



CITY of CALABASAS, CA

# Comprehensive Annual **FINANCIAL REPORT**

For the Fiscal Year Ended:

**June 30, 2006**

— “Talent and experience allow communities to grow, but  
teamwork and intelligence make great cities”

-- Dr. Gary J. Lysik, CFO



**CITY of CALABASAS**

**Comprehensive Annual Financial Report**  
Year Ended June 2006

OFFICE OF FINANCE  
Dr. Gary J. Lysik  
Chief Financial Officer

*Statistical Section Prepared by:*

Claudia Duncan, Financial Analyst  
City of Calabasas

*Report Prepared and Compiled by:*

MunicipalXPress  
PO Box 1392  
Canyon Country, CA 91386  
Phone 818.206.3535  
<http://www.municipalXpress.com>

In Conjunction With:  
**The CITY of CALABASAS Office of Finance**



**CITY of CALABASAS**

26135 Mureau Rd. Calabasas CA 91302-3172  
Phone 818.878.4225 Fax 818.878.4215  
<http://www.cityofcalabasas.com>



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CITY of CALABASAS, CALIFORNIA  
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*Office of* **FINANCE**  
**A Leader in “Transparent Accounting”**

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Dr. Gary J. Lysik, Chief Financial Officer, 26135 Mureau Road, Calabasas, CA 91302 (818) 878-4225 FAX (818) 878-4215 <http://www.cityofcalabasas.com>

December 22, 2006

The Honorable Mayor Dennis Washburn  
The Honorable Members of the City Council  
Citizens of the City of Calabasas, CA

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**LETTER OF TRANSMITTAL**

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The Comprehensive Annual Financial Report (CAFR) represents a compilation of financial data that details the City’s financial workings. Information contained in this report was prepared in strict accordance with guidelines set forth by the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO). 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.

The CAFR is presented in three primary sections:

- 1) *Introductory Section* - includes this letter of transmittal, a list of principal officials, an outline of city management staff, an organization chart, and a map of the City.
- 2) *Financial Section* – consists of the Independent Auditor’s Report, Management’s Discussion and Analysis (MD&A), financial statements, notes to the financial statements, and required supplementary information.
- 3) *Statistical Section* – supplies specific financial information on a multi-year basis and provides general demographic data.

Within the CAFR, readers will find reporting on all funds and account groups for the City of Calabasas. In accordance with the criteria established by GASB Statement No. 14, the City of Calabasas Facilities Corporation’s financial data has been included within the City’s general purpose financial statements as a “blended” component unit because the primary government is financially accountable for the Corporation.

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**THE PRIMARY GOVERNMENT**

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The City of Calabasas was incorporated on April 5, 1991. It is classified as a general law city because it is reliant 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 April 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, fire protection, 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 Support, and Administrative Services with City employees.

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### **THE CITY OF CALABASAS**

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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 natural 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.

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### **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

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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.

The City’s recently adopted financial approach includes a two-year budget that is approved on an annual basis. In other words, each year the City Council is presented with a new, rolling 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 although in its infancy, this approach has already proven beneficial, particularly in regards to the Capital Improvement Program (CIP).

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### **CAPITAL IMPROVEMENTS**

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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. Among the City's future capital projects is the construction of a new Civic Center campus, which is to include a City Hall and a new Library. Additionally, the City has highlighted projects to improve transportation in and around Calabasas.

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### **CASH MANAGEMENT**

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The City makes investments in accordance with the provisions of Government Code Section 53600, et seq. and of the City's Investment Policy. The standard of prudence used by investment officials of the City is the "prudent person" standard which states that investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The criteria for selecting investments and the absolute order of priority shall be: 1) safety, 2) credit risk, 3) market risk, 4) liquidity, and 5) yield.

The City invests in two different investment vehicles including the State Treasurer's Local Agency Investment Fund (LAIF) and in securities issued by the U.S. Government. The average yield on investment for the year was 4.08%, with total earnings for all funds equaling \$1,598,827.

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### **RISK MANAGEMENT**

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As a California Joint Powers Insurance Authority (CJPIA) member, the City of Calabasas maintains full coverage for all municipal events under its general liability policy. This policy provides for total coverage, including bodily injury, property damage, or personal injury. In addition to general liability, the City maintains coverage for automobiles, workers' compensation, property, environmental, public official bonds, and special events.

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### **LOCAL ECONOMIC CONDITION AND OUTLOOK**

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Calabasas is one of America's wealthiest communities with a current per capita income of \$53,812, which is 2.4 times that of the State of California. At \$112,339, the median household income in Calabasas in 2005



was nearly twice that of the State of California. The median age of Calabasas residents in 2005 was 38.1, while the median age in the United States as a whole was 35.3 years.

As with the greater region, the local area housing market has been characterized by substantial growth in the number of units and values over the last 20 years. Reflecting the severity of the recent recession, pricing and the number of units sold dropped in the early 1990's only to rebound significantly during the last five years. Further cause for increased demand and rising prices is the limited number of new projects being built in the City. The average sale price of a single family home in Calabasas in 2006 was recorded at \$1,267,000.

Labeled 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. All indicators continue to predict a very strong financial future for the City.

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#### **LONG-TERM FINANCIAL PLANNING**

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The City of Calabasas has experienced minimal population growth of approximately 2.5% per year since 2000, and due to the increase in property values and the expansion of businesses in the City of Calabasas, general fund revenue has increased by approximately 11.5% 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 similar pattern of growth for the upcoming years.

The City has a reserve policy which maintains a general fund balance of at least forty percent (40%) of fiscal year 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 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 maintenance and replacement of infrastructure and capital improvements.

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#### **ACCOMPLISHMENTS**

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The financial state of the City of Calabasas is stronger than in previous years. The City's higher credit ratings recently issued by Moody's (Aa2) and Standard & Poor's (AA+) provides a solid testimony to this



assertion. The improved positioning 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. More Aggressive Investment Practices.**

Until last year, 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. During FY 2006, the City began investing in U.S. Government securities and effectively increased the amount of interest income received by the City by approximately \$250,000 per year without any demonstrable change in investment security.

**2. Improved Contract Management Oversight**

The City established an improved method of tracking financial performance of its numerous contracts. This process was established to:

- a. make certain the City is receiving the highest quality of goods and services available,
- b. ensure that the City is not being overcharged for goods and services offered by outside contractors, and
- c. verify that contractors have required insurance coverage thus minimizing the risk to the City.

**3. Defined Policies and Procedures Regarding Recoverable Deposit Projects**

Special attention was directed towards creating and maintaining a system whereby fees were received from project applicants in a timely fashion, and then properly recorded to eliminate negative project balances. The accounts receivable balances for recoverable deposit projects was reduced by \$250,000. The need for collection efforts were also drastically reduced as a result of this newly implemented program.

**4. Continued Delivery of Accurate and Comprehensible Financial Statements**

Budget Performance Reports indicating financial performance relative to budget and Financial Statements for each Homeowners Association for Landscape Maintenance District 22 are prepared monthly. These reports are essential for identifying any problem areas requiring attention and were a contributing factor associated with the improved credit ratings for the City.

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**ACKNOWLEDGEMENTS**

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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 be at the helm of a committed team of individuals, each contributing to the soundness of the numbers and to the accuracy in which they are reported.

*Luisa Barancik:* 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.

*Paul Chung:* implemented a new grant/contract tracking and recording system which lead to the reimbursement of numerous grants and administered payroll for all City employees (including those from the Community Center), in an accurate and timely fashion. Provided training to the new payroll specialist.

*Claudia Duncan:* identified and gathered data required for GASB 44 compliance. Throughout the year, she was also responsible for the reconciliation of the bank account statements which ensured that the City's financial records were accurate and free from material misrepresentation, and handled special financial studies and analyses.

*Debbie Larson:* provided risk management activities, minimizing the City's exposure to potential financial hardships. Served as a liaison to the Public Safety Commission and provided City interface with Calabasas' safety/emergency response volunteer organization.

*Michael Montgomery:* provided excellent payroll coverage for employees of the City. Also handled all issues related to Las Virgenes Parking Administration.

*Lesley Pelka:* initiated postings of all accounting transactions, maintained the accuracy and integrity of the General Ledger, interfaced directly with numerous auditors, and performed various special assignments.

*Sandy Smith:* established a tracking method for Recoverable Deposit Projects minimizing the need for outside collection services. She managed the receipt and handling of cash in an efficient fashion and prepared cash availability reports on a regular basis.

*Marty Zardarian:* made contributions in almost every facet of the department. Assisting with gathering data for the preparation of the CAFR, maintained a good records retention program, and provided assistance to payroll, AP/AR, and accounting as required. He oversaw all general purchasing aspects for the City. His presence continues to provide value and efficiency.

Certainly the Mayor (Dennis Washburn), Mayor Pro Tem (James Bozajian), council members (Barry Groveman, Mary Sue Maurer, and Jonathon Wolfson), and the city manager (Tony Coroalles) must be acknowledged for providing a design template for cultivating a strong finance organization.

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## **AWARDS**

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The California Society of Municipal Finance Officers (CSMFO) awarded a Certificate of Award for Outstanding Financial Reporting, and 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, 2005. In order to



be awarded a Certificate of Achievement or 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 both the GFOA Certificate of Achievement Program and the CSMFO Outstanding Financial Reporting Award. Due to a change in the application process for these awards, only one certificate could be awarded each year. As such, the City will be submitting this year's CAFR to the GFOA to determine its eligibility for another certificate.

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#### **INDEPENDENT AUDIT**

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For the fiscal year ended June 30, 2006, the City's financial statements were audited by the certified public accounting firm of Moss, Levy & Hartzheim 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 are free of material misstatement and are presented in accordance with Generally Accepted Accounting Principles (GAAP).
- Internal control over financial reporting and its operation was considered free from material weaknesses.
- Financial statements fairly depict the respective financial position of governmental activities, business-type activities, and each major fund as of June 30, 2006.

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, 2006.

Respectfully submitted,

Dr. Gary J. Lysik, Chief Financial Officer  
City of Calabasas







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, 2005

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



President

Executive Director



## Mission and Value Statements

### Office of **FINANCE** A Leader in “Transparent Accounting”

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Dr. Gary J. Lysik, Chief Financial Officer, 26135 Mureau Road, Calabasas, CA 91302 (818) 878-4225 FAX (818) 878-4215 <http://www.cityofcalabasas.com>

**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**

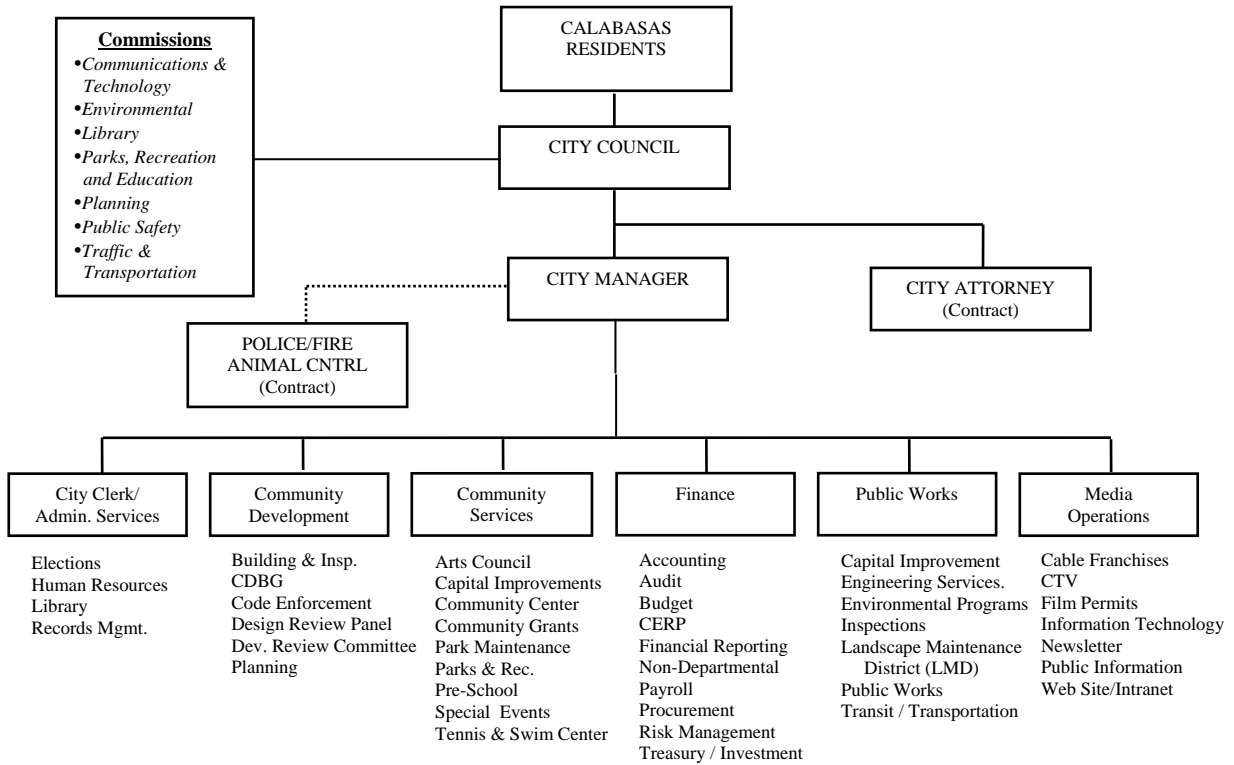
The Department leads by example while encouraging growth and advancement in the organization. Finance provides direction through experience and desires to be acknowledged as the “Go-To Organization” for critical decision making needs.

##### **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 – Robert J. Lia, Chair
- Environmental Commission – Ronit Levy-Getter, Chair
- Library Commission – Britt Aaronson, President
- Parks, Recreation and Education Commission – Myra Turek, Chair
- Planning Commission – Gary Klein, Chair
- Public Safety Commission – Ronald Stillman, Chair
- Traffic and Transportation Commission – Peter Valk, Chair



## City Officials



**Dennis Washburn**  
Mayor

**First Elected:** 1991

**Biographical Information:**

- CLVFF Trustee since 1/92
- Executive Director, Foundation for Pierce College
- Mayor and Councilmember, City of Calabasas
- Founder / President, Las Virgenes-Malibu-Conejo Council of Governments
- Director, Resource Conservation District of the Santa Monica Mountains
- Vice President, Marketing and Sales, Chadpak Company, Inc.

Mr. Washburn was re-elected to a fourth term in 2003, has served for the past 15 years on the Calabasas City Council, and served three terms as Mayor. A long list of civic and community involvements includes: Regional Council Member of the Southern California Association of Governments (SCAG), Vice President and elected director of the Santa Monica Mountains Resource Conservation District, Commissioner of the Santa Monica Bay Restoration Commission, Chair of the Santa Monica Mountains Fund; Chairman of the both the SCAG Energy & Environment Policy Committee and Water Policy Task Force; Chairman of the Malibu Creek Watershed Council. He served as president of the Las Virgenes Homeowners Federation, the Greater Mulwood Homeowners Association, and Executive Vice President of the Calabasas Cityhood Committee. He has received many awards for his community services from congressmen, state legislators, county supervisors, Park Agencies, the Goodyear Conservation Award (1994), the Calabasas Chamber of Commerce - Bill Van Giesen - "Man of the Year" Award (2000), and in 2003, the Calabasas Historical Society presented Dennis with its "Living History Award." Mr. Dennis Washburn holds a BA in International Relations/Political Science from U.C.-Berkeley, an MBA in Marketing/Finance from San Diego State University, was a lecturer/assistant professor in Business Management at SDSU, and is a Certificated Mediator, focusing on public sector conflict resolution.



**James Bozajian**  
Mayor Pro Tem

**First Elected:** 1997

**Biographical Information:** James Bozajian is currently serving his third term on the Calabasas City Council. He was Mayor in 1998-99 and 2003-04. Mr. Bozajian remains actively involved in many community organizations. He is Chairman of the Agoura Hills/Calabasas Community Center Joint Powers Authority, and is on the Board of Directors of the Calabasas Historical Society. From 1993 to 1997, he served on the Calabasas Community Policing Commission. Mr. Bozajian received a Bachelor of Arts degree in History from UCLA and graduated from USC School of Law. He has been a Deputy District Attorney for the County of Los Angeles for 15 years. He has served on the Board of Directors of the Los Angeles County Association of Deputy District Attorneys for 13 years, including two terms as President.



**Barry Groveman**  
Councilmember

**First Elected: 2003**

**Biographical Information:**

- Mayor and Councilmember, City of Calabasas
- Environmental lawyer
- Former Prosecutor
- Co-Author, Proposition 65 – Safe Drinking Water Act
- Head, Public law and Environment Practice, Musick, Peeler LLP
- Chair, Inland Empire Water Quality Task Force
- Special Assistant District Attorney, Environmental Crime
- Board Member, Boy’s Home
- Member, Mountain Park Homeowners Association



**Mary Sue Maurer**  
Councilmember

**Year First Elected: 2005**

**Biographical Information:**

- Member, Calabasas Education Commissioner
- Vice President, Greater Mulwood Homeowners Association
- Member, LVUSD Health Task Force
- Volunteer, Boy Scouts of America
- Co-Founder, Middle School Now
- Field Deputy to Assemblymember Fran Pavley



**Jonathon Wolfson**  
Councilmember

**Year First Elected: 2005**

**Biographical Information:**

- Commissioner, Planning Commission – City of Calabasas
- Lawyer, Cinmark Company
- Juris Doctorate (J.D.), George Washington University
- Master of Arts Degree (M.A.), Boston College
- Bachelor of Arts Degree (B.A.), George Washington University
- Member, California Bar Association
- Executive Vice President, Congregation Or Ami
- Member, Calabasas Hills Homeowners Association
- Member, Mountain Park Homeowners Association



## City Management



**Tony Coroalles**  
*City Manager*



**Dr. Gary J. Lysik**  
*Chief Financial Officer*



**Michael Colantuono**  
*City Attorney*

**Robin Parker**, *Assistant City Manager/City Clerk*

**Jeff Rubin**, *Community Services Director*

**Deborah Steller**, *Media Operations Director*

**Maureen Tamuri**, *Community Development Director*

**Robert Yalda**, *Public Works Director/City Engineer*





## Map of the City





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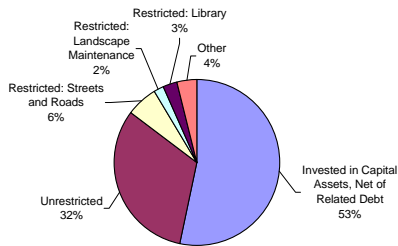


## Highlights

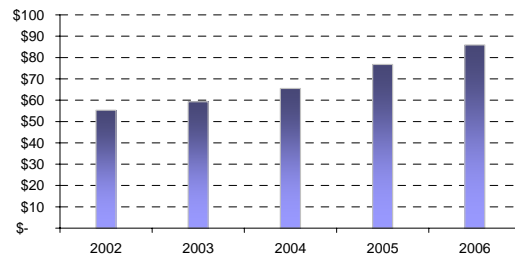
The Financial Section details the City's financial workings for fiscal year ended June 30, 2006. This section is expected to enlighten readers as to financial highlights, occurrences, and events affecting the City's annual budget.

The City continues to enjoy financial growth. Please reference the charts and graphs below for an overview of the City's financial standing.

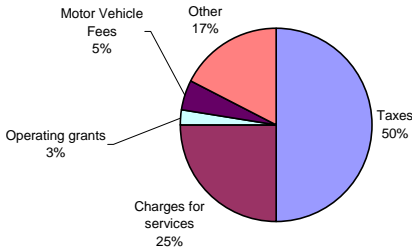
**Net Assets - Primary Government**  
For the Fiscal Year Ended June 30, 2006  
(as a percent)



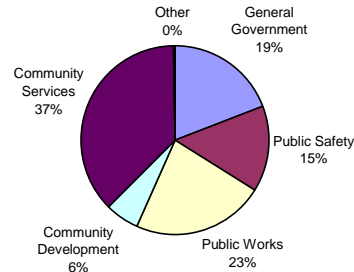
**Total Net Assets - Governmental Activities**  
For the Fiscal Year Ended June 30, 2006  
(amounts in millions)



**Revenues by Source - Governmental Activities**  
For the Fiscal Year Ended June 30, 2006  
(as a percent)



**Expenses - Governmental Activities**  
For the Fiscal Year Ended June 30, 2006  
(as a percent)





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**MOSS, LEVY & HARTZHEIM**

CERTIFIED PUBLIC ACCOUNTANTS  
9107 WILSHIRE BLVD., SUITE 400  
BEVERLY HILLS, CALIFORNIA 90210

TELEPHONE (310) 273-2745  
FAX (310) 273-1689  
E-MAIL: mlhbh@pacbell.net

MEMBER:

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\*DENOTES PROFESSIONAL CORPORATION

**INDEPENDENT AUDITOR’S REPORT**

The Honorable City Council of  
the City of Calabasas  
Calabasas, California

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, as of and for the fiscal year ended June 30, 2006, which collectively comprise the City’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Calabasas’s management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Calabasas, California, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Developer Impact Fees Special Revenue Fund, Landscape District Maintenance Special Revenue Fund, and Grants Special Revenue Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 of the notes to the basic financial statements, the City adopted Governmental Accounting Standards Board Statements No. 46, Net Assets Restricted by Enabling Legislation, Effective July 1, 2005.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2006 on our consideration of the City of Calabasas internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Independent Auditor’s Report

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matters. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit. The 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.

The Management’s Discussion and Analysis on pages 27 through 42 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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, combining nonmajor fund financial statements, major capital projects budgetary comparison schedules, nonmajor funds budgetary comparison schedules, combining agency fund statement of net assets, statement of changes in assets and liabilities agency funds, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements, major capital projects budgetary comparison schedule, nonmajor funds budgetary comparison schedules, and combining agency fund statement of net assets, and statement of changes in assets and liabilities agency funds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Moss, Levy & Hartzheim, LLP  
September 22, 2006





## Management’s Discussion and Analysis

Management’s Discussion and Analysis (MD&A)  
Fiscal Year Ended June 30, 2006

*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, 2006. 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

- City assets exceeded liabilities by \$88.4 million
- Total net assets increased by \$9.1 million
- Combined ending fund balances for governmental funds experienced a 9% increase
- \$41.0 million available for the City’s governmental activity
- Unreserved fund balance for the general fund was \$21.9 million
- The City’s total long-term debt (\$4.3 million) was reduced by 33%

### OVERVIEW OF THE FINANCIAL STATEMENTS

This document memorializes the financial activities of the City from an unaudited managerial perspective using an integrated approach as prescribed by GASB Statement No. 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 for the 2<sup>nd</sup> consecutive year. 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

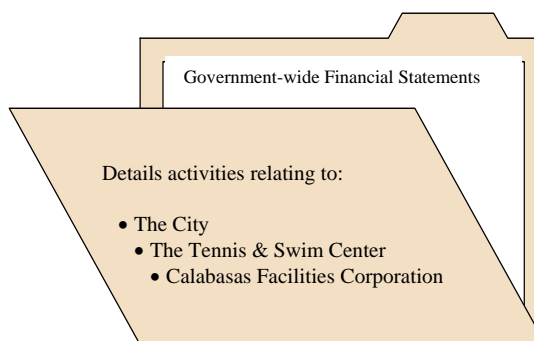


short-term fiscal accountability for governmental funds and longer-term operational accountability for proprietary and agency funds such as the Tennis and Swim Center and the Las Virgenes Parking Authority Fund respectively. Notes to the financial statements include support and other qualifying documentation 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 Assets 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 Assets. 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 Assets* outlines the City’s assets and liabilities. The difference between the assets and liabilities is recorded as net assets (assets - liabilities = net assets). While fluctuations are expected, over time increases or decreases in the City’s net assets could be used to gauge the City’s financial standing in order to ascertain whether it is improving or deteriorating.

*The Statement of Activities* demonstrates how the City’s net assets evolve 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 asset 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.

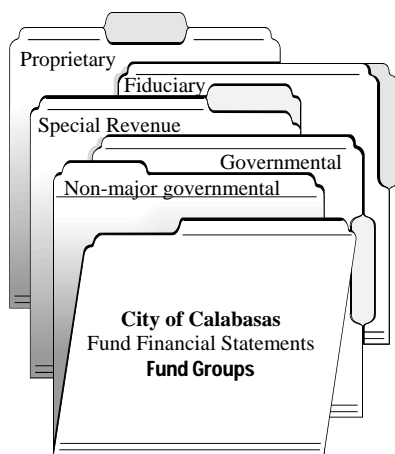
Governmental activities are chiefly supported by a) taxes elicited from such sources as utility users tax, transient occupancy tax, sales tax, property tax, and franchise tax, and by b) intergovernmental revenues such as motor vehicle in-lieu fees. Governmental activities of the City are inclusive of 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* 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 21 governmental funds including the general fund.

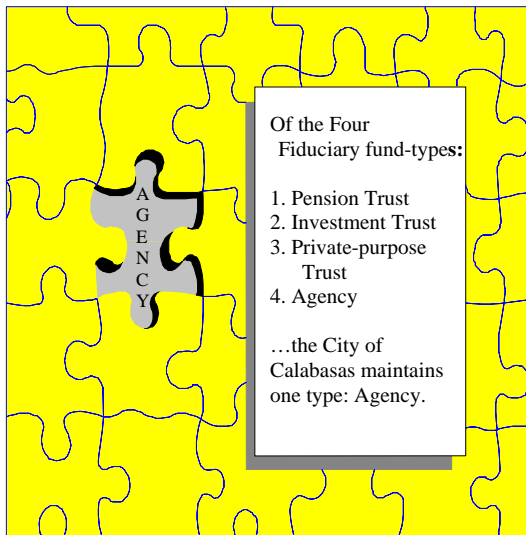
Governmental funds statements are included in subsequent pages of this report.



*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 governmental-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.

Propriety funds 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 six 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 2001-1, 4) Community Facilities District 2006-1, 5) Deposits, 6) Las Virgenes Unified School District, and 7) Education 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.



**Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* concerning the City’s Special Revenue Funds, Debt Service Fund, and Agency Funds. Reports include schedules of revenues, expenditures, and changes in fund balances (budget and actual) for each specific fund in these three fund categories.

**GOVERNMENT- WIDE FINANCIAL ANALYSIS**

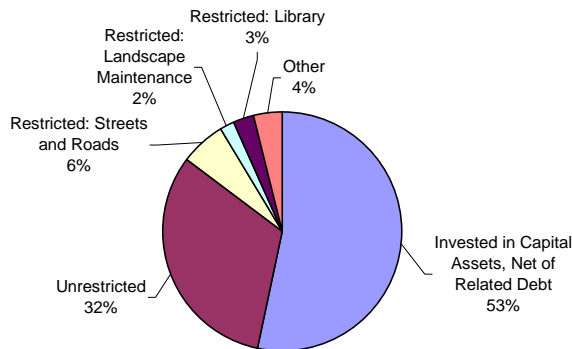
**Net assets.** Recall that the statement of net assets outlines the City’s assets and liabilities with the delta of the two being recorded as the net assets. The City’s net assets can be separated into three primary categories: 1) Capital assets – net of related debt, 2) unrestricted assets, and 3) restricted assets. As shown in Chart 1, the largest portions of the City’s net assets are found in capital assets – net of related debt (53%) and unrestricted assets (32%). The percentage of net assets subject to external use restrictions makes up 15% of the net asset portfolio. Streets and roads, library, and landscape maintenance fall under this category.

For purposes of discussion, 53% of the City’s net assets are derived from investments in capital assets such as land, buildings, machinery and equipment – net of accumulated depreciation, minus the remaining outstanding debt related to these acquisitions. 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 Percentage of net assets by asset type and category.*

Chart 1

**Net Assets - Primary Government**  
 For the Fiscal Year Ended June 30, 2006  
 (as a percent)



Thirty-two percent (\$28.2 million) of the City’s net assets are unrestricted meaning they can be used in any way (subject to the approval of council) to meet the City’s ongoing obligations to citizens and creditors. As



CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Management’s Discussion & Analysis**

shown in Table 1, positive balances in all three categories of net assets, 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 Assets.

**Changes in net assets.** Current fiscal year changes in net assets reflect an increase by \$9.1 million dollars (11.5%) over the prior fiscal year bringing the total net assets for both governmental activities and business-type activities to \$88.4 million. The increase is attributed to receiving more revenue into the City than it took to supply services to its citizenry. Table 2 further details the contributing factors regarding the change in net assets for the primary government.

*Table 1. Condensed financial information derived from statement of net assets.*

Table 1

**Net Assets - Primary Government**  
 For the Fiscal Year Ended June 30, 2006  
 (amounts in millions)

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
Cash and investments	\$ 39.1	\$ 37.4	\$ 0.8	\$ 0.9	\$ 39.9	\$ 38.3
Other current assets	4.8	3.9	-	0.1	4.8	4.0
Capital Assets	48.3	45.3	2.1	2.0	50.4	47.3
Other non-current assets	0.9	0.2	-	-	0.9	0.2
<b>Total assets</b>	<b>\$ 93.1</b>	<b>\$ 86.8</b>	<b>\$ 2.9</b>	<b>\$ 3.0</b>	<b>\$ 96.0</b>	<b>\$ 89.8</b>
Current liabilities	\$ 3.4	\$ 3.8	\$ 0.4	\$ 0.4	\$ 3.8	\$ 4.2
Non-current liabilities	3.8	6.3	-	-	3.8	6.3
<b>Total liabilities</b>	<b>\$ 7.2</b>	<b>\$ 10.1</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 7.6</b>	<b>\$ 10.5</b>
<b>Total Net Assets:</b>	<b>\$ 85.9</b>	<b>\$ 76.7</b>	<b>\$ 2.5</b>	<b>\$ 2.6</b>	<b>\$ 88.4</b>	<b>\$ 79.3</b>
Invested in capital assets, net of related debt	\$ 45.1	\$ 39.4	\$ 2.1	\$ 2.0	\$ 47.2	\$ 41.4
Restricted	12.9	10.8	-	-	12.9	10.8
Unrestricted	27.9	26.5	0.4	0.6	28.3	27.1
<b>Total Net Assets</b>	<b>\$ 85.9</b>	<b>\$ 76.7</b>	<b>\$ 2.5</b>	<b>\$ 2.6</b>	<b>\$ 88.4</b>	<b>\$ 79.3</b>

**Governmental activities.** As stated earlier, taxes and intergovernmental revenue chiefly support governmental activities.

Governmental activities expenses totaled \$23.7 million. Of this, \$8.8 million (community services department expenses) and \$4.5 million (general government department expenses) account for slightly greater than 56% of governmental activity expenditures. City funding for governmental activities was derived from \$20.5 million (62%) in general revenue and such sources as program revenue, which contributed \$12.4 million (38%). Program revenue funds were secured from \$8.2 million in charges for services and \$4.2 million grant money.

The City’s governmental activities have been accounted for in six departmental categories: 1) Community services, 2) general government, 3) public safety, 4) public works, 5) other, and 6) community development (see Chart 2).

Total net assets for governmental activities were \$85.9 million representing an upward adjustment of \$9.2 million since the fiscal year ended June 30, 2005. Chart 3 presents a five-year comparison of net assets for governmental activities.



As of this printing, tax revenue (50%) was the single greatest source of City revenues for governmental activities. Total tax revenues collected for governmental activities improved by \$2.0 million compared to the prior fiscal year. A strong economy and the boost in new automobile sales contributed to the increase in sales tax revenue. 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 derived from the statement of activities.*

Table 2

**Changes in Net Assets - Primary Government**

For the Fiscal Year Ended June 30, 2006  
(amounts in millions)

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
<b>Revenue:</b>						
Program Revenue:						
Charges for services	\$ 8.2	\$ 10.1	\$ 2.9	\$ 2.8	\$ 11.1	\$ 12.9
Operating grants and contributions	0.9	0.9	-	-	0.9	0.9
Capital grants and contributions	3.3	3.6	-	-	3.3	3.6
General Revenue:						
Taxes:						
Utility users tax	3.2	3.0	-	-	3.2	3.0
Transient occupancy tax	1.4	1.2	-	-	1.4	1.2
Sales tax	6.3	5.7	-	-	6.3	5.7
Property tax	4.9	3.5	-	-	4.9	3.5
Franchise tax	0.7	0.6	-	-	0.7	0.6
Other tax	-	0.4	-	-	-	0.4
Motor vehicle in-lieu	1.7	1.7	-	-	1.7	1.7
Use of money and property	1.3	1.3	-	-	1.3	1.3
Miscellaneous	1.0	0.3	-	-	1.0	0.3
Transfers	-	-	-	-	-	-
Extraordinary Item:						
Insurance settlement	-	-	-	-	-	-
Prior period adjustments						
	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 32.9</b>	<b>\$ 32.3</b>	<b>\$ 2.9</b>	<b>\$ 2.8</b>	<b>\$ 35.8</b>	<b>\$ 35.1</b>
<b>Expenses:</b>						
General Government	\$ 4.5	\$ 4.4	\$ -	\$ -	\$ 4.5	\$ 4.4
Public Safety	3.5	3.4	-	-	3.5	3.4
Public Works	5.4	4.0	-	-	5.4	4.0
Community Development	1.4	1.1	-	-	1.4	1.1
Community Services	8.8	8.0	-	-	8.8	8.0
Interest and fiscal charges	0.1	0.3	-	-	0.1	0.3
Unallocated depreciation	-	-	-	-	-	-
Tennis and Swim Center	-	-	3.0	2.9	3.0	2.9
<b>Total Expenses</b>	<b>\$ 23.7</b>	<b>\$ 21.2</b>	<b>\$ 3.0</b>	<b>\$ 2.9</b>	<b>\$ 26.7</b>	<b>\$ 24.1</b>
Change in Net Assets	\$ 9.2	\$ 11.1	\$ (0.1)	\$ (0.1)	\$ 9.1	\$ 11.0
Net Assets - Beginning of Year	76.7	65.5	2.6	2.7	79.3	68.2
Prior Period Adjustments	-	0.1	-	-	-	0.1
<b>Net Assets - End of Fiscal Year</b>	<b>\$ 85.9</b>	<b>\$ 76.7</b>	<b>\$ 2.5</b>	<b>\$ 2.6</b>	<b>\$ 88.4</b>	<b>\$ 79.3</b>



Chart 2 Program comparisons of governmental activity expenses, with related revenues.

Chart 2

**Expenses and Program Revenues - Governmental Activities**

For the Fiscal Year Ended June 30, 2006  
(amounts in millions)

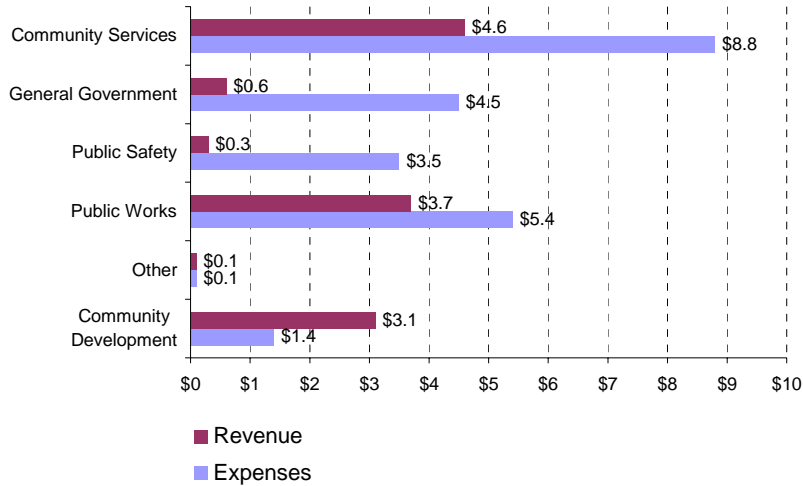
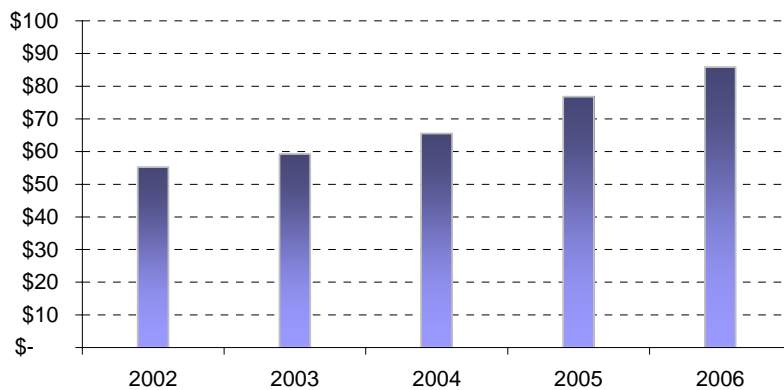


Chart 3 Four-year comparisons of net assets for governmental activities.

Chart 3

**Total Net Assets - Governmental Activities**

For the Fiscal Year Ended June 30, 2006  
(amounts in millions)







Charts 4 & 5 Percentage of total program expenses and the percentage of total revenues by source, respectively.

Chart 4

**Expenses - Governmental Activities**  
 For the Fiscal Year Ended June 30, 2006  
 (as a percent)

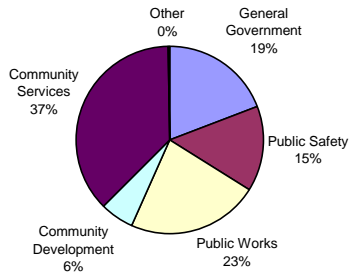
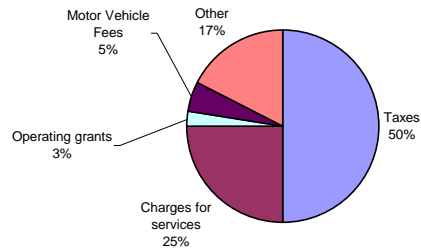


Chart 5

**Revenues by Source - Governmental Activities**  
 For the Fiscal Year Ended June 30, 2006  
 (as a percent)

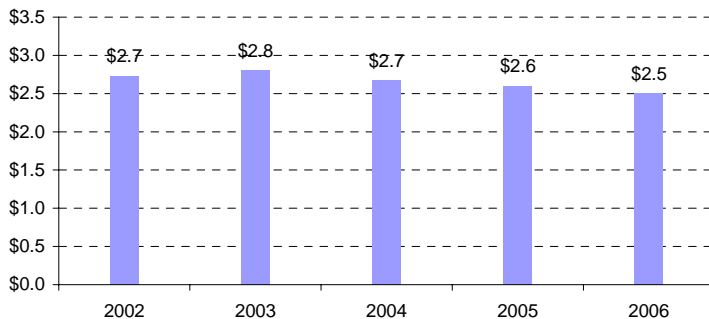


**Business-type activities.** As mentioned earlier, business-type activities are funded in large part through the assignment of user fees imposed on external parties in exchange for goods or services. The Tennis and Swim Center (the “Center”) is reported in this category. Business-activity revenue increased by \$0.1 million over the prior fiscal year due to stable revenue from charges for services. The City’s net assets for business-type activities related to the Center decreased by \$0.1 million due to slightly higher operational expenses at the center. Chart 6 shows a five-year history of net assets for business-type activities.

Chart 6 Four-year histories of total net assets for business-type activities.

Chart 6

**Total Net Assets - Business-type Activities**  
 For the Fiscal Year Ended June 30, 2006  
 (amounts in millions)



At the close of the current fiscal year, total net assets for business-type activities were \$2.5 million. Revenue, mainly stemming from Center fees, totaled \$2.9 million.



As shown in the Statement of Revenues, Expenses, and Changes in Net Assets (Proprietary Fund), amounts paid to operate the facility include: \$1.7 million – outside services, \$0.6 million – supplies and utilities, and \$0.6 million – administrative costs.

## 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 financial position of the City’s governmental funds improved when compared to the previous fiscal year. The \$21.9 million general fund balance depicts an overall gain of \$2.5 million from the prior fiscal year mainly due to an increase in revenue received to this fund. The increase in revenue received from taxes can be linked to a strong economy, consequently, fund balances for the governmental funds as a whole experienced growth.

The total ending fund balance for the City’s governmental funds was \$41.0 million, which represented a \$3.5 million or 9% increase over the prior fiscal year. Of the total fund balance, \$40.6 million was identified as unreserved thereby making these funds available for appropriation. The reserved portion of the fund balance totaled \$0.4 million, which is committed to debt service and to offset non-current financial resources not likely to be executed in the near term.

**Revenue.** Total General Fund revenue increased by \$2.6 million bringing the total revenue for the fiscal year to \$22.5 million. Of this, \$14.1 million (63%) was generated by taxes, \$2.6 million (licenses and fees), \$1.7 million (intergovernmental), \$1.3 million (charges for services), and \$2.8 million (others) represents source specific income that contributed to the general fund’s total revenue balance (see Chart 7).

**Expenditures.** There was little change in General Fund expenditures of \$16.4 million from the prior fiscal year is noted. The increase (\$1.4 million) in general government expenses is attributed to increased activity in Public Works because of higher cost of services performed by the County of Los Angeles. Community Service expenses remained relatively unchanged at \$3.2 million, mostly for park maintenance programs.

**Special revenue funds.** Fund balances for special revenue funds (developer impact fees, landscape maintenance districts, grants) experienced only a minimal increase of \$0.1 million, mostly attributed to the receipt of reimbursable grant funds for projects that were completed by the City. Combined, each of the fund balances for the special revenue funds totaled \$7.8 million. Total available funds for the landscape maintenance districts experienced only a minimal decrease (\$0.1M) from the prior reporting fiscal year making its total fund balance \$1.7 million. Outstanding grant reimbursements not yet received but are expected total \$0.9 million.

**Capital projects.** The capital project 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 amount spent. Lower from the prior fiscal year by \$0.4 million, this year’s expenditures totaled \$4.6 million. Primary expenditures included \$2.3 million for public work projects, \$1.1 million for transportation projects, and \$1.2 million for costs associated with the new civic center.

**Non-major governmental funds.** The City’s non-major governmental funds include affordable housing, the library district, bridge and thoroughfare / Lost Hills district, highway users tax, and others.



Total revenue of \$4.9 million for non-major governmental funds represents a \$1.6 million increase from last fiscal year. The major revenue sources included intergovernmental revenue at \$2.7 million, taxes at \$1.3 million, and uses of money and property at \$0.4 million. (See Chart 8).

Expenditures totaled \$2.2 million, down \$0.1 million from last fiscal year. The greatest expenditure of \$1.6 million was in the area of community services. Debt service payments for the 1999 Certificates of Participation (used to lease the proposed Civic Center Site and Creekside Park) totaled \$0.4 million. Other expenditures including Public Works projects, spending for public safety, community development, and various capital projects accounted for the remaining costs incurred (see Chart 9). The total fund balances of all non-major governmental funds increased by \$1.5 million bringing the total fund balances to \$10.5 million (see Chart 10).

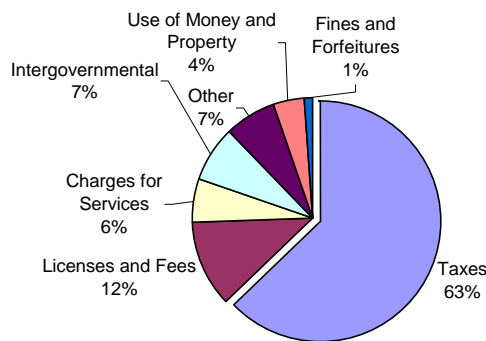
**Proprietary funds.** As mentioned in the business-type activities discussion, the City accounts for one proprietary fund: The Tennis and Swim Center. The Center received its operating revenue exclusively from fees associated with services. This fiscal year, total revenue received was \$2.9 million, slightly higher than that of last fiscal year. Operating expenses totaled \$3.0 million, an amount greater than last fiscal year by \$0.1 million.

**Fiduciary (agency) funds.** The City of Calabasas has six agency funds, which consist of Las Virgenes Parking Authority, Community Facilities District 98-1, Community Facilities District 2001-1, Deposits, Las Virgenes Unified School District, and the Education Fund. 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 \$7.5 million.

*Chart 7 General fund revenue sources.*

Chart 7

**Revenue by Source - General Fund**  
 For the Fiscal Year Ended June 30, 2006  
 (as a percent)





**CITY of CALABASAS, CALIFORNIA**  
**FINANCIAL SECTION – Management’s Discussion & Analysis**

*Charts 8 and 9 Percentage of total program expenses for each non-major governmental funds and the percentage of total revenues by source, respectively.*

Chart 8

**Revenue by Source - Non-major Governmental Funds**  
 For the Fiscal Year Ended June 30, 2006  
 (as a percent)

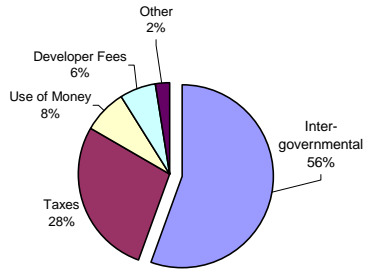
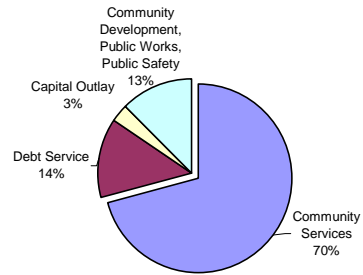


Chart 9

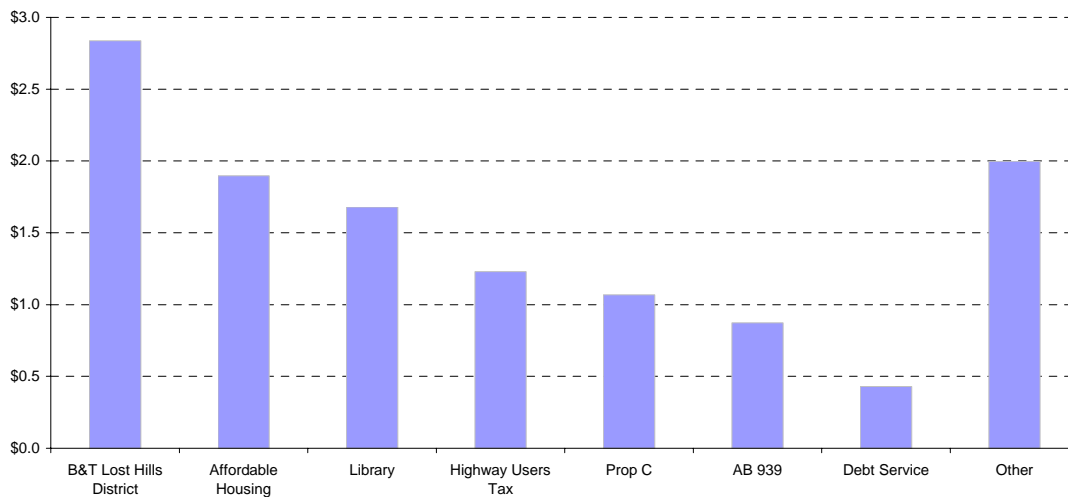
**Expenses - Non-major Governmental Funds**  
 For the Fiscal Year Ended June 30, 2006  
 (as a percent)



*Chart 10 Fiscal year ending fund balances for the non-major governmental funds.*

Chart 10

**Fund Balances - Non-major Governmental Funds**  
 For the Fiscal Year Ended June 30, 2006  
 (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 \$50.5 million (net of accumulated depreciation). Table 3 shows this investment 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.

*Table 3 Summary of capital assets for governmental and business-type activities.*

Table 3

**Capital Assets**

For the Fiscal Year Ended June 30, 2006  
 (amounts in millions)

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Land .....	\$ 5.025	\$ 0.838	\$ 5.863
Construction in progress .....	12.301	0.429	12.730
Buildings .....	0.777	0.789	1.566
Equipment .....	0.873	0.079	0.952
Investment in joint venture .....	1.475	-	1.475
Infrastructure .....	27.888	-	27.888
<b>Total .....</b>	<b>\$ 48.339</b>	<b>\$ 2.135</b>	<b>\$ 50.474</b>

*Long-term liabilities.* Debt liability for governmental activities decreased by \$2.4 million from last fiscal year due to prepayment of part of the 1999 Certificates of Participation associated with the purchase of the future Civic Center site. The remaining outstanding debt was refunded through the 2005 Refunding Certificates of Participation for the continued lease of Creekside Park. Total outstanding balance owed for the COP is \$4.025 million. (See Table 4).

*Table 4 Summary of long-term obligations for governmental and business-type activities.*

Table 4

**Long-Term Obligations**

For the Fiscal Year Ended June 30, 2006  
 (amounts in millions)

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
2005 Refunding Certificates of Participation	\$ 4.025	\$ -	\$ 4.025
Compensated absences payable .....	0.321	0.014	0.335
<b>Total .....</b>	<b>\$ 4.346</b>	<b>\$ 0.014</b>	<b>\$ 4.360</b>



## GENERAL FUND BUDGETARY HIGHLIGHTS

- In July 2006, the City adopted a biennial budget identifying revenue and expenditures for the two-year period ending June 2008. Council renews the budget annually or as need arises.
- Increased revenue from taxes, licenses and fees, intergovernmental transfers, and uses of money and property caused the fiscal year revenue for the General Fund to end up \$5.2 million greater than the original budgeted amount. Total revenue received during the fiscal year was \$22.5 million, \$2.6 million greater than the previous fiscal period.
- The City under-ran its budgeted expenditures by \$0.2 million, mostly in the areas of community development and capital outlay.
- Net of transfers and prior period adjustments, the General Fund’s ending fund balance for fiscal year ended June 30, 2006 was \$21.9 million, up \$2.5 million from the previous fiscal year.

## ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

### Economic Factors

Like many California cities, the City 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 including those required for the Civic Center project, and services will require focus. Higher forecasted health costs, worker’s compensation, and retirement benefits will be reflected in the upcoming budget.

Revenue from sales tax generated by new automobile dealerships in the City will help defray rising costs; and, of course, revenue received from citizen participation in programs the City offers is likely to increase to deal with increasing costs associated with providing the programs. It is expected that property tax revenue and transfer tax revenue will continue to experience growth due to the rising cost of housing coupled with associated housing sales activity.

### Next Year’s Budget

The budget has 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. Improve financial tracking

The 2006-07 proposed General Fund spending plan is approximately \$20.3 million.

A new two-year budget with an annual review is being developed and is slated for release on July 1, 2007. The finance department is implementing a budgetary approach that will result in a balanced budget in 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 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; 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  
26135 Mureau Road  
Calabasas, California 91302

This report is also available on the Finance Department’s website at <http://www.cityofcalabasas.com>.



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CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



**CITY OF CALABASAS  
 STATEMENT OF NET ASSETS  
 June 30, 2006**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 38,646,721	\$ 761,344	\$ 39,408,065
Cash and investments with fiscal agents	429,453		429,453
Accounts and taxes receivable	2,504,274	1,892	2,506,166
Interest receivable	298,293	4,664	302,957
Intergovernmental receivable	1,971,516		1,971,516
Loans receivable- employees	14,242		14,242
Prepaid items		2,975	2,975
Total Current Assets	43,864,499	770,875	44,635,374
Non-current Assets:			
Notes receivable	78,595		78,595
Deferred charges	211,212		211,212
Deferred Loss on Refunding	598,603		598,603
Capital assets:			
Not being depreciated	17,325,736	837,819	18,163,555
Being depreciated, net of accumulated depreciation	31,012,765	1,297,579	32,310,344
Total Non-current Assets	49,226,911	2,135,398	51,362,309
Total Assets	93,091,410	2,906,273	95,997,683
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable and accrued liabilities	2,835,505	408,398	3,243,903
Interest payable	11,673		11,673
Current portion of long-term liabilities	507,315	13,583	520,898
Total Current Liabilities	3,354,493	421,981	3,776,474
Non-current Liabilities			
Long-term liabilities, net of current portion	3,838,197		3,838,197
Total Non-current Liabilities	3,838,197		3,838,197
Total Liabilities	7,192,690	421,981	7,614,671
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	45,123,316	2,135,398	47,258,714
Restricted for:			
Library	2,421,386		2,421,386
Debt service	393,657		393,657
Streets/roads	5,263,111		5,263,111
Housing	1,897,639		1,897,639
Landscape maintenance	1,733,932		1,733,932
Transit	311,718		311,718
Recycling	852,753		852,753
Public safety	50,499		50,499
Unrestricted	27,850,709	348,894	28,199,603
Total Net Assets	\$ 85,898,720	\$ 2,484,292	\$ 88,383,012

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, 2006**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General government	\$ 4,524,460	\$ 629,652	\$ -	\$ -
Public safety	3,520,506	349,677		
Public works	5,396,310	788,735		2,945,229
Community development	1,380,375	2,619,208	484,384	
Community services	8,818,016	3,838,463	390,688	352,167
Interest and fiscal charges	96,461			
<b>Total Governmental Activities</b>	<b>23,736,128</b>	<b>8,225,735</b>	<b>875,072</b>	<b>3,297,396</b>
<b>Business-type Activities:</b>				
Tennis & swim center	3,035,382	2,927,584		
<b>Total Business-type Activities</b>	<b>3,035,382</b>	<b>2,927,584</b>		
<b>Total Primary Government</b>	<b>\$ 26,771,510</b>	<b>\$ 11,153,319</b>	<b>\$ 875,072</b>	<b>\$ 3,297,396</b>

General Revenues:  
 Taxes:  
 Utility users taxes  
 Transient occupancy taxes  
 Sales taxes  
 Property taxes  
 Franchise taxes  
 Other intergovernmental-motor vehicle in-lieu, unrestricted  
 Use of money and property  
 Miscellaneous  
 Transfers

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Fiscal Year

Net Assets - End of Fiscal Year

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



Net (Expenses) Revenues and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
\$ (3,894,808)	\$ -	\$ (3,894,808)
(3,170,829)		(3,170,829)
(1,662,346)		(1,662,346)
1,723,217		1,723,217
(4,236,698)		(4,236,698)
(96,461)		(96,461)
(11,337,925)		(11,337,925)
	(107,798)	(107,798)
	(107,798)	(107,798)
(11,337,925)	(107,798)	(11,445,723)
3,195,743		3,195,743
1,351,848		1,351,848
6,284,061		6,284,061
4,893,831		4,893,831
673,606		673,606
1,663,770		1,663,770
1,349,309	12,627	1,361,936
1,063,870		1,063,870
20,476,038	12,627	20,488,665
9,138,113	(95,171)	9,042,942
76,760,607	2,579,463	79,340,070
\$ 85,898,720	\$ 2,484,292	\$ 88,383,012



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2006

	General	Special Revenue Funds	
		Developer Impact Fees	Landscape District Maintenance
<b>ASSETS:</b>			
Cash and investments	\$ 18,541,158	\$ 6,907,584	\$ 1,875,814
Cash and investments with fiscal agents			
Receivables:			
Accounts and taxes	1,824,961		200,282
Interest	161,291	50,744	14,349
Intergovernmental			
Due from other funds	3,023,906		
Loans receivable, employees	14,242		
Notes receivable			
Total Assets	<u>\$ 23,565,558</u>	<u>\$ 6,958,328</u>	<u>\$ 2,090,445</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 1,570,299		356,513
Due to other funds			
Deferred revenue	60,819		
Total Liabilities	<u>1,631,118</u>		<u>356,513</u>
Fund balances			
Reserved:			
Debt service			
Unreserved:			
General fund	21,934,440		
Special revenue funds		6,958,328	1,733,932
Capital projects funds			
Total Fund Balances	<u>21,934,440</u>	<u>6,958,328</u>	<u>1,733,932</u>
Total Liabilities and Fund Balances	<u>\$ 23,565,558</u>	<u>\$ 6,958,328</u>	<u>\$ 2,090,445</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



<u>Special Revenue Funds</u>	<u>Capital Projects</u>			
Grants	Capital Improvement	Civic Center	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 678,660	\$ 704,531	\$ 9,938,974 429,453	\$ 38,646,721 429,453
		92,579	386,452	2,504,274
878,542			71,909	298,293
			1,092,974	1,971,516
				3,023,906
				14,242
			78,595	78,595
<u>\$ 878,542</u>	<u>\$ 678,660</u>	<u>\$ 797,110</u>	<u>\$ 11,998,357</u>	<u>\$ 46,967,000</u>
41,586	673,127	42,700	\$ 151,280	\$ 2,835,505
1,708,669			1,315,237	3,023,906
			80,167	140,986
<u>1,750,255</u>	<u>673,127</u>	<u>42,700</u>	<u>1,546,684</u>	<u>6,000,397</u>
			405,330	405,330
				21,934,440
(871,713)				7,820,547
	5,533	754,410	10,046,343	10,806,286
<u>(871,713)</u>	<u>5,533</u>	<u>754,410</u>	<u>10,451,673</u>	<u>40,966,603</u>
<u>\$ 878,542</u>	<u>\$ 678,660</u>	<u>\$ 797,110</u>	<u>\$ 11,998,357</u>	<u>\$ 46,967,000</u>



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Basic Financial Statements

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CITY OF CALABASAS  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
June 30, 2006

Fund balances for governmental funds		\$	40,966,603
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This is the amount net of accumulated depreciation.			
			48,338,501
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 participants	(4,025,000)		
Compensated absences	(320,512)		
Interest payable	<u>(11,673)</u>		(4,357,185)
Accruals for expenditure driven grants which have been earned but not yet received are needed to adjust the balances in the governmental funds to full accruals basis.			
			1,572
Intergovernmental receivables which are not financial resources but are revenues under the full accrual method.			
			60,819
Deferred charges represent costs of issuance of long-term debt issuances which are recorded as expenditures in the governmental funds but which are capitalized and amortized in the statement of net assets. This amount is net of accumulated amortization.			
			809,815
Long-term notes receivable are offset by deferred revenue in the governmental funds as they do not represent financial resources.			
			<u>78,595</u>
Net assets of governmental activities		\$	<u>85,898,720</u>



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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, 2006**

	General	Special Revenue Funds		
		Developer Impact Fees	Landscape District Maintenance	Grants
<b>REVENUES</b>				
Taxes	\$ 14,146,358	\$ -	\$ 1,017,961	\$ -
Licenses and fees	2,619,208			
Intergovernmental	1,663,770			987,036
Fines and forfeitures	249,677			
Developer fees		586,669		
Use of money and property	926,946	226,250	54,506	
Charges for services	1,311,312		2,447,516	
Other, donations, and reimbursements	1,606,906		29,100	
<b>Total Revenues</b>	<b>22,524,177</b>	<b>812,919</b>	<b>3,549,083</b>	<b>987,036</b>
<b>EXPENDITURES</b>				
Current:				
General government	4,340,504			64,872
Public safety	3,400,591			
Public works	4,084,512			19,832
Community development	1,256,108			6,318
Community services	3,215,249		3,598,662	108,733
Capital outlay	148,425			1,275
Debt service:				
Interest and fiscal charges				
Debt issuance costs				
<b>Total Expenditures</b>	<b>16,445,389</b>		<b>3,598,662</b>	<b>201,030</b>
Excess of Revenues over (under) Expenditures	6,078,788	812,919	(49,579)	786,006
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceed from issuance of long term debt				
Payment to refunded debt escrow				
Transfers in	44,000			
Transfers out	(3,656,648)	(926,627)		(615,947)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,612,648)</b>	<b>(926,627)</b>		<b>(615,947)</b>
<b>Net Change in Fund Balance</b>	<b>2,466,140</b>	<b>(113,708)</b>	<b>(49,579)</b>	<b>170,059</b>
Fund Balances (deficit), Beginning of Fiscal Year	19,408,300	7,072,036	1,783,511	(1,041,772)
Prior Period Adjustments	60,000			
Fund Balances (deficit), Beginning of Fiscal Year (restated)	19,468,300	7,072,036	1,783,511	(1,041,772)
<b>Fund Balances (deficit), End of Fiscal Year</b>	<b>\$ 21,934,440</b>	<b>\$ 6,958,328</b>	<b>\$ 1,733,932</b>	<b>\$ (871,713)</b>

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



<u>Capital Projects</u>		Nonmajor Governmental Funds	Total Governmentals Funds
<u>Capital Improvement</u>	<u>Civic Center</u>		
\$ -	\$ -	\$ 1,347,543	\$ 16,511,862
			2,619,208
	268,245	2,708,348	5,627,399
		19,740	269,417
		308,839	895,508
		391,125	1,598,827
			3,758,828
		99,057	1,735,063
	<u>268,245</u>	<u>4,874,652</u>	<u>33,016,112</u>
			4,405,376
		118,179	3,518,770
			4,104,344
		160,449	1,422,875
3,315,723	34,660	1,564,208	8,521,512
	1,208,077	65,193	4,738,693
		75,305	75,305
		<u>223,042</u>	<u>223,042</u>
<u>3,315,723</u>	<u>1,242,737</u>	<u>2,206,376</u>	<u>27,009,917</u>
(3,315,723)	(974,492)	2,668,276	6,006,195
		4,025,000	4,025,000
3,458,209		(6,548,281)	(6,548,281)
	400,000	2,684,977	6,587,186
		<u>(1,387,964)</u>	<u>(6,587,186)</u>
<u>3,458,209</u>	<u>400,000</u>	<u>(1,226,268)</u>	<u>(2,523,281)</u>
<u>142,486</u>	<u>(574,492)</u>	<u>1,442,008</u>	<u>3,482,914</u>
(76,953)	1,328,902	9,009,665	37,483,689
<u>(60,000)</u>			
<u>(136,953)</u>	<u>1,328,902</u>	<u>9,009,665</u>	<u>37,483,689</u>
<u>\$ 5,533</u>	<u>\$ 754,410</u>	<u>\$ 10,451,673</u>	<u>\$ 40,966,603</u>



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Basic Financial Statements

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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, 2006

Net change in fund balances - total governmental funds \$ 3,482,914

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 costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period as follows:

Capital outlay	\$ 4,558,600	
Depreciation	<u>(1,524,168)</u>	3,034,432

Repayment of certificates of participation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,523,281

Interest is not accrued in the governmental funds. However, it is to be accrued in the statement of activities. This is the net change. 13,938

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. (5,029)

Deferred revenues, not recognized in revenue in governmental fund statements because the revenue was not available within 60 days of close of fiscal year. This is the net change. 42,500

Amortization of deferred charges is not an expense of the governmental funds, but under the full accrual method is a component of interest expense. 187,948

Intergovernmental receivables are not reported as revenue in the governmental funds because it is not available within 60 days after the close of the fiscal year. This is the net change. (141,871)

Change in net assets of governmental activities \$ 9,138,113

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



**CITY OF CALABASAS  
 STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 12,551,000	\$ 12,551,000	\$ 14,146,358	\$ 1,595,358
Licenses and fees	1,415,000	1,415,000	2,619,208	1,204,208
Intergovernmental	1,153,500	1,153,500	1,663,770	510,270
Fines and forfeitures	190,400	190,400	249,677	59,277
Use of money and property	701,100	701,100	926,946	225,846
Charges for services	1,121,500	1,121,500	1,311,312	189,812
Other, donations, and reimbursements	215,500	215,500	1,606,906	1,391,406
<b>Total Revenues</b>	<b>17,348,000</b>	<b>17,348,000</b>	<b>22,524,177</b>	<b>5,176,177</b>
<b>EXPENDITURES</b>				
Current:				
General government	4,490,348	4,490,348	4,340,504	149,844
Public safety	3,407,710	3,407,710	3,400,591	7,119
Public works	3,129,100	3,129,100	4,084,512	(955,412)
Community development	1,862,600	1,862,600	1,256,108	606,492
Community services	3,318,200	3,318,200	3,215,249	102,951
Capital outlay	457,500	457,500	148,425	309,075
<b>Total Expenditures</b>	<b>16,665,458</b>	<b>16,665,458</b>	<b>16,445,389</b>	<b>220,069</b>
 Excess of Revenues over (under) Expenditures	 682,542	 682,542	 6,078,788	 5,396,246

*Continued*

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**

**CITY OF CALABASAS  
 STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 GENERAL FUND  
 For the Fiscal Year Ended June 30, 2005  
 (Continued)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 85,000	\$ 85,000	\$ 44,000	\$ (41,000)
Transfers out	(761,075)	(761,075)	(3,656,648)	(2,895,573)
Total Other Financing Sources (Uses)	(676,075)	(676,075)	(3,612,648)	(2,936,573)
Net Change in Fund Balance	6,467	6,467	2,466,140	2,459,673
Fund Balance, Beginning of Fiscal Year	19,408,300	19,408,300	19,408,300	
Prior Period Adjustments			60,000	60,000
Fund Balance, Beginning of fiscal year (restated)	19,408,300	19,408,300	19,468,300	60,000
Fund Balance, End of Fiscal Year	<u>\$ 19,414,767</u>	<u>\$ 19,414,767</u>	<u>\$ 21,934,440</u>	<u>\$ 2,519,673</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



**CITY OF CALABASAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**DEVELOPER IMPACT FEES SPECIAL REVENUE FUND**  
**For the Fiscal Year Ended June 30, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Developer fees	\$ 636,000	\$ 636,000	\$ 586,669	\$ (49,331)
Use of money and property	195,800	195,800	226,250	30,450
Total Revenues	<u>831,800</u>	<u>831,800</u>	<u>812,919</u>	<u>(18,881)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(1,050,000)</u>	<u>(1,050,000)</u>	<u>(926,627)</u>	<u>123,373</u>
Total Other Financing Sources (Uses)	<u>(1,050,000)</u>	<u>(1,050,000)</u>	<u>(926,627)</u>	<u>123,373</u>
Net Change in Fund Balance	(218,200)	(218,200)	(113,708)	104,492
Fund Balance, Beginning of Fiscal Year	<u>7,072,036</u>	<u>7,072,036</u>	<u>7,072,036</u>	
Fund Balance, End of Fiscal Year	<u>\$ 6,853,836</u>	<u>\$ 6,853,836</u>	<u>\$ 6,958,328</u>	<u>\$ 104,492</u>

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
LANDSCAPE DISTRICT MAINTENANCE SPECIAL REVENUE FUND  
For the Fiscal Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 806,600	\$ 806,600	\$ 1,017,961	\$ 211,361
Use of money and property	39,100	39,100	54,506	15,406
Charges for services	2,259,400	2,259,400	2,447,516	188,116
Other revenues			29,100	29,100
Total Revenues	<u>3,105,100</u>	<u>3,105,100</u>	<u>3,549,083</u>	<u>443,983</u>
<b>EXPENDITURES</b>				
Current:				
Community services	<u>2,667,522</u>	<u>2,667,522</u>	<u>3,598,662</u>	<u>(931,140)</u>
Total Expenditures	<u>2,667,522</u>	<u>2,667,522</u>	<u>3,598,662</u>	<u>(931,140)</u>
Excess of Revenues over (under) Expenditures	<u>437,578</u>	<u>437,578</u>	<u>(49,579)</u>	<u>(487,157)</u>
Net Change in Fund Balance	437,578	437,578	(49,579)	(487,157)
Fund Balance, Beginning of Fiscal Year	<u>1,783,511</u>	<u>1,783,511</u>	<u>1,783,511</u>	
Fund Balance, End of Fiscal Year	<u>\$ 2,221,089</u>	<u>\$ 2,221,089</u>	<u>\$ 1,733,932</u>	<u>\$ (487,157)</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Basic Financial Statements**



**CITY OF CALABASAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GRANTS SPECIAL REVENUE FUND  
 For the Fiscal Year Ended June 30, 2006**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 3,437,000	\$ 3,437,000	\$ 987,036	\$ (2,449,964)
Total Revenues	<u>3,437,000</u>	<u>3,437,000</u>	<u>987,036</u>	<u>(2,449,964)</u>
<b>EXPENDITURES</b>				
Current:				
General government			64,872	(64,872)
Public works			19,832	(19,832)
Community development	15,000	15,000	6,318	8,682
Community services			108,733	(108,733)
Capital outlay			1,275	(1,275)
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>201,030</u>	<u>(186,030)</u>
Excess of Revenues over (under) Expenditures	<u>3,422,000</u>	<u>3,422,000</u>	<u>786,006</u>	<u>(2,635,994)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	15,000	15,000		(15,000)
Transfers out	<u>(2,421,175)</u>	<u>(2,421,175)</u>	<u>(615,947)</u>	<u>1,805,228</u>
Total Other Financing Sources (Uses)	<u>(2,406,175)</u>	<u>(2,406,175)</u>	<u>(615,947)</u>	<u>1,790,228</u>
Net Change in Fund Balance	1,015,825	1,015,825	170,059	(845,766)
Fund Balance (deficits), Beginning of Fiscal Year	<u>(1,041,772)</u>	<u>(1,041,772)</u>	<u>(1,041,772)</u>	
Fund Balance (deficits), End of Fiscal Year	<u>\$ (25,947)</u>	<u>\$ (25,947)</u>	<u>\$ (871,713)</u>	<u>\$ (845,766)</u>

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Basic Financial Statements

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CITY OF CALABASAS  
Statement of Net Assets  
Proprietary Fund  
June 30, 2006

	<u>Tennis and Swim Center</u>
<b>ASSETS</b>	
Current Assets:	
Cash and investments	\$ 761,344
Accounts and taxes receivable	1,892
Interest receivable	4,664
Prepaid items	<u>2,975</u>
Total Current Assets	<u>770,875</u>
Noncurrent assets:	
Capital assets	
Land	837,819
Depreciable buildings and improvements, net	1,218,205
Depreciable equipment, net	<u>79,374</u>
Total Noncurrent Assets	<u>2,135,398</u>
Total Assets	<u>2,906,273</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable and accrued liabilities	408,398
Compensated absences	<u>13,583</u>
Total Current Liabilities	<u>421,981</u>
<b>NET ASSETS</b>	
Invested in capital assets	2,135,398
Unrestricted	<u>348,894</u>
Total Net Assets	<u>\$ 2,484,292</u>

See Accompanying Notes to Basic Financial Statements





**CITY OF CALABASAS  
 STATEMENT OF REVENUES,  
 EXPENSES, AND CHANGES IN NET ASSETS  
 PROPRIETARY FUND  
 For the Fiscal Year Ended June 30, 2006**

	Tennis and Swim Center
<b>OPERATING REVENUES</b>	
Tennis and swim fees	\$ 2,852,800
Other	74,784
Total Operating Revenues	2,927,584
<b>OPERATING EXPENSES</b>	
Administration	124,177
Salaries and benefits	458,153
Outside services	168,361
Materials, supplies, and other operating expenses	394,001
Utilities	185,861
Top Seed	1,505,021
Depreciation	199,808
Total Operating Expenses	3,035,382
Operating Income	(107,798)
<b>NON-OPERATING REVENUES</b>	
Interest	12,627
Change in Net Assets	(95,171)
Net Assets, Beginning of Fiscal Year	2,579,463
Net Assets, End of Fiscal Year	\$ 2,484,292

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended June 30, 2006

	<u>Tennis and Swim Center</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from tennis and swim fees	\$ 2,852,800
Receipts from other operating activities	74,784
Payments to suppliers	(2,382,823)
Payments for salaries	<u>(456,178)</u>
Net Cash Provided by Operating Activities	<u>88,583</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition and construction of capital assets	<u>(291,155)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(291,155)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>16,054</u>
Net Cash Provided by Investing Activities	<u>16,054</u>
Increase (decrease) in cash and cash equivalents	(186,518)
Cash and Cash Equivalents, Beginning of Fiscal Year	<u>947,862</u>
Cash and Cash Equivalents, End of Fiscal Year	<u>\$ 761,344</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Operating income	\$ (107,798)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	199,808
Changes in assets and liabilities:	
Receivables, net	-
(Increase) decrease in compensated absences	1,975
(Increase) decrease in prepaid expenses	140
Increase (decrease) in account payable and accrued liabilities	<u>(5,542)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 88,583</u>

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**June 30, 2006**

	Agency Funds
	<u>                    </u>
<b>ASSETS</b>	
Cash and investments	\$ 4,272,534
Cash and investments with fiscal agents	2,729,872
Special taxes receivable	26,612
Accounts receivable	<u>3,000</u>
 Total Assets	 <u>7,532,138</u>
 <b>LIABILITIES</b>	
Accounts payable and accrued liabilities	3,610,642
Deposits	351,807
Due to other funds	2,241,439
Due to bondholders	<u>1,328,250</u>
 Total Liabilities	 <u>7,532,138</u>
 <b>NET ASSETS</b>	 <u><u>\$ -</u></u>

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**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. 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, criteria for discrete disclosure within these financial statements.

**B. Government-wide and Fund Financial Statement**

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements and eliminations have been made to



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Government-wide and Fund Financial Statement (Continued)

minimize the double counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which reply to a significant extent on fees and charges for support.

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.

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.

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.



**CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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.

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.

New Accounting Pronouncement

*Governmental Accounting Standards Board Statement No. 46*

For fiscal year June 30, 2006, the City implemented Governmental Accounting Standard Board Statement No. 46, "*Net assets Restricted by Enabling Legislation – an amendment of GASB Statement No. 34*". This Statement is effective for fiscal periods beginning after June 15, 2005. This Statement requires that limitations on the use of net assets imposed by enabling legislation be reported as restricted net assets. A legally enforceable enabling legislation restriction in one that a party external to the City – such as citizens, public interest groups, or the judiciary – can compel a government to honor. Implementation of GASB Statement No. 46 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2006, but required additional disclosure related to restricted net assets.



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

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.

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

Landscape District Maintenance Special Revenue Fund – used to account for receipts 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.

Capital Projects Fund – used to account for the acquisition and construction of major capital projects not being financed by proprietary funds.

Civic Center Capital Projects Fund – used to account for the construction of new city hall.

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, 2006

**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 – used to account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes.

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

Fiduciary Funds:

Agency Funds - used to account for assets held by the City as an agent. This fund is custodial in nature and does 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 2001-1 Fund – used for debt service requirements of Community Facilities District No. 2001-1.

Community Facilities District 2006 Fund – used for the refunding of CFD 2001-1 for debt service requirements of Community Facilities District No. 2006.

Calabasas Education Fund – provides funds to partially finance education related activities.

LVUSD Fund – used to segregate funds for future development of a new school within the City limits.

D. Assets, Liabilities, Net Assets, 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.





**CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Assets, Liabilities, Net Assets, or Equity (Continued)

Cash and Investments (Continued)

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 equal 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.

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.



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Assets, Liabilities, Net Assets, or Equity (Continued)

Receivables and Payables (Continued)

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:

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.

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.



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. Assets, Liabilities, Net Assets, or Equity (Continued)

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 are valued at their fair value on the date donated. 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 years
Improvements other than buildings	10 years
Infrastructure	20-50 years

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.



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Assets, Liabilities, Net Assets, or Equity (Continued)

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 assets. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. Amortization of bond premiums or discounts, and issuance costs are included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Assets and Fund Equity

In the government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets, and unrestricted net assets. Restricted net assets represent net assets restricted by parties outside of the City (such as creditors, grantors, contributors, and laws and regulations of other governments) and include unspent proceeds of bonds issued to acquire or construct capital assets. The City's other restricted net assets are temporarily restricted (ultimately expendable assets). All other net assets are considered unrestricted.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Undesignated fund balance represents that portion of fund balance which is available for budgeting in future periods.

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, 2006**

**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 departments/cost centers of individual funds are as follows:

	Final Budget	Expenditures	Excess
Major Funds:			
Landscape District Maintenance	2,667,522	3,598,662	931,140
Grants	15,000	201,030	186,030
Nonmajor Funds:			
Proposition A	304,700	313,584	8,884
Proposition C	53,500	91,209	37,709
Community Development Block Grant	120,000	146,608	26,608
Used Oil Grant	24,000	30,207	6,207
TDA		17,884	17,884
Affordable Housing		13,841	13,841
COPS - AB 3229	100,000	118,179	18,179

C. Deficit Fund Balances, Retained Earnings, and Net Assets

The Grants Special Revenue Fund (Major) has a deficit fund balance of \$871,713 that due to expenditures being incurred but grant revenue is not available. The Community Development Block Grant Special Revenue Fund has a deficit fund balance of \$16,656 that should be alleviated as additional revenues are received. The Used Oil Grant Special Revenue Fund has a deficit fund balance of \$18,476 that should be alleviated as additional revenues are received. The Storm Damage Special Revenue Fund has a deficit fund balance of \$108,976 that due to expenditures being incurred but grant revenue is not available.



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of June 30, 2006 are classified in the accompanying financial statements as follows:

Statement of net assets:	
Cash and investments	\$ 39,408,065
Restricted cash and investments with fiscal agents	429,453
Fiduciary funds:	
Cash and investments	4,272,534
Restricted cash and investments with fiscal agents	2,729,872
Total cash and investments	\$ 46,839,924

Cash and investments as of June 30, 2006 consist of the following:

Cash on hand	\$ 2,550
Deposits with financial institutions	2,074,659
Investments	44,762,715
Total cash and investments	\$ 46,839,924

A. Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the **investment types** that are authorized for the City of Calabasas (City) 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.



CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006

**NOTE 3** CASH AND INVESTMENTS (Continued)

A. Investments Authorized by the California Government Code and the City’s Investment Policy (Continued)

<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	\$40 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	5 years	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	\$100,000
Certificates of Deposit	2 years	None	\$100,000
Bankers Acceptances			
Commercial Paper	N/A	None	None
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, 2006**

**NOTE 3    CASH AND INVESTMENTS (Continued)**

B. Investments Authorized by Debt Agreements (Continued)

<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	\$40 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	5 years	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	\$100,000
Certificates of Deposit	2 years	None	\$100,000
Bankers Acceptances			
Commercial Paper	N/A	None	None
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
Investment Agreements	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.

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:





**CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 3 CASH AND INVESTMENTS (Continued)**

C. Disclosures Relating to Interest Rate Risk (Continued)

Investment Type	Totals	Remaining maturity (in Months)			
		12 Months or Less	13 to 24 Months	25-60 Months	More Than 60 Months
State Investment Pool	\$ 25,705,291	\$ 25,705,291	\$ -	\$ -	\$ -
U.S. Treasury Bills	997,965	997,965			
Federal Agency Securities	14,898,010	14,898,010			
Money Market Funds	2,123	2,123			
Held by Bond Trustees:					
Money Market Funds	3,159,326	3,159,326			
	<u>\$ 44,762,715</u>	<u>\$ 44,762,715</u>	<u>\$ -</u>	<u>\$ -</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).

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	\$ 25,705,291	N/A	\$ -	\$ -	\$ -	\$ -	\$ 25,705,291
U.S. Treasury Bills	997,965	N/A	997,965				
Federal Agency Securities	14,898,010	N/A		14,898,010			
Money Market Funds	2,123	N/A					2,123
Held by Bond Trustee:							
Money Market Funds	3,159,326	N/A					3,159,326
Total	<u>\$ 44,762,715</u>		<u>\$ 997,965</u>	<u>\$ 14,898,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,866,740</u>



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 3    CASH AND INVESTMENTS (Continued)**

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
Federal Home Loan Bank	Federal Agency Securities	\$ 5,991,051
Federal Home Loan Mortgage Corp	Federal Agency Securities	6,908,401
Federal National Mortgage Association	Federal Agency Securities	1,998,558

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:

\$14,898,010 of the cash and investments (including amounts held by bond trustee) reported in the Governmental Activities Statement of Net Assets are held in federal agency securities, \$5,991,051 (FHLB), \$6,908,401 (Federal Home Loan Mortgage Corp), and \$1,998,558 (Federal National Mortgage Association).

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.



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 3    CASH AND INVESTMENTS (Continued)**

G. Custodial Credit Risk (Continued)

As of June 30, 2006, \$2,526,611 of the City’s deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts. As of June 30, 2006, City investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the City to buy the securities:

<u>Investment Type</u>	<u>Reported Amount</u>
Federal agency securities	\$ 13,898,010
Money market funds	2,123

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.

**NOTE 4    ACCOUNTS RECEIVABLE**

The following is a list of accounts receivable at June 30, 2006:

	Receivable	Allowance	Net
Governmental Activities -			
Accounts and taxes	\$ 2,266,877	\$ -	\$ 2,266,877
Intergovernmental	2,208,913		2,208,913
	\$ 4,475,790	\$ -	\$ 4,475,790
Business-type Activities -			
Accounts and taxes	\$ 1,892	\$ -	\$ 1,892
Fiduciary Funds:			
Special taxes	\$ 500,120	\$ -	\$ 500,120
Accounts	3,000		3,000
	\$ 503,120	\$ -	\$ 503,120



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**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, 2006, twelve new loans were given totaling \$20,667 and principal loans were paid in the amount of \$16,984 leaving an outstanding balance as of June 30, 2006 of \$14,242.
- 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 and two notes amounting to \$20,000 will be forgiven if outstanding for 10 years on a graduated schedule. The outstanding balance of the notes as of June 30, 2006 was \$78,595.

**NOTE 6      DEFERRED CHARGES**

Deferred charges consist of issuance costs and discounts for debt issues. The following is the list of deferred charges at June 30, 2006:

	<u>Amortization Period</u>	<u>Deferred Charges</u>	<u>Accumulated Amortization</u>	<u>Amortization for the Fiscal Year</u>
2005 Refunding Certificates of Participation	132 months	\$ 223,042	\$ 11,830	\$ 11,830

**NOTE 7      INTERFUND ACTIVITY**

The following represents the interfund activity of the City for the fiscal year ended June 30, 2006.

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.



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 7    INTERFUND ACTIVITY (Continued)**

A. Due To/From Other Funds (Continued)

	Interfund Receivables	Interfund Payables
Due to/Due from		
Major Funds		
To:    General	\$ 3,023,906	\$ -
From:    Grants		1,708,669
Nonmajor Funds:		
From:    Community Development Block Grant		72,260
From:    Debt Service		24,123
From:    Storm Damage		1,201,950
From:    Used Oil Grant		16,904
	\$ 3,023,906	\$ 3,023,906

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 an expenditure on behalf of another fund.

Fund	Transfers-in	Transfers-out
Major Funds:		
General	\$ 44,000	\$ 3,656,648
Capital Projects	3,458,209	
Civic Center	400,000	
Grants Special Revenue		615,947
Developer Impact Fees		926,627
Debt Services	2,684,977	
Nonmajor Funds:		
Highway Users Tax Special Revenue		153,709
Proposition C Special Revenue		12,055
B & T Lost Hills District Special Revenue		197,949
TDA		26,368
Storm Damage Special Revenue		997,883
Totals	\$ 6,587,186	\$ 6,587,186



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 8    CAPITAL ASSETS**

The City has reported all capital assets including infrastructure in the Government-wide Statement of Net Assets. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructure reporting, whereby depreciation expense and accumulated depreciation has been recorded.

A summary of changes in capital assets for the City’s governmental activities for the fiscal year ended June 30, 2006 is as follows:

	<u>Balance at</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2006</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 5,021,818	\$ 2,952	\$ -	\$ 5,024,770
Construction in progress	<u>8,654,882</u>	<u>4,417,463</u>	<u>(771,379)</u>	<u>12,300,966</u>
Total capital assets, not being depreciated	<u>13,676,700</u>	<u>4,420,415</u>	<u>(771,379)</u>	<u>17,325,736</u>
Capital assets, being depreciated:				
Buildings	1,553,838			1,553,838
Equipment	2,093,337	186,222		2,279,559
Investment in joint venture - community center	2,813,060			2,813,060
Infrastructure	<u>42,843,192</u>	<u>723,342</u>		<u>43,566,534</u>
Total capital assets, being depreciated	<u>49,303,427</u>	<u>909,564</u>		<u>50,212,991</u>
Less accumulated depreciation for:				
Buildings	(673,329)	(103,589)		(776,918)
Equipment	(1,285,504)	(121,169)		(1,406,673)
Investment in joint venture - community center	(1,150,330)	(187,537)		(1,337,867)
Infrastructure	<u>(14,566,895)</u>	<u>(1,111,873)</u>		<u>(15,678,768)</u>
Total accumulated depreciation	<u>(17,676,058)</u>	<u>(1,524,168)</u>		<u>(19,200,226)</u>
Total capital assets, being depreciated, net	<u>31,627,369</u>	<u>(614,604)</u>		<u>31,012,765</u>
Governmental activities capital assets, net	<u>\$ 45,304,069</u>	<u>\$ 3,805,811</u>	<u>\$ (771,379)</u>	<u>\$ 48,338,501</u>



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 8    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, 2006 is as follows:

	Balance at July 1, 2005	Additions	Deletions	Balance at June 30, 2006
Business type 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	481,469	114,005		595,474
Buildings	2,051,516	129,480		2,180,996
Machinery and equipment	353,772	47,670		401,442
Total capital assets, being depreciated	2,886,757	291,155		3,177,912
Less accumulated depreciation for:				
Improvements	(113,068)	(52,931)		(165,999)
Buildings	(1,255,677)	(136,588)		(1,392,265)
Machinery and equipment	(311,780)	(10,289)		(322,069)
Total accumulated depreciation	(1,680,525)	(199,808)		(1,880,333)
Total capital assets, being depreciated, net	1,206,232	91,347		1,297,579
Business-type activities capital assets, net	\$ 2,044,051	\$ 91,347	\$ -	\$ 2,135,398

Depreciation expense was charged to the following functions:

	Governmental Activities	Business-type Activities
General government	\$ 114,055	\$ -
Public safety	1,736	
Public works	1,111,873	
Community services	296,504	
Tennis and swim center		199,808
Total	\$ 1,524,168	\$ 199,808



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 9      LONG-TERM DEBT**

A. Changes in Long-term Debt

Summary of changes in long-term liabilities for governmental activities is as follows:

	Balance at July 1, 2005	Additions	Deletions	Balance at June 30, 2006	Due Within One Year
Governmental activities:					
1999 Certificates of Participation	\$ 6,085,000	\$ -	\$ (6,085,000)	\$ -	\$ -
2005 Refunding Certificates of Participation		4,025,000		4,025,000	265,000
Compensated absences payable	315,483	247,344	(242,315)	320,512	242,315
Total governmental long-term debt	<u>\$ 6,400,483</u>	<u>\$ 4,272,344</u>	<u>\$ (6,327,315)</u>	<u>\$ 4,345,512</u>	<u>\$ 507,315</u>

Summary of changes in long-term liabilities for business-type activities is as follows:

	Balance at July 1, 2005	Additions	Deletions	Balance at June 30, 2006	Due Within One Year
Business-type activities					
Compensated absences payable	\$ 15,558	\$ 15,937	\$ (17,912)	\$ 13,583	\$ 13,583

B. Facilities Corporation Certificates of Participation – 1999

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

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

Principal amounts on \$2,025,000 of serial certificates mature annually on each December 1 in the fiscal years 2000 through 2015. Term certificates in the amounts of \$1,335,000 and \$2,985,000 are due December 1, 2020 and 2028 respectively. Interest is payable semiannually on June 1 and December 1. The Certificates of Participation have been defeased by placing the proceeds of \$3,863,304 from the new debts and contribution from the City of \$2,684,977 in irrevocable trust accounts to provide for all future debt





CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 9**    **LONG-TERM DEBT** (Continued)

B. Facilities Corporation Certificates of Participation – 1999 (Continued)

service payments on the old debts. Accordingly, the liabilities for the defeased debt and their related trust account assets are not required to be included in the Government-wide Statement of Net Assets. As of June 2006, the unpaid principal balance for the defeased bonds was \$6,010,000.

C. 2005 Refunding Certificates of Participation

On November 1, 2005, the City issued \$4,025,000 Certificates of Participation (COPs) bearing interest of 3.0% and 4.0%, payable semi-annually on June 1 and December 1 commencing June 1, 2006. The certificates mature annually at various amounts through December 1, 2016. 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 refund the 1999 Certificates of Participation which were due on December 1, 2028. Bonds certificates outstanding at June 30, 2006, were \$4,025,000.

The City advance refunded the 1999 Certificates of Participation to reduce its total debt service over the next eleven years by \$5,200 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$7,001.

D. Compensated Absences

The City's policies relating to compensated absences are Described in Note 1 of the Notes to Financial Statements. This liability will be paid in future fiscal years from future resources.

\$ 320,512

Compensated absences in governmental activities have been liquidated in the past fiscal year in the general fund and landscape maintenance district (Special Revenue Fund).

E. Minimum Requirement Future Payments

The annual requirements to amortize outstanding long-term debt of the City's Governmental Activities as of June 30, 2006, excluding compensated absences are as follows:



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 9    LONG-TERM DEBT (Continued)**

E. Minimum Requirement Future Payments (Continued)

Fiscal Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 265,000	\$ 136,106	\$ 401,106
2008	280,000	127,931	407,931
2009	305,000	119,156	424,156
2010	325,000	109,503	434,503
2011	350,000	98,738	448,738
2012-2016	2,045,000	289,388	2,334,388
2017	455,000	9,100	464,100
Totals	<u>\$ 4,025,000</u>	<u>\$ 889,922</u>	<u>\$ 4,914,922</u>

**NOTE 10    DEFINED BENEFIT PLAN**

A. Plan Description

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

B. Funding Policy

Participants are required to contribute 7% of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 9.519% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

C. Annual Pension Costs

For 2006, the City's annual pension cost of \$423,961 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2003, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 0.25% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.00%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period (smoothed market value). PERS unfounded



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 10    DEFINED BENEFIT PLAN (Continued)**

C. Annual Pension Costs (Continued)

actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2005 was 17 years.

**THREE-YEAR TREND INFORMATION FOR PERS**

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2004	\$166,471	100%	\$ -
6/30/2005	335,071	100%	-
6/30/2006	423,961	100%	-

Schedule of Funding Progress for PERS – Miscellaneous Plan (Risk Pool)

Actuarial Valuation Date	Normal Accrued Liability (A)	Actuarial Value of Assets (B)	(Excess Assets) (A-B)	Funded Status (B/A)	Annual Covered Payroll (C)	* UAAL as a % of Covered Payroll (A-B/C)
6/30/2003	\$ 2,596,966,545	\$ 2,372,879,034	\$ 224,087,511	91.4%	\$ 725,020,458	30.9%
6/30/2004	2,746,095,668	2,460,944,656	285,151,012	89.6%	743,691,970	38.3%
6/30/2005	2,891,460,651	2,588,713,000	302,747,651	89.5%	755,046,679	40.1%

\*UAAL – Unfunded actuarial accrued liability

**NOTE 11    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 84 California public entities and is organized under a joint powers agreement pursuant to California government Code § 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. The Authority’s pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

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

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



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 11** **RISK MANAGEMENT** (Continued)

Costs of covered claims above \$10,000,000 are currently paid by reinsurance. The protection for each member is \$50,000,000 per occurrence with a \$50,000,000 annual aggregate.

Workers Compensation – The City also participates in the workers' compensation pool administered by the Authority. Pool deposits and retrospective adjustments are valued in a manner similar to the General Liability Pool. The City is charged for the first \$25,000 of each claim. Costs are pooled above that level to \$50,000. Costs from \$50,001 to \$100,000 per claim are pooled based on the member's losses under its retention level. Costs between \$100,001 to \$2,000,000 per claim are pooled based on payroll. Costs in excess of \$2,000,000 are paid by excess insurance purchased by the Authority. The excess insurance provides coverage to statutory limits.

Purchased Insurance

Environmental Insurance – The City participates in the pollution legal liability and remediation legal liability insurance which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50,000,000 for the 3-year period from July 1, 2005 through June 30, 2008. Each member of the Authority has a \$10,000,000 limit during the 3-year term of the policy.

Property Insurance – The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City's property is currently insured according to a schedule of covered property submitted by the City to the Authority. Total all-risk property insurance coverage is \$6,364,242. There is a \$5,000 per loss deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Earthquake and Flood Insurance – The City purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City's property currently has earthquake protection in the amount of \$1,557,938. There is a deductible of 5% of the value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

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

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.



CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006

**NOTE 11**    **RISK MANAGEMENT** (Continued)

Adequacy of Protection

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

**NOTE 12**    **JOINT VENTURE**

On November 24, 1997, the Agoura Hills and Calabasas Community Center Authority (Authority) was created under a joint exercise of powers agreement between the Cities of Agoura Hills and Calabasas. It was formed for the operation and maintenance of a Joint recreation Center. The governing Board of Directors consists of one City Council Member from each City, two residents of each City appointed by the City Council, and the president or a member of the Executive Board of the Alliance (a non-profit organization formed for the sole purpose of raising funds for the Community Center). Each City contributed money towards the construction of the Community Center, which was completed in March 2000. The Authority now oversees the operations and maintenance of the Community Center. The Cities of Agoura Hills and Calabasas will equally share in any profit or loss from operation of the Community Center. Results of operations are included in the City of Calabasas' financial statements for the fiscal year ending June 30, 2006. A copy of the Authority financial statements can be obtained at: 27040 Malibu Hills Rd, Calabasas, CA 91301.

**NOTE 13**    **CONTINGENCIES**

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

**NOTE 14**    **COMMITMENTS**

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

<u>Fiscal Year</u>	
2007	\$ 681,472
2008	146,968
	<u>\$ 828,440</u>



**CITY OF CALABASAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2006**

**NOTE 15 POST-EMPLOYMENT MEDICAL BENEFITS**

Pursuant to Government Code Sections 22850 and 22857 and City Resolution 2005-966, the City provides post-employment medical benefits to all retired employees in the amount of \$64 per month for fiscal year 2005-06. 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 8 years of PERS service credit with the City and who have reached age 55 are reimbursed for PERS health benefit payments up to \$688.50 per month. The reimbursement is reduced by the amount of eligible Medicare benefits. This benefit is funded on a pay-as-you-go basis. For fiscal year 2005-06, the City paid \$32,978 for post-employment medical benefits covering 10 participants.

**NOTE 16 SPECIAL ASSESSMENT DISTRICTS (AD) BONDS**

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

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

<u>AD#</u>	<u>Special Assessment Bonds</u>	<u>Amount of Issue</u>	<u>Outstanding June 30, 2006</u>
98-1	Community Facilities District	\$ 12,515,000	\$ 9,700,000
2001-1 Series 2006	Community Facilities District	26,535,000	26,535,000

In May 2006, the Community Facilities District No. 2001-1 Special Tax Refunding Bonds Series 2001 were defeased by placing the proceeds from Community Facilities District No. 2001-1 Special Tax Refunding Bonds Series 2006 in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account and the defeased bonds are not included in the financial statements. As of June 30, 2006, the unpaid principal balance for the defeased bonds was \$26,120,000.

**NOTE 17 NET ASSETS AND FUND BALANCES**

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

**a. Net Assets**

Net assets are divided into three captions under GASB Statement No. 34. These captions apply only to net assets as determined at the government-wide level, and are described below:



**CITY OF CALABASAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 17 NET ASSETS AND FUND BALANCES (Continued)**

*Invested in Capital Assets, net of related debt* 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 assets 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, and redevelopment funds restricted to low and moderate income housing purposes.

*Unrestricted* describes the portion of net assets which is not restricted as to use.

The government-wide statement of net assets reports \$12,924,695 of restricted net assets, of which \$10,442,493 is restricted by enabling legislation.

**b. Fund Balances**

Fund Balances consist of reserved and unreserved amounts. Reserved fund balances represent that portion of fund balance which is legally segregated.

**NOTE 18 SUBSEQUENT EVENT**

In December 2006, the City issued Certificates of Participation in the amount of \$35,000,000. These Certificates were issued to (a) finance the construction of a city hall, library, and civic center facility and related infrastructure, equipment, and furnishings, (b) pay capitalized interest with respect to the Certificates through December 1, 2008, (c) provide a Reserve Fund Surety Policy for the Certificates, and (d) pay the costs incurred in connection with the execution and delivery of the Certificates.

**NOTE 19 PRIOR PERIOD ADJUSTMENTS/RESTATEMENTS**

The following list is an explanation of prior period adjustments and restatements made to the fund financial statements.

Governmental Funds:

General Fund – (\$60,000) for an understatement of prior year's account receivable.

Capital Improvement Capital Projects Fund - \$60,000 for an overstatement of prior year's accounts receivable.



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**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, 2006**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Capital outlay	\$ 5,385,250	\$ 5,385,250	\$ 3,315,723	\$ 2,069,527
Total Expenditures	5,385,250	5,385,250	3,315,723	2,069,527
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	5,385,250	5,385,250	3,458,209	(1,927,041)
Net Changes in Fund Balance			142,486	142,486
Fund Balance (deficit), Beginning of Fiscal Year	(76,953)	(76,953)	(76,953)	
Prior Period Adjustments			(60,000)	(60,000)
Fund Balance, Beginning of fiscal year (restated)	(76,953)	(76,953)	(136,953)	(60,000)
Fund Balance (deficit), Ending of Fiscal Year	\$ (76,953)	\$ (76,953)	\$ 5,533	\$ 82,486



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Supplemental Information

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, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 628,500	\$ 628,500	\$ 268,245	\$ (360,255)
Use of money and property	55,300	55,300		(55,300)
Total Revenues	683,800	683,800	268,245	(415,555)
<b>EXPENDITURES</b>				
Current:				
Community services			34,660	(34,660)
Capital outlay	4,583,000	4,583,000	1,208,077	3,374,923
Total Expenditures	4,583,000	4,583,000	1,242,737	3,340,263
Excess of Revenues Over (Under) Expenditures	(3,899,200)	(3,899,200)	(974,492)	2,924,708
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceed from bonds sale	22,616,200	22,616,200		(22,616,200)
Transfers in	400,000	400,000	400,000	
Total Other Financing Sources (Uses)	23,016,200	23,016,200	400,000	(22,616,200)
Net Change in Fund Balance	19,117,000	19,117,000	(574,492)	(19,691,492)
Fund Balances, Beginning of Fiscal Year	1,328,902	1,328,902	1,328,902	
Fund Balances, End of Fiscal Year	\$ 20,445,902	\$ 20,445,902	\$ 754,410	\$ (19,691,492)



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**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 District 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.

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

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.

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

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

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. SPECIAL REVENUE FUNDS (Continued)

Library District Fund – used to account for expenditures and receipts, including secured property tax, of the City’s library.



### DEBT SERVICE FUND

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



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CITY OF CALABASAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2006

	Special Revenue Funds		
	Proposition A	Highway Users Tax	Proposition C
<b>ASSETS</b>			
Cash and investments	\$ 352,207	\$ 1,150,509	\$ 1,060,439
Cash and investments with fiscal agents			
Receivables:			
Accounts and taxes		71,303	
Interest	2,386	7,966	7,432
Intergovernmental			
Notes receivable			
Total Assets	<u>\$ 354,593</u>	<u>\$ 1,229,778</u>	<u>\$ 1,067,871</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 46,595	\$ -	\$ 15,596
Due to other funds			
Deferred revenue			
Total Liabilities	<u>46,595</u>		<u>15,596</u>
Fund Balances:			
Reserved:			
Debt service			
Unreserved:			
Undesignated	<u>307,998</u>	<u>1,229,778</u>	<u>1,052,275</u>
Total Fund Balances	<u>307,998</u>	<u>1,229,778</u>	<u>1,052,275</u>
Total Liabilities and Fund Balances	<u>\$ 354,593</u>	<u>\$ 1,229,778</u>	<u>\$ 1,067,871</u>

Continued

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Nonmajor Governmental Funds**



Special Revenue Funds					
South Coast Air Quality Management	Community Development Block Grant	Park and Recreation Improvement	AB 939	B & T Lost Hills District	Used Oil Grant
\$ 136,704	\$ -	\$ 80,998	\$ 802,823	\$ 2,817,070	\$ -
949	61,572	83,922 752	63,663 5,835	20,802	
	78,595				
<u>\$ 137,653</u>	<u>\$ 140,167</u>	<u>\$ 165,672</u>	<u>\$ 872,321</u>	<u>\$ 2,837,872</u>	<u>\$ -</u>
\$ -	\$ 5,968 72,260 78,595	\$ 12,384	\$ 19,568	\$ -	\$ - 16,904 1,572
	156,823	12,384	19,568		18,476
<u>137,653</u>	<u>(16,656)</u>	<u>153,288</u>	<u>852,753</u>	<u>2,837,872</u>	<u>(18,476)</u>
<u>137,653</u>	<u>(16,656)</u>	<u>153,288</u>	<u>852,753</u>	<u>2,837,872</u>	<u>(18,476)</u>
<u>\$ 137,653</u>	<u>\$ 140,167</u>	<u>\$ 165,672</u>	<u>\$ 872,321</u>	<u>\$ 2,837,872</u>	<u>\$ -</u>

Continued



**CITY OF CALABASAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2006  
 (Continued)**

	Special Revenue Funds		
	TDA	Affordable Housing	Storm Damage
<b>ASSETS</b>			
Cash and investments	\$ 997	\$ 1,884,143	\$ -
Cash and investments with fiscal agents			
Receivables:			
Accounts and taxes	20,600		
Interest	7	13,496	
Intergovernmental			1,092,974
Notes receivables			
Total Assets	\$ 21,604	\$ 1,897,639	\$ 1,092,974
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 17,884	\$ -	\$ -
Due to other funds			1,201,950
Deferred revenue			
Total Liabilities	17,884		1,201,950
Fund Balances:			
Reserved:			
Debt Service			
Unreserved:			
Undesignated	3,720	1,897,639	(108,976)
Total Fund Balances	3,720	1,897,639	(108,976)
Total Liabilities and Fund Balances	\$ 21,604	\$ 1,897,639	\$ 1,092,974

Continued





<u>Special Revenue Funds</u>			Total
<u>COPS AB 3229</u>	<u>Library District</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>
\$ 69,578	\$ 1,583,506	\$ -	\$ 9,938,974
		429,453	429,453
	85,392		386,452
589	11,695		71,909
			1,092,974
			78,595
<u>\$ 70,167</u>	<u>\$ 1,680,593</u>	<u>\$ 429,453</u>	<u>\$ 11,998,357</u>
\$ 19,668	\$ 13,617	\$ -	\$ 151,280
		24,123	1,315,237
			80,167
<u>19,668</u>	<u>13,617</u>	<u>24,123</u>	<u>1,546,684</u>
		405,330	405,330
<u>50,499</u>	<u>1,666,976</u>		<u>10,046,343</u>
<u>50,499</u>	<u>1,666,976</u>	<u>405,330</u>	<u>10,451,673</u>
<u>\$ 70,167</u>	<u>\$ 1,680,593</u>	<u>\$ 429,453</u>	<u>\$ 11,998,357</u>



**CITY of CALABASAS, CALIFORNIA**  
**FINANCIAL SECTION – Nonmajor Governmental Funds**

**CITY OF CALABASAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUND**  
**For the Fiscal Year Ended June 30, 2006**

	Special Revenue Funds		
	Proposition A	Highway Users Tax	Proposition C
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties			
Intergovernmental	369,294	524,796	312,543
Developer fees			
Use of money and property	9,686	31,451	30,464
Other, donations, and reimbursements			
	<b>Total Revenues</b>	<b>556,247</b>	<b>343,007</b>
	378,980	556,247	343,007
<b>EXPENDITURES</b>			
Current:			
Public safety			
Public works			
Community development			
Community services	313,584		91,209
Capital outlay			
Debt service:			
Interest and other charges			
Debt issuance costs			
	<b>Total Expenditures</b>	<b>313,584</b>	<b>91,209</b>
	313,584	313,584	91,209
Excess of Revenues Over (Under) Expenditures	<b>65,396</b>	<b>556,247</b>	<b>251,798</b>
	65,396	556,247	251,798
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceed from long-term debt			
Payment to refunded debt escrow			
Transfers in			
Transfers out		(153,709)	(12,055)
		<b>Total Other Financing Sources (Uses)</b>	<b>(12,055)</b>
		(153,709)	(12,055)
Net Change in Fund Balances	65,396	402,538	239,743
Fund Balances (deficits), Beginning of Fiscal Year	242,602	827,240	812,532
Fund Balances (deficits), End of Fiscal Year	\$ 307,998	\$ 1,229,778	\$ 1,052,275
	-	-	-

Continued

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Nonmajor Governmental Funds**



Special Revenue Funds					
South Coast Air Quality Management	Community Development Block Grant	Park and Recreation Improvement	AB 939	B & T Lost Hills District	Used Oil Grant
\$ -	\$ -	\$ -	\$ 208,242	\$ -	\$ -
27,880	150,194	83,922	6,256		19,095
3,897		3,976	24,577	93,743	
				98,736	
<u>31,777</u>	<u>150,194</u>	<u>87,898</u>	<u>239,075</u>	<u>192,479</u>	<u>19,095</u>
	146,608	79,834	108,602		30,207
	<u>146,608</u>	<u>79,834</u>	<u>108,602</u>		<u>30,207</u>
<u>31,777</u>	<u>3,586</u>	<u>8,064</u>	<u>130,473</u>	<u>192,479</u>	<u>(11,112)</u>
				(197,949)	
				(197,949)	
31,777	3,586	8,064	130,473	(5,470)	(11,112)
<u>105,876</u>	<u>(20,242)</u>	<u>145,224</u>	<u>722,280</u>	<u>2,843,342</u>	<u>(7,364)</u>
<u>\$ 137,653</u>	<u>\$ (16,656)</u>	<u>\$ 153,288</u>	<u>\$ 852,753</u>	<u>\$ 2,837,872</u>	<u>\$ (18,476)</u>
-	-	-	-	-	-

Continued



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Nonmajor Governmental Funds

CITY OF CALABASAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUND  
For the Fiscal Year Ended June 30, 2006  
(Continued)

	Special Revenue Funds		
	TDA	Affordable Housing	Storm Damage
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties			
Intergovernmental	20,601		1,092,974
Developer fees		308,839	
Use of money and property	584	57,229	
Other, donations, and reimbursements			
Total Revenues	<u>21,185</u>	<u>366,068</u>	<u>1,092,974</u>
<b>EXPENDITURES</b>			
Current:			
Public safety			
Public works			
Community development		13,841	
Community services	17,884		
Capital outlay			
Debt service:			
Interest and other charges			
Debt issuance costs			
Total Expenditures	<u>17,884</u>	<u>13,841</u>	
Excess of Revenues Over (Under) Expenditures	<u>3,301</u>	<u>352,227</u>	<u>1,092,974</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceed from long-term debt			
Payment to refunded debt escrow			
Transfers in			
Transfers out	(26,368)		(997,883)
Total Other Financing Sources (Uses)	<u>(26,368)</u>		<u>(997,883)</u>
Net Change In Fund Balances	(23,067)	352,227	95,091
Fund Balances (deficits), Beginning of Fiscal Year	<u>26,787</u>	<u>1,545,412</u>	<u>(204,067)</u>
Fund balances (deficits) - End of Fiscal Year	<u>\$ 3,720</u>	<u>\$ 1,897,639</u>	<u>\$ (108,976)</u>
	-	-	-

Continued

CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Nonmajor Governmental Funds**



Special Revenue Funds			
Cops AB3229	Library District	Debt Service	Total Nonmajor Governmental Funds
\$ -	\$ 1,139,301	\$ -	\$ 1,347,543
	19,740		19,740
100,000	793		2,708,348
			308,839
3,057	46,563	85,898	391,125
	321		99,057
103,057	1,206,718	85,898	4,874,652
118,179			118,179
			160,449
	922,888		1,564,208
	65,193		65,193
		75,305	75,305
		223,042	223,042
118,179	988,081	298,347	2,206,376
(15,122)	218,637	(212,449)	2,668,276
		4,025,000	4,025,000
		(6,548,281)	(6,548,281)
		2,684,977	2,684,977
			(1,387,964)
		161,696	(1,226,268)
(15,122)	218,637	(50,753)	1,442,008
65,621	1,448,339	456,083	9,009,665
\$ 50,499	\$ 1,666,976	\$ 405,330	\$ 10,451,673



**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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 311,000	\$ 369,294	\$ 58,294
Use of money and property	7,600	9,686	2,086
Other	2,500		(2,500)
	<u>321,100</u>	<u>378,980</u>	<u>57,880</u>
Total Revenues			
<b>EXPENDITURES</b>			
Current:			
Community services	<u>304,700</u>	<u>313,584</u>	<u>(8,884)</u>
Total Expenditures	<u>304,700</u>	<u>313,584</u>	<u>(8,884)</u>
Net Change in Fund Balance	16,400	65,396	48,996
Fund Balance - Beginning of Fiscal Year	<u>242,602</u>	<u>242,602</u>	
Fund Balance - End of Fiscal Year	<u>\$ 259,002</u>	<u>\$ 307,998</u>	<u>\$ 48,996</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 377,100	\$ 524,796	\$ 147,696
Use of money and property	29,500	31,451	1,951
Total Revenues	<u>406,600</u>	<u>556,247</u>	<u>149,647</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(725,000)</u>	<u>(153,709)</u>	<u>571,291</u>
Total Other Financing Sources (Uses)	<u>(725,000)</u>	<u>(153,709)</u>	<u>571,291</u>
Net Change In Fund Balance	(318,400)	402,538	720,938
Fund Balance - Beginning of Fiscal Year	<u>827,240</u>	<u>827,240</u>	
Fund Balance - End of Fiscal Year	<u>\$ 508,840</u>	<u>\$ 1,229,778</u>	<u>\$ 720,938</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 257,700	\$ 312,543	\$ 54,843
Use of money and property	23,400	30,464	7,064
Total Revenues	<u>281,100</u>	<u>343,007</u>	<u>61,907</u>
<b>EXPENDITURES</b>			
Current:			
Community services	53,500	91,209	(37,709)
Total Expenditures	<u>53,500</u>	<u>91,209</u>	<u>(37,709)</u>
Excess of Revenues Over (Under) Expenditures	<u>227,600</u>	<u>251,798</u>	<u>24,198</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(715,000)</u>	<u>(12,055)</u>	<u>702,945</u>
Total Other Financing Sources (Uses)	<u>(715,000)</u>	<u>(12,055)</u>	<u>702,945</u>
Net Change in Fund Balance	(487,400)	239,743	727,143
Fund Balance - Beginning of Fiscal Year	<u>812,532</u>	<u>812,532</u>	
Fund Balance - End of Fiscal Year	<u>\$ 325,132</u>	<u>\$ 1,052,275</u>	<u>\$ 727,143</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 23,000	\$ 27,880	\$ 4,880
Use of money and property	2,800	3,897	1,097
	<u>25,800</u>	<u>31,777</u>	<u>5,977</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>24,500</u>	<u></u>	<u>24,500</u>
	<u>24,500</u>	<u></u>	<u>24,500</u>
Net Change in Fund Balance	1,300	31,777	30,477
Fund Balance - Beginning of Fiscal Year	<u>105,876</u>	<u>105,876</u>	<u></u>
Fund Balance - End of Fiscal Year	<u>\$ 107,176</u>	<u>\$ 137,653</u>	<u>\$ 30,477</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 120,000	\$ 150,194	\$ 30,194
Use of money and property	900		(900)
Total Revenues	<u>120,900</u>	<u>150,194</u>	<u>29,294</u>
<b>EXPENDITURES</b>			
Current:			
Community development	<u>120,000</u>	<u>146,608</u>	<u>(26,608)</u>
Total Expenditures	<u>120,000</u>	<u>146,608</u>	<u>(26,608)</u>
Excess of Revenues Over (Under) Expenditures	<u>900</u>	<u>3,586</u>	<u>2,686</u>
Net Change in Fund Balance	900	3,586	2,686
Fund Balance - Beginning of Fiscal Year	<u>(20,242)</u>	<u>(20,242)</u>	
Fund Balance - End of Fiscal Year	<u><u>\$ (19,342)</u></u>	<u><u>\$ (16,656)</u></u>	<u><u>\$ 2,686</u></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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 179,000	\$ 83,922	\$ (95,078)
Use of money and property	4,600	3,976	(624)
	<u>183,600</u>	<u>87,898</u>	<u>(95,702)</u>
<b>EXPENDITURES</b>			
Current:			
Community services	179,000	79,834	99,166
	<u>179,000</u>	<u>79,834</u>	<u>99,166</u>
Excess of Revenues Over (Under) Expenditures	<u>4,600</u>	<u>8,064</u>	<u>3,464</u>
Net Change in Fund Balance	4,600	8,064	3,464
Fund Balance - Beginning of Fiscal Year	<u>145,224</u>	<u>145,224</u>	
Fund Balance - End of Fiscal Year	<u>\$ 149,824</u>	<u>\$ 153,288</u>	<u>\$ 3,464</u>



**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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 120,000	\$ 208,242	\$ 88,242
Intergovernmental	8,000	6,256	(1,744)
Use of money and property	19,400	24,577	5,177
Total Revenues	<u>147,400</u>	<u>239,075</u>	<u>91,675</u>
<b>EXPENDITURES</b>			
Current:			
Community services	<u>179,500</u>	<u>108,602</u>	<u>70,898</u>
Total Expenditures	<u>179,500</u>	<u>108,602</u>	<u>70,898</u>
Excess of Revenues Over (Under) Expenditures	<u>(32,100)</u>	<u>130,473</u>	<u>162,573</u>
Net Change in Fund Balance	(32,100)	130,473	162,573
Fund Balance - Beginning of Fiscal Year	<u>722,280</u>	<u>722,280</u>	
Fund Balance - End of Fiscal Year	<u>\$ 690,180</u>	<u>\$ 852,753</u>	<u>\$ 162,573</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Use of money and property	\$ 80,000	\$ 93,743	\$ 13,743
Other, donations, and reimbursements	50,000	98,736	48,736
Total Revenues	<u>130,000</u>	<u>192,479</u>	<u>62,479</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(213,000)</u>	<u>(197,949)</u>	<u>15,051</u>
Total Other Financing Sources (Uses)	<u>(213,000)</u>	<u>(197,949)</u>	<u>15,051</u>
Net Change in Fund Balance	(83,000)	(5,470)	77,530
Fund Balance - Beginning of Fiscal Year	<u>2,843,342</u>	<u>2,843,342</u>	
Fund Balance - End of Fiscal Year	<u><u>\$ 2,760,342</u></u>	<u><u>\$ 2,837,872</u></u>	<u><u>\$ 77,530</u></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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 24,000	\$ 19,095	\$ (4,905)
Total Revenues	<u>24,000</u>	<u>19,095</u>	<u>(4,905)</u>
<b>EXPENDITURES</b>			
Current:			
Community services	<u>24,000</u>	<u>30,207</u>	<u>(6,207)</u>
Total Expenditures	<u>24,000</u>	<u>30,207</u>	<u>(6,207)</u>
Net Change in Fund Balance		(11,112)	(11,112)
Fund Balance - Beginning of Fiscal Year	<u>(7,364)</u>	<u>(7,364)</u>	
Fund Balance - End of Fiscal Year	<u><u>\$ (7,364)</u></u>	<u><u>\$ (18,476)</u></u>	<u><u>\$ (11,112)</u></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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental revenue	\$ 16,000	\$ 20,601	\$ 4,601
Use of money and property	300	584	284
	<u>16,300</u>	<u>21,185</u>	<u>4,885</u>
<b>EXPENDITURES</b>			
Current:			
Community services		17,884	(17,884)
		<u>17,884</u>	<u>(17,884)</u>
Excess of Revenue Over (Under) Expenditures	<u>16,300</u>	<u>3,301</u>	<u>(12,999)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out		(26,368)	(26,368)
		<u>(26,368)</u>	<u>(26,368)</u>
Net Change in Fund Balance	16,300	(23,067)	(39,367)
Fund Balance - Beginning of Fiscal Year	<u>26,787</u>	<u>26,787</u>	
Fund Balance - End of Fiscal Year	<u>\$ 43,087</u>	<u>\$ 3,720</u>	<u>\$ (39,367)</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Developer fees	\$ 85,000	\$ 308,839	\$ 223,839
Use of money and property	41,400	57,229	15,829
Total Revenues	<u>126,400</u>	<u>366,068</u>	<u>239,668</u>
<b>EXPENDITURES</b>			
Current:			
Community development		13,841	(13,841)
Total Expenditures		<u>13,841</u>	<u>(13,841)</u>
Excess of Revenues Over (Under) Expenditures	<u>126,400</u>	<u>352,227</u>	<u>225,827</u>
Net Change in Fund Balance	126,400	352,227	225,827
Fund Balance - Beginning of Fiscal Year	<u>1,545,412</u>	<u>1,545,412</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,671,812</u>	<u>\$ 1,897,639</u>	<u>\$ 225,827</u>





**CITY OF CALABASAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 STORM DAMAGE SPECIAL REVENUE FUND  
 For the Fiscal Year Ended June 30, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 1,092,974	\$ 1,092,974
Total Revenues	<u>                    </u>	<u>1,092,974</u>	<u>1,092,974</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>                    </u>	<u>(997,883)</u>	<u>(997,883)</u>
Total Other Financing Sources (Uses)	<u>                    </u>	<u>(997,883)</u>	<u>(997,883)</u>
Net Change in Fund Balance		95,091	95,091
Fund Balance - Beginning of Fiscal Year	<u>(204,067)</u>	<u>(204,067)</u>	<u>                    </u>
Fund Balance - End of Fiscal Year	<u><u>\$ (204,067)</u></u>	<u><u>\$ (108,976)</u></u>	<u><u>\$ 95,091</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 100,000	\$ 100,000	\$ -
Use of money and property	2,600	3,057	457
Total Revenues	<u>102,600</u>	<u>103,057</u>	<u>457</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	<u>100,000</u>	<u>118,179</u>	<u>(18,179)</u>
Total Expenditures	<u>100,000</u>	<u>118,179</u>	<u>(18,179)</u>
Excess of Revenues Over (Under) Expenditures	<u>2,600</u>	<u>(15,122)</u>	<u>(17,722)</u>
Net Change in Fund Balance	2,600	(15,122)	(17,722)
Fund Balance - Beginning of Fiscal Year	<u>65,621</u>	<u>65,621</u>	
Fund Balance - End of Fiscal Year	<u>\$ 68,221</u>	<u>\$ 50,499</u>	<u>\$ (17,722)</u>



**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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 943,500	\$ 1,139,301	\$ 195,801
Fines and forfeitures	6,100	19,740	13,640
Intergovernmental	9,200	793	(8,407)
Use of money and property	40,200	46,563	6,363
Other, donations, and reimbursements		321	321
	<u>999,000</u>	<u>1,206,718</u>	<u>207,718</u>
<b>EXPENDITURES</b>			
Current:			
Community services	904,300	922,888	(18,588)
Capital outlay	90,000	65,193	24,807
	<u>994,300</u>	<u>988,081</u>	<u>6,219</u>
Net Change in Fund Balance	4,700	218,637	213,937
Fund Balance - Beginning of Fiscal Year	<u>1,448,339</u>	<u>1,448,339</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,453,039</u>	<u>\$ 1,666,976</u>	<u>\$ 213,937</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, 2006**

	Final Budget	Actual Amount	Variance Positive (Negative)
<b>REVENUES</b>			
Use of money and property	\$ 399,400	\$ 85,898	\$ (313,502)
Total Revenues	<u>399,400</u>	<u>85,898</u>	<u>(313,502)</u>
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	75,000		75,000
Interest and fiscal charges	307,300	75,305	231,995
Debt issuance costs		223,042	(223,042)
Total Expenditures	<u>382,300</u>	<u>298,347</u>	<u>83,953</u>
Excess of Revenue Over (Under) Expenditures	<u>17,100</u>	<u>(212,449)</u>	<u>(229,549)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceed from long-term debt		4,025,000	4,025,000
Payment to refunded debt escrow		(6,548,281)	(6,548,281)
Transfers in		2,684,977	2,684,977
Total Other Financing Sources (Uses)		<u>161,696</u>	<u>161,696</u>
Net Change in Fund Balance	17,100	(50,753)	(67,853)
Fund Balance - Beginning of Fiscal Year	<u>456,083</u>	<u>456,083</u>	
Fund Balance - End of Fiscal Year	<u>\$ 473,183</u>	<u>\$ 405,330</u>	<u>\$ (67,853)</u>



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## AGENCY FUNDS

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

Las Virgenes Parking Authority 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 2001-1 Fund – used for debt service requirements of Community Facilities District No. 2001-1.

Community Facilities District 2006 Fund –used for the refunding of CFD 2001-1 for debt service requirements of Community Facilities District No. 2006.

Calabasas Education Fund – provides funds to partially finance education related activities.

LVUSD Fund –used to segregate funds for future development of a new school within the City limits.



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Agency Funds

CITY OF CALABASAS  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUNDS  
June 30, 2006

	Las Virgenes Parking Authority Fund	Community Facilities District 98-1	Community Facilities District 2001-1	Community Facilities District 2006-1
<b>Assets</b>				
Cash and investments	\$ 46,518	\$ 359,181	\$ 1,381	\$ 123,754
Cash and investments with fiscal agent		1,357,232	4,479	1,368,161
Special tax receivable		500,120		
Accounts receivable				
Interest receivable		3,360		
Total Assets	<u>\$ 46,518</u>	<u>\$ 2,219,893</u>	<u>\$ 5,860</u>	<u>\$ 1,491,915</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 46,518	\$	\$	\$ 147,979
Deposits Due to bondholders		2,219,893	5,860	1,343,936
Total Liabilities	<u>\$ 46,518</u>	<u>\$ 2,219,893</u>	<u>\$ 5,860</u>	<u>\$ 1,491,915</u>



<u>Deposits</u>	<u>LVUSD</u>	<u>Education Fund</u>	<u>Total</u>
\$ 563,973	\$ 3,082,857	\$ 94,870	\$ 4,272,534
			2,729,872
3,000			500,120
	22,364	888	3,000
			26,612
<u>\$ 566,973</u>	<u>\$ 3,105,221</u>	<u>\$ 95,758</u>	<u>\$ 7,532,138</u>
\$ 215,166	\$ 3,105,221	\$ 95,758	\$ 3,610,642
351,807			351,807
			3,569,689
<u>\$ 566,973</u>	<u>\$ 3,105,221</u>	<u>\$ 95,758</u>	<u>\$ 7,532,138</u>



CITY of CALABASAS, CALIFORNIA  
**FINANCIAL SECTION – Agency Funds**

**CITY OF CALABASAS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUND  
 For the Fiscal Year Ended June 30, 2006**

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
<u>Las Virgenes Parking Authority Fund</u>				
Assets:				
Cash and investments	\$ 55,952	-	\$ 9,434	\$ 46,518
Liabilities:				
Accounts payable and accrued liabilities	\$ 55,952	-	\$ 9,434	\$ 46,518
<u>Community Facilities District 98-1</u>				
Assets:				
Cash and investments	\$ 416,486	\$ 1,214,597	\$ 1,271,902	\$ 359,181
Cash and investments with fiscal agent	1,552,740	985,064	1,180,572	1,357,232
Special tax receivable	204,183	500,120	204,183	500,120
Interest Receivable		3,360		3,360
	\$ 2,173,409	\$ 2,703,141	\$ 2,656,657	\$ 2,219,893
Liabilities:				
Accounts payable and accrued liabilities	\$ -	-	-	-
Due to bondholders	2,173,409	2,703,141	2,656,657	2,219,893
	\$ 2,173,409	\$ 2,703,141	\$ 2,656,657	\$ 2,219,893
<u>Community Facilities District 2001-1</u>				
Assets:				
Cash and investments	\$ 1,812,110	\$ 3,407,893	\$ 5,218,622	\$ 1,381
Cash and investments with fiscal agent	2,513,083	1,932,575	4,441,179	4,479
Special tax receivable	39,810		39,810	
	\$ 4,365,003	\$ 5,340,468	\$ 9,699,611	\$ 5,860
Liabilities:				
Due to bondholders	\$ 4,365,003	\$ 5,340,468	\$ 9,699,611	\$ 5,860
	\$ 4,365,003	\$ 5,340,468	\$ 9,699,611	\$ 5,860
<u>Community Facilities District 2006-1</u>				
Assets:				
Cash and investments	\$ -	\$ 126,754	\$ 3,000	\$ 123,754
Cash and investments with fiscal agent		2,262,664	894,503	1,368,161
Special tax receivable				
	\$ -	\$ 2,389,418	\$ 897,503	\$ 1,491,915
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 147,979	-	\$ 147,979
Due to bondholders		2,241,439	897,503	1,343,936
	\$ -	\$ 2,389,418	\$ 897,503	\$ 1,491,915





CITY OF CALABASAS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND (Continued)  
For the Fiscal Year Ended June 30, 2006

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
<u>Deposits</u>				
Assets:				
Cash and investments	\$ 829,920	\$ 1,096,855	\$ 1,362,802	\$ 563,973
Accounts receivable		3,000		3,000
	<u>\$ 829,920</u>	<u>\$ 1,099,855</u>	<u>\$ 1,362,802</u>	<u>\$ 566,973</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ 221,743	\$ 757,550	\$ 764,127	\$ 215,166
Deposits	189,942	342,305	180,440	351,807
Due to other funds	418,235		418,235	
	<u>\$ 829,920</u>	<u>\$ 1,099,855</u>	<u>\$ 1,362,802</u>	<u>\$ 566,973</u>
<u>LVUSD</u>				
Assets:				
Cash and investments	\$ 2,008,477	\$ 1,077,512	\$ 3,132	\$ 3,082,857
Interest Receivable		22,364		22,364
Accounts receivable	12,623		12,623	
	<u>\$ 2,021,100</u>	<u>\$ 1,099,876</u>	<u>\$ 15,755</u>	<u>\$ 3,105,221</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,021,100	\$ 1,099,876	\$ 15,755	\$ 3,105,221
<u>Education</u>				
Assets:				
Cash and investments	\$ 97,215	\$ 252,793	\$ 255,138	\$ 94,870
Interest Receivable		888		888
Accounts receivable	753		753	
	<u>\$ 97,968</u>	<u>\$ 253,681</u>	<u>\$ 255,891</u>	<u>\$ 95,758</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ 97,968	\$ 253,681	\$ 255,891	\$ 95,758
<u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 5,220,160	\$ 7,176,404	\$ 8,124,030	\$ 4,272,534
Cash and investments with fiscal agent	4,065,823	5,180,303	6,516,254	2,729,872
Special tax receivable	39,810	500,120	39,810	500,120
Interest Receivable		26,612		26,612
Accounts receivable	13,376	3,000	13,376	3,000
	<u>\$ 9,339,169</u>	<u>\$ 12,886,439</u>	<u>\$ 14,693,470</u>	<u>\$ 7,532,138</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,396,763	\$ 2,259,086	\$ 1,045,207	\$ 3,610,642
Deposits	189,942	342,305	180,440	351,807
Due to other funds	418,235	2,241,439	418,235	2,241,439
Due to bondholders	6,538,412	8,043,609	13,253,771	1,328,250
	<u>\$ 9,543,352</u>	<u>\$ 12,886,439</u>	<u>\$ 14,897,653</u>	<u>\$ 7,532,138</u>



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**MOSS, LEVY & HARTZHEIM**

CERTIFIED PUBLIC ACCOUNTANTS  
9107 WILSHIRE BLVD., SUITE 400  
BEVERLY HILLS, CALIFORNIA 90210

TELEPHONE (310) 273-2745  
FAX (310) 273-1689  
E-MAIL: mlhbh@pacbell.net

MEMBER:

ROBERT M. MOSS, C.P.A.\*  
RONALD A. LEVY, C.P.A.\*  
CRAIG A. HARTZHEIM, C.P.A.\*  
HADLEY HUI, C.P.A.  
PAUL NIEDERMULLER, C.P.A.

AMERICAN INSTITUTE OF C.P.A.S  
CALIFORNIA SOCIETY OF C.P.A.S  
CALIFORNIA SOCIETY OF  
MUNICIPAL FINANCE OFFICERS  
CALIFORNIA ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS

OFFICES:

BEVERLY HILLS, CALIFORNIA  
SANTA MARIA, CALIFORNIA

\*DENOTES PROFESSIONAL CORPORATION

**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**

The Honorable City Council  
of the City of Calabasas  
Calabasas, California

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, 2006, and have issued our report thereon dated September 22, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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



CITY of CALABASAS, CALIFORNIA  
FINANCIAL SECTION – Additional Reports

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results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the City Council, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Beverly Hills, California  
September 22, 2006



# STATISTICAL SECTION

## Financial Trends

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CITY of CALABASAS, CALIFORNIA  
 STATISTICAL SECTION – Financial Trends

CITY OF CALABASAS  
 NET ASSETS BY COMPONENT  
 Last Four Fiscal Years

	Fiscal Year			
	2003	2004	2005	2006
<b>ASSETS</b>				
Current Assets:				
Governmental Activities	\$34,006,464	\$34,263,467	\$41,361,260	43,864,499
Business-type Activities	938,534	847,458	953,826	770,875
Total Current Assets	\$34,944,998	\$35,110,925	\$42,315,086	44,635,374
Non-Current Assets:				
Governmental Activities	\$36,174,257	\$40,192,730	\$45,498,750	49,226,911
Business-type Activities	2,125,174	2,090,492	2,044,051	2,135,398
Total Non-current Assets	\$38,299,431	\$42,283,222	\$47,542,801	51,362,309
<b>TOTAL ASSETS</b>	<b>\$73,244,429</b>	<b>\$77,394,147</b>	<b>\$89,857,887</b>	<b>95,997,683</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Governmental Activities	\$4,531,658	\$2,595,148	\$3,773,920	\$3,112,178
Business-type Activities	257,052	257,851	402,856	408,398
	\$4,788,710	\$2,852,999	\$4,176,776	\$3,520,576
Non-current Liabilities				
Governmental Activities	\$6,385,334	\$6,367,744	\$6,325,483	\$4,080,512
Business-type Activities	7,064	11,717	15,558	13,583
	\$6,392,398	\$6,379,461	\$6,341,041	\$4,094,095
<b>TOTAL LIABILITIES</b>	<b>11,181,108</b>	<b>9,232,460</b>	<b>10,517,817</b>	<b>7,614,671</b>
<b>NET ASSETS</b>	<b>\$62,063,321</b>	<b>\$68,161,687</b>	<b>\$79,340,070</b>	<b>\$88,383,012</b>
Invested in capital assets, net of related debt				
Governmental Activities	\$29,974,257	\$34,463,542	\$39,377,655	\$45,123,316
Business-type Activities	2,125,174	2,090,492	2,044,051	2,135,398
	\$32,099,431	\$36,554,034	\$41,421,706	\$47,258,714
Restricted for:				
Library		\$1,377,428	\$2,777,241	\$2,421,386
Debt service		438,585	430,472	393,657
Streets/roads		4,375,804	3,266,198	5,263,111
Housing		1,226,150	1,525,170	1,897,639
Landscape maintenance		1,430,353	1,783,511	1,733,932
Transit		908,269	269,389	311,718
Recycling		682,498	722,280	852,753
Public safety		75,869	65,621	50,499
Total restricted		\$10,514,956	\$10,839,882	\$12,924,695
Unrestricted:				
Governmental Activities	\$29,289,472	\$20,514,807	\$26,543,070	\$27,850,709
Business-type Activities	674,418	577,890	535,412	348,894
Total unrestricted	\$29,963,890	\$21,092,697	\$27,078,482	\$28,199,603
<b>NET ASSETS</b>	<b>\$62,063,321</b>	<b>\$68,161,687</b>	<b>\$79,340,070</b>	<b>\$88,383,012</b>

The city implemented GASB Statement 34 in 2003.  
 Schedules presenting government-wide information include information beginning in that year.



**CITY OF CALABASAS  
 CHANGES IN NET ASSETS  
 Last Four Fiscal Years**

	Fiscal Year			
	2003	2004	2005	2006
<b>Expenses</b>				
Governmental activities				
General government	\$9,886,005	\$4,176,343	\$4,388,680	\$ 4,524,460
Public safety	2,900,893	3,141,960	3,352,542	3,520,506
Public works	1,776,578	2,892,038	3,978,104	5,396,310
Community development	2,389,806	1,096,091	1,153,303	1,380,375
Community services	7,412,186	7,781,163	7,969,825	8,818,016
Interest and fiscal charges	344,678	319,722	325,447	96,461
Unallocated depreciation	0	1,069,863	0	0
Total governmental activities expenses	\$24,710,146	\$20,477,180	\$21,167,901	\$23,736,128
Business-type activities				
Tennis & swim center	\$2,418,184	\$2,598,402	\$2,917,890	\$3,035,382
Total business-type activities expenses	\$2,418,184	\$2,598,402	\$2,917,890	\$3,035,382
Total primary government net expenses	\$27,128,330	\$23,075,582	\$24,085,791	\$26,771,510
<b>Program revenues</b>				
Governmental activities				
Charges for services				
General government	\$91,075	\$74,473	\$37,300	\$629,652
Public safety	242,710	285,043	279,737	349,677
Public works	51,665	1,629,698	6,198,546	788,735
Community development	1,361,498			2,619,208
Community services	\$871,682	\$3,432,977	3,552,160	3,838,463
Operating contributions and grants	6,019,400	1,678,697	933,439	875,072
Capital contributions and grants	4,466,184	468,266	3,586,358	3,297,396
Total governmental activities program revenues	\$13,104,214	\$7,569,154	\$14,587,540	\$12,398,203
Business-type activities				
Charges for services				
Tennis & swim center	\$2,417,069	\$2,752,717	\$2,826,061	\$2,927,584
Total business-type activities program revenues	\$2,417,069	\$2,752,717	\$2,826,061	\$2,927,584
Total primary government program revenues	\$15,521,283	\$10,321,871	\$17,413,601	\$15,325,787



**CITY OF CALABASAS  
 CHANGES IN NET ASSETS  
 Last Four Fiscal Years**

	Fiscal Year			
	2003	2004	2005	2006
<b>Net (expense)/revenue</b>				
Governmental activities	(\$11,605,932)	(\$12,908,026)	(\$6,580,361)	(\$11,337,925)
Business-type activities	(1,115)	154,315	(91,829)	(107,798)
<b>Total primary government net expense</b>	<b>(\$11,607,047)</b>	<b>(\$12,753,711)</b>	<b>(\$6,672,190)</b>	<b>(\$11,445,723)</b>
<b>General revenues and other changes in net assets</b>				
Governmental activities				
Taxes				
Utility users taxes	\$0	\$3,296,031	\$3,019,532	\$3,195,743
Transient occupancy taxes	0	1,124,140	1,241,711	1,351,848
Sales taxes	\$4,675,583	5,278,369	5,680,413	6,284,061
Property taxes	2,989,719	3,372,794	3,468,510	4,893,831
Franchise taxes	590,101	252,306	590,388	673,606
Other taxes	4,201,038	423,871	370,110	0
Other intergovernmental-motor vehicle in-lieu	1,204,846	976,355	1,735,620	1,663,770
Use of money and property	363,915	489,455	1,327,849	1,349,309
Miscellaneous	1,593,634	478,284	298,641	1,063,870
Transfers	0	200,000		
<b>Total governmental activities</b>	<b>15,618,836</b>	<b>15,891,605</b>	<b>17,732,774</b>	<b>20,476,038</b>
Business-Type Activities				
Use of money and property	0	3,446	2,910	12,627
Transfers	0	(200,000)		
<b>Total Business-Type Activities</b>	<b>0</b>	<b>(196,554)</b>	<b>2,910</b>	<b>12,627</b>
Extraordinary Item - Insurance settlement				
<b>Total Primary Government</b>	<b>\$15,618,836</b>	<b>\$15,695,051</b>	<b>\$17,735,684</b>	<b>\$20,488,665</b>
<b>Change in Net Assets</b>				
Governmental Activities	\$4,012,904	\$2,983,579	\$11,152,413	\$9,138,113
Business-Type Activities	(1,115)	(42,239)	(88,919)	(95,171)
<b>Total Primary Government</b>	<b>\$4,011,789</b>	<b>\$2,941,340</b>	<b>\$11,063,494</b>	<b>\$9,042,942</b>

<sup>1</sup> Data is not available prior to Fiscal Year 2003





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**CITY OF CALABASAS**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	1997	1998	1999	2000	2001
General Fund					
Reserved	\$1,866,054	\$2,555,874	\$2,810,741	\$139,921	\$261,199
Unreserved	4,535,410	5,216,049	6,412,073	10,558,254	13,113,687
Total General Fund	<u>\$6,401,464</u>	<u>\$7,771,923</u>	<u>\$9,222,814</u>	<u>\$10,698,175</u>	<u>\$13,374,886</u>
All Other Governmental Funds					
Reserved	\$0	\$0	\$494,851	\$504,777	\$476,356
Unreserved, Reported In:					
Special Revenue Funds	4,181,497	5,734,096	5,921,364	7,842,333	8,238,842
Capital Projects Funds			10,000	0	(17,145)
Total All Other Governmental Funds	<u>\$4,181,497</u>	<u>\$5,734,096</u>	<u>\$6,426,215</u>	<u>\$8,347,110</u>	<u>\$8,698,053</u>
Total Governmental Funds	<u>\$10,582,961</u>	<u>\$13,506,019</u>	<u>\$15,649,029</u>	<u>\$19,045,285</u>	<u>\$22,072,939</u>

(Continued)

Source: City of Calabasas



**CITY OF CALABASAS**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
 (Modified Accrual Basis of Accounting)  
 (Continued)

Fiscal Year				
2002	2003	2004	2005	2006
\$323,896	\$100,113	\$86,659		
15,128,106	12,922,668	16,755,874	\$19,408,300	\$21,934,440
<u>\$15,452,002</u>	<u>\$13,022,781</u>	<u>\$16,842,533</u>	<u>\$19,408,300</u>	<u>\$21,934,440</u>
\$471,119	\$465,767	\$462,107	\$456,083	\$405,330
9,266,620	4,485,706	8,661,158	10,547,270	7,820,547
(219,294)	5,864,199	5,271,014	7,072,036	10,806,286
<u>\$9,518,445</u>	<u>\$10,815,672</u>	<u>\$14,394,279</u>	<u>\$18,075,389</u>	<u>\$19,032,163</u>
<u>\$24,970,447</u>	<u>\$23,838,453</u>	<u>\$31,236,812</u>	<u>\$37,483,689</u>	<u>\$40,966,603</u>



CITY of CALABASAS, CALIFORNIA  
**STATISTICAL SECTION – Financial Trends**

**CITY OF CALABASAS**  
**CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**

	1997	1998	1999	2000	2001
<b>REVENUES</b>					
Taxes	\$6,549,883	\$9,235,157	\$11,017,194	\$12,495,765	\$14,052,461
Licenses and fees	1,675,407	1,796,392	1,433,990	828,829	1,113,000
Intergovernmental	5,969,322	4,566,187	5,229,241	2,573,872	3,207,607
Fines and forfeitures	99,380	159,634	363,284	292,401	251,081
Developer fees	589,665	1,423,433	726,093	3,614,674	807,866
Use of money and property					
Charges for services					
Other, donations, and reimbursements	671,016	741,946	1,298,050	2,083,394	1,976,841
<b>Total Revenues</b>	<b>\$15,554,673</b>	<b>\$17,922,749</b>	<b>\$20,067,852</b>	<b>\$21,888,935</b>	<b>\$21,408,856</b>
<b>EXPENDITURES</b>					
Current:					
General government	\$862,808	\$1,081,893	\$3,618,906	\$1,323,668	\$2,873,322
Public safety	2,312,954	2,302,951	2,917,451	2,606,895	2,716,715
Public works	2,726,192	4,894,917	6,679,080	3,773,292	3,842,309
Community development	4,605,175	3,421,369	1,694,545	1,794,490	1,539,442
Community services	2,116,594	1,898,468	8,363,190	9,226,775	5,199,238
Capital outlay	880,364	1,401,465	403,582	359,072	792,086
Unreimbursable Grant Expenditure			411,440	85,437	
Debt service:					
Principal retirement				70,000	15,000
Interest and fiscal charges			181,648	335,757	320,383
<b>Total Expenditures</b>	<b>\$13,504,087</b>	<b>\$15,001,063</b>	<b>\$24,269,842</b>	<b>\$19,575,386</b>	<b>\$17,298,495</b>
Excess of Revenues over (under) Expenditures	\$2,050,586	\$2,921,686	(\$4,201,990)	\$2,313,549	\$4,110,361
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceed from issuance of long term debt					
Payment to refunded debt escrow					
Original issuance discount					
Certificates of participation proceeds			6,345,000		
Transfers in	1,091,027	3,736,315	12,096,178	2,736,300	2,178,715
Transfers out	(1,091,027)	(3,734,943)	(12,096,178)	(2,736,300)	(2,178,715)
<b>Total Other Financing Sources (Uses)</b>		1,372	6,345,000		
<b>Net Change in Fund Balances Before Extraordinary Items</b>	<b>\$2,050,586</b>	<b>\$2,923,058</b>	<b>\$2,143,010</b>	<b>\$2,313,549</b>	<b>\$4,110,361</b>
Extraordinary items-Insurance proceeds					
<b>Net Change in Fund Balance</b>	<b>\$2,050,586</b>	<b>\$2,923,058</b>	<b>\$2,143,010</b>	<b>\$2,313,549</b>	<b>\$4,110,361</b>
Debt Service as a Percentage of Non-Capital Expenditures	0.00%	0.00%	0.76%	2.11%	2.03%



**CITY OF CALABASAS**  
**CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**

(Continued)

2002	2003	2004	2005	2006
\$14,366,022	\$15,621,239	\$13,299,541	\$14,615,943	\$16,511,862
1,253,387	1,230,510	1,515,469	3,045,314	2,619,208
2,027,151	3,898,690	2,880,111	6,054,596	5,627,399
210,669	245,511	295,148	187,921	269,417
2,772,155	3,484,077	261,518	3,488,716	895,508
		881,750	1,335,349	1,598,827
		3,442,358	3,546,613	3,758,828
2,109,529	3,415,854	520,076	298,642	1,735,063
<u>\$22,738,913</u>	<u>\$27,895,881</u>	<u>\$23,095,971</u>	<u>\$32,573,094</u>	<u>\$33,016,112</u>
\$3,423,505	\$4,949,740	\$4,490,308	\$4,281,416	\$4,405,376
2,848,251	2,899,021	3,131,804	3,350,806	3,518,770
5,348,336	1,770,923	2,835,309	2,886,420	4,104,344
1,675,352	2,219,870	1,086,609	1,149,848	1,422,875
5,776,214	6,218,988	7,418,439	7,659,404	8,521,512
425,089	5,715,792	5,314,644	6,729,322	4,738,693
				0
25,000	35,000	50,000	65,000	223,042
319,658	318,698	313,112	318,890	75,305
<u>\$19,841,405</u>	<u>\$24,128,032</u>	<u>\$24,640,225</u>	<u>\$26,441,106</u>	<u>\$27,009,917</u>
<u>\$2,897,508</u>	<u>\$3,767,849</u>	<u>(\$1,544,254)</u>	<u>\$6,131,988</u>	<u>\$6,006,195</u>
				4,025,000
				(6,548,281)
				0
3,771,236	5,439,325	5,648,426	5,415,916	6,587,186
(3,771,236)	(5,439,325)	(5,448,426)	(5,415,916)	(6,587,186)
		200,000		(2,523,281)
<u>\$2,897,508</u>	<u>\$3,767,849</u>	<u>(\$1,344,254)</u>	<u>\$6,131,988</u>	<u>\$3,482,914</u>
		2,770,110		
<u>\$2,897,508</u>	<u>\$3,767,849</u>	<u>\$1,425,856</u>	<u>\$6,131,988</u>	<u>\$3,482,914</u>
1.78%	1.92%	1.88%	1.95%	1.34%



# STATISTICAL SECTION

## Revenue Capacity

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**CITY OF CALABASAS  
 ASSESSED VALUES OF TAXABLE PROPERTY  
 Last Ten Fiscal Years**

Fiscal Year	Secured Valuation	Unsecured Valuation	Assessed Valuation
1997	\$2,536,008,731	\$47,827,491	\$2,583,836,222
1998	2,550,633,271	53,317,256	2,603,950,527
1999	2,665,848,403	59,118,054	2,724,966,457
2000	2,895,072,481	75,730,960	2,970,803,441
2001	3,086,838,928	121,979,071	3,208,817,999
2002	3,316,198,387	101,060,814	3,417,259,201
2003	3,523,210,835	147,242,937	3,670,453,772
2004	3,874,229,578	147,158,774	4,021,388,352
2005	4,272,430,215	149,116,435	4,421,546,650
2006	4,675,957,357	159,586,980	4,835,544,337

Sources:

Assessor, County of Los Angeles Auditor Controller  
 California Municipal Statistics, Inc

Note:

Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value.



CITY of CALABASAS, CALIFORNIA  
STATISTICAL SECTION – Revenue Capacity

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**CITY OF CALABASAS  
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS  
(Per \$100 of Assessed Value)  
Last Ten Fiscal Years**

	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>
General	1.000000	1.000000	1.000000	1.000000
County	0.001604	0.001584	0.001451	0.001422
Las Virgenes Unified School District	0.000938	0.012017	0.029576	0.030760
Los Angeles Community College District	0.000000	0.000000	0.000000	0.000000
Los Angeles County Flood Control District	0.001991	0.002197	0.001953	0.001765
Metropolitan Water District	0.008900	0.008900	0.008900	0.008900
Las Virgenes Municipal Water District	<u>0.014169</u>	<u>0.014169</u>	<u>0.012431</u>	<u>0.010492</u>
Total	<u>1.027602</u>	<u>1.038867</u>	<u>1.054311</u>	<u>1.053339</u>

**Special Assessments**

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

**General Obligation Bonds**

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

Source: Hdl, Coren & Cone





**CITY OF CALABASAS**  
**PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS**  
**(Per \$100 of Assessed Value)**  
**Last Ten Fiscal Years**  
 (Continued)

<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
0.001314	0.001128	0.001033	0.000992	0.000923	0.000795
0.034773	0.021949	0.028287	0.029887	0.028798	0.027046
0.000000	0.015996	0.014598	0.019857	0.018098	0.014288
0.001552	0.001073	0.000881	0.000462	0.000245	0.000049
0.008800	0.007700	0.006700	0.006100	0.005800	0.005200
<u>0.009443</u>	<u>0.004437</u>	<u>0.002800</u>	<u>0.000782</u>	<u>0.000000</u>	<u>0.000000</u>
<u>1.055882</u>	<u>1.052283</u>	<u>1.054299</u>	<u>1.058080</u>	<u>1.053864</u>	<u>1.047378</u>



CITY of CALABASAS, CALIFORNIA  
 STATISTICAL SECTION – Revenue Capacity

CITY OF CALABASAS  
 PRINCIPAL PROPERTY TAX PAYERS  
 June 30, 2006

Taxpayer	2006		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
1 ASN Calabasas I LLC	\$98,903,000	1	1.86%
2 Casden Malibu Canyon L P	76,569,253	2	1.44%
3 Arden Realty Limited Partnership	70,872,649	3	1.33%
4 Kilroy Realty Limited Partnership	61,204,971	4	1.15%
5 Commons At Calabasas LLC	60,710,148	5	1.14%
6 Countrywide Financial Corporation	55,994,464	6	1.05%
7 NM Homes One LLC	32,303,903	7	0.61%
8 Calabasas Courtyard Inc	31,659,372	8	0.59%
9 Cheesecake Factory Inc	28,070,021	9	0.53%
10 Cypress Calabasas LLC	23,236,449	10	0.44%
Total	\$539,524,230		10.14%
Total Assessed Value	<u>\$5,328,424,654</u>		

Taxpayer	1997		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
1 Lockheed Corporation	\$71,623,141	1	3.65%
2 Mayer Malibu Limited	44,334,003	2	1.26%
3 ACD2	38,705,650	3	1.81%
4 Calabasas Tech Center Inc	32,955,792	4	0.95%
5 Lincoln Malibu Meadows	22,452,168	5	0.57%
6 Aetna Life Insurance Company	14,338,121	6	0.73%
7 Cordova Ventures Limited	14,256,192	7	0.43%
8 Baldwin Builders	13,787,720	8	0.67%
9 Calabasas & Sorrento	11,600,000	9	0.59%
10 Maria A. D'Egido Trust	11,566,736	10	0.55%
Total Assessed Value	\$275,619,523		11.21%



**CITY OF CALABASAS  
 SECURED PROPERTY TAX LEVIES AND COLLECTIONS  
 Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
1997	\$1,264,675	\$1,136,484	89.86%
1998	1,393,060	1,314,749	94.38%
1999	1,909,467	1,810,483	94.82%
2000	2,128,968	1,992,094	93.57%
2001	2,315,044	2,195,116	94.82%
2002	2,493,243	2,362,375	94.75%
2003	2,938,660	2,875,937	97.87%
2004	3,266,168	3,139,886	96.13%
2005	3,633,186	3,225,830	88.79%
2006	4,063,535	4,063,535	100.00%

Source: \_\_\_\_\_

County of Los Angeles, Auditor-Controller  
 Andy Nickerson, HDL



# STATISTICAL SECTION

## Debt Capacity

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**CITY OF CALABASAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
Last Four Fiscal Years**

Fiscal Year	Governmental Activities			Business-Type Activities	
	Facilities Corporation Certificates of Participation 1999 Series	Compensated Absences Payable	Total Government Long-Term Debt	Compensated Absences Payable	Total Primary Government
2006	\$4,025,000	\$320,512	\$4,345,512	\$13,583	\$4,359,095
2005	6,085,000	315,483	6,400,483	15,558	6,416,041
2004	6,150,000	282,744	6,432,744	11,717	6,444,461
2003	6,200,000	235,334	6,435,334	7,064	6,442,398

**Note:**

Details regarding the city's outstanding debt can be found in the notes to the financial statements

**Source:**

City of Calabasas Audited Financials

Information gathered from the notes to the financial statements - Note #9 Long-Term Debt



**CITY of CALABASAS, CALIFORNIA**  
**STATISTICAL SECTION – Demographic and Economic Information**

**CITY OF CALABASAS**  
**ESTIMATED DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**Fiscal Years 1997 to 2006**

	<b><u>FY 2006</u></b>	
Assessed Valuation:		\$5,481,605,234
	<b>%</b>	<b>Debt</b>
<b><u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>		
Los Angeles County	0.655%	\$54,987
Los Angeles County Flood Control District	0.659%	842,466
Metropolitan Water District	0.331%	1,289,460
Los Angeles Community College District	1.169%	7,659,288
Los Angeles Unified School District	0.00002%	1,191
Las Virgenes Joint Unified School District	34.790%	28,221,697
Las Virgenes Municipal Water District I.D. No. U-1	0.000%	0
Las Virgenes Municipal Water District I.D. No. U-2	0.000%	0
Los Angeles County Waterworks District No. 29	0.000%	0
City of Calabasas Community Facilities District No. 2001-1	1.000%	26,535,000
Los Angeles County Community Facilities District No. 4-A	1.000%	9,150,000
Los Angeles County Community Facilities District No. 4-B	0.000%	0
Los Angeles Regional Park and Open Space Assessment District	0.655%	1,992,739
City of Calabasas	0.000%	0
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>75,746,828</b>
<b><u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u></b>		
Los Angeles County General Fund Obligations	0.655%	8,066,515
Los Angeles County Pension Obligations	0.655%	4,827,890
Los Angeles County Superintendent of Schools Certificates of Participation	0.655%	129,803
Los Angeles County Flood Control District General Fund Obligations	0.000%	0
Los Angeles County Community College District Certificates of Participation	0.000%	0
Las Virgenes Joint Unified School District Certificates of Participation	34.790%	6,710,991
Los Angeles Unified School District General Fund Obligations	0.00002%	80
City of Calabasas Certificates of Participation	1.000%	4,025,000
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>		<b>23,760,279</b>
Less: Los Angeles County Certificates of Participation (100% self-supporting) from leasehold revenues on properties in Marina Del Rey)		176,654
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>		<b>23,583,625</b>
<b>GROSS COMBINED TOTAL DEBT <sup>(1)</sup></b>		<b>99,507,107</b>
<b>NET COMBINED TOTAL DEBT</b>		<b>99,330,453</b>
<sup>(1)</sup> Excludes tax and revenue anticipation notes, revenue, mortgage revenue, and tax allocation bonds and non-bonded capital lease obligations.		
<b><u>Ratios to Fiscal Year's Assessed Valuation:</u></b>		
Combined Direct Debt Amount	\$ 4,025,000	
Combined Direct Debt	0.07%	
Total Overlapping Tax and Assessment Debt	1.38%	
Gross Combined Total Debt	1.82%	
Net Combined Total Debt	1.81%	
STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/06: \$0 KD: (\$450-update)		<b>0</b>

Source: California Municipal Statistics, Inc.

CITY of CALABASAS, CALIFORNIA  
**STATISTICAL SECTION – Demographic and Economic Information**



**CITY OF CALABASAS**  
**ESTIMATED DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**Fiscal Years 1997 to 2006**  
 (Continued)

<u>FY 2005</u>	<u>FY 2004</u>	<u>FY 2003</u>	<u>FY 2002</u>	<u>FY 2001</u>	<u>FY 2000</u>	<u>FY 1999</u>	<u>FY 1998</u>	<u>FY 1997</u>
Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt
\$4,421,546,650	\$4,021,388,352	\$3,670,453,772	\$3,417,259,201	\$3,208,817,999	\$2,970,803,441	\$2,724,966,457	\$2,603,844,551	\$2,583,836,222
\$105,495	\$149,504	\$188,990	\$224,506	\$261,030	\$290,062	\$307,959	\$329,603	\$357,860
797,095	882,848	62,649	106,264	147,277	193,504	230,473	270,918	318,855
1,396,569	1,282,278	3,066,464	1,624,932	1,724,860	1,791,745	1,832,371	1,748,581	1,859,792
8,516,980	7,625,322	7,723,798	5,717,250	5,733,000	0	0	0	0
897	1,025	1,092	542	0	0	0	0	0
28,986,034	28,919,018	30,026,871	18,445,148	19,103,345	13,346,672	9,681,619	9,586,222	0
0	56,205	49,820	147,635	191,312	223,060	243,190	276,720	326,072
0	128,544	124,449	370,153	481,813	587,830	676,342	754,202	833,054
0	0	0	0	0	404	732	1,119	1,554
27,540,000	27,970,000	0	28,645,000	0	0	0	0	0
10,225,000	10,725,000	0	11,655,000	12,095,000	12,515,000	12,515,000	23,575,000	24,115,000
0	0	0	0	28,700,000	29,100,000	29,500,000	29,800,000	30,100,000
2,276,482	2,396,458	0	2,535,614	2,698,203	2,802,871	2,822,818	2,908,055	976,374
0	0	0	0	0	0	0	0	0
79,844,552	80,136,202	41,244,133	69,472,044	71,135,840	60,851,148	57,810,504	69,250,420	58,888,561
9,045,319	9,245,118	10,239,744	10,239,744	10,367,081	10,232,989	9,706,904	9,909,068	10,607,438
6,836,134	8,413,830	10,774,722	10,774,722	11,830,788	12,497,068	12,664,361	13,542,245	14,074,809
154,720	164,052	183,090	183,090	195,917	207,949	19,115	27,617	45,403
0	0	989,925	989,925	1,048,166	1,104,821	1,113,750	1,151,298	1,217,846
0	0	979,174	979,174	711,056	729,121	652,162	662,534	677,175
6,921,200	6,813,000	31,341	31,341	62,958	201,683	326,392	439,381	609,638
120	182	148	148	0	0	0	0	0
6,085,000	6,150,000	6,235,000	6,235,000	6,260,000	6,275,000	6,345,000	0	0
29,042,493	30,786,182	29,433,144	29,433,144	30,475,966	31,248,631	30,827,684	25,732,143	27,232,309
360,296	443,702	590,431	590,431	702,976	787,830	841,230	903,108	697,381
28,682,197	30,342,480	28,842,713	28,842,713	29,772,990	30,460,801	29,986,454	24,829,035	26,534,928
108,887,045	110,922,384	70,677,277	98,905,188	101,611,806	92,099,779	88,638,188	94,982,563	86,120,870
108,526,749	110,478,682	70,086,846	98,314,757	100,908,830	91,311,949	87,796,958	94,079,455	85,423,489
\$ 6,085,000								
0.14%								
1.81%								
2.46%								
2.45%								
0	0	0	0	0	0	0	0	0



CITY of CALABASAS, CALIFORNIA  
STATISTICAL SECTION – Demographic and Economic Information

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CITY OF CALABASAS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

	FY 2006	FY 2005	FY 2004	FY 2003
Total Assessed Value of all Real and Personal Property	\$4,835,544,337	\$4,421,546,650	\$4,021,388,352	\$3,670,453,772
Debt Limit Percentage	15.00%	15.00%	15.00%	15.00%
Total Debt Limit (1)	\$725,331,651	\$663,231,998	\$603,208,253	\$550,568,066
Amount of Debt Applicable to Debt Limit (2)	-	-	-	-
Legal Debt Margin	\$725,331,651	\$663,231,998	\$603,208,253	\$550,568,066

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

Source: Los Angeles County Tax Assessors Office





**CITY OF CALABASAS  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS**  
 (Continued)

FY 2002	FY 2001	FY 2000	FY 1999	FY 1998	FY 1997
\$3,417,259,201	\$3,208,817,999	\$2,970,803,441	\$2,724,966,457	\$2,603,950,527	\$2,583,836,222
15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
\$512,588,880	\$481,322,700	\$445,620,516	\$408,744,969	\$390,592,579	\$387,575,433
-	-	-	-	-	-
\$512,588,880	\$481,322,700	\$445,620,516	\$408,744,969	\$390,592,579	\$387,575,433



# STATISTICAL SECTION

## Demographic and Economic Information

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**CITY OF CALABASAS  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (dollars in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Percentage of Residents with College Degrees</u>	<u>Unemployment Rate</u>
1997	19,170	790,801	41,252	41		
1998	19,530	820,787	42,027	42		
1999	20,098	981,767	48,849	40		
2000	20,455	985,706	48,189	38		
2001	20,390	994,624	48,780	40		
2002	20,730	1,023,461	49,371	43		
2003	22,550	1,126,643	49,962	45		
2004	23,123	1,336,741	57,810	42	33.0%	2.1%
2005	25,625	1,641,666	64,065	39	58.0%	1.8%
2006	25,625	1,801,950	70,320	40	58.0%	1.8%

Source: Various on-line resources

Note: Information presented are estimates and are to be used to give perspective to the City relative to other municipalities.



CITY of CALABASAS, CALIFORNIA  
 STATISTICAL SECTION – Demographic and Economic Information

**CITY OF CALABASAS**  
**Principal Employers**  
**Fiscal Year 2006 and Nine Years Ago**

Employer	2006			1997
	Employees	Rank	Percentage of Total City Employment	Principal Employer
Las Virgenes Unified School District	850	1	3.93%	Y
Countrywide Home Loans, Inc.	600	2	2.77%	Y
Spirent Communications	400	3	1.85%	
Alcatel Internetworking, Inc.	373	4	1.72%	
IXIA Communications	275	5	1.27%	
Cheesecake Factory, Inc.	195	6	0.90%	Y
Bob Smith BMW	150	7	0.69%	
Gelson's Market	135	8	0.62%	
Calabasas Volvo	130	9	0.60%	
Calabasas Motor Cars	130	10	0.60%	Y
Acura 101 West	--		--	Y
Digital Insight	--		--	Y
John Paul Richards, Inc	--		--	Y
Las Virgenes Water District	--		--	Y
The Ryland Group	--		--	Y
<b>Total</b>	<b>3,238</b>		<b>14.95%</b>	

Source: Finance Department and City of Calabasas Chamber of Commerce



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# STATISTICAL SECTION

## Operating Information

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**CITY OF CALABASAS  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/DEPARTMENT  
 Last Ten Fiscal Years**

<b>Function/Department</b>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
City Council Department	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Managers Department	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Administrative Services	3.00	4.00	4.00	4.50	4.50	5.00	6.00	6.00	6.00	6.00
Finance Department	3.00	3.00	3.00	4.50	4.50	4.50	4.75	4.50	8.50	7.25
Media Operations Department	1.00	2.50	2.50	4.00	5.50	5.50	5.50	7.75	7.75	9.75
Transportation Department	2.00	3.50	3.50	4.00	4.00	4.00	4.50	5.00	5.00	6.25
Community Development Dept.	11.50	9.00	9.00	10.00	10.00	17.00	16.00	16.00	20.00	19.25
Engineering & Public Works Dept.	3.00	5.50	5.50	5.50	6.00	8.50	8.75	8.75	10.00	8.75
Community Services Department	8.00	9.00	13.00	21.80	21.80	22.80	23.80	23.80	21.75	31.00
<b>Total</b>	<b>37.50</b>	<b>42.50</b>	<b>47.50</b>	<b>61.30</b>	<b>63.30</b>	<b>74.30</b>	<b>76.30</b>	<b>78.80</b>	<b>86.00</b>	<b>95.25</b>

**Notes:**

Community Services Department includes the Recreation Division (de Anza Park), the Tennis & Swim Center and the Creekside Park and Preschool  
 For the Community Services Department, the hourly staff number fluctuates depending on the season. During FY 05-06, 10 pre-school teachers upgraded to fulltime status.

**Source:**

City of Calabasas, Finance and Human Resources Departments



CITY OF CALABASAS  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
Fiscal Year Ended June 30, 2006

<u>Function/Program</u>	<u>2006</u>
<u>Public Works</u>	
Street resurfacing (sq. feet)	415,260
<u>Parks and recreation</u>	
Number of City sponsored events	12
Number of Tennis & Swim Center members	4,550
<u>Transit</u>	
Total route (miles)	104
Passengers (monthly)	14,400

Sources: Public Works and Transportation Departments





CITY OF CALABASAS  
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
 Fiscal Year Ended June 30, 2006

<u>Function/Program</u>	<u>2006</u>
<u>Public works</u>	
Bridges	4
Sewer system network (linear feet)	341,168
Streets / Highway (miles)	55.1
Traffic signals	19
<u>Parks and recreation</u>	
Basketball courts	6
Community centers	1
Fitness centers	1
Libraries	1
Park acreage	56.6
Parks	10
Swimming pools	2
Tennis courts	18
<u>Transit</u>	
Buses (including Trolleys)	10

Sources: Various city departments



CITY of CALABASAS, CALIFORNIA  
FY 2005-06 Comprehensive Annual Financial Report

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This report is respectfully submitted by:

**The CITY of CALABASAS  
OFFICE OF FINANCE**

Meeting the standards of both the  
Government Finance Officers Association (GFOA)

and the

California Society of Municipal Finance Officers (CSMFO)

This document is also compliant with the standards of  
Governmental Accounting Standards Board (GASB) Statements 34 and 44.

Comments and questions can be directed to:

Dr. Gary J. Lysik, Chief Financial Officer  
CITY of CALABASAS  
Office of Finance  
26135 Mureau Road  
Calabasas, CA 91302  
(818) 878-4225

Prepared in part by:

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and  
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in conjunction with

The City of Calabasas Office of Finance





**CITY of CALABASAS**