



CITY of CALABASAS

CITY COUNCIL AGENDA REGULAR MEETING – WEDNESDAY, MARCH 25, 2020 CITY HALL COUNCIL CHAMBERS 100 CIVIC CENTER WAY, CALABASAS www.cityofcalabasas.com

Governor Newsom issued Executive Order No. N-29-20, which further relaxes Brown Act requirements for teleconference meetings during this emergency. The new order eliminates the requirement that the City provide a physical location from which the public might participate in meetings. Instead, the City can hold meetings entirely by telephone or other electronic means if it “allow[s] members of the public to observe and address the meeting telephonically or otherwise electronically.” Thus, a webinar format is now permitted, which allows participating by phone, computer, or both. The City must continue to publish an agenda as required by the Brown Act. Agendas, and all other notices related to the meeting, must describe how members of the public can observe and participate.

The upcoming March 25 Council meeting will be held by Teleconference and Zoom using the following steps:

Join from a PC, Mac, iPad, iPhone or Android device. Please click this URL to join <https://zoom.us/j/507920634> or join by phone: Mobile Phone: 669-900-9128 - NOTE: Your phone number will appear on screen if you plan to speak at the meeting. Landline phone: 888-475-4499(toll free) - Audio only. Meeting ID: 507 920 634. Please press *9 if you wish to make a comment during the public comment portion of the agenda or during discussion of a specific item.

The starting times listed for each agenda item should be considered as a guide only. The City Council reserves the right to alter the order of the agenda to allow for an effective meeting. Attendance at the entire meeting may be necessary to ensure interested parties hear a particular item. The public may speak on a closed session item prior to Council’s discussion. To do so, a speaker card must be submitted to the City Clerk at least five minutes prior to the start of closed session. The City values and invites written comments from residents on matters set for Council consideration. **In order to provide councilmembers ample time to review all correspondence, any written communication must be submitted to the City Clerk’s office before 5:00 p.m. on the Monday prior to the meeting. Note: Any written materials submitted to the City Council are public record under the Public Records Act.**

OPENING MATTERS – 7:00 P.M.

Call to Order/Roll Call of Councilmembers
Pledge of Allegiance
Approval of Agenda

ANNOUNCEMENTS/INTRODUCTIONS – 7:10 P.M.

ORAL COMMUNICATION – PUBLIC COMMENT – 7:20 P.M.

CONSENT ITEMS – 7:30 P.M.

1. [Approval of meeting minutes from March 11 and March 16, 2020](#)
2. [Recommendation to approve a three-year professional services agreement with Newbury Park Tree Service, Inc. for Citywide Street Tree, City Parks, LLAD and LMD Districts 22, 24, 27, 32, and CBA Tree Maintenance Services on an as needed basis in an amount not to exceed \\$620,000](#)

3. Consider award of a five-year contract for Independent Auditing professional services agreement to Rogers, Anderson, Malody & Scott, LLP (RAMS), for City of Calabasas for Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 in the amount of \$176,900
4. Adoption of Resolution No. 2020-1669, authorizing application for, and receipt of, Local Early Action Planning Grants Program Funds
5. Receive and file the Comprehensive Annual Financial Report (CAFR) and other audit reports for Fiscal Year ending June 30, 2019
6. Adoption of Resolution No. 2020-1673, authorizing examination of sale and use tax records
7. Adoption of Resolution No. 2020-1674, confirming the City Manager/Director of Emergency Services' Local Emergency Executive Orders issued pursuant to the March 16, 2020 Local Emergency Declaration in response to the Novel Coronavirus Covid-19 Pandemic

PUBLIC HEARING – 7:35 P.M.

8. Adoption of Resolution No. 2020-1670, for the financing and/or refinancing of capital facilities for the Viewpoint Educational Foundation

INFORMATIONAL REPORTS – 7:40 P.M.

10. Check Register for the period of February 29-March 13, 2020

TASK FORCE REPORTS – 7:45 P.M.

CITY MANAGER'S REPORT – 7:50 P.M.

FUTURE AGENDA ITEMS – 7:55 P.M.

ADJOURN – 8:00 P.M.

The City Council will adjourn to their workshop and regular meeting scheduled on Wednesday, April 22, 2020, at 6:30 p.m.

**MINUTES OF A REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA
HELD WEDNESDAY, MARCH 11, 2020**

Mayor Weintraub called the meeting to order at 7:01 p.m. in the Council Chambers, 100 Civic Center Way, Calabasas, CA.

ROLL CALL

Present: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

Absent: None

Staff: Ahlers, Bartlett, Bingham, Hernandez, Jordan, Klein, Lysik, McConville Summers, Russo and Tamuri

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Girl Scout Brownie Troop 286

APPROVAL OF AGENDA

Councilmember Gaines moved, seconded by Councilmember Shapiro to approve the agenda. MOTION CARRIED 5/0 as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

PRESENTATIONS

➤ Briefing on Coronavirus from Los Angeles County Public Health

Dr. Frank Alvarez, MD, MPH, Regional Health Officer from Los Angeles County Department of Public Health provided a briefing.

Greta Gndshtein, Dr. Sam Fink and Michael Brockman spoke on this presentation.

ANNOUNCEMENTS/INTRODUCTIONS

Members of the Council made the following announcements:

Councilmember Shapiro:

- Thanked the City Clerk, staff and volunteers for doing a great job during Election Day.

Mayor pro Tem Bozajian:

- The letter to LA County regarding Election Day anomalies is available on the City's website.
- The St. Patrick's Day celebration and the Shamrock Shuffle at AHCCC on March 14 have been cancelled.

Mayor Weintraub:

- Thanked everyone who participated in the Arbor Day celebration.
- A letter was sent to the LA County on behalf of the City Council expressing frustrations with the new voting system during the March 3 election.

ORAL COMMUNICATIONS – PUBLIC COMMENT

None.

CONSENT ITEMS

1. Approval of meeting minutes from February 26, 2020
2. Consideration of a professional services agreement with Karen Warner Associates, Inc. in the amount of \$98,090 and having a term concluding on June 30, 2022, for preparation of a comprehensive update to the Housing Element of the Calabasas 2030 General Plan, as required to comply with California law, including the sixth cycle of Regional Housing Needs Assessment (RHNA)
3. Consideration of a professional services agreement with Rincon Consultants, Inc. in the amount of \$750,000 and having a term concluding on June 30, 2025, for: A) preparation of amendments to the Safety Element, Circulation Element, and Land Use Element of the Calabasas 2030 General Plan in coordination with the 6th RHNA Cycle Housing Element update, and as necessary to comply with California law; B) preparation of an Environmental Impact Report for all General Plan amendments, inclusive of the 6th RHNA Cycle Housing Element update; and, C) provision of on-going expert environmental and planning services, to include preparation of environmental impact analyses, technical studies, and related planning support
4. Recommendation to approve a professional services agreement in an amount not to exceed \$350,000 for a three-year period with Secural Security Corporation for security and parking enforcement citation services

Mayor pro Tem Bozajian moved, seconded by Councilmember Maurer to approve Consent Item Nos 1-4. MOTION CARRIED 5/0 as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

CONTINUED FROM FEBRUARY 12, 2020 COUNCIL MEETING

5. Consider agreement with the Calabasas Chamber of Commerce for three years in the amount not to exceed of \$120,000 for services in promoting the City of Calabasas

Mr. Ahlers presented the report.

Mark Levinson spoke on Item No. 5

Mayor pro Tem Bozajian moved, seconded by Councilmember Gaines to approve Item No. 5 MOTION CARRIED 5/0 as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

NEW BUSINESS

6. Discussion regarding consideration of change to default rate product – Clean Power Alliance

Mr. Bingham, Matthew Langer and Jennifer Ward presented the report.

Kristopher Young, Michelle Ellison, Michael Brockman and Alan Weiner spoke on Item No. 6

Direction provided to staff.

7. Updated results of the City’s 2019 Cellular Satisfaction Survey

Mr. Russo and Jonathan Kramer presented the report.

Michael Brockman spoke on Item No. 7

Direction provided to staff.

**The meeting recessed at 9:21 p.m.
The meeting reconvened at 9:31 p.m.**

8. Adoption of Urgency Ordinance No. 2020-382U, under Government Code Section 65858, establishing a temporary moratorium on the sale and distribution of electronic cigarettes within the City of Calabasas

Matt Summers and Michael McConville presented the report.

Grant Vernon, Sarkis Abdulhai, Lary Hernandez, Shawn Young and Ashley Hansen spoke on Item No. 8

Mayor pro Tem Bozajian moved, seconded by Councilmember Gaines to bring back a regular Ordinance to the March 25 Council Meeting. MOTION CARRIED 5/0 as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

INFORMATIONAL REPORTS

9. Check Register for the period of February 15-February 28, 2020

No action taken on this item.

TASK FORCE REPORTS

Councilmember Shapiro reported his attendance to the SCAG and CHD committee meetings regarding housing recommendations.

Councilmember Gaines reported his attendance to the Access Washington, D.C. Conference and the National League Cities Conference on March 9 and 10.

Mayor Weintraub requested staff to prepare for the possibility of virtual meetings.

CITY MANAGER'S REPORT

Dr. Lysik reported expressed the importance to participate in the upcoming census. He further reported that the vehicle that crashed into the Sinclair Mini Mart on December 4, 2019 is not owned by the City nor is affiliated with any service contractors for the City. Additionally, he encouraged everyone take preventative measures to reduce illnesses. Furthermore, he reported that his direct reports and he attended a management-training seminar on March 9 at UCLA. He also reported that he met with Captain Chuck Becerra from the Lost Hills Sheriff's Station to discuss Crime Reports. He additionally encouraged everyone to sign up for Blackboard Connect to receive City updates. Moreover, he reported that the HOAs are in the

process of repairing 11 Knox Boxes that are located throughout the City. Lastly, he reported he would not be attending a conference in Washington State due the Coronavirus.

FUTURE AGENDA ITEMS

Mayor pro Tem Bozajian requested a report regarding the outcome of the Mulholland Corridor Workshop. He also requested a report outlining the steps taken by Viewpoint regarding the MOU and traffic issues.

ADJOURN

The meeting adjourned at 10:44 p.m. to their next regular meeting scheduled on Wednesday, March 25, 2020, at 7:00 p.m.

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

**MINUTES OF AN EMERGENCY MEETING OF
THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA
HELD WEDNESDAY, MARCH 16, 2020**

Mayor Weintraub called the meeting to order at 4:19 p.m. in the Council Chambers, 100 Civic Center Way, Calabasas, CA.

ROLL CALL

Present: Mayor Weintraub, Mayor pro Tem Bozajian and Councilmember Shapiro
Via Teleconference: Councilmembers Gaines and Maurer and City Attorney Howard
Absent: None
Staff: Lysik, Hernandez, Bingham, Pasilliao, Russo and Yalda

NEW BUSINESS

1. Adoption of Resolution No. 2020-1672, confirming the City Manager/Director of Emergency Services' Proclamation of existence of a local emergency and discussion of possible further actions to be taken to address the Covid 19 pandemic

After extensive discussion, Councilmember Gaines moved, seconded by Councilmember Shapiro to adopt Resolution 2020-1672, confirming the City Manager/Director of Emergency Services' Proclamation of existence of a local emergency. In addition, the Director of Emergency Services was directed to issue a supplemental executive order pertaining to closures of non-essential businesses to comply with the six feet social distancing mandate. MOTION CARRIED 5/0 by roll call as follows:

AYES: Mayor Weintraub, Mayor pro tem Bozajian, and Councilmembers Gaines, Maurer and Shapiro.

ADJOURN

The meeting adjourned at 5:07 p.m. to their next regular meeting scheduled on Wednesday, March 25, 2020, at 7:00 p.m.

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk




CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 16, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM:  ROBERT YALDA, P.E., T.E./CITY ENGINEER, PUBLIC WORKS DIRECTOR
HEATHER MELTON, LANDSCAPE DISTRICT MAINTENANCE MANAGER**

SUBJECT: RECOMMEDATION TO APPROVE A THREE YEAR PROFESSIONAL SERVICES AGREEMENT WITH NEWBURY PARK TREE SERVICE, INC. FOR CITY WIDE STREET TREE, CITY PARKS, LLAD AND LMD DISTRICTS 22, 24, 27, 32, AND CBA TREE MAINTENANCE SERVICES ON AN AS NEEDED BASIS IN AN AMOUNT NOT TO EXCEED \$620,000.00

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

Recommendation to award a three year professional services agreement to Newbury Park Tree Service, Inc. for city wide street tree maintenance. It will include Public City Street Trees, City Parks, LLAD and LMD Districts 22, 24, 27, 32, and CBA's (Common Benefit Areas) in an amount not to exceed \$620,000.00 plus Consumer Price Index (CPI) increases.

BACKGROUND:

Newbury Park Tree Service, Inc. has been the City's Street Tree, LMD & LLAD 22, 24, 27, & 32, and CBA tree maintenance service provider for several years. Because of unforeseen events and the current professional services agreement expiring it was determined that a Request for Qualifications/Proposals was needed.

The new contract will be a three (3) year contract. Staff prepared the documents, project bid schedules, and work area maps.

DISCUSSION/ANALYSIS:

In general, the scope of this work consists of, but not limited to, tree care services for city parks, public street right-of-way, street medians, parkways, LLAD/LMD 22, 24, 27, 32, and CBA's (Common Benefit Areas). The required services include: tree installation; tree trimming and thinning; tree crown cleaning; tree removal; tree stump grinding; tree spraying for disease and pest.

Within the prepared documents is also a Unit Price List to provide services for unforeseen emergencies such as: wild fires, rain events, wind events, and other emergencies that may occur.

On February 12th 2020 the RFQ/P was issued. Four proposals were received on February 26th 2020. The Proposers were: Mariposa Tree Maintenance, Inc., Newbury Park Tree Service, Inc., West Coast Arborists, Inc., and Your Way Tree Service, Inc. The proposal summary is below:

<u>PROPOSER</u>	<u>PROPOSAL AMOUNT</u>
Mariposa Tree Maintenance, Inc.	\$165,185.00
Newbury Park Tree Service, Inc.	\$131,297.00
West Coast Arborists, Inc.	\$163,966.00
Your Way Tree Service, Inc.	Disqualified Incomplete Proposal Documents

After reviewing all proposal documents, phone references, and discussion it was determined that Newbury Park Tree Service, Inc. would be the best qualified to provide service to The City of Calabasas.

Newbury Park Tree Service, Inc. has provided tree service for the City in the past as well as many of the Homeowners Associations. They have an excellent work and safety record and excellent response time to emergencies. The contractor has a productive relationship with both city staff and many members of the Calabasas community.

FISCAL IMPACT/SOURCE OF FUNDING:

Funding for tree maintenance services has been allocated within the City's Operating Budget. The budgeted funding exists in Funds 10, 22, 24, 27, and 32.

REQUESTED ACTION:

Recommendation to award a three year professional services agreement to Newbury Park Tree Service, Inc for City Wide Street Tree, City Parks, LLAD and LMD Districts 22, 24, 27, 32, and CBA's Tree Maintenance Services within the City of Calabasas, in an amount not to exceed \$620,000.00 plus Consumer Price Index (CPI) increases.

ATTACHMENTS:

Exhibit A – Professional Services Agreement



CITY of CALABASAS

PROFESSIONAL SERVICES AGREEMENT

CONTRACT SUMMARY

Name of Contractor:	Newbury Park Tree Service, Inc.
City Department in charge of Contract:	Public Works
Contact Person for City Department:	Heather Melton, Landscape District Manager
Period of Performance for Contract:	April 1, 2020 – March 31, 2023
Not to Exceed Amount of Contract:	Six Hundred Twenty Thousand Dollars (\$620,000)
Scope of Work for Contract:	Citywide Tree Maintenance

Insurance Requirements for Contract:

yes no - Is General Liability insurance required in this contract?

Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.

yes no - Is Auto insurance required in this contract?

Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.

yes no - Is Professional insurance required in this contract?

If yes, please provide coverage amounts:

yes no - Is Workers Comprehensive insurance required in this contract?

Worker's Compensation insurance as required by the laws of the State of California, including but not limited to California Labor Code § 1860 and 1861

Other: N/A

Initials: (City) RM

(Contractor) dl

PROFESSIONAL SERVICES AGREEMENT
Providing for Payment of Prevailing Wages
(City of Calabasas/ *Newbury Park Tree Service, Inc.*)

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Calabasas, a California municipal corporation (“City”), and **Newbury Park Tree Service, Inc.**, a California Corporation (“Consultant”).

2. RECITALS

- 2.1 City has determined that it requires the following professional services from a consultant: **Citywide Tree Maintenance, Public Street Tree, City Parks, LLAD & LMD Districts 22, 24, 27, 32, and CBA Tree Maintenance Services that include but are not limited to; Planting, trimming, removal, pest abatement, disease control and storm/emergency related services.**
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1 “Scope of Services”: Such professional services as are set forth in Consultant’s **February 26th, 2020** proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 “Approved Fee Schedule”: Such compensation rates as are set forth in Consultant’s **February 26th, 2020** fee schedule to City attached hereto as Exhibit B and incorporated herein by this reference.
- 3.3 “Commencement Date”: **April 1, 2020.**
- 3.4 “Expiration Date”: **March 31, 2023.**

4. **TERM**

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the parties or terminated earlier in accordance with Section 17 ("Termination") below.

5. **CONSULTANT'S SERVICES**

- 5.1 Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of **Six Hundred Twenty Thousand Dollars (\$620,000)** unless specifically approved in advance and in writing by City.
- 5.2 Consultant shall perform all work to the highest professional standards of Consultant's profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*).
- 5.3 During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute and (ii) City has not consented in writing to Consultant's performance of such work.
- 5.4 Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. **Dean A. Lappinga** shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.

5.5 To the extent that the Scope of Services involves trenches deeper than 4', Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any:

(1) Material that the contractor believes may be material that is hazardous waste, as defined in § 25117 of the Health and Safety Code, which is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.

(2) Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids.

(3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or involve hazardous waste, and cause a decrease or increase in the contractor's cost of, or the time required for, performance of any part of the work, the City shall issue a change order under the procedures described in the contract.

6. COMPENSATION

6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.

6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within thirty calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.

6.3 Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule. Consultant shall be entitled to increase the fees in this fee schedule at such time as it increases its fees for its clients generally; provided, however, in no event shall Consultant be entitled to increase fees for services rendered before the thirtieth day after Consultant notifies City in writing of an increase in that fee schedule. Fees for such additional services shall

be paid within sixty days of the date Consultant issues an invoice to City for such services.

- 6.4 This Agreement is further subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to the contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with this Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.
- 6.5 To the extent applicable, at any time during the term of the Agreement, the Consultant may at its own expense, substitute securities equivalent to the amount withheld as retention (or the retained percentage) in accordance with Public Contract Code section 22300. At the request and expense of the consultant, securities equivalent to the amount withheld shall be deposited with the public agency, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the Consultant. Upon satisfactory completion of the contract, the securities shall be returned to the Consultant.

7. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products" herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

8. RELATIONSHIP OF PARTIES

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

9. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not

Initials: (City) RS (Contractor) OL

be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

10. INDEMNIFICATION

- 10.1 The parties agree that City, its officers, agents, employees and volunteers should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the City with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.
- 10.2 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees due to counsel of City's choice.
- 10.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 10 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 10.4 The obligations of Consultant under this Section 10 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.
- 10.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its

Initials: (City) RS (Contractor) OL

officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

- 10.6 City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. INSURANCE

- 11.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

[The risk for each agreement should be evaluated and the insurance limits should correspond to such risk as determined by the City's Risk Manager.]

- 11.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.
- 11.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.
- 11.1.3 Worker's Compensation insurance as required by the laws of the State of California, including but not limited to California Labor Code § 1860 and 1861 as follows:

Contractor shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees

Initials: (City)  (Contractor) 

employed at the site of improvement; and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection afforded by Contractor. Contractor and any of Contractor's subcontractors shall be required to provide City with a written statement acknowledging its obligation to secure payment of Worker's Compensation Insurance as required by Labor Code § 1861; to wit: 'I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.' If any class of employees engaged in work under this contract at the site of the Project is not protected under any Worker's Compensation law, Contractor shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. Contractor shall indemnify and hold harmless City for any damage resulting from failure of either Contractor or any subcontractor to take out or maintain such insurance.

- 11.1.4 Professional Errors and Omissions Insurance with coverage limits of not less than One Million Dollars (\$1,000,000).
- 11.2 Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- 11.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.
- 11.4 Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.
- 11.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the City and its officers, employees, agents and volunteers as additional insureds. Consultant shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).
- 11.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other

policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

- 11.7 The General Liability Policy of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. The General Liability Policy required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. If this contract provides service to a Homeowners Association, that Homeowners Association must be listed as an additional insured in addition to the City.
- 11.8 The insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 11.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.
- 11.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond or other security acceptable to the City guaranteeing payment of losses and expenses.
- 11.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

12. MUTUAL COOPERATION

- 12.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.

Initials: (City)



(Contractor)



12.2 In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

13. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities with respect to this Agreement.

14. PERMITS AND APPROVALS

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

15. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during the addressee's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

City of Calabasas
100 Civic Center Way
Calabasas, CA 91302
Attn: **Heather Melton, Landscape
Manager**
Telephone: (818) 224-1600
Facsimile: (818) 225-7338

If to Consultant:

**Newbury Park Tree Service,
Inc.**
3595 Old Conejo Rd.
Newbury Park, CA 91320
Attn: Dean A. Lappinga
Telephone: (805) 498-7841
Facsimile: (805) 832-6449

With courtesy copy to:

Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney



790 E. Colorado Blvd., Suite 850
Pasadena, CA 91101
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

16. SURVIVING COVENANTS

The parties agree that the covenants contained in Section 9, Section 10, Paragraph 12.2 and Section 13 of this Agreement shall survive the expiration or termination of this Agreement.

17. TERMINATION

- 17.1. City shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty calendar days' written notice to City. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 17.2. If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

18. GENERAL PROVISIONS

- 18.1. Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.2. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability, medical condition or any other unlawful basis.
- 18.3. The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the

Initials: (City) DS (Contractor) OK

Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

- 18.4 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.
- 18.5 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.6 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable and actual court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.
- 18.7 If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 18.8 This Agreement shall be governed and construed in accordance with the laws of the State of California.

Initials: (City)



(Contractor)



- 18.9 All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.
- 18.10 This Agreement is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the contractor, for the response to such claims by the contracting public agency, for a mandatory meet and confer conference upon the request of the contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the failure to resolve the dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.
- 18.11 This Agreement is further subject to the provisions of California Public Contracts Code § 6109 which prohibits the Consultant from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to §§ 1777.1 or 1777.7 of the Labor Code.

19. PREVAILING WAGES

19.1 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is subject to prevailing wage law, including, but not limited to, the following:

19.1.1 The Consultant shall pay the prevailing wage rates for all work performed under the Agreement. When any craft or classification is omitted from the general prevailing wage determinations, the Consultant shall pay the wage rate of the craft or classification most closely related to the omitted classification. The Consultant shall forfeit as a penalty to City \$50.00 or any greater penalty provided in the Labor Code for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under the Agreement employed in the execution of the work by Consultant or by any subcontractor of Consultant in violation of the provisions of the Labor Code. In addition, the

Initials: (City)



(Contractor)



difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Consultant.

19.1.2 Consultant shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that Consultant is responsible for compliance with Section 1777.5 by all of its subcontractors.

19.1.3 Pursuant to Labor Code § 1776, Consultant and any subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Consultant in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code §§ 1811, and 1815 for any work performed by his or her employees on the public works project. The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code § 1776.

19.2 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is further subject to 8-hour work day and wage and hour penalty law, including, but not limited to, Labor Code Sections 1810 and 1813, as well as California nondiscrimination laws, as follows:

19.2.1 Consultant shall strictly adhere to the provisions of the Labor Code regarding the 8-hour day and the 40-hour week, overtime, Saturday, Sunday and holiday work and nondiscrimination on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex or sexual orientation, except as provided in Section 12940 of the Government Code. Pursuant to the provisions of the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by Consultant's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-



Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

half times the basic rate of pay. Consultant shall forfeit as a penalty to City \$25.00 or any greater penalty set forth in the Labor Code for each worker employed in the execution of the work by Consultant or by any Subcontractor of Consultant, for each calendar day during which such worker is required or permitted to the work more than eight hours in one calendar day or more than 40 hours in any one calendar week in violation of the provisions of the Labor Code.

Initials: (City)



(Contractor)



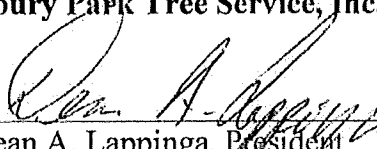
Professional Services Agreement
Providing for Payment of Prevailing Wages
City of Calabasas//Newbury Park Tree Service, Inc.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”
City of Calabasas


“Consultant”
Newbury Park Tree Service, Inc.

By: _____
Alicia Weintraub, Mayor

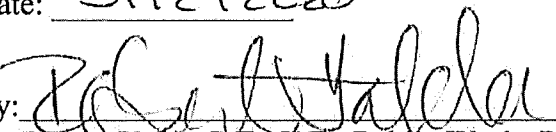
By:  _____
Dean A. Lappinga, President

Date: _____

Date: 3/12/2020

 By: _____
Dr. Gary J. Lysik, City Manager

Date: 3/12/2020


By:  _____
Robert Yalda, P.E., T.E., Public Works Director/City Engineer

Attest:

By: _____
Maricela Hernandez, MMC, CPMC
City Clerk

Date: _____

Approved as to form:

By:  _____
Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney

Date: 3/18/20

EXHIBIT A
AWARD LETTER



CITY of CALABASAS

Date: March 6th 2020

To: Newbury Park Tree Service, Inc.
ATTN: Dean Lappinga, President
3595 Old Conejo Road
Newbury Park, CA 91320

Re: Notice of Award of Citywide Tree Maintenance in the City of Calabasas

Dear Mr. Lappinga:

This letter will serve as your formal Notice of Award of Request for Proposal (RFP) for Citywide Tree Maintenance. We ask at this time please take the opportunity to review the specification.

We are requesting you to schedule a meeting with Heather Melton, Landscape Districts Maintenance Manager, to discuss the projected work and to address the Professional Services Agreement which is scheduled to go to City Council at the end of the month.

Results:

	Mariposa	WCA	Newbury Park Trees
Section A: Street Trees	\$73,970.00	\$104,313.00	\$72,022.00
Section B: Palms	\$3,850.00	\$5,600.00	\$2,730.00
City Hall	\$8810.00	\$5,638.00	\$4,995.00
Freeway on/off Pky Calabasas	\$36,125.00	\$26,710.00	\$19,485.00
Freeway Las Virgenes	\$1,500.00	\$1,005.00	\$585.00
Parks	\$40,930.00	\$20,630.00	\$31,480.00
TOTAL	\$165,185.00	\$163,896.00	\$131,297.00

Sincerely,

Robert B. Yalda
City of Calabasas
Public Works Director/City Engineer

**EXHIBIT B
APPROVED FEE SCHEDULE**



CITY OF CALABASAS

REQUEST FOR PROPOSALS (RFP) FOR CITYWIDE TREE MAINTENANCE

EXHIBIT B FEE SCHEDULE

The Contractor shall be responsible for calculating and providing unit prices for the schedule. The proposal schedule shall include all costs for services, labor, materials, equipment, and installation associated in completing the work in place per work requests and regularly scheduled maintenance.

The City reserves the right to increase or decrease the quantity of any item and/or annual frequency and/or omit items as may be deemed necessary due to budget limitations or constraints, and the same shall in no way affect or make void the contract.

A separate schedule of work and prices is included because the City reserves the right to award this work to either one or more contractors. A Proposer may submit a proposal for all, one or any combination of schedules.

*** The specific unit prices shall govern if there is a mathematical discrepancy in the figures. ***

SECTION A: COMPLETE TREE PRUNING					
ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ANNUAL AMOUNT
1.	0" - 6" DBH	per tree	264	\$ 57. ⁰⁰	\$ 15,048. ⁰⁰
2.	7" - 12" DBH	per tree	206	\$ 97. ⁰⁰	\$ 19,982. ⁰⁰
3.	13" - 18" DBH	per tree	124	\$ 137. ⁰⁰	\$ 16,988. ⁰⁰
4.	19" - 24" DBH	per tree	73	\$ 187. ⁰⁰	\$ 13,651. ⁰⁰
5.	25" - 30" DBH	per tree	10	\$ 287. ⁰⁰	\$ 2,870. ⁰⁰
6.	OVER 30" DBH	per tree	9	\$ 387. ⁰⁰	\$ 3,483. ⁰⁰
SECTION A: SUBTOTAL			686		\$ 72,022. ⁰⁰
SECTION B: PALM TREE TRIMMING					
ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ANNUAL AMOUNT
7.	Phoenix Canariensis	per tree	14	\$ 195. ⁰⁰	\$ 2,730. ⁰⁰
SECTION B: SUBTOTAL			14		\$ 2,730. ⁰⁰
TOTAL AMOUNT OF PROPOSED SCHEDULE IN FIGURES (SECTION A + B)					\$ 74,752. ⁰⁰
TOTAL AMOUNT PROPOSED SCHEDULE IN WORDS _____					
Seventy Four Thousand Seven Hundred Fifty Two dollars and no cents					



CITY HALL:					
ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ANNUAL AMOUNT
1.	Fraxinus angustifolia Raywood Ash	per tree	7	65.00	455.00
2.	Cupressus sempervirens Italian Cypress	per tree	7	60.00	420.00
3.	Plantanus racemosa California Sycamore	per tree	4	175.00	700.00
4.	Olea europaea 'Swan Hill' Olive 'Swan Hill'	per tree	17	55.00	935.00
5.	Lagerstroemia Crape Myrtle	per tree	19	65.00	1,235.00
6.	Ulmus parvifolia Chinese Elm	per tree	10	125.00	1,250.00
CITY HALL TOTAL			64		\$ 4,995.00
TOTAL AMOUNT OF PROPOSED SCHEDULE IN FIGURES					\$4,995.00
TOTAL AMOUNT OF PROPOSED SCHEDULE IN WORDS:					
Four thousand Nine hundred Ninety Five dollars and no cents					

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FREEWAY ON/OFF RAMPS: PARKWAY CALABASAS (Annual Trimming)					
ITEM NO.	PARKWAY CALABASAS DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ANNUAL AMOUNT
1.	Palm Trees	per tree	51	115.00	5,865.00
2.	Plantanus racemosa California Sycamore	per tree	26	295.00	7,670.00
3.	Schinus molle California Pepper Tree	per tree	35	165.00	5,775.00
4.	Quercus agrifolia Coast Live Oak	per tree	1	175.00	175.00
PARKWAY CALABASAS TOTAL			113		\$ 19,485.00
TOTAL AMOUNT OF SCHEDULE IN FIGURES					\$ 19,485.00
TOTAL AMOUNT OF SCHEDULE IN WORDS:					
<i>Nineteen Thousand Four Hundred Eighty Five dollars and no cents</i>					
FREEWAY ON/OFF RAMPS: LAS VIRGENES RD.					
ITEM NO.	LAS VIRGENES RD. DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ANNUAL AMOUNT
1.	Quercus agrifolia Coast Live Oak	per tree	3	195.00	585.00
PARKWAY CALABASAS TOTAL			3		\$ 585.00
TOTAL AMOUNT OF PROPOSED SCHEDULE IN FIGURES					\$ 585.00
TOTAL AMOUNT OF PROPOSED SCHEDULE IN WORDS:					
<i>Five Hundred Eighty Five dollars and no cents</i>					



PARKS: Bark, Creekside, De Anza, Freedom, Gates Canyon, Grape Arbor, Highland, MRT, & Wild Walnut					
ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ANNUAL AMOUNT
1.	Plantanus racemosa California Sycamore	per tree	60	195. ⁰⁰	11,700. ⁰⁰
2.	Schinus molle California Pepper Tree	per tree	5	345. ⁰⁰	1,725. ⁰⁰
3.	Quercus agrifolia Coast Live Oak	per tree	16	225. ⁰⁰	3,600. ⁰⁰
4.	Schinus terebinthefolius Brazilian Pepper Tree	per tree	2	295. ⁰⁰	590. ⁰⁰
5.	Lagerstroemia Crape Myrtle	per tree	6	65. ⁰⁰	390. ⁰⁰
6.	Liquidambar Sweet Gum	per tree	3	85. ⁰⁰	255. ⁰⁰
7.	Arbutus unedo Strawberry Tree	per tree	1	75. ⁰⁰	75. ⁰⁰
8.	Ulmus parvifolia Chinese Elm	per tree	6	425. ⁰⁰	2,550. ⁰⁰
9.	Salix lasiolepis Arroyo Willow	per tree	6	195. ⁰⁰	1,170. ⁰⁰
10.	Acacia	per tree	8	75. ⁰⁰	600. ⁰⁰
11.	Pistache	per tree	6	70. ⁰⁰	420. ⁰⁰
12.	Palms	per tree	10	195. ⁰⁰	1,950. ⁰⁰
13.	Eucalyptus	per tree	5	325. ⁰⁰	1,625. ⁰⁰
14.	Pine Tree Various Varieties	per tree	14	345. ⁰⁰	4,830. ⁰⁰
PARKS TOTAL			148		\$ 31,480. ⁰⁰
TOTAL AMOUNT OF PROPOSED SCHEDULE IN FIGURES					\$ 31,480. ⁰⁰
TOTAL AMOUNT OF PROPOSED SCHEDULE IN WORDS:					
Thirty One Thousand Four Hundred Eighty dollars and no cents					



UNIT PRICE LIST
THE FOLLOWING PRICES ARE HEREBY MADE A PART OF THIS AGREEMENT
Unit Prices for Additional Work

Item No.	Description <i>(Items/products/materials not included in price @ cost plus 20%)</i>		Unit Price	Unit
1.	Partial Tree Pruning	0" - 6"	@ \$ 60. ⁰⁰	EA
2.	Partial Tree Pruning	7" - 12"	@ \$ 85. ⁰⁰	EA
3.	Partial Tree Pruning	13" - 18"	@ \$ 115. ⁰⁰	EA
4.	Partial Tree Pruning	19" - 24"	@ \$ 155. ⁰⁰	EA
5.	Partial Tree Pruning	25" - 30"	@ \$ 205. ⁰⁰	EA
6.	Partial Tree Pruning	Over 30"	@ \$ 270. ⁰⁰	EA
7.	Tree Root Pruning (assume 10 LF) and tree stability testing, without root barrier installation		@ \$ 45. ⁰⁰	LF
8.	Complete tree & stump removal, including stump grinding:	Per inch	@ \$ 55. ⁰⁰	EA
9.	Stump Grinding Only (Removal)	Per inch	@ 20. ⁰⁰	
10.	Root Barrier, LB 12-2 Deep Root Corp. or equivalent, installed (per 2' panel section)		@ \$ 45. ⁰⁰	EA
11.	Root Barrier, UB 24 Deep Root Corp. or equivalent, installed (per 2' panel section)		@ \$ 55. ⁰⁰	EA
12.	Bio Barrier, 19" Root Barrier, installed (per 2' panel section)		@ \$ 50. ⁰⁰	EA
13.	Install 15-gal. tree in place (stakes incl.)		@ \$ 145. ⁰⁰	EA
14.	Install 24-gal. tree in place (stakes incl.)		@ \$ 319. ⁰⁰	EA
15.	Install 36" box tree in place (stakes, incl.)		@ \$ 788. ⁰⁰	EA
16.	Install 48" box tree in place (stakes, incl.)		@ \$ 1,514. ⁰⁰	EA
17.	Provide and install lodge pole stake Eight (10) feet long by (three (3) inches in diameter		@ \$ 115. ⁰⁰	EA
18.	Provide and install lodge pole stake Eight (8) feet long by (two (2) inches in diameter		@ \$ 85. ⁰⁰	EA
19.	Tree tie (Guy)		@ \$ 102. ⁰⁰	EA
20.	Tree Pest Control, trunk injections, per manufacturer label and per State regulations and by a licensed applicator		@ \$ 75. ⁰⁰	EA
21.	Tree Pest Control, soil injections, per manufacturer label and per State regulations and by a licensed applicator		@ \$ 180. ⁰⁰	EA
22.	Tree Fertilization per I.S.A. Standards	0" - 6"	@ \$ 60. ⁰⁰	EA
23.	Tree Fertilization per I.S.A. Standards	7" - 12"	@ \$ 80. ⁰⁰	EA
24.	Tree Fertilization per I.S.A. Standards	13" - 18"	@ \$ 120. ⁰⁰	EA
25.	Tree Fertilization per I.S.A. Standards	19" - 24"	@ \$ 150. ⁰⁰	EA
26.	Tree Fertilization per I.S.A. Standards	25" - 30"	@ \$ 180. ⁰⁰	EA
27.	Tree Fertilization per I.S.A. Standards	Over 30"	@ \$ 200. ⁰⁰	EA
28.	Tree Watering (See Section 702-25, Tree Watering Maintenance)		@ \$ 40. ⁰⁰	EA

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CITY of CALABASAS

REQUEST FOR PROPOSALS (RFP) FOR
CITYWIDE TREE MAINTENANCE

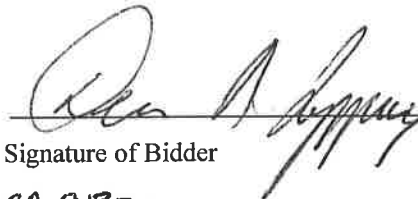
Item No.	Description <i>(Items/products/materials not included in price @ cost plus 20%)</i>		Unit Price	Unit
29.	Backfill Loam/Top Soil		@ \$ 77.00	CY
30.	I.S.A. Tree Evaluation Report recommendations, color photos and digital pictures on CD (per each tree)		@ \$ 245.00	EA
31.	I.S.A. Certified Arborist		@ \$ 125.00	/Manhour
32.	I.S.A. Certified Utility Arborist		@ \$ 125.00	/Manhour
33.	I.S.A. Certified Maintenance Supervisor, Trees		@ \$ 95.00	/Manhour
34.	I.S.A. Certified Tree Trimmer		@ \$ 85.00	/Manhour
35.	Certified Tree Worker		@ \$ 85.00	/Manhour
36.	<u>Standby Fee per 8-Hour Shift, I.S.A. Certified as above for:</u> Maintenance Supervisor, Tree Trimmer, Certified Tree Worker, Pick-up, Aerial Truck, Chipper, Truck, and Standard Power and Hand Equipment		@ \$ 245.00	/Manhour
37.	<u>After-hours work</u> (2-hour minimum), starting from Calabasas City Hall: 3-staff, aerial unit, tree truck, chipper (per hour): Monday through Friday		@ \$ 340.00	/Manhour
38.	<u>After-hours work</u> (2-hour minimum), starting from Calabasas City Hall: 3-staff, aerial unit, tree truck, chipper (per hour): Saturday, Sunday, and Holidays		@ \$ 510.00	/Manhour
39.	Weed Abatement/Fuel Reduction of Grasses 1-36" tall: Knock down weeds and remove grass debris	1000sf No slope	\$ 120.00	
40.	Weed Abatement/Fuel Reduction of Grasses 1-36" tall: Knock down weeds and remove grass debris	1000sf 1:3 slope	\$ 130.00	
41.	Weed Abatement/Fuel Reduction of Grasses 1-36" tall: Knock down weeds and remove grass debris	1000sf 1:2 slope	\$ 140.00	
43.	Weed Abatement/Fuel Reduction of Grasses 1-36" tall: Knock down weeds and remove grass debris	1000sf 1:3 slope	\$ 150.00	

Klausbaum

NON-COLLUSION AFFIDAVIT

State of California)
) ss.
County of Los Angeles)

Dean A Lapping being first duly sworn, deposes and says that he or she is president of Newbury Park Tree Service, the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid."



Signature of Bidder

3595 Old Conejo Rd. Newbury Park CA 91320
Business Address
777 Calle Las Colinas Newbury Park CA 91320
Place of Residence

Subscribed and sworn to before me this 12 day of March, 2020

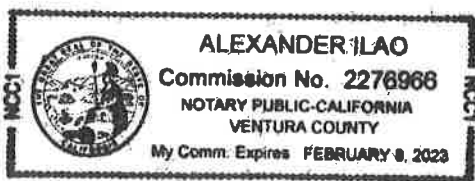
Notary Public in and for the County
of Ventura
State of California.

My Commission Expires Feb 8, 2023

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California, County of Ventura
Subscribed and sworn to (or affirmed) before me on this 12 day
of March 2020 by Dean A Lapping
proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.

Signature Alexander Ilao (seal)



WORKERS' COMPENSATION INSURANCE
CERTIFICATE

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATE: 3/12/20

(Contractor) Newbury Park Tree Service Inc
By: (Signature) Alan A. Dypina
(Title) President

Attest: [Signature]
By: (Signature)

Admin
(Title)



NEWBPAR-02

KZAITLEN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/26/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0757776 Santa Barbara, CA - HUB International Insurance Services Inc. PO Box 3310 Santa Barbara, CA 93130-3310	CONTACT NAME: Stacey Galvan	
	PHONE (A/C, No, Ext): (805) 777-7394	
	FAX (A/C, No):	
	E-MAIL ADDRESS: Stacey.Galvan@hubinternational.com	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	NOVA Casualty Company	42552
INSURER B:	Federal Insurance Company	20281
INSURER C:	Benchmark Insurance Company	41394
INSURER D:		
INSURER E:		
INSURER F:		

INSURED

Newbury Park Tree Service, Inc
3595 Old Conejo Road
Newbury Park, CA 91320

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER: \$5,000,000 CAP	X		ARBML100009804	5/1/2019	5/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			ARBML100009804	5/1/2019	5/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			78185137	5/1/2019	5/1/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
C	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N Y	CST5016390	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: Public Street Tree, City Parks, LLAD & LMD Districts 22, 24, 27, 32, & CBA Tree Maintenance Services.

The City of Calabasas and its officers, employees, agents and volunteers are included as additional insureds under the general liability policy, additional insured coverage applies when required by written contract per the attached form #AGL01351117.

CERTIFICATE HOLDER

CANCELLATION

City of Calabasas 100 Civic Center Way Calabasas, CA 91302	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	---

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY EXTRA ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY,

Paragraph 2. Exclusions is amended as follows:

1. EXPECTED OR INTENDED INJURY EXTENSION

Paragraph a. **Expected Or Intended Injury** is deleted and replaced by the following:

- a. "Bodily Injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

2. NON-OWNED WATERCRAFT EXTENSION

Subparagraph (2) of g. **Aircraft, Auto Or Watercraft** is deleted and replaced by the following:

(2) A watercraft you do not own that is:

- a. Less than 52 feet long; and
- b. Not being used to carry persons or property for a charge;

This provision applies to any person who, with your consent, either uses or is responsible for the use of a watercraft.

This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess, or contingent.

3. PROPERTY SOLD OR ABANDONED BY YOU

Subparagraph (2) of j. **Damage To Property** is deleted and replaced by the following:

- (2) Premises you sell, give away, or abandon, if the "property damage" arises out of any part of those premises, and occurred from hazards that were known by you or should have reasonably been known by you at the time the property was sold, given away or abandoned.

4. The last paragraph of 2. Exclusions is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with the permission of the owner, when the damage is caused by fire, lightning, explosion, smoke or leaks from automatic fire protective systems. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

B. ADDITIONAL INSURED

1. SECTION II – WHO IS AN INSURED is amended to include, as an additional insured, any person(s) or organization(s) for whom a written contract or written agreement between you and such person(s) or organization(s) exists and requires such person(s) or organizations(s) to be added as an additional insured to your Policy, but only for liability arising out of "bodily injury", "property damage", or "personal and advertising injury".

a. This endorsement applies only if the written contract or written agreement is:

- (1) Currently in effect or becomes effective during the term of this Policy; and
- (2) Executed prior to the "bodily injury", "property damage", or "personal and advertising injury".

b. The insurance afforded to such additional insured only:

- (1) Applies to the extent permitted by law; and
- (2) Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

2. The insurance provided to the additional insured by this endorsement applies as follows:

a. The person(s) or organization(s) is an additional insured but only for liability caused in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In connection with premises owned by or rented to you; or
- (2) In the performance of your ongoing operations.

COMMERCIAL GENERAL LIABILITY

- b. If the additional insured is an architect, engineer, or surveyor, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services including:
- (1) The preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Supervisory, inspection, or engineering services.
- This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional services by or for you.
- c. If the additional insured is a lessor of equipment, this insurance only applies to liability caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such additional insured and does not apply to any "occurrence" which takes place after the equipment lease expires.
- d. If the additional insured is a state or governmental agency or political subdivision and has issued a permit in connection with premises you own, rent, or control, this insurance applies only with respect to the following hazards for which the state or political subdivision has issued such permit:
- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decoration and similar exposures;
 - (2) The construction, erection, or removal of elevators; or
 - (3) The ownership, maintenance, or use of any elevators covered by this insurance.
- e. If the additional insured is a state or governmental agency or political subdivision that has issued a permit or authorization with respect to operations performed by you or on your behalf, then this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or "bodily injury", or "property damage" included within the "products-completed operations hazard".
- f. If the additional insured is a manager or lessor of insured premises, that person or organization is an additional insured only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.
- This insurance does not apply to:
- (1) Any "occurrence" that takes place after you cease to be a tenant in that premises.
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor of insured premises.
- g. If the additional insured is a grantor of a franchise, that person(s) or organization(s) is only an additional insured with respect to liability as grantor of a franchise to you.
- h. If the additional insured is an owner or has some other interest in land that has been leased to you, that person(s) or organization(s) is only an additional insured with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you.
- This insurance does not apply to:
- (1) Any "occurrence" that takes place after you cease to lease that land;
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of the owner or other interest from whom land has been leased.
- i. If the additional insured is a mortgagee, assignee, or receiver, that person(s) or organization(s) is only an additional insured with respect to their liability as such and arising out of the ownership, maintenance or use of the premises by you.
- This insurance does not apply to structural alterations, new construction or demolition operations performed by or for that mortgagee, assignee, or receiver.
- j. If the additional insured has a controlling interest, that person(s) or organization(s) is an additional insured but only for their liability arising out of:
- (1) Their financial control of you; or
 - (2) Premises they own, maintain or control while you lease or occupy those premises.
- This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that controlling interest.
- k. If the additional insured is a vendor, that person(s) or organization(s) is only an additional insured with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or

COMMERCIAL GENERAL LIABILITY

sold in the regular course of the vendor's business, but only if this Policy provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) This insurance afforded to the vendor does not apply to:
 - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, except when unpacked under the instructions of the manufacturer for the sole purpose of inspection, demonstration, testing or the substitution of parts and then repackaged in the original container;
 - (e) Any failure by the vendor to make inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of "your products";
 - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of "your products";
 - (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in subparagraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of "your products".
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
3. With respect to the insurance afforded to an additional insured as provided in Paragraphs B.1. and B.2. above, the most we will pay on behalf of the additional insured is the amount of insurance:
 - a. Required by the contract or agreement; or
 - b. Available under the applicable Limits of Insurance shown in the Declarations;whichever is less.

With respect to the insurance afforded to an additional insured as provided in paragraphs B.1. and B.2. above, this insurance shall not increase the applicable Limits of Insurance shown in the Declarations.

If an Additional Insured endorsement is attached to this Policy that specifically names a person or organization as an insured, then the above Paragraph B. **ADDITIONAL INSUREDS** does not apply to such person(s) or organization(s).

4. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 4. Other Insurance**, is amended to include:

As respects the coverage provided by this endorsement, regardless of whether other insurance is available to an additional insured on a primary basis, this insurance will be primary and noncontributory if a written contract between you and the additional insured specifically requires that this insurance be primary and noncontributory.

C. SECTION II – WHO IS AN INSURED is amended as follows:
BROADENED NAMED INSURED

Paragraph 3. is deleted and replaced by the following:

3. Any business entity organized under the laws of the United States of America (including any state thereof, its territories or possessions), or Canada (including any province thereof) will qualify as a Named Insured if there is no similar insurance available to that business entity, provided that one or more Named Insureds shown in the Declarations have, at the inception of the policy period, an ownership interest in such business entity of more than 50%. However, if a Named Insured has an ownership interest in a business entity of more than 50%, the business entity will not be a Named Insured if such business entity is an insured under any other liability policy or would be an insured under such policy but for its termination or the exhaustion

of its Limit of Insurance.

- D. Paragraph 6. of **SECTION III – LIMITS OF INSURANCE** is deleted and replaced by the following:
 Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under **SECTION I – COVERAGES, COVERAGE A** for damages because of "property damage" to any one premises while rented to you, or temporarily occupied by you with permission of the owner, when the damage is caused by fire, lightning, explosion, smoke, or leaks from automatic fire protective systems.
- E. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** are amended as follows:
1. **KNOWLEDGE AND NOTICE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**
 The notification requirements of Paragraphs 2.a. and 2.b. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** apply only when the "occurrence", offense, claim or "suit" is known to:
 - a. You, if you are an individual;
 - b. A partner or member if you are a partnership or joint venture;
 - c. An officer or director if you are an entity other than a partnership, joint venture or limited liability company;
 - d. A member or manager if you are a limited liability company; or
 - e. An insurance manager, risk manager or other "employee" you designate prior to loss to give notice to us.
 Knowledge of an "occurrence", offense, claim, or "suit" by your agent, servant or "employee" shall not in and of itself constitute knowledge by you unless an individual in one of the positions listed above has actual knowledge.
 2. **FAILURE TO DISCLOSE HAZARDS**
 The following is added to Paragraph 6. **Representations**:
 If you unintentionally failed to disclose all hazards or prior "occurrences" existing at the inception of this Policy, but reported such error or omission to us as soon as practicable after discovery, then we will not deny coverage under this Coverage Part because of such failure.
 This provision does not affect our right to collect any additional premium or exercise our right of cancellation or non-renewal.
 3. **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**
 The following is added to paragraph 8. **Transfer Of Rights of Recovery Against Others To Us**:
 We waive any right of recovery we may have against any person or organization when such waiver is required by a written contract that you have agreed to prior to any "occurrence", "suit" or the offense which caused the "bodily injury", "property damage" or "personal and advertising injury", provided that the "occurrence", "suit" or the offense which caused the "bodily injury", "property damage" or "personal and advertising injury" arises out of operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.
- F. **SECTION V – DEFINITIONS** is amended as follows:
1. **BODILY INJURY**
 The definition of "bodily injury" in Paragraph 3. is deleted and replaced by the following:
 "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time.
 2. **PERSONAL AND ADVERTISING INJURY**
 The definition of "personal and advertising injury" in Paragraph 14.b. is deleted and replaced by the following:
 Abuse of process; and malicious prosecution;

All other terms and conditions of the policy remain unchanged.



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 16, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RON AHLERS, CHIEF FINANCIAL OFFICER *RA*

SUBJECT: CONSIDER AWARD OF 5-YEAR CONTRACT FOR INDEPENDENT AUDITING PROFESSIONAL SERVICES AGREEMENT TO ROGERS, ANDERSON, MALODY & SCOTT LLP (RAMS) FOR CITY OF CALABASAS FOR FISCAL YEARS 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 IN AN AMOUNT OF \$176,900.

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

It is staff's recommendation to award a five (5) year contract for Independent Auditing Services to Rogers, Anderson Malody & Scott LLP (RAMS) in the amount of \$176,900.

BACKGROUND:

For the past fifteen years, the City of Calabasas (City) has contracted with the accounting firm of Moss, Levy & Hartzheim LLP (MLH) for auditing services. MLH had a scope of work that consisted of an Annual Audit, Comprehensive Annual Financial Report, Single Audit Report, State Controller's Report and other audit functions. The most recent contract with MLH had an average yearly cost of \$26,804.

On January 8, 2020, City Council issued a Request for Proposal (RFP) for audit services. The Government Finance Officers Association (GFOA) recommends that governmental entities enter into multi-year agreements when obtaining the services of independent auditors. However, mandatory rotation of audit firms is not required. The GFOA states, "it is recommended that a governmental entity actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory. Where audit firm rotation does not result from this

process, governments may consider requesting that senior engagement staff, such as engagement partners and senior managers, be rotated to provide a fresh perspective.”

The City sent the RFP to thirteen audit firms located in Southern California. The City posted the RFP to the City’s website and also listed the RFP on the California State Municipal Finance Offices (CSMFO) website. The City received five proposals by the deadline of February 14, 2020. The five firms are: Eadie + Payne; Moss, Levy & Hartzheim; Lance, Soll & Lunghard; Van Lant & Fankhanel; and Rogers, Anderson, Malody & Scott LLP. Ron Ahlers, the city’s Chief Financial Officer, has experience working with three of these firms: Moss, Levy & Hartzheim; Lance, Soll & Lunghard and Rogers, Anderson, Malody & Scott LLP. He also has worked with one of the partners at Van Lant & Fankhanel.

DISCUSSION/ANALYSIS:

The goal of the Finance Department was to secure the best Certified Public Accounting (CPA) firm to perform the following services: 1) perform the City’s annual audit; 2) prepare CAFR; 3) complete the Single Audit Report; 4) complete the State Controller’s Report; 5) complete the Annual Street Report; and 6) perform any other auditing functions requested by the City.

Staff was authorized to proceed with the Request for Proposal (RFP) for professional auditing services. The five firms who responded all met the RFP requirements and were found to be capable of performing the required auditing functions.

The City’s current audit firm, MLH submitted a proposal indicating a change in the audit partner. MLH’s proposal was given due consideration because it adhered to the requirements of California Government Code, Section 12410.6, which states:

- (a) An audit for any local agency, including those submitted to the Controller pursuant to subdivision (a) of Section 12410.5, shall be made by a certified public accountant or public accountant, licensed by, and in good standing with, the California Board of Accountancy.
- (b) Commencing with the 2013–14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to the 2013–14 fiscal year. The Controller may waive this

requirement if he or she finds that another eligible public accounting firm is not available to perform the audit.

The below table details the five proposals received by the City.

**PROFESSIONAL AUDITING SERVICES
COST PROPOSAL COMPARISON**

<u>BASE COST</u>	2020	2021	2022	2023	2024	TOTAL
Moss, Levy & Hartzheim	\$ 22,250	\$ 22,260	\$ 22,270	\$ 22,280	\$ 22,690	\$ 111,750
Rogers, Anderson, Malody & Scott	\$ 29,500	\$ 29,500	\$ 30,600	\$ 30,600	\$ 31,700	\$ 151,900
Eadie + Payne	\$ 33,920	\$ 34,600	\$ 35,300	\$ 36,010	\$ 36,730	\$ 176,560
Lance, Soll & Lunghard	\$ 36,100	\$ 36,100	\$ 36,100	\$ 37,190	\$ 38,310	\$ 183,800
Van Lant & Fankhanel	\$ 39,700	\$ 40,495	\$ 41,300	\$ 42,125	\$ 42,965	\$ 206,585
<u>OPTION COSTS</u>						
Moss, Levy & Hartzheim	\$ 3,400	\$ 3,410	\$ 3,420	\$ 3,430	\$ 3,440	\$ 17,100
Rogers, Anderson, Malody & Scott	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Eadie + Payne	\$ 3,335	\$ 3,400	\$ 3,470	\$ 3,540	\$ 3,610	\$ 17,355
Lance, Soll & Lunghard	\$ 4,450	\$ 4,450	\$ 4,450	\$ 4,580	\$ 4,710	\$ 22,640
Van Lant & Fankhanel	\$ 3,675	\$ 3,750	\$ 3,825	\$ 3,900	\$ 3,975	\$ 19,125
<u>TOTAL COSTS</u>						
Moss, Levy & Hartzheim	\$ 25,650	\$ 25,670	\$ 25,690	\$ 25,710	\$ 26,130	\$ 128,850
Rogers, Anderson, Malody & Scott	\$ 34,500	\$ 34,500	\$ 35,600	\$ 35,600	\$ 36,700	\$ 176,900
Eadie + Payne	\$ 37,255	\$ 38,000	\$ 38,770	\$ 39,550	\$ 40,340	\$ 193,915
Lance, Soll & Lunghard	\$ 40,550	\$ 40,550	\$ 40,550	\$ 41,770	\$ 43,020	\$ 206,440
Van Lant & Fankhanel	\$ 43,375	\$ 44,245	\$ 45,125	\$ 46,025	\$ 46,940	\$ 225,710

The audit review team consisted of five members of the Finance Department. The team thoroughly reviewed each proposal and conducted face to face interviews with the five aforementioned audit firms. It was determined that all prospective consultants were qualified and had decades of experience in governmental auditing. The audit review team selected RAMS as the best qualified to perform the audit of the City. RAMS was the second lowest cost at \$176,900 for the five year term of the agreement.

RAMS, founded in 1948, is located in San Bernardino, California and has a total staff of thirty-three people – fourteen of which are certified public accountants. The staff includes six partners, three managers, seven supervisors/senior accountants, twelve staff accountants and five support staff. RAMS has extensive experience in the preparation of CAFRs, and for the fiscal years ended June 30, 2017 and 2018 all twenty of the CAFRs that were prepared received the Certificate of Achievement for Excellence in Financial Reporting from the GFOA.

Staff contacted a couple of the cities that RAMS currently audits and heard great reviews about the quality of work, the ease of transition, and responsiveness that RAMS provides. Ron Ahlers utilized the services of RAMS for six years at the City of Moorpark.

FISCAL IMPACT/SOURCE OF FUNDING:

The total amount of \$176,900 for auditing services will be paid by the General Fund over the five years of the contract.

REQUESTED ACTION:

Approve the contract that would award the independent auditing services agreement to Rogers, Anderson, Malody & Scott LLP.

ATTACHMENTS:

RAMS Contract

Professional Services Agreement
City of Calabasas//Rogers, Anderson, Malody & Scott, LLP

PROFESSIONAL SERVICES AGREEMENT
(City of Calabasas / Rogers, Anderson, Malody & Scott, LLP)

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Calabasas, a California municipal corporation (“City”), and Rogers, Anderson, Malody & Scott, LLP a *California limited liability company* (“Consultant”).

2. RECITALS

- 2.1 City has determined that it requires the following professional services from a consultant: Independent Auditing Services.
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1 “Scope of Services”: Such professional services as are set forth in Consultant’s February, 12, 2020 proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 “Approved Fee Schedule”: Such compensation rates as are set forth in Consultant’s February 12, 2020 fee schedule to City attached hereto as Exhibit B and incorporated herein by this reference.
- 3.3 “Commencement Date”: Wednesday, March 25, 2020
- 3.4 “Expiration Date”: Tuesday, April 30, 2025

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the parties or terminated earlier in accordance with Section 17 (“Termination”) below.

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5. CONSULTANT'S SERVICES

- 5.1 Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of One Hundred Seventy Six Thousand Nine Hundred Dollars (\$176,900) unless specifically approved in advance and in writing by City.
- 5.2 Consultant shall perform all work to the highest professional standards of Consultant's profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*).
- 5.3 During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute and (ii) City has not consented in writing to Consultant's performance of such work.
- 5.4 Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. **Terry P. Shea, CPA, Partner** shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.

6. COMPENSATION

- 6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.
- 6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within ten business days of receipt of each invoice, City shall notify Consultant in writing of any disputed amounts included on the invoice. Within thirty calendar days of

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receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.

- 6.3 Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule. Consultant shall be entitled to increase the fees in this fee schedule at such time as it increases its fees for its clients generally; provided, however, in no event shall Consultant be entitled to increase fees for services rendered before the thirtieth day after Consultant notifies City in writing of an increase in that fee schedule. Fees for such additional services shall be paid within sixty days of the date Consultant issues an invoice to City for such services.

7. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products" herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

8. RELATIONSHIP OF PARTIES

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

9. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

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10. INDEMNIFICATION

- 10.1 The parties agree that City, its officers, agents, employees and volunteers should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the City with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.
- 10.2 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.
- 10.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 10 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 10.4 The obligations of Consultant under this Section 10 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.
- 10.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of

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Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

- 10.6 City does not, and shall not waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. INSURANCE

- 11.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:
- 11.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.
 - 11.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.
 - 11.1.3 Worker's Compensation insurance as required by the laws of the State of California.
 - 11.1.4 Professional Errors and Omissions Insurance with coverage limits of not less than One Million Dollars (\$1,000,000).
- 11.2 Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- 11.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.
- 11.4 Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out

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the necessary insurance and pay, at Consultant's expense, the premium thereon.

- 11.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the City and its officers, employees, agents and volunteers as additional insureds. Consultant shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).
- 11.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.
- 11.7 The General Liability Policy of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. The General Liability Policy required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. If this contract provides service to a Homeowners Association, that Homeowners Association must be listed as an additional insured in addition to the City.
- 11.8 The insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 11.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.
- 11.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.
- 11.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

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12. MUTUAL COOPERATION

- 12.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 12.2 In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

13. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

14. PERMITS AND APPROVALS

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

15. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City

City of Calabasas
100 Civic Center Way
Calabasas, CA 91302
Attn: **Ron Ahlers, CFO**
Telephone: (818) 224-1600
Facsimile: (818) 225-7324

If to Consultant:

Rogers, Anderson, Malody &
Scott, LLP
735 E. Carnegie Drive, Suite 100
San Bernardino, CA 92408
Attn: **Terry P. Shea, CPA**
Telephone: (909) 889-0871
Facsimile: (909) 889-5361

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With courtesy copy to:

Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney
790 E. Colorado Blvd., Suite 850
Pasadena, CA 91101
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

16. SURVIVING COVENANTS

The parties agree that the covenants contained in Section 9, Section 10, Paragraph 12.2 and Section 13 of this Agreement shall survive the expiration or termination of this Agreement.

17. TERMINATION

- 17.1. City shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty calendar days' written notice to City. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 17.2. If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

18. GENERAL PROVISIONS

- 18.1 Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.2 In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.
- 18.3 The captions appearing at the commencement of the sections hereof, and in any

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paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

- 18.4 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.
- 18.5 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.6 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.
- 18.7 If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 18.8 This Agreement shall be governed and construed in accordance with the laws of

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the State of California.

- 18.9 All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.
- 18.10 In consideration of this agreement, consultant (or artist(s), or performer(s) grants to city and its officers and employees, the right to film, through photography, video, or other media, the performance(s) contemplated under this agreement. The city is authorized to use of the performer(s) name(s) and/or Artist approved photographs. The city is also authorized, without limitation, to broadcast or re-broadcast the performance(s) on City CTV, through the city's website, news media, or through other forms of media (e.g. streaming).

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TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”
City of Calabasas

“Consultant”
Rogers, Anderson, Malody & Scott, LLP

By: Ron Ahlers
Ron Ahlers, CFO

By: Terry P. Shea
Terry P. Shea, CPA, Partner

Date: 3-16-2020

Date: 3-12-20

By: _____
Dr. Gary Lysik, City Manager

By: Scott W. Manlio
Scott W. Manlio, CPA, Partner, CGMA

Date: _____

Date: 3-12-20

By: _____
Alicia Weintraub, Mayor

Date: _____

Attest:

By: _____
Maricela Hernandez, MMC, CPMC
City Clerk

Date: _____

Approved as to form:

By: Scott H. Howard
Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney

Date: 3/18/20



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

FEBRUARY 12, 2020

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES
FOR THE FISCAL YEARS ENDING JUNE 30, 2020
(AND EACH OF THE SUBSEQUENT FOUR FISCAL YEARS)

CONTACT PERSONS:
TERRY P. SHEA, CPA
Terry@ramsca.net

SCOTT W. MANNO, CPA, CGMA
smanno@ramsca.net

909.889.0871

PREPARED BY
ROGERS ANDERSON MALODY & SCOTT, LLP
735 E Carnegie Drive, Suite 100
San Bernardino, CA 92408

LICENSE #2596
FEIN 95-2662063

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

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Attachment A: Recent Government Clients Served



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

February 14, 2020

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

City of Calabasas
100 Civic Center Way
Calabasas, CA 91302

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradford A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Jay H. Zercher, CPA (Partner Emeritus)
Phillip H. Waller, CPA (Partner Emeritus)
Kirk A. Franks, CPA (Partner Emeritus)

MANAGERS / STAFF

Charles De Simoni, CPA
Gardenya Duran, CPA
Brianna Schultz, CPA
Jingjie Wu, CPA
Evolyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Tara R. Thorp, CPA, MSA
Laura Arvizu, CPA
Ye Ying Stella Xia, CPA, MSBA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

*Employee Benefit Plan
Audit Quality Center*

California Society of
Certified Public Accountants

Dear Evaluation Committee:

I am pleased to respond, on behalf of Rogers, Anderson, Malody & Scott, LLP, (RAMS) to your request for a proposal regarding professional auditing services. As a recognized industry leader and innovator, our goal for the past 72 years has been to provide honest, objective and high quality results to all of our clients, including governmental organizations such as yours. Our success in these efforts is witnessed by both the growth of our firm and the list of long-term clients who trust us.

At RAMS, we are committed to achieving the highest quality audit possible. We understand the complexity of performing governmental audits and that's why we have a *dedicated team of auditors* that possess the specialized knowledge and experience to help ensure compliance with changes in regulations that may impact your organization. We plan and execute our audits in a way that maximizes audit efficiency and effectiveness and provides you the highest quality services.

We are aware that the City of Calabasas (the City) will be reviewing other proposals during this process, but we believe that RAMS would be an exceptional choice for the audit for the following reasons; which are provided in more detail in our proposal. Our firm:

- Utilizes *Teammate Analytics*, a suite of more than 150 Computer Aided Audit Tools (CAATs). This software empowers our audit teams with the ability to perform powerful, meaningful data analysis which builds upon our other value added services. *Teammate Analytics* also helps to identify specific transactions or amounts which may be indicative of fraud.
- Using our CAAT, performs a risk based audit which enables us to focus on key audit areas allowing us to become more efficient resulting in lower audit fees.
- Provides auditing services to over 50 governmental agencies and not-for-profit organizations, including over 20 cities, most of which have enterprise activities.
- Understands the audit process, as a whole, can be a stressful experience for you and your staff; we understand that you will have other commitments and your regular workloads during the audit. We make every effort to ensure the audit process, from the interim fieldwork to the preparation of any required financial reports, will be as trouble-free as possible for you and your staff. We accomplish this by comprehensively planning the audit and utilizing our staff in the most efficient and effective manner while keeping disruptions and miscommunications to a minimum.



- Has an established reputation in the governmental and not-for-profit accounting and auditing community for providing excellent, timely service with high quality reporting to our clients.
- Has audit team members that are personable and easy to work with, yet still focused on the audit. Through open and responsive communication with all parties involved in the audit process, we work to have the most efficient audit possible by minimizing operational distractions of your staff, while maximizing quality service and products.
- Provides extensive training and continuing education to all of our audit staff through a combined use of in-house instruction and third-party providers. Our audit team members are experienced with and receive regular training in performing Single Audits in accordance with Federal OMB Uniform Guidance.
- Is committed to helping you meet all reporting/auditing deadlines, resolving any issues encountered during your audit (e.g. accounting or auditing, new pronouncements, etc.), and providing you with quality audit services.
- Has an extensive internal quality control review process to ensure your financial reports meet the highest standards. In addition to the preparation of financial reports by the engagement team and review by the engagement manager, *each report is also examined by 2 partners and 1 professional proofreader.*
- Has assisted many of our clients with the preparation of their Comprehensive Annual Financial Reports, and all of our clients that have submitted their reports for the Government Finance Officers Association (GFOA) or California Society of Municipal Finance Officers (CSMFO) awards have received the awards. Our participation as a GFOA reviewer also indirectly benefits our clients in the quality review process.
- Is a full service firm, with specialists in auditing, reviews and compilations, tax planning and preparation, as well as business consulting. The diverse experience and accessibility of the professionals in these areas help us to provide a comprehensive approach to a wide variety of needs.
- Believes that our fee estimate and arrangement provides a fair and reasonable cost, commensurate with the experience of the audit team members, to perform the requested audit services.


Rogers, Anderson, Malody & Scott, LLP is properly licensed to practice in California, including all of the assigned professional staff to the engagement. Mr. Shea, Partner and Mr. Manno, Partner are authorized to represent the firm, are empowered to submit the bid and authorized to sign a contract with the City. We understand the work to be done as listed in the section of this proposal titled *Services to be provided*. In addition, we will be committed to meeting any agreed upon time frames. This proposal is a firm and irrevocable offer for fiscal years 2019/20 through 2023/24.

We can be reached at: 735 E. Carnegie Drive, Suite 100, San Bernardino, CA 92408, (909) 889-0871, terry@ramscpa.net or smanno@ramscpa.net.

Thank you for the opportunity to present our proposal to the City. We will be committed to exceeding your expectations of an auditor and believe this proposal provides you with information about our firm, the service team members and our customized audit approach. We look forward to having a long and mutually beneficial relationship with the City. Please contact us if you have any questions regarding this proposal.

Respectfully yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



 Terry P. Shea, CPA
 Partner

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

License to practice

Rogers, Anderson, Malody & Scott, LLP is licensed to practice in the State of California. The key professional staff, which includes the partners, managers, and supervisors, are all certified public accountants licensed to practice in the State of California and are in compliance with all applicable Board of Accountancy standards.

Independence

Rogers, Anderson, Malody & Scott, LLP is independent of the City and any component units, as defined by general standard number two of the generally accepted auditing standards, and by the second general standard for government auditing in the U.S. Government Accountability Office's *Government Auditing Standards* (2011).

We have not had any business relationship with the City within the past five (5) years.

Firm qualifications and experience

About our firm



Our firm was founded in 1948 and is located at 735 E. Carnegie Drive, Suite 100, San Bernardino, California and provides the full range of services expected of a full service accounting firm. We are one of the oldest, most trusted and respected CPA firms in Southern California, with over 72 years of public practice experience, specializing in governmental agency and not-for-profit organization auditing, accounting and management advisory services. Over *nineteen thousand hours per year* are devoted to this area of our practice, which includes cities, redevelopment successor agencies, water districts, other special districts, not-for-profit corporations and joint power authorities. We

do not use our government accounting and auditing practice as "fill work" for the firm, it is one of our primary focuses.

We understand your desire engage auditors that have a thorough understanding of the ever changing complex accounting and compliance issues confronting governments today. Our firm has an extensive history of governmental accounting and auditing. During that time we have gained valuable experience, acquired an in-depth knowledge of, and obtained the technical expertise needed to perform high quality governmental audits. This expertise has enabled us to provide exceptional, high quality service and to provide solutions at fees we feel represent our value to our clients. In addition, we use our participation in various industry associations to continuously update our knowledge with respect to issues relating to governmental accounting, auditing and operations. Any insight we gain is immediately passed on to our clients if we feel they will benefit from it.

Our firm has a total staff of thirty-three people, which includes fourteen certified public accountants. The staff consists of six partners, three managers, seven supervisors/senior accountants, twelve staff accountants and five support staff. The audit staff consists of twenty-one members who devote over 80% of their time to municipal engagements. The engagement team assigned to the City's engagement will consist of the following full-time staff: one audit partner, one audit manager, one audit supervisor/senior and two staff auditors. All personnel are located in our San Bernardino office.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Firm qualifications and experience (continued)

CAFR preparation

We have extensive experience in the preparation of Comprehensive Annual Financial Reports (CAFR). For the fiscal years ended June 30, 2017 and 2018, our staff prepared over 20 CAFR's, with each entity receiving the Certificate of Achievement for Excellence in Financial Reporting from the GFOA. For the fiscal year ended June 30, 2019, again, our staff prepared over 20 CAFR's for our clients for submittal to the GFOA. In addition, we have helped many cities and special districts develop their first year's report for submittal. Two of our audit partners and one of our managers are technical reviewers for the GFOA CAFR award program. **In addition, we review all of the CAFR's for compliance with the GFOA certificate program checklist as well as addressing any prior year comments, if applicable, to insure they have been addressed.**

Housing Authority and Successor Agency experience

Over the past five fiscal years, the firm has audited the Housing Authorities and Successor Agencies for the following entities:

- | | |
|------------------------|--------------------------|
| City of South Pasadena | City of Redondo Beach |
| City of Thousand Oaks | City of La Verne |
| City of San Marcos | City of San Jacinto |
| City of Moorpark | City of Twentynine Palms |
| City of Fillmore | City of La Mesa |
| City of Sierra Madre | City of Rosemead |
| City of El Cajon | City of Hawthorne |
| Town of Yucca Valley | City of West Covina |
| City of Poway | City of Claremont |

Single audit experience

Most of our city clients, and some of our other governmental and not-for-profit clients, have been subject to an audit in accordance with *Uniform Guidance*. We recently performed single audits for the following entities:

- | | |
|-----------------------|---|
| City of Thousand Oaks | City of La Mesa |
| City of El Cajon | City of Claremont |
| City of San Marcos | City of West Covina |
| City of Poway | City of Twentynine Palms |
| City of Fillmore | University Enterprises Corporation at CSUSB |
| City of Rosemead | Elsinore Valley Municipal Water District |
| City of Hawthorne | City of La Verne |

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Firm qualifications and experience (continued)

Governmental Audit Quality Center

As a member of the American Institute of CPAs *Governmental Audit Quality Center* (Center), we are committed to adhering to the highest quality standards by voluntarily agreeing to the Center membership requirements, which include designating a partner responsible for the quality of our governmental and not-for-profit audit practice, establishing quality control programs, performing annual internal inspection procedures, and making our peer review report findings publicly available. At RAMS, our goal is to continue to enhance our quality initiatives within our governmental and not-for-profit audit practice to deliver the highest quality audit services possible.

In addition, the *Governmental Audit Quality Center* provides access to comprehensive resources that will assist us in further enhancing the quality of your audit. The Center membership provides us with timely information on a variety of technical, legislative and regulatory subjects that we can in turn apply to your audit to help ensure compliance with the appropriate standards and changes in regulations which we pass on to our clients.

Range of services

Our firm provides various other services in addition to auditing services to governmental and not-for-profit entities, including:



- Finance director and accounting support services
- Study and evaluation of financial condition and fiscal policies
- Transient Occupancy Tax Agreed Upon Procedures
- Franchise (refuse, cable) Agreed Upon Procedures
- Accounting policies and procedures
- Capital improvement program procedures and policies
- Cash management studies
- Financing and public bond offering assistance
- Franchise agreement assistance (ambulance, cable, television, refuse, etc.)

In addition, the firm provides accounting, auditing, attest and consulting services to for profit and not-for-profit entities. We also provide tax preparation and tax consulting services to individuals, corporations and partnerships. **We provide our municipal audit clients tax consultation at no extra charge.**

Engagement quality control

We have an extensive internal quality control review process to ensure your audit meets the highest standards. In addition to the preparation of financial reports by a senior member of the engagement team, each report is reviewed by the engagement manager/supervisor and then is examined by the engagement partner. Subsequently, a technical review is then performed by the Quality Control partner along with being proofread by a professional staff. In addition, all audit workpapers are reviewed by the in-charge auditor and the partner in-charge of the engagement.

See Attachment A for a listing of our current and recent governmental clients served.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Firm qualifications and experience (continued)

External quality control review

As a member of the AICPA Private Companies Practice Section, our firm has participated in the "Peer Review" program since 1993 and has been examined every three years since that date by an outside, independent firm of certified public accountants. Participation in this program ensures that our engagements, firm policies, and audit procedures meet the standards of the AICPA, the Yellow Book and the California State Board of Accountancy. Throughout our participation in this program, the firm has received pass ratings from the peer reviewers. The latest review below included reviews of specific governmental entities.

During the latest review, an independent firm reviewed our policies and procedures and then inspected a representative sample of engagement workpapers and reports, including governmental entities and engagements subject to the *Uniform Guidance*. For the year ended November 30, 2017, our firm received a rating of *pass* which indicates our auditing practice is suitably designed and complied with to provide reasonable assurance of performing and reporting in conformity with applicable standards. The results provide confirmation that the custom audit approach and procedures we use are technically sound and in compliance with applicable standards.

The firm is not aware of any federal or state desk reviews or field reviews of its audits during the last three years.

Disciplinary action

The firm **has never** had any disciplinary action taken or pending against it with state regulatory bodies or professional organizations, nor has it ever had any pending or settled litigation, civil or criminal investigations.

Our firm does not have a record of substandard work.

In addition to the external quality control review, our firm performs in-house peer reviews over our audit and attest engagements annually.

Equal Opportunity Employer

Our firm is an equal opportunity employer and is committed to providing employment opportunities to all qualified persons regardless of race, color, sex, religion, national origin or handicap. Our staff represents a wide range of cultures and ethnic backgrounds. We provide opportunities for advancement for all staff based on ability, skill and desire to advance.

Grant Bennett Associates

A PROFESSIONAL CORPORATION

Report on the Firm's System of Quality Control

May 15, 2018

To the Partners of Rogers, Anderson, Malody & Scott, LLP and the Peer Review Committee of the California Society of CPAs:

We have reviewed the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP (the firm) in effect for the year ended November 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP in effect for the year ended November 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Rogers, Anderson, Malody & Scott, LLP has received a peer review rating of *pass*.

Grant Bennett Associates

GRANT BENNETT ASSOCIATES
A PROFESSIONAL CORPORATION
Certified Public Accountants



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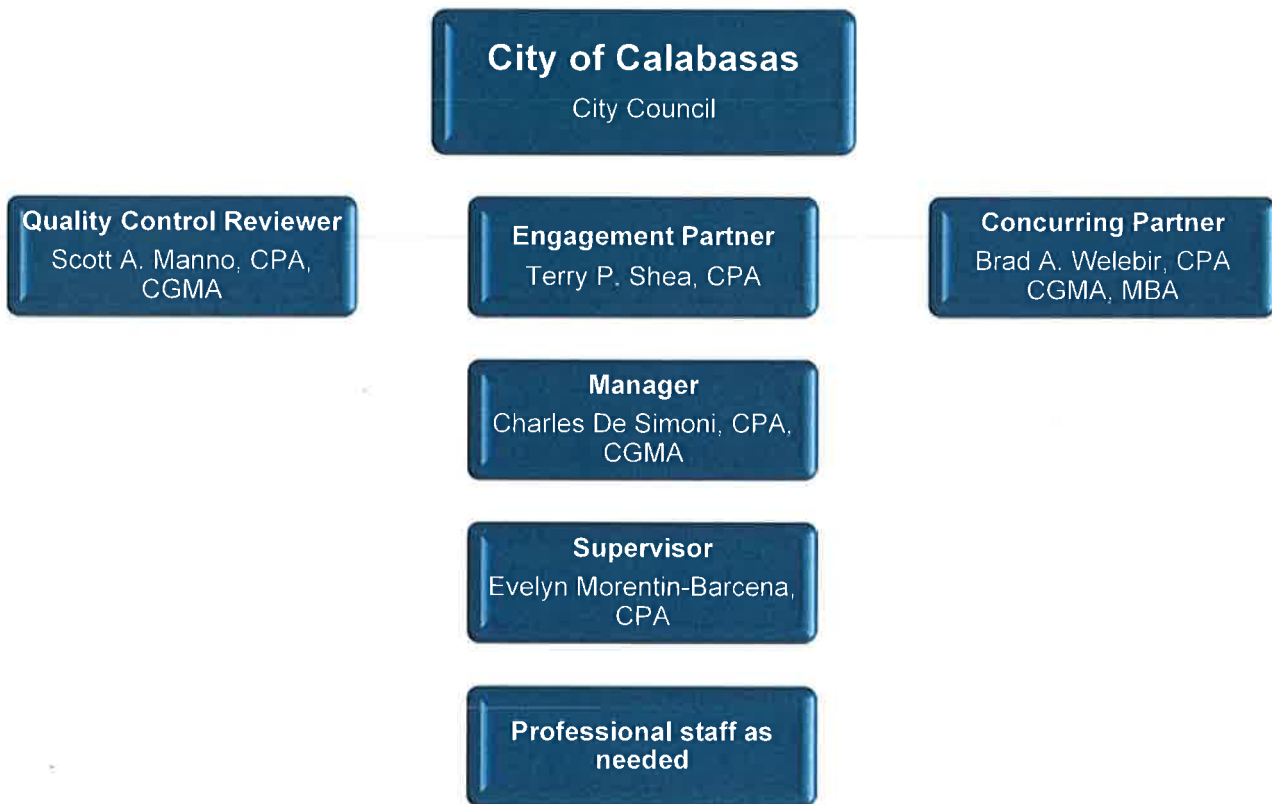
CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications

The quality of service you receive is dependent on the capabilities of the individuals assigned to the engagement, and the manner in which those personnel resources are organized to efficiently focus their abilities on providing you with the requested audit services. These professionals are highly trained and knowledgeable and have a thorough understanding of the environment in which governmental and not-for-profit entities operate. This experience is a critical component in providing the City with an effective and efficient audit.

Our engagement team will provide significant experience coupled with an extensive, practical understanding of governmental and not-for-profit accounting and auditing along with a broad business perspective. Each member will have access to a wide range of technical resources and knowledge bases which will enable them to provide the City with practical observations and effective solutions.



CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)

Partner and supervisory staff involvement

All partners and supervisory staff are working professionals and are actively and continually involved in all aspects of their engagements. We believe that partner and supervisory staff involvement in all areas of the audit is a key aspect of the overall audit process. This involvement includes being on-site for interim and year-end fieldwork, thus facilitating a proper, efficient and effective audit, with minimal disruption of your staff. In addition, the time spent on-site by the partners and supervisory staff ensures they gain an understanding of the entire City's accounting processes and procedures. This understanding will enable them to evaluate and develop opportunities for efficiency as well as offer practical and functional advice for improving your accounting processes and procedures.

All professionals on this engagement have worked on audits similar in nature to the City's, therefore, the City will not have to train our engagement team.

Staff continuity

Continuity of audit staff is a principal concern with our firm. In order to retain our staff, we offer extremely competitive wages, opportunities for advancement, generous medical packages, a retirement plan, bonus opportunities, as well as educational benefits. Even with the benefits we provide, we realize we may lose staff at any given time. Knowing this, we plan to provide staff continuity from year to year, which is in the best interest of the City and our firm. Continuity ensures an orderly, efficient, and less disruptive audit experience. Since we cannot guarantee staff will remain with us, principal supervisory and management staff, including engagement partners, managers, other supervisory staff, and specialists, may be changed if those personnel leave the firm or are promoted. **However, the City reserves the right to accept or reject replacements.**

We believe that due to the significant involvement of the partners on all of our engagements, any staff transition would have a minimal effect on the audit efficiency and effectiveness of subsequent years.

Continuing professional education

Our team of auditor specialists stays current in this highly technical practice area by adhering to, and typically exceeding, the continuing professional education requirements of *Government Auditing Standards* as well as the State Board of Accountancy guidelines. All professionals at our firm participate in continuing professional education (CPE) programs, which are sponsored by various organizations including the Government Finance Officers Association, the American Institute of Certified Public Accountants, the California State Society of Certified Public Accountants, the California Society of Municipal Finance Officers and the Association of Government Accountants. Participation in these programs helps us to ensure that our clients are serviced with the best trained and most proficient government and not-for-profit auditors and accountants available. In addition, we periodically provide in-house training taught by our partners and senior level staff using published resources. All staff are required to attend fraud and ethics training. It is our goal to provide our professional staff continuing education which exceeds the minimum standard of 80 hours over two years.

In accordance with our firm's Quality Control document and *Government Auditing Standards (GAS)*, all staff members who work on audits subject to GAS are required to complete CPE in accordance with GAS standards which require 24 hours directly related to governmental accounting and auditing.

In addition to the required CPE, we also use the following to increase our technical knowledge: view the Governmental Audit Quality Center Annual Webcast Update and other relevant seminars and review monthly publications from the AICPA, the GFOA, and various other resources. We also attend conferences and seminars sponsored by the GFOA, California Society of Municipal Finance Officers and the California Special District Association.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)

Assigned personnel

It is our goal to provide you with capable, competent, and personable individuals who offer an extensive background, not only in governmental and not-for-profit accounting and auditing, but also in general business practices. We offer practical solutions, as well as provide technical support. This enables you to stay at the forefront of governmental and not-for-profit accounting and provides you with the support you need in dealing with the complex issues confronting entities such as yours.

In addition, our engagement team has the managerial and supervisory experience to provide the City with a comprehensive audit of the highest quality, while still focusing on personal service. The resumes of the key engagement personnel assigned to the audit are presented near the end of this proposal. The following individuals will be assigned to the engagement for the entire contract period:

Terry P. Shea, CPA - Partner, Engagement Partner

Terry is a municipal audit partner with the firm and will be the engagement partner. He is licensed to practice as a certified public accountant in the State of California. He has been in public accounting for 39 years specializing in serving local governments such as yours. As the engagement partner, he will be responsible for overall engagement quality, as well as ensuring that the engagement is performed in the most effective and efficient manner. Terry will directly oversee all engagement staff while assisting in planning and performing the engagement as well as reviewing all work-papers prepared during the engagement, in addition to all required reports. Terry is a working partner and will be actively and continually involved in all aspects of the engagement.

Brad A. Welebir, CPA, CGMA, MBA - Partner, Concurring Partner

Brad is also a municipal audit partner with the firm. He is licensed to practice as a certified public accountant in the State of California. Brad has over 16 years of public accounting experience and has provided accounting, auditing, and consulting services for municipalities, special districts, water agencies, and various not-for-profit organizations. As the concurring partner, Brad will work directly with Terry in planning and performing the engagement. In addition, he will provide technical consultation for the engagement team.

Scott Manno, CPA, CGMA - Partner, Quality Control Reviewer

Scott will be the Quality Control Reviewer. He is licensed to practice as a certified public accountant in the State of California. He has over 25 years of practical, governmental accounting and auditing experience. Scott will be responsible for the final quality control review of all released reports.

Charles De Simoni, CPA, CGMA - Engagement Manager

Charles is an audit manager with the firm. He is licensed to practice as a certified public accountant in the State of California. Charles has over 10 years of public accounting experience and has provided accounting, auditing, and consulting services for municipalities, special districts, water agencies, and various not-for-profit organizations. He will work directly with Scott and Terry while supervising the engagement team during all phases of the engagement. In addition, he will oversee the preparation of any required reports.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)

Evelyn Morentin-Barcena, CPA - Audit Supervisor

Evelyn is an Audit Supervisor with the firm. She is licensed to practice as a certified public accountant in the State of California. She has over 4 years' experience in providing accounting and auditing services for municipalities, special districts and various not-for-profit organizations. As an audit senior, Evelyn will work closely with the engagement partner and manager and be responsible for planning the audit, supervising the staff assigned to the engagement, and performing reviews of all work-papers prepared for the engagement. In addition, she will also be responsible for the preparation of any required reports.

Laura Arvizu, CPA - Audit Senior

Laura is a senior accountant with the firm and is licensed to practice as a certified public accountant in the State of California. She has over three years' experience in providing accounting and auditing services for municipalities, special districts and various nonprofit organizations. As an audit senior, she will work closely with the engagement partner and manager and be responsible for planning the audit, supervising the staff assigned to the engagement, and performing reviews of all workpapers prepared for the engagement. In addition, she will also be responsible for the preparation of any required reports.

Staff level accountants

All staff employed by us and working on governmental audits are qualified to perform governmental audits. Each staff member is encouraged to take on increased responsibility for engagements previously worked on. This enables our staff to grow on each engagement and allows them to continue to gain the skills and knowledge required to perform the audits.

In summary, we want to emphasize the credentials of the above professionals who will be directly responsible for the quality of service that you will receive. Additionally, our audit team has another attribute that is very important, even though it is intangible -- the professionals assigned to the audits have previously worked together as a multi-disciplined team, thus ensuring a smooth, efficient and effective audit. We are committed to allocating the necessary resources to ensure that we provide continuity of personnel throughout the term of our relationship with the City.

Full engagement team resumes are provided as follows.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)

Engagement team resumes



Scott W. Manno, CPA, CGMA
Quality Control Partner

Professional experience

Mr. Manno began his career with Thomas, Bigbie and Smith in 1995 after serving in the United States Army. He spent six years with the firm primarily working on audits of municipalities, special districts and redevelopment agencies as well as various not-for-profit organizations. He joined Rogers, Anderson, Malody & Scott, LLP in July 2001. Currently, Mr. Manno serves as a technical reviewer for the GFOA CAFR Award program. Since 2010, Mr. Manno has been serving as a technical volunteer on the California Special Districts Association Audit Committee and is also on the Association's fiscal committee providing accounting and fiscal program guidance. Also, Mr. Manno has done presentations on fraud.

In addition, he is part of the California State Society of Certified Public Accountants Governmental Accounting and Auditing Committee which meets periodically to discuss current events, pronouncements, etc., including the implementation of GASBS 68/75.

Education/licenses

Bachelor of Science degree from California State University, San Bernardino
Certified Public Accountant - State of California
Chartered Global Management Accountant - American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of El Cajon*	Town of Yucca Valley	City of La Mesa*	City of La Verne
City of Sierra Madre*	City of Fillmore*	City of Chino*	City of 29 Palms
City of Claremont*	City of Perris*	City of Exeter*	City of Woodlake*
City of San Jacinto*	City of Menifee	City of Aliso Viejo	City of Poway*

Mr. Manno has completed over 200 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- ◆ Association of Certified Fraud Examiners, *Fraud Related Internal Controls*
- ◆ American Institute of Certified Public Accountants, *Governmental Accounting and Auditing Update*
- ◆ Checkpoint Learning, *GASB Pension Standards Overview*

Professional affiliations

Mr. Manno is a member of the following organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Association of Government Accountants (AGA)
- ◆ Association of Certified Fraud Examiners (ACFE)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Special Districts Association (CSDA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)



Terry P. Shea, CPA
Engagement Partner

Professional experience

Mr. Shea began his career with Thomas, Byrne and Smith in 1981. He spent five years with the firm primarily working on audits of municipalities, special districts, redevelopment and other governmental agencies. He joined Rogers, Anderson, Malody & Scott, LLP in 1987 where he has completed governmental audits including municipalities and provided financial consulting services for various cities.

Education/licenses

Bachelor of Arts degree from California State University, Fullerton
Certified Public Accountant - State of California

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of La Mesa*	City of Loma Linda*	City of Riverside*
City of Grand Terrace*	City of San Jacinto*	City of El Cajon*
City of Twentynine Palms	City of Palm Desert*	City of Indian Wells
City of Corona*	City of Coachella	City of Fillmore*
City of Norco*	City of Goleta	City of Redondo Beach*
City of Indio*	City of Mission Viejo*	City of Poway
City of Fontana*		City of San Marcos*

Mr. Shea served as the Interim Finance Director for the City of Perris from July 1998 to October 2001. He currently serves as the Contract Finance Director for one Riverside County city and one Los Angeles County city.

Continuing professional education

Mr. Shea has completed over 120 hours of continuing professional education courses in the past three years, of which, the following select courses are relevant to this engagement:

- ◆ American Institute of Certified Public Accountants, *Foundations in Governmental Accounting*
- ◆ American Institute of Certified Public Accountants, *Governmental and Not-for-Profit Conference*
- ◆ California Society of CPAs Education Foundation, *Governmental Auditing Skills*
- ◆ Thomson Reuters, *Audits of State and Local Governments*

Professional affiliations

Mr. Shea is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)



Brad A. Welebir, CPA, CGMA, MBA
Concurring Partner

Professional experience

Mr. Welebir joined Rogers, Anderson, Malody & Scott, LLP in January 2004. He works primarily on audits of governmental agencies, small to mid-sized businesses, and not-for-profit organizations. Mr. Welebir serves as a technical reviewer for the GFOA CAFR Award program.

Education/licenses

Masters of Business Administration - Accounting Emphasis from California State University, Fullerton
Bachelor of Arts in Business Administration from La Sierra University
Certified Public Accountant - State of California
Chartered Global Management Accountant - American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

San Bernardino International Airport Authority*	Inland Valley Development Agency*
City of Twentynine Palms	City of San Juan Capistrano
City of Loma Linda*	City of La Verne
City of San Bernardino*	City of Mission Viejo*
City of Sierra Madre*	City of Rosemead
City of San Jacinto*	City of Redondo Beach*
City of Hawthorne*	City of Claremont*
City of Fillmore*	City of San Marcos

Continuing professional education

Mr. Welebir has completed over 120 hours of continuing professional education courses in the past three years of which the following select courses are relevant to this engagement:

- ◆ California Society of CPAs Education Foundation, *Governmental Accounting and Auditing Update*
- ◆ American Institute of Certified Public Accountants, *OMB A-133 Single Audit Update*
- ◆ California Society of Municipal Finance Officers, *Annual Conference Sessions*
- ◆ Government Finance Officers Association, *GAAP Update*
- ◆ Thomson Reuters, *Yellow Book Update*

Professional affiliations

Mr. Welebir is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Society of Municipal Finance Officers (CSMFO)
- ◆ California Special Districts Association (CSDA)

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)



Charles De Simoni, CPA, CGMA
Audit Manager

Professional experience

Mr. De Simoni joined Rogers, Anderson, Malody & Scott, LLP in January 2009. He works primarily on audits of governmental agencies, small to mid-sized businesses, and nonprofit organizations. Prior to joining our firm, he worked at Jasper Engines, where he was assistant branch operations manager.

Education/licenses

Bachelor of Science in Business Administration from CSUSB
Certified Public Accountant – State of California
Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of governmental entities recently served (*includes enterprise fund accounting):

City of Fillmore*
Town of Yucca Valley
City of Rosemead
City of Moorpark*
City of San Bernardino*
City of Redondo Beach*
City of West Covina*

City of Twentynine Palms
City of Hawthorne*
Elsinore Valley Municipal Water District
City of Menifee
City of Loma Linda*
City of La Verne
City of Aliso Viejo

Continuing professional education

Mr. De Simoni has completed over 120 hours of continuing professional education courses in the past three years of which the following select courses are relevant to this engagement:

- ◆ California Society of Municipal Finance Officers, *GASB Update*
- ◆ California Society of Municipal Finance Officers, *GASB 75 Case Study*
- ◆ California Society of Municipal Finance Officers, *OPEB*
- ◆ California Society of Municipal Finance Officers, *GASB 87: Lease Accounting*
- ◆ Wolters Kluwer CCH CPE Link, *Governmental Accounting and Auditing Update*
- ◆ Wolters Kluwer CCH CPE Link, *Government Auditing: Current Developments*
- ◆ Wolters Kluwer CCH CPE Link, *Sub-recipient Monitoring Under Uniform Guidance*

Professional affiliations

Mr. De Simoni is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)



Evelyn Morentin-Barcena, CPA
Audit Supervisor

Professional Experience

Ms. Morentin-Barcena is an Audit Supervisor with the firm. She has over 4 years' experience in providing accounting and auditing services for municipalities, special districts and various nonprofit organizations. As an audit supervisor, she will work closely with the engagement partner and manager and be responsible for planning the audit, supervising the staff assigned to the engagement, and performing reviews of all workpapers prepared for the engagement. In addition, she will also be responsible for the preparation of any required reports.

Education

Bachelor of Science degree from California State University, San Bernardino
Certified Public Accountant – State of California
Intermediate Single Audit Certificate – AICPA

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

- | | |
|------------------------|----------------------|
| City of Hawthorne* | City of La Mesa* |
| City of La Verne | City of Loma Linda* |
| City of Menifee | City of Poway* |
| City of Redondo Beach* | City of Rosemead* |
| City of San Jacinto* | City of San Marcos* |
| City of Thousand Oaks* | City of West Covina* |

Continuing Professional Education

Ms. Morentin-Barcena has completed over 100 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- ◆ American Institute of Certified Public Accountants, *Applying the Uniform Guidance in Your Single Audits*
- ◆ CPELink, *GASB Update*
- ◆ American Institute of Certified Public Accountants, *Governmental Accounting and Auditing Update*

Professional affiliations

Ms. Morentin-Barcena is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Partner, supervisory and staff qualifications (continued)



Laura Arvizu, CPA
Audit Senior

Professional Experience

Ms. Arvizu began her career with Rogers, Anderson, Malody & Scott, LLP in July 2016. During her time with the firm, she has worked primarily on audits of municipalities, special districts and redevelopment agencies, as well as various non-profit organizations.

Education

Bachelor of Arts degree from California State University, San Bernardino
Certified Public Accountant – State of California

Related Professional Experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of Claremont*	City of San Jacinto*
City of El Cajon*	City of Loma Linda*
City of La Mesa*	City of Twentynine Palms
City of Rolling Hills Estates	City of South Pasadena*
City of Hawthorne*	City of Meniffee
City of San Marcos*	City of Moorpark*

Continuing Professional Education

Ms. Arvizu has completed over 100 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- ◆ CCH CPELink, *Frequent Frauds Found in Government*
- ◆ CCH CPELink, *Common Deficiencies, Audits under GAS and the Single Audit*
- ◆ American Institute of Certified Public Accountants, *Governmental Accounting and Auditing Update*

Professional Affiliations

Ms. Arvizu is a member of the following organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CaICPA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Similar engagements with other government entities

Client references

Entity:	City of Claremont
Scope of work:	Financial Audit/CAFR*/Successor Agency
Date:	Year ending June 30, 2016 - present
Engagement partner:	Mr. Brad Welebir
Total hours:	Approximately 450 hours
Contact person:	Mr. Adam Pirrie, Finance Director, (909) 399-5328

Entity:	City of Thousand Oaks
Scope of work:	Financial Audit/CAFR*/Successor Agency/Single Audit
Date:	Year ending June 30, 2018 - present
Engagement partner:	Mr. Terry Shea
Total hours:	Approximately 450 hours
Contact person:	Ms. Elisa Magana, Accounting Manager, (805) 449-2216

Entity:	City of Hawthorne
Scope of work:	Financial Audit/CAFR*/Successor Agency/Single Audit
Date:	Year ending June 30, 2016 - present
Engagement partner:	Mr. Terry Shea
Total hours:	Approximately 400 hours
Contact person:	Ms. Felice Lopez, Finance Director, (310) 349-2923

Entity:	City of Aliso Viejo
Scope of work:	Financial Audit/CAFR*/Single Audit
Date:	Year ending June 30, 2016 - present
Engagement partner:	Mr. Terry Shea
Total hours:	Approximately 360 hours
Contact person:	Ms. Gina Tharani, Finance Director, (949) 425-2520

Entity:	City of Sierra Madre
Scope of work:	Financial Audit/CAFR*/Successor Agency
Date:	Year ending June 30, 2012 - present
Engagement partner:	Mr. Scott Manno
Total hours:	Approximately 300 hours
Contact person:	Mr. Colby Konisek, Finance Director, (626) 355-7135

* = received GFOA/CSMFO award.

See Attachment A for a listing of current and recent government clients served.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach

Services to be provided

The City desires a Comprehensive Annual Financial Report (CAFR) and its component unit's financial statements for the City to be prepared by the independent auditor and be fully compliant for GASB for the fiscal year ended June 30, 2020, and each of the subsequent years, June 30 2021, 2022, 2023 and 2024 of the audit firm's contract with the City. We will perform the following tasks:

1. We will audit all of the funds of the City of Calabasas. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. The City's Comprehensive Annual Financial Report (CAFR) will be prepared and word processed by our firm.
2. Provide opinions as to the compliance with the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (OMB Uniform Guidance) (Single Audit). RAMS is to provide an "in-relation-to" report on the Schedule of Expenditures of Federal Awards based on the auditing procedures applied during the audit of the financial statements. We will issue the required reports.
3. We will issue a separate "Management Letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management Letters will be addressed to the City Manager.
4. If we requested, we will prepare and submit the "Cities Financial Transactions Report" to the State Controller's Office.
5. If we requested, we will prepare and submit the "Annual Street Report" to the State Controller's Office.
6. Test compliance with Article XIII B pertaining to the City's appropriation limit, and prepare an Agreed-Upon Procedures report to the City Council regarding compliance

Our audit(s) will be in accordance with:

- Generally Accepted Auditing Standards as promulgated by the American Institute of Certified Public Accountants, including requirements found in the new AICPA audit guide "Audits of State and Local Governments".
- *Government Auditing Standards* issued by the Comptroller of the United States of America.
- *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (OMB Uniform Guidance) Single Audit.
- Specific auditing standards relating to any grant agreement determined to be material by the auditor.
- Any other applicable standards for conducting the examinations of items outlined in the Scope of Work to be performed and/or reports to be issued.

All working papers and reports will be retained at our expense for minimum of seven years. We will make them available to the City or any government agencies included in the audit of federal grants. We shall respond to reasonable inquiries of successor auditors and allow them to review significant work papers.

Make an immediate, written notification of all irregularities and illegal acts or indication of illegal acts of which we become aware to the following: City Manager, Chief Financial Officer and City Attorney.

Specific audit approach (continued)

Engagement approach

Our engagement approach for your audit will be developed using established goals which will enable measurement of the audit process by the engagement partner and lead auditor. Our approach involves frequent communication between the partner and the engagement team to ensure that all audit objectives are achieved in accordance with our goals and that any issues which may arise are communicated and dealt with on a timely basis. Our overall knowledge and expertise in governmental accounting and auditing has allowed us to identify key audit and accounting risks in the government environment. More importantly, the approach provides for a complete reassessment of the management and control environment in each year's audit and thus is capable of responding to changes and will ensure that deadlines are met in issuing the annual financial statements.

Our engagement approach has been developed and refined over many years. The backbone of our approach revolves around the following six constants:

- **Knowledge and experience.** We have been auditing governmental entities like the City, both large and small, for over 72 years. This experience has allowed us to gain in-depth knowledge of the governmental environment which in turn allows us to perform a more efficient and effective audit and enables us to perform detailed risk assessment procedures. These risk assessment procedures allow us to identify significant audit risk areas within the City.
- **Oversight.** Professional judgment is not developed overnight. Our partners, managers and supervisors have been deeply involved in governmental audits on a continuous basis for most of their professional careers. By having direct partner and manager oversight, we are able to design audit strategies that result in effective and efficient audits.
- **Intelligent design.** As discussed later in our proposal, all of our audits are designed to be intelligent using our powerful audit software tools (Engagement and Teammate Analytics). This allows us to analyze large amounts of data in seconds increasing both efficiency and effectiveness on all engagements.
- **Timeliness.** Deadlines are not just "dates" to us, they are professional commitments. All required deadlines will be met.
- **Open communication.** Open lines of communication with all parties (the engagement team members and City Management and staff) throughout the audit process helps to eliminate "surprises." Proper planning and proper use of experienced engagement personnel tend to provide for an effective and efficient audit process. Consequently, inefficiencies, disruptions, and lack of understanding are kept to a minimum.
- **Availability.** All engagement team members are available throughout the year for any questions or additional consultation. City staff will have direct access to the partner, manager and other supervisory staff at all times during the engagement, as well as subsequent to.
- **Cost effectiveness.** Our customized audit approach and procedures and our experienced auditors help to reduce your overall audit costs while still providing an effective audit and high quality reports.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

As indicated in the next section of the proposal, the overall objective of the engagement with the City is to conduct an audit of the financial statements in accordance with required auditing standards and the expression of an opinion on those financial statements. Beyond that initial objective, we believe that our engagement approach provides certain other value added characteristics, at no additional cost, that will benefit the City over the long-term:

- All of our audits are designed to be performed in an efficient and effective way to minimize disruption to the office operations.
- We offer practical observations and recommendations relating to internal control issues, implementation of accounting standards and the policies and procedures regarding both.
- We identify opportunities for operating efficiencies which can be used to decrease operating costs of the City.

Audit approach and proposed audit segmentation

The following is a summary of the audit team's audit approach for the City's engagement. The audit will be divided into the following segments:

Segment 1 - Interim testing - planning, pre-audit administration and internal control testing

During this phase of the audit, our principal objectives will be to gather information about the City and its environment, including its internal control over financial reporting.

In order to achieve the desired objectives of this phase of the audit, we will:

- Meet with the City's staff in order to determine convenient dates in which we can begin our audit, and to discuss the assistance to be provided by the City's staff.
- Hold brainstorming sessions with engagement team members to discuss the susceptibility of the City's financial statements to material misstatement and fraud.
- Review and evaluate the City's accounting and reporting processes by reviewing the prior year's audit workpapers, any City-prepared documents such as budgets, in-house financial reports, policies and procedures manuals, minutes of council meetings, etc., and by using various analytical procedures. Analytical procedures will enhance our understanding of the City and will help us identify areas that may need further assessment and additional testing.
- Review and retain copies of any pertinent local, state and federal statutes, regulations, or charters that apply to the City.
- Evaluate the design of controls that are relevant to the audit by obtaining a thorough understanding of the City's internal controls over financial reporting and compliance by documenting key internal control components, utilizing questionnaires, walkthroughs, inquiring of the City's personnel, and observing and reviewing key supporting documentation (a more thorough explanation of this process is discussed later in the technical proposal).
- Test controls, if control risk is assessed below the maximum, by selecting a sample of transactions within the audit area being tested and reviewing supporting documentation, and evaluating the completeness of the documentation tested, as well as the adequacy of support and approvals as they appear on the support.
- Document and review with management, any findings noted during the testing of internal controls and provide a preliminary management letter that will include our recommendations for improving any weaknesses in operations. The letter will also include suggestions for improving the efficiency of the City's operations.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

In addition, we will perform the following procedures related to IT General Controls that "touch" financial data:

- *Security access (including physical) controls:* evaluate the general system security settings and password parameters; evaluate the process for adding, deleting and changing security access; and evaluate the access capabilities of various types of users; evaluate access controls to networks and financial applications; evaluate access controls related to data files; and evaluate physical access to networks, servers, etc.
- *Computer operations:* Evaluate backup and recovery processes; and review processes of identifying and handling operational problems.
- *System development and system changes:* Evaluate processes related to system development and system changes (if applicable).
- *Application testing:* We will determine if the testing of application controls is deemed necessary based on our professional judgment in the planning stages of the engagement. If deemed appropriate, application control testing might consist of the following:
 - Interview key personnel, inquire of testing processes (quality assurance and end user testing) for application changes, review the chain of relevant documents (end user acceptance report);
 - Observe attempts to input incorrect data, determine who can override controls;
 - If table driven, determine who can change edits and tolerance levels;
 - Conduct tests based on user access rights;
 - Test access privileges for each sensitive function or transaction;
 - Review access rights that set and amend configurable approval and authorization limits;
 - Observe transmission reports and error reports;
 - Observe validity and completeness parameters and settings;
 - Review access to set and amend configurable parameters on file transfers; and
 - Review process for validation and test operation.

This phase of the engagement for the audit will be performed by the audit supervisor and senior with two staff accountants with direct supervision by the audit manager and partner.

Segment 2 - Year-end testing - substantive testing

During this phase of the audit, our principal objectives will be to assess the risk of material misstatement at the financial statement level and specific assertions, design overall responses to assessed risks and further audit procedures, perform substantive tests, as needed, and complete the audit and evaluate audit findings, if applicable.

In order to achieve the desired objectives of this phase of the audit, we will:

- Determine whether our testing supports the assessed level of risk initially assigned at the financial statement level and at the assertion level.
- Identify significant risks.
- Develop a detailed audit plan.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

- Design substantive tests of account balances, designed and modified specifically for the City's operations and assessed level of risk. Substantive procedures will consist of testing balance sheet accounts, revenues and expenditures accounts along with various analytical procedures as deemed necessary. In addition, various accounts made be confirmed with outside parties (cash, investments, etc.).

This phase of the engagement for the audit will be performed by the supervisor and senior with two staff accountants with direct supervision by the audit manager and partner.

Segment 3 - Reporting - report preparation/audit conclusion (workpaper review)

During this phase of the audit, our principal objectives will be to evaluate whether the financial statements, taken as a whole, are free from material misstatement and form an opinion(s) and issue our report.

In order to achieve the desired objectives of this phase of the audit, we will:

- Determine whether, based on our substantive testing and other procedures, the financial statements, taken as a whole, are free of material misstatement. This will provide the basis for our opinion(s).
- Review all audit workpapers to ensure that the audit was performed in accordance with the required standards (GAAS, GAGAS, etc.).
- Prepare drafts of all required reports by the agreed-upon dates.
- Conduct an independent review of the financial statement draft by the engagement's quality control partner.
- Issue all reports by the agreed-upon dates.

This phase of the engagement will be performed by the audit supervisor and senior with one staff accountant with direct supervision by the audit manager and partner. In addition, the engagement's quality control partner will perform a detailed quality control review of the financial statements.

The above procedures are a general list of procedures to be performed. After our initial review of the City and our detailed risk assessment, we will customize the engagement and gear it towards the needs of the City and the audit itself. In doing so, we will determine which procedures to perform relative to our risk assessment. All of our audits are customized to each entity, helping to ensure a complete, effective, and efficient audit. The foundation of the above approach is based on open communication coupled with a strong knowledge of the City's operations and detailed planning at the initial stages of the audit.

Our firm is dedicated to performing a timely audit engagement. Prior to the start of the audit, we will meet with City staff and decide on adequate timeframes, agreed upon by both the City and us, for the performance of the audit and the release of the financial statements. *We will dedicate the necessary resources to meet any agree upon time frames.*

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

Level of staff and approximate number of hours assigned to each segment:

Segment	Partner	Manager	Senior	Staff	Total
Segment 1	5	5	29	53	92
Segment 2	9	8	46	70	133
Segment 3	11	7	40	17	75
Totals*	25	20	115	140	300

* = excludes Single Audit, SCR and GANN hours

Sample sizes

Our sample sizes will be determined in accordance with the AICPA's *Audit and Accounting Guide, Audit Sampling*, and will be selected using professional judgment as permitted by Statement on Auditing Standards. Our methods are designed to provide the most audit coverage without expending excess time. Our sample sizes will depend upon our preliminary assessment of control risk, our planned substantive testing and analytical procedures as well as our professional judgement.

We utilize our Computer Aided Audit Tools (CAAT) software, Teammate Analytics, to draw our audit samples. The software allows us to generate random samples, systematic samples, stratified samples, attributes samples as well as monetary unit samples (also called probability-proportional-to-size or dollar unit sampling).

Audit technology

We design our audits to be intelligent using our powerful audit software tools (Engagement and Teammate Analytics). This allows us to analyze large amounts of data in seconds. In addition, all audit team members are linked to each other using wireless connections (or a local router) which enables them to share information at an almost real-time speed. Below are benefits of our audit software:

- **We utilize Teammate Analytics, a suite of more than 150 dynamic Computer Aided Audit Tools (CAATs). Using data received directly from the Department, we can perform the following: search for duplicate checks, detect transactions occurring on holidays/weekends or during unusual hours, perform Benford's Law analysis, and identify instances when a vendor has issued multiple invoices with sequential references along with many other tests. The software empowers our audit teams with the ability to perform powerful, meaningful data analysis which will build upon our other value added services.**
- We can create our own analytical schedules allowing for easy analysis of current balances to prior year balance, current vs budget balance, thus reducing significant City staff time.
- Once your trial balances and financial statements are entered into our software, we are able to observe your statements in the field allowing us to notice any variances and address them at your office.
- We link the financial statement schedules directly to our audit software trial balances, and as a result, we can provide the City with fund financial statements almost immediately after importing the trial balances.
- We can provide the City with our audited trial balances which show the coding of the financial statement schedules for ease of review for City staff. These reports show each account coded to a specific financial statement line item/function as well as journal entries posted during the audit.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

Analytical procedures

In order to properly utilize analytical procedures, industry background and knowledge are needed. With our firm's long history and qualified staff, we believe we have the necessary knowledge and experience to effectively apply analytical procedures. We will utilize analytical review procedures throughout our audit of the City. During the *interim* phase of our audit, we will compare current and prior year unadjusted balances to determine areas that may need additional analysis; we will also compare current year actual amounts to the City's annual budget. During the *final* phase of our audit, we will perform procedures similar to those mentioned above, as well as compare certain financial ratios for current and prior years. We will also conduct certain "reasonableness" tests. Any significant variances are investigated further through inquiry and other substantive testing as deemed necessary until resolved to our satisfaction. Finally, after we have completed our fieldwork, we will compare current and prior year audited balances, keeping in mind expected relationships obtained from our knowledge of the City and various other entities. In addition, we may choose to use various other analytical techniques such as trend analysis, etc.

Unlike other audit firms, we use analytical procedures to supplement our substantive testing, not supplant them.

Understanding of internal control over financial reporting

Our approach to obtaining an understanding of the City's internal control over financial reporting will be performed in accordance with professional standards as promulgated by the American Institute of Certified Public Accountants -- our understanding will include the *Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring*. We will use customized procedures which we have developed internally to evaluate your internal control systems. By combining our customized procedures and our detailed knowledge of the City and its environment, we will be able to provide constructive feedback in areas we feel need improvement. In addition to our customized procedures, we will also perform the following:

Control Environment. Through inquiry of the City's personnel, prompted by questionnaires, personal knowledge, and review of the minutes of the City's Council meetings, we will obtain an understanding of management's and the City Council's attitudes, awareness and actions concerning the control environment, focusing on the substance of the controls rather than their form.

Risk Assessment. Through inquiry of the City's personnel and the use of questionnaires, we will obtain sufficient knowledge of the City's risk assessment process to understand how management considers risks relevant to financial reporting objectives and decides upon actions to address those risks. This will include understanding how management identifies risks, estimates the significance of these risks, assesses the likelihood of their occurrence, and relates them to financial reporting.

Control Activities. Certain control procedures will be documented during our analysis of the control environment and the accounting system. However, many specific control procedures will still need to be documented that will focus primarily on the City's major transaction cycles. As mentioned above, we will test the City's control procedures on which we intend to rely on for safeguarding assets from unauthorized use or disposition and detecting/preventing unauthorized transactions. Any flow charts, organizational charts and any other manuals, programs, and financial and management information systems will be analyzed during this process.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

Information and Communication. Through inquiry of the City's personnel, we will identify the major types of transactions engaged in by the City. We will become familiar with the treatment of those transactions, including how the transactions are initiated, the related accounting records, and the manner of processing the transactions. Finally, we will obtain an understanding of the City's financial reporting process used to prepare financial reports, including the approaches used in making accounting estimates and disclosures.

Monitoring. Through inquiry of the City's personnel and the use of questionnaires, we will obtain sufficient knowledge of the major types of activities the City uses to monitor internal control over financial reporting. We will also determine how those activities are used to initiate corrective actions.

Approach in determining applicable laws and regulations

We understand the importance of laws and regulations in planning an audit of a local government or not-for-profit entity and design all of our audits to ensure we test transactions for compliance. As part of our audit process, our audit team will obtain an understanding of the laws and regulations that will have a direct and material effect on the City's financial statements. In determining which laws and regulations are applicable to the City's financial statement audit, we will consult the following sources:

- AICPA Audit and Accounting Guide, *Audits of State and Local Governments*
- California Government Code (investments, GANN limit requirements, etc.)
- U.S. Government Accountability Office's *Government Auditing Standards* (The Yellow Book), 2011 Revision (for the 2021 audit we will follow the 2018 Revision)
- Applicable contracts/grants of the City
- *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (OMB Uniform Guidance)

After consulting the applicable sources, we will design our audit to provide reasonable assurance of detecting material instances of noncompliance while continuing to refer back to the applicable compliance guideline to ensure changes in compliance are not missed.

Approach in drawing samples for compliance testing

Our approach to be taken in drawing audit samples for purposes of tests of compliance will depend on the number of transactions, the amounts of financial assistance provided (as applicable), and the City's internal controls over the respective programs. Our audits are designed to ensure we will select samples that will provide sufficient evidence of the City's compliance with the laws and regulations that will have a material effect on compliance with laws and regulations.

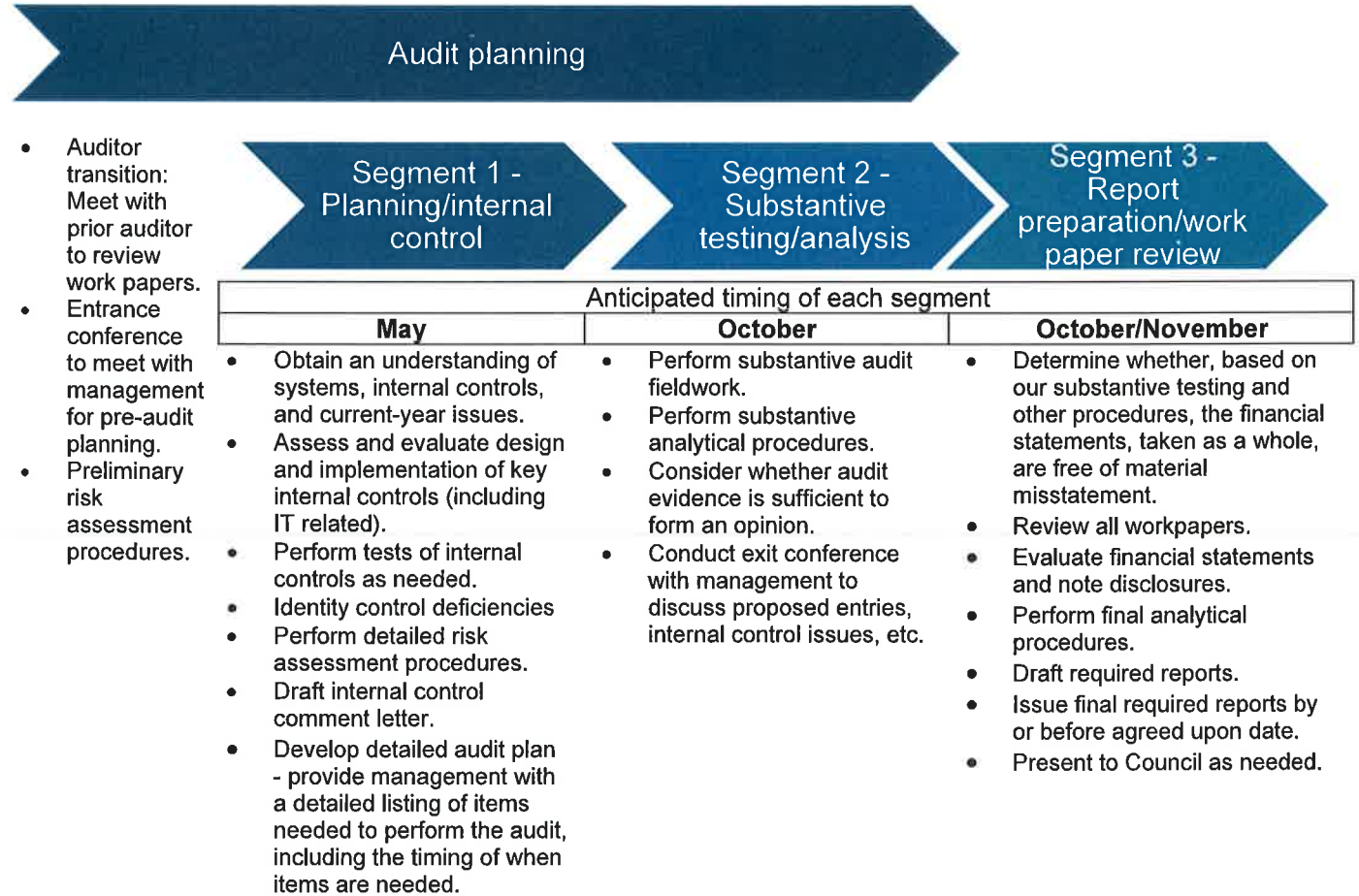
As previously mentioned, we utilize our CAAT software, *Teammate Analytics*, to draw our audit samples. The software allows us to pull random samples, systematic samples, stratified samples as well as monetary unit samples (also called probability-proportional-to-size or dollar unit sampling).

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Specific audit approach (continued)

Proposed audit timing



CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Identification of anticipated potential audit problems

One potential problem could be the implementation of any future Governmental Accounting Standards Board Statements. With our deep understanding of governmental accounting and auditing, constant training, and broad resources, we do not anticipate any issues during a GASB implementation. Our approach to any GASB statement implementation would as follows: gain a thorough understanding of the pronouncement; determine applicability to the City; if applicable, discuss the statement and how it will affect the City with City staff; and provide guidance to City staff on the accounting and financial reporting implications.

Below is a summary of the most significant recent pronouncements:

GASB Statement No. 84 - Fiduciary Activities: The Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 87 - Leases: This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period: This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90 - Majority Equity Interests: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 91 - Conduit Debt Obligations: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

CITY OF CALABASAS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Other information

Why should the Commission consider hiring RAMS?

Our firm has a long history of providing high-quality professional services to government entities similar to the Commission and has a well-respected reputation in the industry, as partly evidenced by our client satisfaction and retention rates. Our staff are committed to the highest standards in performing quality engagements, and you will find they are very personable and easy to work with. At RAMS, you will always work with professionals who are experienced in governmental audits, and thoroughly informed of current issues facing this rapidly changing field. We focus on efficiency in each engagement by emphasizing detailed planning to mitigate or eliminate surprises and maximize the value of our services to our clients. Our knowledge and involvement in the industry lend to our ability to offer year-round guidance and build lasting relationships with our clients.

What are you missing if you do not hire RAMS?

1. **Knowledge.** We provide highly trained and knowledgeable staff dedicated to client service. We are available throughout the year to answer questions or to provide guidance on any accounting matter.
2. **Quality.** A commitment to quality on **every** engagement is our priority.
3. **Experience.** A client focused team of experienced auditors and accountants will serve the Commission.
4. **Flexibility.** A flexible team that will work with your schedule.
5. **Value.** We provide exceptional client service and quality work at a reasonable and competitive fee.

RECENT GOVERNMENT CLIENTS SERVED

<u>Government Client</u>	<u>Years Served</u>		<u>CSMFO/</u>			
			<u>GFOA Awards</u>	<u>Successor Agency</u>	<u>Housing Authority</u>	
City of El Cajon	06/30/07	to 06/30/19	Yes	Yes	Yes	
City of Exeter	06/30/17	to 06/30/19				
City of Woodlake	06/30/17	to 06/30/19				
Town of Yucca Valley	06/30/08	to 06/30/19	Yes	Yes	Yes	
City of La Verne	06/30/11	to 06/30/19	Yes	Yes	Yes	
City of San Jacinto	06/30/11	to 06/30/19		Yes	Yes	
City of Twentynine Palms	06/30/11	to 06/30/19	Yes	Yes	Yes	
City of La Mesa	06/30/11	to 06/30/19		Yes	Yes	
City of Menifee	06/30/14	to 06/30/19	Yes			
City of San Marcos	06/30/14	to 06/30/19	Yes	Yes	Yes	
City of Redondo Beach	06/30/12	to 06/30/16	Yes	Yes	Yes	
City of Loma Linda	06/30/13	to 06/30/19	Yes	Yes	Yes	
City of Sierra Madre	06/30/12	to 06/30/19	Yes	Yes	Yes	
Successor Agency to the County of SB	06/30/14	to 06/30/19				
City of Hawthorne	06/30/16	to 06/30/19	Yes	Yes	Yes	
City of West Covina	06/30/16	to 06/30/19	Yes	Yes	Yes	
City of Aliso Viejo	06/30/16	to 06/30/19	Yes	No	No	
City of Claremont	06/30/16	to 06/30/19	Yes	Yes	Yes	
City of Thousand Oaks	06/30/18	06/30/19	Yes	Yes	Yes	
City of South Pasadena	06/30/18	06/30/19		Yes	Yes	
City of Rolling Hills Estates		06/30/19				
City of Poway	06/30/14	to 06/30/19	Yes	Yes	Yes	
City of Capitola	06/30/12	to 06/30/18	Yes	Yes	Yes	
City of Fillmore	06/30/08	to 06/30/18	Yes	Yes	Yes	
City of San Juan Capistrano	06/30/11	to 06/30/15	Yes	Yes	Yes	
City of Chino	06/30/11	to 06/30/16	Yes	Yes	Yes	
City of Rosemead	06/30/11	to 06/30/17	Yes	Yes	Yes	
City of Moorpark	06/30/12	to 06/30/17	Yes	Yes	Yes	
City of Mission Viejo	06/30/12	to 06/30/15	Yes	Yes	Yes	
Crestline Village Water District	04/30/96	to 04/30/19				
Crestline-Lake Arrowhead Water	06/30/98	to 06/30/19				
San Bernardino Valley Muni Water District	06/30/04	to 06/30/19				
Elsinore Valley Municipal Water District	06/30/15	to 06/30/19	Yes			
Ventura Regional Sanitation District	06/30/07	to 06/30/19	Yes			
Saticoy Sanitary District	06/30/07	to 06/30/19				
Pine Cove Water District	06/30/10	to 06/30/19				
Western Municipal Water District	06/30/11	to 06/30/16	Yes			
WRCRWA	06/30/11	to 06/30/16				
Vista Irrigation District	06/30/11	to 06/30/16	Yes			
Idyllwild Water District	06/30/11	to 06/30/19				
Vallecitos Water District	06/30/15	to 06/30/18	Yes			
29 Palms Water District	06/30/12	to 06/30/15				
Big Bear Area Regional Wastewater	06/30/12	to 06/30/19	Yes			
Beaumont Basin Watermaster	06/30/13	to 06/30/19				
Mojave Water Agency		6/30/2019				

RECENT GOVERNMENT CLIENTS SERVED (continued)

<u>Government Client</u>	<u>Years Served</u>		<u>CSMFO/ GFOA</u>	<u>Successor</u>	<u>Housing</u>
			<u>Awards</u>	<u>Agency</u>	<u>Authority</u>
Costa Mesa Sanitary District	06/30/15	to 06/30/17	Yes		
Beaumont Cherry Valley Water District	12/31/17	to 12/31/18	Yes		
United Water Conservation Agency	06/30/15	to 06/30/19	Yes		
Inland Empire Resource Cons. District	06/30/04	to 06/30/16			
Rosamond Community Services District	06/30/15	to 06/30/19			
Rossmoor Community Services District	06/30/05	to 06/30/19			
Rim of the World Park & Rec. District	06/30/06	to 06/30/19			
Ventura County Regional Energy	06/30/07	to 06/30/19			
Heartlands Communications Fac Auth	06/30/07	to 06/30/19			
Heartlands Fire Training Authority	06/30/07	to 06/30/19			
Consolidated Fire Agencies	06/30/14	to 06/30/19			
Riverside County Habitat Con. Agency	06/30/15	to 06/30/19			
Santa Ana Watershed Association	12/31/09	to 12/31/18			
SB Fire Training Authority	06/30/10	to 06/30/15			
Capistrano Bay Community Services District	06/30/13	to 06/30/19			
Ventura County Public Fin Authority	06/30/12	to 06/30/19			
Nipomo Community Services District	06/30/16	to 06/30/19	Yes		
SBIAA	06/30/17	to 06/30/19			
West Valley San Bernardino Water District	06/30/17	to 06/30/19			
WRCOG	06/30/17	to 06/30/19	Yes		
San Diego Workforce Partnership	06/30/16	to 06/30/19			
Rubidoux Community Services District	06/30/16	to 06/30/19			
CSUSB - Student Union	06/30/05	to 06/30/19			
CSUSB - Associated Students Inc.	06/30/10	to 06/30/19			
CSUSB - Philanthropic Foundation	06/30/11	to 06/30/19			
CSUSB - University Enterprise Corp.	06/30/11	to 06/30/19			
Helendale Community Services District	06/30/10	to 06/30/18			
Conejo Recreation and Park District		06/30/19			
Upper San Gabriel Valley MWD		06/30/19			
March Joint Powers Authority		06/30/19			
Chino Basin Desalter Authority		06/30/19			
Mountains Recreation and Conservation		06/30/19			
Running Springs Water District		Accounting support			
Phelan Pinon Hills Community Services District		Accounting support			

City of Calabasas

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

ROGERS, ANDERSON, MALODY & SCOTT, LLP CERTIFIED PUBLIC ACCOUNTANTS

COST PROPOSAL FORM

Service	2019/20	2020/21	2021/22	2022/23	2023/24
City audit and related reports	\$ 26,000	\$ 26,000	\$ 27,000	\$ 27,000	\$ 28,000
Single audit and related reports, if necessary*	3,500	3,500	3,600	3,600	3,700
Subtotal	\$ 29,500	\$ 29,500	\$ 30,600	\$ 30,600	\$ 31,700
At the City's Option:					
City State Controller's Report	2,500	2,500	2,500	2,500	2,500
City Annual Street Report	2,500	2,500	2,500	2,500	2,500
Total for Fiscal Year (not-to-exceed)	\$ 34,500	\$ 34,500	\$ 35,600	\$ 35,600	\$ 36,700

STANDARD BILLING RATES

Position	2019/20	2020/21	2021/22	2022/23	2023/24
Partner	\$ 260	\$ 260	\$ 265	\$ 265	\$ 270
Manager	\$ 175	\$ 175	\$ 180	\$ 180	185
Supervisor	\$ 145	\$ 145	\$ 150	\$ 150	155
Senior Accountant	\$ 110	\$ 115	\$ 120	\$ 120	125
Staff Accountant	\$ 90	\$ 95	\$ 100	\$ 100	105
Paraprfoessional/Administrative	\$ 50	\$ 50	\$ 50	\$ 50	50

* = for the first major program, each additional major program \$3,000.

Certification: Terry P. Shea is entitled to represent Rogers, Anderson, Malody & Scott, LLP, empowered to submit the bid, and is authorized to sign a contract with the City of Calabasas.



Terry P. Shea, CPA
Partner



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/13/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

Table with 2 main sections: PRODUCER (Orion Business Insurance and Risk Management Services, Inc.) and INSURED (Rogers, Anderson, Malody & Scott LLP). Includes contact info and insurer details like Sentinel Insurance Company.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES.

Main coverage table with columns: INSR LTR, TYPE OF INSURANCE, POLICY NUMBER, POLICY EFF, POLICY EXP, LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, Workers Compensation, and Errors & Omissions.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Professional Liability \$4,000,000 Per Claim;\$4,000,000 Aggregate; \$35,000 Per claim Deductible

RE: Evidence of Insurance

TCity of Calabasas is listed as additional insured as respects general liability per the attached policy forms.

CERTIFICATE HOLDER

CANCELLATION

Table with 2 columns: CERTIFICATE HOLDER (City of Calabasas) and CANCELLATION (Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. Includes signature of authorized representative).

**QUICK REFERENCE
BUSINESS LIABILITY COVERAGE FORM
READ YOUR POLICY CAREFULLY**

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **C.** - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **G.** - Liability And Medical Expenses Definitions.

A. COVERAGES

1. BUSINESS LIABILITY COVERAGE (BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY)

Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section **D.** - Liability And Medical Expenses Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

- b. This insurance applies:

- (1) To "bodily injury" and "property damage" only if:

- (a) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (b) The "bodily injury" or "property damage" occurs during the policy period; and

- (c) Prior to the policy period, no insured listed under Paragraph 1. of Section **C.** - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- (2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

- c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section **C.** - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

BUSINESS LIABILITY COVERAGE FORM

- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

- (1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:
 - (a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and
 - (b) You are not engaged in the business or occupation of providing such services.
- (2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. MEDICAL EXPENSES

Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:
- (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

3. COVERAGE EXTENSION - SUPPLEMENTARY PAYMENTS

- a. We will pay, with respect to any claim or "suit" we investigate or settle, or any "suit" against an insured we defend:
- (1) All expenses we incur.
 - (2) Up to \$1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.
 - (3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - (4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
 - (5) All costs taxed against the insured in the "suit".
 - (6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - (7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under (1) through (7) above will not reduce the limits of insurance.

b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- (1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- (2) This insurance applies to such liability assumed by the insured;
- (3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- (4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;
- (5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- (6) The indemnitee:
 - (a) Agrees in writing to:
 - (i) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (iii) Notify any other insurer whose coverage is available to the indemnitee; and
 - (iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (b) Provides us with written authorization to:
 - (i) Obtain records and other information related to the "suit"; and
 - (ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** – Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- (1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- (2) The conditions set forth above, or the terms of the agreement described in Paragraph (6) above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

- (1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or
- (2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. Contractual Liability

- (1) "Bodily injury" or "property damage"; or
- (2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

- (a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

BUSINESS LIABILITY COVERAGE FORM

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

- (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract", and
- (ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business, or

- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
 - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".
- However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

BUSINESS LIABILITY COVERAGE FORM

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or
- (6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

- (2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;
- (3) Supervisory, inspection, architectural or engineering activities;
- (4) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;
- (5) Any health or therapeutic service treatment, advice or instruction;
- (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;
- (7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

- (8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products;
- (9) Any:
 - (a) Body piercing (not including ear piercing);
 - (b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and
 - (c) Similar services;
- (10) Services in the practice of pharmacy; and
- (11) Computer consulting, design or programming services, including web site design.

Paragraphs (4) and (5) of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph 1.e. in Section A. - Coverages.

k. Damage To Property

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Section D. - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3) and (4) of this exclusion do not apply to the use of elevators.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

BUSINESS LIABILITY COVERAGE FORM

o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

- (1) Arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (2) Arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period;
- (3) Arising out of a criminal act committed by or at the direction of the insured;
- (4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";
- (5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (6) Arising out of the wrong description of the price of goods, products or services;
- (7) Arising out of any violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, service mark or other designation of origin or authenticity.

However, this exclusion does not apply to infringement, in your "advertisement", of

- (a) Copyright;
- (b) Slogan, unless the slogan is also a trademark, trade name, service mark or other designation of origin or authenticity; or

(c) Title of any literary or artistic work;

- (8) Arising out of an offense committed by an insured whose business is:
 - (a) Advertising, broadcasting, publishing or telecasting;
 - (b) Designing or determining content of web sites for others; or
 - (c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** under the definition of "personal and advertising injury" in Section **G.** – Liability And Medical Expenses Definitions.

For the purposes of this exclusion, placing an "advertisement" for or linking to others on your web site, by itself, is not considered the business of advertising, broadcasting, publishing or telecasting;

- (9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;
- (10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;
- (11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

- (12) Arising out of:
 - (a) An "advertisement" for others on your web site;
 - (b) Placing a link to a web site of others on your web site;
 - (c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or
 - (d) Computer code, software or programming used to enable:
 - (i) Your web site; or
 - (ii) The presentation or functionality of an "advertisement" or other content on your web site;

- (13) Arising out of a violation of any anti-trust law;
- (14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities; or
- (15) Arising out of discrimination or humiliation committed by or at the direction of any "executive officer", director, stockholder, partner or member of the insured.

q. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to the person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:

- (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
- (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
- (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Violation Of Statutes That Govern E-Mails, Fax, Phone Calls Or Other Methods Of Sending Material Or Information

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section **D.** - Liability And Medical Expenses Limits Of Insurance.

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2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred; or
- (2) "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

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contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
 - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In connection with your premises; or
 - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:
 This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
 - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs **a.** through **e.** above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In the performance of your ongoing operations;
 - (b) In connection with your premises owned by or rented to you; or
 - (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
 - (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

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- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section **D. – Limits Of Insurance**.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E. – Liability And Medical Expenses General Conditions**.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b.** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- (5) Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

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This Paragraph f. applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom a claim is made or "suit" is brought.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and

- (3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section A. – Coverages.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion k. of Section A. – Coverages.

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2)** The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations; or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision – Permits

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

- b.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1)** "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2)** "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

- a.** WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- b.** The insurance afforded to the vendor is subject to the following additional exclusions:

- (1)** This insurance does not apply to:
 - (a)** "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b)** Any express warranty unauthorized by you;
 - (c)** Any physical or chemical change in the product made intentionally by the vendor;
 - (d)** Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e)** Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (f)** Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g)** Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h)** "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i)** The exceptions contained in Subparagraphs **(d)** or **(f)**; or
 - (ii)** Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2)** This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

- a.** Their financial control of you; or
- b.** Premises they own, maintain or control while you lease or occupy these premises.

BUSINESS LIABILITY COVERAGE FORM

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations for the additional insured(s); or

(2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal an advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or

b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in **a.** above;
 - (2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

- 7. "Electronic data" means information, facts or programs:
 - a. Stored as or on;
 - b. Created or used on; or
 - c. Transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- 8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- 9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- 11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** – Liability and Medical Expenses Limits of Insurance.
- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement; or
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

BUSINESS LIABILITY COVERAGE FORM

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
 13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
 14. "Loading or unloading" means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
 15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, on which are permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

 - (1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;

- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral, written or electronic publication of material that violates a person's right of privacy;
 - f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";
 - g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or
 - h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.
- 18.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 19.** "Products-completed operations hazard";
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.
- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
- 20.** "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.
- As used in this definition, "electronic data" is not tangible property.
- 21.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 22.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 23.** "Volunteer worker" means a person who:
- a. Is not your "employee";

BUSINESS LIABILITY COVERAGE FORM

- b. Donates his or her work;
 - c. Acts at the direction of and within the scope of duties determined by you; and
 - d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
24. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
25. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.



CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: MARCH 16, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MAUREEN TAMURI, COMMUNITY DEVELOPMENT DIRECTOR, AICP 
MICHAEL KLEIN, SENIOR PLANNER, AICP *MAK*

SUBJECT: ADOPTION OF RESOLUTION NO. 2020-1669, AUTHORIZING APPLICATION FOR, AND RECEIPT OF, LOCAL EARLY ACTION PLANNING GRANTS PROGRAM FUNDS.

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

That the City Council adopt Resolution No. 2020-1669 authorizing application for, and receipt of, up to \$150,000 from Local Early Action Planning (LEAP) Grant funding from the California State Department of Housing and Community Development.

BACKGROUND:

On January 27, 2020, the CA Department of Housing and Community Development released a Notice of Funding Availability (NOFA) for LEAP Grants Program. LEAP is made available as a portion of the Local Government Support Grants Program pursuant to Chapter 3.1 of the CA Health and Safety Code. The NOFA specifies that approximately \$120 million of funding is available to all local governments under the Program. Funds from the LEAP Program are intended to be used by local government for the preparation and adoption of planning documents and process improvements that accelerate housing production, and facilitate

compliance in implementing the sixth cycle of regional housing needs assessment (RHNA).

DISCUSSION/ANALYSIS:

The LEAP Grants Program is part of the broader Program formerly known as the Local Government Planning Support Grants Program, which was established as part of the 2019-2020 Budget Act. The Program provides a one-time grant funding to jurisdictions for technical assistance, preparation and adoption of planning documents. The over-arching goals of the Program are to 1) accelerate housing production; and 2) facilitate compliance to implement the sixth cycle of RHNA. Funding is available to every local government on a non-competitive basis, and is allocated by jurisdiction size based on population. With a population of approximately 24,000, Calabasas is allocated \$150,000 from the LEAP Grants Program.

As stated above, funds received from the LEAP Grants Program shall be used by a local government for the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance with the sixth cycle RHNA. The following list includes specific efforts for which the City is eligible to use the funds:

- a) Rezoning efforts to comply with Housing Element requirements.
- b) Preparing and adopting Housing Elements of the General Plan that include an implementation component to facilitate compliance with the sixth cycle RHNA.
- c) Completing environmental clearance to eliminate the need for project specific review.

Based on the Guidelines, Staff recommends that the City seek \$150,000 to be used for the Housing Element update that includes an implementation component to facilitate compliance with the sixth cycle RHNA and streamlined CEQA review. These efforts would be initiated based on the Planning Commission’s recommendations for the Housing Element update and Council approvals.

FISCAL IMPACT/SOURCE OF FUNDING:

There is no fiscal impact from the filing of the grant application. Should the application result in a grant award, the City would receive up to \$150,000 to be used for the preparation, adoption and implementation of efforts that streamline housing approvals and/or accelerate housing production.

REQUESTED ACTION:

Adopt Resolution No. 2020-1669 authorizing application for, and receipt of, up to \$150,000 from Local Early Action Planning (LEAP) Grant funding from the California State Department of Housing and Community Development.

ATTACHMENTS:

Attachment A: Resolution No. 2020-1669
Attachment B: Notice of Funding Availability – Local Early Action Planning Grants Program

**ITEM 4 ATTACHMENT A
RESOLUTION NO. 2020-1669**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CALABASAS AUTHORIZING APPLICATION FOR, AND
RECEIPT OF, LOCAL GOVERNMENT PLANNING
SUPPORT GRANT PROGRAM FUNDS**

WHEREAS, pursuant to Health and Safety Code 50515 et. Seq, the Department of Housing and Community Development (Department) is authorized to issue a Notice of Funding Availability (NOFA) as part of the Local Government Planning Support Grants Program (hereinafter referred to by the Department as the Local Early Action Planning Grants program or LEAP); and

WHEREAS, the City Council of the City of Calabasas desires to submit a LEAP grant application package ("Application"), on the forms provided by the Department, for approval of grant funding for projects that assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment; and

WHEREAS, the Department has issued a NOFA and Application on January 27, 2020 in the amount of \$119,040,000 for assistance to all California Jurisdictions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CALABASAS RESOLVES AS FOLLOWS:

SECTION 1. The Community Development Director is hereby authorized and directed to apply for and submit to the Department the Application package.

SECTION 2. In connection with the LEAP grant, if the Application is approved by the Department, the Community Development Director of the City of Calabasas is authorized to submit the Application, enter into, execute, and deliver on behalf of the Applicant, a State of California Agreement (Standard Agreement) for the amount of \$150,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the LEAP grant, the Applicant's obligations related thereto, and all amendments thereto; and

SECTION 3. The Applicant shall be subject to the terms and conditions as specified in the NOFA, and the Standard Agreement provided by the Department after approval. The Application and any and all accompanying documents are incorporated in full as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the Application will be enforceable through the fully executed Standard Agreement. Pursuant to the NOFA

and in conjunction with the terms of the Standard Agreement, the Applicant hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.

PASSED, APPROVED AND ADOPTED this 25th day of March 2020, by the City Council of the City of Calabasas by the following vote:

Alicia Weintraub, Mayor

ATTEST:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

APPROVED AS TO FORM:

Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2771 / FAX (916) 263-2763
www.hcd.ca.gov



January 27, 2020

MEMORANDUM FOR: All Potential Applicants

**FROM: Zachary Olmstead, Deputy Director
Division of Housing Policy Development**

**SUBJECT: NOTICE OF FUNDING AVAILABILITY -
LOCAL EARLY ACTION PLANNING GRANTS PROGRAM**

The California Department of Housing and Community Development (Department) is pleased to announce the release of this Notice of Funding Availability (NOFA) for approximately \$119,040,000 as part of the Local Early Action Planning Grants Program (LEAP or Program). LEAP is made available as a portion of the Local Government Planning Support Grants Program pursuant to Chapter 3.1 of Health and Safety Code (Sections 50515 to 50515.05) (Chapter 159, Statutes of 2019). LEAP provides funding to jurisdictions for the preparation and adoption of planning documents, process improvements that accelerate housing production, and facilitate compliance in implementing the sixth cycle of the regional housing need assessment (RHNA).

In order to be eligible for grant funding, an applicant must submit a completed, signed original application and an electronic copy on CD or USB flash drive. Applications will be accepted on an Over-the-Counter (OTC) basis as of the date of this NOFA through July 1, 2020. The Department encourages early applications and will accept applications post-marked by the July 1, 2020 deadline. Applicants may utilize various carrier services, such as the U.S. Postal Service, UPS, FedEx, or other carrier services. All applications must be submitted to the Department at the following address:

**California Department of Housing and Community Development
Division of Housing Policy Development
2020 West El Camino Ave, Suite 500
Sacramento, CA 95833**

Program applications, forms and instructions are available on the Department's website at <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>. If you have questions regarding this NOFA, please email the Department at EarlyActionPlanning@hcd.ca.gov.

Attachment

Local Governments Planning Support Grants
Maximum Award Allocation
(LEAP and REAP)

Determined 01/21/2020,
pursuant to HSC 50515.03

Jurisdiction	County	Jurisdiction Size	Population Range	Total Population*	Award Maximum (\$125,000,000)
Banning	Riverside	Small	Population 20,000-59,999	31,282	\$150,000
Barstow	San Bernardino	Small	Population 20,000-59,999	24,411	\$150,000
Beaumont	Riverside	Small	Population 20,000-59,999	48,237	\$150,000
Bell	Los Angeles	Small	Population 20,000-59,999	36,325	\$150,000
Bell Gardens	Los Angeles	Small	Population 20,000-59,999	43,051	\$150,000
Bellflower	Los Angeles	Medium	Population 60,000-99,999	77,682	\$300,000
Belmont	San Mateo	Small	Population 20,000-59,999	27,388	\$150,000
Belvedere	Marin	Very Small	Population <20,000	2,135	\$65,000
Benicia	Solano	Small	Population 20,000-59,999	27,499	\$150,000
Berkeley	Alameda	Medium to Large	Population 100,000-299,999	121,874	\$500,000
Beverly Hills	Los Angeles	Small	Population 20,000-59,999	34,504	\$150,000
Big Bear Lake	San Bernardino	Very Small	Population <20,000	5,512	\$65,000
Biggs	Butte	Very Small	Population <20,000	1,913	\$65,000
Bishop	Inyo	Very Small	Population <20,000	3,922	\$65,000
Blue Lake	Humboldt	Very Small	Population <20,000	1,280	\$65,000
Blythe	Riverside	Very Small	Population <20,000	19,389	\$65,000
Bradbury	Los Angeles	Very Small	Population <20,000	1,069	\$65,000
Brawley	Imperial	Small	Population 20,000-59,999	27,417	\$150,000
Brea	Orange	Small	Population 20,000-59,999	44,890	\$150,000
Brentwood	Contra Costa	Medium	Population 60,000-99,999	63,042	\$300,000
Brisbane	San Mateo	Very Small	Population <20,000	4,692	\$65,000
Buellton	Santa Barbara	Very Small	Population <20,000	5,291	\$65,000
Buena Park	Orange	Medium	Population 60,000-99,999	83,995	\$300,000
Burbank	Los Angeles	Medium to Large	Population 100,000-299,999	107,149	\$500,000
Burlingame	San Mateo	Small	Population 20,000-59,999	30,294	\$150,000
Butte County	Butte	Medium	Population 60,000-99,999	81,707	\$300,000
Calabasas	Los Angeles	Small	Population 20,000-59,999	24,296	\$150,000
Calaveras County	Calaveras	Small	Population 20,000-59,999	41,036	\$150,000
Calexico	Imperial	Small	Population 20,000-59,999	41,199	\$150,000
California City	Kern	Very Small	Population <20,000	14,875	\$65,000
Calimesa	Riverside	Very Small	Population <20,000	8,876	\$65,000

*Data Source: Demographic Research Unit, California Department of Finance
e-mail: ficalpop@dof.ca.gov phone: 916-323-4086



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 2, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RON AHLERS, CHIEF FINANCIAL OFFICER

SUBJECT: RECEIVE AND FILE THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AND OTHER AUDIT REPORTS FOR FISCAL YEAR ENDED JUNE 30, 2019

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

The Comprehensive Annual Financial Report (CAFR), Required Communication in Accordance with Statement on Auditing Standards No. 114, Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Current Year Recommendations, Status of Prior Year Recommendations and Independent Auditor Statement for Financial Data are hereby submitted for Council approval.

BACKGROUND:

The City is required to conduct an annual independent audit of its financial statements. The audit firm of Moss, Levy & Hartzheim, LLP (MLH), Certified Public Accountants conducted the annual audit and with staff assistance prepared the required financial statements. For the fiscal year ended June 30, 2019, the City received an unqualified opinion. The City currently has three bond issues for which it is responsible (one Certificate of Participation bonds and two Community Facilities District (CFD) bonds). The bond proceeds from these three issues have been spent in accordance with the bond documents.

AWARD

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 for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we have submitted it to the GFOA to determine its eligibility for another certificate.

DISCUSSION/ANALYSIS:

CAFR

Attached for your approval are the annual financial statements for the year ended June 30, 2019 for the City of Calabasas (City). The financial statements are comprehensive and include all of the fund types in the City.

The City Council engaged an independent certified public accounting firm, MLH, to perform the annual audit of the City of Calabasas and its component units. The results of the audit performed are formally published in the CAFR. This report must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. Additionally, the CAFR is sent out to numerous government agencies and financial institutions in order to comply with various reporting, financial and subsequent bond disclosure requirements. The overall financial picture of the City is presented, in accordance to the Governmental Accounting Standards Board (GASB) pronouncements, on a Government-wide basis. This is designed to provide readers with a broad overview of the City's finances similar to a private-sector business. These statements show the June 30, 2019 fiscal year balances and overall results of operations for the period then ended, for all City funds.

The CAFR statements are as follows:

Management's Discussion and Analysis (MD & A) (page 23). This discussion and analysis starts the financial section of the CAFR and serves as an executive summary. GAAP requires that management provide this narrative introduction, overview and analysis to accompany the basic financial statements. The *letter of transmittal* (page 1), which precedes the MD & A in the introductory section, is designed to supplement the MD & A and should be read in conjunction with it. The MD & A is found immediately following the report from the independent auditors (page 19). The report from the auditors contains an opinion letter in which an entity can receive basically 3 opinions; unqualified, qualified, and adverse. An unqualified opinion from the

auditors is the highest given. For the fiscal year ended June 30, 2019 audit, the City of Calabasas received an unqualified opinion.

The Statement of Net Position (page 39) presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities (page 40) presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cashflows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation and sick leave). An increase in net position of about \$8.9 million was reported for the fiscal year ended June 30, 2019 (page 41).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, public safety, public services, parks and recreation, streets and roads and interest on long-term debt.

Following the government-wide statements in the CAFR, the *Balance Sheet* (page 42), and *the Statement of Revenues, Expenditures and Changes in Fund Balances* (page 46) are presented for all major and non-major governmental funds. A major fund is one of material significance and is determined through prescribed calculations. The General Fund is always considered a major fund by definition. Other governmental funds can be declared major funds by management due to other factors, even if they fail the qualifications resulting from the calculations. Non-major funds are all combined together for presentation. Reconciliations between these governmental statements and the government-wide statements are also presented.

The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows (pages 49-51) are for the City's only enterprise operation, Tennis and Swim Center.

The Statement of Fiduciary Net Position (page 52) records the City's deposit fund.

The statements are followed by the *Notes to the Financial Statements* on pages 53-95.

The Required Supplementary Information begins at page 96 and details the City's Pension liability along with budget to actual comparisons for all the major funds of the City, beginning with the General Fund.

Supplementary Information is the next section of the CAFR which provides statements for each individual non-major governmental fund. The governmental funds are presented in their various categories: special revenue funds and capital project funds. Additionally, there is the budget to actual comparisons for each non-major fund.

The *Statistical Section* of the CAFR contains data about the City of Calabasas. This section is prepared by staff and not reviewed by the auditors. All of the tables and schedules present numerous facts about the City, many for the last 10 years. The statistical facts include population figures, principal taxpayers, and assessed valuations of taxable property to name a few.

The CAFR is posted on the City's website:

<http://www.cityofcalabasas.com/departments/finance/cafrs.html>

General Fund Financial Status

For fiscal year ended June 30, 2019, the General Fund unassigned fund balance totaled about \$19 million, which equates to approximately 80% of operating expenses. The General Fund had a surplus of 261,359 for this past year.

GASB 68 and the City's Retirement Plan

GASB 68, *Accounting and Financial Reporting for Pensions*, was recorded for the fiscal year ending June 30, 2019. This is the fifth year the City has recorded the net pension liability on the Statement of Net Position. There are three numbers on page 39 that are pension related: Deferred Outflow related to Pensions \$2,469,431, Net Pension Liability \$6,374,629 and Deferred Inflows related to pensions \$447,791. These figures are broken down and explained in Note 9 (pages 80-85). The simple fact is the City's liability for the pension plan is \$6,374,629 (page 81).

Single Audit Report

The City did not conduct a Single Audit this year due to not meeting the annual minimum dollar threshold of \$750,000.

Required Communication in Accordance with Statement on Auditing Standards No. 114

The independent auditors noted no findings for the audit process for the fiscal year ended June 30, 2019.

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The independent auditors noted no findings in this report for the fiscal year ended June 30, 2019.

Current Year Recommendations

None noted.

Status of Prior Year Recommendations

Both recommendations have been implemented.

Independent Auditor Statement for Financial Data

This is a decennial report required by the Federal Transit Administration (FTA) since the city uses FTA funds. No exceptions were noted in the audit report.

FISCAL IMPACT/SOURCE OF FUNDING:

None.

REQUESTED ACTION:

Accept the Comprehensive Annual Financial Report (CAFR), Required Communication in Accordance with Statement on Auditing Standards No. 114, Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Current Year Recommendations, Status of Prior Year Recommendations and Independent Auditor Statement for Financial Data for June 30, 2019 and receive and file this report.

ATTACHMENTS:

1. Comprehensive Annual Financial Report (CAFR)
2. Required Communication in Accordance with Statement on Auditing Standards No. 114
3. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
4. Current Year Recommendations
5. Status of Prior Year Recommendations
6. Independent Auditor Statement for Financial Data

Comprehensive Annual Financial Report 2019

Fiscal Year Ended June 30, 2019 - City of Calabasas, California



Cover Photograph

In November 2018, the Woolsey Fire forced the evacuation of the entire city of Calabasas. The fire destroyed nine homes along with parks and other buildings. A stunned community returned and we resolved to make ourselves stronger than ever. We remain strong today with a sense of caring and resilience like no other place. It is one of the things that makes the City of Calabasas a vibrant community.

CITY OF CALABASAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2019

Report Prepared and Compiled by:

Ron Ahlers, Chief Financial Officer
Lesley Pelka, Accounting Supervisor
Luisa Barancik, Senior Accounting Specialist
Cedric Henry, Grant/Contract Administrator
Sandy Smith, Accounting Specialist
Jeff Estrada, Accounting Specialist
Carson Lysik, Accounting Specialist
Susan Koeppel, Executive Assistant



CITY of CALABASAS

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Office of **FINANCE**
A Leader in “Transparent Accounting”

December 31, 2019

The Honorable Mayor Alicia Weintraub
The Honorable Members of the City Council
Citizens of the City of Calabasas, CA

LETTER OF TRANSMITTAL

The Comprehensive Annual Financial Report (CAFR) represents a compilation of financial data that details the financial workings of the City of Calabasas (City). Information contained in this report was prepared in strict accordance with guidelines set forth by the Government Finance Officers Association (GFOA). The CAFR is intended to provide readers with a clearly articulated, user-friendly reporting of the City’s financial affairs. As such, the City assumes responsibility for content accuracy, completeness, and objectivity of the presentation.

Within the CAFR, readers will find reporting on all funds and account groups for the City of Calabasas. The CAFR complies with the financial reporting model developed by the Government Accounting Standards Board (GASB) Statement Number 34 (GASB 34). In accordance with the criteria established by GASB Statement No. 14 (GASB 14), the City of Calabasas Facilities Corporation’s financial data has been included within the City’s financial statements as a “blended” component unit because the primary government is financially accountable for the Corporation.

THE PRIMARY GOVERNMENT

The City of Calabasas was incorporated on April 5, 1991. It is classified as a general law city due to its reliance upon California state law to define procedural regulations utilized by City Council. Through a general election process, the five-member council is elected to staggered four year terms. The council serves as the City’s primary governing body.

In December of each year, the council selects one of its members to serve as Mayor and one to serve as Mayor Pro Tem. Calabasas City Council retains authority over the management of the City. Additionally, a City Manager oversees daily functions and ensures that directions of the council are carried out.



For financial reporting purposes, the primary government consists of all legally joined funds, organizations, agencies, boards, commissions, and authorities that are considered part of the City’s legal domain. Additionally, reporting for contractual services provided by Los Angeles County or private vendors such as law enforcement, animal control, public works maintenance, park maintenance, and traffic signal maintenance are also included in the financials. Reporting for other contractual services such as refuse collection, landscape maintenance, street sweeping, crossing guards, parking administration, janitorial services, and major capital projects is included as well. The City provides Planning, Building and Safety, Code Enforcement, Engineering, Traffic and Transportation, Recreation Programs, Media Operations, Financial Management, and Administrative Services mostly with City employees.

THE CITY OF CALABASAS

Situated approximately 25 miles west of downtown Los Angeles (8 miles east of the Ventura County line), Calabasas is located in western Los Angeles County in the foothills of the Santa Monica Mountains National Recreation Area and adjacent to the San Fernando Valley. The first recorded occupation in the area was by Chumash Native Americans who settled along the banks of Calabasas Creek during the mid-1800s. Today, neighboring communities include Agoura Hills, Malibu, Westlake Village, and Hidden Hills.

The City’s distinctive character is in part derived from its natural environment, oak-studded hillsides, and sprawling open space. Other notable characteristics include its physical diversity, small town atmosphere, and active population. Primary access to this community is from the 101 Ventura Freeway or by taking Malibu Canyon Road north four miles from Pacific Coast Highway.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

Accurate accounting of the City’s assets is essential to safeguard against loss and misrepresentation. Calabasas’ system of accounting establishes solid control of the City’s financial assets and allows for budgeting and reliable performance reporting. It provides for the proper recording of financial transactions and lends itself to the establishment of accurate financial statements. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

The City’s adopted financial approach includes a two-year budget that is approved on an annual basis. In this case, the City Council is presented each year with a new two-year budget for approval. One benefit resulting from this approach is that the City always has at least a 12-month (look-ahead) budget that has not yet been executed. From a budgetary standpoint, providing a longer forward plan better prepares staff to manage future



projects. It should be noted that since its inception, this approach has proven beneficial, particularly in regards to managing Capital Improvement Projects.

CAPITAL IMPROVEMENT PROJECTS

Calabasas' Capital Improvement Program (CIP) is a component of the budget process and addresses the City's short- and long-term capital needs. The CIP includes a plan to effectively maintain existing infrastructure as well as provide new facilities to support population growth and replace older assets that are no longer useful or are unsafe. During this reporting period, the City focused its resources on: Lost Hills Overpass and Interchange, Las Virgenes Creek Restoration, Street Rubberized Overlay, Sidewalk Repair & Replacement, City Entryway Monument Signs, Rondell Park & Ride Lot and other projects which benefited the citizens of Calabasas.

LOCAL ECONOMIC CONDITION AND OUTLOOK

Calabasas remains one of America's wealthiest communities with a current **per capita income of \$68,791**, which is almost two (2) times that of the **State of California**. At **\$122,000**, the median household income in Calabasas in 2018 was almost twice that of the State of California. The median age of Calabasas residents in 2019 is 43, while the median age in the State of California as a whole is reported at 36 years.

The local area housing market has seen some upward movement in the value of its residential real estate. According to a regarded on-line real estate information source (zillow.com), the median home price in Calabasas at the end of 2019 was \$1,155,600. This figure represents a 3.0% increase over the past year, and according to Zillow, home prices within Calabasas are expected to remain on the rise within the upcoming 12-month period.

Recognized as being a business friendly city, Calabasas continues to entice companies to relocate to and remain in the City by refraining from charging a business tax. As a result, the City enjoys a strong and diverse business and retail base both of which contribute greatly to revenue received through sales tax and transient occupancy tax. All indicators continue to predict a strong financial future for the City, even in light of current economic challenges and a changing political climate.

LONG-TERM FINANCIAL PLANNING

The City of Calabasas has experienced only minimal population growth of approximately 1.0% per year since 2000, and due to the changes in property values and the fiscal strength of sales tax producing businesses operating within the City of Calabasas, general fund revenue has increased by approximately 3.8% per year



during that same period of time. Property tax and sales tax are the two major contributors to the increase, and current estimates indicate a continued, modest amount of growth for the upcoming years.

The City has a reserve policy that maintains a general fund balance of at least forty percent (40%) of fiscal year (FY) budgeted expenditures. The purpose for this allowance is to provide for various identified contingencies as well as allow for normal operation of regular city services.

The annual budget process includes long-range, 5-year planning for the spending of money on the City's Capital Improvement Program (CIP). In many cases, unique funds were established to separate monies received for specific programs, and when fund balances reach the level necessary to implement such programs, the City plans, through the budget process, for the establishment, maintenance, and replacement of infrastructure and capital improvements.

ACCOMPLISHMENTS

The financial state of the City of Calabasas remains strong, with tax revenue increasing as the economy regains its foothold following the Great Recession. Moody's reaffirmed the City's credit rating of (Aaa), whereas Standard & Poor's assigned rating of (AA+) remained unchallenged. These excellent credit ratings, from two of the most recognized credit rating agencies, is testimony to the City's solid financial standing. The strength of the City's finances is a relational byproduct of clearly defined, consistent management practices, and responsible stewardship of the City's assets. Following are undertakings that have helped to strengthen the City's financial stability.

1. Continued innovative investment practices

Until 2005, the City of Calabasas did not invest its idle cash outside of the Local Agency Investment Fund (LAIF), a voluntary program established as an investment alternative for California's local governments and special districts and administered under the State Treasurer's administration. For the City as a whole, during fiscal year 2019 and with Council approval, the Chief Financial Officer continued investing in U.S. Government securities and was effectively able to earn annual interest income of \$638,021 on its idle cash balances.

2. Continued enhancement of the Department's Standard Policy & Procedure (SPP) Manual

Staff members of the City's Finance Department continued to further enhance the set of Standard Policies & Procedures (SPPs) which provide insight and direction as to how activities within the Department must be handled. The SPPs identify the "who" and "what" regarding how the Finance Department operates. Staff members are now provided with clear direction on how to complete forms and what processes need to be followed for the proper handling of nearly all finance related efforts and activities.



3. Continued improvement of the City’s Grant / Contract Management Functions

The Department of Finance continued to expand its role in Grant / Contract Management by:

- a. Administrating \$39.3 million of grant funds and \$63.5 million of contracts, and
- b. Maintaining a contract review system that quickly and easily identifies contracts that have either expired, are nearing their spending limits, or do not have current liability insurance coverage. These combined efforts have greatly reduced the amount of liability risk maintained by the City, thus reducing the risk of higher insurance premiums.

4. Continued Delivery of Accurate and Comprehensible Financial Statements

Budget Performance Reports (BPRs) and Landscape Maintenance District (LMD) Financial Statements are prepared monthly and are distributed to management for the purpose of identifying areas of spending patterns not in keeping with the approved budget. As such, management is easily able to identify problems, understand the financial impact of the problems, and establish corrective action plans for meeting organizational and citywide goals.

ACKNOWLEDGEMENTS

The City of Calabasas’ Department of Finance has a team of committed individuals, each contributing to the sound financial standing of the City. Within the Department of Finance, I am particularly proud to lead a committed team of individuals, each contributing to the soundness of the numbers and to the accuracy in which they are reported.

Lesley Pelka: reconciled bank account statements which ensured that the City’s financial records were accurate and free from material misrepresentation; handled special financial studies and analyses; handled the day-to-day supervision of the cash receipts and payroll functions; and provided back-up and general assistance to every aspect within the Finance Department.

Luisa Barancik: initiated postings of all accounting transactions, maintained the accuracy and integrity of the General Ledger, and performed various special assignments. Provided back-up support to accounts payable and financial analysis.

Cedric Henry: enhanced and maintained the new grant/contract tracking and recording system which continues to lead to the reimbursement of numerous grants and ensures that contracts are complete and not expired, thus reducing the City’s liability exposure.

Sandy Smith: prior to making payment of vendor invoices, made certain that: (a) valid contracts were filed with the City, (b) proper general ledger account numbers were used to track expenditures, (c) invoices were not double paid, (d) valid invoices were paid accurately and on time, and (e) proper authorization was presented.



Carson Lysik: continues to improve and maintain tracking methods for Recoverable Deposit Projects minimizing the need for outside collection services. He managed the receipt and handling of cash in an efficient fashion.

Jeff Estrada: provides payroll coverage for employees of the City and the Agoura Hills/Calabasas Community Center, in addition to processing paperwork for the Las Virgines Parking Administration.

Susan Koeppel: assisted with the preparation and maintenance of the Department's Standard Policies & Procedures, maintained a good records retention program, and provided assistance to payroll, accounts receivable (AR), and accounting as required. Susan also oversaw all general purchasing aspects for the City.

Certainly the Mayor (Honorable David J. Shapiro, Esq.), Mayor Pro Tem (Honorable Alicia Weintraub), council members (Honorable James Bozajian, Esq., Honorable Mary Sue Maurer, and Honorable Fred Gaines, Esq.), and the City Manager (Dr. Gary J. Lysik) must also be acknowledged for continuing to provide a design template for cultivating such a strong finance organization.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to the City of Calabasas for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Award for Outstanding Financial Reporting, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

The Department of Finance for the City of Calabasas feels the current CAFR continues to meet the requirements of the GFOA Certificate of Achievement Program. The City will be submitting this year's CAFR to the GFOA to determine its eligibility for another certificate.

INDEPENDENT AUDIT

For the fiscal year ended June 30, 2019, the City's financial statements were audited by the certified public accounting firm of Moss, Levy & Hartzheim, LLP to ensure that the financial statements of the City were free of material misstatement. The audit a) examined activities, documents, and disclosures used to create the financial statements, b) assessed the accounting principles used by management, and c) evaluated the overall financial statement presentation. The results of the audit are as follows:



- The City's financial statements have no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards; and
- Internal control over financial reporting and its operations was considered free from material weaknesses.
- Financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Calabasas, California, as of June 30, 2019.

In this, it is my goal to provide readers and citizens an accurate depiction of the financial standing and activities regarding the City of Calabasas. Please reference the Management's Discussion and Analysis (MD&A) section of this report for a more complete and detailed accounting of financial performance for the fiscal year ended June 30, 2019.

Respectfully submitted,

RON AHLERS
CHIEF FINANCIAL OFFICER
CITY OF CALABASAS



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Government Finance Officers Association

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, 2018

Christopher P. Morill

Executive Director/CEO



Mission and Value Statements

Office of **FINANCE** A Leader in “Transparent Accounting”

MEMO

Mission Statement

In a spirit of excellence, integrity, and dedication, the Finance Department is committed to providing timely, accurate, clear, and complete information and support to other City departments, citizens, and the community at large.

Values

Quality

A high standard of excellence drives Finance to provide outstanding levels of support, service, and products. The Department strives to be exemplary in all activities and continuously exceed expectations.

Integrity

The Finance Department commits to conforming to the highest level of ethical standards. The services and decisions we offer will be honest, fair, and impartial.

Leadership

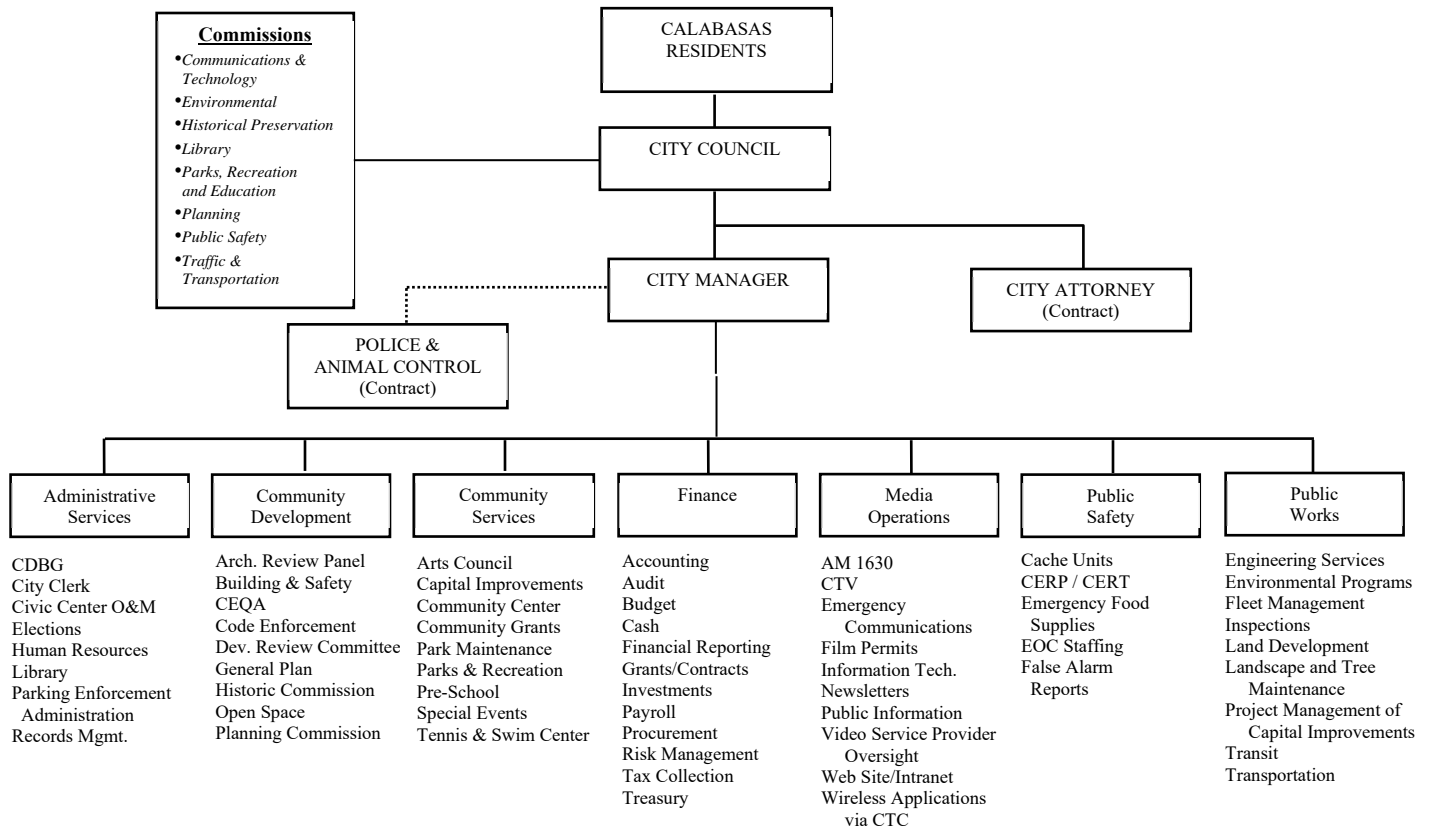
The Department leads by example while encouraging growth and advancement in the organization. Finance provides direction through experience and desires to be acknowledged as the “Go-To Organization” for critical decision making needs.

Teamwork

Finance aims to make the best decisions collectively and in the best interest of the City. As a team, we capitalize on the strengths of each member. In this way, we “Advance the Flame” and provide superior support for staff members and residents.



City Organization Chart



Commissions



- Communications and Technology Commission** – Carey Meicher, Chair
- Environmental Commission** – Whitney Schwartz, Chair
- Historical Preservation Commission** – Lynne Tracy, Chair
- Library Commission** – Denise Lee, President
- Parks, Recreation and Education Commission** – Laurel Ford, Chair
- Planning Commission** – Dennis Washburn, Chair
- Public Safety Commission** – Sharon Boucher, Chair
- Traffic and Transportation Commission** – Peter Valk, Chair



City Officials

 <p>David Shapiro Mayor</p>	<p>First Appointed: 2012; First Elected: 2013 Biographical Information:</p> <ul style="list-style-type: none"> • Past Mayor, City of Calabasas • Past Library Commissioner, City of Calabasas (2006 - 2012) • Parks and Recreation Commissioner, Calabasas (2002 - 2006) • Senior Taskforce Member (2012 - present); Teen Court Judge (2005 - present); School Liaison; Budget Liaison • League of CA Cities, State Policy Committee (2013 – present) • Board of Governors, Valley Economic Alliance (2014 – present) • Board of Directors, Agoura Hills/Calabasas Community Center Joint Powers Authority (2001 - 2015) • Board of Directors, Calabasas Park Homeowners (1999 - 2009) • Founding Member, Kiwanis Club of Calabasas / Youth Advisor • Juris Doctorate (J.D.), University of San Diego • Bachelor of Arts Degree (B.A.), UCLA • Consumer Attorneys Association of Los Angeles (30 years)
 <p>Alicia Weintraub Mayor Pro Tem</p>	<p>First Elected: 2015 Biographical Information:</p> <ul style="list-style-type: none"> • Vice Chair, City of Calabasas Planning Commission (2013-2015) • Chair, LVUSD Measure G Oversight Committee (2012 – present) • Director, The Foundation for Las Virgenes Schools (2012 – present) • Board of Directors, Bay Laurel Elementary School (2012 – present) • Commissioner, City of Calabasas Environmental Commission (2011-2013) • Member, City of Calabasas Bicycle Advisory Committee (2009-11) • Neighborhood Watch Coordinator and HOA Board Member, Braewood Community (2014 – present) • Master of Public Policy (MPP), Dual Specialization – Local/Regional and Economic Policy, Pepperdine University • Bachelor of Arts Degree (B.A.), UCLA
 <p>James Bozajian Councilmember</p>	<p>First Elected: 1997 Biographical Information:</p> <ul style="list-style-type: none"> • UCLA: Bachelor of Arts, History (1987) • USC School of Law: Juris Doctor (1990) • W.H. Taft High School, Woodland Hills (1983) • Deputy District Attorney, County of Los Angeles (1990 - 2014) • Councilmember, City of Calabasas (1997 - present) • Mayor, City of Calabasas (1998-99, 2003-04, 2007-08, 2011-12, & 2015-16) • Board of Directors, Los Angeles County Association of Deputy District Attorneys (1993 - 2014). President (1996, 1997) • Board of Directors, Agoura Hills/Calabasas Community Center Joint Powers Authority (1999 - present). Chairman (2000 - 2003, 2005, 2007, 2009, 2011, 2013, 2015, 2017) • Board of Directors, California Contract Cities Association (2008 - present). President (2011-12)



	<ul style="list-style-type: none"> • Board of Directors, Las Virgenes - Calabasas Historical Society (2001 - present). President (2015-16) • Community Policing Commission, City of Calabasas (1993-97)
 <p>Fred Gaines Councilmember</p>	<p>First Elected: 2011 Biographical Information:</p> <ul style="list-style-type: none"> • Past Mayor, City of Calabasas • Past Library Commissioner, City of Calabasas • Past Traffic and Transportation Commissioner, City of Calabasas • Past Library Commissioner, County of Los Angeles • Former Library of California Board Member, State of California • Former Regent, University of California • Managing Partner, Gaines & Stacey LLP • Juris Doctorate Degree (J.D.), University of California, Berkeley • Master of Public Policy Degree (M.P.P.), Harvard University • Bachelor of Arts Degree (B.A.), UCLA • Past President, San Fernando Valley Bar Association • Past Chair, Valley Industry and Commerce Association (VICA)
 <p>Mary Sue Maurer Councilmember</p>	<p>First Elected: 2005 Biographical Information:</p> <ul style="list-style-type: none"> • Councilmember, City of Calabasas (2005 – present) • Mayor, City of Calabasas (2008-2009 and 2011-2012) • Member, Calabasas Senior Task Force • Member, Calabasas Emergency Preparation Task Force • Member, Santa Monica Mountains Conservancy Advisory Committee • Member, Calabasas Chamber of Commerce • Member, Calabasas Rotary Club • Board Co-Chair, Headwaters Corner at Calabasas • Public Participation Specialist, CalEPA • Former Educator, Economics and U.S. Government • Former Deputy, Assembly member Fran Pavley • Former Deputy Press Secretary, John Garamendi



CITY OF CALABASAS MANAGEMENT



DR. GARY J. LYSIK
City Manager



SCOTT HOWARD, ESQ.
City Attorney

JEFF RUBIN, Community Services Director

JIM JORDAN, Public Safety Director

JOHN BINGHAM, Administrative Services Manager

MAUREEN TAMURI, Community Development Director

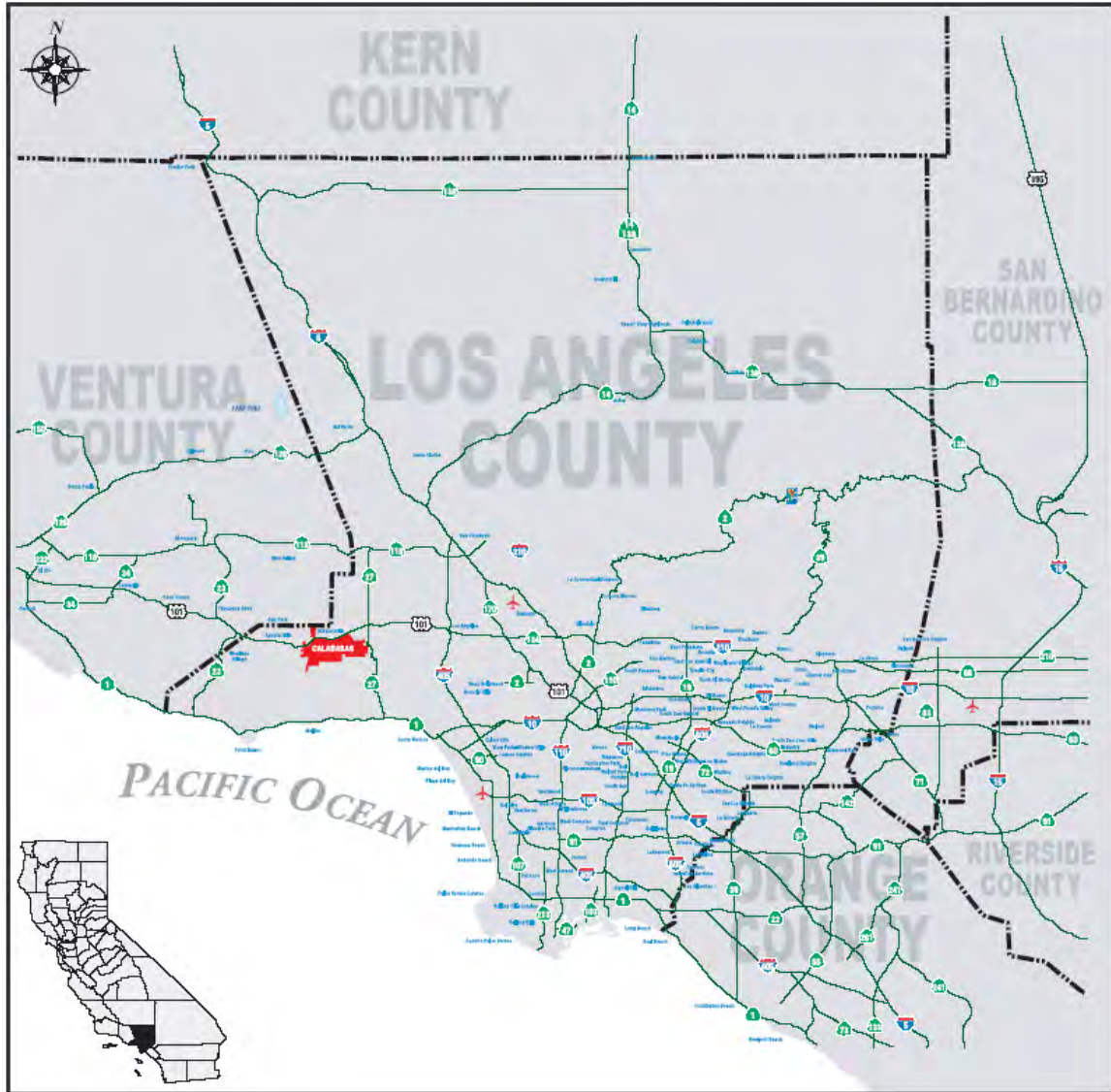
MICHAEL RUSSO, Media and Information Services Director

ROBERT YALDA, Public Works Director / City Engineer

RON AHLERS, Chief Financial Officer



Map of the City





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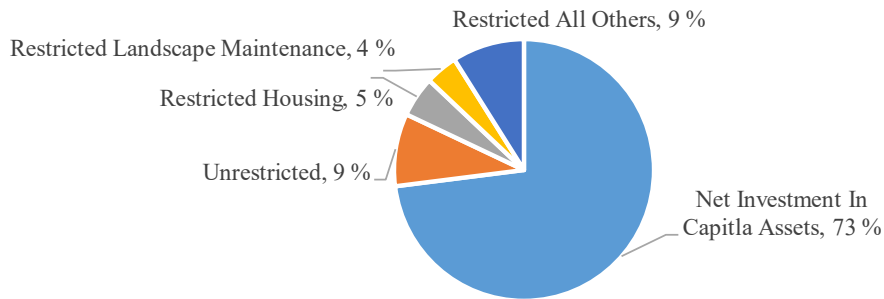


Highlights

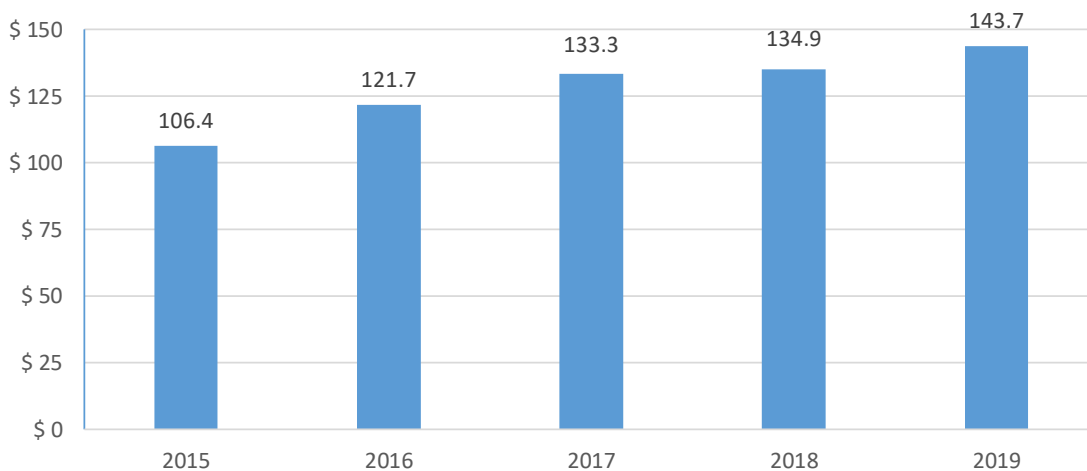
The Financial Section details the City’s financial workings for fiscal year ended June 30, 2019. This section is expected to enlighten readers as to financial highlights, occurrences, and events affecting the City’s annual budget.

The City continues to enjoy financial growth. Please reference the charts and graphs below for an overview of the City’s financial standing.

Net Position ~ Primary Government
Percentage of net position by asset type and category
for the fiscal year ended June 30, 2019

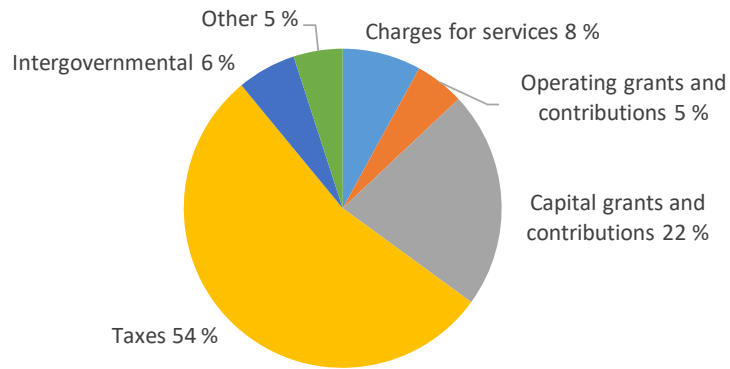


Five-year comparisons of net position for governmental activities
for the fiscal years ended June 30,
(amounts in millions)

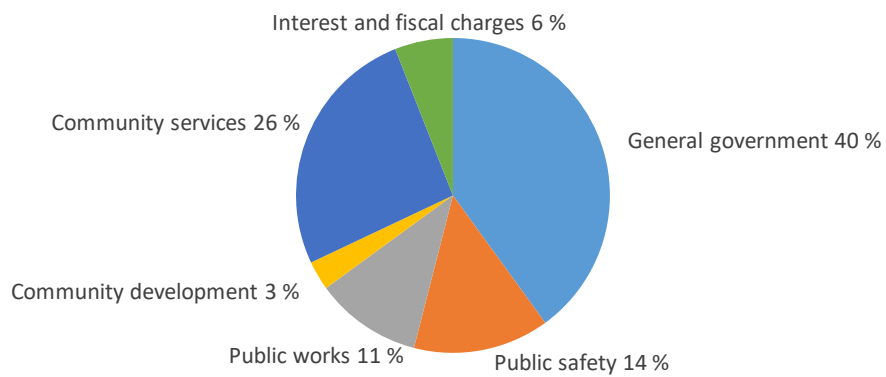




Percent of revenue by source ~ governmental activities
for the fiscal year ended June 30, 2019



Percent of program expense ~ governmental activities
for the fiscal year ended June 30, 2019





MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A. LEVY, CPA
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www.mlhcpas.com

Independent Auditor’s Report

The Members of the City Council of the
City of Calabasas
Calabasas, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Calabasas, California (City) as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

OFFICES: BEVERLY HILLS · CULVER CITY · SANTA MARIA

MEMBER AMERICAN INSTITUTE OF C.P.A.’S · CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS · CALIFORNIA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Calabasas, California, as of June 30, 2019, and the respective changes in financial position and where applicable, cash flows thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 23 through 38, Schedule of the City’s Proportionate Share of the Net Pension Liability, Schedule of Pension Contributions, and the Schedule of Changes Net OPEB Liability and Related Ratios on pages 96 through 99, and budgetary comparison information on pages 102 through 105 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The introductory section, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Major Capital Project Fund, combining and individual nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, combining agency fund statements, and the statistical section are presented for purposes of additional analysis and are not required parts of the financial statements.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Major Capital Project Fund, combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, and combining agency fund financial statements, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the



basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, and combining agency fund financial statements are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2019, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Moss, Levy & Hartzheim
Moss, Levy & Hartzheim, LLP
Culver City, California
December 31, 2019



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MANAGEMENT’S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2019

Note: Throughout this discussion the term "City" as used herein refers to The City of Calabasas and all subordinate entities falling under its immediate financial domain.

Management’s Discussion and Analysis (MD&A) is presented as a supplement to the City’s financial statement. The MD&A offers an objective narrative of the City’s financial activities based upon facts, decisions, and conditions known to management as of the auditor’s report date for the fiscal year ended June 30, 2019. Readers are encouraged to utilize this report in conjunction with the information outlined in the City’s financial statements and notes to the financial statements (found on subsequent pages). A summary of the fiscal year’s financial picture immediately follows.

SUMMARY HIGHLIGHTS

- *Total Assets of \$193 million with Deferred Outflow of Resources of \$5 million*
- *Total Liabilities of \$53 million with Deferred Inflow of Resources of \$1 million*
- *Net Position of \$144 million, an increase of \$8.9 million from 2018*
- *Combined ending fund balances for governmental funds experienced a 22% increase*
- *\$40 million remains available for the City’s governmental activities*
- *Unassigned fund balance for the general fund was \$19 million*
- *The City’s total long-term debt is \$50 million*

OVERVIEW OF THE FINANCIAL STATEMENTS

This document memorializes the financial activities of the City from the managerial perspective using an integrated approach as prescribed by GASB 34. Its goal: to provide readers with an easy-to-understand user friendly overview of the City’s basic financial statements that are inclusive of 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

Additionally, this financial report is in full compliance with GASB Statement No. 44 (GASB 44). GASB 44 added new information in the statistical section that users have identified as important and eliminates certain previous requirements. This statement specifies that the statistical section should include ten-year trends in three types of operating information: government employment levels, operating statistics, and capital asset information. This statement also clarifies certain features of previously required information, such as which governmental funds to include in information about trends in changes in fund balances.

Information outlined in government-wide financial statements is drawn from numerical data relating to the City’s major funds. Government-wide financial statements detail all capital assets, including infrastructure, depreciation and long-term debt. Examples covered in this printing include general, special revenue, capital projects, and non-major governmental funds. Fund financial statements primarily contain information about short-term fiscal accountability for governmental funds and longer-term operational accountability for proprietary and agency funds such as the Tennis and Swim Center and the Las Virgenes Parking Authority Fund respectively. Notes to the financial statements include support and other qualifying documentation as warranted.

The aforementioned are covered in subsequent sections.



Government-wide financial statements.

As previously discussed, government-wide financial statements detail all capital assets, including infrastructure, depreciation, and long-term debt. Specifically, these statements are designed to provide an expansive overview of the City’s finances. Given its scope and in an effort to adequately present this data in a comprehensible format, government-wide financial statements are divided into two subcategories, the Statement of Net Position and the Statement of Activities. These statements reasonably chart long- and short-term information regarding the City’s financial condition.

The City’s statements provide a manageable yet comprehensive view of the City’s economic position, appropriately accounting for all revenue and expenses during the specified fiscal year. To accomplish this, government-wide financial statements are reported utilizing the flow of economic resources (cost of services) measurement focus and the accrual method of accounting. Using the flow of economic resources measurement focus allows the City to provide financial transparency insofar as all assets and liabilities are listed on the Statement of Net Position. The added use of the accrual basis of accounting allows the City a ‘real-time’ advantage as revenues are recognized when earned and expenses are recognized when incurred.

The Statement of Net Position outlines the City’s assets and liabilities. The difference between the assets and liabilities is recorded as net position (assets - liabilities = net position). While fluctuations are expected, over time increases or decreases in the City’s net position could be used to gauge the City’s financial standing in order to ascertain whether it is improving or deteriorating. See Table 1 for a breakout of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

The Statement of Activities demonstrates how the City’s net position evolved during the current fiscal year. Specifically, this statement provides comparative analysis between direct expenses and program revenues for each functional activity of the City. In this forum, net position changes are recorded in real time when triggered by underlying events without respect to the timing of the related cash flows. Because of this, it is expected that revenue and expenses for some items (such as uncollected taxes and earned but unused vacation and/or sick leave) will result in recorded cash flows in future fiscal periods.

Combined, the Statements reveal functions of the City that can be divided into two categories: 1) Governmental activities, and 2) Business-type activities.

Governmental activities are chiefly supported by a) taxes elicited from such sources as utility user’s tax, transient occupancy tax, sales tax, property tax, and franchise tax, and by b) intergovernmental revenues such as motor vehicle in-lieu fees. Governmental activities of the City are inclusive of general government, police, public works, traffic and transportation, community development, and community services such as parks and recreation. As mentioned earlier, tax revenue principally funds these activities. Consequently, a good portion of the City’s basic services is reported in this category.

Component units are legally separate entities that the City is either financially accountable for or shares a significant relationship with in such a way that their exclusion would cause the City’s financial statements to be misleading or incomplete. The Calabasas Facilities Corporation (termed the “Corporation”) meets the criteria of component unit classification and has thus been included as a blended component unit in the governmental activities statements.

Business-type activities are funded in large part through the assignment of user fees charged to external parties for goods or services. In other words, the City charges a fee to parties to cover all or most of the cost of certain services it provides. The City’s Tennis and Swim Center is reported in this category.



Fund Financial Statements.

Fund Financial Statements cover segregated groupings of related accounts whose funds have been designated for specific activities or purpose. They provide a detailed accounting of revenue and expenditures, assets and liabilities, and remaining fund balances for each fund. This helps to ensure and demonstrate finance-related legal compliance.

Fund financial statements differ from activity reports due to the way capital outlay, depreciation, long-term debt, compensated absences, deferred revenues, and intergovernmental receivables are reported. The impact of these differences is laid out in the notes accompanying the financial statements.

Funds required by State law and by bond covenants (i.e., Proposition A & C, and Highway Users Tax) are part of the fund financial statements. Likewise, other funds (i.e., Developer Impact Fees, Grants, and Storm Damage) established to provide the City with tighter fiscal controls and accountability are itemized on these statements. The following sections provide a more in-depth detailing of the fund groups.

Governmental Funds. Governmental funds are reported in essentially the same fashion as governmental activities in the government-wide financial statements with an exception -- governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources. This means governmental fund financial statements identify current sources and uses of money within the immediate fiscal year. Benefits derived include a detailed *short-term view* of the City’s general government operations and the basic services it provides, which assist in determining whether there are sufficient financial resources available to meet the City’s current needs.

Since the scope of the governmental funds is different than that of the government-wide financial statements, it is beneficial to comparatively examine information presented for the governmental funds with information presented for governmental activities in the government-wide financial statements. From this, readers gain a clearer picture of the long-term impacts current financial decisions might yield. When examined together, the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide the reader with a different snapshot that identifies variances between the two different methodologies of accounting for governmental activities and governmental funds. The City maintains 29 governmental funds including the general fund.

Governmental funds statements are included in subsequent pages of this report.

Proprietary Funds. *Proprietary funds* record revenues when they are earned and record expenses at the time liabilities are incurred. Proprietary funds can be divided into two fund types: enterprise funds and internal service funds.

Enterprise funds display financial activities operating in a similar fashion to a business enterprise. Specifically, these funds account for services for which the City charges a user fee. Enterprise funds are documented in the business-type activities section of the government-wide financial statements. They account for operations that provide services primarily to customers outside the financial reporting entity (the City).

Internal service funds are generally used to accumulate and allocate costs internally among the City’s various functions. These funds might include general benefits and insurance, duplicating and printing, office maintenance, architectural services, and information technology, to name a few. Given these services largely benefit governmental activities rather than business-type functions, City services that might ordinarily be reported in this area have been included with governmental activities in the government-wide financial statements.



The City maintains one type of proprietary fund (the enterprise fund), which accounts for the Tennis and Swim Center. Readers will find accounting for the Tennis and Swim Center recorded in the business-type activities section of the governmental-wide financial statements. Here, all capital acquisitions are recorded as fund assets and depreciation is included as a current operating expense.

Proprietary fund financial statements follow on subsequent pages of this report.

Fiduciary fund statements are used to present assets held in trust or agency capacity for others. As such, these funds cannot be used to support the City’s own programs. The City oversees four (4) agency funds that fall under the fiduciary fund type.

Agency funds report resources held by the City in a purely custodial capacity (assets = liabilities). Generally, management of agency funds typically involves the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

The City holds funds for the following agencies: 1) Las Virgenes Parking Authority; 2) Community Facilities District 98-1; 3) Community Facilities District 2006-1, and 4) Recoverable Fund.

The City’s agency fund activities are reported in a Combining Statement of Assets and Liabilities and a Combining Statement of Changes in Assets and Liabilities. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional support information that is essential in assisting readers in gaining a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City’s General Fund and Major Special Revenue Funds. Reports include schedules of revenues, expenditures, and changes in fund balances (budget and actual) for each specific fund. The required supplementary information section also includes pension information and postemployment benefit plans other than pension trend information.

GOVERNMENT - WIDE FINANCIAL ANALYSIS

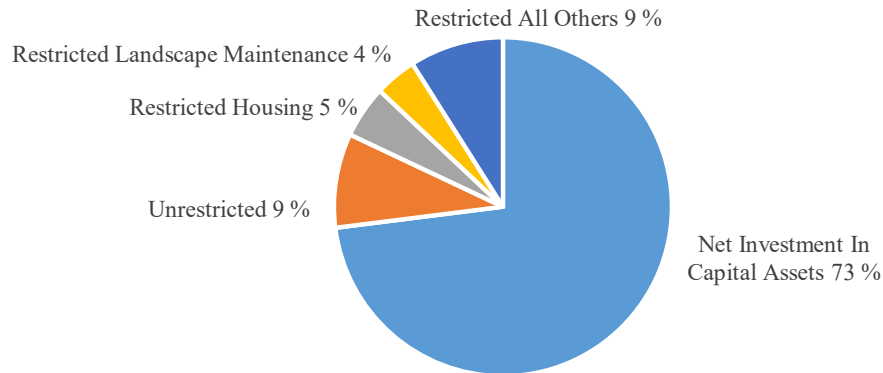
Net position. As discussed earlier, the statement of net position outlines the City’s assets and liabilities with the difference of the two being recorded as the net position. The City’s net position can be separated into three primary categories: 1) Net investment in capital assets, 2) unrestricted, and 3) restricted.

As shown in Chart 1, the largest portions of the City’s net position are found in net investment in capital assets (73%), and unrestricted (9%). The percentage of net position subject to external use restrictions, except for that associated with the servicing of City debt, makes up 18% of the net position portfolio. Community development, recycling, transit, landscape maintenance, housing, road improvements, and library fall under this category.

For purposes of discussion, 73% of the City’s net position is derived from investments in capital assets such as land, buildings, machinery and equipment – net of accumulated depreciation. Despite equity gains that might be experienced, capital assets are not available for future spending since they are tangible assets used to provide services to citizens. Consequently, resources required to address related debt must be secured from other sources.



Chart 1
Net Position ~ Primary Government
Percentage of net position by asset type and category
for the fiscal year ended June 30, 2019



9 percent (\$12.5 million) of the City’s net position is unrestricted meaning it can be used in any way (subject to the approval of Council) to meet the City’s ongoing obligations to citizens and creditors. As shown in Table 1, positive balances in all three categories of net position, for both the government as a whole, as well as for its separate governmental and business-type activities are reported. Additionally, Table 1 presents condensed financial information derived from the Statement of Net Position.

Changes in net position. Total net position for the City (\$143.7 million) as a whole increased by \$8.8 million due largely to the a few construction projects being completed in the prior fiscal year, with the grant reimbursement occurring in FY 2018-19. Table 2 further details the contributing factors regarding the change in net position for the primary government.



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Management’s Discussion & Analysis

Table 1
 Condensed financial information from Statement of Net Position
 for the fiscal years ended June 30, 2019 and 2018
 (amounts in millions)

	Governmental activities		Business-type activities		TOTAL	
	2019	2018	2019	2018	2019	2018
Cash and investments	\$ 35.3	\$ 31.0	\$ 0.9	\$ 0.7	\$ 36.2	\$ 31.7
Other current assets	7.2	4.8	-	-	7.2	4.8
Capital assets	142.8	141.6	1.7	1.7	144.5	143.3
Other non-current assets	4.9	4.9	-	-	4.9	4.9
TOTAL ASSETS	\$ 190.2	\$ 182.3	\$ 2.6	\$ 2.4	\$ 192.8	\$ 184.7
Total deferred outflow of resources	4.4	5.0	0.1	0.2	4.5	5.2
Current liabilities	4.5	3.9	0.3	0.1	4.8	4.0
Non-current liabilities	48.0	50.3	0.4	0.4	48.4	50.7
TOTAL LIABILITIES	\$ 52.5	\$ 54.2	\$ 0.7	\$ 0.5	\$ 53.2	\$ 54.7
Total deferred inflow of resources	0.4	0.3	-	-	0.4	0.3
TOTAL NET POSITION	\$ 141.7	\$ 132.8	\$ 2.0	\$ 2.1	\$ 143.7	\$ 134.9
Net investment in capital assets	103.8	99.4	1.7	1.7	105.5	101.1
Restricted	25.8	22.1	-	-	25.8	22.1
Unrestricted	12.1	11.3	0.3	0.4	12.4	11.7
TOTAL NET POSITION	\$ 141.7	\$ 132.8	\$ 2.0	\$ 2.1	\$ 143.7	\$ 134.9

Governmental activities. As stated earlier, taxes and intergovernmental revenue chiefly support governmental activities.

Governmental activities’ expenses totaled \$34.9 million. Of this, \$9.2 million (community services department expenses), \$3.9 million (public works), \$4.9 million (public safety), and \$14.1 million (general government department expenses) account for over 90% of governmental activity expenditures. City funding for governmental activities was derived from \$28.3 million (65%) in general revenue and such sources as program revenue, which contributed \$15.5 million (see table 2 for detailed figures). Program revenue funds was generated from \$3.6 million in charges for services and \$11.9 million from grant money.

The City’s governmental activities have been accounted for in six departmental categories: 1) general government, 2) public safety, 3) public works, 4) community development, 5) community services, and 6) interest and fiscal charges (see Chart 2).

The total net position for governmental activities was \$141.7 million representing an upward adjustment of \$8.9 million since the fiscal year ended June 30, 2018 due mostly to monies received from Measure R for the construction of the Lost Hills Overpass project. Chart 3 presents a five-year comparison of the net position for governmental activities.



As of this printing, tax revenue (54%) was the single greatest source of City revenues for governmental activities. Total tax revenues collected for governmental activities only increased by \$2.0 million compared to the prior fiscal year. Charts 4 and 5 present the percentage of total expenses for each program of governmental activities and the percentage of total revenues by source.

Table 2
Condensed financial information from Statement of Activities
for the fiscal years ended June 30, 2019 and 2018
(amounts in millions)

	Governmental activities		Business-type activities		TOTAL	
	2019	2018	2019	2018	2019	2018
Revenue						
Program Revenue						
Charges for services	\$ 3.6	\$ 6.4	\$ 4.3	\$ 4.2	\$ 7.9	\$ 10.6
Operating grants and contributions	2.2	1.3	-	-	2.2	1.3
Capital grants and contributions	9.7	1.4	-	-	9.7	1.4
General Revenue						
Taxes						
Utility users taxes	2.8	2.9	-	-	2.8	2.9
Transient occupancy taxes	2.1	2.0	-	-	2.1	2.0
Sales taxes	5.8	5.2	-	-	5.8	5.2
Property taxes	11.8	10.8	-	-	11.8	10.8
Franchise taxes	0.8	0.8	-	-	0.8	0.8
Other taxes	0.4	-	-	-	0.4	-
Intergovernmental	2.5	7.7	-	-	2.5	7.7
Use of money and property	1.1	0.8	-	-	1.1	0.8
Miscellaneous	1.0	0.3	-	-	1.0	0.3
TOTAL REVENUE	\$ 43.8	\$ 39.6	\$ 4.3	\$ 4.2	\$ 48.1	\$ 43.8
Expenses						
General government	14.1	14.5	-	-	14.1	14.5
Public safety	4.9	4.7	-	-	4.9	4.7
Public works	3.9	4.0	-	-	3.9	4.0
Community development	1.1	1.3	-	-	1.1	1.3
Community services	9.2	9.3	-	-	9.2	9.3
Interest and fiscal charges	1.7	1.7	-	-	1.7	1.7
Tennis & swim center	-	-	4.2	4.3	4.2	4.3
TOTAL EXPENSES	\$ 34.9	\$ 35.5	\$ 4.2	\$ 4.3	\$ 39.1	\$ 39.8
Change in Net Position	8.9	4.1	0.1	(0.1)	9.0	4.0
Net Position - Beginning of Fiscal Year	132.8	131.1	2.1	2.2	134.9	133.3
Prior Period Adjustments	-	(2.4)	(0.2)	-	(0.2)	(2.4)
Net Position - End of Fiscal Year	\$ 141.7	\$ 132.8	\$ 2.0	\$ 2.1	\$ 143.7	\$ 134.9



Chart 2

Program comparisons of governmental activity expenses with related revenues
for the fiscal year ended June 30, 2019
(amounts in millions)

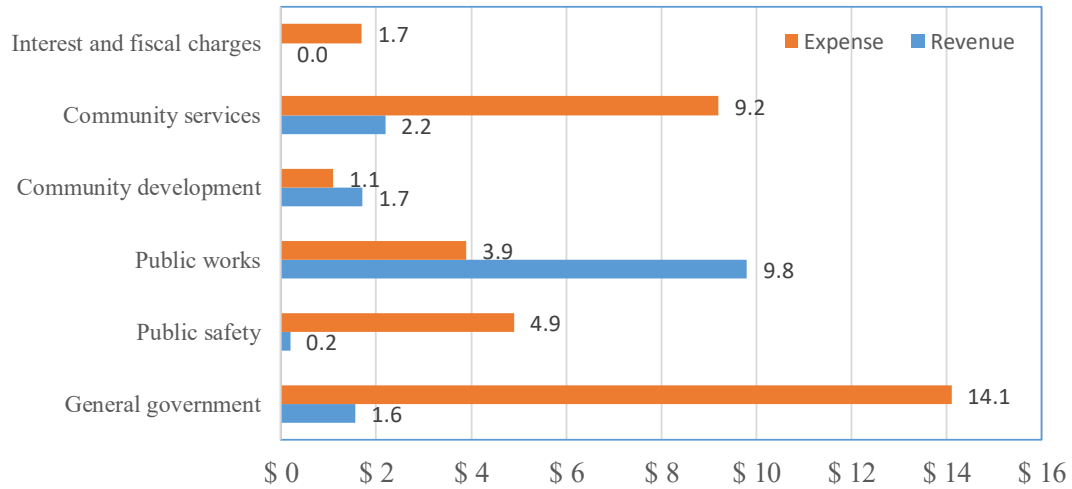


Chart 3

Five-year comparisons of net position for governmental activities
for the fiscal years ended June 30,
(amounts in millions)

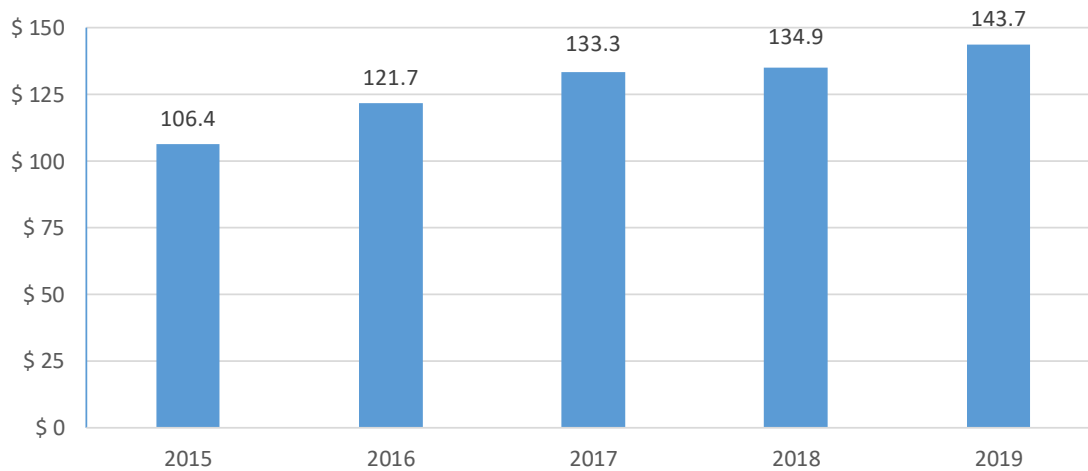




Chart 4

Percent of revenue by source ~ governmental activities
for the fiscal year ended June 30, 2019

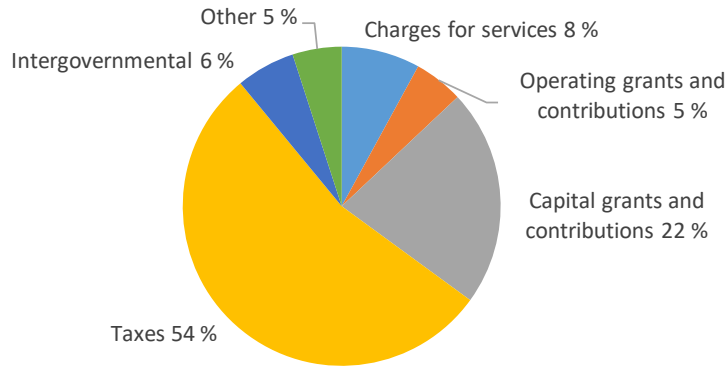
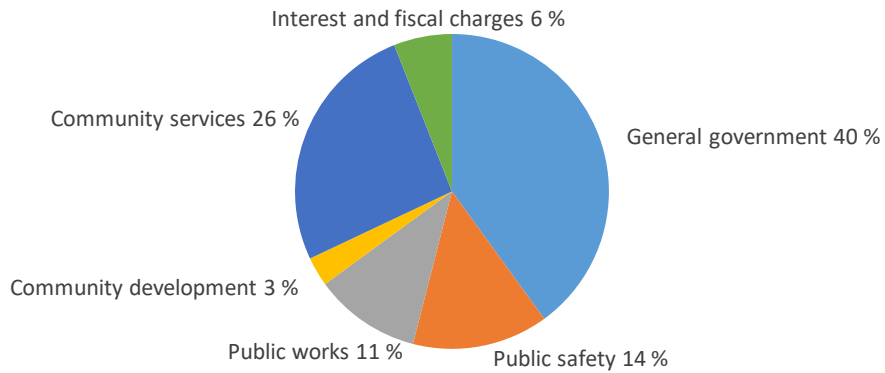


Chart 5

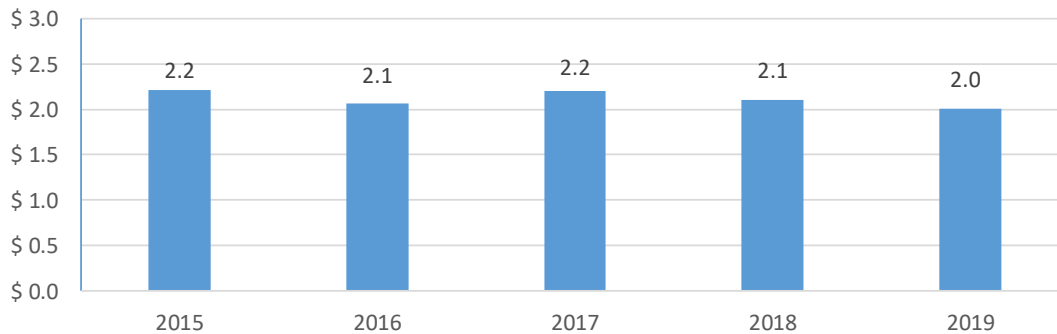
Percent of program expense ~ governmental activities
for the fiscal year ended June 30, 2019





Business-type activities. As previously mentioned, business-type activities are funded in large part through the collection of user fees imposed on external parties in exchange for goods or services. The Tennis and Swim Center (the “Center”) is reported in this category. Business-activity revenue, seen in the charges-for-services category, increased slightly to \$4.3 million from last year, however expenses during that same time period decreased by \$0.1 million. A prior period adjustment of negative (\$0.2) million decreased the net position to \$2.0 million. Chart 6 shows a five-year history of net position for business-type activities.

Chart 6
Five-year comparisons of net position for business-type activities
for the fiscal years ended June 30,
(amounts in millions)



FUND FINANCIAL ANALYSIS

Governmental funds. As stated, governmental funds financial statements identify current sources and uses of money. Benefits derived include a detailed *short-term view* of the City’s general government operations and the basic services it provides, which assists in determining whether there are sufficient financial resources available to meet the City’s current needs.

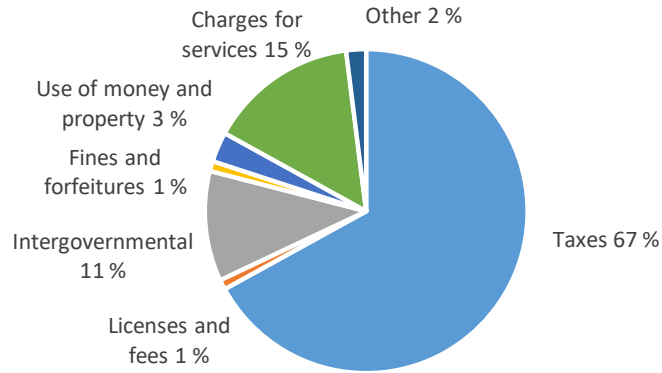
The overall financial position of the City’s governmental funds increased by \$7.1 million when compared to the previous fiscal year. This increase was almost entirely attributable to the completion of the construction for the Lost Hills Overpass. The City received reimbursement from Measure R funds that related to expenses incurred in the prior fiscal year.

The total ending fund balance for the City’s governmental funds is \$39.7 million.

Revenue. Total General Fund revenue increased by \$193,000 from last year bringing the total revenue received for the fiscal year to \$23.4 million. Of this amount, \$15.6 million was generated by taxes, \$0.1 million (licenses and fees), \$2.5 million (intergovernmental), \$0.2 million (fines and forfeitures), \$0.8 million (use of money and property), \$3.5 million (charges for services), and \$0.8 million (others) represent source specific income that contributed to the general fund’s total revenue (see Chart 7). Increases in tax revenue of \$1.1 million was mostly attributable to increases in property taxes received due to higher assessed property values throughout the entire City and increased Sales & Use Tax revenue. A decrease of \$1.5 million in charges for services is due to decreased building fees.



Chart 7
 General Fund
 Revenues by Source
 June 30, 2019



Expenditures. A \$141,000 dollar decrease in General Fund expenditures from the prior fiscal year is noted, bringing the total annual expenditures to \$22.3 million. The decrease would have been greater had the Woolsey Fire not occurred. The General Fund is responsible for the majority of the recover and restoration from the fire.

Special revenue funds. Fund balances for special revenue funds (Landscape Maintenance Districts (LMD), Grants, and Measure R) totals \$5.2 million, an increase of \$1.3 million from the prior fiscal year’s figures. These monies are held by the City to perform specific functions as they relate to each specific fund. The primary reason for the increase is reduced spending of the LMD funds, generally on capital related projects.

Capital projects. The Capital Improvement fund should reflect a zero or near zero fiscal year ending balance. This is expected since capital project fund revenues are project specific and are funded by other sources in amounts equal to the amounts spent. Less than the prior fiscal year by (\$7.5) million, this year’s expenditures totaled \$4.6 million. The reduction is due to the completion of the Lost Hills Overpass Project. Primary expenditures included: \$2.4 million for the Lost Hill Overpass Project, \$1.2 million for the Las Virgenes Creek restoration Project, and \$0.6 million for the annual street overlay project.

The Measure R Capital Improvements fund balance is \$1.1 million. The positive balance is because the City received reimbursement from the County of Los Angeles for capital projects.

Non-major governmental funds. The City’s non-major governmental funds include: Proposition A, Highway User Tax, Proposition C, Storm Damage, Affordable Housing, Oak Tree Mitigation, Civic Center Capital Replacement, Developer Impact Fees, Library, and others.

Total revenue of \$5.7 million for non-major governmental funds is greater than the prior fiscal year by \$1 million, mostly caused by an increase in the amounts received for Highway Users Tax and the newly created Measure M – Local Return fund. The major revenue sources included: 1) taxes - \$2.5 million, and 2) intergovernmental - \$2.8 million (see Chart 8).

Expenditures totaled \$5.2 million, an increase of \$1.1 million from last year. The greatest expenditure categories were Debt Service at \$2.6 million, and Community Services at \$2.2 million. Other expenditures included spending for public safety, public works projects, and community development (see Chart 9). The



total fund balances for all non-major governmental funds increased by \$0.9 million and totaled \$14.5 million (see Chart 10).

Proprietary funds. As mentioned in the business-type activities discussion, the City accounts for one proprietary fund: the Tennis and Swim Center. The Tennis and Swim Center received its operating revenue exclusively from tennis and swim fees. This fiscal year’s total revenue received increase slightly by \$91,000 to \$4.3 million. Operating expenses however decreased by \$53,000 from the previous fiscal year. The total expenditure amount of \$4.2 million includes amounts paid for: Top Seed contract, employee salaries and benefits, outside services, and material and supplies.

As shown in the Statement of Revenues, Expenses, and Changes in Net Position (Proprietary Fund), amounts paid to operate the facility include: \$1.0 million – salaries & benefits; \$0.2 million – outside services; \$0.9 million – materials, supplies, and operating expenses; \$0.2 million – utilities; \$1.8 million – Top Seed (contractor), and \$0.1 million – depreciation.

Fiduciary (agency) funds. The City has four agency funds, which consist of Las Virgenes Parking Authority, Community Facilities District 98-1, Community Facilities District 2006-1, and Recoverables. Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. Assets of the agency funds total \$4 million, representing a (\$0.7) million decrease from last fiscal year. The change was mostly recognized in Community Facilities District 98-1, due to a portion of the debt being paid off, so taxes are no longer being collected at the previous level to service the outstanding debt.

Chart 8
Percent of revenue by source ~ non-major governmental funds
for the fiscal year ended June 30, 2019

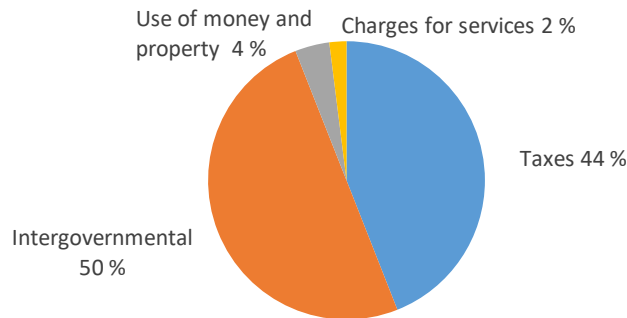




Chart 9
 Percent of program expenditures ~ non-major governmental funds
 for the fiscal year ended June 30, 2019

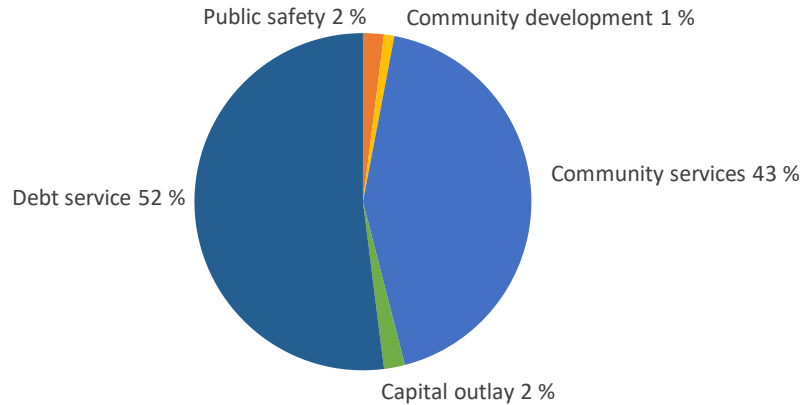
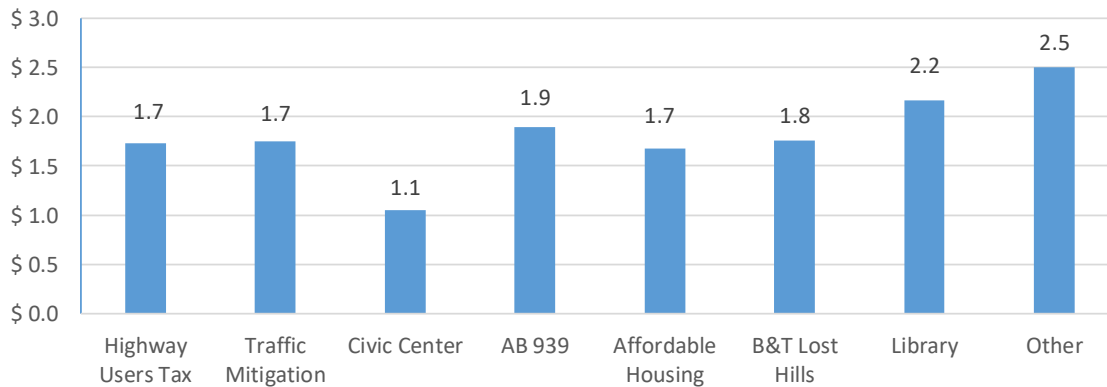


Chart 10
 Ending fund balances ~ non-major governmental funds
 for the fiscal year ended June 30, 2019
 (amounts in millions)



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City’s current fiscal year investment in capital assets for its governmental and business-type activities amounted to \$144.5 million (net of accumulated depreciation). The City’s capital assets increased by \$1 million mostly in the “Infrastructure” category. Table 3 shows this total by investment category. Depreciable property includes equipment, buildings, improvements other than buildings, and infrastructure. Infrastructure assets are items that are normally immovable and can be preserved for a greater number of years than most capital assets, such as roads, bridges, streets and sidewalks, drainage systems, and



lighting systems. Further detailed information can be found in the notes to the financial statements (notes 1D and 7).

Table 3
 CAPITAL ASSETS
 (net of accumulated depreciation)
 June 30, 2019

	Governmental Activities	Business-type Activities	TOTAL
Land	\$ 5,212,934	\$ 837,819	\$ 6,050,753
Construction in Progress	34,109,002		34,109,002
Buildings	42,718,135	654,948	43,373,083
Improvements	3,649,724	103,110	3,752,834
Machinery & Equipment	1,216,552	76,783	1,293,335
Infrastructure	55,614,579		55,614,579
Library Collection	316,575		316,575
TOTAL	\$ 142,837,501	\$ 1,672,660	\$ 144,510,161

Long-term liabilities. Debt liability for governmental activities decreased by \$1.2 million mostly due to payment of principal on the 2015 Certificates of Participation. See Note 8 – Long-Term Debt for further analysis of the City’s obligations.

Table 4
 LONG TERM OBLIGATIONS
 June 30, 2019

	Governmental Activities	Business-type Activities	TOTAL
2015 Certificates of Participation	\$ 39,860,000	\$ -	\$ 39,860,000
Certificate Premium - 2015	1,304,485	-	1,304,485
Compensated absences payable	619,804	31,411	651,215
Other post employment benefits	1,906,919	-	1,906,919
Net pension liabilities	5,950,590	424,039	6,374,629
TOTAL	\$ 49,641,798	\$ 455,450	\$ 50,097,248

GENERAL FUND BUDGETARY HIGHLIGHTS

- The fund balance for the General Fund increased by \$261,000 from the prior fiscal year to \$19 million.
- The City received \$440,000 more revenue from Sales & Use Tax than originally anticipated due to increased auto sales and leasing.
- The City received \$329,000 less revenue from Utility Users Tax – Electric than originally anticipated due to less electricity sales within the City.



- Building fees and planning fees netted an amount lower than originally budgeted by \$827,000 due to a decrease in construction projects taking place within City limits.
- The total amount of revenue received into the General Fund totaled \$23.4 million, \$3.3 million more than the budget.
- The City spent more than its General Fund budgeted expenditures by \$1.2 million, attributed mostly to repair and restoration of city facilities following the Woolsey Fire in November 2018.
- In June 2019, the City Council adopted a biennial budget identifying revenue and expenditures for the two-year period ending June 2021. Council renews the budget annually or as need arises.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Economic Factors

Like many California cities, the City of Calabasas has been called to address several economic challenges. It is expected that the future cost of inflation as it pertains to employee salaries and the cost to purchase materials and services will continue to require focus. The Cost of Living Adjustment (COLA) for the upcoming fiscal year which will be applied to current employee salaries and certain contractual costs is estimated to be about 3%. Higher forecasted health costs, worker’s compensation, and retirement benefits will also remain a concern and will be reflected in the upcoming budget.

Revenue from sales tax generated by new automobile dealerships within the City has stabilized following the Great Recession, and in fact is rebounding as the economy continues to strengthen. Likewise, revenue received from property taxes will increase by 4.3% for next fiscal year as the value of housing continues to increase. Further, when the two hotel projects already approved by Council are completed, the City could experience an increase in Transient Occupancy Tax in an amount close to \$1.0 million annually.

Next Year’s Budget

The budget will continue to focus on four main purposes:

1. Present a clear picture to residents, council, and staff regarding the City’s direction,
2. Provide an overview and summary of City Funds,
3. Identify Capital Improvement Projects (CIPs), Department / City special projects, and other discretionary spending items, and
4. Maintain excellent financial tracking.

The 2019-20 approved General Fund spending plan is approximately \$24.9 million, an amount \$1.43 million greater than that of the most immediately preceding fiscal year’s budget. Despite the Council approval of a balanced budget, revenue is expected to outperform budget, and expenditures are expected to be less than the amount approved, keeping the City in a favorable financial condition.

A new two-year budget with an annual review is being developed and is slated for release on July 1, 2020. The finance department is implementing a budgetary approach that will again result in a balanced budget for the General Fund. The goal is to implement a budget whereby total projected expenditures will be less than or equal to total projected revenue.

It should be noted that while a balanced budget is the goal, it remains possible that individual funds may experience greater out-flows relative to in-flows for the same fiscal period. Still, those funds are expected to have a positive ending fund balance to pay for the overages.



City management, namely the City Manager and the Chief Financial Officer, will be especially challenged in two areas: 1) to reduce expenditures through the discovery and implementation of cost saving programs; and 2) to increase revenue through innovation.

REQUESTS FOR INFORMATION

This financial report is designed to provide interested parties with a general overview of the City of Calabasas’ finances. Questions concerning the information provided in this report or requests for additional information should be addressed to:

City of Calabasas
Finance Department
100 Civic Center Way
Calabasas, CA 91302

This report is also available on the City’s website at
<http://www.cityofcalabasas.com/departments/finance/cafrs.html>



**CITY OF CALABASAS
STATEMENT OF NET POSITION
June 30, 2019**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Current Assets:			
Cash and investments	\$ 35,258,078	\$ 953,187	\$ 36,211,265
Cash and investments with fiscal agents	9,577		9,577
Accounts and taxes receivable	2,988,249		2,988,249
Interest receivable	185,782	4,248	190,030
Intergovernmental receivable	4,065,538		4,065,538
Loans receivable- employees	4,346		4,346
Total Current Assets	<u>42,511,570</u>	<u>957,435</u>	<u>43,469,005</u>
Non-current Assets:			
Notes and loans receivable	4,861,199		4,861,199
Capital assets:			
Not being depreciated	39,321,936	837,819	40,159,755
Being depreciated, net of accumulated depreciation	103,515,565	834,841	104,350,406
Total Non-current Assets	<u>147,698,700</u>	<u>1,672,660</u>	<u>149,371,360</u>
Total Assets	<u>190,210,270</u>	<u>2,630,095</u>	<u>192,840,365</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred loss on refunding	2,128,427		2,128,427
Pensions	2,305,165	164,266	2,469,431
OPEB	9,118		9,118
Total Deferred Outflow of Resources	<u>4,442,710</u>	<u>164,266</u>	<u>4,606,976</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	2,785,046	300,729	3,085,775
Interest payable	122,473		122,473
Compensated absences, due within one year	464,853	15,768	480,621
Other long-term liabilities, due within one year	1,148,188		1,148,188
Total Current Liabilities	<u>4,520,560</u>	<u>316,497</u>	<u>4,837,057</u>
Non-current Liabilities			
Compensated absences, due in more than one year	154,951	15,643	170,594
Other long-term liabilities, due in more than one year	47,873,806	424,039	48,297,845
Total Non-current Liabilities	<u>48,028,757</u>	<u>439,682</u>	<u>48,468,439</u>
Total Liabilities	<u>52,549,317</u>	<u>756,179</u>	<u>53,305,496</u>
DEFERRED INFLOW OF RESOURCES			
Pensions	418,004	29,787	447,791
Total Deferred Inflow of Resources	<u>418,004</u>	<u>29,787</u>	<u>447,791</u>
NET POSITION			
Net investment in capital assets	103,801,443	1,672,660	105,474,103
Restricted for:			
Library	2,083,439		2,083,439
Parks and recreation	108,807		108,807
Road improvements	4,545,550		4,545,550
Debt service	311,222		311,222
Housing	6,533,241		6,533,241
Landscape maintenance	6,049,476		6,049,476
Transit	2,399,373		2,399,373
Recycling	1,970,523		1,970,523
Community development	1,747,105		1,747,105
Unrestricted	12,135,480	335,735	12,471,215
Total Net Position	<u>\$ 141,685,659</u>	<u>\$ 2,008,395</u>	<u>\$ 143,694,054</u>

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

**CITY OF CALABASAS
 STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended June 30, 2019**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 14,070,151	\$ 345,370	\$ 286,234	\$ 933,231
Public safety	4,899,450	45,630	148,746	
Public works	3,875,099	26,369	1,026,140	8,752,961
Community development	1,159,432	1,651,808	68,722	
Community services	9,217,483	1,534,255	655,241	
Interest and fiscal charges	1,659,991			
Total Governmental Activities	34,881,606	3,603,432	2,185,083	9,686,192
Business-type Activities:				
Tennis & swim center	4,220,996	4,254,054		
Total Business-type Activities	4,220,996	4,254,054		
Total Primary Government	\$ 39,102,602	\$ 7,857,486	\$ 2,185,083	\$ 9,686,192

General Revenues:

Taxes:

Utility users taxes

Transient occupancy taxes

Sales taxes

Property taxes

Franchise taxes

Other taxes

Other intergovernmental-motor vehicle in-lieu, unrestricted

Use of money and property

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of Fiscal Year

Prior Period Adjustments

Net Position - Beginning of Fiscal Year, Restated

Net Position - End of Fiscal Year



Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (12,505,316)	\$ -	\$ (12,505,316)
(4,705,074)		(4,705,074)
5,930,371		5,930,371
561,098		561,098
(7,027,987)		(7,027,987)
(1,659,991)		(1,659,991)
(19,406,899)		(19,406,899)
	33,058	33,058
	33,058	33,058
(19,406,899)	33,058	(19,373,841)
2,809,356		2,809,356
2,114,825		2,114,825
5,824,369		5,824,369
11,803,300		11,803,300
780,447		780,447
368,420		368,420
2,504,434		2,504,434
1,080,086	14,034	1,094,120
979,850		979,850
28,265,087	14,034	28,279,121
8,858,188	47,092	8,905,280
132,827,471	2,101,762	134,929,233
	(140,459)	(140,459)
132,827,471	1,961,303	134,788,774
<u>\$ 141,685,659</u>	<u>\$ 2,008,395</u>	<u>\$ 143,694,054</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

**CITY OF CALABASAS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019**

	General	Special Revenue Funds		
		Landscape District Maintenance	Grants	Measure R
ASSETS:				
Cash and investments	\$ 13,030,142	\$ 6,742,485	\$ -	\$ 680,981
Cash and investments with fiscal agents				
Receivables:				
Accounts and taxes	2,566,525	163,096		
Interest	103,901	31,302	(7,541)	4,074
Intergovernmental			11,432	
Due from other funds	4,774,462			
Loans receivable, employees	4,346			
Notes and loans receivable	10,823		3,552,480	
Total Assets	<u>\$ 20,490,199</u>	<u>\$ 6,936,883</u>	<u>\$ 3,556,371</u>	<u>\$ 685,055</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,488,481	\$ 887,407	\$ -	\$ -
Due to other funds			1,576,088	
Total Liabilities	<u>1,488,481</u>	<u>887,407</u>	<u>1,576,088</u>	
Deferred inflow of resources:				
Deferred revenues - unavailable notes revenue	10,823		3,552,480	
Total deferred inflow of resources	<u>10,823</u>		<u>3,552,480</u>	
Fund balances				
Nonspendable:				
Loans receivable, employees	4,346			
Restricted		6,049,476		685,055
Committed				
Unassigned	18,986,549		(1,572,197)	
Total Fund Balances (deficits)	<u>18,990,895</u>	<u>6,049,476</u>	<u>(1,572,197)</u>	<u>685,055</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 20,490,199</u>	<u>\$ 6,936,883</u>	<u>\$ 3,556,371</u>	<u>\$ 685,055</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



Capital Projects Fund		Nonmajor Governmental Funds	Total Governmental Funds
Measure R Capital Improvements	Capital Improvement		
\$ -	\$ 179,950	\$ 14,624,520 9,577	\$ 35,258,078 9,577
		258,628	2,988,249
(14,439)		68,485	185,782
4,005,220		48,886	4,065,538
			4,774,462
			4,346
		1,297,896	4,861,199
<u>\$ 3,990,781</u>	<u>\$ 179,950</u>	<u>\$ 16,307,992</u>	<u>\$ 52,147,231</u>
\$ -	\$ 179,950	\$ 229,208	\$ 2,785,046
2,934,817		263,557	4,774,462
<u>2,934,817</u>	<u>179,950</u>	<u>492,765</u>	<u>7,559,508</u>
		1,297,896	4,861,199
		1,297,896	4,861,199
			4,346
		13,253,493	19,988,024
1,055,964		1,584,345	2,640,309
		(320,507)	17,093,845
<u>1,055,964</u>		<u>14,517,331</u>	<u>39,726,524</u>
<u>\$ 3,990,781</u>	<u>\$ 179,950</u>	<u>\$ 16,307,992</u>	<u>\$ 52,147,231</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2019

Fund balances for governmental funds		\$	39,726,524
Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the Governmental Funds because of the following:			
Capital assets used in Governmental Activities are not current resources and, therefore, are not reported in the Governmental Funds Balance Sheet.			
Capital assets	\$	196,042,255	
Less: accumulated depreciation		<u>(53,204,754)</u>	142,837,501
Long-term debt liabilities, including bonds payable and interest payable, are not due and payable in the current period and therefore are not reported in the funds.			
Certificates of participation	\$	(39,860,000)	
Net pension liability		(5,950,590)	
Compensated absences		(619,804)	
Interest payable		(122,473)	
OPEB		<u>(1,906,919)</u>	(48,459,786)
The following are recorded as expenditures or other financing sources in the governmental funds, however these are capitalized and amortized in the statement of net position. These amounts are net of accumulated amortization.			
Deferred loss on refunding	\$	2,128,427	
Bond premium		<u>(1,304,485)</u>	823,942
Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.			
Deferred inflows of resources relating to pensions		2,305,165	
Deferred outflows of resources relating to pensions		<u>(418,004)</u>	1,887,161
Deferred outflows and inflows of resources relating to OPEB: In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net OPEB, deferred outflows and inflows of resources relating to OPEB are reported.			
Deferred outflows of resources relating to OPEB			9,118
Long-term notes receivable are offset by deferred revenue in the governmental funds as they do not represent financial resources.			<u>4,861,199</u>
Net position of governmental activities		\$	<u>141,685,659</u>

See Accompanying Notes to Basic Financial Statements



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CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds			
	General	Landscape District Maintenance	Grants	Measure R
REVENUES				
Taxes	\$ 15,619,000	\$ 5,600,977	\$ -	\$ -
Licenses and fees	65,096			
Intergovernmental	2,504,434		1,608,661	274,522
Fines and forfeitures	158,343			
Use of money and property	807,655	106,546	(30,912)	14,371
Charges for services	3,527,347			
Other, donations, and reimbursements	756,411			
Total Revenues	<u>23,438,286</u>	<u>5,707,523</u>	<u>1,577,749</u>	<u>288,893</u>
EXPENDITURES				
Current:				
General government	12,938,703			
Public safety	4,788,424			
Public works	2,036,934			
Community development	1,088,801			
Community services	1,351,229	4,603,590		
Capital outlay	92,174			
Debt service:				
Principal retirement				
Interest and fiscal charges				
Total Expenditures	<u>22,296,265</u>	<u>4,603,590</u>		
Excess of Revenues over (under) Expenditures	<u>1,142,021</u>	<u>1,103,933</u>	<u>1,577,749</u>	<u>288,893</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	501,585			
Transfers out	(1,382,247)	(69,972)	(1,380,510)	(223,321)
Total Other Financing Sources (Uses)	<u>(880,662)</u>	<u>(69,972)</u>	<u>(1,380,510)</u>	<u>(223,321)</u>
Net Change in Fund Balances	<u>261,359</u>	<u>1,033,961</u>	<u>197,239</u>	<u>65,572</u>
Fund Balances (deficit), Beginning of Fiscal Year	<u>18,729,536</u>	<u>5,015,515</u>	<u>(1,769,436)</u>	<u>619,483</u>
Fund Balances (deficit), End of Fiscal Year	<u>\$ 18,990,895</u>	<u>\$ 6,049,476</u>	<u>\$ (1,572,197)</u>	<u>\$ 685,055</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



Capital Projects Fund			
Measure R Capital Improvements	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,480,740	\$ 23,700,717
			65,096
7,144,300		2,843,792	14,375,709
(68,273)		250,699	158,343
		76,085	1,080,086
			3,603,432
			756,411
<u>7,076,027</u>		<u>5,651,316</u>	<u>43,739,794</u>
		3,173	12,941,876
		111,026	4,899,450
		2,792	2,039,726
		68,721	1,157,522
		2,228,165	8,182,984
	4,561,001	111,480	4,764,655
		1,065,000	1,065,000
		<u>1,561,675</u>	<u>1,561,675</u>
	<u>4,561,001</u>	<u>5,152,032</u>	<u>36,612,888</u>
<u>7,076,027</u>	<u>(4,561,001)</u>	<u>499,284</u>	<u>7,126,906</u>
	4,561,001	3,048,522	8,111,108
<u>(2,447,230)</u>		<u>(2,607,828)</u>	<u>(8,111,108)</u>
<u>(2,447,230)</u>	<u>4,561,001</u>	<u>440,694</u>	
4,628,797		939,978	7,126,906
<u>(3,572,833)</u>		<u>13,577,353</u>	<u>32,599,618</u>
<u>\$ 1,055,964</u>	<u>\$ -</u>	<u>\$ 14,517,331</u>	<u>\$ 39,726,524</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2019

Net change in fund balances - total governmental funds \$ 7,126,906

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlay exceeded depreciation in the current period as follows:

Capital outlay	\$ 4,764,655	
Capitalized expenditures included in other functional expenditures	123,850	
Depreciation	<u>(3,783,642)</u>	1,104,863

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. 1,065,000

Interest is not accrued in the governmental funds. However, it is to be accrued in the statement of activities. This is the net change. 2,532

Changes in compensated absences which are not recognized due to timing issues in the governmental funds are charged to expenses in the statement of activities. 67,546

Other postemployment benefits reported in the governmental funds includes cash payments made into the trust fund and payments on behalf of retirees. In the Statement of Activities, OPEB expense includes the change in the net OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources. (144,669)

Amortization of bond premiums is not an expense of the governmental funds, but under the full accrual method is a component of interest expense. 58,188

In government funds, amount that was sent to the trustee of the escrow account are recognized as other financing uses. In the government-wide statements, the difference between the amount sent to escrow and the amount of the principal outstanding on the refunded obligations is amortized as an adjustment to interest expense over the remaining life of the refunded debt. This balance represents the unamortized deferred loss on refunding. Amortization during the current period (159,036)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis pension costs and actual employer contributions was: (269,204)

Certain notes receivable are reported in the governmental funds as expenditures and then offset by a deferred revenue as they are not available to pay current expenditures. Likewise when the note is collected it is reflected in revenue. This is the net change between notes receivable collected and issued. 6,062

Change in net position of governmental activities \$ 8,858,188



**CITY OF CALABASAS
 STATEMENT OF NET POSITION
 PROPRIETARY FUND
 June 30, 2019**

	<u>Tennis and Swim Center</u>
ASSETS	
Current Assets:	
Cash and investments	\$ 953,187
Interest receivable	4,248
	<u>957,435</u>
Total Current Assets	
Noncurrent Assets:	
Capital assets	
Land	837,819
Depreciable buildings and improvements, net	758,058
Depreciable equipment, net	<u>76,783</u>
Total Noncurrent Assets	<u>1,672,660</u>
Total Assets	<u>2,630,095</u>
Deferred Outflow of Resources:	
Pensions	<u>164,266</u>
Total deferred outflow of resources	<u>164,266</u>
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities	300,729
Compensated absences	<u>15,768</u>
Total Current Liabilities	<u>316,497</u>
Noncurrent Liabilities	
Net pension liabilities	424,039
Compensated absences	<u>15,643</u>
Total Noncurrent Liabilities	<u>439,682</u>
Total Liabilities	<u>756,179</u>
Deferred Inflow of Resources:	
Pensions	<u>29,787</u>
Total deferred inflow of resources	<u>29,787</u>
NET POSITION	
Net investment in capital assets	1,672,660
Unrestricted	<u>335,735</u>
Total Net Position	<u>\$ 2,008,395</u>

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS
STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2019**

	<u>Tennis and Swim Center</u>
OPERATING REVENUES	
Tennis and swim fees	\$ 3,976,213
Other	<u>277,841</u>
Total Operating Revenues	<u>4,254,054</u>
OPERATING EXPENSES	
Salaries and benefits	976,175
Outside services	182,698
Materials, supplies, and other operating expenses	948,351
Utilities	187,323
Top Seed	1,815,657
Depreciation	<u>110,792</u>
Total Operating Expenses	<u>4,220,996</u>
Operating Income (loss)	33,058
NON-OPERATING REVENUES (EXPENSES)	
Investment income (loss)	<u>14,034</u>
Change in Net Position	<u>47,092</u>
Net Position, Beginning of Fiscal Year	2,101,762
Prior Period Adjustments	<u>(140,459)</u>
Net Position, Beginning of Fiscal Year, restated	<u>1,961,303</u>
Net Position, End of Fiscal Year	<u>\$ 2,008,395</u>



**CITY OF CALABASAS
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUND
 For the Fiscal Year Ended June 30, 2019**

	Tennis and Swim Center
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tennis and swim fees	\$ 3,976,213
Receipts from other operating activities	277,841
Payments to suppliers	(3,051,514)
Payments to employees	(951,191)
	251,349
Net Cash Provided by Operating Activities	251,349
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(43,869)
	(43,869)
Net Cash Used by Capital and Related Financing Activities	(43,869)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	11,902
	11,902
Net Cash Provided by Investing Activities	11,902
Increase (Decrease) in cash and cash equivalents	219,382
Cash and Cash Equivalents, Beginning of Fiscal Year	733,805
	733,805
Cash and Cash Equivalents, End of Fiscal Year	\$ 953,187
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ 33,058
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	110,792
Changes in assets, deferred outflows, liabilities, and deferred inflows:	
Increase (decrease) in compensated absences	5,801
(Increase) decrease in deferred outflow	28,555
Increase (decrease) in net pension liability	(15,731)
Increase (decrease) in deferred inflow	6,359
Increase (decrease) in accounts payable and accrued liabilities	82,515
	82,515
Net Cash Provided by Operating Activities	\$ 251,349



CITY OF CALABASAS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2019

	Agency Funds
	<u> </u>
ASSETS	
Cash and investments	\$ 3,356,647
Cash and investments with fiscal agents	664,823
Special taxes receivable	<u>28,041</u>
Total Assets	<u>\$ 4,049,511</u>
LIABILITIES	
Accounts payable and accrued liabilities	\$ 64,170
Deposits	600,962
Due to bondholders	<u>3,384,379</u>
Total Liabilities	<u>\$ 4,049,511</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies**

The financial statements of the City of Calabasas (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (USGAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

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 as amended by GASB Statement No. 39, GASB Statement No. 61 and GASB Statement No. 80. 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. 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.

There are no entities which meet the Governmental Accounting Standards Board Statement No. 14 as amended by GASB Statement No. 39 and GASB Statement 61, criteria for discrete disclosure within these financial statements.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

B. Government-wide and Fund Financial Statement

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grant and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Separate financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, including property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after fiscal year-end. Expenditures generally are recorded when the liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures when due. Capital asset acquisitions are reported as expenditures in governmental funds.

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

Amounts reported as program revenues include 1) charges to members, customers, or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Tennis and Swim Center are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

The City reports the following major governmental funds:

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 other funds.

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

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

Measure R Fund – used to account for a 30 year ½ cent surcharge on sales tax adopted by Los Angeles County in July of 2009 and is used to finance transportation improvement projects.

Measure R Capital Improvements Fund – used to account for a 30 year ½ cent surcharge on sales tax adopted by Los Angeles County in July of 2009 and is used to finance capital improvement projects.

Capital Improvement Fund – used to account for acquisition and construction of major capital projects not being financed by proprietary funds.

The City reports the following major proprietary fund:

Tennis and Swim Center – used to account for operations of the Tennis and Swim Center that are financed and operated in a manner similar to private business enterprise. Costs are financed or recovered primarily through user charges.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

Governmental Funds:

Special Revenue Funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. These funds are required by statute or ordinance to finance particular functions or activities of government.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal, interest, and related costs on long-term obligations.

Fiduciary Funds:

Agency Funds - 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.

Las Virgenes Parking Authority Fund – used for the Las Virgenes Parking Authority.

Community Facilities District 98-1 Fund – used for debt service requirements of Community Facilities District No. 98-1.

Community Facilities District 2006-1 Fund – used for the refunding of CFD 2001-1 for debt service requirements of Community Facilities District No. 2006.

Recoverable Fund – used for developer projects such as new construction, building improvement, and addition, etc.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity

Cash and Investments

The City pools idle cash from all funds for the purpose of increasing income through investment. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balances of each fund.

In compliance with the applicable State statute, the Statement of Investment Policy is adopted annually by the City Council. Investments authorized under the Investment Policy included:

- Local Agency Investment Fund (LAIF) – State of California Investment Pool
- U.S. Treasury Obligations
- Federal Agency Securities
- Certificates of Deposit
- Savings Accounts

The City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 31, “Accounting and Financial Reporting for Certain Investments and External Pools”, which require governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred.

The City’s investments are carried at fair value which approximates cost. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows for the proprietary fund, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered cash equivalents.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as interfund receivables/interfund payables (i.e., the current portion of interfund loans) or advances to/from other funds (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as interfund receivables or interfund payables.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

Receivables and Payables (continued)

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and tax receivables are shown net of an allowance for uncollectible accounts if applicable, and estimated refunds due.

Pensions

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

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Property Taxes

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

Property Valuations – are established by the Assessor of the County of Los Angeles for the secured and unsecured property tax rolls; the utility property tax rolls are valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978) properties are assessed at 100% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies – are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates – are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax Collections – are the responsibility of the county tax collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: the first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments.

Tax Levy Apportionments – Due to the nature of the city-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under state legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total city-wide levy for the three years prior to fiscal year 1979.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

Property Tax Administration Fees – The State of California FY 1990-91 Budget Act authorized counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, improvements, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial and individual cost of \$1,000. Such capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible assets used by the governmental and business-type activities is charged as an expense against their operations. Depreciation has been provided using the straight-line method over the estimated useful lives of the assets as follows:

Equipment	5 years
Buildings	15-50 years
Improvements other than buildings	10 years
Infrastructure	20-50 years



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet of governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two types of items that qualify for reporting in this category. The first item is the deferred loss on debt refunding which is reported in the government-wide statement of net position and the proprietary fund statement of net position. A deferred loss on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the deferred assets of the City's pension plans investments as determined by California Public Employees' Retirement System (CalPERS) in accordance with GASB 68, which is reported in the government-wide statement of net position and the proprietary fund statement of net position. Please see Notes 9 and 12 for more details on these amounts.

In addition to liabilities, the statement of net position and balance sheet of governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Please see Notes 5 and 9 for more details on these amounts.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual; it must be both measurable and available to finance expenditures of the current fiscal period. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources. This type of deferred inflow is unique to governmental funds, since it is tied to the modified accrual basis of accounting, which is used only in connection with governmental funds.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

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 is recorded. Proprietary fund types accrue vacation benefits in the period they are earned.

Long-Term Obligations

In the government-wide financial statements, and proprietary type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Amortization of bond premiums and discounts are included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses.

Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

In the government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements, net position is reported in three categories: net investment in capital assets, restricted, and unrestricted. Net position that is net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position represents the portion of net position that has external constraints placed on it by parties outside of the City, such as creditors, grantors, contributors, or laws and regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the City Council, as resolutions and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, or Equity (Continued)

Fund Balance (continued)

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City Council establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

The City’s policy is to apply restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available.

Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

E. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies (Continued)**

F. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements

Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interest an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this Statement are effective for fiscal years beginning after December 15, 2020.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 2 Stewardship, Compliance, and Accountability

A. 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 accounting principles generally accepted in the United States of America. Additional appropriations or other changes during the fiscal year may be submitted by the department for Council review and approval.

B. Excess Expenditures over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

	Final Budget	Expenditures	Excess
Major Funds:			
General fund:			
Current:			
General government	\$ 11,316,435	\$ 12,938,703	\$ 1,622,268
Public works	1,693,200	2,036,934	343,734
Community development	1,200,300	1,088,801	(111,499)
Community services	1,118,140	1,351,229	233,089
Capital outlay	58,600	92,174	33,574
Landscape District Maintenance	3,226,000	4,603,590	1,377,590
Nonmajor Funds:			
South Coast Air Quality	\$ 28,200	\$ 38,125	\$ 9,925
Used Oil Grant	4,900	9,087	4,187
AB 939	69,400	149,870	80,470
COPS- AB 3229	97,500	111,026	13,526
Oak Tree Mitigation		2,792	2,792
Civic Center		16,139	16,139



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 2 **Stewardship, Compliance, and Accountability (Continued):**

C. Deficit Fund Balances

The Grants Special Revenue Fund (Major) has a deficit fund balance of \$1,572,197 that should be alleviated as additional revenues are received. The Community Development Block Grant Special Revenue has a deficit fund balance of \$18,200 that should be alleviated as additional revenues are received. The Park and Recreation Improvement Special Revenue Fund has a deficit fund balance of \$10,866 that should be alleviated as additional revenues are received. The Used Oil Grant Special Revenue Fund has a deficit fund balance of \$16,520 that should be alleviated as additional revenues are received. The Transit Special Revenue Fund has a deficit fund balance of \$48,526 that should be alleviated as additional revenues are received. The Measure M Traffic Improvements Special Revenue Fund has a deficit fund balance of \$226,395 that should be alleviated as additional revenues are received.

Note 3 **Cash and Investments**

Cash and investments as of June 30, 2019 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 36,211,265
Restricted cash and investments with fiscal agents	9,577
Fiduciary funds:	
Cash and investments	3,356,647
Restricted cash and investments with fiscal agents	<u>664,823</u>
Total cash and investments	<u>\$ 40,242,312</u>

Cash and investments as of June 30, 2019 consist of the following:

Cash on hand	\$ 3,100
Deposits with financial institutions	10,125,179
Investments	<u>30,114,033</u>
Total cash and investments	<u>\$ 40,242,312</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 3 **Cash and Investments (Continued)**

The table below identifies the investment types that are authorized for the City of Calabasas by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California government Code or the City’s investment policy.

A. Investments Authorized by the California Government Code and the City’s Investment Policy

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Investment Fund (State Pool)	N/A	None	\$50 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	\$250,000
Certificates of Deposit	2 years	None	\$250,000
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

B. Investments Authorized by Debt Agreements

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



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 3 **Cash and Investments (Continued)**

B. Investments Authorized by Debt Agreements (Continued)

<u>Authorized Investment Type</u>	<u>Minimum Rating</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Investment Fund (State Pool)	N/A	N/A	None	\$50 million
U.S. Treasury Obligations	N/A	N/A	None	None
U.S. Government Agency Issues	N/A	N/A	None	None
Mortgage backed securities		5 years	None	None
Mutual Funds	N/A	N/A	None	None
Money Market Funds	AAA	N/A	None	None
Investment Agreements	N/A	N/A	None	None
Bankers Acceptances	A	360 days	None	None
Commercial Paper	A	270 days	None	None
Municipal Bonds	AAA	N/A	None	None
State General Obligation Bonds	A	N/A	None	None
Los Angeles County Investment Pool	N/A	N/A	None	None

C. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity:

<u>Investment Type</u>	<u>Totals</u>	<u>Remaining maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25-60 Months</u>	<u>More Than 60 Months</u>
State Investment Pool	\$ 24,382,315	\$ 24,382,315	\$ -	\$ -	\$ -
Federal Agency Securities	5,057,318	4,000,000		1,057,318	
Held by Fiscal Agents:					
Money Market Funds	674,400	674,400			
	<u>\$ 30,114,033</u>	<u>\$ 29,056,715</u>	<u>\$ -</u>	<u>\$ 1,057,318</u>	<u>\$ -</u>

D. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 3 **Cash and Investments (Continued)**

E. Disclosures Relating to Credit Risk

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

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End			
				AAA	AA	A	Not Rated
State Investment Pool	\$ 24,382,315	N/A	\$ -	\$ -	\$ -	\$ -	\$ 24,382,315
Federal Agency Securities Held by Fiscal Agents:	5,057,318	N/A			1,057,318	4,000,000	
Money Market Funds	674,400	N/A		674,400			
Total	<u>\$ 30,114,033</u>		<u>\$ -</u>	<u>\$ 674,400</u>	<u>\$ 1,057,318</u>	<u>\$ 4,000,000</u>	<u>\$ 24,382,315</u>

F. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
FHLMC	US Government Agency Securities	\$ 3,057,318
FFCB	US Government Agency Securities	2,000,000

Investments in any one issuer that represent 5% or more of total investments by reporting unit (primary government, governmental activities, business type activities, fiduciary funds, major funds, nonmajor funds in the aggregate, etc.) are as follows:

\$5,057,318 of the cash and investments reported in the governmental activities are held in federal agency securities.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 3 **Cash and Investments (Continued)**

G. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The City's deposits with financial institutions in excess of federal depository insurance limits are legally required by the California Government Code, to collateralize the City's deposits as noted above.

H. Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 3 **Cash and Investments (Continued)**

I. Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The City has the following recurring fair value measurements as of June 30, 2019:

	Remaining maturity (in Months)			
Investments by fair value	Totals	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
Federal agency securities	\$ 5,057,318	5,057,318	\$ -	\$ -
	\$ 5,057,318	\$ 5,057,318	\$ -	\$ -

Note 4 **Accounts Receivable**

The following is a list of accounts receivable at June 30, 2019:

	Receivable	Allowance	Net
Governmental Activities:			
Accounts and taxes	\$ 2,988,249	\$ -	\$ 2,988,249
Intergovernmental	4,065,538		4,065,538
	\$ 7,053,787	\$ -	\$ 7,053,787
Fiduciary Funds:			
Special taxes	\$ 28,041	\$ -	\$ 28,041
	\$ 28,041	\$ -	\$ 28,041



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 5 **Notes and Loans Receivable**

- A. The City has established a program whereby employees can receive an interest free loan to purchase computers. This allows employees access to technology which is compatible to that of the City. Loans are repaid through payroll deductions. During the fiscal year ended June 30, 2019, 4 new loans were given totaling \$6,364 and principal on loans was paid in the amount of \$7,044, leaving an outstanding balance as of June 30, 2019 of \$4,346.
- B. The City through the Community Development Block Grant Program has given funds to residents in the form of rehabilitation assistance to assist low income residents in fixing up their residences. These notes can be either amortized or deferred. The outstanding balance of the notes as of June 30, 2019 was \$21,280.
- C. The City has loaned \$1,000,000 to Canyon Creek Seniors, L.P., in connection with the development and construction of affordable apartment units for senior households located in the City of Calabasas. Interest is being charged at a rate of 3% per annum. The outstanding balance of the note as of June 30, 2019 was \$1,276,616.
- D. The City has entered into a promissory note with Canyon Creek Seniors, L.P., in the amount of \$3,552,480 with zero interest in connection with the development and construction of affordable apartment units for senior households located in the City of Calabasas. The outstanding principal balance shall be due and payable in full on such date as is 55 years from the date a certificate of occupancy is issued for the Project but not later than December 31, 2067. The outstanding balance of the note as of June 30, 2019 was \$3,552,480.
- E. The City through the Moderate Income Onsite Wastewater Treatment System Loan Repair Program has loaned funds to assist qualified residents in repairing and maintenance of the septic system at their residences. The outstanding balance of the loans as of June 30, 2019 was \$10,823.
- F. For governmental funds, all note receivable amounts are offset by deferred inflows of resources.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 6 **Interfund Activity**

The following represents the interfund activity of the City for the fiscal year ended June 30, 2019:

A. Due To/ From Other Funds

Current interfund balances arise in the normal course of business and to assist funds with negative cash balance at the fiscal year end. They are expected to be repaid shortly after the end of the fiscal year.

The City allocates negative interest to funds that have a negative cash balance.

	Interfund Receivables	Interfund Payables
Major Funds:		
From: General	\$ 4,774,462	\$ -
To: Grants		1,576,088
Measure R Capital Improvements		2,934,817
Nonmajor Funds:		
To: Community Development Block Grant		18,069
Park and Recreation Improvement		10,811
Used Oil Grant		9,361
Measure M Traffic Improvements		225,316
Totals	\$ 4,774,462	\$ 4,774,462

B. Transfers

With council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that has made expenditures on behalf of another fund.

Fund	Transfers-in	Transfers-out
Major Funds:		
General	\$ 501,585	\$ 1,382,247
Grants		1,380,510
Measure R		223,321
Measure R Capital Improvements		2,447,230
Capital Improvement	4,561,001	
Nonmajor Funds:		
Proposition A		365,065
Highway Users Tax		496,551
Proposition C		294,227
AB 939		147,921
Used Oil Grant		909
TDA		47,186
Developer Impact Fees		318
Library District		780,122
Oak Tree Mitigation		185,029
Transit	746,499	90,500
Measure M Traffic Improvements	140,071	
Debt Service	2,161,952	200,000
Totals	\$ 8,111,108	\$ 8,111,108



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 7 **Capital Assets**

The City has reported all capital assets including infrastructure in the government-wide Statement of Net Position. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructures reporting, whereby depreciation expense and accumulated depreciation have been recorded.

A summary of changes in capital assets for the City’s governmental activities for the fiscal year ended June 30, 2019 is as follows:

	<u>Balance at</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance at</u> <u>June 30, 2019</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 5,189,775	\$ 23,159	\$ -	\$ -	\$ 5,212,934
Construction in progress	34,190,893	4,561,001	(64)	(4,642,828)	34,109,002
Total capital assets, not being depreciated	<u>39,380,668</u>	<u>4,584,160</u>	<u>(64)</u>	<u>(4,642,828)</u>	<u>39,321,936</u>
Capital assets, being depreciated:					
Buildings	53,857,260				53,857,260
Improvements	5,196,147				5,196,147
Equipment	3,783,043	252,257			4,035,300
Infrastructure	88,141,677			4,642,828	92,784,505
Library Collection	794,955	52,152			847,107
Total capital assets, being depreciated	<u>151,773,082</u>	<u>304,409</u>		<u>4,642,828</u>	<u>156,720,319</u>
Less accumulated depreciation for:					
Buildings	(10,093,349)	(1,045,776)			(11,139,125)
Improvements	(1,301,769)	(244,654)			(1,546,423)
Equipment	(2,627,024)	(191,724)			(2,818,748)
Infrastructure	(34,935,334)	(2,234,592)			(37,169,926)
Library Collection	(463,636)	(66,896)			(530,532)
Total accumulated depreciation	<u>(49,421,112)</u>	<u>(3,783,642)</u>			<u>(53,204,754)</u>
Total capital assets, being depreciated, net	<u>102,351,970</u>	<u>(3,479,233)</u>		<u>4,642,828</u>	<u>103,515,565</u>
Governmental activities capital assets, net	<u>\$ 141,732,638</u>	<u>\$ 1,104,927</u>	<u>\$ (64)</u>	<u>\$ -</u>	<u>\$142,837,501</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 7 Capital Assets (Continued)

A summary of changes in property, improvements, and equipment in the Enterprise Fund – Tennis and Swim Center for the fiscal year ended June 30, 2019 is as follows:

	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019
Business-types activities:				
Capital assets, not being depreciated:				
Land	\$ 837,819	\$ -	\$ -	\$ 837,819
Total capital assets, not being depreciated	837,819			837,819
Capital assets, being depreciated:				
Improvements	893,117			893,117
Buildings	3,138,363			3,138,363
Machinery & Equipment	682,592	43,869		726,461
Total capital assets, being depreciated	4,714,072	43,869		4,757,941
Less accumulated depreciation for:				
Improvements	(764,071)	(25,936)		(790,007)
Buildings	(2,419,505)	(63,910)		(2,483,415)
Machinery & Equipment	(628,732)	(20,946)		(649,678)
Total accumulated depreciation	(3,812,308)	(110,792)		(3,923,100)
Total capital assets, being depreciated, net	901,764	(66,923)		834,841
Business-type activities capital assets, net	\$ 1,739,583	\$ (66,923)	\$ -	\$ 1,672,660

Depreciation expense was charged to the following functions:

	Governmental Activities	Business-type Activities
General government	\$ 945,911	\$ -
Public works	1,891,821	
Community services	945,910	
Tennis and swim center		110,792
Total	\$ 3,783,642	\$ 110,792



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 8 **Long-Term Debt**

A. Changes in Long-term Debt

Summary of changes in long-term liabilities for governmental activities is as follows:

	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year
Governmental activities:					
2015 Certificates of Participation Certificate Premium - 2015	\$ 40,925,000	\$ -	\$ (1,065,000)	\$ 39,860,000	\$ 1,090,000
Certificates of Participation	1,362,673		(58,188)	1,304,485	58,188
Compensated absences payable	687,350	370,120	(437,666)	619,804	464,853
OPEB	1,753,132	176,673	(22,886)	1,906,919	
Net pension liabilities	6,171,346	1,151,931	(1,372,687)	5,950,590	
Total governmental long-term debt	<u>\$ 50,899,501</u>	<u>\$ 1,698,724</u>	<u>\$ (2,956,427)</u>	<u>\$ 49,641,798</u>	<u>\$ 1,613,041</u>

Summary of changes in long-term liabilities for business-type activities is as follows:

	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year
Business-type activities					
Compensated absences payable	\$ 25,610	\$ 21,569	\$ (15,768)	\$ 31,411	\$ 15,768
Net pension liabilities	439,770	86,704	(102,435)	424,039	
Total long-term debt	<u>\$ 465,380</u>	<u>\$ 108,273</u>	<u>\$ (118,203)</u>	<u>\$ 455,450</u>	<u>\$ 15,768</u>

B. 2015 Certificates of Participation

On May 28, 2015, the City issued \$40,925,000 Certificates of Participation (COPs) bearing interest of 3.0% and 5.0%, payable semi-annually on June 1 and December 1 commencing December 1, 2015. The certificates mature annually at various amounts through December 1, 2041. The Facilities Corporation will receive lease rental amounts sufficient to satisfy debt service on the COPs from the City. The debt proceeds were used to finance the costs of the acquisition, construction, installation and equipping of certain public capital improvements, including the costs of construction of a senior center, (ii) advance refund currently outstanding City of Calabasas 2006 Certificates of Participation (Civic Center Project). The refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debts, plus or minus funds on hand) of \$705,484. The aggregate difference in debt service between the old and the new debt (including the funds on hand) is a cost of (\$3,448,966). Certificates outstanding at June 30, 2019, were \$39,860,000.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 8 **Long-Term Debt (Continued)**

C. Compensated Absences:

The City’s policies relating to compensated absences are described in Note 1 of the Notes to Financial Statements. These liabilities will be paid in future fiscal years from future resources.

Business	\$ <u>31,411</u>
Governmental	\$ <u>619,804</u>

Compensated absences in governmental activities have been liquidated in the past fiscal year in the General Fund and Landscape Maintenance Fund (Special Revenue Fund).

D. Minimum Requirement Future Payments

The annual requirements to amortize outstanding long-term debt of the City’s Governmental Activities as of June 30, 2019, excluding compensated absences, PERS Side Fund, and other post-employment benefits obligation, are as follows:

2015 Certificates of Participation			
Fiscal Year	Principal	Interest	Total
2020	\$ 1,090,000	\$ 1,529,350	\$ 2,619,350
2021	1,125,000	1,496,125	2,621,125
2022	1,160,000	1,450,250	2,610,250
2023	1,215,000	1,390,875	2,605,875
2024	1,280,000	1,328,500	2,608,500
2025-2029	7,390,000	5,654,150	13,044,150
2030-2034	8,800,000	4,248,495	13,048,495
2035-2039	10,465,000	2,528,530	12,993,530
2040-2042	7,335,000	447,700	7,782,700
Totals	\$ 39,860,000	\$ 20,073,975	\$ 59,933,975



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 **Pension Plan**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pension liabilities are typically liquidated in the General Fund for governmental activities or in the respective enterprise fund.

A. General Information about the Pension Plan

Plan Descriptions - All qualified employees are eligible to participate in the City's Miscellaneous (all other) Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRAs Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is the Basic Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The Plans' provisions and benefits in effect at June 30, 2019, are summarized as follows:

	City Miscellaneous Plan	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.0% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52 - 67
Monthly benefits, as a % of eligible compensation	1.426%-2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates	8.89%	6.84%



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 **Pension Plan (Continued)**

A. General Information about the Pension Plan (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2019, the contribution recognized as part of pension expense for the Plan were as follows:

	Miscellaneous
Contributions - employer	\$ 861,145

B. Pension Liability, Pension Expenses and Deferred Outflow/Inflows of Resources Related to Pensions

As of June 30, 2019, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 6,374,629

C. Net Pension Liability

The City's net pension liability for each Plan is measured as the proportionate share of net pension liability. The net pension liability of the Plan is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2017 and 2018 was as follows:

Proportion - June 30, 2017	0.06666%
Proportion - June 30, 2018	0.06615%
Change - Increase (Decrease)	-0.00051%



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 **Pension Plan (Continued)**

C. Net Pension Liability (Continued)

For the fiscal year ended June 30, 2019, the City recognized pension expense of \$1,238,635, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 244,583	\$ 83,230
Changes in assumption	726,727	178,107
Net differences between projected and actual earnings on plan investments	31,515	
Change in employer's proportion	493,983	
Differences between employer's contributions and the employer's proportionate share of contributions	22,376	186,454
Pension contributions subsequent to measurement date	950,247	
Total	\$ 2,469,431	\$ 447,791

\$950,247 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

Fiscal Year Ended	Amount
June 30	
2020	\$ 795,419
2021	459,100
2022	(125,790)
2023	(57,336)
Total	\$ 1,071,393



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 **Pension Plan (Continued)**

C. Net Pension Liability (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies By Age & Length of Service (1)
Investment Rate of Return	7.50% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds

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

(2) Net of pension plan investment expenses, including inflation

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality, and retirement rates. The experience study report can be obtained at CalPERS' website under Forms and Publications.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 **Pension Plan (Continued)**

C. Net Pension Liability (Continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

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

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



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 9 Pension Plan (Continued)

C. Net Pension Liability (Continued)

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Year 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	47.00%	4.90%	5.38%
Global Fixed Income	19.00%	0.80%	2.27%
Inflation Sensitive	6.00%	0.60%	1.39%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	-0.40%	-0.90%

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate– The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability/(Asset)	\$10,926,807	\$6,374,629	\$2,616,880

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 10 **Risk Management**

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 118 California public entities and is organized under a joint powers agreement pursuant to California government Code § 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverages. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Retrospective adjustments are scheduled to continued indefinitely on coverage years 2012-13 and prior, until all claims incurred during those coverage years are closed, on a pool-wide basis. This subsequent cost re-allocation among members, based on actual claim development, can result in adjustments of either refunds or additional deposits require. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

Liability – In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 10 **Risk Management (Continued)**

The overall coverage limit for each member including all layers of coverage, is \$50 million per occurrence. Cost of covered claims for subsidence losses have a sub-limit of \$40 million per occurrence.

Workers Compensation – In the workers’ compensation program claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2018-19, the Authority’s pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Worker’s Compensation Law.

Employer’s Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer’s Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance – The City participates in the pollution legal liability insurance program with 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 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 10 **Risk Management (Continued)**

Purchased Insurance (Continued)

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. The City’s property currently has all-risk property insurance protection in the amount of \$67, 809,976. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Crime Insurance – The City purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

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.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in fiscal year 2018-19.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 11 **Joint Venture**

On November 24, 1997, the Agoura Hills and Calabasas Community Center Authority (Authority) was created under a joint exercise of powers agreement 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 Agoura Hills/Calabasas Community Center’s financial statements for the fiscal year ended June 30, 2018. A copy of the Center’s financial statements can be obtained at: 27040 Malibu Hills Road, Calabasas, CA 91302.

Note 12 **Other Post-Retirement Plan**

The City reports the following net OPEB liability as of June 30, 2019 measurement date:

	Governmental Activities
Net OPEB liability:	\$ 1,906,919
Total net OPEB liability	\$ 1,906,919

Description

The City administers a single-employer defined benefit healthcare plan and provides post-employment medical benefits to all retired employees in the amount of \$133 per month from July to December and \$136 per month from January to June in fiscal year 2018-19. 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 who have retired with at least 5 years of PERS service credit with the City and who have reached age 55 are reimbursed for PERS health benefit payments up to \$720.82 per month. The reimbursement is reduced by the amount of eligible Medicare benefits.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 12 **Other Post-Retirement Plan (Continued)**

Description (continued)

As of June 30, 2018 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	86
Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to, but not yet receiving benefits	
Total	<u>98</u>

Contributions

The City's adopted policy is to contribute an amount sufficient to pay the current fiscal year's premium. For fiscal year 2018-19, the City contributed \$22,886 which consisted of current premiums, but did not include any additional prefunding of benefits.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuation dated June 30, 2018.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 12 **Other Post-Retirement Plan (Continued)**

Net OPEB Liability (continued)

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:	
Discount Rate	3.50%
Inflation	2.75%
Salary Increases	2.75% per annum, in aggregate
Investment Rate of Return	3.50%
Mortality Rate*	2014 CalPERS Active Mortality for
	Miscellaneous Employees
Pre-Retirement Turnover**	2009 CalPERS Turnover for
	Miscellaneous Employees
Healthcare Trend Rate	4.00%

Notes:

* The mortality assumptions are based on the 2014 CalPERS Active Mortality for Miscellaneous Employees and the 2014 CalPERS Retiree Mortality for Miscellaneous Employees tables created by CalPERS. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

** The retirement assumptions are based on the 2009 CalPERS 2.0% @55 Rates for Miscellaneous Employees and the 2009 CalPERS 2.0% @60 Rates for Miscellaneous Employees tables created by CalPERS. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

Discount Rate

The discount rate estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the real rate of return expected for plan assets plus long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds. For partially funded plans, the discount rate is a blend of the funded and unfunded rates. The discount rate used to measure the total OPEB liability was 3.50 percent.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 12 Other Post-Retirement Plan (Continued)

Changes in Net OPEB Liability as of June 30, 2019

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2018	\$ 1,753,132	\$ -	\$ 1,753,132
Service Cost	103,682		103,682
Interest	62,774		62,774
Assumption Changes	10,217		10,217
Employer Contributions		22,886	(22,886)
Benefit Payments	(22,886)	(22,886)	
Net Change during 2018-19	153,787		153,787
Balance at June 30, 2019	\$ 1,906,919	\$ -	\$ 1,906,919

Sensitivity to the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for the measurement period ending June 30, 2019:

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability	\$ 1,596,094	\$ 1,906,919	\$ 2,230,388

Recognition of Deferred Outflows and Deferred Inflows of Resources and OPEB expense

For the fiscal year ended June 30, 2019, the City recognized OPEB expense of \$103,682. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumption	\$ 9,118	\$ -
Total	\$ 9,118	\$ -



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 12 **Other Post-Retirement Plan (Continued)**

Recognition of Deferred Outflows and Deferred Inflows of Resources and OPEB expense (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB and will be recognized as pension expense as follows:

For the Fiscal Year Ending June 30,	Recognized Net Deferred Outflows (Inflows) of Resources
2020	\$ 1,099
2021	1,099
2022	1,099
2023	1,099
2024	1,099
Thereafter	3,623
Total	\$ 9,118

Note 13 **Commitments**

Operating Leases

The City leases equipment under various noncancelable operating lease arrangements. The various leases expire over the next five years. Lease expenses amounted to approximately \$46,992 in the fiscal year ended June 30, 2019.

Future minimum payments, by fiscal year and in the aggregate, required under noncancelable operating lease obligations consist of the following:

Fiscal Year Ending June 30	Amount
2020	\$ 38,727
2021	22,886
2022	18,757
2023	1,085
Total minimum lease payments	\$ 81,455



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 14 **Special Assessment City (AD) Bonds**

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

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

<u>AD #</u>	<u>Special Assessment Bonds</u>	<u>Amount of Issue</u>	<u>Outstanding June 30, 2019</u>
98-1 Series 2018	Community Facilities District	\$ 18,062,930	\$ 18,062,930
2001-1 Series 2017	Community Facilities District	3,476,055	3,476,055

Note 15 **Net Position and Fund Balances**

GASB Statement No. 34, modified by GASB Statement No. 63, adds the concept of Net Position, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

Net Position

Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net position as determined at the government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of net assets which is represented by the current net book value of the City’s capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include debt service requirements.

Unrestricted describes the portion of net position which is not restricted as to use.

The government-wide statement of net position reports \$25,748,736 of restricted net position.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Note 15 Net Position and Fund Balances (Continued)

Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balances	General	Landscape District Maintenance	Grants	Measure R	Measure R Capital Improvements	Capital Improvements	Nonmajor Governmental Funds	Total
<u>Nonspendable:</u>								
Loans receivable	\$ 4,346	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,346
Total Nonspendable	4,346							4,346
<u>Restricted for:</u>								
Community development							1,747,105	1,747,105
Community services							2,083,439	2,083,439
Housing							1,672,042	1,672,042
Landscaping		6,049,476					104,827	6,154,303
Law enforcement							33,978	33,978
Parks and recreation							3,980	3,980
Public health							1,970,523	1,970,523
Road improvements							3,489,586	3,489,586
Transit				685,055			1,714,318	2,399,373
Debt service reserve							433,695	433,695
Total Restricted		6,049,476		685,055			13,253,493	19,988,024
<u>Committed to:</u>								
Civic Center							1,052,624	1,052,624
Library Capital Replacement							531,721	531,721
Capital Improvement					1,055,964			1,055,964
Total Committed					1,055,964		1,584,345	2,640,309
Unassigned:	18,986,549		(1,572,197)				(320,507)	17,093,845
Total Fund Balances (Deficits)	\$ 18,990,895	\$ 6,049,476	\$ (1,572,197)	\$ 685,055	\$ 1,055,964	\$ -	\$ 14,517,331	\$ 39,726,524

Note 16 Prior Period Adjustment

A prior period adjustment of (\$140,459) was made in the Tennis and Swim Center Enterprise Fund due an understatement of accounts payable in the prior fiscal year.



CITY OF CALABASAS
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2019

Schedule of the Local Government’s Proportionate Share of the Net Pension Liability – Last 10 Years*

	Miscellaneous Plan 2019 ¹
Proportion of the net pension liability	0.06615%
Proportionate share of the net pension liability	\$ 6,374,629
Covered payroll	6,775,868
Proportionate Share of the net pension liability as percentage of covered employee payroll	94.08%
Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.26%

	Miscellaneous Plan 2018 ¹	Miscellaneous Plan 2017 ¹	Miscellaneous Plan 2016 ¹	Miscellaneous Plan 2015 ¹
Proportion of the net pension liability	0.06666%	0.06372%	0.05957%	0.06524%
Proportionate share of the net pension liability	\$ 6,611,115	\$ 5,513,749	\$ 4,088,877	\$ 4,059,408
Covered employee payroll	7,231,894	7,387,256	6,978,236	6,714,514
Proportionate Share of the net pension liability as percentage of covered employee payroll	91.42%	74.64%	58.59%	60.46%
Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	78.68%	74.06%	78.40%	81.08%

¹Historical information is required only for measurement periods for which GASB 68 is applicable.

*Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.



CITY OF CALABASAS
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2019

Schedule of Pension Contributions¹ – Last 10 Years*

	Miscellaneous Plan
	Fiscal Year 2018-19
Actuarially Determined Contribution	\$ 950,160
Contributions in Relation to the Actuarially Determined Contribution	(950,247)
Contribution Deficiency (Excess)	<u>\$ (87)</u>
Covered payroll	\$ 6,472,713
Contributions as a Percentage of Covered-Employee Payroll	14.68%

	Miscellaneous Plan	Miscellaneous Plan	Miscellaneous Plan	Miscellaneous Plan
	Fiscal Year 2017-18	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
Actuarially Determined Contribution	\$ 861,145	\$ 805,502	\$ 795,859	\$ 753,396
Contributions in Relation to the Actuarially Determined Contribution	(861,145)	(805,502)	(795,859)	(753,396)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,775,868	\$ 6,774,846	\$ 7,387,256	\$ 6,714,574
Contributions as a Percentage of Covered-Employee Payroll	12.71%	11.89%	10.77%	11.22%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2018-19 were from the June 30, 2017 public agency valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For detail, see June 30, 2017 Funding Valuation Report
Assets Valuation Method	Actuarial Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates included 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.



CITY OF CALABASAS
OTHER POSTEMPLOYMENT BENEFIT PLAN
JUNE 30, 2019

Schedule of the Change in Net OPEB Liability and Related Ratios - Last 10 Fiscal Years*

MEASUREMENT PERIOD	<u>2019</u>	<u>2018</u>
TOTAL OPEB LIABILITY		
Service Cost	\$ 103,682	\$ 100,907
Interest on the Total OPEB Liability	62,774	62,685
Changes of Assumptions	10,217	
Benefit Payments	<u>(22,886)</u>	<u>(22,006)</u>
Net Change in Total OPEB Liability	153,787	141,586
Total OPEB Liability - Beginning	<u>1,753,132</u>	<u>1,611,546</u>
Total OPEB Liability - Ending	<u>\$ 1,906,919</u>	<u>\$ 1,753,132</u>
 Plan Net OPEB Liability - Ending	 <u>\$ 1,906,919</u>	 <u>\$ 1,753,132</u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 <u>n/a</u>	 <u>n/a</u>

Covered-Employee Payroll was not provided by employer

Notes to Schedule

Changes in Assumptions:

For fiscal years June 30, 2019, the discount rate changed from 3.8% to 3.5%

*Fiscal year 2018 was the first year of implementation, therefore only two year are shown.



CITY OF CALABASAS
OTHER POSTEMPLOYMENT BENEFIT PLAN
JUNE 30, 2019

Schedule of OPEB Contribution - Last 10 Fiscal Years*

Per GASB 75 paragraph 57c., these disclosures are only required if the employer calculates an Actuarially Determined Contribution (ADC). The City does not currently calculate an ADC.

See Notes to Required Supplementary Information

*Fiscal year 2018 was the 1st year of implementation, therefore only two years are shown.



CITY OF CALABASAS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Budgetary Data

Through the budget, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The Annual Budget assures the efficient and effective uses of the City's economic resources, as well as establishing that the highest priority objectives are accomplished.

The Annual Budget serves from July 1 to June 30, and is a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees and other public agencies. Additionally, it establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the City's performance.

The City collects and records revenue and expenditures within the following categories:

- Governmental Activities
- Business-Type Activities

The Governmental Funds include the General Fund, Special Revenue, Debt Service and Capital Projects funds. All funding sources are kept separate for both reporting and the use of money. The General Fund is where most City services are funded that are not required to be segregated.

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 30 of each fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the City Hall to obtain citizen input.
3. Prior to July 1, the budget is adopted through passage of a resolution and is not included herein but is published separately.



CITY OF CALABASAS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revision that increases the total appropriations of any fund must be approved by the City Council. The appropriated budget is prepared by fund, function, and department.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets for General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required Supplemental Information
June 30, 2019

CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 15,547,500	\$ 15,547,500	\$ 15,619,000	\$ 71,500
Licenses and fees	56,000	56,000	65,096	9,096
Intergovernmental	2,483,100	2,483,100	2,504,434	21,334
Fines and forfeitures	51,200	51,200	158,343	107,143
Use of money and property	716,200	716,300	807,655	91,355
Charges for services	3,899,400	4,148,500	3,527,347	(621,153)
Other, donations, and reimbursements	269,500	269,500	756,411	486,911
Total Revenues	23,022,900	23,272,100	23,438,286	166,186
EXPENDITURES				
Current:				
General government	12,357,300	12,354,300	12,938,703	(584,403)
Public safety	4,963,300	4,963,300	4,788,424	174,876
Public works	2,214,100	2,214,100	2,036,934	177,166
Community development	1,177,200	1,177,200	1,088,801	88,399
Community services	1,283,800	1,283,800	1,351,229	(67,429)
Capital outlay	123,800	123,800	92,174	31,626
Total Expenditures	22,119,500	22,116,500	22,296,265	(179,765)
Excess of Revenues over (under) Expenditures	903,400	1,155,600	1,142,021	(13,579)
OTHER FINANCING SOURCES (USES)				
Transfers in	526,300	526,300	501,585	(24,715)
Transfers out	(1,414,600)	(1,414,600)	(1,382,247)	32,353
Total Other Financing Sources (Uses)	(888,300)	(888,300)	(880,662)	7,638
Net Change in Fund Balance	15,100	267,300	261,359	(5,941)
Fund Balance, Beginning of Fiscal Year	18,729,536	18,729,536	18,729,536	
Fund Balance, End of Fiscal Year	\$ 18,744,636	\$ 18,996,836	\$ 18,990,895	\$ (5,941)

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Other Supplemental Information
June 30, 2019



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LANDSCAPE DISTRICT MAINTENANCE SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 5,412,200	\$ 5,412,200	\$ 5,600,977	\$ 188,777
Use of money and property	165,200	165,200	106,546	(58,654)
Total Revenues	<u>5,577,400</u>	<u>5,577,400</u>	<u>5,707,523</u>	<u>130,123</u>
EXPENDITURES				
Current:				
Community services	4,230,600	4,230,600	4,603,590	(372,990)
Total Expenditures	<u>4,230,600</u>	<u>4,230,600</u>	<u>4,603,590</u>	<u>(372,990)</u>
Excess of Revenues over (under) Expenditures	<u>1,346,800</u>	<u>1,346,800</u>	<u>1,103,933</u>	<u>(242,867)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out			(69,972)	(69,972)
Total Other Financing Sources (Uses)			<u>(69,972)</u>	<u>(69,972)</u>
Net Change in Fund Balance	1,346,800	1,346,800	1,033,961	(312,839)
Fund Balance, Beginning of Fiscal Year	<u>5,015,515</u>	<u>5,015,515</u>	<u>5,015,515</u>	
Fund Balance, End of Fiscal Year	<u>\$ 6,362,315</u>	<u>\$ 6,362,315</u>	<u>\$ 6,049,476</u>	<u>\$ (312,839)</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Other Supplemental Information
June 30, 2019

CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANTS SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 3,155,100	\$ 3,155,100	\$ 1,608,661	\$ (1,546,439)
Use of money and property	(63,000)	(63,000)	(30,912)	32,088
Total Revenues	<u>3,092,100</u>	<u>3,092,100</u>	<u>1,577,749</u>	<u>(1,514,351)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(3,071,700)</u>	<u>(3,071,700)</u>	<u>(1,380,510)</u>	<u>1,691,190</u>
Total Other Financing Sources (Uses)	<u>(3,071,700)</u>	<u>(3,071,700)</u>	<u>(1,380,510)</u>	<u>1,691,190</u>
Net Change in Fund Balance	20,400	20,400	197,239	176,839
Fund Balance, Beginning of Fiscal Year	<u>(1,769,436)</u>	<u>(1,769,436)</u>	<u>(1,769,436)</u>	
Fund Balance, End of Fiscal Year	<u>\$ (1,749,036)</u>	<u>\$ (1,749,036)</u>	<u>\$ (1,572,197)</u>	<u>\$ 176,839</u>

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Other Supplemental Information
June 30, 2019



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 250,200	\$ 250,200	\$ 274,522	\$ 24,322
Use of money and property	16,200	16,200	14,371	(1,829)
Total Revenues	<u>266,400</u>	<u>266,400</u>	<u>288,893</u>	<u>22,493</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(101,600)	(229,709)	(223,321)	6,388
Total Other Financing Sources (Uses)	<u>(101,600)</u>	<u>(229,709)</u>	<u>(223,321)</u>	<u>6,388</u>
Net Change in Fund Balance	164,800	36,691	65,572	28,881
Fund Balance (Deficit), Beginning of Fiscal Year	<u>619,483</u>	<u>619,483</u>	<u>619,483</u>	
Fund Balance (Deficit), End of Fiscal Year	<u>\$ 784,283</u>	<u>\$ 656,174</u>	<u>\$ 685,055</u>	<u>\$ 28,881</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Other Supplemental Information
June 30, 2019

CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Capital outlay	\$ 9,766,300	\$ 9,941,595	\$ 4,561,001	\$ 5,380,594
Total Expenditures	9,766,300	9,941,595	4,561,001	5,380,594
Excess of Revenues over (under) Expenditures	(9,766,300)	(9,941,595)	(4,561,001)	5,380,594
OTHER FINANCING SOURCES (USES)				
Transfers in	9,766,300	9,941,595	4,561,001	(5,380,594)
Total Other Financing Sources (Uses)	9,766,300	9,941,595	4,561,001	(5,380,594)
Net Change in Fund Balance				
Fund Balance, Beginning of Fiscal Year				
Fund Balance, End of Fiscal Year	\$ -	\$ -	\$ -	\$ -

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Other Supplemental Information
June 30, 2019



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MEASURE R CAPITAL IMPROVEMENTS FUND
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,711,600	\$ 2,711,600	\$ 7,144,300	\$ 4,432,700
Use of money and property			(68,273)	(68,273)
Total Revenues	<u>2,711,600</u>	<u>2,711,600</u>	<u>7,076,027</u>	<u>4,364,427</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,850,000)</u>	<u>(1,850,000)</u>	<u>(2,447,230)</u>	<u>(597,230)</u>
Total Other Financing Sources (Uses)	<u>(1,850,000)</u>	<u>(1,850,000)</u>	<u>(2,447,230)</u>	<u>(597,230)</u>
Net Change in Fund Balance	861,600	861,600	4,628,797	3,767,197
Fund Balance - Beginning of Fiscal Year	<u>(3,572,833)</u>	<u>(3,572,833)</u>	<u>(3,572,833)</u>	
Fund Balance - End of Fiscal Year	<u>\$ (2,711,233)</u>	<u>\$ (2,711,233)</u>	<u>\$ 1,055,964</u>	<u>\$ 3,767,197</u>



NONMAJOR GOVERNMENTAL FUNDS

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 City to finance the implementation of mobile source emission reduction programs under the provision 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.

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.

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

Used Oil Grant Fund – used to account for funds received from recycling of used oil.

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

Traffic Mitigation Fees Special Revenue Fund – used to account for fees collected from developers for future projects necessitated by new development.

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.



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (Continued)

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

Library District Fund – used to account for expenditures and receipts, including secured property tax, of the City’s library.

Oak Tree Mitigation Fund – used to account for the preservation and protection of Oak Trees within the City limits.

Quimby Act Fund – used for parks expenditures and improvements

Transit Fund – The transit fund is used to account for trolley service, dial-a-ride, and other transit services.

Measure M Local Return Fund – used to account for a sales tax measure approved by Los Angeles County voters to finance a county wide transit development program, with funds controlled locally.

Measure M Traffic Improvements Fund – used to account for a sales tax measure approved by Los Angeles County voters to finance new transit and highway projects.

CAPITAL PROJECTS FUND

Civic Center Capital Replacement Fund – used to account for the acquisition and construction of capital projects not being financed by proprietary funds.

Library Capital Replacement Capital Projects Fund – used to account for the acquisition and construction of capital projects not being financed by proprietary funds.

DEBT SERVICE FUND

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



CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

	Special Revenue Funds			
	Proposition A	Highway Users Tax	Proposition C	South Coast Air Quality Management
ASSETS				
Cash and investments	\$ 668,200	\$ 1,644,592	\$ 390,248	\$ 69,758
Cash and investments with fiscal agents				
Receivables:				
Accounts and taxes	44,324	79,517		8,170
Interest	3,893	7,609	2,385	355
Intergovernmental				
Notes receivable				
Total Assets	\$ 716,417	\$ 1,731,718	\$ 392,633	\$ 78,283
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds				
Total Liabilities				
Deferred inflow of resources:				
Deferred revenues - unavailable notes revenue				
Fund Balances:				
Restricted	716,417	1,731,718	392,633	78,283
Committed				
Unassigned				
Total Fund Balances (Deficits)	716,417	1,731,718	392,633	78,283
Total Liabilities, Deferred inflows of Resources and Fund Balances	\$ 716,417	\$ 1,731,718	\$ 392,633	\$ 78,283



Special Revenue Funds			
Community Development Block Grant	Park and Recreation Improvement	AB 939	Affordable Housing
\$ -	\$ -	\$ 1,838,943	\$ 1,663,623
19,546			
(131)	(55)	9,590	8,419
		48,767	
21,280			1,276,616
\$ 40,695	\$ (55)	\$ 1,897,300	\$ 2,948,658
\$ 19,546	\$ -	\$ 5,060	\$ -
18,069	10,811		
37,615	10,811	5,060	
21,280			1,276,616
		1,892,240	1,672,042
(18,200)	(10,866)		
(18,200)	(10,866)	1,892,240	1,672,042
\$ 40,695	\$ (55)	\$ 1,897,300	\$ 2,948,658

(Continued)



CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019
(Continued)

	Special Revenue Funds			
	Used Oil Grant	TDA	Traffic Mitigation Fees	COPS AB 3229
ASSETS				
Cash and investments	\$ -	\$ 1	\$ 1,738,308	\$ 42,959
Cash and investments with fiscal agents				
Receivables:				
Accounts and taxes				
Interest	(72)		8,797	271
Intergovernmental		119		
Notes receivables				
Total Assets	<u>\$ (72)</u>	<u>\$ 120</u>	<u>\$ 1,747,105</u>	<u>\$ 43,230</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 7,087	\$ -	\$ -	\$ 9,252
Due to other funds	9,361			
Total Liabilities	<u>16,448</u>			<u>9,252</u>
Deferred inflow of resources:				
Deferred revenues - unavailable notes revenue				
Fund Balances:				
Restricted		120	1,747,105	33,978
Committed				
Unassigned	<u>(16,520)</u>			
Total Fund Balances (Deficits)	<u>(16,520)</u>	<u>120</u>	<u>1,747,105</u>	<u>33,978</u>
Total Liabilities, Deferred inflows of Resources and Fund Balances	<u>\$ (72)</u>	<u>\$ 120</u>	<u>\$ 1,747,105</u>	<u>\$ 43,230</u>



Special Revenue Funds				
B&T Lost Hills District	Library District	Oak Tree Mitigation	Quimby Act	Transit
\$ 1,749,017	\$ 2,049,683	\$ 104,257	\$ 3,960	\$ 55,151
8,851	107,071 9,280	570	20	(974)
\$ 1,757,868	\$ 2,166,034	\$ 104,827	\$ 3,980	\$ 54,177
\$ -	\$ 82,595	\$ -	\$ -	\$ 102,703
	82,595			102,703
1,757,868	2,083,439	104,827	3,980	(48,526)
1,757,868	2,083,439	104,827	3,980	(48,526)
\$ 1,757,868	\$ 2,166,034	\$ 104,827	\$ 3,980	\$ 54,177

(Continued)



CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019
(Continued)

	Special Revenue Funds		Capital Projects Funds	
	Measure M Local Return	Measure M Traffic Improvements	Civic Center	Library Capital Replacement
ASSETS				
Cash and investments	\$ 602,373	\$ -	\$ 1,047,320	\$ 529,044
Cash and investments with fiscal agents				
Receivables:				
Accounts and taxes				
Interest	2,775	(1,079)	5,304	2,677
Intergovernmental				
Notes receivables				
	<u>\$ 605,148</u>	<u>\$ (1,079)</u>	<u>\$ 1,052,624</u>	<u>\$ 531,721</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds		225,316		
	<u>\$ -</u>	<u>\$ 225,316</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities		225,316		
	<u>\$ -</u>	<u>\$ 225,316</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflow of resources:				
Deferred revenues - unavailable notes revenue				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:				
Restricted	605,148			
Committed			1,052,624	531,721
Unassigned		(226,395)		
	<u>605,148</u>	<u>(226,395)</u>	<u>1,052,624</u>	<u>531,721</u>
Total Fund Balances (Deficits)	605,148	(226,395)	1,052,624	531,721
	<u>\$ 605,148</u>	<u>\$ (1,079)</u>	<u>\$ 1,052,624</u>	<u>\$ 531,721</u>
Total Liabilities, Deferred inflows of Resources and Fund Balances	<u>\$ 605,148</u>	<u>\$ (1,079)</u>	<u>\$ 1,052,624</u>	<u>\$ 531,721</u>



<u>Debt Service Fund</u>		<u>Total Nonmajor Governmental Funds</u>
Debt Service Center		Funds
\$ 427,083	\$	14,624,520
9,577		9,577
		258,628
		68,485
		48,886
		1,297,896
\$ 436,660	\$	16,307,992
\$ 2,965	\$	229,208
		263,557
2,965		492,765
		1,297,896
433,695		13,253,493
		1,584,345
		(320,507)
433,695		14,517,331
\$ 436,660	\$	16,307,992



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds
June 30, 2019

CITY OF CALABASAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds			
	Proposition A	Highway Users Tax	Proposition C	South Coast Air Quality Management
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	530,206	944,351	403,025	31,513
Charges for current services				
Use of money and property	13,507	24,913	7,937	1,471
Total Revenues	543,713	969,264	410,962	32,984
EXPENDITURES				
Current:				
General Government				
Public safety				
Public works				
Community development				
Community services				
Capital outlay				38,125
Debt service:				
Interest and other charges				
Total Expenditures				38,125
Excess of Revenues Over (Under) Expenditures	543,713	969,264	410,962	(5,141)
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out	(365,065)	(496,551)	(294,227)	
Total Other Financing Sources (Uses)	(365,065)	(496,551)	(294,227)	
Net Change in Fund Balances	178,648	472,713	116,735	(5,141)
Fund Balances (deficits), Beginning of Fiscal Year	537,769	1,259,005	275,898	83,424
Fund Balances (deficits), End of Fiscal Year	\$ 716,417	\$ 1,731,718	\$ 392,633	\$ 78,283

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds
June 30, 2019



Special Revenue Funds			
Community Development Block Grant	Park and Recreation Improvement	AB 939	Affordable Housing
\$ -	\$ -	\$ -	\$ -
68,722		273,208	
(518)	(209)	37,121	32,147
68,204	(209)	310,329	32,147
68,721		149,870	
68,721		149,870	
(517)	(209)	160,459	32,147
		(147,921)	
		(147,921)	
(517)	(209)	12,538	32,147
(17,683)	(10,657)	1,879,702	1,639,895
\$ (18,200)	\$ (10,866)	\$ 1,892,240	\$ 1,672,042

(Continued)



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds
June 30, 2019

CITY OF CALABASAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2019
(Continued)

	Special Revenue Funds			
	Used Oil Grant	TDA	Traffic Mitigation Fees	Cops AB3229
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	11,712	50,276		148,746
Charges for current services				
Use of money and property	(325)	127	33,589	781
Total Revenues	11,387	50,403	33,589	149,527
EXPENDITURES				
Current:				
General Government				
Public safety				111,026
Public works				
Community development				
Community services	9,087			
Capital outlay				
Debt service:				
Interest and fiscal charges				
Total Expenditures	9,087			111,026
Excess of Revenues Over (Under) Expenditures	2,300	50,403	33,589	38,501
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out	(909)	(47,186)	(318)	
Total Other Financing Sources (Uses)	(909)	(47,186)	(318)	
Net Change in Fund Balances	1,391	3,217	33,271	38,501
Fund Balances (deficits), Beginning of Fiscal Year	(17,911)	(3,097)	1,713,834	(4,523)
Fund Balances (deficits), End of Fiscal Year	\$ (16,520)	\$ 120	\$ 1,747,105	\$ 33,978

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds
June 30, 2019



Special Revenue Funds				
B&T Lost Hills District	Library District	Oak Tree Mitigation	Quimby Act	Transit
\$ -	\$ 2,112,320	\$ -	\$ -	\$ -
	382,033			
	49,716	3,016		23,353
33,797	31,283	3,277	76	(1,517)
33,797	2,575,352	6,293	76	21,836
		2,792		
	1,392,094			677,114
	57,216			
	1,449,310	2,792		677,114
33,797	1,126,042	3,501	76	(655,278)
	(780,122)	(185,029)		746,499
	(780,122)	(185,029)		(90,500)
	(780,122)	(185,029)		655,999
33,797	345,920	(181,528)	76	721
1,724,071	1,737,519	286,355	3,904	(49,247)
\$ 1,757,868	\$ 2,083,439	\$ 104,827	\$ 3,980	\$ (48,526)



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds
June 30, 2019

CITY OF CALABASAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2019
(Continued)

	Special Revenue Funds		Capital Projects Funds	
	Measure M Local Return	Measure M Traffic Improvements	Civic Center	Library Capital Replacement
REVENUES				
Taxes	\$ 368,420	\$ -	\$ -	\$ -
Intergovernmental				
Charges for current services				
Use of money and property	8,499	(5,750)	20,270	10,223
Total Revenues	376,919	(5,750)	20,270	10,223
EXPENDITURES				
Current:				
General Government				
Public safety				
Public works				
Community development				
Community services				
Capital outlay			16,139	
Debt service:				
Principal retirement				
Interest and fiscal charges				
Total Expenditures			16,139	
Excess of Revenues Over (Under) Expenditures	376,919	(5,750)	4,131	10,223
OTHER FINANCING SOURCES (USES)				
Transfers in		140,071		
Transfers out				
Total Other Financing Sources (Uses)		140,071		
Net Change in Fund Balances	376,919	134,321	4,131	10,223
Fund Balances (deficits), Beginning of Fiscal Year	228,229	(360,716)	1,048,493	521,498
Fund Balances (deficits), End of Fiscal Year	\$ 605,148	\$ (226,395)	\$ 1,052,624	\$ 531,721



<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 2,480,740
	2,843,792
	76,085
	<u>250,699</u>
	5,651,316
3,173	3,173
	111,026
	2,792
	68,721
	2,228,165
	111,480
1,065,000	1,065,000
<u>1,561,675</u>	<u>1,561,675</u>
<u>2,629,848</u>	<u>5,152,032</u>
<u>(2,629,848)</u>	<u>499,284</u>
2,161,952	3,048,522
<u>(200,000)</u>	<u>(2,607,828)</u>
<u>1,961,952</u>	<u>440,694</u>
(667,896)	939,978
<u>1,101,591</u>	<u>13,577,353</u>
<u>\$ 433,695</u>	<u>\$ 14,517,331</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PROPOSITION A SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 469,700	\$ 530,206	\$ 60,506
Use of money and property	13,800	13,507	(293)
Total Revenues	<u>483,500</u>	<u>543,713</u>	<u>60,213</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(368,200)</u>	<u>(365,065)</u>	<u>3,135</u>
Total Other Financing Sources (Uses)	<u>(368,200)</u>	<u>(365,065)</u>	<u>3,135</u>
Net Change in Fund Balance	115,300	178,648	63,348
Fund Balance - Beginning of Fiscal Year	<u>537,769</u>	<u>537,769</u>	
Fund Balance - End of Fiscal Year	<u>\$ 653,069</u>	<u>\$ 716,417</u>	<u>\$ 63,348</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
HIGHWAY USERS TAX SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 984,800	\$ 944,351	\$ (40,449)
Use of money and property	<u>20,300</u>	<u>24,913</u>	<u>4,613</u>
Total Revenues	<u>1,005,100</u>	<u>969,264</u>	<u>(35,836)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,200,000)</u>	<u>(496,551)</u>	<u>703,449</u>
Total Other Financing Sources (Uses)	<u>(1,200,000)</u>	<u>(496,551)</u>	<u>703,449</u>
Net Change In Fund Balance	(194,900)	472,713	667,613
Fund Balance - Beginning of Fiscal Year	<u>1,259,005</u>	<u>1,259,005</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,064,105</u>	<u>\$ 1,731,718</u>	<u>\$ 667,613</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PROPOSITION C SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 369,200	\$ 403,025	\$ 33,825
Use of money and property	6,100	7,937	1,837
Total Revenues	<u>375,300</u>	<u>410,962</u>	<u>35,662</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(294,200)</u>	<u>(294,227)</u>	<u>(27)</u>
Total Other Financing Sources (Uses)	<u>(294,200)</u>	<u>(294,227)</u>	<u>(27)</u>
Net Change in Fund Balance	81,100	116,735	35,635
Fund Balance - Beginning of Fiscal Year	<u>275,898</u>	<u>275,898</u>	
Fund Balance - End of Fiscal Year	<u>\$ 356,998</u>	<u>\$ 392,633</u>	<u>\$ 35,635</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SOUTH COAST AIR QUALITY MANAGEMENT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 34,000	\$ 31,513	\$ (2,487)
Use of money and property	<u>2,000</u>	<u>1,471</u>	<u>(529)</u>
Total Revenues	<u>36,000</u>	<u>32,984</u>	<u>(3,016)</u>
EXPENDITURES			
Capital outlay	<u>28,200</u>	<u>38,125</u>	<u>(9,925)</u>
Total Expenditures	<u>28,200</u>	<u>38,125</u>	<u>(9,925)</u>
Excess of Revenues Over (Under) Expenditures	7,800	(5,141)	(12,941)
Fund Balance - Beginning of Fiscal Year	<u>83,424</u>	<u>83,424</u>	
Fund Balance - End of Fiscal Year	<u>\$ 91,224</u>	<u>\$ 78,283</u>	<u>\$ (12,941)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 94,500	\$ 68,722	\$ (25,778)
Use of money and property	100	(518)	(618)
Total Revenues	<u>94,600</u>	<u>68,204</u>	<u>(26,396)</u>
EXPENDITURES			
Current:			
Community development	<u>82,800</u>	<u>68,721</u>	<u>14,079</u>
Total Expenditures	<u>82,800</u>	<u>68,721</u>	<u>14,079</u>
Excess of Revenues Over (Under) Expenditures	11,800	(517)	(12,317)
Fund Balance (Deficit) - Beginning of Fiscal Year	<u>(17,683)</u>	<u>(17,683)</u>	
Fund Balance (Deficit) - End of Fiscal Year	<u>\$ (5,883)</u>	<u>\$ (18,200)</u>	<u>\$ (12,317)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PARK AND RECREATION IMPROVEMENT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 40,000	\$ -	\$ (40,000)
Use of money and property		(209)	(209)
Total Revenues	40,000	(209)	(40,209)
EXPENDITURES			
Current:			
Community services	32,000		32,000
Total Expenditures	32,000		32,000
Excess of Revenues Over (Under) Expenditures	8,000	(209)	(8,209)
Fund Balance (Deficit) - Beginning of Fiscal Year	(10,657)	(10,657)	
Fund Balance (Deficit) - End of Fiscal Year	\$ (2,657)	\$ (10,866)	\$ (8,209)



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
AB 939 SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 220,000	\$ 273,208	\$ 53,208
Use of money and property	41,700	37,121	(4,579)
Total Revenues	<u>261,700</u>	<u>310,329</u>	<u>48,629</u>
EXPENDITURES			
Current:			
Community services	69,400	149,870	(80,470)
Total Expenditures	<u>69,400</u>	<u>149,870</u>	<u>(80,470)</u>
Excess of Revenues Over (Under) Expenditures	<u>192,300</u>	<u>160,459</u>	<u>(31,841)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(103,700)	(147,921)	(44,221)
Total Other Financing Sources (Uses)	<u>(103,700)</u>	<u>(147,921)</u>	<u>(44,221)</u>
Net Change in Fund Balance	88,600	12,538	(76,062)
Fund Balance - Beginning of Fiscal Year	<u>1,879,702</u>	<u>1,879,702</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,968,302</u>	<u>\$ 1,892,240</u>	<u>\$ (76,062)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
USED OIL GRANT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 14,000	\$ 11,712	\$ (2,288)
Use of money and property	200	(325)	(525)
Total Revenues	<u>14,200</u>	<u>11,387</u>	<u>(2,813)</u>
EXPENDITURES			
Current:			
Community services	<u>4,900</u>	<u>9,087</u>	<u>(4,187)</u>
Total Expenditures	<u>4,900</u>	<u>9,087</u>	<u>(4,187)</u>
Excess of Revenues Over (Under) Expenditures	<u>9,300</u>	<u>2,300</u>	<u>(7,000)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u></u>	<u>(909)</u>	<u>(909)</u>
Total Other Financing Sources (Uses)	<u></u>	<u>(909)</u>	<u>(909)</u>
Net Change in Fund Balance	9,300	1,391	(7,909)
Fund Balance (Deficit) - Beginning of Fiscal Year	<u>(17,911)</u>	<u>(17,911)</u>	<u></u>
Fund Balance (Deficit) - End of Fiscal Year	<u>\$ (8,611)</u>	<u>\$ (16,520)</u>	<u>\$ (7,909)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TDA SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,300	\$ 50,276	\$ 46,976
Use of money and property		127	127
Total Revenues	<u>3,300</u>	<u>50,403</u>	<u>47,103</u>
Excess of Revenues Over (Under) Expenditures	<u>3,300</u>	<u>50,403</u>	<u>47,103</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(47,186)</u>	<u>(47,186)</u>	
Total Other Financing Sources (Uses)	<u>(47,186)</u>	<u>(47,186)</u>	
Net Change in Fund Balance	(43,886)	3,217	47,103
Fund Balance (Deficit) - Beginning of Fiscal Year	<u>(3,097)</u>	<u>(3,097)</u>	
Fund Balance - End of Fiscal Year	<u>\$ (46,983)</u>	<u>\$ 120</u>	<u>\$ 47,103</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRAFFIC MITIGATION FEES SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Use of money and property	<u>\$ 23,200</u>	<u>\$ 33,589</u>	<u>\$ 10,389</u>
Total Revenues	<u>23,200</u>	<u>33,589</u>	<u>10,389</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(157,600)</u>	<u>(318)</u>	<u>157,282</u>
Total Other Financing Sources (Uses)	<u>(157,600)</u>	<u>(318)</u>	<u>157,282</u>
Net Change in Fund Balance	(134,400)	33,271	167,671
Fund Balance - Beginning of Fiscal Year	<u>1,713,834</u>	<u>1,713,834</u>	
Fund Balance - End of Fiscal Year	<u><u>\$ 1,579,434</u></u>	<u><u>\$ 1,747,105</u></u>	<u><u>\$ 167,671</u></u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COPS - AB 3229 SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 100,000	\$ 148,746	\$ 48,746
Use of money and property		781	781
Total Revenues	<u>100,000</u>	<u>149,527</u>	<u>49,527</u>
EXPENDITURES			
Current:			
Public safety	97,500	111,026	(13,526)
Total Expenditures	<u>97,500</u>	<u>111,026</u>	<u>(13,526)</u>
Excess of Revenues Over (Under) Expenditures	<u>2,500</u>	<u>38,501</u>	<u>36,001</u>
Net Change in Fund Balance	2,500	38,501	36,001
Fund Balance (Deficit) - Beginning of Fiscal Year	<u>(4,523)</u>	<u>(4,523)</u>	
Fund Balance - End of Fiscal Year	<u>\$ (2,023)</u>	<u>\$ 33,978</u>	<u>\$ 36,001</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
B & T LOST HILLS DISTRICT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 36,300	\$ 33,797	\$ (2,503)
Total Revenues	36,300	33,797	(2,503)
Net Change in Fund Balance	36,300	33,797	(2,503)
Fund Balance - Beginning of Fiscal Year	1,724,071	1,724,071	
Fund Balance - End of Fiscal Year	\$ 1,760,371	\$ 1,757,868	\$ (2,503)



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LIBRARY DISTRICT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 1,998,700	\$ 2,112,320	\$ 113,620
Charges for current services	22,800	49,716	26,916
Intergovernmental	294,600	382,033	87,433
Use of money and property	36,000	31,283	(4,717)
Total Revenues	<u>2,352,100</u>	<u>2,575,352</u>	<u>223,252</u>
EXPENDITURES			
Current:			
Community services	1,514,900	1,392,094	122,806
Capital outlay	58,100	57,216	884
Total Expenditures	<u>1,573,000</u>	<u>1,449,310</u>	<u>123,690</u>
Excess of Revenues Over (Under) Expenditures	<u>779,100</u>	<u>1,126,042</u>	<u>346,942</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(782,600)</u>	<u>(780,122)</u>	<u>2,478</u>
Total Other Financing Sources (Uses)	<u>(782,600)</u>	<u>(780,122)</u>	<u>2,478</u>
Net Change in Fund Balance	(3,500)	345,920	349,420
Fund Balance - Beginning of Fiscal Year	<u>1,737,519</u>	<u>1,737,519</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,734,019</u>	<u>\$ 2,083,439</u>	<u>\$ 349,420</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
OAK TREE MITIGATION SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Charges for current services	\$ 21,800	\$ 3,016	\$ (18,784)
Use of money and property	1,200	3,277	2,077
Total Revenues	23,000	6,293	(16,707)
EXPENDITURES			
Current:			
Public works		2,792	(2,792)
Total Expenditures		2,792	(2,792)
Excess of Revenues Over (Under) Expenditures	23,000	3,501	(19,499)
OTHER FINANCING SOURCES (USES)			
Transfers out	(250,000)	(185,029)	64,971
Total Other Financing Sources (Uses)	(250,000)	(185,029)	64,971
Net Change in Fund Balance	(227,000)	(181,528)	45,472
Fund Balance - Beginning of Fiscal Year	286,355	286,355	
Fund Balance - End of Fiscal Year	\$ 59,355	\$ 104,827	\$ 45,472



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRANSIT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Charges for current services	\$ 24,800	\$ 23,353	\$ (1,447)
Use of money and property	100	(1,517)	(1,617)
Total Revenues	<u>24,900</u>	<u>21,836</u>	<u>(3,064)</u>
EXPENDITURES			
Current:			
Community services	<u>715,900</u>	<u>677,114</u>	<u>38,786</u>
Total Expenditures	<u>715,900</u>	<u>677,114</u>	<u>38,786</u>
Excess of Revenues Over (Under) Expenditures	<u>(691,000)</u>	<u>(655,278)</u>	<u>35,722</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	764,000	746,499	(17,501)
Transfers out	<u>(72,600)</u>	<u>(90,500)</u>	<u>(17,900)</u>
Total Other Financing Sources (Uses)	<u>691,400</u>	<u>655,999</u>	<u>(35,401)</u>
Net Change in Fund Balance	400	721	321
Fund Balance (Deficit) - Beginning of Fiscal Year	<u>(49,247)</u>	<u>(49,247)</u>	
Fund Balance (Deficit) - End of Fiscal Year	<u>\$ (48,847)</u>	<u>\$ (48,526)</u>	<u>\$ 321</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CIVIC CENTER CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Use of money and property	\$ 22,200	\$ 20,270	\$ (1,930)
Total Revenues	<u>22,200</u>	<u>20,270</u>	<u>(1,930)</u>
EXPENDITURES			
Capital outlay		16,139	(16,139)
Total Expenditures		<u>16,139</u>	<u>(16,139)</u>
Excess of Revenues Over (Under) Expenditures	<u>22,200</u>	<u>4,131</u>	<u>(18,069)</u>
Net Change in Fund Balance	22,200	4,131	(18,069)
Fund Balance - Beginning of Fiscal Year	<u>1,048,493</u>	<u>1,048,493</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,070,693</u>	<u>\$ 1,052,624</u>	<u>\$ (18,069)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LIBRARY CAPITAL REPLACEMENT CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 11,000	\$ 10,223	\$ (777)
Total Revenues	<u>11,000</u>	<u>10,223</u>	<u>(777)</u>
Net Change in Fund Balance	11,000	10,223	(777)
Fund Balance - Beginning of Fiscal Year	<u>521,498</u>	<u>521,498</u>	
Fund Balance - End of Fiscal Year	<u><u>\$ 532,498</u></u>	<u><u>\$ 531,721</u></u>	<u><u>\$ (777)</u></u>



**CITY OF CALABASAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 AFFORDABLE HOUSING SPECIAL REVENUE FUND
 For the Fiscal Year Ended June 30, 2019**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 34,500	\$ 32,147	\$ (2,353)
Total Revenues	34,500	32,147	(2,353)
Net Change in Fund Balance	34,500	32,147	(2,353)
Fund Balance - Beginning of Fiscal Year	1,639,895	1,639,895	
Fund Balance - End of Fiscal Year	<u>\$ 1,674,395</u>	<u>\$ 1,672,042</u>	<u>\$ (2,353)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 26,600	\$ -	\$ (26,600)
Total Revenues	<u>26,600</u>	<u></u>	<u>(26,600)</u>
EXPENDITURES			
Current:			
General government	5,000	3,173	1,827
Debt Service:			
Principal retirement	1,065,000	1,065,000	
Interest and fiscal charges	<u>1,561,700</u>	<u>1,561,675</u>	<u>25</u>
Total Expenditures	<u>2,631,700</u>	<u>2,629,848</u>	<u>1,852</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,605,100)</u>	<u>(2,629,848)</u>	<u>(24,748)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,658,300	2,161,952	(496,348)
Transfers out	<u></u>	<u>(200,000)</u>	<u>(200,000)</u>
Total Other Financing Sources (Uses)	<u>2,658,300</u>	<u>1,961,952</u>	<u>(696,348)</u>
Net Change in Fund Balance	53,200	(667,896)	(721,096)
Fund Balance - Beginning of Fiscal Year	<u>1,101,591</u>	<u>1,101,591</u>	<u></u>
Fund Balance - End of Fiscal Year	<u>\$ 1,154,791</u>	<u>\$ 433,695</u>	<u>\$ (721,096)</u>



**CITY OF CALABASAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 QUIMBY ACT SPECIAL REVENUE FUND
 For the Fiscal Year Ended June 30, 2019**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 4,700	\$ -	\$ (4,700)
Use of money and property	200	76	(124)
Total Revenues	4,900	76	(4,824)
Net Change in Fund Balance	4,900	76	(4,824)
Fund Balance - Beginning of Fiscal Year	3,904	3,904	
Fund Balance - End of Fiscal Year	\$ 8,804	\$ 3,980	\$ (4,824)



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MEASURE M LOCAL RETURN SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 400,000	\$ 368,420	\$ (31,580)
Use of money and property	12,000	8,499	(3,501)
Total Revenues	<u>412,000</u>	<u>376,919</u>	<u>(35,081)</u>
Net Change in Fund Balance	412,000	376,919	(35,081)
Fund Balance - Beginning of Fiscal Year	<u>228,229</u>	<u>228,229</u>	
Fund Balance - End of Fiscal Year	<u>\$ 640,229</u>	<u>\$ 605,148</u>	<u>\$ (35,081)</u>



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MEASURE M TRAFFIC IMPROVEMENTS SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2019

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 2,260,500	\$ -	\$ (2,260,500)
Use of money and property	(18,500)	(5,750)	12,750
Total Revenues	2,242,000	(5,750)	(2,247,750)
 OTHER FINANCING SOURCES (USES)			
Transfers in		140,071	140,071
Total Other Financing Sources (Uses)		140,071	140,071
Net Change in Fund Balance	2,242,000	134,321	(2,107,679)
Fund Balance (Deficit) - Beginning of Fiscal Year	(360,716)	(360,716)	
Fund Balance (Deficit) - End of Fiscal Year	\$ 1,881,284	\$ (226,395)	\$ (2,107,679)



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.

Recoverable Fund- used for deposits from developers/property owners to be used for permit fees, consultant fees and other project related fees.

Las Virgenes Parking Authority Fund – used for the Las Virgenes Parking Authority.

Community Facilities City 98-1 Fund – used for debt service requirements of Community Facilities City No. 98-1.

Community Facilities City 2006-1 Fund – used for the refunding of CFD 2001-1 for debt service requirements of Community Facilities City No. 2006.



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CITY OF CALABASAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2019

Assets	<u>Las Virgenes Parking Authority</u>	<u>Community Facilities District 98-1</u>	<u>Community Facilities District 2006-1</u>
Cash and investments	\$ 49,777	\$ 330,514	\$ 2,361,001
Cash and investments with fiscal agent		348,566	316,257
Special tax receivable			28,041
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 49,777</u>	<u>\$ 679,080</u>	<u>\$ 2,705,299</u>
Liabilities			
Accounts payable and accrued liabilities	\$ 49,777	\$ -	\$ -
Deposits Due to bondholders		679,080	2,705,299
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 49,777</u>	<u>\$ 679,080</u>	<u>\$ 2,705,299</u>



<u>Recoverable</u>	<u>Total</u>
\$ 615,355	\$ 3,356,647
	664,823
	<u>28,041</u>
<u>\$ 615,355</u>	<u>\$ 4,049,511</u>
\$ 14,393	\$ 64,170
600,962	600,962
	<u>3,384,379</u>
<u>\$ 615,355</u>	<u>\$ 4,049,511</u>



CITY OF CALABASAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
<u>Las Virgenes Parking Authority</u>				
Assets:				
Cash and investments	\$ 68,765	\$ -	\$ 18,988	\$ 49,777
Liabilities:				
Accounts payable and accrued liabilities	\$ 68,765	\$ -	\$ 18,988	\$ 49,777
<u>Community Facilities District 98-1</u>				
Assets:				
Cash and investments	\$ 628,174	\$ -	\$ 297,660	\$ 330,514
Cash and investments with fiscal agent	351,241		2,675	348,566
	\$ 979,415	\$ -	\$ 300,335	\$ 679,080
Liabilities:				
Due to bondholders	\$ 979,415	\$ -	\$ 300,335	\$ 679,080
	\$ 979,415	\$ -	\$ 300,335	\$ 679,080
<u>Community Facilities District 2006-1</u>				
Assets:				
Cash and investments	\$ 2,688,897	\$ -	\$ 327,896	\$ 2,361,001
Cash and investments with fiscal agent	321,969		5,712	316,257
Special tax receivable	33,999	28,041	33,999	28,041
	\$ 3,044,865	\$ 28,041	\$ 367,607	\$ 2,705,299
Liabilities:				
Due to bondholders	\$ 3,044,865	\$ 28,041	\$ 367,607	\$ 2,705,299

(Continued)



CITY OF CALABASAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
For the Fiscal Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
<u>Recoverable</u>				
Assets:				
Cash and investments	\$ 636,109	\$ 14,393	\$ 35,147	\$ 615,355
	\$ 636,109	\$ 14,393	\$ 35,147	\$ 615,355
Liabilities:				
Accounts payable and accrued liabilities	\$ 6,202	\$ 14,393	\$ 6,202	\$ 14,393
Deposits	629,907		28,945	600,962
	\$ 636,109	\$ 14,393	\$ 35,147	\$ 615,355
 <u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 4,021,945	\$ 14,393	\$ 679,691	\$ 3,356,647
Cash and investments with fiscal agent	673,210		8,387	664,823
Special tax receivable	33,999	28,041	33,999	28,041
	\$ 4,729,154	\$ 42,434	\$ 722,077	\$ 4,049,511
Liabilities:				
Accounts payable and accrued liabilities	\$ 74,967	\$ 14,393	\$ 25,190	\$ 64,170
Deposits	629,907		28,945	600,962
Due to bondholders	4,024,280	28,041	667,942	3,384,379
	\$ 4,729,154	\$ 42,434	\$ 722,077	\$ 4,049,511



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This part of the City of Calabasas comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	152
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	164
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	174
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	180
<u>Operating Information</u> These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the service the city provides and the activities it performs.	182

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2003.



**CITY OF CALABASAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years**

	Fiscal Year			
	2019	2018	2017	2016
ASSETS				
Current Assets:				
Governmental Activities	\$42,511,570	\$35,776,317	\$39,574,750	\$36,194,708
Business-type Activities	957,435	735,921	765,306	589,973
Total Current Assets	\$43,469,005	\$36,512,238	\$40,340,056	\$36,784,681
Non-Current Assets:				
Governmental Activities	\$147,698,700	\$146,587,775	\$140,076,632	\$133,213,661
Business-type Activities	1,672,660	1,739,583	1,767,467	1,849,278
Total Non-current Assets	\$149,371,360	\$148,327,358	\$141,844,099	\$135,062,939
TOTAL ASSETS	\$192,840,365	\$184,839,596	\$182,184,155	\$171,847,620
LIABILITIES				
Current Liabilities:				
Governmental Activities	\$4,520,560	\$3,875,405	\$4,248,789	\$5,458,303
Business-type Activities	316,497	96,963	106,935	128,266
	\$4,837,057	\$3,972,368	\$4,355,724	\$5,586,569
Non-current Liabilities				
Governmental Activities	\$48,028,757	\$50,325,800	\$48,847,278	\$47,407,362
Business-type Activities	439,682	446,172	362,251	278,135
	\$48,468,439	\$50,771,972	\$49,209,529	\$47,685,497
TOTAL LIABILITIES	\$53,305,496	\$54,744,340	\$53,565,253	\$53,272,066
NET POSITION	\$139,534,869	\$130,095,256	\$128,618,902	\$118,575,554
Net invested in capital assets				
Governmental Activities	\$103,801,443	\$99,444,965	\$94,687,014	\$88,522,039
Business-type Activities	1,672,660	1,739,583	1,767,467	1,849,278
	\$105,474,103	\$101,184,548	\$96,454,481	\$90,371,317
Restricted for:				
Debt service	311,222	348,278	1,813,698	\$2,867,903
Streets/roads (Community Dev, Road Improv)	6,292,655	4,719,447	8,487,652	4,718,261
Housing	6,533,241	6,438,991	7,650,008	6,367,509
Landscape maintenance	6,049,476	5,015,384	4,101,341	3,399,839
Transit	2,399,373	1,609,035	1,344,074	1,041,363
Recycling	1,970,523	1,963,126	1,941,738	1,854,601
Other (Public Safety, Parks, Community Svc, Library)	2,192,246	2,017,121	1,604,465	943,288
Total restricted	\$25,748,736	\$22,111,382	\$26,942,976	\$21,192,764
Unrestricted:				
Governmental Activities	\$12,135,480	\$11,271,124	\$9,451,612	\$12,778,605
Business-type Activities	335,735	362,179	439,566	217,067
Total unrestricted	\$12,471,215	\$11,633,303	\$9,891,178	\$12,995,672
NET POSITION	\$143,694,054	\$134,929,233	\$133,288,635	\$124,559,753

Schedule 1

Source:

City of Calabasas Finance Department



**CITY OF CALABASAS
 NET POSITION BY COMPONENT
 Last Ten Fiscal Years**

Fiscal Year					
2015	2014	2013	2012	2011	2010
\$40,773,388	\$31,128,512	\$29,488,814	\$30,890,226	\$30,973,543	\$33,993,419
677,659	615,947	606,099	551,331	197,327	534,578
\$41,451,047	\$31,744,459	\$30,094,913	\$31,441,557	\$31,170,870	\$34,527,997
\$112,369,401	\$109,734,106	\$108,249,543	\$108,096,934	\$108,881,648	\$101,485,449
1,866,059	1,846,314	1,836,550	1,864,824	1,989,532	1,804,542
\$114,235,460	\$111,580,420	\$110,086,093	\$109,961,758	\$110,871,180	\$103,289,991
\$155,686,507	\$143,324,879	\$140,181,006	\$141,403,315	\$142,042,050	\$137,817,988
\$3,548,515	\$3,757,363	\$3,413,197	\$3,702,653	\$3,670,754	\$3,907,814
98,872	104,144	83,460	72,146	76,464	75,771
\$3,647,387	\$3,861,507	\$3,496,657	\$3,774,799	\$3,747,218	\$3,983,585
\$47,771,892	\$35,752,425	\$36,393,294	\$36,424,148	\$37,045,773	\$37,568,867
212,693	8,197	7,524	0	0	0
\$47,984,585	\$35,760,622	\$36,400,818	\$36,424,148	\$37,045,773	\$37,568,867
\$51,631,972	\$39,622,129	\$39,897,475	\$40,198,947	\$40,792,991	\$41,552,452
\$104,054,535	\$103,702,750	\$100,283,531	\$101,204,368	\$101,249,059	\$96,265,536
\$66,986,131	\$70,046,381	\$67,594,763	\$66,834,298	\$67,344,711	\$62,663,401
1,866,059	1,846,314	1,836,550	1,864,824	1,989,532	1,804,542
\$68,852,190	\$71,892,695	\$69,431,313	\$68,699,122	\$69,334,243	\$64,467,943
\$6,311,388	\$283,712	\$281,579	\$279,644	\$277,613	\$275,761
10,832,622	8,560,489	4,711,262	827,736	1,025,296	3,223,554
2,734,040	2,378,952	1,346,108	1,241,721	2,210,686	3,403,508
3,335,248	2,588,513	2,785,552	2,714,079	3,635,822	3,371,401
384,039	90,550	0	437,504	300,753	113,307
1,629,095	1,507,520	1,437,143	1,531,626	1,503,590	1,339,097
1,570,037	639,690	542,620	6,644,087	6,514,092	2,220,284
\$26,796,469	\$16,049,426	\$11,104,264	\$13,676,397	\$15,467,852	\$13,946,912
\$10,415,867	\$15,395,884	\$19,232,839	\$18,349,664	\$16,326,101	\$17,391,874
345,652	503,606	515,115	479,185	120,863	458,807
\$10,761,519	\$15,899,490	\$19,747,954	\$18,828,849	\$16,446,964	\$17,850,681
\$106,410,178	\$103,841,611	\$100,283,531	\$101,204,368	\$101,249,059	\$96,265,536



**CITY OF CALABASAS
 CHANGES IN NET POSITION
 Last Ten Fiscal Years**

	Fiscal Year			
	2019	2018	2017	2016
Expenses				
Governmental activities				
General government	\$14,070,151	\$14,469,368	\$12,343,361	\$11,389,503
Public safety	4,899,450	4,760,788	4,564,775	4,633,127
Public works	3,875,099	3,970,586	3,500,171	1,689,683
Community development	1,159,432	1,278,284	1,190,528	1,064,891
Community services	9,217,483	9,319,608	8,857,625	8,274,710
Interest and fiscal charges	1,659,991	1,674,102	1,689,188	1,745,680
Total governmental activities expenses	\$34,881,606	\$35,472,736	\$32,145,648	\$28,797,594
Business-type activities				
Tennis & swim center	\$4,220,996	\$4,274,413	\$4,069,893	\$4,506,128
Total business-type activities expenses	\$4,220,996	\$4,274,413	\$4,069,893	\$4,506,128
Total primary government net expenses	\$39,102,602	\$39,747,149	\$36,215,541	\$33,303,722
Program revenues				
Governmental activities				
Charges for services				
General government	\$345,370	\$921,852	\$222,614	\$216,842
Public safety	45,630	201,534	180,386	177,258
Public works	26,369	844,135	1,523,499	842,170
Community development	1,651,808	2,289,436	2,233,669	1,997,479
Community services	1,534,255	2,206,987	2,235,292	1,612,965
Operating contributions and grants	2,185,083	1,293,680	1,242,878	1,340,030
Capital contributions and grants	9,686,192	1,372,690	1,141,029	1,173,866
Total governmental activities program revenues	\$15,474,707	\$9,130,314	\$8,779,367	\$7,360,610
Business-type activities				
Charges for services				
Tennis & swim center	\$4,254,054	\$4,162,650	\$4,207,894	\$4,291,679
Total business-type activities program revenues	\$4,254,054	\$4,162,650	\$4,207,894	\$4,291,679
Total primary government program revenues	\$19,728,761	\$13,292,964	\$12,987,261	\$11,652,289

Schedule 2a

Source:

City of Calabasas Finance Department



**CITY OF CALABASAS
 CHANGES IN NET POSITION
 Last Ten Fiscal Years**

Fiscal Year					
2015	2014	2013	2012	2011	2010
\$11,834,778	\$11,931,261	\$11,512,849	\$11,708,227	\$12,053,452	\$12,141,342
4,440,634	4,441,317	4,458,577	4,419,166	4,575,327	4,616,694
2,836,782	3,173,776	3,091,423	3,421,489	3,287,309	3,509,793
764,092	781,930	980,930	750,984	955,440	1,848,570
8,161,350	8,831,660	8,385,674	8,450,755	8,495,850	8,322,613
1,358,158	1,612,372	1,647,448	1,672,489	1,697,553	1,717,910
\$29,395,794	\$30,772,316	\$30,076,901	\$30,423,110	\$31,064,931	\$32,156,922
\$3,961,297	\$4,288,700	\$3,836,066	\$3,565,190	\$3,581,753	\$3,097,396
\$3,961,297	\$4,288,700	\$3,836,066	\$3,565,190	\$3,581,753	\$3,097,396
\$33,357,091	\$35,061,016	\$33,912,967	\$33,988,300	\$34,646,684	\$35,254,318
\$55,378	\$246,742	\$109,965	\$122,454	\$413,926	\$1,500,524
213,989	175,166	179,725	264,244	379,214	399,860
567,351	262,559	2	0	987,319	482,509
3,436,814	1,393,806	1,513,241	734,577	910,197	1,259,814
1,767,388	1,880,353	1,834,026	1,686,997	1,554,487	1,378,201
1,174,011	925,003	897,081	859,597	615,922	1,815,127
3,659,573	5,226,199	2,255,833	3,545,785	8,994,034	2,829,605
\$10,874,504	\$10,109,828	\$6,789,873	\$7,213,654	\$13,855,099	\$9,665,640
\$4,039,914	\$4,276,853	\$3,818,088	\$3,715,977	\$3,425,241	\$2,956,350
\$4,039,914	\$4,276,853	\$3,818,088	\$3,715,977	\$3,425,241	\$2,956,350
\$14,914,418	\$14,386,681	\$10,607,961	\$10,929,631	\$17,280,340	\$12,621,990



**CITY OF CALABASAS
 CHANGES IN NET POSITION
 Last Ten Fiscal Years**

	Fiscal Year			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net (expense)/revenue				
Governmental Activities	(\$19,406,899)	(\$26,342,422)	(\$23,366,281)	(\$21,436,984)
Business-type Activities	33,058	(111,763)	138,001	(214,449)
Total Primary Government Net Expense	(\$19,373,841)	(\$26,454,185)	(\$23,228,280)	(\$21,651,433)
General revenues and other changes in net assets				
Governmental Activities				
Taxes				
Utility users taxes	\$2,809,356	\$2,912,934	\$3,010,753	\$3,070,280
Transient occupancy taxes	2,114,825	2,003,514	1,928,229	2,261,123
Sales taxes	5,824,369	5,178,580	4,617,757	7,153,479
Property taxes	11,803,300	10,823,626	11,079,303	8,398,946
Franchise taxes	780,447	754,932	727,325	778,903
Other intergov'tal-motor vehicle in-lieu, unrestricted	368,420	7,672,310	16,149,972	14,051,004
Use of money and property	2,504,434	770,802	326,092	1,017,694
Miscellaneous	1,080,086	347,823	174,529	184,959
Transfers	979,850	0	0	(52,366)
Total Governmental Activities	\$28,265,087	\$30,464,521	\$38,013,960	\$36,864,022
Business-type activities				
Use of money and property	\$14,034	\$6,492	\$2,687	\$16,717
Transfers	0	0	0	52,366
Total Business-type activities	\$14,034	\$6,492	\$2,687	\$69,083
Total primary government	\$28,279,121	\$30,471,013	\$38,016,647	\$36,933,105
Change in Net Position				
Governmental Activities	\$8,858,188	\$4,122,099	\$14,647,679	\$15,427,038
Business-type Activities	\$47,092	(\$105,271)	\$140,688	(\$145,366)
Total Primary Government	\$8,905,280	\$4,016,828	\$14,788,367	\$15,281,672

Schedule 2b

Source:

City of Calabasas Finance Department



**CITY OF CALABASAS
 CHANGES IN NET POSITION
 Last Ten Fiscal Years**

Fiscal Year					
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
(\$18,521,290)	(\$20,662,488)	(\$23,287,028)	(\$23,209,456)	(\$17,209,832)	(\$22,491,282)
78,617	(11,847)	(17,978)	\$150,787	(\$156,512)	(\$141,046)
(\$18,442,673)	(\$20,674,335)	(\$23,305,006)	(\$23,058,669)	(\$17,366,344)	(\$22,632,328)
\$3,289,316	\$3,414,096	\$3,251,695	\$3,232,973	\$3,356,869	\$3,432,782
1,683,217	1,492,057	1,264,559	1,143,358	1,198,632	1,012,512
5,929,568	5,905,147	5,366,000	5,331,520	5,840,139	4,934,531
10,190,028	9,362,031	9,244,027	8,579,845	8,800,069	9,115,482
806,301	737,142	768,746	783,551	747,557	812,294
2,153,453	2,019,133	1,958,948	1,892,886	1,983,635	1,977,446
496,980	1,043,835	(59,561)	949,571	364,806	439,305
233,896	331,719	1,142,727	1,096,242	74,328	8,847
0	0	0	(78,795)	78,863	0
\$24,782,759	\$24,305,160	\$22,937,141	\$22,931,151	\$22,444,898	\$21,733,199
(\$12,497)	(\$6,537)	(\$10,860)	\$4,032	\$6,664	\$3,241
0	0	0	78,795	(78,863)	0
(\$12,497)	(\$6,537)	(\$10,860)	\$82,827	(\$72,199)	\$3,241
\$24,770,262	\$24,298,623	\$22,926,281	\$23,013,978	\$22,372,699	\$21,736,440
\$6,261,469	\$3,642,672	(\$349,887)	(\$278,305)	\$5,235,066	(\$758,083)
\$66,120	(\$18,384)	(\$28,838)	\$233,614	(\$228,711)	(\$137,805)
\$6,327,589	\$3,624,288	(\$378,725)	(\$44,691)	\$5,006,355	(\$895,888)



**CITY OF CALABASAS
 FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)**

	Fiscal Year			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund				
Nonspendable	\$ 4,346	\$ 4,440	\$ 9,933	\$ 9,614
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	18,986,549	18,725,096	18,392,613	18,665,422
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	\$ 18,990,895	\$ 18,729,536	\$ 18,402,546	\$ 18,675,036
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	19,988,024	18,106,063	17,284,472	16,533,838
Committed	2,640,309	1,569,991	1,568,103	1,125,415
Assigned	-	-	-	-
Unassigned	(1,892,704)	(5,805,972)	(1,253,042)	(4,439,037)
Reserved	-	-	-	-
Unreserved, Reported In:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total All Other Governmental Funds	\$ 20,735,629	\$ 13,870,082	\$ 17,599,533	\$ 13,220,216
Total Governmental Funds	\$ 39,726,524	\$ 32,599,618	\$ 36,002,079	\$ 31,895,252

Schedule 4

Source:

City of Calabasas Finance Department

Note:

The City of Calabasas implemented GASB 54 for the fiscal year ended June 30, 2011.



CITY OF CALABASAS
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

		Fiscal Year					
		2015	2014	2013	2012	2011	2010
\$	18,478	\$ 13,554	\$ 12,876	\$ 13,607	\$ 18,465	\$ -	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	18,672,675	18,313,859	18,116,096	17,746,565	16,972,163	-	-
	-	-	-	-	-	-	677,879
	-	-	-	-	-	-	15,551,864
\$	18,691,153	\$ 18,327,413	\$ 18,128,972	\$ 17,760,172	\$ 16,990,628	\$ 16,229,743	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
	20,930,129	11,915,790	10,832,860	13,291,013	14,592,741	-	-
	1,224,207	1,301,836	1,453,135	1,501,292	1,047,020	-	-
	-	-	-	-	-	-	-
	(2,478,659)	(2,846,185)	(3,061,609)	(4,123,063)	(4,183,867)	-	-
	-	-	-	-	-	-	402,502
	-	-	-	-	-	-	12,258,006
	-	-	-	-	-	-	957,992
\$	19,675,677	\$ 10,371,441	\$ 9,224,386	\$ 10,669,242	\$ 11,455,894	\$ 13,618,500	
\$	38,366,830	\$ 28,698,854	\$ 27,353,358	\$ 28,429,414	\$ 28,446,522	\$ 29,848,243	



CITY of CALABASAS, CALIFORNIA
Statistical Section - Financial Trends

CITY OF CALABASAS
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2019	2018	2017	2016
REVENUES				
Taxes	\$23,700,717	\$21,673,586	\$21,363,367	\$21,662,276
Licenses and fees	65,096	46,878	61,167	40,135
Intergovernmental	14,375,709	8,820,788	17,763,357	17,407,072
Fines and forfeitures	158,343	2,418,738	2,156,704	90,975
General government	0	389,638	305,798	7,121
Use of money and property	1,080,086	888,344	432,005	1,131,875
Charges for services	3,603,432	5,009,811	4,535,184	3,752,330
Other, donations, and reimbursements	756,411	347,052	175,745	185,214
Total Revenues	\$43,739,794	\$39,594,835	\$46,793,327	\$44,276,998
EXPENDITURES				
Current:				
General government	\$12,941,876	\$12,939,135	\$11,817,939	\$11,752,059
Public safety	4,899,450	4,737,613	4,537,032	4,601,908
Public works	2,039,726	1,968,197	1,925,260	1,874,309
Community development	1,157,522	1,262,218	1,223,273	1,088,696
Community services	8,182,984	8,240,498	8,033,330	7,845,154
Capital outlay	4,764,655	12,274,939	13,106,326	21,450,774
Debt service:				
Principal retirement	1,065,000	0	455,000	435,000
Interest and fiscal charges	1,561,675	1,574,696	1,588,340	1,648,310
Debt issuance costs	0	0	0	0
Total Expenditures	\$36,612,888	\$42,997,296	\$42,686,500	\$50,696,210
Excess of Revenues over (under) Expenditures	\$7,126,906	(\$3,402,461)	\$4,106,827	(\$6,419,212)
OTHER FINANCING SOURCES (USES)				
Proceed from issuance of long term debt	\$0	\$0	\$0	\$0
Payment to refunded debt escrow	0	0	0	0
Proceeds from capital leases	0	0	0	0
Original Issue Premium	0	0	0	0
Transfers in	8,111,108	14,358,225	16,376,752	26,165,719
Transfers out	(8,111,108)	(14,358,225)	(16,376,752)	(26,218,085)
Total Other Financing Sources (Uses)	\$0	\$0	\$0	(\$52,366)
Net Change in Fund Balances Before Extraordinary Items	\$7,126,906	(\$3,402,461)	\$4,106,827	(\$6,471,578)
Extraordinary items-Insurance proceeds	0	0	0	0
Net Change in Fund Balance	\$7,126,906	(\$3,402,461)	\$4,106,827	(\$6,471,578)
Debt Service as a Percentage of Non Capital Expenditures	8.25%	5.13%	6.91%	7.12%

Schedule 5

Source:

City of Calabasas Finance Department

CITY of CALABASAS, CALIFORNIA
Statistical Section - Financial Trends



CITY OF CALABASAS
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

2015	2014	2013	2012	2011	2010
\$21,738,599	\$20,840,981	\$19,895,027	\$19,071,247	\$19,943,260	\$19,227,059
48,785	45,212	57,953	49,218	47,827	60,171
7,700,808	8,298,016	5,095,957	6,298,268	11,940,164	5,270,705
101,737	79,443	105,897	139,031	193,121	192,932
0	262,559	126,183	0	0	0
634,804	1,170,135	71,110	1,398,961	500,526	577,721
5,038,803	3,445,068	3,214,232	2,494,593	3,974,255	2,688,703
393,727	401,254	1,144,750	1,096,282	132,700	1,906,354
\$35,657,263	\$34,542,668	\$29,711,109	\$30,547,600	\$36,731,853	\$29,923,645
\$11,410,770	\$11,241,444	\$10,927,241	\$10,945,191	\$11,311,904	\$11,417,656
4,408,181	4,420,802	4,436,384	4,396,296	4,558,672	4,599,099
1,787,438	1,788,986	1,752,699	1,679,235	1,601,748	1,850,022
908,069	778,318	976,047	1,443,707	3,460,712	1,833,132
7,545,050	7,950,167	7,669,413	7,527,147	7,596,827	7,448,215
4,438,168	4,981,149	2,747,946	2,150,160	7,369,590	3,401,380
719,867	700,513	670,746	645,746	600,746	555,896
1,492,176	1,524,261	1,544,912	1,570,064	1,594,954	1,621,820
0	0	0	0	0	0
\$32,709,719	\$33,385,640	\$30,725,388	\$30,357,546	\$38,095,153	\$32,727,220
\$2,947,544	\$1,157,028	(\$1,014,279)	\$190,054	(\$1,363,300)	(\$2,803,575)
\$40,925,000	\$0	\$0	\$0	\$0	\$0
(36,069,413)	0	0	0	0	0
0	0	0	0	0	53,731
1,542,086	0	0	0	0	0
8,810,810	8,170,353	7,682,216	6,374,097	9,851,067	7,376,465
(8,810,810)	(8,170,353)	(7,682,216)	(6,452,892)	(9,772,204)	(7,376,465)
\$6,397,673	\$0	\$0	(\$78,795)	\$78,863	\$53,731
\$9,345,217	\$1,157,028	(\$1,014,279)	\$111,259	(\$1,284,437)	(\$2,749,844)
0	0	0	0	0	0
\$9,345,217	\$1,157,028	(\$1,014,279)	\$111,259	(\$1,284,437)	(\$2,749,844)
7.82%	7.83%	7.92%	7.86%	7.15%	7.43%



CITY OF CALABASAS
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Sales & Use	Utility Users	Occupancy	Franchise	Transfer	Vehicle License Fee	Other	Total
2019	7,961,760	5,824,369	2,809,356	2,114,825	780,447	274,008	2,504,434	5,781,988	28,051,187
2018	7,262,003	5,178,580	2,912,934	2,003,514	754,932	259,316	2,406,088	6,731,624	27,508,991
2017	7,373,194	4,617,757	3,010,753	1,928,229	727,325	302,868	2,318,739	5,586,440	25,865,306
2016	6,904,080	5,305,321	3,070,280	2,261,123	778,904	296,692	2,241,304	5,047,246	25,904,950
2015	6,676,755	5,929,568	3,289,316	1,683,217	806,301	241,131	2,153,453	5,047,143	25,826,884
2014	6,273,335	5,905,147	3,414,094	1,492,057	737,142	291,264	2,019,133	4,274,579	24,406,751
2013	6,108,341	5,366,000	3,251,694	1,264,559	768,747	248,416	1,958,948	3,834,526	22,801,231
2012	5,614,989	5,331,520	3,117,660	1,143,358	707,345	148,984	1,892,886	3,696,786	21,653,528
2011	5,630,277	5,865,417	3,356,869	1,198,632	747,557	173,073	1,983,635	3,545,831	22,501,291
2010	5,725,234	4,934,531	3,432,782	1,012,512	812,294	212,294	1,977,446	3,715,753	21,822,846
Change 2010-2019	39.1%	18.0%	-18.2%	108.9%	-3.9%	29.1%	26.6%	55.6%	28.5%

Schedule 6

Source:

City of Calabasas Finance Department

Note:

Includes Tax Revenues in the General Fund, LMD Ad Valorem Fund, and Library Fund.



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**CITY OF CALABASAS
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years**

<u>Fiscal Year End</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other Property</u>	<u>Unsecured Property</u>
2018-19	7,266,778,468	804,509,953	78,025,220	141,904,963	140,430,180
2017-18	6,917,218,676	772,140,911	78,298,970	181,265,809	146,426,055
2016-17	6,678,998,291	753,834,892	74,838,145	155,435,230	143,116,652
2015-16	6,426,438,754	730,387,625	81,828,930	165,503,459	143,866,081
2014-15	6,147,336,587	717,891,747	80,226,020	154,293,012	150,981,603
2013-14	5,742,012,978	702,267,026	79,863,448	126,414,365	144,873,428
2012-13	5,506,030,437	722,562,587	81,062,436	130,563,568	144,549,045
2011-12	5,307,889,043	695,018,214	79,472,983	136,082,495	144,204,476
2010-11	5,224,795,805	689,878,513	79,470,028	189,997,898	157,386,789
2009-10	5,267,939,871	728,626,719	109,578,471	180,460,578	166,283,224

Schedule 7

Sources:

1. Assessor, County of Los Angeles Auditor Controller
2. HdL, Coren & Cone

Notes:

- (1) Total direct tax rate is the city's share of the 1% Proposition 13 tax.
- (2) Exempt values are not included in Total.



CITY OF CALABASAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

<u>Tax-Exempt Property ⁽²⁾</u>	<u>Taxable Assessed Value</u>	<u>Total Direct Tax Rate ⁽¹⁾</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
31,746,577	8,431,648,784	0.090980	9,430,697,985	1.118488
31,135,628	8,095,350,421	0.090830	9,054,552,302	1.118488
28,279,628	7,806,223,210	0.090570	8,918,165,063	1.142443
28,590,885	7,548,024,849	0.090410	9,294,698,183	1.231408
28,590,885	7,250,728,969	0.090160	8,023,025,864	1.106513
28,590,885	6,795,431,245	0.089880	8,375,518,509	1.232522
28,601,151	6,584,768,073	0.041680	6,574,021,732	0.998368
27,098,756	6,362,667,211	0.041330	6,769,413,438	1.063927
27,098,756	6,341,529,033	0.041310	6,314,152,652	0.995683
27,079,879	6,452,888,863	0.041310	6,391,734,835	0.990523



**CITY OF CALABASAS
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
(Per \$100 of Taxable Value)
Last Ten Fiscal Years**

	2018-19	2017-18	2016-17	2015-16
Basic Levy ⁽¹⁾	1.00000	1.00000	1.00000	1.00000
Override Assessments				
County General	0.00000	0.00000	0.00000	0.00000
Las Virgenes Unified School District	0.07485	0.07384	0.07193	0.06923
Los Angeles Community College District	0.04621	0.04599	0.03596	0.03576
Los Angeles County Flood Control District	0.00000	0.00000	0.00000	0.00000
Los Angeles Unified School District	0.12323	0.12219	0.13110	0.12971
Metropolitan Water District	0.00000	0.00000	0.00000	0.00000
Las Virgenes Municipal Water District	0.00350	0.00350	0.00350	0.00350
TOTAL OVERRIDE RATES	0.24779	0.24552	0.24249	0.23820
TOTAL DIRECT & OVERLAPPING ⁽²⁾ TAX RATES	1.24779	1.24552	1.24249	1.23820
City's Share of 1% Levy per Prop 13 ⁽³⁾	0.25842	0.25842	0.25842	0.25842
Total Direct Rate ⁽⁴⁾	0.09098	0.09083	0.09057	0.09041

Schedule 8

Source:

Los Angeles County Auditor/Controller
HdL, Coren & Cone

Notes:

1. In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

2. Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all property owners.

3. City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's Levy has been subtracted where known.

4. Total Direct Rate is the weighted average of all individual direct rates applied by the City preparing the statistical section information.



**CITY OF CALABASAS
 PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
 (Per \$100 of Taxable Value)
 Last Ten Fiscal Years**

2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.06888	0.06891	0.07138	0.06961	0.06113	0.05437
0.04017	0.04454	0.04875	0.03530	0.04031	0.02311
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.14688	0.14644	0.17561	0.16819	0.18695	0.15181
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00350	0.00350	0.00350	0.00370	0.00370	0.00430
0.25944	0.26339	0.29924	0.27680	0.29209	0.23359
1.25944	1.26339	1.29924	1.27680	1.29209	1.23359
0.25842	0.25842	0.25842	0.25842	0.25842	0.25842
0.09016	0.08988	0.04168	0.04133	0.04131	0.04131



**CITY OF CALABASAS
 PRINCIPAL PROPERTY TAX PAYERS
 Current Year and Nine Years Ago**

Taxpayer	2019		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
ASN Calabasas I LLC	\$162,853,002	1	1.96%
Aimco Malibu Canyon LLC	107,239,563	2	1.29%
Commons At Calabasas LLC	73,005,322	3	0.88%
RREF II Calabasas Park Center LLC	62,329,365	4	0.75%
BVK Courtyard Commons LLC	54,113,071	5	0.65%
CT Calabasas LLC	50,142,180	6	0.60%
MK RRP 4500 Park Granada Blvd LLC	40,940,067	7	0.49%
Cheesecake Factory Inc	39,917,756	8	0.48%
23627 Calabasas Road LLC	30,095,145	9	0.36%
Dollinger Lost Hills Associates	29,746,525	10	0.36%
Total	\$650,381,996		7.84%
Total Assessed Value	<u>\$8,291,218,604</u>		

Taxpayer	2010		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
ASN Calabasas I LLC	\$163,328,392	1	2.54%
Calabasas TC Properties LLC	87,720,000	2	1.37%
Casden Malibu Canyon LP	84,021,327	3	1.31%
Kilroy Realty LP	69,663,351	4	1.09%
Commons At Calabasas LLC	64,560,420	5	1.01%
MS LPC Malibu Land Holdings LLC	52,291,776	6	0.81%
Bank of America NA	49,700,916	7	0.77%
Cheesecake Factory Inc	40,331,421	8	0.63%
Calabasas Courtyard Inc	33,597,176	9	0.52%
Cypress Calabasas LLC	24,558,131	10	0.38%
Total	\$669,772,910		10.43%
Total Assessed Value	<u>6,417,971,246</u>		

Schedule 9

Sources:

Los Angeles County Assessor data

HdL Coren & Cone

City of Calabasas CAFR 2010, Page 148



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**CITY OF CALABASAS
 SECURED PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year ¹ (Original Levy)	Adjustments ³	Total Adjusted Levy	Collected within the Fiscal Year of the Levy	
				Amount ²	Percentage Original
2019	8,011,536	-	8,011,536	7,649,482	95.48%
2018	7,671,342	-	7,671,342	6,954,788	90.66%
2017	7,070,243	-	7,070,243	6,890,133	97.45%
2016	6,824,178	-	6,824,178	6,629,102	97.14%
2015	6,537,503	-	6,537,503	6,408,845	98.03%
2014	6,107,819	-	6,107,819	5,772,405	94.51%
2013	5,821,557	-	5,821,557	5,667,821	97.36%
2012	5,688,287	-	5,688,287	5,197,979	91.38%
2011	5,652,402	-	5,652,402	5,491,368	97.15%
2010	5,765,716	-	5,765,716	5,571,734	96.64%

Schedule 10

Sources:

¹ LA County Auditor-Controller, Tax Division AF91

² City of Calabasas, Finance Department

³ 'Adjustments' and 'Collections in Subsequent Years' were immaterial and constituted less than 1% of the levy in all years, therefore they are stated as zero.



CITY OF CALABASAS
SECURED PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Collections in Subsequent Years ³	Total Collections to date	
	Amount ²	Percentage of Original
-	7,649,482	95.48%
-	6,954,788	90.66%
-	6,890,133	97.45%
-	6,629,102	97.14%
-	6,408,845	98.03%
-	5,772,405	94.51%
-	5,667,821	97.36%
-	5,197,979	91.38%
-	5,491,368	97.15%
-	5,571,734	96.64%



**CITY OF CALABASAS
 TAXABLE SALES BY CATEGORY
 Last Ten Fiscal Years**

	Fiscal Year			
	2019	2018	2017	2016
Transportation	1,635,386	1,572,713	1,436,078	1,439,532
Business to Business	1,170,996	883,909	927,367	1,204,091
Food Products 1	1,185,683	1,113,074	1,035,152	1,005,191
General Retail	706,948	807,038	744,300	768,023
Miscellaneous	198,646	69,075	105,492	102,049
Construction	44,471	18,248	10,875	4,577
Total	4,942,130	4,464,057	4,259,264	4,523,463
City direct sales tax rate	1%	1%	1%	1%

Schedule 11

Source:

MuniServices, LLC STARS Report, 2019, Quarter 2

Notes:

1. General grocery items are not taxable; the sales tax applies only to prepared food items and nonfood items.



**CITY OF CALABASAS
 TAXABLE SALES BY CATEGORY
 Last Ten Fiscal Years**

		Fiscal Year				
2015	2014	2013	2012	2011	2010	
1,749,155	1,745,833	1,660,422	1,765,227	1,907,472	1,947,576	
1,228,799	1,871,480	1,530,656	1,641,692	1,781,557	1,645,556	
956,809	876,782	832,801	790,233	736,629	683,077	
794,364	802,609	754,250	648,374	575,871	505,959	
108,569	101,195	92,602	83,606	89,791	77,959	
4,432	4,647	7,296	5,809	4,287	4,107	
4,842,128	5,402,546	4,878,027	4,934,941	5,095,607	4,864,234	
1%	1%	1%	1%	1%	1%	



**CITY OF CALABASAS
 RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years**

Governmental Activities

<u>Year</u>	<u>Certificates of Participation³ (net of discounts and premiums)</u>	<u>Capital Leases²</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income¹</u>	<u>Per Capita¹</u>
2019	\$41,164,485	-	\$41,164,485	2.62%	\$1,698
2018	\$42,287,673	-	\$42,287,673	2.92%	\$1,741
2017	\$42,345,861	-	\$42,345,861	3.08%	\$1,750
2016	42,859,049	-	42,859,049	2.95%	1,766
2015	43,352,237	-	43,352,237	2.62%	1,810
2014	35,183,919	9,867	35,193,786	2.20%	1,470
2013	35,873,702	20,597	35,894,299	2.34%	1,508
2012	36,538,485	31,343	36,569,828	2.38%	1,544
2011	37,178,273	42,089	37,220,362	2.63%	1,614
2010	37,620,000	52,835	37,672,835	2.06%	1,593

Schedule 15

Source:

City of Calabasas Audited Financials - Note #8 Long-Term Debt

Notes:

¹ See the Demographic & Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income and population. (Schedule 19)

² Some data from past years, indicated with -, is either not available or did not exist.

³ Certificates of Participation for all years presented were recalculated to include COP balances net of discounts and premiums.



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**CITY OF CALABASAS
ESTIMATED DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
Fiscal Year 2019**

	<u>FY 2019</u>		
FY 2018-19 Assessed Valuation:	\$8,431,648,784		
	Total Debt		City's Share of
	6/30/19	% Applicable (1)	Debt 6/30/19
			<hr/>
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Los Angeles County Flood Control District	0	0.000%	0
Metropolitan Water District	48,050,000	0.289%	138,865
Los Angeles Community College District	3,930,390,000	0.991%	38,950,165
Los Angeles Unified School District	10,106,450,000	0.0001%	10,106
Las Virgenes Joint Unified School District	127,817,728	36.096%	46,137,087
City of Calabasas Community Facilities District No. 2001-1	16,642,930	100.000%	16,642,930
City of Calabasas Community Facilities District No. 98-1	3,031,055	100.000%	3,031,055
Los Angeles Regional Park and Open Space Assessment District	13,620,000	0.555%	<u>75,591</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			104,985,799
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>			
Los Angeles County General Fund Obligations	\$2,153,701,630	0.555%	11,953,044
Los Angeles County Pension Obligations	0	0.000%	0
Los Angeles County Superintendent of Schools Certificates of Participation	5,827,868	0.555%	32,345
Las Virgenes Joint Unified School District Certificates of Participation	10,405,193	36.096%	3,755,858
Los Angeles Unified School District General Fund Obligations	180,545,000	0.0001%	<u>181</u>
SUBTOTAL OVERLAPPING DEBT:			15,741,428
City of Calabasas Direct Debt	41,164,485	100.000%	<u>41,164,485</u> (2)
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			<u>56,905,913</u>
Less: Los Angeles County General Fund Obligations supported by landfill revenue			<u>0</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			<u>56,905,913</u>
TOTAL DIRECT DEBT			41,164,485
TOTAL OVERLAPPING DEBT			120,727,227
GROSS COMBINED TOTAL DEBT			\$161,891,712
NET COMBINED TOTAL DEBT			\$161,891,712 (3)
Ratios to Fiscal Year's Assessed Valuation:			41,164,485
Combined Direct Debt Amount			0.49%
Combined Direct Debt			1.25%
Total Overlapping Tax and Assessment Debt			1.92%
Gross Combined Total Debt			1.92%
Net Combined Total Debt			

Schedule 16

Source:

California Municipal Statistics, Inc.

Notes:

1. The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value of overlapping agency's assessed valuation located within boundaries of the city.
2. Includes certificate premium of \$1,304,485.
3. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.



CITY OF CALABASAS
ESTIMATED DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
Fiscal Years 2010 to 2018

<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2010</u>
\$8,064,385,186	\$7,806,223,210	\$7,548,024,849	\$7,218,388,734	\$6,795,431,245	\$6,584,768,073	\$6,362,667,211	\$6,341,529,033	\$6,417,971,246
Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt
0	0	76,285	92,141	105,404	120,795	256,274	374,413	481,701
178,770	226,213	286,024	345,615	411,375	518,367	693,804	810,505	943,265
42,449,808	40,210,346	39,316,410	42,627,270	39,594,627	41,023,733	42,514,558	43,360,494	32,572,593
10,604	9,815	10,458	10,297	10,523	10,946	11,280	11,596	11,874
45,286,923	48,344,729	51,424,839	54,864,375	57,429,844	60,166,718	61,666,461	64,565,703	55,954,402
18,062,930	16,642,930	16,642,930	20,785,000	21,605,000	22,395,000	23,155,000	23,885,000	24,585,000
3,476,055	3,031,055	3,031,055	5,655,000	6,130,000	6,575,000	7,000,000	7,400,000	7,780,000
150,946	225,980	299,611	500,595	678,282	864,364	1,171,174	1,369,158	1,545,260
109,616,036	\$108,691,068	\$111,087,612	\$124,880,293	\$125,965,055	\$131,674,923	\$136,468,551	\$141,776,869	\$123,874,095
10,916,917	11,600,107	12,011,743	11,387,396	10,957,458	10,463,096	10,112,482	10,389,026	5,938,529
0	0	0	0	0	0	0	0	822,294
36,922	41,861	47,031	52,663	56,893	62,782	77,310	84,702	91,507
3,902,202	3,848,243	3,982,425	4,119,215	4,171,130	4,298,193	4,378,480	4,491,223	4,582,831
196	239	274	10,297	366	395	420	492	432
14,856,237	\$15,490,450	\$16,041,473	\$15,569,571	\$15,185,847	\$14,824,466	\$14,568,692	\$14,965,443	\$11,435,593
42,287,673	42,345,861	42,859,049	43,352,237	35,193,786	35,894,299	36,569,828	37,220,362	37,672,835
72,000,147	\$57,836,311	\$58,900,522	\$58,921,808	\$50,379,633	\$50,718,765	\$51,138,520	\$52,185,805	\$49,108,428
0	0	0	24,451	30,060	33,226	114,549	23,570	0
72,000,147	\$57,836,311	\$58,900,522	\$58,897,357	\$50,349,573	\$50,685,539	\$51,023,971	\$52,162,235	49,108,428
42,287,673	42,345,861	42,859,049	43,352,237	35,193,786	35,894,299	36,569,828	37,220,362	37,672,835
124,472,273	124,181,518	127,129,085	140,449,864	141,150,902	146,499,389	151,037,243	156,742,312	134,487,394
\$181,616,183	\$166,527,379	\$169,988,134	\$183,802,101	\$176,344,688	\$182,393,688	\$187,607,071	\$193,962,674	\$172,982,523
\$181,616,183	\$166,527,379	\$169,988,134	\$183,777,650	\$176,314,628	\$182,360,462	\$187,492,522	\$193,939,104	\$172,982,523
42,287,673	\$42,345,861	\$42,859,049	\$43,352,237	\$35,193,786	\$35,894,299	\$36,569,828	\$37,220,362	\$37,672,835
0.52%	0.54%	0.57%	0.60%	0.52%	0.55%	0.57%	0.59%	0.59%
1.36%	1.39%	1.47%	1.73%	1.85%	2.00%	2.14%	2.24%	1.93%
2.25%	2.13%	2.25%	2.55%	2.60%	2.77%	2.95%	3.06%	2.70%
2.25%	2.13%	2.25%	2.55%	2.59%	2.77%	2.95%	3.06%	2.70%



**CITY OF CALABASAS
 LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years**

	FY 2019	FY 2018	FY 2017	FY 2016
Total Assessed Value of all Real and Personal Property	\$8,431,648,784	\$8,064,385,186	\$7,806,223,210	\$7,548,024,849
Debt Limit Percentage	15.00%	15.00%	15.00%	15.00%
Total Debt Limit ¹	\$1,264,747,318	\$1,209,657,778	\$1,170,933,482	\$1,132,203,727
Amount of Debt Applicable to Debt Limit	0.00	0.00	0.00	0.00
Legal Debt Margin	\$1,264,747,318	\$1,209,657,778	\$1,170,933,482	\$1,132,203,727

Schedule 17

Source:

Los Angeles County Tax Assessors Office

Note:

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



**CITY OF CALABASAS
 LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years**

FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010
\$7,218,388,734	\$6,795,431,245	\$6,584,768,073	\$6,362,667,211	\$6,341,529,033	\$6,417,971,246
15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
\$1,082,758,310	\$1,019,314,687	\$987,715,211	\$954,400,082	\$951,229,355	\$962,695,687
0.00	0.00	0.00	0.00	0.00	0.00
\$1,082,758,310	\$1,019,314,687	\$987,715,211	\$954,400,082	\$951,229,355	\$962,695,687



**CITY OF CALABASAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years**

Fiscal Year	Population ³	Personal Income (dollars in thousands)	Per Capita Personal Income	Median Age	Percentage of Residents with College Degrees	Public School Enrollment ⁵	City Unemployment Rate ⁴	County Unemployment Rate ⁴
2019	24,239	1,569,176	64,738	43.4	65.3%	11,500	3.1%	4.4%
2018	24,296	1,671,341	68,791	42.9	64.0%	11,323	2.4%	4.1%
2017	24,202	1,565,284	64,676	42.9	63.7%	11,547	3.4%	5.2%
2016	24,263	1,497,169	61,706	42.9	65.2%	11,374	4.4%	6.7%
2015	24,212	1,655,084	68,358	43.3	62.1%	11,259	4.6%	7.1%
2014	23,943	1,600,861	66,861	44.0	61.0%	11,137	4.5%	9.9%
2013	23,802	1,533,015	64,407	41.7	64.8%	11,199	4.2%	9.5%
2012	23,683	1,537,665	64,927	41.9	65.7%	11,319	5.1%	11.2%
2011	23,058	1,415,361	61,181 ²	40.5	65.7%	11,393	5.6%	12.2%
2010	23,645	1,829,485	77,373 ²	41.2	63.0%	11,644	5.3%	11.6%

Schedule 19

Source:

HdL, Coren & Cone

Notes:

1. Information presented are estimates and are to be used to give perspective to the City relative to other municipalities.
2. Per Capita Personal Income was calculated for 2009 - 2011 using the Bureau of Labor Statistics CPI inflation calculator.
3. Population Source: California Department of Finance
4. Unemployment Rate Source: California Employment Development Department.
5. Student Enrollment reflects the total number of students enrolled in the Las Virgenes Unified School District. Any other school districts within the City are not accounted for in this statistic.



**CITY OF CALABASAS
 PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago**

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Harbor Freight Tools ⁵	839	1	6.71%			
Las Virgenes Unified School District ²	658	2	5.26%	1641	1	13.79%
Cheesecake Factory, Inc. ⁴	652	3	5.22%	692	2	5.82%
Viewpoint Education Foundation	305	4	2.44%	278	6	2.34%
Keysight Technologies (formerly IXIA)	273	5	2.18%			
All Motorists Ins Agency (formerly Western General)	221	6	1.77%			
Alcatel Internetworking, Inc.	198	7	1.58%	266	7	2.24%
Ama Waterways	157	8	1.26%			
Xperi (formerly DTS Inc.)	152	9	1.22%			
Bob Smith BMW & Mini ⁶	140	10	1.12%			
Ixia				550	3	4.62%
Sedgwick Claims Management				285	5	2.39%
Spirent Communications				200	8	1.68%
City of Calabasas				292	4	2.45%
Informa Research Services				190	9	1.60%
Davis Research, LLC				165	10	1.39%
Total Top Employers	3,595		28.76%	4,559		38.31%
Total City Employment ³	12,500			11,900		

Schedule 20

Sources:

MuniServices, LLC/*an Avenu Insights & Analytics Company*
 State of California - Employment Development Department, Labor Market Info webpage
 City of Calabasas Department of Finance
 FY2009/10 CAFR, page 165

Notes:

1. Results based on direct correspondence with City's local businesses.
2. The Las Virgenes School District number represents all employees within the district, classified, certificated and management
3. Total City Labor Force provided by EDD Labor Force Data
4. Number of employees only in Calabasas: Bakery and Corporate
5. Includes Camarillo satellite office that reports to Calabasas HQ
6. Two locations in Calabasas, BMW and Mini Cooper



**CITY OF CALABASAS
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
 BY FUNCTION/DEPARTMENT
 Last Ten Fiscal Years**

Function/Department	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
City Council Department	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
City Managers Department	3.0	1.0	2.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
City Clerk	4.2	4.1	5.4	4.5	0.0	0.0	0.0	0.0	0.0	0.0
Administrative Services	4.4	4.4	6.6	3.5	18.3	19.2	19.2	23.0	22.2	21.9
Public Safety Department	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.3
Library	10.4	10.0	10.0	8.0	8.1	8.2	8.1	8.1	8.4	8.1
Finance Department	8.0	8.1	8.0	8.0	8.2	8.0	8.0	8.0	8.0	8.0
Media Operations Department	10.0	9.8	9.7	15.1	9.9	10.8	10.0	9.7	11.3	10.4
Community Development Dept	18.5	20.6	18.2	16.6	18.1	18.0	20.9	20.2	19.6	22.3
Public Works Department	16.5	14.7	14.9	14.4	16.8	16.4	16.0	16.8	19.1	20.3
Community Services Department ^{1,2}	44.0	54.5	58.1	45.6	47.1	56.3	47.9	48.6	59.2	68.9
Total	125.5	133.7	139.4	123.2	135.0	145.4	138.6	142.9	156.2	168.2

Schedule 21

Source:

City of Calabasas, Finance and Human Resources Departments

Notes:

1. Community Services Department includes the Recreation Division of De Anza Park, Tennis & Swim Center and Creekside Park and Preschool.

2. For the Community Services Department, the hourly staff number fluctuates depending on the season.



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**CITY OF CALABASAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years**

<u>Function/Program</u>	2019	2018	2017	2016
<u>General Government</u>				
Building permits issued	2,364	2,070	2,133	2,046
Building inspections conducted	9,700	9,713	9,022	6,940
Code Enforcement inspections conducted	1,100	1,040	960	765
<u>Parks and recreation</u>				
Number of City sponsored events	24	20	20	25
Number of Tennis & Swim Center members	6,345	6,761	6,552	6,500
Number of Senior Center members ¹	634	595	558	490
<u>Public Works</u>				
Street resurfacing (sq. feet)	104,617	285,000	90,022	279,336
<u>Recyclable Collections</u>				
Mixed Electronics Collected (pounds)	158,898	176,388	222,421	224,685
Dry Cell Batteries (pounds)	10,000	4,100	4,500	7,500
Used Oil Recycling Program (gallons)	125	117	147	160
Oil Filters	27	25	15	0
Used Pairs of Eyeglasses (cleaned, sorted & donated)	0	0	0	0
Water-Based Paint (gallons)	487	752	1,034	1,194
Anti-Freeze (gallons)	0	21	18	34
Car Batteries	7	5	0	0
<u>Transit</u>				
Total route (miles)	171.6	171.6	171.6	171.6
Passengers (monthly)	3,696	8,210	9,430	13,947

Schedule 22

Sources:

Various City Departments

Notes:

* Information not available

1. The Senior Center was newly opened for business in late June 2016.



**CITY OF CALABASAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years**

2015	2014	2013	2012	2011	2010
1,682	1,491	1,321	1,266	1,458	1,224
7,635	6,940	6,611	*	*	3,954
918	765	850	327	414	827
30	27	25	30	31	29
6,551	6,377	6,353	6,008	6,345	6,170
0	0	0	0	0	0
68,070	0	168,600	282,007	720,607	166,932
226,571	228,811	178,097	172,500	250,712	257,898
1,500	3,180	6,515	22,676	19,319	17,592
182	177	319	410	477	467
0	0	0	0	0	0
0	190	0	263	218	314
1,532	1,725	0	0	0	0
31	36	0	0	0	0
0	0	0	0	0	0
113.5	113.5	113.5	113.5	113.5	113.5
17,072	13,953	14,847	14,598	14,800	15,000



**CITY OF CALABASAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years**

<u>Function/Program</u>	2019	2018	2017	2016
<u>Public works</u>				
Bridges	4	4	4	4
Sewer system network (linear feet)	341,168	341,168	341,168	341,168
Streets / Highway (miles)	55.1	55.1	55.1	55.1
Traffic signals	23	23	23	23
<u>Parks and recreation</u>				
Basketball courts	6	6	6	6
Community Centers	1	1	1	1
Senior Centers	1	1	1	1
Fitness Centers	1	1	1	1
Libraries	1	1	1	1
Park acreage	56.6	56.6	56.6	56.6
Parks	10	10	10	10
Swimming pools	2	2	2	2
Tennis courts	20	20	20	20
<u>Transit</u>				
Buses (including Trolleys)	11	11	13	11
Water-Based Paint (gallons)	487	752	1,034	1,194
Anti-Freeze (gallons)	0	21	18	34
Car Batteries	7	5	0	0
<u>Transit</u>				
Total route (miles)	171.6	171.6	171.6	171.6
Passengers (monthly)	3,696	8,210	9,430	13,947

Schedule 23

Sources:

Various City Departments



**CITY OF CALABASAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years**

2015	2014	2013	2012	2011	2010
4	4	4	4	4	4
341,168	341,168	341,168	341,168	341,168	341,168
55.1	55.1	55.1	55.1	55.1	55.1
23	23	23	22	22	22
6	6	6	6	6	6
1	1	1	1	1	1
0	0	0	0	0	0
1	1	1	1	1	1
1	1	1	1	1	1
56.6	56.6	56.6	56.6	56.6	56.6
10	10	10	10	10	10
2	2	2	2	2	2
20	18	18	18	18	18
11	11	11	11	11	10
1,532	1,725	0	0	0	0
31	36	0	0	0	0
0	0	0	0	0	0
113.5	113.5	113.5	113.5	113.5	113.5
17,072	13,953	14,847	14,598	14,800	15,000



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Operating Information

CITY OF CALABASAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

<u>Function/Program</u>	2018	2017	2016	2015	2014
<u>Public works</u>					
Bridges	4	4	4	4	4
Sewer system network (linear feet)	341,168	341,168	341,168	341,168	341,168
Streets / Highway (miles)	55.1	55.1	55.1	55.1	55.1
Traffic signals	23	23	23	23	23
<u>Parks and recreation</u>					
Basketball courts	6	6	6	6	6
Community Centers	1	1	1	1	1
Senior Centers	1	1	1	0	0
Fitness Centers	1	1	1	1	1
Libraries	1	1	1	1	1
Park acreage	56.6	56.6	56.6	56.6	56.6
Parks	10	10	10	10	10
Swimming pools	2	2	2	2	2
Tennis courts	20	20	20	20	18
<u>Transit</u>					
Buses (including Trolleys)	11	13	11	11	11

Schedule 23

Sources:

Various city departments



**CITY OF CALABASAS
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years**

2013	2012	2011	2010	2009
4	4	4	4	4
341,168	341,168	341,168	341,168	341,168
55.1	55.1	55.1	55.1	55.1
23	22	22	22	22
6	6	6	6	6
1	1	1	1	1
0	0	0	0	0
1	1	1	1	1
1	1	1	1	1
56.6	56.6	56.6	56.6	56.6
10	10	10	10	10
2	2	2	2	2
18	18	18	18	18
11	11	11	10	10



CITY of CALABASAS

CITY OF CALABASAS
MANAGEMENT REPORT
AND
AUDITOR'S COMMUNICATION LETTER

June 30, 2019

CITY OF CALABASAS
June 30, 2019

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MOSS, LEVY & HARTZHEIM LLP

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December 31, 2019

Honorable Mayor and Members of the City Council
City of Calabasas
Calabasas, California 91302

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Calabasas (City) as of and for the fiscal year ended June 30, 2019, and have issued our report thereon dated December 31, 2019. Professional standards require that we provide you with the information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 28, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. We noted no transactions entered into by the City during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were the estimated historical cost and useful lives of certain capital assets, the funding progress and net pension liability of the CalPERS pension plan, the Other Post-employment Benefits (OPEB) actuarial values, the collectability of receivables (including accounts and notes receivable) and claims payable. Management's estimates of the estimated historical cost and useful lives of certain capital assets are based on historical data and industry guidelines, while the funding progress and net pension liability of the CalPERS pension plan and the OPEB actuarial values are based on third party actuarial estimates. The amount of estimated collectability of receivables is based on historical data and the estimated claims payable is based on a third party consultant's estimates. We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, two of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. These adjustments were for net pension liability and interest receivable.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be a significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 31, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, the Budgetary Comparison Schedule, the Schedule of the Plan's Proportionate Share of the Net Liability and Related Ratios as of Measurement Date – Miscellaneous Plan, the Schedule of Contributions – Miscellaneous Plan, and the Schedule of Funding Progress for Post-Employment Benefits Other than Pensions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restrictions on Use

This information is intended solely for the use of management, the audit committee, the members of City Council, and others within the City, and is not intended to be, and should not be, used by anyone other these specified parties.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California



MOSS, LEVY & HARTZHEIM LLP

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members of City Council
City of Calabasas, California

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Calabasas, California (City), as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 31, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Moss, Levy & Hartzheim, LLP
Culver City, California
December 31, 2019

CURRENT YEAR RECOMMENDATIONS

None Noted

STATUS OF PRIOR YEAR RECOMMENDATIONS

Other Matters

2018-01 Finding – Deficiencies in cash receipts:

During our test of cash receipts, we noted the following deficiencies:

- a) The Senior Center does not count cash receipts daily and deposits are deposited on a bi-weekly basis.
- b) Two out six transient occupancy tax (TOT) receipts reviewed did not have a completed Monthly Transient Occupancy Return for the month.
- c) Four out 20 building permits reviewed had fees charged that do not agree to the fee on the Council-Approved schedule.

Effect:

A misappropriation of funds could occur and go undetected.

Recommendations:

We recommend the following:

- a) We recommend that the City establish and implement a policy for the Senior Center to have daily cash counted at the end of the day, verified by a second person, and reconciled to the system report and log.
- b) The Monthly Transient Occupancy Return should be filled out and retained in order to verify the revenues on transient occupancy tax remittances.
- c) The City ensures that fees are charged in accordance with the fee schedule.

Current Status:

Implemented.

2018-02 Finding – Stale-dated checks on June 2018 bank reconciliations:

During our audit of cash, we noted that as of June 30, 2018, there are outstanding checks over one year old on the bank reconciliation, totaling \$38,794.21.

Effect:

Bank reconciliations that contain stale-dated checks may have incorrect balances since the stale dated checks have not been investigated. When the City does not resolve reconciling items timely, there is an increased risk of errors and irregularities going undetected.

Recommendation:

We recommend that the City research these outstanding stale-dated checks to determine if they need to be reissued or sent to the State of California as escheat property.

Current Status

Implemented.



MOSS, LEVY & HARTZHEIM LLP

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Independent Auditor Statement for Financial Data

The Members of the City Council of the
 City of Calabasas
 Calabasas, California

In connection with our regular examination of the financial statements of City of Calabasas for the fiscal year ended June 30, 2019, on which we have reported separately on December 31, 2019, we have also reviewed the reporting forms listed below and included in the financial statements for the fiscal year ended June 30, 2019, required under Title 49 U.S.C. 5335(a), for conformity in all material respects with the requirements of the Federal Transit Administration (FTA) as set forth in its applicable National Transit Database (NTD) Uniform System of Accounts (USOA). Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not make a detailed examination such as would be required to determine that each transaction has been recorded in accordance with the USOA.

The accounting system from which this NTD report is derived is other than the accounting system prescribed by the USOA but uses the accrual basis of accounting and is directly translated, using a clear audit trail, to the accounting treatment and categories specified by the USOA. The same internal accounting system has been adopted and was used to compile this NTD report.

The financial statement equivalents (statement of revenues, expenditures, and changes in fund balance) of the following forms were examined as part of our procedures:

Sources of Funds — Funds Earned and Funds Expended form
 Uses of Capital form
 Operating Expenses forms

Based on our review, the accompanying reporting forms identified above conform in all material respects with the accounting requirements of FTA as set forth in its USOA.

Moss, Levy & Hartzheim, LLP
 Culver City, California
 February 27, 2020

OFFICES: BEVERLY HILLS · CULVER CITY · SANTA MARIA



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 17, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RON AHLERS, CHIEF FINANCIAL OFFICER *RA*

SUBJECT: ADOPTION OF RESOLUTION NO. 2020-1673 AUTHORIZING EXAMINATION OF SALES, USE AND TRANSACTION TAX RECORDS

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2020-1673 authorizing Hinderliter, de Llamas & Associates (HdL) the ability to examine Sales, Use and Transaction Tax records as it pertains to businesses located within the City of Calabasas (City) limits.

BACKGROUND:

The City's contract with MuniServices recently expired and the City currently contracts with Hinderliter, de Llamas & Associates (HdL) for the examination of Sales, Use and Transaction Tax records. The California Department of Tax and Fee Administration (CDTFA) requires an updated Council resolution to authorize HdL to examine the records of CDTFA on behalf of the City.

DISCUSSION/ANALYSIS:

Resolution No. 2020-1673 specifically grants the City Manager and Chief Financial Officer and HdL the ability to examine the Sales, Use and Transaction Tax records of the CDTFA.

FISCAL IMPACT/SOURCE OF FUNDING:

None.

REQUESTED ACTION:

Staff recommends the City Council adopt the attached Resolution 2020-1673.

ATTACHMENTS:

1. Resolution No. 2020-1673

**ITEM 6 ATTACHMENT 1
RESOLUTION NO. 2020-1673**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CALABASAS AUTHORIZING EXAMINATION OF SALES,
USE AND TRANSACTIONS TAX RECORDS**

WHEREAS, pursuant to Ordinance No. 91-8, the City of Calabasas entered into a contract with the Department of Tax and Fee Administration to perform all functions incident to the administration and collection of local sales, use and transactions taxes; and

WHEREAS, the City Council of the City of Calabasas deems it desirable and necessary for authorized representatives of the City to examine confidential sales, use and transactions tax records of the Department of Tax and Fee Administration pertaining to sales, use and transactions taxes collected by the Department for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department of Tax and Fee Administration records, and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales, use and transactions tax records of the Department.

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

Section 1. That the City Manager and Chief Financial Officer, or other officer or employee of the City designated in writing by the City Manager to the Department of Tax and Fee Administration (hereafter referred to as Department), is hereby appointed to represent the City of Calabasas with authority to examine sales, use and transactions tax records of the Department pertaining to sales, use and transactions taxes collected for the City by the Department pursuant to the contract between the City and the Department. The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales, use and transactions taxes by the Department pursuant to that contract.

Section 2. That the City Manager and Chief Financial Officer, or other officer or employee of the City designated in writing by the City Manager to the Department, is hereby appointed to represent the City with authority to examine those sales, use and transactions tax records of the Department, for purposes related to the following governmental functions of the City:

- (a) City Administration
- (b) Revenue Management and Budgeting
- (c) Community and Economic Development
- (d) Development Agreement Purposes

The information obtained by examination of Department records shall be used only for those governmental functions of the City listed above.

Section 3. That Hinderliter, de Llamas & Associates is hereby designated to examine the sales, use and transactions tax records of the Department pertaining to sales, use and transactions taxes collected for the City by the Department. The person or entity designated by this section meets all of the following conditions:

- (a) has an existing contract with the City to examine those sales, use and transactions tax records;
- (b) is required by that contract to disclose information contained in, or derived from, those sales, use and transactions tax records only to the officer or employee authorized under Sections 1 or 2 of this resolution to examine the information.
- (c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and
- (d) is prohibited by that contract from retaining the information contained in, or derived from those sales, use and transactions tax records, after that contract has expired.

The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales, use and transactions taxes by the Department pursuant to the contract between the City and the Department and for purposes relating to the governmental functions of the City listed in section 2 of this resolution.

Section 4. That this Resolution supercedes all prior resolutions of the City Council of the City of Calabasas adopted pursuant to subdivision (b) of Revenue and Taxation Code Section 7056.

Section 5. This Resolution shall take effect immediately upon its adoption.

The City Clerk shall certify to the adoption and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED AND ADOPTED this 25th day of March 2020.

Alicia Weintraub, Mayor

ATTEST:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

APPROVED AS TO FORM:

Scott H. Howard, City Attorney
Colantuono, Highsmith & Whatley, PC
City Attorney



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 18, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT H. HOWARD, CONTRACT CITY ATTORNEY
MATTHEW T. SUMMERS, ASSISTANT CITY ATTORNEY
COLANTUONO HIGHSMITH & WHATLEY, PC

SUBJECT: ADOPTION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA CONFIRMING THE CITY MANAGER/DIRECTOR OF EMERGENCY SERVICES' LOCAL EMERGENCY EXECUTIVE ORDERS ISSUED PURSUANT TO THE MARCH 16, 2020 LOCAL EMERGENCY DECLARATION IN RESPONSE TO THE NOVEL CORONAVIRUS COVID-19 PANDEMIC

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

Staff recommends the City Council adopt a Resolution confirming the City Manager/Director of Emergency Services' Local Emergency Executive Orders issued in respond to the novel coronavirus COVID-19 pandemic.

REPORT:

On March 16, 2020 the City Manager, acting as the Director of Emergency Services, proclaimed a local emergency in the City of Calabasas due to the novel coronavirus COVID-19 pandemic, following the issuance of state and federal emergency declarations. On March 16, 2020, the City Council ratified the local emergency declaration.

On March 16, 2020 the City Manager, acting as the Director of Emergency Services, issued Executive Order No. 1, closing certain businesses within the City, imposing operational restrictions on other certain businesses, and imposing a temporary moratorium on residential evictions within the City for the duration of the emergency. On March 18, 2020, the City Manager, acting as the Director of Emergency Services, issued Executive Order No. 2, closing certain additional businesses in response to the novel coronavirus. On March 18, 2020, the City Manager, acting as the Director of Emergency Services, issued Executive Order No. 3, imposing a temporary moratorium on commercial tenant evictions within the City for the duration of the emergency. The City Manager may issue further executive orders after the posting of this agenda report before the City Council meeting of March 25, 2020. If so, the list of Executive Orders proposed for ratification will be updated orally at the City Council meeting.

Under Calabasas Municipal Code section 2.44.060(a), the City Council must confirm such orders at the earliest practicable time. Staff recommends that the City Council adopt a resolution confirming the issuance of Executive Orders to protect public health and safety by the City Manager, acting as the Director of Emergency Services.

ATTACHMENT:

Resolution No. 2020-1674

**ITEM 7 ATTACHMENT
RESOLUTION NO. 2020-1674**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CALABASAS CONFIRMING THE CITY MANAGER/DIRECTOR
OF EMERGENCY SERVICES' LOCAL EMERGENCY EXECUTIVE
ORDERS ISSUED PURSUANT TO THE MARCH 16, 2020
LOCAL EMERGENCY DECLARATION IN RESPONSE TO THE
NOVEL CORONAVIRUS COVID-19 PANDEMIC**

WHEREAS, conditions of extreme peril to the safety of persons have arisen and continue to exist within the City of Calabasas as the result of conditions surrounding the novel coronavirus COVID-19 pandemic; and

WHEREAS, the Governor has declared a State Health Emergency in response to the novel coronavirus COVID-19 pandemic; and

WHEREAS, on March 13, 2020, the President of the United States declared a national emergency as a result of COVID-19; and

WHEREAS, the COVID-19 pandemic, if fully manifested, poses extreme peril to the health and safety of persons and property within the City and are, or are likely to be, beyond the control and capacity of the services, personnel, equipment and facilities of the City; and

WHEREAS, Calabasas Municipal Code section 2.44.060 empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when said City is affected or likely to be affected by a public calamity and the City Council is not in session; and

WHEREAS, the City Manager, acting as the Director of Emergency Services did proclaim the existence of a local emergency within the City on the 16th day of March, 2020, and issued Executive Orders to protect public health and safety; and

WHEREAS, the City Council of the City of Calabasas ratified the proclamation of a local emergency on March 16, 2020 by adoption of Resolution No. 2020-1672; and

WHEREAS, the City Manager issued several Executive Orders, acting as the Director of Emergency Services under Calabasas Municipal Code section 2.44.060, to protect the public health and safety of persons and property within the City; and

WHEREAS, Calabasas Municipal Code section 2.44.060 empowers the City Council to confirm the Executive Orders issued to protect public health and safety.

NOW THEREFORE, IT IS HEREBY RESOLVED, by the City Council of the City of Calabasas that the Executive Orders issued by the City Manager/Director of Emergency Services under the Proclamation of the Existence of a Local Emergency are confirmed and hereby approved.

PASSED, APPROVED AND ADOPTED THIS 25th day of March 2020 by the following vote:

Alicia Weintraub, Mayor

Date signed

ATTEST:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

APPROVED AS TO FORM:

Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 5, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RON AHLERS, CHIEF FINANCIAL OFFICER *RA*

SUBJECT: ADOPTION OF RESOLUTION NO. 2020-1670, FOR THE FINANCING AND/OR REFINANCING OF CAPITAL FACILITIES FOR THE VIEWPOINT EDUCATIONAL FOUNDATION

MEETING DATE: MARCH 25, 2020

SUMMARY RECOMMENDATION:

Conduct a public hearing under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) in connection with the proposed master loan agreement by the California Statewide Communities Development Authority (CSCDA) in an amount not to exceed \$40,000,000 for the purpose of financing and/or refinancing certain Revenue Bonds of Viewpoint Educational Foundation (Borrower); and adopt Resolution No. 2020-1670.

The adoption of the resolution will not require the City of Calabasas (City) to be financially obligated nor liable, nor provide any financing to the Project.

BACKGROUND:

The City Council will hold a public hearing to consider approval of a resolution granting the CSCDA authorization and direction to issue tax-exempt bonds on behalf of The Viewpoint Educational Foundation (the "Borrower") to finance and/or refinance capital projects with respect to certain educational facilities located at 23620 Mulholland Highway Calabasas, California (the "Project").

DISCUSSION/ANALYSIS:

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, the loan by the CSCDA must be approved by the City due to the Project's location within the territorial limits of the City of Calabasas.

In 2004, CSCDA issued \$16,000,000 in revenue bonds (Series 2004) on behalf of the Borrower to refund the Borrower's First Mortgage Bonds, 1999 Series, and payoff an existing promissory note to Meadow Oaks School, Inc., the proceeds of which were used to purchase Meadow Oaks School. In addition, bond proceeds were used to fund a portion of the construction of new facilities, rehabilitation of the campus, fund a reserve fund, and pay costs of issuance.

In 2008, CSCDA issued \$20,000,000 in revenue bonds (Series 2008) to refund the Series 2004 Bonds and finance the acquisition, design, approval, construction, and development of certain educational facilities, furnishings, and equipment located on the School's campus.

In 2012, CSCDA issued \$40,000,000 in revenue bonds (Series 2012) to refinance the Series 2008 bonds. The remaining funds were used for capital improvements to finance the acquisition, design, approval, construction, renovation, installation, and development of facilities at the campus, including: one or more new elementary school buildings and related facilities, new campus support services facilities, enhanced and/or expanded infrastructure and parking improvements to certain athletic facilities including the west campus softball field, west campus pool and Rasmussen Family pavilion, and miscellaneous enhancements, repairs, refurbishments, and improvements to existing facilities and infrastructure. Additionally, bond proceeds were used to pay various costs of issuance and other related costs with respect to the obligations.

The proposed \$40,000,000 tax-exempt fixed rate loan proceeds (Series 2020) will be used to refinance the School's 2012 tax-exempt-term loan and 2014 conventional loans.

- The current outstanding balance from the Series 2012 bonds is \$37,108,836.81.
- The first 2014 taxable term loan was used to refinance the School's purchase of the Castle Oaks Property, a single-family residential property adjacent to the campus now serving as administrative office space for the School. The current outstanding balance is \$841,046.76.
- The second 2014 taxable term loan was used to refinance the School's purchase of the Brown Property, a single-family residential property adjacent

to the campus now serving as administrative office space for the School. The current outstanding balance is \$1,461,409.13.

The CSCDA is a California joint exercise of powers authority established in 1988 and organized under the laws of the State of California (specifically, California Government Code Section 6500 and following), and is sponsored by the League of California Cities and the California State Association of Counties. Over 530 California cities, counties and special districts, have entered into and executed the Agreement to become a member of the CSCDA, including the City, for the sole purpose of issuing revenue bonds for the financing of projects that promote economic development.

The CSCDA's mission is to provide local governments and private entities access to low-cost, tax-exempt financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California. Since inception, the CSCDA has issued more than \$60 billion in tax-exempt debt completing more than 1,600 financings, including approximately \$40 billion in qualified 501(c)(3) bonds for more than 300 nonprofit organizations throughout California.

Each financing completed by the CSCDA has been structured so that the local agency completing the TEFRA hearing process has ***"no liability"*** with respect to the issuance of bonds or the repayment of any debt service relating to such bonds. More importantly, the local agency completing the TEFRA hearing process is not a party to any of the financing documents relating to the issuance of the bonds nor is it named in any of the disclosure documents describing the bonds or the proposed financing.

The City of Calabasas has no financial obligation and incurs no financial liability for the issuance of this bond.

FISCAL IMPACT/SOURCE OF FUNDING:

None.

The City will not be a party to the financing documents. Repayment of the Obligations will not be secured by any form of taxation, or be an obligation of the City. The Obligations will not represent or constitute an obligation of the City, general or otherwise. Pursuant to the governing California statutes, the City of Calabasas will not be responsible for the repayment of the Obligations that the California Statewide Communities Development Authority issues on behalf of the borrower.

The City will have no obligation or liability associated with this financing.

REQUESTED ACTION:

Open the public hearing, accept public testimony, and close the public hearing.
Staff recommends the City Council adopt the attached Resolution 2020-1670.

ATTACHMENTS:

1. Resolution No. 2020-1670
2. Letter from CSCDA requesting TEFRA Hearing
3. Letter from Hawkins Delafield Wood regarding TEFRA Approval
4. Notice of Public Hearing

**ITEM 8 ATTACHMENT 1
RESOLUTION NO. 2020-1670**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS APPROVING A FINANCING TO BE UNDERTAKEN BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 FOR THE PURPOSE OF FINANCING AND/OR REFINANCING CAPITAL FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO TO BENEFIT VIEWPOINT EDUCATIONAL FOUNDATION.

WHEREAS, Viewpoint Educational Foundation, a California nonprofit public benefit corporation (the "School") has requested that the California Statewide Communities Development Authority (the "Authority") participate from time to time over the next three years in issuing one or more tax-exempt obligations (collectively, the "Obligation") in an aggregate principal amount not to exceed \$40,000,000, for the purpose of financing and/or refinancing various capital facilities (the "Project") as more fully described below; and

WHEREAS, First Republic Bank (the "Lender"), the Authority and the School will enter into a master loan agreement (the "Master Loan Agreement") under which the Authority will loan the proceeds of the Obligation to the School pursuant to a plan of finance to (1) refinance the School's obligations under a loan agreement related to the California Statewide Communities Development Authority 2012 Tax-Exempt Loan (Viewpoint School) (the "2012 Loan"), currently outstanding in the approximate principal amount of \$37,110,000, the proceeds of which were used by the School to (A) refund the California Statewide Communities Development Authority Revenue Bonds (Viewpoint School), Series 2008, the proceeds of which were used to finance the acquisition, design, approval, construction, installation and development of certain educational facilities, furnishings and equipment located on the School's campus at 23620 Mulholland Highway, Calabasas, California 91302 (the "Campus"); (B) refund the California Statewide Communities Development Authority Revenue Bonds, Series 2004, the proceeds of which were used to (a) refund the Viewpoint Educational Foundation First Mortgage Bonds, 1999 Series, the proceeds of which were used to purchase the Meadow Oaks School campus, located adjacent to the Campus and now forming a part of the Campus; (b) refinance an existing promissory note to Meadow Oaks School, Inc., the proceeds of which were used to purchase the Meadow Oaks School campus; (c) fund a portion of the costs of construction of new facilities and rehabilitation of the Campus; and (d) fund a reserve fund and pay costs of issuance; and (C) finance the acquisition, design, approval, construction, renovation, installation, development and equipping of facilities at the Campus; (2) refinance a 2014 taxable term loan from LENDER,

currently outstanding in the approximate principal amount of \$850,000, the proceeds of which were used to refinance a draw on a line of credit pursuant to a Loan Agreement (Line of Credit) dated as of November 1, 2012, by and between LENDER and the School (the "Line of Credit"), which was used to finance the School's purchase of the Castle Oaks Property, located at 23602 Dry Canyon Cold Creek Road, Calabasas, California, which serves as administrative office space for the School; (3) refinance a 2014 taxable term loan from LENDER, currently outstanding in the approximate principal amount of \$1,465,000, the proceeds of which were used to refinance a draw on the Line of Credit which was used to finance the School's purchase of the Brown Property, located at 23604 Dry Canyon Cold Creek Road, Calabasas, California, which serves as administrative office space for the School; and (4) pay various costs of issuance and other related costs with respect to the Obligation (collectively, the "Project"). The Project will be owned and operated by the School; and

WHEREAS, the interest on the Obligation may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligation is approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is to be owned and operated by the School and is located within the City of Calabasas (the "City"); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the issuance of the Obligation by the Authority must be approved by the City because the Project is located within the territorial limits of the City; and

WHEREAS, the City Council of the City of Calabasas (the "Council") is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Obligation under Section 147(f) of the Code; and

WHEREAS, the School and the Authority have requested that the Council approve the issuance of the Obligation by the Authority for the purposes of financing and/or refinancing the Project in order to satisfy the public approval requirements of Section 147(f) of the Code and Section 9 of the Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies, including the City; and

WHEREAS, pursuant to Section 147(f) of the Code, the Council has, following notice duly given, held a public hearing regarding the issuance of the Obligation, and now desires to approve the issuance of the Obligation by the Authority; and

WHEREAS, the Council understands that its actions in holding this public hearing and in approving this Resolution do not obligate the City in any manner for payment of the principal, interest, fees or any other costs associated with the issuance of the Obligation, and said Council expressly conditions its approval of this Resolution on that understanding.

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

Section 1. The Council hereby approves the issuance of the Obligation by the Authority for the purposes of financing and/or refinancing the Project. It is the purpose and intent of the Council that this resolution constitute approval of the issuance of the Obligation by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the issuer of the Obligation and the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f), and (b) Section 9 of the Agreement.

Section 2. The members of the Council are hereby authorized and directed, jointly and severally, to do any and all things and execute and deliver any and all documents, certificates and other instruments which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transaction approved hereby. Any actions heretofore taken by such officers are hereby ratified and approved.

Section 3. The Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Obligation for the financing and/or refinancing of the Project to be located in the City.

Section 4. This Resolution shall take effect immediately upon its adoption.

The City Clerk shall certify to the adoption and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED AND ADOPTED this 25th day of March 2020.

Alicia Weintraub, Mayor

ATTEST:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

APPROVED AS TO FORM:

Scott H. Howard
Colantuono, Highsmith & Whatley, PC
City Attorney



February 20, 2020

VIA EMAIL

Ron Ahlers
Chief Financial Officer
City of Calabasas
100 Civic Way
Calabasas, CA 91302

Re: Public Hearing Request for Viewpoint Educational Foundation

Dear Ron:

Viewpoint Educational Foundation (the "Applicant") has submitted to the California Statewide Communities Development Authority (the "Authority") an application for the refinancing of the Viewpoint's School 2012 and 2014 loans through the issuance of tax-exempt obligations in an aggregate principal amount not to exceed \$45 million. The purpose of this letter is to request the assistance of the City of Calabasas (the "City") in conducting a public hearing with respect to the proposed financing. It is our understanding that the City will conduct the public hearing on **March 25, 2020**.

The Authority is a joint exercise of powers authority comprised of over 530 California cities, counties and special districts, including the City. The Authority, pursuant to its Amended and Restated Joint Exercise of Powers Agreement is authorized to assist in the refinancing of facilities for 501c3 nonprofit borrowers. In order to initiate such a financing, the member participant of the Authority in which the proposed refinancing will be located must (i) conduct a public hearing and (ii) approve the Authority's issuance of indebtedness. Therefore, although the Authority will be the issuer of the tax-exempt revenue obligations for the Applicant, the financing cannot proceed without the City's approval of the financing.

You will be receiving shortly a letter from Hawkins, Delafield & Wood, LLP, (Hawkins) serving as bond counsel, describing the public hearing process and the requirements under state and federal laws, including the Tax Equity and Fiscal Responsibility Act (TEFRA). This letter will include for your review the form of Notice of Public Hearing and the form of the City Council Resolution evidencing that the City has approved the financing.

Thank you for your assistance in this matter. Please let me know if you require any additional information concerning the scheduling of the public hearing or if I can be of any other assistance.

Sincerely,

James Hamill
Managing Director



March 4, 2020

ITEM 8 ATTACHMENT 3

Ron Ahlers
Chief Financial Officer
City of Calabasas
100 Civic Way
Calabasas, CA 91302

Re:*TEFRA Approval Relating to Tax-Exempt Financing for
Viewpoint Educational Foundation*

Dear Mr. Ahlers:

This letter describes the legal aspects of the TEFRA approval process with respect to a tax-exempt financing being undertaken by Viewpoint Educational Foundation (the "School") and the California Statewide Communities Authority ("CSCDA").

The School is an organization classified under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). Under Section 147(f) of the Code, tax-exempt "private activity" obligations may be issued by a conduit governmental issuer on behalf of a 501(c)(3) corporation to finance facilities used, owned and/or operated by such entity. For interest on such private activity obligations to be tax-exempt, among other things, certain provisions of the Code relating to public notice and approval requirements enacted as part of the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") must be satisfied. TEFRA generally requires that the obligations and the facilities financed thereby must be approved: (i) by the governmental unit which will issue the obligations (in this case, CSCDA), and (ii) by the governmental unit in which the obligation-financed facilities are located (the "Host") following a public hearing for which reasonable notice has been given. Host approval must be given by either the elected legislative body of such government or its chief elected executive officer. In this case, the appropriate governmental body approving the issuance of the obligations and the facilities is the City Council of the City of Calabasas (the "City").

As described in the attached form of TEFRA notice, the proceeds of the proposed tax-exempt financing will be used to (1) refinance the School's obligations under a loan agreement related to the California Statewide Communities Development Authority 2012 Tax-Exempt Loan (Viewpoint School) (the "2012 Loan"), currently outstanding in the approximate principal amount of \$37,110,000, the proceeds of which were used by the School to (A) refund the California Statewide Communities Development Authority Revenue Bonds (Viewpoint School),

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Series 2008, the proceeds of which were used to finance the acquisition, design, approval, construction, installation and development of certain educational facilities, furnishings and equipment located on the School's campus at 23620 Mulholland Highway, Calabasas, California 91302 (the "Campus"); (B) refund the California Statewide Communities Development Authority Revenue Bonds, Series 2004, the proceeds of which were used to (a) refund the Viewpoint Educational Foundation First Mortgage Bonds, 1999 Series, the proceeds of which were used to purchase the Meadow Oaks School campus, located adjacent to the Campus and now forming a part of the Campus; (b) refinance an existing promissory note to Meadow Oaks School, Inc., the proceeds of which were used to purchase the Meadow Oaks School campus; (c) fund a portion of the costs of construction of new facilities and rehabilitation of the Campus; and (d) fund a reserve fund and pay costs of issuance; and (C) finance the acquisition, design, approval, construction, renovation, installation, development and equipping of facilities at the Campus; (2) refinance a 2014 taxable term loan from FRB, currently outstanding in the approximate principal amount of \$850,000, the proceeds of which were used to refinance a draw on a line of credit pursuant to a Loan Agreement (Line of Credit) dated as of November 1, 2012, by and between FRB and the School (the "Line of Credit"), which was used to finance the School's purchase of the Castle Oaks Property, located at 23602 Dry Canyon Cold Creek Road, Calabasas, California, which serves as administrative office space for the School; (3) refinance a 2014 taxable term loan from FRB, currently outstanding in the approximate principal amount of \$1,465,000, the proceeds of which were used to refinance a draw on the Line of Credit which was used to finance the School's purchase of the Brown Property, located at 23604 Dry Canyon Cold Creek Road, Calabasas, California, which serves as administrative office space for the School; and (4) pay various costs of issuance and other related costs with respect to the Obligation (collectively, the "Project"). The Project will be owned by the School and used for the educational purposes thereof.

This method of financing is very common – CSCDA alone has issued over \$26 billion in qualified 501(c)(3) bonds for more than 250 nonprofit organizations throughout California, including hospitals and medical centers, private educational institutions, student housing facilities, multifamily housing facilities, museums, cultural centers, and assisted living facilities to name a few.

The School has submitted its application with CSCDA, and is concurrently pursuing CSCDA approval for the proposed financing. In compliance with the requirements of the Code, and in particular TEFRA, the School also requests the City to hold a public hearing and to approve the proposed financing. Specifically, the public approval requirements for this financing are set forth as follows:

- 1) Notice a public hearing on the issuance of the obligations and the financed facilities in a daily newspaper of general circulation in the jurisdiction in which the financed facilities are located. The notice must be published at least seven calendar days in advance of the public hearing. A proposed form of the notice is attached herewith as Exhibit A.
- 2) Hold a public hearing at a meeting of the City Council.
- 3) Following the public hearing, approve the issuance of the obligations by resolution of the City Council. A proposed form of the staff report and the City Council resolution is attached herewith as Exhibit B.

We would be glad to coordinate the publication of the notice of public hearing and provide you with a copy of proof of publication. If the City prefers to coordinate publication of the notice of public

[Type here]

hearing, please provide us with a copy of the proof of publication provided by the newspaper for inclusion in the official transcript of the transaction. Please let us know as soon as possible if you wish to suggest changes to either the proposed notice or form of resolution. We would appreciate you forwarding to us a copy of the signed resolution of the City Council as soon as practical following its adoption.

It should be noted that by holding this hearing and approving the financing, the City does not obligate itself in any way for the payment of debt service on the obligations. The obligations will be payable solely from the payments to be made by the School. The City is not obligated to pay, or liable for, the payments of the obligations.

Please do not hesitate to contact me at the above number or address if you have any questions or comments regarding the enclosed documents or any other matter relating to this financing.

Very truly yours,

/s/ Sean Tierney

Sean Tierney, Partner

cc: James Hamill, CSCDA
Lissa Sholty, Viewpoint School
Dirk ten Grotenhuis, First Republic Bank

Exhibit A

Form of TEFRA Notice

Exhibit B

Draft Staff Report and City Council Resolution

**NOTICE OF PUBLIC HEARING PURSUANT TO SECTION 147(f) OF THE
INTERNAL REVENUE CODE OF 1986, AS AMENDED, FOR THE
FINANCING AND/OR REFINANCING OF CERTAIN FACILITIES FROM
THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS**

NOTICE IS HEREBY GIVEN that at 7:00 p.m., or as soon thereafter as such matters can be heard, on March 25, 2020 in Council Chambers at 100 Civic Center Way, Calabasas, California 91302, the City Council of the City of Calabasas (the “City”) will conduct a public hearing (the “Public Hearing”) at which time the City will hear and consider information concerning the proposed issuance of tax-exempt obligations (collectively, the “Obligation”) by the California Statewide Communities Development Authority (the “Authority”) in an aggregate principal amount not to exceed forty million dollars (\$40,000,000), pursuant to a plan of finance for various capital facilities as more fully described below. Proceeds of the Obligation are to be loaned to Viewpoint Educational Foundation, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) (or any affiliate thereof or successor thereto) (the “School”), pursuant to a master loan agreement (the “Master Loan Agreement”) by and among the Authority, the School, and First Republic Bank (“FRB”). The School plans to use the proceeds of the Obligation to (1) refinance the School’s obligations under a loan agreement related to the California Statewide Communities Development Authority 2012 Tax-Exempt Loan (Viewpoint School) (the “2012 Loan”), currently outstanding in the approximate principal amount of \$37,110,000, the proceeds of which were used by the School to (A) refund the California Statewide Communities Development Authority Revenue Bonds (Viewpoint School), Series 2008, the proceeds of which were used to finance the acquisition, design, approval, construction, installation and development of certain educational facilities, furnishings and equipment located on the School’s campus at 23620 Mulholland Highway, Calabasas, California 91302 (the “Campus”); (B) refund the California Statewide Communities Development Authority Revenue Bonds, Series 2004, the proceeds of which were used to (a) refund the Viewpoint Educational Foundation First Mortgage Bonds, 1999 Series, the proceeds of which were used to purchase the Meadow Oaks School campus, located adjacent to the Campus and now forming a part of the Campus; (b) refinance an existing promissory note to Meadow Oaks School, Inc., the proceeds of which were used to purchase the Meadow Oaks School campus; (c) fund a portion of the costs of construction of new facilities and rehabilitation of the Campus; and (d) fund a reserve fund and pay costs of issuance; and (C) finance the acquisition, design, approval, construction, renovation, installation, development and equipping of facilities at the Campus; (2) refinance a 2014 taxable term loan

from FRB, currently outstanding in the approximate principal amount of \$850,000, the proceeds of which were used to refinance a draw on a line of credit pursuant to a Loan Agreement (Line of Credit) dated as of November 1, 2012, by and between FRB and the School (the “Line of Credit”), which was used to finance the School’s purchase of the Castle Oaks Property, located at 23602 Dry Canyon Cold Creek Road, Calabasas, California, which serves as administrative office space for the School; (3) refinance a 2014 taxable term loan from FRB, currently outstanding in the approximate principal amount of \$1,465,000, the proceeds of which were used to refinance a draw on the Line of Credit which was used to finance the School’s purchase of the Brown Property, located at 23604 Dry Canyon Cold Creek Road, Calabasas, California, which serves as the Head of School residence; and (4) pay various costs of issuance and other related costs with respect to the Obligation (collectively, the “Project”). The Project will be owned by the School and used for the educational purposes thereof.

The Obligation will be paid entirely from repayments by the School under the Master Loan Agreement. Neither the full faith and credit nor the taxing power, if any, of the City, the Authority and its members, the State of California (the “State”) or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Obligation, nor shall the City, the Authority and its members, the State, or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal of, premium, if any, or interest on the Obligation.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Code.

Those wishing to comment on the issuance of the Obligation or on the proposed nature and location of the Project and the plan of financing of the Project may either appear in person at the time and place indicated above or submit written comments, which must be received prior to the Public Hearing, to Maricela Hernandez, City Clerk, 100 Civic Center Way, Calabasas, California 91302.

Notice is further given that the School has filed an application with the Authority in connection with the proposed issuance of the Obligation to finance the Project, and reference is hereby made to such application for further particulars.

Date: March 18, 2020

CITY OF CALABASAS

/s/ Maricela Hernandez
City Clerk



Check Register Report

Bank: BANK OF AMERICA - CITY OPERATING
Reporting Period: 02/29/2020 to 03/13/2020

Check No.	Check Date	Vendor Name	Check Description	Amount	Department
Administrative Services					
107788	3/4/2020	PRODOCUMENT SOLUTIONS, INC.	ELECTION SERVICES	10,425.32	Administrative Services
107788	3/4/2020	PRODOCUMENT SOLUTIONS, INC.	ELECTION SERVICES	6,756.02	Administrative Services
107746	3/4/2020	APPLE ONE	TEMPORARY EMPLOYMENT SVCS	908.50	Administrative Services
107804	3/11/2020	APPLE ONE	TEMPORARY EMPLOYMENT SVCS	736.00	Administrative Services
Total Amount for 4 Line Item(s) from Administrative Services				\$18,825.84	
City Council					
107813	3/11/2020	CONEJO AWARDS	TILE PLAQUE	102.96	City Council
Total Amount for 1 Line Item(s) from City Council				\$102.96	
City Management					
107780	3/4/2020	LASERZONE INC	COPIER/PRINTER SUPPLIES	437.98	City Management
Total Amount for 1 Line Item(s) from City Management				\$437.98	
Civic Center O&M					
107790	3/4/2020	SECURAL SECURITY CORP	SECURITY- NIGHTLY CIV CTR	5,013.00	Civic Center O&M
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	4,933.80	Civic Center O&M
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	3,989.03	Civic Center O&M
107816	3/11/2020	DNA ELECTRIC	ELECTRICAL REPAIRS	3,540.00	Civic Center O&M
107770	3/4/2020	HAYNES BUILDING SERVICES, LLC	JANITORIAL SERVICES	2,923.07	Civic Center O&M
107770	3/4/2020	HAYNES BUILDING SERVICES, LLC	JANITORIAL SERVICES	1,923.51	Civic Center O&M
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	697.24	Civic Center O&M
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	563.73	Civic Center O&M
107790	3/4/2020	SECURAL SECURITY CORP	PATROL CAR SERVICES- CIVIC CTR	537.69	Civic Center O&M
107817	3/11/2020	EMERALD COAST PLANTSCAPES, INC	PLANT MAINTENANCE- CITY HALL	500.00	Civic Center O&M
107817	3/11/2020	EMERALD COAST PLANTSCAPES, INC	PLANT MAINTENANCE- LIBRARY	250.00	Civic Center O&M
107846	3/11/2020	SECURAL SECURITY CORP	PATROL CAR SERVICES- CIVIC CTR	179.23	Civic Center O&M
107846	3/11/2020	SECURAL SECURITY CORP	PATROL CAR SERVICES- CIVIC CTR	179.23	Civic Center O&M
107812	3/11/2020	CHEM PRO LABORATORY, INC.	HVAC SERVICE	134.50	Civic Center O&M
107812	3/11/2020	CHEM PRO LABORATORY, INC.	HVAC SERVICE	134.50	Civic Center O&M
Total Amount for 15 Line Item(s) from Civic Center O&M				\$25,498.53	



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Community Development					
107832	3/11/2020	M6 CONSULTING, INC.	INSPECTION SERVICES	22,782.85	Community Development
107832	3/11/2020	M6 CONSULTING, INC.	PERMIT SERVICES	14,550.00	Community Development
107761	3/4/2020	DAPEER, ROSENBLIT & LITVAK	LEGAL SERVICES	5,496.35	Community Development
107774	3/4/2020	J THAYER COMPANY, INC.	OFFICE SUPPLIES	230.83	Community Development
107764	3/4/2020	DUDEK & ASSOCIATES INC	EIR CONSULTING	120.00	Community Development
107814	3/11/2020	CYBERCOPY, INC.	COPY/PRINTING SERVICE	37.78	Community Development
107814	3/11/2020	CYBERCOPY, INC.	COPY/PRINTING SERVICE	37.78	Community Development
107761	3/4/2020	DAPEER, ROSENBLIT & LITVAK	LEGAL SERVICES	22.50	Community Development
107814	3/11/2020	CYBERCOPY, INC.	COPY/PRINTING SERVICE	10.95	Community Development
Total Amount for 9 Line Item(s) from Community Development				\$43,289.04	
Community Services					
107803	3/11/2020	AMERICAN TROPHIES AND AWARDS	B-BALL TROPHIES	3,885.36	Community Services
107851	3/11/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- SCHL	3,279.01	Community Services
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- SCHL	2,891.00	Community Services
107801	3/11/2020	AGOURA HILLS,CALABASAS COM CTR	FACILITY RENTAL	2,808.00	Community Services
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- SCHL	2,690.48	Community Services
107807	3/11/2020	BARRY KAY ENTERPRISES, INC.	BASKETBALL T-SHIRTS	2,078.31	Community Services
107790	3/4/2020	SECURAL SECURITY CORP	SECURITY- AC STELLE	1,707.20	Community Services
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,574.62	Community Services
107851	3/11/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- SCHL	1,534.20	Community Services
107847	3/11/2020	SO-CAL PRESSURE WASH	PRESSURE WASHING	1,400.00	Community Services
107768	3/4/2020	GESAS/HELAIN W.//	RECREATION INSTRUCTOR	1,396.50	Community Services
107770	3/4/2020	HAYNES BUILDING SERVICES, LLC	JANITORIAL SERVICES	1,363.05	Community Services
107826	3/11/2020	JACKMAN/ANITA//	RECREATION INSTRUCTOR	1,058.40	Community Services
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,050.52	Community Services
107831	3/11/2020	LIPSON/ROBERT//	RECREATION INSTRUCTOR	1,039.50	Community Services
107827	3/11/2020	KOBLICK/WENDY SUE WEISS//	RECREATION INSTRUCTOR	997.50	Community Services
107816	3/11/2020	DNA ELECTRIC	ELECTRICAL REPAIRS	914.12	Community Services
107815	3/11/2020	DIAL M PRODUCTIONS	ENTERTAINMENT- EGG HUNT	800.00	Community Services
107821	3/11/2020	GINELL/CARY//	RECREATION INSTRUCTOR	714.00	Community Services
107819	3/11/2020	FEDAK II/NICHOLAS//	RECREATION INSTRUCTOR	693.00	Community Services
107827	3/11/2020	KOBLICK/WENDY SUE WEISS//	RECREATION INSTRUCTOR	664.30	Community Services
107780	3/4/2020	LASERZONE INC	COPIER/PRINTER SUPPLIES	656.96	Community Services
107838	3/11/2020	PACIFIC PLATINUM SERVICES, INC	TRANSPORT SERVICES	625.00	Community Services
107828	3/11/2020	L.A. CO. FIRE DEPARTMENT	HAZMAT PROGRAM CUPA#AR0019106	621.60	Community Services



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107786	3/4/2020	PACIFIC PLATINUM SERVICES, INC	TRANSPORT SERVICES	615.00	Community Services
107752	3/4/2020	BENLLOCH/GEORGE//	RECREATION INSTRUCTOR	598.50	Community Services
107772	3/4/2020	HOLGUIN/JAMES//	RECREATION INSTRUCTOR	590.00	Community Services
107850	3/11/2020	TELLER/BARBARA//	RECREATION INSTRUCTOR	462.00	Community Services
107853	3/11/2020	WAXIE SANITARY SUPPLY	JANITORIAL SERVICES	454.20	Community Services
107850	3/11/2020	TELLER/BARBARA//	RECREATION INSTRUCTOR	420.00	Community Services
107839	3/11/2020	PARAMESH/KALANIDHI//	RECREATION INSTRUCTOR	399.00	Community Services
107822	3/11/2020	HARRISON/ANNICK//	RECREATION INSTRUCTOR	385.00	Community Services
107781	3/4/2020	LEVICK/MARK D.//	RECREATION INSTRUCTOR	352.80	Community Services
107834	3/11/2020	MAZER/NORM//	RECREATION INSTRUCTOR	294.00	Community Services
107849	3/11/2020	TANENBAUM/PATTY LIMATOLA//	RECREATION INSTRUCTOR	280.00	Community Services
107757	3/4/2020	CHAMBERLIN/MICHAEL//	RECREATION INSTRUCTOR	250.00	Community Services
107836	3/11/2020	MILLER/ERICA//	RECREATION INSTRUCTOR	250.00	Community Services
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	222.53	Community Services
107805	3/11/2020	B & B PLUMBING	PLUMBING REPAIRS	209.50	Community Services
107817	3/11/2020	EMERALD COAST PLANTSCAPES, INC	PLANT MAINTENANCE- SR CTR	185.00	Community Services
107846	3/11/2020	SECURAL SECURITY CORP	PATROL CAR SERVICES- CIVIC CTR	179.23	Community Services
107762	3/4/2020	DEPARTMENT OF JUSTICE	STAFF FINGERPRINTING APPS	177.00	Community Services
107844	3/11/2020	R P BARRICADE INC	EQUIPMENT RENTAL- GRAPE ARB	145.00	Community Services
107824	3/11/2020	INNER-I ...SECURITY IN FOCUS	JAN-MAR 2020 MONITORING- DEANZ	135.00	Community Services
107807	3/11/2020	BARRY KAY ENTERPRISES, INC.	STAFF T-SHIRTS	129.21	Community Services
107840	3/11/2020	PORT-A-STOR INC.	STORAGE - A E WRIGHT	109.00	Community Services
107824	3/11/2020	INNER-I ...SECURITY IN FOCUS	JAN-MAR 2020 MONITORING- SRCTR	90.00	Community Services
107824	3/11/2020	INNER-I ...SECURITY IN FOCUS	JAN-MAR 2020 MONITORING- CRKSD	75.00	Community Services
107853	3/11/2020	WAXIE SANITARY SUPPLY	JANITORIAL SERVICES	-39.77	Community Services

Total Amount for 49 Line Item(s) from Community Services

\$43,409.83

Finance

107783	3/4/2020	MUNISERVICES, LLC	SALES TAX COLLECTION FEE	1,567.66	Finance
107771	3/4/2020	HDL, COREN & CONE INC.	PROPERTY TAX SERVICES	1,512.50	Finance
107780	3/4/2020	LASERZONE INC	COPIER/PRINTER SUPPLIES	197.09	Finance
107809	3/11/2020	BRINK'S INCORPORATED	BANK SERVICE	190.46	Finance
107809	3/11/2020	BRINK'S INCORPORATED	BANK SERVICE	50.68	Finance

Total Amount for 5 Line Item(s) from Finance

\$3,518.39

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107820	3/11/2020	GALE CENGAGE LEARNING INC	E-BOOKS	2,965.57	Library
107820	3/11/2020	GALE CENGAGE LEARNING INC	E-BOOKS	1,928.91	Library
107845	3/11/2020	RECORDED BOOKS, LLC	E- AUDIO BOOKS	974.87	Library
107845	3/11/2020	RECORDED BOOKS, LLC	E- AUDIO BOOKS	861.44	Library
107845	3/11/2020	RECORDED BOOKS, LLC	BOOKS ON CD	633.52	Library
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	582.20	Library
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	531.45	Library
107825	3/11/2020	J THAYER COMPANY, INC.	OFFICE SUPPLIES	486.13	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	474.22	Library
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	421.31	Library
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	410.08	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	362.98	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	246.63	Library
107845	3/11/2020	RECORDED BOOKS, LLC	BOOKS ON CD	221.76	Library
107820	3/11/2020	GALE CENGAGE LEARNING INC	E-BOOKS	165.08	Library
107811	3/11/2020	CANON FINANCIAL SERVICES INC	CANON COPIER LEASES	149.88	Library
107811	3/11/2020	CANON FINANCIAL SERVICES INC	CANON COPIER LEASES	149.88	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	107.07	Library
107824	3/11/2020	INNER-I ...SECURITY IN FOCUS	JAN-MAR 2020 MONITORING- LBRY	90.00	Library
107845	3/11/2020	RECORDED BOOKS, LLC	E- AUDIO BOOKS	80.73	Library
107835	3/11/2020	MIDWEST TAPE, LLC	DVD'S-LIBRARY	74.75	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	70.20	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	58.41	Library
107845	3/11/2020	RECORDED BOOKS, LLC	E- AUDIO BOOKS	56.90	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	53.81	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	52.23	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	48.57	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	45.29	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	44.08	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	43.93	Library
107806	3/11/2020	BAKER & TAYLOR, LLC	BOOKS-LIBRARY	40.09	Library
107754	3/4/2020	CANON SOLUTIONS AMERICA, INC	COPIER SVC PROGRAM- FTG80700	39.91	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	38.72	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	35.43	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	33.81	Library
107845	3/11/2020	RECORDED BOOKS, LLC	E- AUDIO BOOKS	31.32	Library
107806	3/11/2020	BAKER & TAYLOR, LLC	BOOKS-LIBRARY	27.86	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	24.30	Library



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107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	20.75	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	19.52	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	18.10	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	14.43	Library
107823	3/11/2020	INGRAM LIBRARY SERVICES	BOOKS-LIBRARY	14.43	Library
Total Amount for 43 Line Item(s) from Library				\$12,750.55	

LMD #22

107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	13,130.18	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	12,457.25	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	6,180.98	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	5,082.39	LMD #22
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	4,500.00	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	4,284.10	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	4,152.45	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	3,989.91	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	3,749.06	LMD #22
107800	3/4/2020	WESTRIDGE CALABASAS HOA	LANDSCAPE MAINTENANCE	3,482.27	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	3,084.03	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	2,365.10	LMD #22
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	2,205.88	LMD #22
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	1,500.00	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,292.52	LMD #22
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,235.18	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,039.45	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	985.87	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	935.06	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	847.88	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	672.76	LMD #22
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	600.46	LMD #22
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	475.00	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	440.05	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	400.06	LMD #22
107848	3/11/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	353.94	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	296.11	LMD #22
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	275.89	LMD #22
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	250.00	LMD #22



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107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	248.30	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	248.27	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	171.80	LMD #22
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	167.07	LMD #22
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	141.00	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	135.61	LMD #22
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	104.87	LMD #22
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	86.08	LMD #22
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	86.08	LMD #22
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	82.99	LMD #22
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	82.99	LMD #22
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	73.50	LMD #22
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	37.16	LMD #22
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	32.22	LMD #22
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	21.74	LMD #22
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	10.94	LMD #22

Total Amount for 45 Line Item(s) from LMD #22

\$81,994.45

LMD #24

107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	825.00	LMD #24
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	380.00	LMD #24
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	162.06	LMD #24
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	6.14	LMD #24
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	6.14	LMD #24
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	5.93	LMD #24
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	5.93	LMD #24

Total Amount for 7 Line Item(s) from LMD #24

\$1,391.20

LMD #27

107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	11.49	LMD #27
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	1.54	LMD #27
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	1.54	LMD #27
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	1.48	LMD #27
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	1.48	LMD #27



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Total Amount for 5 Line Item(s) from LMD #27				\$17.53	
LMD #32					
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	907.39	LMD #32
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	23.19	LMD #32
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	1.54	LMD #32
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	1.54	LMD #32
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	1.48	LMD #32
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	1.48	LMD #32
Total Amount for 6 Line Item(s) from LMD #32				\$936.62	
LMD 22 - Common Benefit Area					
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	10,046.05	LMD 22 - Common Benefit Area
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	5,958.33	LMD 22 - Common Benefit Area
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	4,585.62	LMD 22 - Common Benefit Area
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	3,220.01	LMD 22 - Common Benefit Area
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	2,738.46	LMD 22 - Common Benefit Area
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	1,955.28	LMD 22 - Common Benefit Area
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,546.11	LMD 22 - Common Benefit Area
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,545.09	LMD 22 - Common Benefit Area
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,352.78	LMD 22 - Common Benefit Area
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	895.65	LMD 22 - Common Benefit Area
107847	3/11/2020	SO-CAL PRESSURE WASH	PRESSURE WASHING	890.00	LMD 22 - Common Benefit Area
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	825.00	LMD 22 - Common Benefit Area
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- LMD	727.02	LMD 22 - Common Benefit Area
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	675.00	LMD 22 - Common Benefit Area
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	288.52	LMD 22 - Common Benefit Area
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	261.00	LMD 22 - Common Benefit Area
107848	3/11/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	226.86	LMD 22 - Common Benefit Area
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	111.41	LMD 22 - Common Benefit Area
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	111.41	LMD 22 - Common Benefit Area
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	94.62	LMD 22 - Common Benefit Area
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	94.62	LMD 22 - Common Benefit Area
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	10.69	LMD 22 - Common Benefit Area
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	10.62	LMD 22 - Common Benefit Area



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Total Amount for 23 Line Item(s) from LMD 22 - Common Benefit Area				\$38,170.15	
Media Operations					
107777	3/4/2020	LANAIR GROUP, LLC	SONIC WALL	3,338.75	Media Operations
107749	3/4/2020	AT&T	TELEPHONE SERVICE	2,185.52	Media Operations
107794	3/4/2020	TIME WARNER CABLE	CABLE MODEM- CITY HALL	1,615.00	Media Operations
107767	3/4/2020	FUSION CLOUD COMPANY	DSL SERVICE	579.20	Media Operations
107856	3/11/2020	YIN/TONG//	REIMBURSE- TV CONF #2	531.59	Media Operations
107794	3/4/2020	TIME WARNER CABLE	CABLE MODEM- CITY HALL	492.72	Media Operations
107749	3/4/2020	AT&T	TELEPHONE SERVICE	329.38	Media Operations
107794	3/4/2020	TIME WARNER CABLE	CABLE MODEM- CITY HALL	289.98	Media Operations
107750	3/4/2020	AT&T MOBILITY	TELEPHONE SERVICE	48.24	Media Operations
Total Amount for 9 Line Item(s) from Media Operations				\$9,410.38	
Non-Departmental - Finance					
107797	3/4/2020	VENCO WESTERN, INC.	EMERGENCY- WOOLSEY FIRE 11/18	12,081.00	Non-Departmental - Finance
107753	3/4/2020	BUILD FOR YOU	CDBG RES REHAB-GILBERT	10,000.00	Non-Departmental - Finance
107745	3/4/2020	AMERICAN CANCER SOCIETY	RELAY FOR LIFE 2020	5,000.00	Non-Departmental - Finance
107797	3/4/2020	VENCO WESTERN, INC.	EMERGENCY- WOOLSEY FIRE 11/18	1,266.30	Non-Departmental - Finance
107782	3/4/2020	MICHAEL BAKER INTERNATIONAL	PROFESSIONAL SERVICES	1,155.00	Non-Departmental - Finance
107790	3/4/2020	SECURAL SECURITY CORP	SECURITY- HELICOPTER CRASH	1,047.81	Non-Departmental - Finance
107842	3/11/2020	QUADIENT LEASING USA, INC.	POSTAGE METER LEASE	500.00	Non-Departmental - Finance
107760	3/4/2020	CR PRINT	BUSINESS CARDS	139.62	Non-Departmental - Finance
107813	3/11/2020	CONEJO AWARDS	NAME BADGES	14.48	Non-Departmental - Finance
Total Amount for 9 Line Item(s) from Non-Departmental - Finance				\$31,204.21	
Payroll					
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	7,193.16	Payroll
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	7,029.51	Payroll
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	4,338.24	Payroll
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	4,317.61	Payroll
Total Amount for 4 Line Item(s) from Payroll				\$22,878.52	



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Police / Fire / Safety					
107776	3/4/2020	L.A. CO. SHERIFF'S DEPT.	SHERIFF SVCS- VIEWPOINT	2,293.06	Police / Fire / Safety
107776	3/4/2020	L.A. CO. SHERIFF'S DEPT.	SHERIFF SVCS- THE OAKS	1,730.67	Police / Fire / Safety
107775	3/4/2020	L.A. CO. DEPT. OF ANIMAL CARE	ANIMAL HOUSING SVCS- JAN 2020	1,619.33	Police / Fire / Safety
Total Amount for 3 Line Item(s) from Police / Fire / Safety				\$5,643.06	
Public Works					
107833	3/11/2020	MARINA LANDSCAPE, INC.	MALIBU HILLS ROAD PROJ	133,240.35	Public Works
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- P.W.	17,750.85	Public Works
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- PARKS	16,514.73	Public Works
107855	3/11/2020	WILLDAN ASSOCIATES INC.	GRADING & DRAINAGE REVIEW	4,504.50	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	4,495.00	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	3,547.50	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	3,450.00	Public Works
107797	3/4/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- PARKS	3,450.00	Public Works
107854	3/11/2020	WILHELM/RICHARD FRANK//	FIELD INVESTIGTN/DRAFTING	2,860.00	Public Works
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	2,633.52	Public Works
107773	3/4/2020	ISSAKHANI/MARINA//	CONSULTING SERVICES	2,296.25	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	2,155.00	Public Works
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,828.28	Public Works
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	1,592.94	Public Works
107759	3/4/2020	COUNTY OF LOS ANGELES	CONTRACT SERVICES	1,309.46	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	1,182.50	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	950.00	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	797.50	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	795.00	Public Works
107769	3/4/2020	HAJIZADEH/HOUMAN//	CONSULTING SERVICES	770.00	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	590.00	Public Works
107779	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	531.79	Public Works
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	395.85	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	391.87	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	295.00	Public Works
107778	3/4/2020	LAS VIRGENES MUNICIPAL WATER	WATER SERVICE	293.06	Public Works
107793	3/4/2020	SUNBELT RENTALS, INC.	EQUIPMENT RENTAL	173.65	Public Works
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	153.75	Public Works
107848	3/11/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	104.73	Public Works
107747	3/4/2020	ARC DOCUMENT SOLUTIONS, LLC	COPY/PRINTING SERVICE	75.56	Public Works



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107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	47.71	Public Works
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	11.17	Public Works
Total Amount for 32 Line Item(s) from Public Works				\$209,187.52	

Recoverable / Refund / Liability

107818	3/11/2020	ENDREOLA/GABRIEL//	REIMBURSE- SS WITH-HOLDING	2,436.12	Recoverable / Refund / Liability
107837	3/11/2020	P&A ADMINISTRATIVE SVCS INC	FSA-DEP CARE REIMBURSEMENT	641.25	Recoverable / Refund / Liability
107837	3/11/2020	P&A ADMINISTRATIVE SVCS INC	FSA-DEP CARE REIMBURSEMENT	625.02	Recoverable / Refund / Liability
107766	3/4/2020	FROST/JEFFREY//	REFUND FILM PERMIT BOND	543.00	Recoverable / Refund / Liability
107785	3/4/2020	P&A ADMINISTRATIVE SVCS INC	FSA-MED CARE REIMBURSEMENT	337.50	Recoverable / Refund / Liability
107833	3/11/2020	MARINA LANDSCAPE, INC.	MALIBU HILLS ROAD PROJ	-6,662.02	Recoverable / Refund / Liability
Total Amount for 6 Line Item(s) from Recoverable / Refund / Liability				\$-2,079.13	

Tennis & Swim Center

107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	1,769.93	Tennis & Swim Center
107756	3/4/2020	CASCIONE/GAYLENE//	RECREATION INSTRUCTOR	1,639.84	Tennis & Swim Center
107799	3/4/2020	WELTER/FRANCES//	RECREATION INSTRUCTOR	919.62	Tennis & Swim Center
107795	3/4/2020	TOP SEED TENNIS ACADEMY, INC.	RECREATION INSTRUCTOR	668.50	Tennis & Swim Center
107756	3/4/2020	CASCIONE/GAYLENE//	RECREATION INSTRUCTOR	661.68	Tennis & Swim Center
107755	3/4/2020	CASAS/JORGE//	FITNESS EQUIPMENT REPAIRS	524.99	Tennis & Swim Center
107758	3/4/2020	COMMERCIAL AQUATIC SVCS	POOL SERVICE/REPAIR	426.89	Tennis & Swim Center
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	261.20	Tennis & Swim Center
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	261.20	Tennis & Swim Center
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	234.74	Tennis & Swim Center
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	234.74	Tennis & Swim Center
107798	3/4/2020	WATERLINE TECHNOLOGIES INC	POOL CHEMICALS	226.03	Tennis & Swim Center
107843	3/11/2020	QUENCH USA, INC.	WATER SERVICE	197.10	Tennis & Swim Center
107851	3/11/2020	VENCO WESTERN, INC.	LANDSCAPE MAINTENANCE- T&SC	160.00	Tennis & Swim Center
107852	3/11/2020	WATERLINE TECHNOLOGIES INC	POOL CHEMICALS	130.97	Tennis & Swim Center
107824	3/11/2020	INNER-I ...SECURITY IN FOCUS	JAN-MAR 2020 MONITORING- T&SC	75.00	Tennis & Swim Center
107787	3/4/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- FEB 20	27.48	Tennis & Swim Center
107841	3/11/2020	PREFERRED BENEFIT	VISION/DENTAL PREMIUM- MAR 20	27.48	Tennis & Swim Center
107751	3/4/2020	BCC	LIFE & DISABILITY INS- FEB 20	23.11	Tennis & Swim Center
107808	3/11/2020	BCC	LIFE & DISABILITY INS- MAR 20	23.11	Tennis & Swim Center



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Total Amount for 20 Line Item(s) from Tennis & Swim Center				\$8,493.61	
Transportation					
107810	3/11/2020	CALIFORNIA CIVIL ENGINEERING	EV CHARGING STATION PROJ	15,961.00	Transportation
107782	3/4/2020	MICHAEL BAKER INTERNATIONAL	PROFESSIONAL SERVICES	15,569.73	Transportation
107765	3/4/2020	FEHR & PEERS	IMPLEMENTATION SERVICES	15,200.88	Transportation
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	8,590.00	Transportation
107763	3/4/2020	DNA ELECTRIC	ELECTRICAL REPAIRS	6,460.00	Transportation
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	6,240.00	Transportation
107802	3/11/2020	ALL CITY MANAGEMENT SVCS, INC.	SCHOOL CROSSING GUARD SVCS	6,072.02	Transportation
107789	3/4/2020	SAFEBAY SIGN COMPANY	TRAFFIC SIGNS	3,253.05	Transportation
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	2,435.00	Transportation
107796	3/4/2020	TOYOTA FINANCIAL SERVICES	LEASE PAYMENT- MAR 2020	2,092.14	Transportation
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	1,885.00	Transportation
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	1,385.00	Transportation
107829	3/11/2020	LAS VIRGENES UNIFIED SCHOOL	BEFORE & AFTER SCHOOL AIDES	1,287.84	Transportation
107791	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	957.55	Transportation
107792	3/4/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	507.93	Transportation
107784	3/4/2020	NEWBURY PARK TREE SERVICE INC	TREE TRIMMING/REMOVAL SVCS	395.00	Transportation
107780	3/4/2020	LASERZONE INC	COPIER/PRINTER SUPPLIES	164.24	Transportation
107748	3/4/2020	AT&T	TELEPHONE SERVICE	111.86	Transportation
107848	3/11/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	48.51	Transportation
107830	3/11/2020	LEGACY AWARDS	PLACARD	32.85	Transportation
107759	3/4/2020	COUNTY OF LOS ANGELES	CONTRACT SERVICES	26.53	Transportation
Total Amount for 21 Line Item(s) from Transportation				\$88,676.13	
GRAND TOTAL for 317 Line Items				\$643,757.37	



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Recoverable / Refund / Liability					
13817	3/13/2020	CABRINHA/MARK//	REFUND- TENNIS TOUR	46.00	Recoverable / Refund / Liability
13813	3/13/2020	ALMQUIST/GORDON//	REFUND- TENNIS TOUR	46.00	Recoverable / Refund / Liability
13821	3/13/2020	LYNCH/EDWARD//	REFUND- TENNIS TOUR	32.00	Recoverable / Refund / Liability
Total Amount for 3 Line Item(s) from Recoverable / Refund / Liability				\$124.00	
Tennis & Swim Center					
13827	3/13/2020	TOP SEED TENNIS ACADEMY, INC.	SPONSOR USTA 2020	6,000.00	Tennis & Swim Center
13811	3/13/2020	AAA DIRECT MAIL	FACILITY EXPENSE	5,809.30	Tennis & Swim Center
13826	3/13/2020	SOUTHERN CALIFORNIA EDISON	ELECTRIC SERVICE	4,915.60	Tennis & Swim Center
13823	3/13/2020	PHILIDELPHIA INSURANCE	INSURANCE EXPENSE	1,109.00	Tennis & Swim Center
13829	3/13/2020	WILSON SPORTING GOODS	ADMINISTRATIVE EXPENSES	1,067.26	Tennis & Swim Center
13824	3/13/2020	PITNEY BOWES	ADMINISTRATIVE EXPENSES	780.40	Tennis & Swim Center
13822	3/13/2020	MARILYN'S TROPHIES	PROMOTION/SOCIALS	444.00	Tennis & Swim Center
13818	3/13/2020	DESIGNSCAPE	PLANT MAINTENANCE- T&SC	436.00	Tennis & Swim Center
13818	3/13/2020	DESIGNSCAPE	PLANT MAINTENANCE- T&SC	436.00	Tennis & Swim Center
13828	3/13/2020	UNIFIRST CORPORATION	JANITORIAL SUPPLIES	379.67	Tennis & Swim Center
13814	3/13/2020	AT&T	TELEPHONE SERVICE	357.32	Tennis & Swim Center
13828	3/13/2020	UNIFIRST CORPORATION	JANITORIAL SUPPLIES	323.74	Tennis & Swim Center
13820	3/13/2020	IMAGE SOURCE	ADMINISTRATIVE EXPENSES	236.85	Tennis & Swim Center
13819	3/13/2020	GOODMAN/LOIS//	UMPIRE	178.00	Tennis & Swim Center
13816	3/13/2020	BURAS/ANDREW//	UMPIRE	160.00	Tennis & Swim Center
13815	3/13/2020	AWESOME LIFE, INC.	UMPIRE	150.00	Tennis & Swim Center
13825	3/13/2020	SCTA	LEVEL 7 JR TOUR	122.00	Tennis & Swim Center
13822	3/13/2020	MARILYN'S TROPHIES	PROMOTION/SOCIALS	115.83	Tennis & Swim Center
13825	3/13/2020	SCTA	SR TENNIS TOUR 2020	100.00	Tennis & Swim Center
13812	3/13/2020	ADP, INC	ADMINISTRATIVE EXPENSES	99.37	Tennis & Swim Center
Total Amount for 20 Line Item(s) from Tennis & Swim Center				\$23,220.34	
GRAND TOTAL for 23 Line Items				\$23,344.34	

Department 22-Apr	Agenda Headings Workshop	Agenda Title/Future Agenda	
1	CC	Special Item	Discussion of and direction to staff on the FY 2020-2021 and FY 2021-2022 budgets
2	CC	Special Item	Discussion regarding the Senior Taskforce
3	CC	Special Item	Discussion regarding future dedication for helicopter crash victims
4	CC	Special Item	Discussion of economic development efforts without business registration
5	CC	Special Item	Discussion of election issues with Los Angeles County
Regular Meeting			
6	PW	Consent	Adoption of Resolution No. 2020-1664, initiating proceedings for the levy and collection of assessments in connection with Landscape Maintenance District No. 22 and Landscape Lighting Act District Nos. 22, 24, 27, and 32 for Fiscal Year 2020-2021; Adoption of Resolution No. 2020-1665, approving a preliminary Engineer's Report with respect to the levy and collection of assessments in connection with the Landscape Lighting Act District Nos. 22, 24, 27, and 32 for Fiscal Year 2020-2021; Adoption of Resolution No. 2020-1666 declaring its intent to levy and collect assessments within Landscape Maintenance District No. 22 and Landscape Lighting Act District Nos. 22, 24, 27, and 32 and setting a time and place for a public hearing
7	CC	Consent	Adoption of Ordinance No. 2020-383, regarding the sale and distribution of electronic cigarettes within the City of Calabasas
8	CD	Consent	Adoption of Resolution No. 2020-1662, recommendation from Planning Commission to change meeting start time to 6 p.m.
9	HR	Consent	City Council Salary Increase Ordinance
10	HR	Consent	City Manager COLA increase
11	CD	New Business	Annual progress report for 2019 regarding the City of Calabasas 2030 General Plan 2014-2021 Housing Element
12	CC	New Business	Introduction of Ordinance No. 2020-383, regarding the sale and distribution of electronic cigarettes within the City of Calabasas
13			Direction to staff regarding change to default rate product – Clean Power Alliance
14	CC	New Business	Adoption of Resolutino No. 2020-1668, reciting the fact of the Special Municipal Election held on March 3, 2020, declaring the result and such other matters as provided by law
Future Items			
15	CC	Presentation	Annual book donation by Las Virgenes Municipal Water District
16	CD	Presentation	LAFCO presentation on MSR
17	CC	Consent	Adoption of Resolutions calling for election
18	AS	Consent	Contract award for janitorial services
19	Comm./CD	New Business	CTC recommendation regarding cell service
20	PW	New Business	Public meeting regarding Landscape Maintenance District No. 22 and Landscape Lighting Act District Nos. 22, 24, 27 & 32 Assessment Proceedings
21	CD	New Business	Ordinance regulating construction work hours
22	PW	Public Hearing	Adoption of Resolution 2020-1667, approving a final Engineer's Report in connection with Landscape Lighting Act District Nos. 22, 24, 27, 32 and confirming diagrams and assessments for such districts for Fiscal Year 2020-2021
23	AS/HR	New Business	Hiring freeze explanation/process
24	PW	New Business	Update regarding anticoagulants
25	PW	New Business	Designated parking space violation ordinance
26	CD/Finance	New Business	Annexation update
27	CA	New Business	Closed session regarding State's mandate for affordable housing
28	CA/CC	New Business	Report/timeline on a cannabis tax initiative
29	CD	New Business	Story poles review by Planning Commission or CDD
30	CD	Public Hearing	West Village Project
31	AS/HR	New Business	Classification and compensation study

2020 Meeting Dates	
13-May - Canceled - CCCA Annual Municipal Seminar	9-Sep
27-May	23-Sep
10-Jun	14-Oct
24-Jun	28-Oct
8-Jul - Canceled	3-Nov General Municipal Election
22-Jul - Canceled	11-Nov Canceled - Veteran's Day
12-Aug	25-Nov Canceled - Thanksgiving Eve
26-Aug	9-Dec - Election Certification/ Council Reorg.
	23-Dec - Canceled