 1)	\$ 9,848,072	\$ 4,517,950		
Licenses and fees	1,253,387			
Intergovernmental	1,190,288	511,472	\$ 325,391	
Fines and forfeitures	210,669			
Developer fees		2,772,155		
Other	1,726,875	368,624	14,030	
<b>Total Revenues</b>	<b>14,229,291</b>	<b>8,170,201</b>	<b>339,421</b>	
<b>Expenditures:</b>				
<b>Current:</b>				
General government	3,423,505			
Public safety	2,755,994	92,257		
Public works	1,536,616	2,637		\$ 3,809,083
Community development	1,588,605	86,747		
Community services	1,952,662	3,823,552		
<b>Debt service:</b>				
Principal			25,000	
Interest and fiscal charges			319,658	
<b>Capital outlay</b>	<b>384,912</b>	<b>40,177</b>		
<b>Total Expenditures</b>	<b>11,642,294</b>	<b>4,045,370</b>	<b>344,658</b>	<b>3,809,083</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,586,997</b>	<b>4,124,831</b>	<b>(5,237)</b>	<b>(3,809,083)</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	124,855	39,447		3,606,934
Operating transfers (out)	(628,051)	(3,143,185)		
<b>Total Other Financing Sources (Uses)</b>	<b>(503,196)</b>	<b>(3,103,738)</b>		<b>3,606,934</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)</b>	<b>2,083,801</b>	<b>1,021,093</b>	<b>(5,237)</b>	<b>(202,149)</b>
<b>Fund Balances, July 1</b>	<b>13,368,201</b>	<b>8,245,527</b>	<b>476,356</b>	<b>(17,145)</b>
<b>Fund Balances, June 30</b>	<b>\$ 15,452,002</b>	<b>\$ 9,266,620</b>	<b>\$ 471,119</b>	<b>\$ (219,294)</b>

See Accompanying Notes to Financial Statements.

Totals  
(Memorandum Only)

2002	2001
\$ 14,366,022	\$ 14,052,461
1,253,387	1,113,000
2,027,151	3,207,607
210,669	251,081
2,772,155	807,866
2,109,529	1,976,841
22,738,913	21,408,856
3,423,505	2,873,322
2,848,251	2,716,715
5,348,336	3,842,309
1,675,352	1,539,442
5,776,214	5,199,238
25,000	15,000
319,658	320,383
425,089	792,086
19,841,405	17,298,495
2,897,508	4,110,361
3,771,236	2,178,715
(3,771,236)	(2,178,715)
2,897,508	4,110,361
22,072,939	17,962,578
\$ 24,970,447	\$ 22,072,939

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, 2002

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes (Note 1)	\$ 8,966,000	\$ 9,848,072	\$ 882,072
Licenses and fees	1,141,000	1,253,387	112,387
Intergovernmental	1,237,000	1,190,288	(46,712)
Fines and forfeitures	246,000	210,669	(35,331)
Developer fees			
Other	1,606,550	1,726,875	120,325
Total Revenues	<u>13,196,550</u>	<u>14,229,291</u>	<u>1,032,741</u>
Expenditures:			
Current:			
General government	3,621,852	3,423,505	198,347
Public safety	2,836,544	2,755,994	80,550
Public works	1,773,499	1,536,616	236,883
Community development	1,779,045	1,588,605	190,440
Community services	2,203,117	1,952,662	250,455
Debt service:			
Principal			
Interest and fiscal charges			
Capital outlay	549,132	384,912	164,220
Total Expenditures	<u>12,763,189</u>	<u>11,642,294</u>	<u>1,120,895</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>433,361</u>	<u>2,586,997</u>	<u>2,153,636</u>
Other Financing Sources (Uses):			
Operating transfers in	245,300	124,855	(120,445)
Operating transfer (out)	(1,940,218)	(628,051)	1,312,167
Total Other Financing Sources (Uses)	<u>(1,694,918)</u>	<u>(503,196)</u>	<u>1,191,722</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	<u>(1,261,557)</u>	<u>2,083,801</u>	<u>3,345,358</u>
Fund Balances, July 1	<u>13,368,201</u>	<u>13,368,201</u>	
Fund Balances (Deficits), June 30	<u>\$ 12,106,644</u>	<u>\$ 15,452,002</u>	<u>\$ 3,345,358</u>

See Accompanying Notes to Financial Statements.

Special Revenue Funds			Debt Service Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,169,837	\$ 4,517,950	\$ 348,113			
3,269,207	511,472	(2,757,735)		\$ 325,391	\$ 325,391
60,000	2,772,155	2,712,155			
277,200	368,624	91,424		14,030	14,030
<u>7,776,244</u>	<u>8,170,201</u>	<u>393,957</u>		<u>339,421</u>	<u>339,421</u>
145,220	92,257	52,963			
244,629	2,637	241,992			
102,500	86,747	15,753			
4,032,115	3,823,552	208,563			
			\$ 25,000	25,000	
			319,658	319,658	
<u>45,351</u>	<u>40,177</u>	<u>5,174</u>			
<u>4,569,815</u>	<u>4,045,370</u>	<u>524,445</u>	<u>344,658</u>	<u>344,658</u>	
<u>3,206,429</u>	<u>4,124,831</u>	<u>918,402</u>	<u>(344,658)</u>	<u>(5,237)</u>	<u>339,421</u>
19,615	39,447	19,832			
(8,071,687)	(3,143,185)	4,928,502			
<u>(8,052,072)</u>	<u>(3,103,738)</u>	<u>4,948,334</u>			
(4,845,643)	1,021,093	5,866,736	(344,658)	(5,237)	339,421
<u>8,245,527</u>	<u>8,245,527</u>		<u>476,356</u>	<u>476,356</u>	
<u>\$ 3,399,884</u>	<u>\$ 9,266,620</u>	<u>\$ 5,866,736</u>	<u>\$ 131,698</u>	<u>\$ 471,119</u>	<u>\$ 339,421</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, 2002

	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	\$ 9,746,990	\$ 3,809,083	\$ 5,937,907
Community development			
Community services			
Debt service:			
Principal			
Interest and fiscal charges			
Capital outlay			
Total Expenditures	9,746,990	3,809,083	5,937,907
Excess (Deficiency) of Revenues Over Expenditures	(9,746,990)	(3,809,083)	5,937,907
Other Financing Sources (Uses):			
Operating transfers in	9,746,990	3,606,934	(6,140,056)
Operating transfer (out)			
Total Other Financing Sources (Uses)	9,746,990	3,606,934	(6,140,056)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)		(202,149)	(202,149)
Fund Balances, July 1	(17,145)	(17,145)	
Fund Balances (Deficits), June 30	\$ (17,145)	\$ (219,294)	\$ (202,149)

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, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Operating Revenues:		
Tennis and swim fees	\$ 2,325,629	\$ 2,070,018
Other	<u>13,108</u>	<u>12,866</u>
Total Revenues	<u>2,338,737</u>	<u>2,082,884</u>
Operating Expenses:		
Depreciation	167,640	150,370
Administrative	<u>2,092,148</u>	<u>1,908,994</u>
Total Operating Expenses	<u>2,259,788</u>	<u>2,059,364</u>
Operating Income	78,949	23,520
Nonoperating Revenues:		
Interest	<u>6,562</u>	<u>14,795</u>
Net Income Before Capital Contribution	85,511	38,315
Capital contribution		<u>30,000</u>
Net Income	85,511	68,315
Retained Earnings, July 1	<u>1,089,204</u>	<u>1,020,889</u>
Retained Earnings, June 30	<u><u>\$ 1,174,715</u></u>	<u><u>\$ 1,089,204</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, 2002 and 2001

	2002	2001
Cash Flows From Operating Activities:		
Operating income	\$ 78,949	\$ 23,520
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	167,640	150,370
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(8,104)	(3,755)
(Increase) in prepaid expenses	(8,443)	
Increase (decrease) in accounts payable and accrued liabilities	40,379	(54,650)
Net Cash Provided by Operating Activities	270,421	115,485
Cash Flows From Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(207,117)	(298,314)
Capital contribution		30,000
Net Cash Used For Capital and Related Financing Activities	(207,117)	(268,314)
Cash Flows From Investing Activities:		
Interest received	7,619	17,673
Increase (decrease) in cash and cash equivalents	70,923	(135,156)
Cash and Cash Equivalents, July 1	509,222	644,378
Cash and Cash Equivalents, June 30	\$ 580,145	\$ 509,222

See Accompanying Notes to Financial Statements.



CITY OF CALABASAS  
Notes to Financial Statements  
June 30, 2002

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 is 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, reserves and equities, which are segregated for the purpose of carrying out

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

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, 2002

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, 2002

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, 2002 budget amendments in the aggregate amount of \$7,527,677 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, 2002

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, 2002

Unsecured personal property taxes become due on March 1 each year, and are delinquent, if unpaid, on August 31. At June 30, 2002, 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 has 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 has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Certain changes have been made to prior year data to conform with current year 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, 2002

2. CASH AND INVESTMENTS

Cash and investments at June 30, 2002, consist of the following pooled cash and investments:

Cash on Hand	\$ 1,650
Pooled Deposits:	
Demand cash accounts (bank balance)	1,264,913
Less: Outstanding checks	(1,024,111)
Add: Deposits in transit	88,146
Book Balance	330,598
Investments:	
Pooled:	
Local Agency Investment Fund	25,595,726
Held by Fiscal Agent:	
Money Market Mutual Fund	707
United States Treasury Notes	466,332
Total Cash and Investments	\$ 26,393,363

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, 2002

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, 2002 by risk category are as follows:

	Category			Fair Value
	1	2	3	
Pooled Deposits:				
Demand Deposits:				
Bank Balance	\$ 120,127	\$ 1,144,786		\$ 1,264,913
Investments:				
Pooled:				
LAIF <sup>(1)(2)</sup>				25,595,726
Held by Fiscal Agent:				
U.S. Treasury Notes			\$ 466,332	466,332
Money Market				
Mututal Fund <sup>(1)</sup>				707
Totals	<u>\$ 120,127</u>	<u>\$ 1,144,786</u>	<u>\$ 466,332</u>	<u>\$ 27,327,678</u>



CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

- (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, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2002</u>
Land	\$ 2,811,648	\$ 281,902		\$ 3,093,550
Building	1,553,838			1,553,838
Equipment	1,281,968	35,659		1,317,627
Investment in Joint Venture - Community Center (Note 10)	<u>2,813,060</u>			<u>2,813,060</u>
Total	<u>\$ 8,460,514</u>	<u>\$ 317,561</u>	<u>\$ -</u>	<u>\$ 8,778,075</u>

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

	<u>Balance at July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2002</u>
Land	\$ 837,819			\$ 837,819
Improvements	86,149	\$ 197,273		283,422
Building	1,912,942			1,912,942
Equipment	330,840	9,844		340,684
Construction in progress	<u>4,990</u>			<u>4,990</u>
Subtotal	3,172,740	207,117		3,379,857
Accumulated depreciation	<u>(939,117)</u>	<u>(167,640)</u>		<u>(1,106,757)</u>
Total Enterprise Fund	<u>\$ 2,233,623</u>	<u>\$ 39,477</u>	<u>\$ -</u>	<u>\$ 2,273,100</u>

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

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 3.620% 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 2002, the City's annual pension cost of \$101,058 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2000 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 three-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, 2002 was 16 years.

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

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/00	\$118	100%	-
6/30/01	87	100%	-
6/30/02	101	100%	-

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

**SCHEDULE OF FUNDING PROGRESS FOR PERS**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL) (Excess Assets)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
	(A)	(B)	(B-A)	(A/B)	(C)	[(B-A)/C]
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%)
6/30/00	2,512,657	1,858,768	(653,889)	135.2%	1,995,135	(32.774%)

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, 2002

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

Environmental Insurance – The City participates in the pollution legal liability and remediation legal liability insurance which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50,000,000 for the 3-year period from July 1, 2000 through June 30, 2003, with reinstatement of \$50,000,000 if the initial \$50,000,000 is depleted. Each member of the Authority has a \$10,000,000 limit during the 3-year term of the policy.

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 \$7,280,160. 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 \$1,433,597. 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.

Fidelity Bonds - The City of Calabasas purchases blanket fidelity bond coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

Special Event Tenant User Liability Insurance - The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on City property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays for the insurance. The insurance is arranged by the Authority.

D. 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.

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, 2002 are as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 1,819,801	
Special Revenue Funds:		
Community Development Block Grant		\$ 23,370
Storm Damage		883,840
Grants		912,591
	\$ 1,819,801	\$ 1,819,801

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.

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

7. SEGMENT INFORMATION ON TENNIS AND SWIM CENTER

Net working capital of the Tennis and Swim Center at June 30, 2002 is as follows:

Current assets	\$ 601,599
Current liabilities payable from current assets	<u>(131,090)</u>
Net working capital	<u>\$ 470,509</u>

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

8. LONG-TERM DEBT

Changes in the General Long-Term Debt Account Group for the year ended June 30, 2002 are summarized below:

	Balance at July 1, 2001	Additions	Deletions	Balance at June 30, 2002
Facilities Corporation Certificates of Participation - Series 1999	\$ 6,260,000		\$ (25,000)	\$ 6,235,000
Compensated Absences Payable	<u>134,688</u>	<u>\$ 59,342</u>	<u>                    </u>	<u>194,030</u>
Totals	<u>\$ 6,394,688</u>	<u>\$ 59,342</u>	<u>\$ (25,000)</u>	<u>\$ 6,429,030</u>

Changes in the Proprietary Fund for the year ended June 30, 2002 are summarized below:

	Balance at July 1, 2001	Additions	Deletions	Balance at June 30, 2002
Compensated Absences Payable	<u>\$ 5,333</u>	<u>\$ 4,832</u>	<u>\$ -</u>	<u>\$ 10,165</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 (COPs) 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.

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

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 prior 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.

Future debt service requirements on the certificates are as follows:

<u>Fiscal Year</u>	
2002-03	\$ 347,410
2003-04	360,813
2004-05	373,595
2005-06	380,828
2006-07	397,380
Thereafter	<u>9,970,765</u>
Total Debt Service	11,830,791
Less Interest	<u>(5,595,791)</u>
Remaining Principal	<u>\$6,235,000</u>

9. SPECIAL ASSESSMENT DISTRICTS (AD) 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.

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

<u>AD#</u>	<u>Special Assessment Bonds</u>	<u>Amount of Issue</u>	<u>Outstanding June 30, 2002</u>
98-1	Community Facilities District	\$12,515,000	\$11,655,000
2001-1	Community Facilities District	\$28,645,000	\$28,645,000

10. CONTRIBUTED CAPITAL

There was no change in the contributed capital balance of \$1,558,729 during the fiscal year ended June 30, 2002 (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 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. Results of operations are included in the City of Calabasas' financial statements for the fiscal year ending June 30, 2002. A copy of the Authority financial statements can be obtained at: 27040 Malibu Hills Rd, Calabasas, CA 91301.

12. INDIVIDUAL FUND DISCLOSURES

At June 30, 2002 certain Special Revenue Fund expenditures exceeded final budgeted appropriations, as follows:

	<u>Final Budget</u>	<u>Expenditures</u>
Special Revenue Funds:		
Landscape District Maintenance	\$2,763,072	\$2,943,581
Grants		28,237
Library	474,151	569,526

The following funds reported deficits in their respective fund balances as of June 30, 2002:

Special Revenue Funds:	
Storm Damage	\$883,840
Grants	937,059
Capital Projects Fund	219,294

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



CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

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.

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:

Fiscal Year

2003	\$ 697,149
2004	700,187
2005	709,392
2006	423,345
2007	<u>278,283</u>
Total	<u>\$2,808,856</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 \$482 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 2001-02, the City paid \$19,730 for post-employment medical benefits covering 6 participants.

CITY OF CALABASAS  
Notes to Financial Statements (Continued)  
June 30, 2002

16. DEFERRED REVENUE AND LOANS RECEIVABLE

At June 30, 2002, 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:

Parks and Recreation Improvement	\$ 10,228
Storm Damage Fund	883,840
Grants Fund	958,607
LLEBG Fund	1,820
	<u>\$ 1,854,495</u>

## **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, 2002 and 2001

<u>Assets</u>	<u>2002</u>	<u>2001</u>
Cash and investments	\$ 13,213,058	\$ 12,279,473
Accounts receivable	1,006,519	896,556
Interest receivable	105,108	177,617
Prepaid items	323,896	254,514
Due from other funds	1,819,801	1,536,739
Due from employees-computer loans	8,576	5,322
Land held for resale	137,500	
	<hr/>	<hr/>
Total Assets	<u>\$ 16,614,458</u>	<u>\$ 15,150,221</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 898,680	\$ 1,273,224
Deposits	263,776	508,796
	<hr/>	<hr/>
Total Liabilities	<u>1,162,456</u>	<u>1,782,020</u>
Fund Balances:		
Reserved for prepaid items	323,896	254,514
Unreserved:		
Designated for open space		73,939
Undesignated	15,128,106	13,039,748
	<hr/>	<hr/>
Total Fund Balances	<u>15,452,002</u>	<u>13,368,201</u>
Total Liabilities and Fund Balances	<u>\$ 16,614,458</u>	<u>\$ 15,150,221</u>

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## 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 AB 3229 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, 2002

	<u>Proposition A</u>	<u>Highway Users Tax</u>	<u>Proposition C</u>	<u>South Coast Air Quality Management</u>
<u>Assets</u>				
Cash and investments	\$ 119,547	\$ 542,084	\$ 1,048,351	\$ 76,347
Interest receivable	819	4,767	8,799	449
Due from other agencies	25,439	39,680		6,247
Prepaid items				
 Total Assets	 <u>\$ 145,805</u>	 <u>\$ 586,531</u>	 <u>\$ 1,057,150</u>	 <u>\$ 83,043</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 5,455			
Due to other funds				
Deferred revenue				
 Total Liabilities	 <u>5,455</u>			
 Fund Balances (Deficits) -				
Reserved for prepaid items				
Unreserved:				
Designated for construction				
Undesignated	<u>140,350</u>	<u>\$ 586,531</u>	<u>\$ 1,057,150</u>	<u>\$ 83,043</u>
 Total Fund Balances (Deficits)	 <u>140,350</u>	 <u>586,531</u>	 <u>1,057,150</u>	 <u>83,043</u>
 Total Liabilities and Fund Balances	 <u>\$ 145,805</u>	 <u>\$ 586,531</u>	 <u>\$ 1,057,150</u>	 <u>\$ 83,043</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>
		\$ 244,465	\$ 514,028	\$ 1,066,373	\$ 30,000
\$ 41,875	\$ 883,840	27,098	40,909	6,908	31
<u>\$ 41,875</u>	<u>\$ 883,840</u>	<u>\$ 271,563</u>	<u>\$ 554,937</u>	<u>\$ 1,141,731</u>	<u>\$ 30,031</u>
\$ 17,756		\$ 2,478		\$ 275,995	
23,370	\$ 883,840				
	883,840	10,228			
<u>41,126</u>	<u>1,767,680</u>	<u>12,706</u>		<u>275,995</u>	
<u>749</u>	<u>(883,840)</u>	<u>\$ 258,857</u>	<u>\$ 554,937</u>	<u>865,736</u>	<u>\$ 30,031</u>
<u>749</u>	<u>(883,840)</u>	<u>258,857</u>	<u>554,937</u>	<u>865,736</u>	<u>30,031</u>
<u>\$ 41,875</u>	<u>\$ 883,840</u>	<u>\$ 271,563</u>	<u>\$ 554,937</u>	<u>\$ 1,141,731</u>	<u>\$ 30,031</u>

(Continued)

CITY OF CALABASAS  
Combining Balance Sheet  
All Special Revenue Funds (Continued)  
June 30, 2002

	Grants	Developer Impact Fees	Affordable Housing	B & T Lost Hills District
<u>Assets</u>				
Cash and investments		\$ 1,885,199	\$ 791,560	\$ 3,659,075
Interest receivable		11,329	4,945	25,686
Due from other agencies	\$ 934,139			
Prepaid items				
Total Assets	\$ 934,139	\$ 1,896,528	\$ 796,505	\$ 3,684,761
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued liabilities				\$ 3,998
Due to other funds	\$ 912,591			
Deferred revenue	958,607			
Total Liabilities	1,871,198			3,998
Fund Balances (Deficits) -				
Reserved for prepaid items				
Unreserved:				
Designated for construction				
Undesignated	(937,059)	\$ 1,896,528	\$ 796,505	3,680,763
Total Fund Balances (Deficits)	(937,059)	1,896,528	796,505	3,680,763
Total Liabilities and Fund Balances	\$ 934,139	\$ 1,896,528	\$ 796,505	\$ 3,684,761

Local Law Enforcement Grant	COPS AB 3229	Library District	Totals	
			2002	2001
\$ 10,867	\$ 117,721	\$ 1,071,194	\$ 11,176,811	\$ 9,788,571
12	883	7,297	71,925	115,934
		27,597	2,095,274	1,671,900
				6,685
<u>\$ 10,879</u>	<u>\$ 118,604</u>	<u>\$ 1,106,088</u>	<u>\$ 13,344,010</u>	<u>\$ 11,583,090</u>
\$ 2,841	\$ 6,818	\$ 87,753	\$ 403,094	\$ 485,454
			1,819,801	1,410,631
1,820			1,854,495	1,441,478
<u>4,661</u>	<u>6,818</u>	<u>87,753</u>	<u>4,077,390</u>	<u>3,337,563</u>
				6,685
				250,000
<u>6,218</u>	<u>111,786</u>	<u>1,018,335</u>	<u>9,266,620</u>	<u>7,988,842</u>
<u>6,218</u>	<u>111,786</u>	<u>1,018,335</u>	<u>9,266,620</u>	<u>8,245,527</u>
<u>\$ 10,879</u>	<u>\$ 118,604</u>	<u>\$ 1,106,088</u>	<u>\$ 13,344,010</u>	<u>\$ 11,583,090</u>

CITY OF CALABASAS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
All Special Revenue Funds  
For the Year Ended June 30, 2002

	<u>Proposition A</u>	<u>Highway Users Tax</u>	<u>Proposition C</u>	<u>South Coast Air Quality Management</u>
Revenues:				
Taxes	\$ 281,706	\$ 432,834	\$ 215,731	
Intergovernmental				\$ 23,144
Developer fees				
Other	<u>6,067</u>	<u>21,357</u>	<u>44,028</u>	<u>1,966</u>
Total Revenues	<u>287,773</u>	<u>454,191</u>	<u>259,759</u>	<u>25,110</u>
Expenditures:				
Current:				
Public safety				
Public works				
Community development				
Community services	255,420			
Capital outlay				
Total Expenditures	<u>255,420</u>			
Excess (Deficiency) of Revenues Over Expenditures	<u>32,353</u>	<u>454,191</u>	<u>259,759</u>	<u>25,110</u>
Other Financing Sources (Uses):				
Operating transfers in				
Operating transfers (out)		<u>(457,604)</u>	<u>(500,076)</u>	
Total Other Financing Sources (Uses)		<u>(457,604)</u>	<u>(500,076)</u>	
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	32,353	(3,413)	(240,317)	25,110
Fund Balances (Deficits), July 1	<u>107,997</u>	<u>589,944</u>	<u>1,297,467</u>	<u>57,933</u>
Fund Balances (Deficits), June 30	<u>\$ 140,350</u>	<u>\$ 586,531</u>	<u>\$ 1,057,150</u>	<u>\$ 83,043</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>
\$ 76,992	\$ 23,000	\$ 29,722	\$ 156,908	\$ 2,789,560	\$ 30,000
<u>9,755</u>				<u>26,599</u>	<u>31</u>
<u>86,747</u>	<u>23,000</u>	<u>29,722</u>	<u>156,908</u>	<u>2,816,159</u>	<u>30,031</u>
86,747	1,426	49,847		2,943,581	
<u>86,747</u>	<u>1,426</u>	<u>49,847</u>		<u>2,943,581</u>	
	<u>21,574</u>	<u>(20,125)</u>	<u>156,908</u>	<u>(127,422)</u>	<u>30,031</u>
4,191		9,897	(44,874)		
<u>4,191</u>		<u>9,897</u>	<u>(44,874)</u>		
4,191	21,574	(10,228)	112,034	(127,422)	30,031
<u>(3,442)</u>	<u>(905,414)</u>	<u>269,085</u>	<u>442,903</u>	<u>993,158</u>	
<u>\$ 749</u>	<u>\$ (883,840)</u>	<u>\$ 258,857</u>	<u>\$ 554,937</u>	<u>\$ 865,736</u>	<u>\$ 30,031</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, 2002

	<u>Grants</u>	<u>Developer Impact Fees</u>	<u>Affordable Housing</u>	<u>B &amp; T Lost Hills District</u>
<b>Revenues:</b>				
Taxes				
Intergovernmental	\$ 23,916			
Developer fees		\$ 922,366	\$ 85,423	\$ 1,764,366
Other		63,143	24,399	127,177
	<u>23,916</u>	<u>985,509</u>	<u>109,822</u>	<u>1,891,543</u>
<b>Total Revenues</b>				
<b>Expenditures:</b>				
Current:				
Public safety				
Public works	1,211			
Community development				
Community services	27,026			18,329
Capital outlay				
	<u>28,237</u>			<u>18,329</u>
<b>Total Expenditures</b>				
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(4,321)</u>	<u>985,509</u>	<u>109,822</u>	<u>1,873,214</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers in	6,877			
Operating transfers (out)	(423,494)	(637,712)		(887,590)
	<u>(416,617)</u>	<u>(637,712)</u>		<u>(887,590)</u>
<b>Total Other Financing Sources (Uses)</b>				
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)				
	(420,938)	347,797	109,822	985,624
Fund Balances (Deficits), July 1	<u>(516,121)</u>	<u>1,548,731</u>	<u>686,683</u>	<u>2,695,139</u>
Fund Balances (Deficits), June 30	<u>\$ (937,059)</u>	<u>\$ 1,896,528</u>	<u>\$ 796,505</u>	<u>\$ 3,680,763</u>

Local Law Enforcement Grant	COPS AB 3229	Library District	Totals	
			2002	2001
		\$ 798,119	\$ 4,517,950	\$ 4,451,988
\$ 15,605	\$ 100,000	32,185	511,472	1,287,061
			2,772,155	807,866
243	4,160	39,699	368,624	484,132
<u>15,848</u>	<u>104,160</u>	<u>870,003</u>	<u>8,170,201</u>	<u>7,031,047</u>
34,087	58,170		92,257	82,319
			2,637	698,877
			86,747	128,436
		529,349	3,823,552	3,215,084
		40,177	40,177	225,606
<u>34,087</u>	<u>58,170</u>	<u>569,526</u>	<u>4,045,370</u>	<u>4,350,322</u>
(18,239)	45,990	300,477	4,124,831	2,680,725
18,482	(18,482)	(173,353)	39,447	167,204
			(3,143,185)	(1,362,028)
<u>18,482</u>	<u>(18,482)</u>	<u>(173,353)</u>	<u>(3,103,738)</u>	<u>(1,194,824)</u>
243	27,508	127,124	1,021,093	1,485,901
5,975	84,278	891,211	8,245,527	6,759,626
<u>\$ 6,218</u>	<u>\$ 111,786</u>	<u>\$ 1,018,335</u>	<u>\$ 9,266,620</u>	<u>\$ 8,245,527</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, 2002

	Proposition A		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ 275,144	\$ 281,706	\$ 6,562
Intergovernmental			
Developer fees			
Other	7,000	6,067	(933)
Total Revenues	<u>282,144</u>	<u>287,773</u>	<u>5,629</u>
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services	295,135	255,420	39,715
Capital outlay			
Total Expenditures	<u>295,135</u>	<u>255,420</u>	<u>39,715</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,991)</u>	<u>32,353</u>	<u>45,344</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)	(12,991)	32,353	45,344
Fund Balances (Deficits), July 1	<u>107,997</u>	<u>107,997</u>	
Fund Balances (Deficits), June 30	<u>\$ 95,006</u>	<u>\$ 140,350</u>	<u>\$ 45,344</u>



Highway Users Tax			Proposition C		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 458,000	\$ 432,834	\$ (25,166)	\$ 188,670	\$ 215,731	\$ 27,061
<u>2,500</u>	<u>21,357</u>	<u>18,857</u>	<u>20,000</u>	<u>44,028</u>	<u>24,028</u>
<u>460,500</u>	<u>454,191</u>	<u>(6,309)</u>	<u>208,670</u>	<u>259,759</u>	<u>51,089</u>
<u>460,500</u>	<u>454,191</u>	<u>(6,309)</u>	<u>208,670</u>	<u>259,759</u>	<u>51,089</u>
<u>(517,578)</u>	<u>(457,604)</u>	<u>59,974</u>	<u>(809,799)</u>	<u>(500,076)</u>	<u>309,723</u>
<u>(517,578)</u>	<u>(457,604)</u>	<u>59,974</u>	<u>(809,799)</u>	<u>(500,076)</u>	<u>309,723</u>
(57,078)	(3,413)	53,665	(601,129)	(240,317)	360,812
<u>589,944</u>	<u>589,944</u>		<u>1,297,467</u>	<u>1,297,467</u>	
<u>\$ 532,866</u>	<u>\$ 586,531</u>	<u>\$ 53,665</u>	<u>\$ 696,338</u>	<u>\$ 1,057,150</u>	<u>\$ 360,812</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, 2002

	South Coast Air Quality Management		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes			
Intergovernmental	\$ 28,000	\$ 23,144	\$ (4,856)
Developer fees			
Other	1,500	1,966	466
Total Revenues	29,500	25,110	(4,390)
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services			
Capital outlay			
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	29,500	25,110	(4,390)
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)	29,500	25,110	(4,390)
Fund Balances (Deficits), July 1	57,933	57,933	
Fund Balances (Deficits), June 30	\$ 87,433	\$ 83,043	\$ (4,390)

<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>
\$ 104,800	\$ 76,992	\$ (27,808)		\$ 23,000	\$ 23,000
	9,755	9,755			
<u>104,800</u>	<u>86,747</u>	<u>(18,053)</u>		<u>23,000</u>	<u>23,000</u>
102,500	86,747	15,753	\$ 230,129	1,426	228,703
<u>102,500</u>	<u>86,747</u>	<u>15,753</u>	<u>230,129</u>	<u>1,426</u>	<u>228,703</u>
<u>2,300</u>		<u>(2,300)</u>	<u>(230,129)</u>	<u>21,574</u>	<u>251,703</u>
(38,300)	4,191	4,191			
<u>(38,300)</u>	<u>4,191</u>	<u>42,491</u>			
(36,000)	4,191	40,191	(230,129)	21,574	251,703
<u>(3,442)</u>	<u>(3,442)</u>		<u>(905,414)</u>	<u>(905,414)</u>	
<u>\$ (39,442)</u>	<u>\$ 749</u>	<u>\$ 40,191</u>	<u>\$ (1,135,543)</u>	<u>\$ (883,840)</u>	<u>\$ 251,703</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, 2002

	Park and Recreation Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes			
Intergovernmental	\$ 485,000	\$ 29,722	\$ (455,278)
Developer fees			
Other	50,000		(50,000)
Total Revenues	535,000	29,722	(505,278)
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services	505,108	49,847	455,261
Capital outlay			
Total Expenditures	505,108	49,847	455,261
Excess (Deficiency) of Revenues Over Expenditures	29,892	(20,125)	(50,017)
Other Financing Sources (Uses):			
Operating transfers in		9,897	9,897
Operating transfers (out)			
Total Other Financing Sources (Uses)		9,897	9,897
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	29,892	(10,228)	(40,120)
Fund Balances (Deficits), July 1	269,085	269,085	
Fund Balances (Deficits), June 30	\$ 298,977	\$ 258,857	\$ (40,120)

<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	\$ 156,908	\$ 31,908	\$ 2,498,023	\$ 2,789,560	\$ 291,537
			58,350	26,599	(31,751)
<u>125,000</u>	<u>156,908</u>	<u>31,908</u>	<u>2,556,373</u>	<u>2,816,159</u>	<u>259,786</u>
			2,763,072	2,943,581	(180,509)
			<u>2,763,072</u>	<u>2,943,581</u>	<u>(180,509)</u>
<u>125,000</u>	<u>156,908</u>	<u>31,908</u>	<u>(206,699)</u>	<u>(127,422)</u>	<u>79,277</u>
<u>(160,000)</u>	<u>(44,874)</u>	<u>115,126</u>			
<u>(160,000)</u>	<u>(44,874)</u>	<u>115,126</u>			
(35,000)	112,034	147,034	(206,699)	(127,422)	79,277
<u>442,903</u>	<u>442,903</u>		<u>993,158</u>	<u>993,158</u>	
<u>\$ 407,903</u>	<u>\$ 554,937</u>	<u>\$ 147,034</u>	<u>\$ 786,459</u>	<u>\$ 865,736</u>	<u>\$ 79,277</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, 2002

	TDA		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes			
Intergovernmental		\$ 30,000	\$ 30,000
Developer fees			
Other		31	31
Total Revenues		30,031	30,031
Expenditures:			
Current:			
Public safety			
Public works			
Community development			
Community services			
Capital outlay			
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures		30,031	30,031
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)		30,031	30,031
Fund Balances (Deficits), July 1			
Fund Balances (Deficits), June 30	\$ -	\$ 30,031	\$ 30,031

Grants			Developer Impact Fees		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 2,435,802	\$ 23,916	\$ (2,411,886)	\$ 35,000	\$ 922,366	\$ 887,366
			65,000	63,143	(1,857)
<u>2,435,802</u>	<u>23,916</u>	<u>(2,411,886)</u>	<u>100,000</u>	<u>985,509</u>	<u>885,509</u>
	1,211	(1,211)	7,000		7,000
	27,026	(27,026)			
	<u>28,237</u>	<u>(28,237)</u>	<u>7,000</u>		<u>7,000</u>
<u>2,435,802</u>	<u>(4,321)</u>	<u>(2,440,123)</u>	<u>93,000</u>	<u>985,509</u>	<u>892,509</u>
	6,877	6,877			
<u>(3,060,903)</u>	<u>(423,494)</u>	<u>2,637,409</u>	<u>(1,455,045)</u>	<u>(637,712)</u>	<u>817,333</u>
<u>(3,060,903)</u>	<u>(416,617)</u>	<u>2,644,286</u>	<u>(1,455,045)</u>	<u>(637,712)</u>	<u>817,333</u>
(625,101)	(420,938)	204,163	(1,362,045)	347,797	1,709,842
<u>(516,121)</u>	<u>(516,121)</u>		<u>1,548,731</u>	<u>1,548,731</u>	
<u>\$ (1,141,222)</u>	<u>\$ (937,059)</u>	<u>\$ 204,163</u>	<u>\$ 186,686</u>	<u>\$ 1,896,528</u>	<u>\$ 1,709,842</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, 2002

	Affordable Housing		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes			
Intergovernmental			
Developer fees	\$ 25,000	\$ 85,423	\$ 60,423
Other	15,000	24,399	9,399
	40,000	109,822	69,822
Total Revenues			
Expenditures:			
Current:			
Public safety			
Public works	7,500		7,500
Community development			
Community services			
Capital outlay			
	7,500		7,500
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	32,500	109,822	77,322
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	109,822	77,322
Fund Balances (Deficits), July 1	686,683	686,683	
Fund Balances (Deficits), June 30	\$ 719,183	\$ 796,505	\$ 77,322



<u>B &amp; 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>
			\$ 15,605	\$ 15,605	
\$ 35,000	\$ 1,764,366 127,177	\$ 1,764,366 92,177	50	243	\$ 193
35,000	1,891,543	1,856,543	15,655	15,848	193
			35,220	34,087	1,133
40,000	18,329	21,671			
40,000	18,329	21,671	35,220	34,087	1,133
(5,000)	1,873,214	1,878,214	(19,565)	(18,239)	1,326
(1,837,094)	(887,590)	949,504	19,615	18,482	(1,133)
(1,837,094)	(887,590)	949,504	19,615	18,482	(1,133)
(1,842,094)	985,624	2,827,718	50	243	193
2,695,139	2,695,139		5,975	5,975	
\$ 853,045	\$ 3,680,763	\$ 2,827,718	\$ 6,025	\$ 6,218	\$ 193

(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, 2002

	COPS - AB 3229		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes			
Intergovernmental	\$ 45,000	\$ 100,000	\$ 55,000
Developer fees			
Other	2,800	4,160	1,360
Total Revenues	<u>47,800</u>	<u>104,160</u>	<u>56,360</u>
Expenditures:			
Current:			
Public safety	110,000	58,170	51,830
Public works			
Community development			
Community services			
Capital outlay			
Total Expenditures	<u>110,000</u>	<u>58,170</u>	<u>51,830</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(62,200)</u>	<u>45,990</u>	<u>108,190</u>
Other Financing Sources (Uses):			
Operating transfers in			
Operating transfers (out)	<u>(19,615)</u>	<u>(18,482)</u>	<u>1,133</u>
Total Other Financing Sources (Uses)	<u>(19,615)</u>	<u>(18,482)</u>	<u>1,133</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	<u>(81,815)</u>	<u>27,508</u>	<u>109,323</u>
Fund Balances (Deficits), July 1	<u>84,278</u>	<u>84,278</u>	
Fund Balances (Deficits), June 30	<u>\$ 2,463</u>	<u>\$ 111,786</u>	<u>\$ 109,323</u>

Library			Totals		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 750,000	\$ 798,119	\$ 48,119	\$ 4,169,837	\$ 4,517,950	\$ 348,113
30,000	32,185	2,185	3,269,207	511,472	(2,757,735)
20,000	39,699	19,699	60,000	2,772,155	2,712,155
			277,200	368,624	91,424
<u>800,000</u>	<u>870,003</u>	<u>70,003</u>	<u>7,776,244</u>	<u>8,170,201</u>	<u>393,957</u>
			145,220	92,257	52,963
			244,629	2,637	241,992
			102,500	86,747	15,753
428,800	529,349	(100,549)	4,032,115	3,823,552	208,563
45,351	40,177	5,174	45,351	40,177	5,174
<u>474,151</u>	<u>569,526</u>	<u>(95,375)</u>	<u>4,569,815</u>	<u>4,045,370</u>	<u>524,445</u>
325,849	300,477	(25,372)	3,206,429	4,124,831	918,402
(173,353)	(173,353)		19,615	39,447	19,832
			(8,071,687)	(3,143,185)	4,928,502
(173,353)	(173,353)		(8,052,072)	(3,103,738)	4,948,334
152,496	127,124	(25,372)	(4,845,643)	1,021,093	5,866,736
891,211	891,211		8,245,527	8,245,527	
<u>\$ 1,043,707</u>	<u>\$ 1,018,335</u>	<u>\$ (25,372)</u>	<u>\$ 3,399,884</u>	<u>\$ 9,266,620</u>	<u>\$ 5,866,736</u>

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**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, 2002 and 2001

<u>Assets</u>	<u>2002</u>	<u>2001</u>
Cash with fiscal agent	\$ 467,039	\$ 467,753
Interest receivable	<u>4,080</u>	<u>8,603</u>
Total Assets	<u>\$ 471,119</u>	<u>\$ 476,356</u>
Fund Balances - Reserved for debt service	<u>\$ 471,119</u>	<u>\$ 476,356</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, 2002 and 2001

<u>Assets</u>	<u>2002</u>	<u>2001</u>
Cash and investments	<u>\$ 463,102</u>	<u>\$ 603,552</u>
Total Assets	<u>\$ 463,102</u>	<u>\$ 603,552</u>
<u>Liabilities</u>		
Accounts payable	\$ 506,808	\$ 603,552
Retentions payable	<u>175,588</u>	<u>17,145</u>
Total Liabilities	682,396	620,697
Fund Balances (Deficits)	<u>(219,294)</u>	<u>(17,145)</u>
Total Liabilities and Fund Balances	<u>\$ 463,102</u>	<u>\$ 603,552</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, 2002 and 2001

<u>Assets</u>	<u>2002</u>	<u>2001</u>
<b>Current Assets:</b>		
Cash and investments	\$ 580,145	\$ 509,222
Accounts receivable	11,859	3,755
Interest receivable	1,152	2,209
Prepaid expense	<u>8,443</u>	<u></u>
Total Current Assets	601,599	515,186
Property, plant and equipment, net	<u>2,273,100</u>	<u>2,233,623</u>
Total Assets	<u><u>\$ 2,874,699</u></u>	<u><u>\$ 2,748,809</u></u>
 <u>Liabilities and Fund Equity</u>		
<b>Liabilities:</b>		
<b>Current:</b>		
Accounts payable and accrued liabilities	\$ 131,090	\$ 95,543
<b>Long-term:</b>		
Compensated absences payable	<u>10,165</u>	<u>5,333</u>
Total Liabilities	141,255	100,876
Total Liabilities	<u>141,255</u>	<u>100,876</u>
 <b>Fund Equity:</b>		
Contributed capital	1,558,729	1,558,729
Retained earnings - reserved for capital improvements	74,829	49,087
Retained earnings - unreserved	<u>1,099,886</u>	<u>1,040,117</u>
Total Fund Equity	<u>2,733,444</u>	<u>2,647,933</u>
Total Liabilities and Fund Equity	<u><u>\$ 2,874,699</u></u>	<u><u>\$ 2,748,809</u></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.

Community Facilities District 2001-1 – used to account for monies held to account for debt service requirements of Community Facilities District No. 2001-1.

CITY OF CALABASAS  
Agency Funds  
Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2002

	<u>Balance</u> <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2002</u>
<u>Las Virgenes Parking Authority Fund</u>				
Assets:				
Cash and investments	\$ 49,540	\$ 192,229	\$ 199,220	\$ 42,549
Liabilities:				
Accounts payable and accrued liabilities	\$ 49,540	\$ 177,819	\$ 184,810	\$ 42,549
 <u>Community Facilities District 98-1</u>				
Assets:				
Cash and investments		\$ 1,359,874	\$ 1,257,779	\$ 102,095
Special tax receivable	\$ 295,615	63,169	295,615	63,169
	<u>\$ 295,615</u>	<u>\$ 1,423,043</u>	<u>\$ 1,553,394</u>	<u>\$ 165,264</u>
Liabilities:				
Due to fiscal agent	\$ 169,507	\$ 165,264	\$ 169,507	\$ 165,264
Due to other funds	126,108		126,108	
	<u>\$ 295,615</u>	<u>\$ 165,264</u>	<u>\$ 295,615</u>	<u>\$ 165,264</u>
 <u>Community Facilities District 2001-1</u>				
Assets:				
Cash and investments	\$ -	\$ 2,323,664	\$ 1,975,100	\$ 348,564
Liabilities:				
Due to fiscal agent	\$ -	\$ 351,638	\$ 3,074	\$ 348,564

CITY OF CALABASAS  
 Agency Funds  
 Statement of Changes in Assets and Liabilities (Continued)  
 For the Year Ended June 30, 2002

	<u>Balance</u> <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2002</u>
<b><u>Total Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 49,540	\$ 3,875,767	\$ 3,432,099	\$ 493,208
Special tax receivable	<u>295,615</u>	<u>63,169</u>	<u>295,615</u>	<u>63,169</u>
	<u>\$ 345,155</u>	<u>\$ 3,938,936</u>	<u>\$ 3,727,714</u>	<u>\$ 556,377</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 49,540	\$ 177,819	\$ 184,810	\$ 42,549
Due to fiscal agent	169,507	516,902	172,581	513,828
Due to other funds	<u>126,108</u>	<u>          </u>	<u>126,108</u>	<u>          </u>
	<u>\$ 345,155</u>	<u>\$ 694,721</u>	<u>\$ 483,499</u>	<u>\$ 556,377</u>

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## 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, 2002 and 2001

	2002	2001
General Fixed Assets:		
Land	\$ 3,093,550	\$ 2,811,648
Building	1,553,838	1,553,838
Equipment	1,317,627	1,281,968
Investment in Joint Venture - Community Center	2,813,060	2,813,060
Total	\$ 8,778,075	\$ 8,460,514
Investment in General Fixed Assets by Source:		
General fund	\$ 5,733,787	\$ 5,416,226
Special revenue funds	3,018,246	3,018,246
Federal grants	10,488	10,488
Donated capital	15,554	15,554
Total Investment in General Fixed Assets	\$ 8,778,075	\$ 8,460,514



CITY OF CALABASAS  
Schedule of General Fixed Assets by Function and Activity  
June 30, 2002

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	\$ 2,092,681		\$ 646,778		\$ 2,739,459
City clerk			3,375		3,375
City treasurer			5,506		5,506
<u>Total General   Government</u>	<u>2,092,681</u>		<u>655,659</u>		<u>2,748,340</u>
Public safety			56,324		56,324
Community development			70,670		70,670
Community services	1,000,869	\$ 1,553,838	511,050	\$ 2,813,060	5,878,817
Public works			23,924		23,924
<u>Total General   Fixed Assets</u>	<u>\$ 3,093,550</u>	<u>\$ 1,553,838</u>	<u>\$ 1,317,627</u>	<u>\$ 2,813,060</u>	<u>\$ 8,778,075</u>

CITY OF CALABASAS  
Schedule of Changes in General Fixed Assets by Function and Activity  
Year Ended June 30, 2002

	<u>Balance</u> <u>July 1, 2001</u>	<u>Additions and</u> <u>Transfers In</u>	<u>Deletions and</u> <u>Transfers Out</u>	<u>Balance</u> <u>June 30, 2002</u>
General Government:				
General government	\$ 2,452,883	\$ 286,576		\$ 2,739,459
City clerk	3,375			3,375
City treasurer	<u>1,624</u>	<u>3,882</u>		<u>5,506</u>
Total General Government	2,457,882	290,458		2,748,340
Public safety	56,324			56,324
Community development	63,038	7,632		70,670
Community services	5,862,052	16,765		5,878,817
Public works	<u>21,218</u>	<u>2,706</u>		<u>23,924</u>
Total General Fixed Assets	<u>\$ 8,460,514</u>	<u>\$ 317,561</u>	<u>\$ -</u>	<u>\$ 8,778,075</u>

CITY OF CALABASAS  
 Comparative Schedule of General Long-Term Debt  
 June 30, 2002 and 2001

	2002	2001
Amounts Available and to be Provided for the Payment of General Long-Term Debt:		
Amount available for retirement of long-term debt	\$ 471,119	\$ 476,356
Amount to be provided for payment of long-term debt	5,957,911	5,918,332
Total Amount Available and to be Provided for Payment of General Long-Term Debt	\$ 6,429,030	\$ 6,394,688
General Long-Term Debt Payable:		
Certificates of Participation -		
City of Calabasas Facilities Corporation	\$ 6,235,000	\$ 6,260,000
Compensated absences	194,030	134,688
Total General Long-Term Debt Payable	\$ 6,429,030	\$ 6,394,688

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STATISTICAL SECTION



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**CITY OF CALABASAS**

**General Governmental Expenditures by Function <sup>(1)</sup>  
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>
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	2,873,322	2,716,715	3,842,309	1,539,442	5,199,238
2002	3,423,505	2,848,251	5,348,336	1,675,352	5,776,214

**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>
			\$ 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
	344,658	425,089	19,841,405

CITY OF CALABASAS  
 General Governmental Revenues by Source <sup>(1)</sup>  
 Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Fees	Intergovern- mental	Fines and Forfeitures	Developer Fees
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
2002	14,366,022	1,253,387	2,027,151	210,669	2,772,155

Notes:

(1) Includes all governmental fund types.

Source : City of Calabasas, Finance Department

<u>Other</u>	<u>Total</u>
\$ 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
2,109,529	22,738,913

**CITY OF CALABASAS**  
**General Governmental Tax Revenues by Source <sup>(1)</sup>**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales and Use Tax</u>	<u>Gas Tax</u>	<u>Utility Users Tax</u>	<u>Transient Occupancy Tax</u>
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
2002	4,850,109	4,459,699	432,834	2,678,170	676,601

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>
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
	556,124	215,048	497,437	14,366,022

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

	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>
General	1.000000	1.000000	1.000000	1.000000
County	0.001409	0.001713	0.001993	0.001814
Las Virgenes Unified School District	0.007326	0.007230	0.008140	0.003102
Los Angeles County Flood Control District	0.003397	0.004212	0.006041	0.000963
Metropolitan Water District	0.008900	0.008900	0.008900	0.008900
Las Virgenes Municipal Water District	0.127096	0.108756	0.048020	0.026548
<b>Total</b>	<u>1.148128</u>	<u>1.130811</u>	<u>1.073094</u>	<u>1.041327</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 been presented.

Source: Hdl, Coren & Cone

<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>
1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
0.001604	0.001584	0.001451	0.001422	0.001314	0.001128
0.000938	0.012017	0.029576	0.030760	0.034773	0.021949
0.001991	0.002197	0.001953	0.001765	0.001552	0.001073
0.008900	0.008900	0.008900	0.008900	0.008800	0.007700
0.014169	0.014169	0.012431	0.010492	0.009443	0.009443
.....	.....	.....	.....	.....	.....
<u>1.027602</u>	<u>1.038867</u>	<u>1.054311</u>	<u>1.053339</u>	<u>1.055882</u>	<u>1.041293</u>
.....	.....	.....	.....	.....	.....

**CITY OF CALABASAS**  
**Secured Property Tax Levies and Collections <sup>(1)</sup>**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>
1993	\$ 478,040	\$ 438,925	91.82%
1994	505,393	329,256	65.15%
1995	1,078,888	943,063	87.41% <sup>(2)</sup>
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%
2002	2,493,243	2,362,375	94.75%

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 1

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

<u>Fiscal Year</u>	<u>Secured Valuation</u>	<u>Unsecured Valuation</u>	<u>Assessed Valuation</u>
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
2002	3,316,198,387	101,060,814	3,417,259,201

Source: County of Los Angeles, Auditor Controller



**CITY OF CALABASAS**  
**Computation of Legal Debt Margin <sup>(1)</sup>**  
**June 30, 2002**

Total Assessed Value of all Real and Personal Property		\$ 3,417,259,201
Debt Limit Percentage		<u>15.00%</u>
Total Debt Limit		512,588,880
Amount of Debt Applicable to Debt Limit		<u>-</u> <sup>(2)</sup>
Legal Debt Margin		<u><u>\$ 512,588,880</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>
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%
2002	20,730	1.7%

Source: California Department of Finance

CITY OF CALABASAS  
 Estimated Direct and Overlapping Bonded Debt  
 As of June 30, 2002

2001-02 Assessed Valuation: \$3,417,259,201

	<u>% Applicable</u>	<u>Debt 6/30/02</u>
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>		
Los Angeles County	0.615%	\$ 224,506
Los Angeles County Flood Control District	0.626%	106,264
Metropolitan Water District	0.323%	1,624,932
Los Angeles Community College District	1.089%	5,717,250
Los Angeles Unified School District	0.00003%	542
Las Virgenes Joint Unified School District	32.990%	18,445,148
Las Virgenes Municipal Water District I.D. No. U-1	15.299%	147,635
Las Virgenes Municipal Water District I.D. No. U-2	80.468%	370,153
City of Calabasas Community Facilities Dist No. 2001-1	100.000%	28,645,000
Los Angeles County Community Facilities Dist No. 4-A	100.000%	11,655,000
Los Angeles Regional Park and Open Space Assessment District	0.615%	2,535,614
City of Calabasas	100.000%	<u>0</u>

**TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT** \$ 69,472,044

<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>		
Los Angeles County General Fund Obligations	0.615%	\$ 10,239,744
Los Angeles County Pension Obligations	0.615%	10,774,722
Los Angeles County Superintendent of Schools Certificates of Participation	0.615%	183,090
Los Angeles County Flood Control District General Fund Obligations	0.626%	989,925
Los Angeles County Community College District Certificates of Participation	1.089%	979,174
Las Virgenes Joint Unified School District Certificates of Participation	32.990%	31,341
Los Angeles Unified School District General Fund Obligations	0.00003%	148
City of Calabasas Certificates of Participation	100.000%	<u>6,235,000</u>

**TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT** \$ 29,433,144

Less: Los Angeles County Certificates of Participation (100% self-supporting  
 from leasehold revenues on properties in Marina Del Rey) \$ 590,431

**TOTAL NET OVERLAPPING GENERAL FUND OBLIGATION DEBT** \$ 28,842,713

**GROSS COMBINED TOTAL DEBT** \$ 98,905,188 <sup>(1)</sup>

**NET COMBINED TOTAL DEBT** \$ 98,314,757

(1) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2001-02 Assessed Valuation:

Combined Direct Debt (\$6,235,000)	0.18%
Total Direct and Overlapping Tax and Assessment Debt	2.03%
Gross Combined Total Debt	2.89%
Net Combined Total Debt	2.88%

**STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/02:** \$ -

**CITY OF CALABASAS**  
**Principal Taxpayers: Secured and Unsecured Property Tax**  
**June 30, 2002**

<u>Taxpayer</u>	<u>Primary Use</u>	<u>2001-02 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Century Investment Inc.	Commercial	\$ 90,014,199	2.63%
Casden Malibu Canyon L P	Residential	70,009,786	2.05%
Arden Realty Limited Partnership	Industrial, Commercial	55,731,340	1.63%
Lincoln Malibu Meadows	Residential	43,367,853	1.27%
Countrywide Home Loans, Inc.	Commercial	36,514,674	1.07%
Kilroy Realty Limited Partnership	Commercial	20,883,086	0.61%
Cypress Land Company	Industrial, Commercial	18,068,251	0.53%
Malibu Canyon Office Partners LLC	Commercial	16,306,535	0.48%
Calabasas Sorrento Square LLC	Commercial	16,130,000	0.47%
Cheesecake Factory	Unsecured	15,392,697	0.45%
TOTAL		<u>\$ 382,418,421</u>	<u>11.19%</u>
Total Assessed Value		<u>\$ 3,417,259,201</u>	

Source: Hdl, Coren & Cone.

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

<u>Fiscal Year</u>	<u>Construction Permits (1)</u>				<u>(2) Total Bank Deposits (4)</u>
	<u>#</u>	<u>Percent Change</u>	<u>Value (4)</u>	<u>Percent Change</u>	
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%	317,574
2002	259	-49.22%	49,409	-11.02%	(3)

**Notes:**

- (1) Source: City of Calabasas Building Department
- (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, 2002**

<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) <sup>(1)</sup> - Vehicles	Joint Powers Risk Sharing Pool (CJPIA) \$100,000,000 limit per occurrence	\$5,000  \$1,000
Environmental	Joint Powers Risk Sharing Pool (CJPIA) Pollution Legal Liability & Remediation Legal Liability \$10,000,000 limit (Claims-made basis)	\$50,000
Public Official Bonds	Honesty Blanket Bond Coverage - \$1,000,000	\$2,500
Special Event Tenant User Liability	Joint Powers Risk Sharing Pool (CJPIA) Coverage Paid by Tenant User of City Property	

(1) - City carries Earthquake and Flood Insurance on Creekside Park at \$1,433,597

Source: City of Calabasas Finance Department

**CITY OF CALABASAS**  
**Miscellaneous Statistics**  
**June 30, 2002**

<b>DATE OF INCORPORATION</b>	<b>April 5, 1991</b>
<b>CITY LOGO</b>	<b>Red Tail Hawk flying over Santa Monica Mountains</b>
<b>FORM OF GOVERNMENT</b>	<b>Council - Manager</b>
<b>TYPE OF CITY</b>	<b>General Law</b>
<b>AREA</b>	<b>12.9 square miles - Incorporated 19 square miles - Unincorporated</b>
<b>ELEVATION (range)</b>	<b>500-2,800 feet</b>
<b>CLIMATE</b>	
<b>Summer</b>	<b>50-95 degrees F</b>
<b>Winter</b>	<b>40-65 degrees F</b>
<b>Rain</b>	<b>13.6 inches (Mean Annual Average)</b>
<b>POPULATION - 2000 Census</b>	<b>20,033</b>
<b>Males</b>	<b>9,737</b>
<b>Females</b>	<b>10,296</b>
<b>White</b>	<b>16,789</b>
<b>Hispanic</b>	<b>949</b>
<b>Black</b>	<b>222</b>
<b>American Indian</b>	<b>22</b>
<b>Asian</b>	<b>1,529</b>
<b>Pacific Islander</b>	<b>7</b>
<b>Other</b>	<b>56</b>
<b>Two or more races</b>	<b>459</b>
<b>Average Household Size</b>	<b>2.76 persons</b>
<b>Average Family Size</b>	<b>3.14 persons</b>
<b>Median age</b>	<b>38.5 years</b>
<b>Income</b>	
<b>Median Household Income</b>	<b>\$93,860</b>
<b>Mean Earnings</b>	<b>\$125,524</b>
<b>Per Capita Income</b>	<b>\$48,189</b>
<b>HOUSING AND LAND USE</b>	
<b>Median value, single family homes</b>	<b>\$497,900</b>
<b>Median rent</b>	<b>\$925</b>
<b>Owner-occupied housing units</b>	<b>84.2%</b>
<b>Renter-occupied housing units</b>	<b>15.8%</b>

(Continued)

**CITY OF CALABASAS**  
**Miscellaneous Statistics (Continued)**  
**June 30, 2002**

**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	Los Angeles County Fire District
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	3
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City of Calabasas

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Calabasas, CA

91302

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