

City of Calabasas, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY of CALABASAS
www.cityofcalabasas.com

For the Fiscal Year Ended June 30, 2008



Calabasas Civic Center



Accomplishment is the direct result of fortitude.
Fiscal soundness is the direct result of financial vision and focus.
~ Dr. Gary J. Lysik, CFO



CITY of CALABASAS

Comprehensive Annual Financial Report
Year Ended June 2008

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

Statistical Section Prepared by:

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City of Calabasas

Report Prepared and Compiled by:

The CITY of CALABASAS Office of Finance



CITY of CALABASAS

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

Dr. Gary J. Lysik, Chief Financial Officer, 100 Civic Center Way, Calabasas, CA 91302 (818) 224-1600 <http://www.cityofcalabasas.com>

December 23, 2008

The Honorable Mayor Mary Sue Maurer
The Honorable Members of the City Council
Citizens of the City of Calabasas, CA

LETTER OF TRANSMITTAL

The Comprehensive Annual Financial Report (CAFR) represents a compilation of financial data that details the 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.

THE PRIMARY GOVERNMENT

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.

THE CITY OF CALABASAS

Situated approximately 25 miles west of downtown Los Angeles (8 miles east of the Ventura County line), Calabasas is located in western Los Angeles County in the foothills of the Santa Monica Mountains National Recreation Area and adjacent to the San Fernando Valley. The first recorded occupation in the area was by Chumash Native Americans who settled along the banks of Calabasas Creek during the mid-1800s. Today, neighboring communities include Agoura Hills, Malibu, Westlake Village and Hidden Hills.

The City’s distinctive character is in part derived from its natural environment, oak-studded hillsides, and 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.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

Accurate accounting of the City’s assets is essential to safeguard against loss and misrepresentation. Calabasas’ system of accounting establishes solid control of the City’s financial assets and allows for budgeting and reliable performance reporting. It provides for the proper recording of financial transactions and lends itself to the establishment of accurate financial statements.

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).

CAPITAL IMPROVEMENTS

Calabasas' Capital Improvement Program (CIP) is a component of the budget process and addresses the City's short and long-term capital needs. The CIP includes a plan to effectively maintain existing infrastructure as well as provide new facilities to support population growth and replace older assets that are no longer useful or are unsafe. During this reporting period, the City completed construction of a new Civic Center campus, which includes a City Hall and a new Library. Additionally, the City has highlighted projects to improve transportation in and around Calabasas.

CASH MANAGEMENT

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 5.16%, with total earnings for all funds equaling \$2,569,358.

RISK MANAGEMENT

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.

LOCAL ECONOMIC CONDITION AND OUTLOOK

Calabasas is one of America's wealthiest communities with a current per capita income of \$76,625, which is 1.8 times that of the State of California. At \$115,155 the median household income in Calabasas in 2008



was nearly twice that of the State of California. The median age of Calabasas residents in 2008 is 40.0, while the median age in the United States as a whole remains at 36.7 years.

Unlike that of the greater region, the local area housing market has not demonstrably felt the impact of the housing crunch caused by failing sub-prime loans. According to an on-line source, Yahoo! Real Estate, the median home price in Calabasas during 2008 was \$2,142,900. This figure represents a 36.6% increase from 2007.

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 strong financial future for the City, even in light of current economic challenges.

LONG-TERM FINANCIAL PLANNING

The City of Calabasas has experienced minimal population growth of approximately 1.9% 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 8.2% 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 flattening 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.

ACCOMPLISHMENTS

The financial state of the City of Calabasas is stronger than in previous years. The City's higher credit ratings (2006) 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. Continuation of Aggressive Investment Practices

Until 2005, the City of Calabasas did not invest its idle cash outside of the Local Agency Investment Fund (LAIF), a voluntary program established as an investment alternative for California's local governments and special districts and administered under the State Treasurer's administration. During FY 2008, the City continued investing in U.S. Government securities and effectively increased the amount of annual interest income received by the City by approximately \$395,000 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.

Further improving the process, Calabasas now tracks all Professional Service Agreements (contracts) and Public Works Contracts to verify that all of the following items are within agreed upon terms and conditions:

- a. Start/stop dates
- b. Not-to-exceed values
- c. Scope of work
- d. Insurance requirements

3. 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.

Additionally, the Department of Finance initiated the creation of a quarterly Financial Management Review which was designed to place meaning to the numbers so non-financial types can understand the current financial standing of the City.

ACKNOWLEDGEMENTS

The City of Calabasas' Department of Finance has a team of committed individuals, each contributing to the sound financial standing of the City. Within the Department of Finance, I am particularly proud to remain 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: initiated postings of all accounting transactions, maintained the accuracy and integrity of the General Ledger, and performed various special assignments. Provided back-up support to accounts payable.

Paul Chung: enhanced and maintained the new grant/contract tracking and recording system which continues to lead to the reimbursement of numerous grants and ensures that contracts are complete and not expired, thus reducing the City's liability exposure.

Cedric Henry: improved and maintained a tracking method for Recoverable Deposit Projects minimizing the need for outside collection services. He managed the receipt and handling of cash in an efficient fashion and prepared cash availability reports on a regular basis.

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 organizations.

Michael Montgomery: provided excellent payroll coverage for employees of the City and the Agoura Hills/Calabasas Community Center. Also handled all issues related to Las Virgenes Parking Administration.

Lesley Pelka: 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. Provided back-up and general assistance to every aspect within the Finance Department.

Paola Pino: made contributions in almost every facet of the department. Assisted with the preparation of the Department's Standard Policies & Procedures, maintained a good records retention program, and provided assistance to payroll, AP/AR, and accounting as required. She oversaw all general purchasing aspects for the City.

Sandy Smith: prior to making payment of vendor invoices, made certain that (a) valid contracts were filed with the City, (b) proper general ledger account numbers were used to track expenditures, (c) invoices were not double paid, (d) valid invoices were paid accurately and on time, and (e) proper authorization was presented.

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



AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to the City of Calabasas for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2007. In order to be awarded a Certificate of Award for Outstanding Financial Reporting, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

The Department of Finance for the City of Calabasas feels the current CAFR continues to meet the requirements of both the GFOA Certificate of Achievement Program and the CSMFO Outstanding Financial Reporting Award. The City will be submitting this year's CAFR to the GFOA to determine its eligibility for another certificate.

INDEPENDENT AUDIT

For the fiscal year ended June 30, 2008, the City's financial statements were audited by the certified public accounting firm of Moss, Levy & Hartzheim LLP to ensure that the financial statements of the City were free of material misstatement. The audit a) examined activities, documents, and disclosures used to create the financial statements, b) assessed the accounting principles used by management, and c) evaluated the overall financial statement presentation. The results of the audit are as follows:

- The City's financial statements 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, 2008.



CITY of CALABASAS, CALIFORNIA
INTRODUCTORY SECTION – Letter of Transmittal

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, 2008.

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, 2007

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.



Oliver S. Cox

President

Jeffrey R. Emery

Executive Director



Mission and Value Statements

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

Dr. Gary J. Lysik, Chief Financial Officer, 100 Civic Center Way, Calabasas, CA 91302 (818) 224-1600 <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

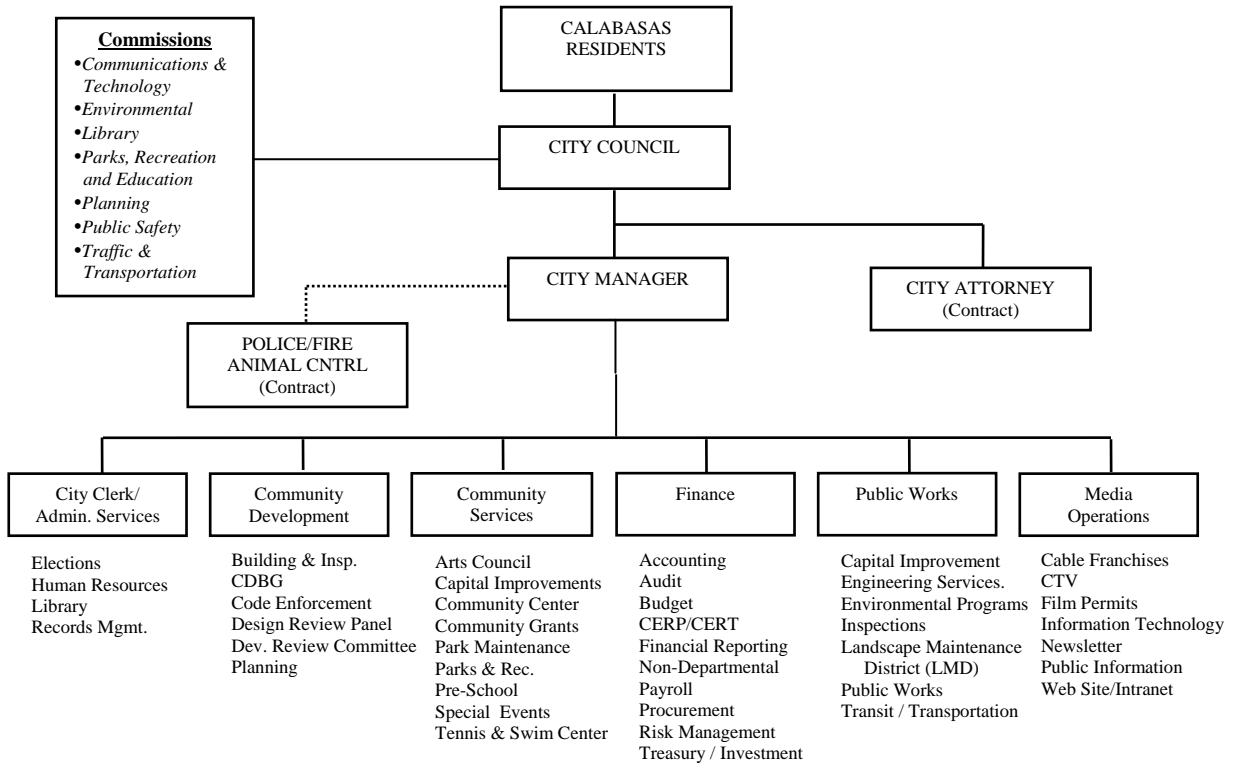
The Department leads by example while encouraging growth and advancement in the organization. Finance provides direction through experience and desires to be acknowledged as the “Go-To Organization” for critical decision making needs.

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** – Michael Brockman, Chair
- Environmental Commission** – Stuart Cohen, Chair
- Historic Preservation Commission** – Taryn Wayne, Chair
- Library Commission** – Fred Gaines, President
- Parks, Recreation and Education Commission** – Jennifer Bercy, Chair
- Planning Commission** – Mark Sikand, Chair
- Public Safety Commission** – Diana Brenke, Chair
- Traffic and Transportation Commission** – Robert Friedman, Chair



City Officials



Mary Sue Maurer
Mayor

Year First Elected: 2005

Biographical Information:

- Mayor, City of Calabasas
- Member, Santa Monica Mountains Conservancy Advisory Committee
- Board Member, Big Sunday
- Board Co-Chair, Headwaters Corner at Calabasas
- Member, Calabasas Rotary Club
- Teacher, LAUSD
- Former Deputy, Assembly member Fran Pavley
- Former Deputy Press Secretary, John Garamendi



Jonathon Wolfson
Mayor Pro Tem

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



James Bozajian
Councilmember

First Elected: 1997

Biographical Information:

- Currently in his third term on the Calabasas City Council
- Past Mayor of Calabasas in 1998-99, 2003-04, and 2007-08
- Chairman of the Agoura Hills/Calabasas Community Center Joint Powers Authority
- Serves on the Board of Directors of the Calabasas Historical Society and the California Contract Cities Association
- Past member of the Calabasas Community Policing Commission (1993-97)
- Bachelor of Arts (B.A.) Degree, History, UCLA
- Juris Doctorate (J.D.) Degree, USC School of Law
- Deputy District Attorney for the County of Los Angeles for 19 years
- Served on the Board of Directors of the Los Angeles County Association of Deputy District Attorneys for 17 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



Dennis Washburn
Councilmember

First Elected: 1991

Biographical Information:

- CLVFF Future Foundation Trustee since 1992
- Executive Director, Foundation for Pierce College
- Founding Mayor and Councilmember, City of Calabasas
- Founder / President, Las Virgenes-Malibu-Conejo Council of Governments
- Director, VP, Resource Conservation District of the Santa Monica Mountains since 1986
- Served for the past 17 years on the Calabasas City Council, and served four terms as Mayor
- 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
- President of the Santa Monica Mountains Fund
- Chairman of both the SCAG Energy & Environment Policy Committee and Water Policy Task Force
- Chairman of the Malibu Creek Watershed Council
- Served as President of the Las Virgenes Homeowners Federation and the Greater Mulwood Homeowners Association
- Served as Executive Vice President of the Calabasas Cityhood Committee
- Received the following awards: The Goodyear Conservation Award (1994); the Calabasas Chamber of Commerce – Bill Van Giesen – “Man of the Year” Award (2000), “Living History” Award (2003), Outstanding Achievement Award (2007) from the US EPA
- Bachelor of Arts (B.A.) Degree, International Relations/Political Science, UC Berkeley
- Master of Business Administration (MBA) Degree, Marketing/Finance, San Diego State University
- Lecturer/assistant professor in Business Management at SDSU
- Certified Mediator



City Management



Tony Coroalles
City Manager



Dr. Gary J. Lysik
Chief Financial Officer



Michael Colantuono
City Attorney

Robin Parker, *Director of Administrative Services*

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





CITY *of* CALABASAS, CALIFORNIA
INTRODUCTORY SECTION

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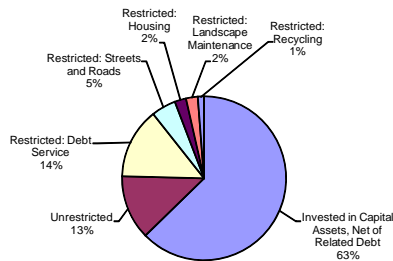


Highlights

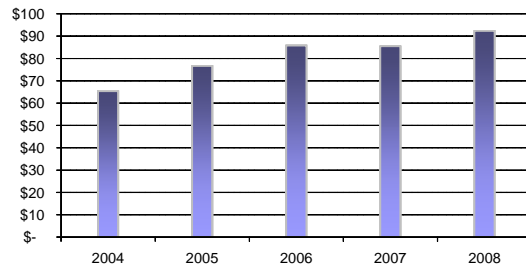
The Financial Section details the City's financial workings for fiscal year ended June 30, 2008. This section is expected to enlighten readers as to financial highlights, occurrences, and events affecting the City's annual budget.

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

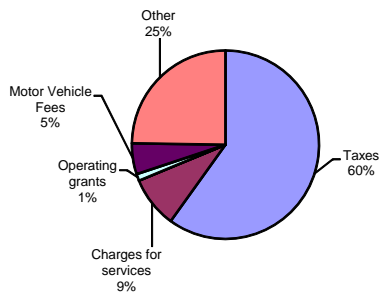
Net Assets - Primary Government
For the Fiscal Year Ended June 30, 2008
(as a percent)



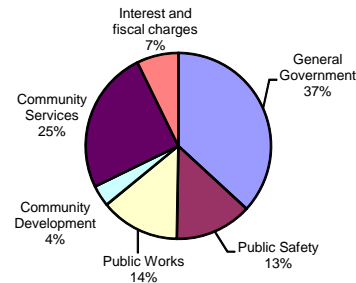
Total Net Assets - Governmental Activities
For the Fiscal Year Ended June 30, 2008
(amounts in millions)



Revenues by Source - Governmental Activities
For the Fiscal Year Ended June 30, 2008
(as a percent)



Expenses - Governmental Activities
For the Fiscal Year Ended June 30, 2008
(as a percent)





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Independent Auditor’s Report

The Members of the 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 (City) as of and for the fiscal year ended June 30, 2008, 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’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 the 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, 2008, and the respective changes in financial position and cash flows, 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 basic financial statements effective July 1, 2007, the City of Calabasas adopted Governmental Accounting Standards Board (GASB) Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfer of Assets and Future Revenues* and Governmental Accounting Standards Board Statement No. 50, *Pension Disclosures – an Amendment of GASB Statements No. 25 and No. 27*.

In accordance with Government Auditing Standards, we have also issued a report dated December 23, 2008, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

The Management’s Discussion and Analysis on pages 27 through 41 and the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund, Landscape District Maintenance Special Revenue Fund, and Developer Impact Fees Special Revenue Fund on pages 85 through 88 are not required parts of the basic financial statements but are 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 debt service and major capital projects budgetary comparison schedules, nonmajor fund budgetary comparison schedules, combining agency fund statements, 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 debt service and major capital projects budgetary comparison schedules, nonmajor fund budgetary comparison schedules, combining internal service fund financial statements and combining agency fund financial statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. 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

Moss, Levy & Hartzheim, LLP
Beverly Hills, California
December 23, 2008



Management’s Discussion and Analysis

Management’s Discussion and Analysis (MD&A)
Fiscal Year Ended June 30, 2008

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, 2008. 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 \$94.9 million*
- *Total net assets increased by \$6.8 million from 2007*
- *Combined ending fund balances for governmental funds experienced a 43.8% decrease*
- *\$36.0 million available for the City’s governmental activities*
- *Unreserved fund balance for the general fund was \$21.0 million*
- *The City’s total long-term debt (\$38.9 million) was reduced by \$0.2 million*

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 4th 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

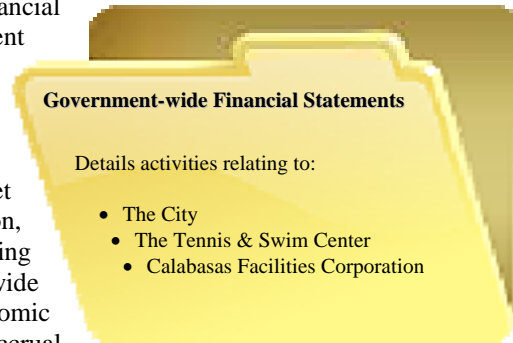


Fund respectively. Notes to the financial statements include support and other qualifying documentation as warranted.

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 user’s tax, transient occupancy tax, sales tax, property tax, and franchise tax, and by b) intergovernmental revenues such as motor vehicle in-lieu fees. Governmental activities of the City are inclusive of general government, police, public works, traffic and transportation, community development, and community services such as parks and recreation. As mentioned earlier, tax revenue principally funds these activities. Consequently, a good portion of the City’s basic services is reported in this category.

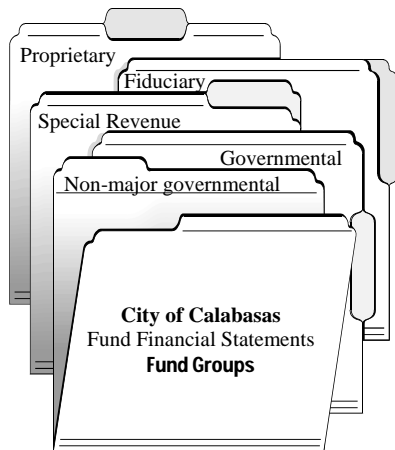
Component units are legally separate entities that the City is either financially accountable for or shares a significant relationship with in such a way that their exclusion would cause the City’s financial statements to be misleading or incomplete. The Calabasas Facilities Corporation (termed the “Corporation”) meets the



criteria of component unit classification and has thus been included as a blended component unit in the governmental activities statements.

Business-type activities are funded in large part through the assignment of user fees charged to external parties for goods or services. In other words, the City charges a fee to parties to cover all or most of the cost of certain services it provides. The City’s Tennis and Swim Center is reported in this category.

Fund Financial Statements.



Fund Financial Statements cover segregated groupings of related accounts whose funds have been designated for specific activities or purpose. They provide a detailed accounting of revenue and expenditures, assets and liabilities, and remaining fund balances for each fund. This helps to ensure and demonstrate finance-related legal compliance.

Fund financial statements differ from activity reports due to the way capital outlay, depreciation, long-term debt, compensated absences, deferred revenues, and intergovernmental receivables are reported. The impact of these differences is laid out in the notes accompanying the financial statements.

Funds required by State law and by bond covenants (i.e., Proposition A & C, and Highway Users Tax) are part of the fund financial statements. Likewise, other funds (i.e., Developer

Impact Fees, Grants, and Storm Damage) established to provide the City with tighter fiscal controls and accountability are itemized on these statements. The following sections provide a more in-depth detailing of the fund groups.

Governmental funds 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.

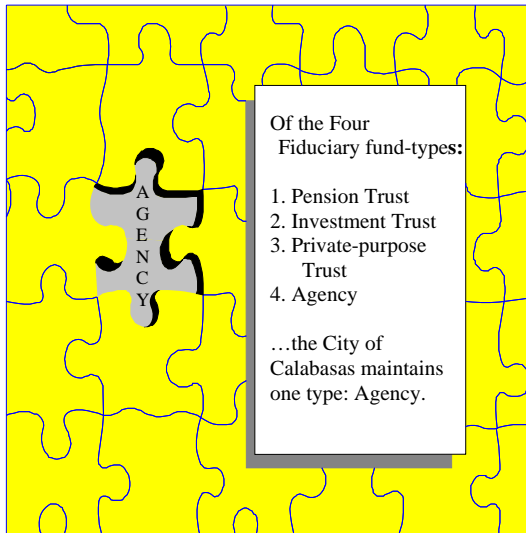
Governmental funds statements are included in subsequent pages of this report.

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 seven 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

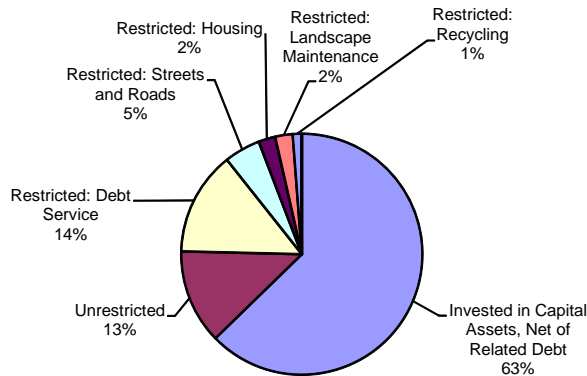
Net assets. Recall that the statement of net assets outlines the City’s assets and liabilities with the delta of the two being recorded as the net assets. The City’s net assets can be separated into three primary categories: 1) Capital assets – net of related debt, 2) unrestricted assets, and 3) restricted assets. As shown in Chart 1, the largest portions of the City’s net assets are found in capital assets – net of related debt (63%), debt service (14%), and unrestricted assets (13%). The percentage of net assets subject to external use restrictions, except for that associated with the servicing of City debt, makes up 10% of the net asset portfolio. Streets and roads, housing, landscape maintenance, and recycling fall under this category.

For purposes of discussion, 63% 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, 2008
 (as a percent)



Thirteen percent (\$12.0 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 of \$6.8 million dollars (7.7%) from the prior fiscal year bringing the total net assets for both governmental activities and business-type activities to \$94.9 million. The greatest cause for the increase in net assets is the amount reported for the value of the City’s capital assets, including the value of the City’s new civic center. 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, 2008
(amounts in millions)

	Governmental activities		Business-type activities		Total	
	2008	2007	2008	2007	2008	2007
Cash and investments	\$ 37.5	\$ 66.4	\$ 0.4	\$ 0.6	\$ 37.9	\$ 67.0
Other current assets	4.1	3.9	-	-	4.1	3.9
Capital Assets	94.4	59.0	2.1	2.1	96.5	61.1
Other non-current assets	1.6	1.9	-	-	1.6	1.9
Total assets	\$ 137.6	\$ 131.2	\$ 2.5	\$ 2.7	\$ 140.1	\$ 133.9
Current liabilities	\$ 6.6	\$ 6.7	\$ 0.1	\$ 0.1	\$ 6.7	\$ 6.8
Non-current liabilities	38.5	39.0	-	-	38.5	39.0
Total liabilities	\$ 45.1	\$ 45.7	\$ 0.1	\$ 0.1	\$ 45.2	\$ 45.8
Total Net Assets:	\$ 92.5	\$ 85.5	\$ 2.4	\$ 2.6	\$ 94.9	\$ 88.1
Invested in capital assets, net of related debt	\$ 57.4	\$ 21.9	\$ 2.1	\$ 2.0	\$ 59.5	\$ 23.9
Restricted	23.4	43.3	-	-	23.4	43.3
Unrestricted	11.7	20.3	0.3	0.6	12.0	20.9
Total Net Assets	\$ 92.5	\$ 85.5	\$ 2.4	\$ 2.6	\$ 94.9	\$ 88.1

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

Governmental activities expenses totaled \$29.5 million. Of this, \$7.4 million (community services department expenses), \$4.1 million (public works), \$4.0 million (public safety), and \$10.8 million (general government department expenses) account for slightly greater than 89% of governmental activity expenditures. City funding for governmental activities was derived from \$26.0 million (72.6%) in general revenue and such sources as program revenue, which contributed \$9.8 million (27.4%). Program revenue funds were secured from \$3.2 million in charges for services and \$6.6 million from 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 \$92.5 million representing an upward adjustment of \$7.0 million since the fiscal year ended June 30, 2007 due mostly to an increased receipt of sales tax and property tax revenue, and a decrease in public work expenses. Chart 3 presents a five-year comparison of net assets for governmental activities.



As of this printing, tax revenue (59.8%) was the single greatest source of City revenues for governmental activities. Total tax revenues collected for governmental activities improved by \$3.6 million compared to the prior fiscal year, again, mostly caused by increases in both sales and property tax. A strong economy and the boost in new automobile sales contributed to the increase in both sales and property 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, 2008
(amounts in millions)

	Governmental activities		Business-type activities		Total	
	2008	2007	2008	2007	2008	2007
Revenue:						
Program Revenue:						
Charges for services	\$ 3.2	\$ 6.1	\$ 3.0	\$ 2.9	\$ 6.2	\$ 9.0
Operating grants and contributions	0.4	0.6	-	-	0.4	0.6
Capital grants and contributions	6.2	3.3	-	-	6.2	3.3
General Revenue:						
Taxes:						
Utility users tax	3.7	3.6	-	-	3.7	3.6
Transient occupancy tax	1.3	1.5	-	-	1.3	1.5
Sales tax	6.8	6.4	-	-	6.8	6.4
Property tax	8.8	5.6	-	-	8.8	5.6
Franchise tax	0.8	0.7	-	-	0.8	0.7
Other tax	-	-	-	-	-	-
Motor vehicle in-lieu	1.9	1.8	-	-	1.9	1.8
Use of money and property	2.4	2.6	-	-	2.4	2.6
Miscellaneous	0.3	0.1	-	-	0.3	0.1
Transfers	-	-	-	-	-	-
Extraordinary Item:						
Insurance settlement	-	-	-	-	-	-
Prior period adjustments						
	-	-	-	-	-	-
Total Revenue	\$ 35.8	\$ 32.3	\$ 3.0	\$ 2.9	\$ 38.8	\$ 35.2
Expenses:						
General Government	\$ 10.8	\$ 9.8	\$ -	\$ -	\$ 10.8	\$ 9.8
Public Safety	4.0	3.8	-	-	4.0	3.8
Public Works	4.1	9.9	-	-	4.1	9.9
Community Development	1.1	0.9	-	-	1.1	0.9
Community Services	7.4	7.3	-	-	7.4	7.3
Interest and fiscal charges	2.1	1.1	-	-	2.1	1.1
Unallocated depreciation	-	-	-	-	-	-
Tennis and Swim Center	-	-	3.2	3.1	3.2	3.1
Total Expenses	\$ 29.5	\$ 32.8	\$ 3.2	\$ 3.1	\$ 32.7	\$ 35.9
Change in Net Assets	\$ 6.3	\$ (0.5)	\$ (0.2)	\$ (0.2)	\$ 6.1	\$ (0.7)
Net Assets - Beginning of Year	85.5	85.9	2.6	2.5	88.1	88.4
Prior Period Adjustments	0.7	0.1	-	0.3	0.7	0.4
Net Assets - End of Fiscal Year	\$ 92.5	\$ 85.5	\$ 2.4	\$ 2.6	\$ 94.9	\$ 88.1



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, 2008
(amounts in millions)

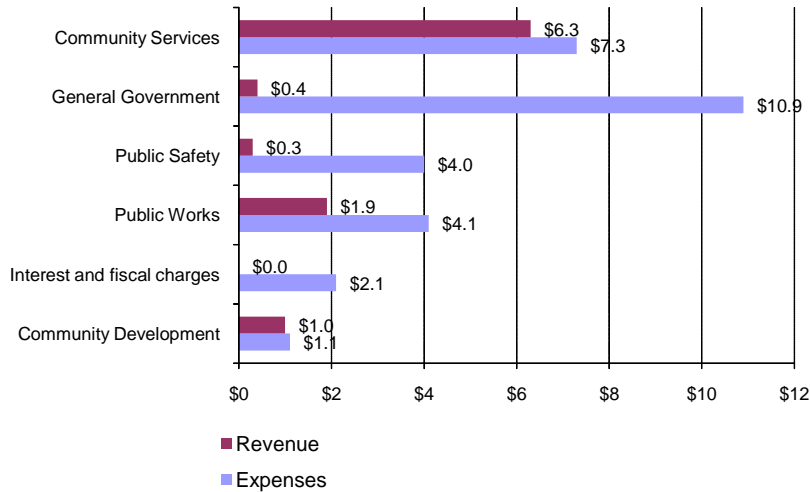
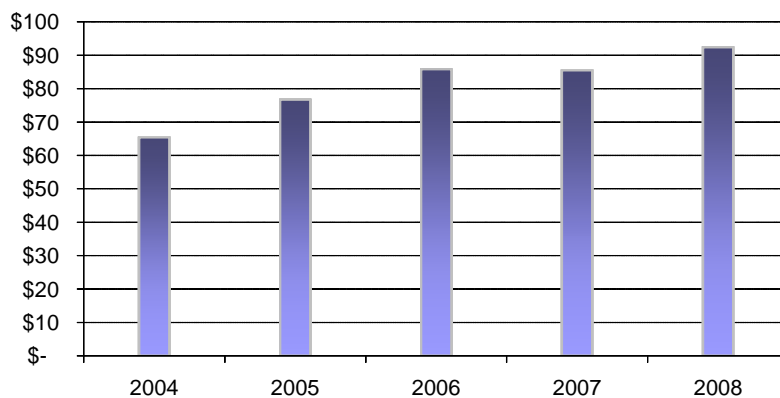


Chart 3 Five-year comparisons of net assets for governmental activities.

Chart 3

Total Net Assets - Governmental Activities

For the Fiscal Year Ended June 30, 2008
(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, 2008
 (as a percent)

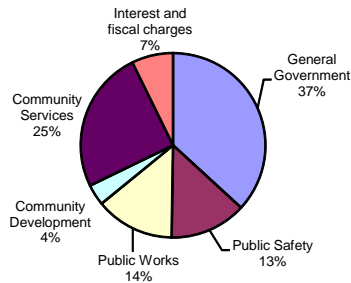
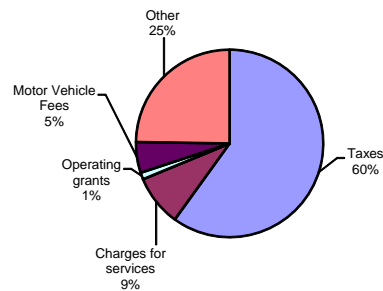


Chart 5

Revenues by Source - Governmental Activities
 For the Fiscal Year Ended June 30, 2008
 (as a percent)

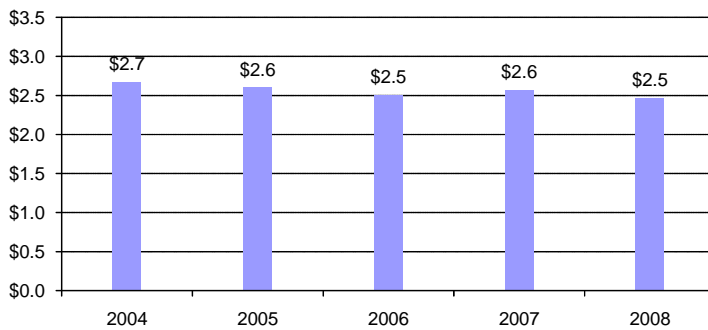


Business-type activities. As mentioned earlier, business-type activities are funded in large part through the assignment of user fees imposed on external parties in exchange for goods or services. The Tennis and Swim Center (the “Center”) is reported in this category. Business-activity revenue remained significantly unchanged from 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 \$0.2 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 Five-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, 2008
 (amounts in millions)





At the close of the current fiscal year, total net assets for business-type activities were \$2.4 million. Revenue, mainly stemming from Center fees, totaled \$3.0 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, \$0.5 million – supplies and utilities, and \$0.7 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 was reduced when compared to the previous fiscal year. The \$21.0 million general fund balance depicts an overall decrease of \$1.4 million from the prior fiscal year mainly due to the year-end transfer of funds to pay for City-wide street improvements.

The total ending fund balance for the City’s governmental funds was \$36.0 million, which represented a \$28.1 million or 43.8% decrease from the prior fiscal year. The majority of the decrease was caused by the spending of monies received through the issuance of a Certificate of Participation used to help finance the construction of the new Civic Center which opened in July 2008. Of the total fund balance, \$22.2 million was identified as unreserved thereby making these funds available for appropriation. The reserved portion of the fund balance totaled \$13.8 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 \$0.2 million over last year bringing the total revenue for the fiscal year to \$21.4 million. Of this, \$15.5 million (72.3%) was generated by taxes, \$0.9 million (licenses and fees), \$1.9 million (intergovernmental), \$1.6 million (charges for services), and \$1.5 million (others) represents source specific income that contributed to the general fund’s total revenue balance (see Chart 7).

Expenditures. A \$1.4 million dollar increase in General Fund expenditures from the prior fiscal year is noted, bringing the total expenditures to \$19.7 million. The increase in general fund expenses is attributed mostly to a general fund contribution to the repair and maintenance of city-wide streets.

Special revenue funds. Fund balances for special revenue funds (Landscape Maintenance Districts and Developer Impact Fees) experienced no change from the prior fiscal year with a combined fund balance of \$6.3 million. The ending fund balance for the Landscape Maintenance District was \$2.2 million, where the ending balance for Developer Impact Fees was \$4.1 million.

Capital projects. The Capital Improvement fund should reflect a zero or near zero fiscal year ending balance. This is expected since capital project fund revenues are project specific and are funded by other sources in amounts equal to the amount spent. Greater than the prior fiscal year by \$2.0 million, this year’s expenditures totaled \$6.6 million. Primary expenditures included \$5.0 million for public work projects, and \$1.6 million for transportation projects.

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



Total revenue of \$4.5 million for non-major governmental funds is slightly lower than the prior fiscal year by (\$0.4) million. The major revenue sources included intergovernmental revenue at \$2.4 million, taxes at \$1.8 million, and uses of money and property at \$0.4 million. (See Chart 8).

Expenditures totaled \$2.4 million, fundamentally unchanged from last fiscal year. The greatest expenditure of \$2.1 million was in the area of community services General government expenditures totaled \$0.1 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 decreased by (\$0.9) million bringing the total fund balances to \$6.3 million (see Chart 10).

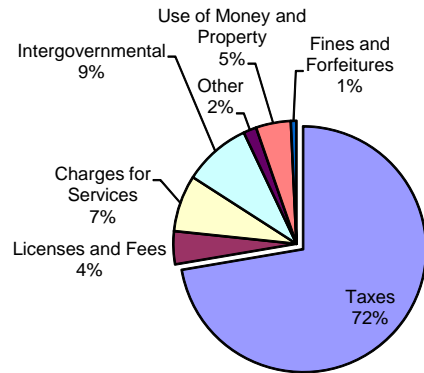
Proprietary funds. As mentioned in the business-type activities discussion, the City accounts for one proprietary fund: The Tennis and Swim Center. The Center received its operating revenue exclusively from fees associated with services. This fiscal year total revenue received was \$3.0 million, higher than that of last fiscal year by \$0.1 million. Operating expenses remained unchanged from last fiscal year and totaled \$3.2 million.

Fiduciary (agency) funds. The City of Calabasas has seven agency funds, which consist of Las Virgenes Parking Authority, Community Facilities District 98-1, Community Facilities District 2001-1, Community Facilities District 2006, 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 \$15.0 million, up from \$14.2 million last fiscal year.

Chart 7 General fund revenue sources.

Chart 7

Revenue by Source - General Fund
 For the Fiscal Year Ended June 30, 2008
 (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, 2008
 (as a percent)

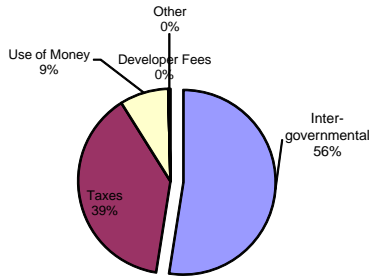


Chart 9

Expenses - Non-major Governmental Funds
 For the Fiscal Year Ended June 30, 2008
 (as a percent)

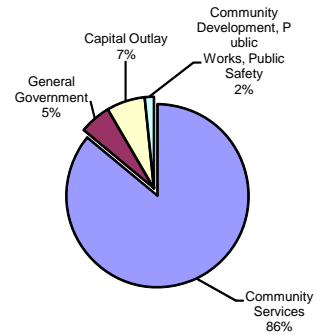
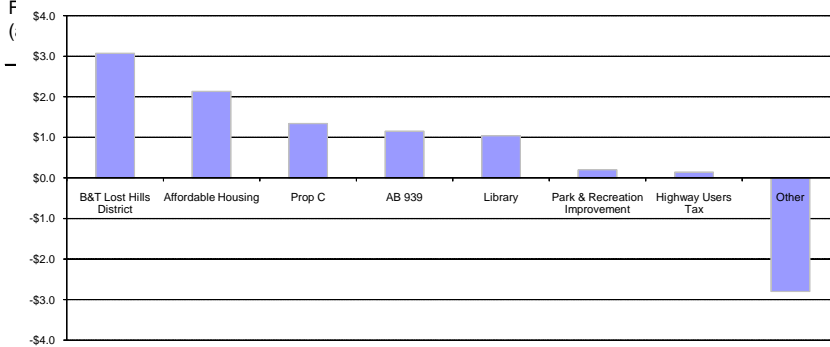


Chart 10 Fiscal year ending fund balances for the non-major governmental funds.

Chart 10

Fund Balances - Non-major Governmental Funds





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 \$96.5 million (net of accumulated depreciation). The City’s capital assets increased by \$35.5 million due to “construction in progress” related to the new civic center. 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, 2008
 (amounts in millions)

	Governmental Activities	Business-type Activities	Total
Land	\$ 5.068	\$ 0.838	\$ 5.906
Construction in progress	50.894	0.485	51.379
Buildings	0.570	0.692	1.262
Equipment	4.147	0.124	4.271
Investment in joint venture	1.100	-	1.100
Infrastructure	32.552	-	32.552
Total	\$ 94.331	\$ 2.139	\$ 96.470

Long-term liabilities. Debt liability for governmental activities decreased by \$0.2 million from last fiscal year due to payment of regularly scheduled debt service payments for the 2005 Refunding Certificates of Participation for the continued lease of Creekside Park. Total outstanding balance owed for the COPs is \$38.5 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, 2008
 (amounts in millions)

	Governmental Activities	Business-type Activities	Total
2005 Refunding Certificates of Participation	\$ 3.480	\$ -	\$ 3.480
2006 Certificates of Participation	35.000		35.000
Compensated absences payable	0.433	0.020	0.453
Total	\$ 38.913	\$ 0.020	\$ 38.933



GENERAL FUND BUDGETARY HIGHLIGHTS

- In July 2008, the City adopted a biennial budget identifying revenue and expenditures for the two-year period ending June 2010. 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 \$1.3 million greater than the original budgeted amount. Total General Fund revenue received during the fiscal year was \$21.4 million.
- The City under-ran its General Fund budgeted expenditures by \$0.6 million, mostly in the areas of personnel services.
- Net of transfers and prior period adjustments, the General Fund’s ending fund balance for fiscal year ended June 30, 2008 was \$21.0 million, down (\$1.4) million from the previous fiscal year due to a transfer of funds for street repair and maintenance projects.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Economic Factors

Like many California cities, the City of Calabasas has been called to address several economic challenges. It is expected that the future cost of inflation as it pertains to employee salaries and the cost to purchase materials and services will require focus. Higher forecasted health costs, worker’s compensation, and retirement benefits will remain a concern and will be reflected in the upcoming budget.

Revenue from sales tax generated by new automobile dealerships in the City is expected to slow as the result of the sub-prime mortgage scare. Additionally, revenue received from citizen participation in programs the City offers is also likely to decrease as the pressures of maintaining a household mounts. It is also expected that property tax and transfer tax revenue will plateau as home prices stabilize and the sale of homes slow.

Next Year’s Budget

The budget will continue to focus on four main purposes:

1. Present a clear picture to residents, council, and staff regarding the City’s direction,
2. Provide an overview and summary of City Funds,
3. Identify Capital Improvement Projects (CIPs), Department / City special projects, and other discretionary spending items, and
4. Improve financial tracking

The 2008-09 approved General Fund spending plan is approximately \$23.0 million.

A new two-year budget with an annual review is being developed and is slated for release on July 1, 2009. 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 fiscal period. Still, those funds are expected to have a positive ending fund balance to pay for the overages.

City management, namely the City Manager and the Chief Financial Officer will be especially challenged in two areas: 1) to reduce expenditures through the discovery and implementation of cost saving programs; 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
Office of Finance
c/o Dr. Gary J. Lysik, CFO
100 Civic Center Way
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, 2008**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Current Assets:			
Cash and investments	\$ 23,660,387	\$ 386,120	\$ 24,046,507
Cash and investments with fiscal agents	13,786,148		13,786,148
Accounts and taxes receivable	1,795,713	1,892	1,797,605
Deferred charges	51,768		51,768
Interest receivable	240,850	3,487	244,337
Intergovernmental receivable	2,059,366		2,059,366
Prepaid items		2,975	2,975
Total Current Assets	41,594,232	394,474	41,988,706
Non-current Assets:			
Loans receivable- employees	15,270	548	15,818
Notes receivable	38,780		38,780
Deferred charges	1,171,110		1,171,110
Deferred loss on refunding	483,669		483,669
Capital assets:			
Not being depreciated	55,961,778	837,819	56,799,597
Being depreciated, net of accumulated depreciation	38,369,032	1,301,195	39,670,227
Total Non-current Assets	96,039,639	2,139,562	98,179,201
Total Assets	137,633,871	2,534,036	140,167,907
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	5,450,061	48,303	5,498,364
Interest payable	523,866		523,866
Retention payable	112,221		112,221
Current portion of long-term liabilities	564,666	17,558	582,224
Total Current Liabilities	6,650,814	65,861	6,716,675
Non-current Liabilities			
Bonds premium	162,637		162,637
Long-term liabilities, net of current portion	38,348,017	2,893	38,350,910
Total Non-current Liabilities	38,510,654	2,893	38,513,547
Total Liabilities	45,161,468	68,754	45,230,222
NET ASSETS			
Invested in capital assets, net of related debt	57,394,720	2,139,014	59,533,734
Restricted for:			
Debt service	13,253,422		13,253,422
Streets/roads	4,601,711		4,601,711
Housing	2,133,948		2,133,948
Landscape maintenance	2,224,349		2,224,349
Recycling	1,153,170		1,153,170
Unrestricted	11,711,083	326,268	12,037,351
Total Net Assets	\$ 92,472,403	\$ 2,465,282	\$ 94,937,685

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, 2008**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 10,861,438	\$ 433,822	\$ -	\$ -
Public safety	3,960,090	264,409		
Public works	4,081,055	45,690		1,806,667
Community development	1,087,358	928,970	33,896	
Community services	7,356,361	1,480,245	382,711	4,418,506
Interest and fiscal charges	2,141,369			
Total Governmental Activities	29,487,671	3,153,136	416,607	6,225,173
Business-type Activities:				
Tennis & swim center	3,169,277	3,045,535		
Total Business-type Activities	3,169,277	3,045,535		
Total Primary Government	\$ 32,656,948	\$ 6,198,671	\$ 416,607	\$ 6,225,173

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

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Fiscal Year

Prior Period Adjustments

Net Assets - Beginning of Fiscal Year, Restated

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
\$ (10,427,616)	\$ -	\$ (10,427,616)
(3,695,681)		(3,695,681)
(2,228,698)		(2,228,698)
(124,492)		(124,492)
(1,074,899)		(1,074,899)
(2,141,369)		(2,141,369)
(19,692,755)		(19,692,755)
	(123,742)	(123,742)
	(123,742)	(123,742)
(19,692,755)	(123,742)	(19,816,497)
3,665,484		3,665,484
1,342,425		1,342,425
6,813,339		6,813,339
8,814,322		8,814,322
786,351		786,351
1,894,868		1,894,868
2,350,712	21,620	2,372,332
271,681		271,681
25,939,182	21,620	25,960,802
6,246,427	(102,122)	6,144,305
85,531,428	2,568,598	88,100,026
694,548	(1,194)	693,354
86,225,976	2,567,404	88,793,380
\$ 92,472,403	\$ 2,465,282	\$ 94,937,685



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

**CITY OF CALABASAS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 June 30, 2008**

	General	Special Revenue Funds	
		Landscape District Maintenance	Developer Impact Fees
ASSETS:			
Cash and investments	\$ 7,538,906	\$ 2,496,384	\$ 4,038,058
Cash and investments with fiscal agents			
Receivables:			
Accounts and taxes	1,583,300	102,212	
Interest	113,095	20,228	35,761
Intergovernmental			
Due from other funds	12,793,249		
Loans receivable, employees	15,270		
Notes receivable			
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 22,043,820</u>	<u>\$ 2,618,824</u>	<u>\$ 4,073,819</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 1,045,012	\$ 355,157	\$ -
Due to other funds		39,318	
Deferred revenue			
Retention payable			
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>1,045,012</u>	<u>394,475</u>	
Fund balances			
Reserved:			
Long-term receivables	15,270		
Debt service			
Unreserved:			
General fund	20,983,538		
Special revenue funds		2,224,349	4,073,819
Capital projects funds			
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>20,998,808</u>	<u>2,224,349</u>	<u>4,073,819</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 22,043,820</u>	<u>\$ 2,618,824</u>	<u>\$ 4,073,819</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



<u>Capital Projects Funds</u>				Nonmajor Governmental Funds	Total Governmental Funds
<u>Capital Improvement</u>	<u>Civic Center</u>	<u>Debt Service</u>			
\$ 560,344	\$ -	\$ - 13,786,148		\$ 9,026,695	\$ 23,660,387 13,786,148
	8,447	(67)		110,201 63,386 2,059,366	1,795,713 240,850 2,059,366 12,793,249 15,270 38,780
				<u>38,780</u>	<u>38,780</u>
<u>\$ 560,344</u>	<u>\$ 8,447</u>	<u>\$ 13,786,081</u>		<u>\$ 11,298,428</u>	<u>\$ 54,389,763</u>
\$ 560,344	\$ 3,260,015 7,980,673	\$ - 8,793		\$ 229,533 4,764,465 38,780	\$ 5,450,061 12,793,249 38,780
<u>86,485</u>	<u>22,002</u>			<u>3,734</u>	<u>112,221</u>
<u>646,829</u>	<u>11,262,690</u>	<u>8,793</u>		<u>5,036,512</u>	<u>18,394,311</u>
		13,777,288			15,270 13,777,288
				6,261,916	20,983,538 12,560,084 (11,340,728)
<u>(86,485)</u>	<u>(11,254,243)</u>				<u>(11,340,728)</u>
<u>(86,485)</u>	<u>(11,254,243)</u>	<u>13,777,288</u>		<u>6,261,916</u>	<u>35,995,452</u>
<u>\$ 560,344</u>	<u>\$ 8,447</u>	<u>\$ 13,786,081</u>		<u>\$ 11,298,428</u>	<u>\$ 54,389,763</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2008

Fund balances for governmental funds		\$	35,995,452
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.			
			94,330,810
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	\$	(38,480,000)	
Compensated absences		(432,683)	
Interest payable		<u>(523,866)</u>	
			(39,436,549)
The following are recorded as expenditures or other financing sources in the governmental funds, but which are capitalized and amortized in the statement of net assets. These amounts are net of accumulated amortization.			
Deferred charges	\$	1,222,878	
Deferred loss on refunding		483,669	
Bonds premium		<u>(162,637)</u>	
			1,543,910
Long-term notes receivable are offset by deferred revenue in the governmental funds as they do not represent financial resources.			
			<u>38,780</u>
Net assets of governmental activities		\$	<u>92,472,403</u>

See Accompanying Notes to Basic Financial Statements



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CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2008

	General	Special Revenue Funds	
		Landscape District Maintenance	Developer Impact Fees
REVENUES			
Taxes	\$ 15,459,141	\$ 4,208,929	\$ -
Licenses and fees	928,970		
Intergovernmental	1,894,868		
Fines and forfeitures	158,210		
Developer fees			45,690
Use of money and property	978,589		203,640
Charges for services	1,590,214		
Other, donations, and reimbursements	365,786		
Total Revenues	<u>21,375,778</u>	<u>4,208,929</u>	<u>249,330</u>
EXPENDITURES			
Current:			
General government	10,696,865		
Public safety	3,823,409		
Public works	2,695,840		
Community development	990,500		
Community services	1,156,741	3,637,547	
Transfers out to agency fund	146,587		
Capital outlay	231,378		
Debt service:			
Principal retirement			
Interest and fiscal charges			
Total Expenditures	<u>19,741,320</u>	<u>3,637,547</u>	
Excess of Revenues over (under) Expenditures	<u>1,634,458</u>	<u>571,382</u>	<u>249,330</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	82,182		
Transfers out	<u>(3,021,920)</u>	<u>(8,751)</u>	<u>(877,975)</u>
Total Other Financing Sources (Uses)	<u>(2,939,738)</u>	<u>(8,751)</u>	<u>(877,975)</u>
Net Change in Fund Balances	<u>(1,305,280)</u>	<u>562,631</u>	<u>(628,645)</u>
Fund Balances (deficit), Beginning of Fiscal Year	22,351,344	1,669,772	4,702,464
Prior Period Adjustments	<u>(47,256)</u>	<u>(8,054)</u>	
Fund Balances (deficit), Beginning of Fiscal Year (restated)	<u>22,304,088</u>	<u>1,661,718</u>	<u>4,702,464</u>
Fund Balances (deficit), End of Fiscal Year	<u>\$ 20,998,808</u>	<u>\$ 2,224,349</u>	<u>\$ 4,073,819</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



Capital Projects Funds				
Capital Improvement	Civic Center	Debt Service	Nonmajor Governmental Funds	Total Governmentals Funds
\$ -	\$ -	\$ -	\$ 1,753,849	\$ 21,421,919
	4,356,407		2,385,373	928,970
			16,324	8,636,648
	47,357	951,392	388,380	174,534
			979	45,690
				2,569,358
				1,590,214
				366,765
	<u>4,403,764</u>	<u>951,392</u>	<u>4,544,905</u>	<u>35,734,098</u>
				10,696,865
			135,869	3,959,278
				2,695,840
			39,644	1,030,144
			2,094,883	6,889,171
				146,587
6,593,373	28,927,994		166,157	35,918,902
		280,000		280,000
		<u>1,646,824</u>		<u>1,646,824</u>
<u>6,593,373</u>	<u>28,927,994</u>	<u>1,926,824</u>	<u>2,436,553</u>	<u>63,263,611</u>
<u>(6,593,373)</u>	<u>(24,524,230)</u>	<u>(975,432)</u>	<u>2,108,352</u>	<u>(27,529,513)</u>
6,452,644	19,608,405	416,274	1,718,171	28,277,676
		<u>(19,608,405)</u>	<u>(4,760,625)</u>	<u>(28,277,676)</u>
<u>6,452,644</u>	<u>19,608,405</u>	<u>(19,192,131)</u>	<u>(3,042,454)</u>	
<u>(140,729)</u>	<u>(4,915,825)</u>	<u>(20,167,563)</u>	<u>(934,102)</u>	<u>(27,529,513)</u>
62,799	(6,338,418)	33,938,001	7,693,148	64,079,110
<u>(8,555)</u>		<u>6,850</u>	<u>(497,130)</u>	<u>(554,145)</u>
<u>54,244</u>	<u>(6,338,418)</u>	<u>33,944,851</u>	<u>7,196,018</u>	<u>63,524,965</u>
<u>\$ (86,485)</u>	<u>\$ (11,254,243)</u>	<u>\$ 13,777,288</u>	<u>\$ 6,261,916</u>	<u>\$ 35,995,452</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2008

Net change in fund balances - total governmental funds		\$	(27,529,513)
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	\$	35,789,018	
Depreciation		<u>(1,691,803)</u>	34,097,215
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities.			
			280,000
Interest is not accrued in the governmental funds. However, it is to be accrued in the statement of activities. This is the net change.			
			(387,302)
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.			
			(56,919)
Amortization of deferred charges is not an expense of the governmental funds, but under the full accrual method is a component of interest expense.			
			(49,771)
Amortization of deferred loss on refunding is not an expense of the governmental funds, but under the full accrual method is a component of interest expense.			
			(57,468)
Certain notes receivable are reported in the governmental funds as expenditures and then offset by a deferred revenue as they are not available to pay current expenditures. Likewise when the note is collected it is reflected in revenue. This is the net change between notes receivable collected and issued. (Collected \$49,815) (Issued \$0)			
			(49,815)
Change in net assets of governmental activities		\$	<u>6,246,427</u>

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS
STATEMENT OF NET ASSETS
PROPRIETARY FUND
June 30, 2008**

	Tennis and Swim Center
ASSETS	
Current Assets:	
Cash and investments	\$ 386,120
Accounts and taxes receivable	1,892
Interest receivable	3,487
Loan receivable, employees	548
Prepaid items	2,975
Total Current Assets	395,022
Noncurrent assets:	
Capital assets	
Land	837,819
Depreciable buildings and improvements, net	1,177,283
Depreciable equipment, net	123,912
Total Noncurrent Assets	2,139,014
Total Assets	2,534,036
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities	48,303
Compensated absences	17,558
Total Current Liabilities	65,861
Noncurrent Liabilities	
Compensated absences	2,893
Total Noncurrent Liabilities	2,893
Total Liabilities	68,754
NET ASSETS	
Invested in capital assets	2,139,014
Unrestricted	326,268
Total Net Assets	\$ 2,465,282

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2008

	<u>Tennis and Swim Center</u>
OPERATING REVENUES	
Tennis and swim fees	\$ 2,976,988
Other	<u>68,547</u>
Total Operating Revenues	<u>3,045,535</u>
OPERATING EXPENSES	
Administration	136,505
Salaries and benefits	527,491
Outside services	174,303
Materials, supplies, and other operating expenses	371,930
Utilities	166,502
Top Seed	1,565,183
Depreciation	<u>227,363</u>
Total Operating Expenses	<u>3,169,277</u>
Operating Income	(123,742)
NON-OPERATING REVENUES	
Interest	<u>21,620</u>
Change in Net Assets	<u>(102,122)</u>
Net Assets, Beginning of Fiscal Year	2,568,598
Prior Period Adjustments	<u>(1,194)</u>
Net Assets, Beginning of Fiscal Year, restated	<u>2,567,404</u>
Net Assets, End of Fiscal Year	<u>\$ 2,465,282</u>

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Fiscal Year Ended June 30, 2008**

	Tennis and Swim Center
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tennis and swim fees	\$ 2,976,988
Receipts from other operating activities	68,547
Payments to suppliers	(2,438,168)
Payments to employees	(528,357)
	79,010
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(320,278)
	(320,278)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	20,280
	20,280
Increase (decrease) in cash and cash equivalents	(220,988)
Cash and Cash Equivalents, Beginning of Fiscal Year	607,108
Cash and Cash Equivalents, End of Fiscal Year	\$ 386,120
RECONCILIATION OF OPERATING INCOME TO NET CASH (USED) BY OPERATING ACTIVITIES:	
Operating income	\$ (123,742)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	227,363
Changes in assets and liabilities:	
Increase (decrease) in loan receivables	(548)
Increase (decrease) in compensated absences	876
Increase (decrease) in due to other funds	(2,928)
Increase (decrease) in account payable and accrued liabilities	(22,011)
	79,010
Net Cash Provided by Operating Activities	\$ 79,010

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
STATEMENT OF FIDUCIARY NET ASSETS
June 30, 2008

	Agency Funds
ASSETS	
Cash and investments	\$ 12,024,957
Cash and investments with fiscal agents	2,641,027
Interest receivable	95,659
Special taxes receivable	279,319
	<hr/>
Total Assets	15,040,962
	<hr/>
LIABILITIES	
Accounts payable and accrued liabilities	8,600,398
Deposits	818,590
Due to bondholders	5,621,974
	<hr/>
Total Liabilities	15,040,962
	<hr/>
NET ASSETS	<hr/> <hr/> \$ -

See Accompanying Notes to Basic Financial Statements



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CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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 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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1 **Summary of Significant Accounting Policies (Continued)**

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

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.

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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1 **Summary of Significant Accounting Policies (Continued)**

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

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.

The City reports the following major governmental funds:

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

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

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

Capital Improvement 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.

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

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, 2008

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.

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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1 **Summary of Significant Accounting Policies (Continued)**

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.

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, 2008

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.

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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1 **Summary of Significant Accounting Policies (Continued)**

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

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.

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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1 **Summary of Significant Accounting Policies (Continued)**

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

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.

F. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 48

For the fiscal year ended June 30, 2008, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues". The Statement is effective for periods beginning after December 15, 2006. This Statement establishes accounting and financial reporting standards for transactions in which a government receives, or is entitled to, resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues. It also contains provisions that apply to certain situations in which a government does not receive resources but, nevertheless, pledges or commits future cash flows generated by collecting specific future revenues. In addition, this statement establishes accounting and financial reporting standards that apply to all intra-entity transfers of assets and future revenues. Implementation of GASB Statement No. 48 did not have an impact on the City's basic financial statements for the fiscal year ended June 30, 2008.

Governmental Accounting Standards Board Statement No. 50

For the fiscal year ended June 30, 2008, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 50, "Pension Disclosures – an Amendment of GASB No. 25 and No. 27". The Statement is effective for periods beginning after June 15, 2007. This Statement established and modifies requirements related to financial reporting by pension plans and by employers that provide defined benefit and defined contribution pensions.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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 Fund:			
Debt Service	\$ 410,131	\$ 1,926,824	\$ 1,516,693
Nonmajor Funds:			
Proposition A	429,200	715,033	285,833
Proposition C	88,500	109,692	21,192
AB 939	135,000	164,171	29,171
Used Oil	20,000	26,891	6,891
TDA		3,847	3,847
COPS - AB 3229	122,900	135,869	12,969

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

The Capital Improvement Capital Projects Fund (Major) has a deficit fund balance of \$86,485 that due to expenditures being incurred but grant revenue is not available. The Civic Center Capital Project Fund (Major) has a deficit fund balance of \$11,254,243 that due to expenditures being incurred but grant revenue is not available. The Proposition A Special Revenue Fund has a deficit fund balance of \$179,746 that should be alleviated as additional revenues are received. The Community Development Block Grant Special Revenue Fund has a deficit fund balance of \$27,752 that should be alleviated as additional revenues are received. The Used Oil Grant Special Revenue Fund has a deficit fund balance of \$39,614 that should be alleviated as additional revenues are received. The TDA Special Revenue Fund has a deficit fund balance of \$6,017 that should be alleviated as additional revenues are received. The Storm Damage Special Revenue Fund has a deficit fund balance of \$685,001 that should be alleviated as additional revenues are received. The COPS AB3229 Special Revenue Fund has a deficit fund balance of \$13,088 that should be alleviated as additional revenues are received. The Grants Special Revenue Fund has a deficit fund balance of \$2,000,802 that due to expenditures being incurred but grant revenue is not available.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 3 Cash and Investments

Cash and investments as of June 30, 2008 are classified in the accompanying financial statements as follows:

Statement of net assets:	
Cash and investments	\$ 24,046,507
Restricted cash and investments with fiscal agents	13,786,148
Fiduciary funds:	
Cash and investments	12,024,957
Restricted cash and investments with fiscal agents	2,641,027
Total cash and investments	\$ 52,498,639

Cash and investments as of June 30, 2008 consist of the following:

Cash on hand	\$ 497,766
Deposits with financial institutions	(35,689)
Investments	52,036,562
Total cash and investments	\$ 52,498,639

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.

<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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 3 Cash and Investments (Continued)

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.**

<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:

<u>Investment Type</u>	<u>Totals</u>	<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25-60 Months</u>	<u>More Than 6 Months</u>
State Investment Pool	\$ 31,609,387	\$ 31,609,387	\$ -	\$ -	\$ -
Certificates of Deposit	4,000,000	4,000,000			
Held by Debt Trustee:					
Federal Agency Securities	748,553	748,553			
Money Market Funds	15,678,622	15,678,622			
	<u>\$ 52,036,562</u>	<u>\$ 52,036,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 3 Cash and Investments (Continued)

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	\$ 31,609,387	N/A	\$ -	\$ -	\$ -	\$ -	\$ 31,609,387
Certificates of Deposit	4,000,000	N/A			4,000,000		
Held by Debt Trustee:							
Federal Agency Securities	748,553						748,553
Money Market Funds	15,678,622	N/A					15,678,622
Total	\$ 52,036,562		\$ -	\$ -	\$ 4,000,000	\$ -	\$ 48,036,562

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
Bear Stearns	Certificates of Deposit	\$ 4,000,000

Investments in any one issuer that represent 5% or more of total investments **by reporting unit** (primary government, governmental activities, business type activities, fiduciary funds, major funds, nonmajor funds in the aggregate, etc.) are as follows:

\$4,000,000 of the cash and investments (including amounts held by debt trustee) reported in the Governmental Activities Statement of Net Assets are held in certificates of deposit, \$4,000,000 (Certificates of Deposit) issued by Bear Stearns.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 3 Cash and Investments (Continued)

G. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2008, \$0 of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2008, 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	\$ 748,553
Money market funds	15,678,622

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, 2008:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Governmental Activities -			
Accounts and taxes	\$ 1,795,713	\$ -	\$ 1,795,713
Intergovernmental	2,059,366		2,059,366
	<u>\$ 3,855,079</u>	<u>\$ -</u>	<u>\$ 3,855,079</u>
Business-type Activities -			
Accounts and taxes	<u>\$ 1,892</u>	<u>\$ -</u>	<u>\$ 1,892</u>
Fiduciary Funds:			
Special taxes	\$ 279,319	\$ -	\$ 279,319
	<u>\$ 279,319</u>	<u>\$ -</u>	<u>\$ 279,319</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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, 2008, ten new loans were given totaling \$17,310 and principal on loans was paid in the amount of \$21,641 leaving an outstanding balance as of June 30, 2008 of \$15,818.
- 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 that are outstanding for 10 years on a graduated schedule were forgiven during the fiscal year ended June 30, 2008. The outstanding balance of the notes as of June 30, 2008 was \$38,780.

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, 2008:

	Amortization Period	Deferred Charges	Current Amortization	Accumulated Amortization	Balance at 6/30/2008
2005 Refunding Certificates of Participation	132 months	\$ 223,042	\$ 20,280	\$ 52,390	\$ 170,652
2006 Certificates of Participation	420 months	1,102,082	31,488	49,856	1,052,226
		\$ 1,325,124	\$ 51,768	\$ 102,246	\$ 1,222,878

Note 7 **Interfund Activity**

The following represents the interfund activity of the City for the fiscal year ended June 2008.

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.

	Interfund Receivables	Interfund Payables
Due to/Due from		
Major Funds		
To: General	\$ 12,793,249	\$ -
From: Landscape District Maintenance		39,318
Civic Center		7,980,673
Debt Service		8,793
Nonmajor Funds		
From: Proposition A		175,019
Community Development Block Grant		29,582
Used Oil		28,491
TDA		6,013
Storm Damage		1,762,591
COPS AB3229		1,738
Grants		2,761,031
	\$ 12,793,249	\$ 12,793,249



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 7 **Interfund Activity (Continued)**

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	\$ 82,182	\$ 3,021,920
Landscape District Maintenance		8,751
Developer Impact Fees		877,975
Capital Improvement	6,452,644	
Civic Center	19,608,405	
Debt Service	416,274	19,608,405
Nonmajor Funds:		
Highway Users Tax	1,718,171	2,238,853
Proposition C		196,361
AB 939		29,788
TDA		6,152
Storm Damage		2,633
Grants		2,286,838
Totals	\$ 28,277,676	\$ 28,277,676



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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 infrastructures 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, 2008 is as follows:

	Balance at July 1, 2007	Additions	Deletions	Transfers	Adjustements	Balance at June 30, 2008
Governmental Activities:						
Capital assets, not being depreciated:						
Land	\$ 5,068,059	\$ -	\$ -	\$ -	\$ -	\$ 5,068,059
Construction in progress	24,249,736	35,516,674		(10,251,331)	1,378,640	50,893,719
Total capital assets, not being depreciated	29,317,795	35,516,674		(10,251,331)	1,378,640	55,961,778
Capital assets, being depreciated:						
Buildings	1,553,838					1,553,838
Equipment	2,482,717	272,344		3,104,883		5,859,944
Investment in joint venture - community center	2,813,060					2,813,060
Infrastructure	43,566,534			7,146,448	(129,947)	50,583,035
Total capital assets, being depreciated	50,416,149	272,344		10,251,331	(129,947)	60,809,877
Less accumulated depreciation for:						
Buildings	(880,508)	(103,589)				(984,097)
Equipment	(1,552,488)	(160,145)				(1,712,633)
Investment in joint venture - community center	(1,525,405)	(187,537)				(1,712,942)
Infrastructure	(16,790,641)	(1,240,532)				(18,031,173)
Total accumulated depreciation	(20,749,042)	(1,691,803)				(22,440,845)
Total capital assets, being depreciated, net	29,667,107	(1,419,459)		10,251,331	(129,947)	38,369,032
Governmental activities capital assets, net	\$ 58,984,902	\$ 34,097,215	\$ -	\$ -	\$ 1,248,693	\$ 94,330,810



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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, 2008 is as follows:

	<u>Balance at</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2008</u>
Business type activities:				
Capital assets, not being depreciated:				
Land	\$ 837,819	\$ -	\$ -	\$ 837,819
Total capital assets, not being depreciated	<u>837,819</u>			<u>837,819</u>
Capital assets, being depreciated:				
Improvements	601,702	167,796		769,498
Buildings	2,218,160	152,482		2,370,642
Machinery and equipment	<u>480,630</u>			<u>480,630</u>
Total capital assets, being depreciated	<u>3,300,492</u>	<u>320,278</u>		<u>3,620,770</u>
Less accumulated depreciation for:				
Improvements	(225,152)	(59,153)		(284,305)
Buildings	(1,533,544)	(145,007)		(1,678,551)
Machinery and equipment	<u>(333,516)</u>	<u>(23,203)</u>		<u>(356,719)</u>
Total accumulated depreciation	<u>(2,092,212)</u>	<u>(227,363)</u>		<u>(2,319,575)</u>
Total capital assets, being depreciated, net	<u>1,208,280</u>	<u>92,915</u>		<u>1,301,195</u>
Business-type activities capital assets, net	<u>\$ 2,046,099</u>	<u>\$ 92,915</u>	<u>\$ -</u>	<u>\$ 2,139,014</u>

Depreciation expense was charged to the following functions:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
General government	\$ 149,208	\$ -
Public safety	812	
Public works	1,240,532	
Community services	301,251	
Tennis and swim center		<u>227,363</u>
Total	<u>\$ 1,691,803</u>	<u>\$ 227,363</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 9 **Long-Term Debt**

A. Changes in Long-term Debt

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

	<u>Balance at July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2008</u>	<u>Due Within One Year</u>
Governmental activities:					
2005 Refunding Certificates of Participation	\$ 3,760,000	\$ -	\$ (280,000)	\$ 3,480,000	\$ 305,000
2006 Certificates of Participation	35,000,000			35,000,000	
Compensated absences payable	<u>375,764</u>	<u>316,585</u>	<u>(259,666)</u>	<u>432,683</u>	<u>259,666</u>
Total governmental long-term debt	<u>\$ 39,135,764</u>	<u>\$ 316,585</u>	<u>\$ (539,666)</u>	<u>\$ 38,912,683</u>	<u>\$ 564,666</u>

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

	<u>Balance at July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2008</u>	<u>Due Within One Year</u>
Business-type activities					
Compensated absences payable	<u>\$ 19,575</u>	<u>\$ 18,434</u>	<u>\$ (17,558)</u>	<u>\$ 20,451</u>	<u>\$ 17,558</u>

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 2005 Refunding Certificates of Participation and a contribution from the City of \$2,684,977 in irrevocable trust accounts to provide for all future debt 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 2008, the unpaid principal balance for the defeased bonds was \$5,805,000.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 9 **Long-Term Debt (Continued)**

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, 2008. 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. Certificates outstanding at June 30, 2008, were \$3,480,000.

D. 2006 Certificates of Participation

On November 15, 2006, the City issued \$35,000,000 Certificates of Participation (COPs) bearing interest of 3.625% and 5.0%, payable semi-annually on June 1 and December 1 commencing June 1, 2008. The certificates mature annually at various amounts through December 1, 2041. The Facilities Corporation will receive lease rental amounts sufficient to satisfy debt service on the COPs from the City. The debt proceeds were used to finance the construction of a city hall, library and civic center facility and related infrastructure, equipment and furnishings. Certificates outstanding at June 30, 2008, were \$35,000,000.

E. 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.

\$ 432,683

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



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 9 **Long-Term Debt (Continued)**

F. Minimum Requirement Future Payments

The annual requirements to amortize outstanding long-term debt of the City's Governmental Activities as of June 30, 2008, excluding compensated absences are as follows:

2005 Refunding Certificates of Participation			
Fiscal Year	Principal	Interest	Total
2009	\$ 305,000	\$ 119,156	\$ 424,156
2010	325,000	109,503	434,503
2011	350,000	98,738	448,738
2012	380,000	86,638	466,638
2013	395,000	73,313	468,313
2014-2017	1,725,000	138,537	1,863,537
Totals	\$ 3,480,000	\$ 625,885	\$ 4,105,885

2006 Certificates of Participation			
Fiscal Year	Principal	Interest	Total
2009	\$ -	\$ 1,506,636	\$ 1,506,636
2010	230,000	1,500,886	1,730,886
2011	240,000	1,489,136	1,729,136
2012	255,000	1,476,761	1,731,761
2013	265,000	1,465,086	1,730,086
2014-2018	1,945,000	7,146,884	9,091,884
2019-2023	4,340,000	6,522,417	10,862,417
2024-2028	5,290,000	5,554,010	10,844,010
2029-2033	6,510,000	4,290,250	10,800,250
2034-2038	9,905,000	2,697,222	12,602,222
2039-2042	6,020,000	726,413	6,746,413
Totals	\$ 35,000,000	\$ 34,375,701	\$ 69,375,701



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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 9.319% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

C. Annual Pension Costs

For 2008, the City's annual pension cost of \$484,272 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2005, 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 actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2007 was 16 years.

THREE-YEAR TREND INFORMATION FOR PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2006	\$ 423,961	100%	\$ -
6/30/2007	\$ 466,444	100%	\$ -
6/30/2008	\$ 505,624	100%	\$ -



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

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. 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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 11 **Risk Management (Continued)**

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.

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, 2008. A copy of the Authority financial statements can be obtained at: 100 Civic Center Way, Calabasas, CA 91302.

Note 13 **Contingencies**

The City has been named as a defendant in various general damage, water intrusion and waste discharge complaints, and former employee lawsuits and claims. Such claims arise primarily from damages sustained by claimants while on property owned, maintained and constructed by the City, and termination of the former employee. 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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 14 **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 \$97 per month for fiscal year 2007-08. 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 2007-08, the City paid \$36,003 for post-employment medical benefits covering 10 participants.

Note 15 **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, 2008</u>
98-1	Community Facilities District	\$ 12,515,000	\$ 8,575,000
2001-1 Series 2006	Community Facilities District	26,535,000	25,185,000

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, 2008, the unpaid principal balance for the defeased bonds was \$25,185,000.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 16 **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:

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 \$23,366,600 of restricted net assets, of which \$8,880,697 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 17 **Subsequent Event**

Upon consensus of the Council, the City adopt Resolution No. 2008-1139, approving the issuance of the California Statewide Communities Development Authority Revenue Bonds (Viewpoint School), Series 2008 in an aggregate principal amount not to exceed \$20,000,000 for the purpose of financing the acquisition, design, approval, construction, installation and development of certain educational facilities, furnishings and equipment, and certain other matters relating thereto.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Note 18

Prior Period Adjustments/Restatements

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

Major Governmental Funds:

General Fund

A prior period adjustment of (\$47,256) due to understatement of accounts payable

Landscape District Maintenance Special Revenue

A prior period adjustment of (\$8,054) due to understatement of accounts payable

Capital Improvement Capital Projects Fund

A prior period adjustment of (\$8,555) due to understatement of accounts payable

Debt Service Fund

A prior period adjustment of \$6,850 due to understatement of accounts receivable

Nonmajor Governmental Funds:

Proposition C Special Revenue Fund

A prior period adjustment of (\$477) due to understatement of accounts payable

Community Development Block Grant Special Revenue Fund

A prior period adjustment of (\$10,000) due to overstatement of accounts receivable

COPS – AB3229 Special Revenue Fund

A prior period adjustment of (\$10,526) due to understatement of accounts payable

Library District Special Revenue Fund

A prior period adjustment of (\$9,742) due to understatement of accounts payable

Grants Special Revenue Fund

A prior period adjustment of (\$466,385) due to overstatement of accounts receivable

Proprietary Fund:

Tennis and Swim Center

A prior period adjustment of (\$1,194) due to understatement of accounts payable

Government-wide Governmental Activities:

A prior period adjustment of (\$84,610) due to understatement of accounts payable
A prior period adjustment of \$6,850 due to understatement of accounts receivable
A prior period adjustment of (\$476,385) due to overstatement of accounts receivable
A prior period adjustment of \$1,248,693 due to understatement of capital assets



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CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Supplemental Information



**CITY OF CALABASAS
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2008**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 15,003,300	\$ 15,003,300	\$ 15,459,141	\$ 455,841
Licenses and fees	1,239,100	1,239,100	928,970	(310,130)
Intergovernmental	1,100,500	1,100,500	1,894,868	794,368
Fines and forfeitures	192,100	192,100	158,210	(33,890)
Use of money and property	1,075,900	1,075,900	978,589	(97,311)
Charges for services	1,301,900	1,301,900	1,590,214	288,314
Other, donations, and reimbursements	136,700	136,700	365,786	229,086
Total Revenues	20,049,500	20,049,500	21,375,778	1,326,278
EXPENDITURES				
Current:				
General government	10,848,750	10,848,750	10,696,865	151,885
Public safety	3,648,200	3,648,200	3,823,409	(175,209)
Public works	2,683,600	2,683,600	2,695,840	(12,240)
Community development	1,139,800	1,139,800	990,500	149,300
Community services	1,356,950	1,356,950	1,156,741	200,209
Capital outlay	527,000	527,000	231,378	295,622
Total Expenditures	20,204,300	20,204,300	19,594,733	609,567
Excess of Revenues over (under) Expenditures	(154,800)	(154,800)	1,781,045	1,935,845

(Continued)

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Supplemental Information

**CITY OF CALABASAS
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2008
 (Continued)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 119,600	\$ 119,600	\$ 82,182	\$ (37,418)
Transfers out	3,065,200	3,065,200	(3,021,920)	(6,087,120)
Transfers out to agency fund			(146,587)	(146,587)
	<u>3,184,800</u>	<u>3,184,800</u>	<u>(3,086,325)</u>	<u>(6,271,125)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balance	<u>3,030,000</u>	<u>3,030,000</u>	<u>(1,305,280)</u>	<u>(4,335,280)</u>
Fund Balance, Beginning of Fiscal Year	22,351,344	22,351,344	22,351,344	
Prior Period Adjustments			(47,256)	(47,256)
Fund Balance, Beginning of fiscal year (restated)	<u>22,351,344</u>	<u>22,351,344</u>	<u>22,304,088</u>	<u>(47,256)</u>
Fund Balance, End of Fiscal Year	<u>\$ 25,381,344</u>	<u>\$ 25,381,344</u>	<u>\$ 20,998,808</u>	<u>\$ (4,382,536)</u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Supplemental Information



BUDGET AND ACTUAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LANDSCAPE DISTRICT MAINTENANCE SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 806,600	\$ 806,600	\$ 4,208,929	\$ 3,402,329
Use of money and property	27,963	27,963		(27,963)
Charges for services	2,259,400	2,259,400		(2,259,400)
Total Revenues	3,093,963	3,093,963	4,208,929	1,114,966
EXPENDITURES				
Current:				
Community services	3,650,835	3,650,835	3,637,547	13,288
Total Expenditures	3,650,835	3,650,835	3,637,547	13,288
Excess of Revenues over (under) Expenditures	(556,872)	(556,872)	571,382	1,128,254
OTHER FINANCING SOURCES (USES)				
Transfers out			(8,751)	(8,751)
Total Other Financing Sources (Uses)			(8,751)	(8,751)
Net Change in Fund Balance	(556,872)	(556,872)	562,631	1,119,503
Fund Balance, Beginning of Fiscal Year	1,669,772	1,669,772	1,669,772	
Prior Period Adjustments			(8,054)	(8,054)
Fund Balance, Beginning of Fiscal Year (restated)	1,669,772	1,669,772	1,661,718	(8,054)
Fund Balance, End of Fiscal Year	\$ 1,112,900	\$ 1,112,900	\$ 2,224,349	\$ 1,111,449

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Supplemental Information

CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEVELOPER IMPACT FEES SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Developer fees	\$ 17,000	\$ 17,000	\$ 45,690	\$ 28,690
Use of money and property	227,800	227,800	203,640	(24,160)
Total Revenues	244,800	244,800	249,330	4,530
OTHER FINANCING SOURCES (USES)				
Transfers out	(330,000)	(330,000)	(877,975)	(547,975)
Total Other Financing Sources (Uses)	(330,000)	(330,000)	(877,975)	(547,975)
Net Change in Fund Balance	(85,200)	(85,200)	(628,645)	(543,445)
Fund Balance, Beginning of Fiscal Year	4,702,464	4,702,464	4,702,464	
Fund Balance, End of Fiscal Year	\$ 4,617,264	\$ 4,617,264	\$ 4,073,819	\$ (543,445)

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Supplemental Information



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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 875,300	\$ 875,300	\$ 951,392	\$ 76,092
Total Revenues	<u>875,300</u>	<u>875,300</u>	<u>951,392</u>	<u>76,092</u>
EXPENDITURES				
Debt service				
Principal retirement	280,000	280,000	280,000	
Interest and fiscal charges	130,131	130,131	1,646,824	(1,516,693)
Total Expenditures	<u>410,131</u>	<u>410,131</u>	<u>1,926,824</u>	<u>(1,516,693)</u>
Excess of Revenues over (under) Expenditures	<u>465,169</u>	<u>465,169</u>	<u>(975,432)</u>	<u>(1,440,601)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,200	2,200	416,274	414,074
Transfers out	<u>(28,000,000)</u>	<u>(28,000,000)</u>	<u>(19,608,405)</u>	<u>8,391,595</u>
Total Other Financing Sources (Uses)	<u>(27,997,800)</u>	<u>(27,997,800)</u>	<u>(19,192,131)</u>	<u>8,805,669</u>
Net Change in Fund Balance	<u>(27,532,631)</u>	<u>(27,532,631)</u>	<u>(20,167,563)</u>	<u>7,365,068</u>
Fund Balance, Beginning of Fiscal Year	33,938,001	33,938,001	33,938,001	
Prior Period Adjustments			6,850	6,850
Fund Balance, Beginning of Fiscal Year (restated)	<u>33,938,001</u>	<u>33,938,001</u>	<u>33,944,851</u>	<u>6,850</u>
Fund Balance, End of Fiscal Year	<u>\$ 6,405,370</u>	<u>\$ 6,405,370</u>	<u>\$ 13,777,288</u>	<u>\$ 7,371,918</u>

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Supplemental Information

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, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
EXPENDITURES				
Capital outlay	\$ 8,775,000	\$ 8,775,000	\$ 6,593,373	\$ 2,181,627
Total Expenditures	8,775,000	8,775,000	6,593,373	2,181,627
Excess of Revenues over (under) Expenditures	(8,775,000)	(8,775,000)	(6,593,373)	2,181,627
OTHER FINANCING SOURCES (USES):				
Transfers in	8,775,000	8,775,000	6,452,644	(2,322,356)
Total Other Financing Sources (Uses)	8,775,000	8,775,000	6,452,644	(2,322,356)
Net Changes in Fund Balance			(140,729)	(140,729)
Fund Balance, Beginning of Fiscal Year	62,799	62,799	62,799	
Prior Period Adjustments			(8,555)	(8,555)
Fund Balance, Beginning of Fiscal Year (restated)	62,799	62,799	54,244	(8,555)
Fund Balance (deficit), End of Fiscal Year	\$ 62,799	\$ 62,799	\$ (86,485)	\$ (149,284)

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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,882,100	\$ 4,882,100	\$ 4,356,407	\$ (525,693)
Use of money and property	(179,200)	(179,200)	47,357	226,557
Total Revenues	<u>4,702,900</u>	<u>4,702,900</u>	<u>4,403,764</u>	<u>(299,136)</u>
EXPENDITURES				
Capital outlay	32,813,299	32,813,299	28,927,994	3,885,305
Total Expenditures	<u>32,813,299</u>	<u>32,813,299</u>	<u>28,927,994</u>	<u>3,885,305</u>
Excess of Revenues Over (Under) Expenditures	<u>(28,110,399)</u>	<u>(28,110,399)</u>	<u>(24,524,230)</u>	<u>3,586,169</u>
OTHER FINANCING SOURCES (USES)				
Transfers in			19,608,405	19,608,405
Total Other Financing Sources (Uses)			<u>19,608,405</u>	<u>19,608,405</u>
Net Change in Fund Balance	(28,110,399)	(28,110,399)	(4,915,825)	23,194,574
Fund Balance (deficit), Beginning of Fiscal Year	<u>(6,338,418)</u>	<u>(6,338,418)</u>	<u>(6,338,418)</u>	
Fund Balance (deficit), End of Fiscal Year	<u>\$ (34,448,817)</u>	<u>\$ (34,448,817)</u>	<u>\$ (11,254,243)</u>	<u>\$ 23,194,574</u>

See Accompanying Notes to Basic Financial Statements



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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 Special Revenue 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.

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

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



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

	Special Revenue Funds		
	Proposition A	Highway Users Tax	Proposition C
ASSETS			
Cash and investments	\$ -	\$ 9,370	\$ 1,341,208
Receivables:			
Accounts and taxes			
Interest			12,489
Intergovernmental		140,160	
Notes receivable			
Total Assets	<u>\$</u>	<u>\$ 149,530</u>	<u>\$ 1,353,697</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 4,727	\$ 9,357	\$ 12,954
Due to other funds	175,019		
Deferred revenue			
Retention payable			
Total Liabilities	<u>179,746</u>	<u>9,357</u>	<u>12,954</u>
Fund Balances:			
Unreserved:			
Undesignated	<u>(179,746)</u>	<u>140,173</u>	<u>1,340,743</u>
Total Fund Balances	<u>(179,746)</u>	<u>140,173</u>	<u>1,340,743</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 149,530</u>	<u>\$ 1,353,697</u>

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
\$ 133,987	\$ -	\$ 195,488	\$ 1,092,158	\$ 3,045,575	\$ -
1,127	7,440	1,692	56,396	26,591	
	38,780	40,497	9,695		
<u>\$ 135,114</u>	<u>\$ 46,220</u>	<u>\$ 237,677</u>	<u>\$ 1,158,249</u>	<u>\$ 3,072,166</u>	<u>\$ -</u>
\$ -	\$ 5,610	\$ 33,607	\$ 5,079	\$ -	\$ 11,123
	29,582				28,491
	38,780				
		3,734			
	<u>73,972</u>	<u>37,341</u>	<u>5,079</u>		<u>39,614</u>
<u>135,114</u>	<u>(27,752)</u>	<u>200,336</u>	<u>1,153,170</u>	<u>3,072,166</u>	<u>(39,614)</u>
<u>135,114</u>	<u>(27,752)</u>	<u>200,336</u>	<u>1,153,170</u>	<u>3,072,166</u>	<u>(39,614)</u>
<u>\$ 135,114</u>	<u>\$ 46,220</u>	<u>\$ 237,677</u>	<u>\$ 1,158,249</u>	<u>\$ 3,072,166</u>	<u>\$ -</u>

(Continued)



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008
(Continued)

	Special Revenue Funds		
	TDA	Affordable Housing	Storm Damage
ASSETS			
Cash and investments	\$ -	\$ 2,115,478	\$ -
Receivables:			
Accounts and taxes			
Interest		18,470	(15,385)
Intergovernmental			1,092,975
Notes receivables			
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ -</u>	<u>\$ 2,133,948</u>	<u>\$ 1,077,590</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 4	\$ -	\$ -
Due to other funds	6,013		1,762,591
Deferred revenue			
Retention payable			
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>6,017</u>	<u> </u>	<u>1,762,591</u>
Fund Balances:			
Unreserved:			
Undesignated	<u>(6,017)</u>	<u>2,133,948</u>	<u>(685,001)</u>
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>(6,017)</u>	<u>2,133,948</u>	<u>(685,001)</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 2,133,948</u>	<u>\$ 1,077,590</u>



<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
<u>COPS AB 3229</u>	<u>Library District</u>	<u>Grants</u>	
\$ -	\$ 1,093,431	\$ -	\$ 9,026,695
	53,805		110,201
71	8,636		63,386
		778,294	2,059,366
			38,780
<u>\$ 71</u>	<u>\$ 1,155,872</u>	<u>\$ 778,294</u>	<u>\$ 11,298,428</u>
\$ 11,341	\$ 117,666	\$ 18,065	\$ 229,533
1,738		2,761,031	4,764,465
			38,780
			3,734
<u>13,079</u>	<u>117,666</u>	<u>2,779,096</u>	<u>5,036,512</u>
<u>(13,008)</u>	<u>1,038,206</u>	<u>(2,000,802)</u>	<u>6,261,916</u>
<u>(13,008)</u>	<u>1,038,206</u>	<u>(2,000,802)</u>	<u>6,261,916</u>
<u>\$ 71</u>	<u>\$ 1,155,872</u>	<u>\$ 778,294</u>	<u>\$ 11,298,428</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, 2008**

	Special Revenue Funds		
	Proposition A	Highway Users Tax	Proposition C
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties			
Intergovernmental	373,563	417,278	304,211
Use of money and property	75	(39,291)	70,673
Other, donations, and reimbursements			
Total Revenues	373,638	377,987	374,884
EXPENDITURES			
Current:			
Public safety			
Community development			
Community services	715,033		109,692
Capital outlay			
Total Expenditures	715,033		109,692
Excess of Revenues Over (Under) Expenditures	(341,395)	377,987	265,192
OTHER FINANCING SOURCES (USES)			
Transfers in		1,718,171	
Transfers out		(2,238,853)	(196,361)
Total Other Financing Sources (Uses)		(520,682)	(196,361)
Net Change in Fund Balances	(341,395)	(142,695)	68,831
Fund Balances (deficits), Beginning of Fiscal Year	161,649	282,868	1,272,389
Prior Period Adjustments			(477)
Fund Balances (deficits), Beginning of Fiscal Year (restated)	161,649	282,868	1,271,912
Fund Balances (deficits), End of Fiscal Year	\$ (179,746)	\$ 140,173	\$ 1,340,743

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
\$ -	\$ -	\$ -	\$ 259,016	\$ -	\$ -
21,645	24,577	62,099	6,215		3,104
5,933	(676)	10,275	54,235	149,080	(1,045)
<u>27,578</u>	<u>23,901</u>	<u>72,374</u>	<u>319,466</u>	<u>149,080</u>	<u>2,059</u>
	39,644				
		100,578	164,171		26,891
	<u>39,644</u>	<u>100,578</u>	<u>164,171</u>		<u>26,891</u>
<u>27,578</u>	<u>(15,743)</u>	<u>(28,204)</u>	<u>155,295</u>	<u>149,080</u>	<u>(24,832)</u>
			<u>(29,788)</u>		
			<u>(29,788)</u>		
<u>27,578</u>	<u>(15,743)</u>	<u>(28,204)</u>	<u>125,507</u>	<u>149,080</u>	<u>(24,832)</u>
107,536	(2,009)	228,540	1,027,663	2,923,086	(14,782)
	<u>(10,000)</u>				
<u>107,536</u>	<u>(12,009)</u>	<u>228,540</u>	<u>1,027,663</u>	<u>2,923,086</u>	<u>(14,782)</u>
<u>\$ 135,114</u>	<u>\$ (27,752)</u>	<u>\$ 200,336</u>	<u>\$ 1,153,170</u>	<u>\$ 3,072,166</u>	<u>\$ (39,614)</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, 2008
 (Continued)**

	Special Revenue Funds		
	TDA	Affordable Housing	Storm Damage
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties			
Intergovernmental			(87,999)
Use of money and property	135	103,552	
Other, donations, and reimbursements			
Total Revenues	135	103,552	(87,999)
EXPENDITURES			
Current:			
Public safety			
Community development			
Community services	3,847		
Capital outlay			
Total Expenditures	3,847		
Excess of Revenues Over (Under) Expenditures	(3,712)	103,552	(87,999)
OTHER FINANCING SOURCES (USES)			
Transfers in			
Transfers out	(6,152)		(2,633)
Total Other Financing Sources (Uses)	(6,152)		(2,633)
Net Change In Fund Balances	(9,864)	103,552	(90,632)
Fund Balances (deficits), Beginning of Fiscal Year	3,847	2,030,396	(594,369)
Prior Period Adjustments			
Fund Balances (deficits), Beginning of Fiscal Year(restated)	3,847	2,030,396	(594,369)
Fund Balances (deficits), End of Fiscal Year	\$ (6,017)	\$ 2,133,948	\$ (685,001)

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds



Special Revenue Funds			Total Nonmajor Governmental Funds
Cops AB3229	Library District	Grants	
\$ -	\$ 1,494,833	\$ -	\$ 1,753,849
	16,324		16,324
100,000	9,148	1,151,532	2,385,373
(3,119)	38,553		388,380
	979		979
96,881	1,559,837	1,151,532	4,544,905
135,869			135,869
	974,671		2,094,883
	166,157		166,157
135,869	1,140,828		2,436,553
(38,988)	419,009	1,151,532	2,108,352
			1,718,171
		(2,286,838)	(4,760,625)
		(2,286,838)	(3,042,454)
(38,988)	419,009	(1,135,306)	(934,102)
36,506	628,939	(399,111)	7,693,148
(10,526)	(9,742)	(466,385)	(497,130)
25,980	619,197	(865,496)	7,196,018
\$ (13,008)	\$ 1,038,206	\$ (2,000,802)	\$ 6,261,916



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 340,000	\$ 373,563	\$ 33,563
Use of money and property	39,100	75	(39,025)
Total Revenues	<u>379,100</u>	<u>373,638</u>	<u>(5,462)</u>
EXPENDITURES			
Current:			
Community services	<u>429,200</u>	<u>715,033</u>	<u>(285,833)</u>
Total Expenditures	<u>429,200</u>	<u>715,033</u>	<u>(285,833)</u>
Excess of Revenues Over (Under) Expenditures	<u>(50,100)</u>	<u>(341,395)</u>	<u>(291,295)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(27,400)</u>	<u></u>	<u>27,400</u>
Total Other Financing Sources (Uses)	<u>(27,400)</u>	<u></u>	<u>27,400</u>
Net Change in Fund Balance	(77,500)	(341,395)	(263,895)
Fund Balance - Beginning of Fiscal Year	<u>161,649</u>	<u>161,649</u>	<u></u>
Fund Balance (deficit) - End of Fiscal Year	<u>\$ 84,149</u>	<u>\$ (179,746)</u>	<u>\$ (263,895)</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, 2008**

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 637,100	\$ 417,278	\$ (219,822)
Use of money and property	<u>(6,600)</u>	<u>(39,291)</u>	<u>(32,691)</u>
Total Revenues	<u>630,500</u>	<u>377,987</u>	<u>(252,513)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		1,718,171	1,718,171
Transfers out	<u>(1,000,000)</u>	<u>(2,238,853)</u>	<u>(1,238,853)</u>
Total Other Financing Sources (Uses)	<u>(1,000,000)</u>	<u>(520,682)</u>	<u>479,318</u>
Net Change In Fund Balance	(369,500)	(142,695)	226,805
Fund Balance - Beginning of Fiscal Year	<u>282,868</u>	<u>282,868</u>	<u></u>
Fund Balance (deficit) - End of Fiscal Year	<u>\$ (86,632)</u>	<u>\$ 140,173</u>	<u>\$ 226,805</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 380,000	\$ 304,211	\$ (75,789)
Use of money and property	36,300	70,673	34,373
Total Revenues	416,300	374,884	(41,416)
EXPENDITURES			
Current:			
Community services	88,500	109,692	(21,192)
Total Expenditures	88,500	109,692	(21,192)
Excess of Revenues Over (Under) Expenditures	327,800	265,192	(62,608)
OTHER FINANCING SOURCES (USES)			
Transfers out	(324,000)	(196,361)	127,639
Total Other Financing Sources (Uses)	(324,000)	(196,361)	127,639
Net Change in Fund Balance	3,800	68,831	65,031
Fund Balance - Beginning of Fiscal Year	1,272,389	1,272,389	
Prior Period Adjustments		(477)	(477)
Fund Balance - Beginning of Fiscal Year	1,272,389	1,271,912	(477)
Fund Balance - End of Fiscal Year	\$ 1,276,189	\$ 1,340,743	\$ 64,554



**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, 2008**

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 28,000	\$ 21,645	\$ (6,355)
Use of money and property	<u>4,700</u>	<u>5,933</u>	<u>1,233</u>
Total Revenues	<u>32,700</u>	<u>27,578</u>	<u>(5,122)</u>
EXPENDITURES			
Capital outlay	<u>35,000</u>	<u></u>	<u>35,000</u>
Total Expenditures	<u>35,000</u>	<u></u>	<u>35,000</u>
Excess of Revenues Over (Under) Expenditures	(2,300)	27,578	29,878
Fund Balance - Beginning of Fiscal Year	<u>107,536</u>	<u>107,536</u>	<u></u>
Fund Balance - End of Fiscal Year	<u><u>\$ 105,236</u></u>	<u><u>\$ 135,114</u></u>	<u><u>\$ 29,878</u></u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 190,000	\$ 24,577	\$ (165,423)
Use of money and property	200	(676)	(876)
Total Revenues	<u>190,200</u>	<u>23,901</u>	<u>(166,299)</u>
EXPENDITURES			
Current:			
Community development	<u>126,000</u>	<u>39,644</u>	<u>86,356</u>
Total Expenditures	<u>126,000</u>	<u>39,644</u>	<u>86,356</u>
Excess of Revenues Over (Under) Expenditures	<u>64,200</u>	<u>(15,743)</u>	<u>(79,943)</u>
Fund Balance (deficit) - Beginning of Fiscal Year	(2,009)	(2,009)	
Prior period adjustments		<u>(10,000)</u>	<u>(10,000)</u>
Fund Balance (deficit) - Beginning of Fiscal Year (restated)	<u>(2,009)</u>	<u>(12,009)</u>	<u>(10,000)</u>
Fund Balance (deficit) - End of Fiscal Year	<u>\$ 62,191</u>	<u>\$ (27,752)</u>	<u>\$ (89,943)</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, 2008

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 173,780	\$ 62,099	\$ (111,681)
Use of money and property	<u>10,900</u>	<u>10,275</u>	<u>(625)</u>
Total Revenues	<u>184,680</u>	<u>72,374</u>	<u>(112,306)</u>
EXPENDITURES			
Current:			
Community services	<u>173,780</u>	<u>100,578</u>	<u>73,202</u>
Total Expenditures	<u>173,780</u>	<u>100,578</u>	<u>73,202</u>
Excess of Revenues Over (Under) Expenditures	10,900	(28,204)	(39,104)
Fund Balance - Beginning of Fiscal Year	<u>228,540</u>	<u>228,540</u>	
Fund Balance - End of Fiscal Year	<u>\$ 239,440</u>	<u>\$ 200,336</u>	<u>\$ (39,104)</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 145,000	\$ 259,016	\$ 114,016
Intergovernmental	6,200	6,215	15
Use of money and property	48,800	54,235	5,435
Total Revenues	200,000	319,466	119,466
EXPENDITURES			
Current:			
Community services	135,000	164,171	(29,171)
Total Expenditures	135,000	164,171	(29,171)
Excess of Revenues Over (Under) Expenditures	65,000	155,295	90,295
OTHER FINANCING SOURCES (USES)			
Transfers out	(68,200)	(29,788)	38,412
Total Other Financing Sources (Uses)	(68,200)	(29,788)	38,412
Net Change in Fund Balance	(3,200)	125,507	128,707
Fund Balance - Beginning of Fiscal Year	1,027,663	1,027,663	
Fund Balance - End of Fiscal Year	\$ 1,024,463	\$ 1,153,170	\$ 128,707



**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, 2008**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 127,700	\$ 149,080	\$ 21,380
Total Revenues	127,700	149,080	21,380
OTHER FINANCING SOURCES (USES)			
Transfers out	(400,000)		400,000
Total Other Financing Sources (Uses)	(400,000)		400,000
Net Change in Fund Balance	(272,300)	149,080	421,380
Fund Balance - Beginning of Fiscal Year	2,923,086	2,923,086	
Fund Balance - End of Fiscal Year	\$ 2,650,786	\$ 3,072,166	\$ 421,380



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 37,000	\$ 3,104	\$ (33,896)
Use of money and property		(1,045)	(1,045)
Total Revenues	<u>37,000</u>	<u>2,059</u>	<u>(34,941)</u>
EXPENDITURES			
Current:			
Community services	<u>20,000</u>	<u>26,891</u>	<u>(6,891)</u>
Total Expenditures	<u>20,000</u>	<u>26,891</u>	<u>(6,891)</u>
Excess of Revenue Over (Under) Expenditures	17,000	(24,832)	(41,832)
Fund Balance (deficit) - Beginning of Fiscal Year	<u>(14,782)</u>	<u>(14,782)</u>	
Fund Balance (deficit) - End of Fiscal Year	<u>\$ 2,218</u>	<u>\$ (39,614)</u>	<u>\$ (41,832)</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, 2008**

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 20,600	\$ -	\$ (20,600)
Use of money and property	<u>200</u>	<u>135</u>	<u>(65)</u>
Total Revenues	<u>20,800</u>	<u>135</u>	<u>(20,665)</u>
EXPENDITURES			
Current:			
Public works		<u>3,847</u>	<u>(3,847)</u>
Total Expenditures		<u>3,847</u>	<u>(3,847)</u>
Excess of Revenues			
Over (Under) Expenditures	<u>20,800</u>	<u>(3,712)</u>	<u>(24,512)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(20,000)</u>	<u>(6,152)</u>	<u>13,848</u>
Total Other Financing Sources (Uses)	<u>(20,000)</u>	<u>(6,152)</u>	<u>13,848</u>
Net Change in Fund Balance	800	(9,864)	(10,664)
Fund Balance - Beginning of Fiscal Year	<u>3,847</u>	<u>3,847</u>	
Fund Balance (deficit) - End of Fiscal Year	<u>\$ 4,647</u>	<u>\$ (6,017)</u>	<u>\$ (10,664)</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 98,700	\$ 103,552	\$ 4,852
Total Revenues	98,700	103,552	4,852
EXPENDITURES			
Current:			
Community development	25,000		25,000
Total Expenditures	25,000		25,000
Excess of Revenues Over (Under) Expenditures	73,700	103,552	29,852
Fund Balance - Beginning of Fiscal Year	2,030,396	2,030,396	
Fund Balance - End of Fiscal Year	\$ 2,104,096	\$ 2,133,948	\$ 29,852



**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, 2008**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 800,000	\$ (87,999)	\$ (887,999)
Total Revenues	<u>800,000</u>	<u>(87,999)</u>	<u>(887,999)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(980,000)</u>	<u>(2,633)</u>	<u>977,367</u>
Total Other Financing Sources (Uses)	<u>(980,000)</u>	<u>(2,633)</u>	<u>977,367</u>
Net Change in Fund Balance	(180,000)	(90,632)	89,368
Fund Balance (deficit) - Beginning of Fiscal Year	<u>(594,369)</u>	<u>(594,369)</u>	
Fund Balance (deficit) - End of Fiscal Year	<u>\$ (774,369)</u>	<u>\$ (685,001)</u>	<u>\$ 89,368</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

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, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 100,000	\$ 100,000	\$ -
Use of money and property	2,300	(3,119)	(5,419)
Total Revenues	<u>102,300</u>	<u>96,881</u>	<u>(5,419)</u>
EXPENDITURES			
Current:			
Public safety	<u>122,900</u>	<u>135,869</u>	<u>(12,969)</u>
Total Expenditures	<u>122,900</u>	<u>135,869</u>	<u>(12,969)</u>
Excess of Revenues Over (Under) Expenditures	<u>(20,600)</u>	<u>(38,988)</u>	<u>(18,388)</u>
Fund Balance - Beginning of Fiscal Year	36,506	36,506	
Prior period adjustments		<u>(10,526)</u>	<u>(10,526)</u>
Fund Balance - Beginning of Fiscal Year (restated)	<u>36,506</u>	<u>25,980</u>	<u>(10,526)</u>
Fund Balance (deficit) - End of Fiscal Year	<u>\$ 15,906</u>	<u>\$ (13,008)</u>	<u>\$ (28,914)</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, 2008**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 1,316,100	\$ 1,494,833	\$ 178,733
Fines and forfeitures	8,000	16,324	8,324
Intergovernmental	9,200	9,148	(52)
Use of money and property	36,300	38,553	2,253
Other, donations, and reimbursements	5,000	979	(4,021)
Total Revenues	1,374,600	1,559,837	185,237
EXPENDITURES			
Current:			
Community services	1,201,591	974,671	226,920
Capital outlay	91,000	166,157	(75,157)
Total Expenditures	1,292,591	1,140,828	151,763
Excess of Revenues Over (Under) Expenditures	82,009	419,009	337,000
Fund Balance - Beginning of Fiscal Year	628,939	628,939	
Prior Period Adjustments		(9,742)	(9,742)
Fund Balance - Beginning of Fiscal Year (restated)	628,939	619,197	(9,742)
Fund Balance - End of Fiscal Year	\$ 710,948	\$ 1,038,206	\$ 327,258



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 2,505,000	\$ 1,151,532	\$ (1,353,468)
Total Revenues	<u>2,505,000</u>	<u>1,151,532</u>	<u>(1,353,468)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(2,570,000)</u>	<u>(2,286,838)</u>	<u>283,162</u>
Total Other Financing Sources (Uses)	<u>(2,570,000)</u>	<u>(2,286,838)</u>	<u>283,162</u>
Net Change in Fund Balance	<u>(65,000)</u>	<u>(1,135,306)</u>	<u>(1,070,306)</u>
Fund Balance (deficit) - Beginning of Fiscal Year	(399,111)	(399,111)	
Prior Period Adjustments		<u>(466,385)</u>	<u>(466,385)</u>
Fund Balance (deficit) - Beginning of Fiscal Year (restated)	<u>(399,111)</u>	<u>(865,496)</u>	<u>(466,385)</u>
Fund Balance - End of Fiscal Year	<u>\$ (464,111)</u>	<u>\$ (2,000,802)</u>	<u>\$ (1,536,691)</u>



AGENCY FUNDS

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

Las Virgenes Parking Authority 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.

Deposits Fund – used for developer projects such as new construction, building improvement, additions, etc.

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

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



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Agency Funds

CITY OF CALABASAS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2008

Assets	Las Virgenes Parking Authority Fund	Community Facilities District 98-1	Community Facilities District 2001-1	Community Facilities District 2006-1
Cash and investments	\$ 46,518	\$ 1,188,713	\$ 14,440	\$ 1,477,003
Cash and investments with fiscal agent		828,369	17	1,812,641
Special tax receivable		202,416		76,903
Interest receivable		10,037	(3,915)	15,350
Total Assets	\$ 46,518	\$ 2,229,535	\$ 10,542	\$ 3,381,897
Liabilities				
Accounts payable and accrued liabilities	\$ 46,518	\$ -	\$ -	\$ -
Deposits Due to bondholders		2,229,535	10,542	3,381,897
Total Liabilities	\$ 46,518	\$ 2,229,535	\$ 10,542	\$ 3,381,897



<u>Deposits</u>	<u>LVUSD</u>	<u>Education Fund</u>	<u>Total</u>
\$ 880,718	\$ 8,253,009	\$ 164,556	\$ 12,024,957
			2,641,027
			279,319
	72,751	1,436	95,659
<u>\$ 880,718</u>	<u>\$ 8,325,760</u>	<u>\$ 165,992</u>	<u>\$ 15,040,962</u>
\$ 62,128	\$ 8,325,760	\$ 165,992	\$ 8,600,398
818,590			818,590
			5,621,974
<u>\$ 880,718</u>	<u>\$ 8,325,760</u>	<u>\$ 165,992</u>	<u>\$ 15,040,962</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, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
<u>Las Virgenes Parking Authority Fund</u>				
Assets:				
Cash and investments	\$ 46,518	\$ -	\$ -	\$ 46,518
Liabilities:				
Accounts payable and accrued liabilities	\$ 46,518	\$ -	\$ -	\$ 46,518
<u>Community Facilities District 98-1</u>				
Assets:				
Cash and investments	\$ 987,303	\$ 201,410	\$ -	\$ 1,188,713
Cash and investments with fiscal agent	1,147,831		319,462	828,369
Special tax receivable	202,823		407	202,416
Interest receivable	3,519	10,037	3,519	10,037
	<u>\$ 2,341,476</u>	<u>\$ 211,447</u>	<u>\$ 323,388</u>	<u>\$ 2,229,535</u>
Liabilities:				
Due to bondholders	\$ 2,341,476	\$ 211,447	\$ 323,388	\$ 2,229,535
	<u>\$ 2,341,476</u>	<u>\$ 211,447</u>	<u>\$ 323,388</u>	<u>\$ 2,229,535</u>
<u>Community Facilities District 2001-1</u>				
Assets:				
Cash and investments	\$ 154,862	\$ 1,368	\$ 141,790	\$ 14,440
Cash and investments with fiscal agent	1,725		1,708	17
Interest receivable	566		4,481	(3,915)
	<u>\$ 157,153</u>	<u>\$ 1,368</u>	<u>\$ 147,979</u>	<u>\$ 10,542</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ 147,979	\$ -	\$ 147,979	\$ -
Due to bondholders	9,174	1,368		10,542
	<u>\$ 157,153</u>	<u>\$ 1,368</u>	<u>\$ 147,979</u>	<u>\$ 10,542</u>
<u>Community Facilities District 2006-1</u>				
Assets:				
Cash and investments	\$ 1,362,344	\$ 114,659	\$ -	\$ 1,477,003
Cash and investments with fiscal agent	993,768	818,873		1,812,641
Special tax receivable	187,730		110,827	76,903
Interest receivable	4,842	15,350	4,842	15,350
	<u>\$ 2,548,684</u>	<u>\$ 948,882</u>	<u>\$ 115,669</u>	<u>\$ 3,381,897</u>
Liabilities:				
Due to bondholders	\$ 2,548,684	\$ 948,882	\$ 115,669	\$ 3,381,897
	<u>\$ 2,548,684</u>	<u>\$ 948,882</u>	<u>\$ 115,669</u>	<u>\$ 3,381,897</u>

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Agency Funds



**CITY OF CALABASAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND (Continued)
For the Fiscal Year Ended June 30, 2008**

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
<u>Deposits</u>				
Assets:				
Cash and investments	\$ 626,457	\$ 254,261	\$ -	\$ 880,718
	\$ 626,457	\$ 254,261	\$ -	\$ 880,718
Liabilities:				
Accounts payable and accrued liabilities	\$ 13,690	\$ 48,438	\$ -	\$ 62,128
Deposits	612,767	205,823		818,590
	\$ 626,457	\$ 254,261	\$ -	\$ 880,718
<u>LVUSD</u>				
Assets:				
Cash and investments	\$ 8,115,243	\$ 137,766	\$ -	\$ 8,253,009
Interest receivable	28,929	72,751	28,929	72,751
	\$ 8,144,172	\$ 210,517	\$ 28,929	\$ 8,325,760
Liabilities:				
Accounts payable and accrued liabilities	\$ 8,144,172	\$ 210,517	\$ 28,929	\$ 8,325,760
	\$ 8,144,172	\$ 210,517	\$ 28,929	\$ 8,325,760
<u>Education</u>				
Assets:				
Cash and investments	\$ 306,894	\$ -	\$ 142,338	\$ 164,556
Interest receivable	1,094	1,436	1,094	1,436
	\$ 307,988	\$ 1,436	\$ 143,432	\$ 165,992
Liabilities:				
Accounts payable and accrued liabilities	\$ 307,988	\$ 1,436	\$ 143,432	\$ 165,992
	\$ 307,988	\$ 1,436	\$ 143,432	\$ 165,992
<u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 11,599,621	\$ 709,464	\$ 284,128	\$ 12,024,957
Cash and investments with fiscal agent	2,143,324	818,873	321,170	2,641,027
Special tax receivable	390,553		111,234	279,319
Interest receivable	38,950	99,574	42,865	95,659
	\$ 14,172,448	\$ 1,627,911	\$ 759,397	\$ 15,040,962
Liabilities:				
Accounts payable and accrued liabilities	\$ 8,660,347	\$ 260,391	\$ 320,340	\$ 8,600,398
Deposits	612,767	205,823		818,590
Due to bondholders	4,899,334	1,161,697	439,057	5,621,974
	\$ 14,172,448	\$ 1,627,911	\$ 759,397	\$ 15,040,962



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**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 Members of the City Council of the
City of Calabasas
Calabasas, California

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Calabasas (City), California, as of and for the fiscal year ended June 30, 2008, and have issued our report thereon dated December 23, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the City's management and City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Levy & Hartzheim, LLP
December 23, 2008



This part of the City of Calabasas comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Contents	<u>Page</u>
<u>Financial Trends</u>	127
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
<u>Revenue Capacity</u>	137
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	
<u>Debt Capacity</u>	149
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	
<u>Demographic and Economic Information</u>	157
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	
<u>Operating Information</u>	161
These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the service the city provides and the activities it performs.	

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.



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STATISTICAL SECTION

Financial Trends



CITY of CALABASAS, CALIFORNIA
 STATISTICAL SECTION – Financial Trends

CITY OF CALABASAS
 NET ASSETS BY COMPONENT
 Last Five Fiscal Years

	Fiscal Year				
	2004	2005	2006	2007	2008
ASSETS					
Current Assets:					
Governmental Activities	\$34,263,467	\$41,361,260	\$43,864,499	\$70,293,381	\$41,594,232
Business-type Activities	847,458	953,826	770,875	611,194	394,474
Total Current Assets	\$35,110,925	\$42,315,086	\$44,635,374	\$70,904,575	\$41,988,706
Non-Current Assets:					
Governmental Activities	\$40,192,730	\$45,498,750	\$49,226,911	\$60,909,051	\$96,039,639
Business-type Activities	2,090,492	2,044,051	2,135,398	2,046,099	2,139,562
Total Non-current Assets	\$42,283,222	\$47,542,801	\$51,362,309	\$62,955,150	\$98,179,201
TOTAL ASSETS	\$77,394,147	\$89,857,887	\$95,997,683	\$133,859,725	\$140,167,907
LIABILITIES					
Current Liabilities:					
Governmental Activities	\$2,595,148	\$3,773,920	\$3,112,178	\$6,650,605	\$6,650,814
Business-type Activities	257,851	402,856	408,398	88,695	65,861
Total Current Liabilities	\$2,852,999	\$4,176,776	\$3,520,576	\$6,739,300	\$6,716,675
Non-current Liabilities					
Governmental Activities	\$6,367,744	\$6,325,483	\$4,080,512	\$39,020,399	\$38,510,654
Business-type Activities	11,717	15,558	13,583		2,893
Total Non-current Liabilities	\$6,379,461	\$6,341,041	\$4,094,095	\$39,020,399	\$38,513,547
TOTAL LIABILITIES	9,232,460	10,517,817	7,614,671	45,759,699	45,230,222
NET ASSETS	\$68,161,687	\$79,340,070	\$88,383,012	\$88,100,026	\$94,937,685
Invested in capital assets, net of related debt					
Governmental Activities	\$34,463,542	\$39,377,655	45,123,316	21,876,051	57,394,720
Business-type Activities	2,090,492	2,044,051	2,135,398	2,046,099	2,139,014
Total Invested in capital assets	\$36,554,034	\$41,421,706	47,258,714	23,922,150	59,533,734
Restricted for:					
Library	\$1,377,428	\$2,777,241	2,421,386		
Debt service	438,585	430,472	393,657	33,801,437	13,253,422
Streets/roads	4,375,804	3,266,198	5,263,111	4,648,678	4,601,711
Housing	1,226,150	1,525,170	1,897,639	2,030,396	2,133,948
Landscape maintenance	1,430,353	1,783,511	1,733,932	1,669,772	2,224,349
Transit	908,269	269,389	311,718	165,496	
Recycling	682,498	722,280	852,753	1,027,663	1,153,170
Public safety	75,869	65,621	50,499	36,506	
Total restricted	\$10,514,956	\$10,839,882	\$12,924,695	\$43,379,948	\$23,366,600
Unrestricted:					
Governmental Activities	\$20,514,807	\$26,543,070	27,850,709	20,275,429	11,711,083
Business-type Activities	577,890	535,412	348,894	522,499	326,268
Total unrestricted	\$21,092,697	\$27,078,482	28,199,603	20,797,928	12,037,351
NET ASSETS	\$68,161,687	\$79,340,070	\$88,383,012	\$88,100,026	\$94,937,685

Source:
 City of Calabasas Finance Department



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

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenses					
Governmental activities					
General government	\$4,176,343	\$4,388,680	\$ 4,524,460	\$ 9,803,874	\$ 10,861,438
Public safety	3,141,960	3,352,542	3,520,506	3,842,443	3,960,090
Public works	2,892,038	3,978,104	5,396,310	9,867,876	4,081,055
Community development	1,096,091	1,153,303	1,380,375	863,608	1,087,358
Community services	7,781,163	7,969,825	8,818,016	7,281,760	7,356,361
Interest and fiscal charges	319,722	325,447	96,461	1,139,779	2,141,369
Unallocated depreciation	1,069,863	0	0	0	0
Total governmental activities expenses	20,477,180	21,167,901	23,736,128	32,799,340	29,487,671
Business-type activities					
Tennis & swim center	2,598,402	2,917,890	3,035,382	3,176,904	3,169,277
Total business-type activities expenses	2,598,402	2,917,890	3,035,382	3,176,904	3,169,277
Total primary government net expenses	\$23,075,582	\$24,085,791	\$ 26,771,510	\$ 35,976,244	\$ 32,656,948
Program revenues					
Governmental activities					
Charges for services					
General government	74,473	37,300	\$ 629,652	\$ 232,370	\$ 433,822
Public safety	285,043	279,737	349,677	298,245	264,409
Public works	1,629,698	6,198,546	788,735	32,603	45,690
Community development			2,619,208	1,574,364	928,970
Community services	\$3,432,977	3,552,160	3,838,463	3,955,539	1,480,245
Operating contributions and grants	1,678,697	933,439	875,072	547,427	416,607
Capital contributions and grants	468,266	3,586,358	3,297,396	3,279,335	6,225,173
Total governmental activities program revenues	7,569,154	14,587,540	12,398,203	9,919,883	9,794,916
Business-type activities					
Charges for services					
Tennis & swim center	2,752,717	2,826,061	\$ 2,927,584	\$ 2,909,051	\$ 3,045,535
Total business-type activities program revenues	2,752,717	2,826,061	2,927,584	2,909,051	3,045,535
Total primary government program revenues	\$10,321,871	\$17,413,601	\$ 15,325,787	\$ 12,828,934	\$ 12,840,451

Source: _____
 City of Calabasas Finance Department



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Financial Trends

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

	Fiscal Year				
	2004	2005	2006	2007	2008
Net (expense)/revenue					
Governmental activities	(\$12,908,026)	(\$6,580,361)	(\$11,337,925)	(\$22,879,457)	(\$19,692,755)
Business-type activities	154,315	(91,829)	(107,798)	(267,853)	(123,742)
Total primary government net expense	(\$12,753,711)	(\$6,672,190)	(\$11,445,723)	(\$23,147,310)	(\$19,816,497)
General revenues and other changes in net assets					
Governmental activities					
Taxes					
Utility users taxes	\$3,296,031	\$3,019,532	\$3,195,743	\$3,638,310	\$3,665,484
Transient occupancy taxes	1,124,140	1,241,711	1,351,848	1,463,061	1,342,425
Sales taxes	5,278,369	5,680,413	6,284,061	6,400,067	6,813,339
Property taxes	3,372,794	3,468,510	4,893,831	5,647,765	8,814,322
Franchise taxes	252,306	590,388	673,606	740,563	786,351
Other taxes	423,871	370,110	0	0	0
Other intergovernmental-motor vehicle in-lieu	976,355	1,735,620	1,663,770	1,822,590	1,894,868
Use of money and property	489,455	1,327,849	1,349,309	2,541,834	2,350,712
Miscellaneous	478,284	298,641	1,063,870	112,827	271,681
Transfers	200,000				
Total governmental activities	15,891,605	17,732,774	20,476,038	22,367,017	25,939,182
Business-Type Activities					
Use of money and property	3,446	2,910	12,627	22,819	21,620
Transfers	(200,000)				
Total Business-Type Activities	(196,554)	2,910	12,627	22,819	21,620
Extraordinary Item - Insurance settlement					
Total Primary Government	\$15,695,051	\$17,735,684	\$20,488,665	\$22,389,836	\$25,960,802
Change in Net Assets					
Governmental Activities	\$2,983,579	\$11,152,413	\$9,138,113	(\$512,440)	\$6,246,427
Business-Type Activities	(42,239)	(88,919)	(95,171)	(245,034)	(102,122)
Total Primary Government	\$2,941,340	\$11,063,494	\$9,042,942	(\$757,474)	\$6,144,305

Source: _____
 City of Calabasas Finance Department



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

	Fiscal Year				
	1999	2000	2001	2002	2003
General Fund					
Reserved	\$2,810,741	\$139,921	\$261,199	\$323,896	\$100,113
Unreserved	6,412,073	10,558,254	13,113,687	15,128,106	12,922,668
Total General Fund	\$9,222,814	\$10,698,175	\$13,374,886	\$15,452,002	\$13,022,781
All Other Governmental Funds					
Reserved	\$494,851	\$504,777	\$476,356	\$471,119	\$465,767
Unreserved, Reported In:					
Special Revenue Funds	5,921,364	7,842,333	8,238,842	9,266,620	4,485,706
Capital Projects Funds	10,000	0	(17,145)	(219,294)	5,864,199
Total All Other Governmental Funds	\$6,426,215	\$8,347,110	\$8,698,053	\$9,518,445	\$10,815,672
Total Governmental Funds	\$15,649,029	\$19,045,285	\$22,072,939	\$24,970,447	\$23,838,453

(Continued)

Source:
City of Calabasas Finance Department



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

Fiscal Year				
2004	2005	2006	2007	2008
\$86,659			\$19,770	\$15,270
16,755,874	19,408,300	21,934,440	22,331,574	20,983,538
<u>\$16,842,533</u>	<u>\$19,408,300</u>	<u>\$21,934,440</u>	<u>\$22,351,344</u>	<u>\$20,998,808</u>
\$462,107	\$456,083	\$405,330	\$33,938,001	\$13,777,288
8,661,158	10,547,270	7,820,547	1,075,403	6,298,168
5,271,014	7,072,036	10,806,286	6,714,362	(5,078,812)
<u>\$14,394,279</u>	<u>\$18,075,389</u>	<u>\$19,032,163</u>	<u>\$41,727,766</u>	<u>\$14,996,644</u>
<u>\$31,236,812</u>	<u>\$37,483,689</u>	<u>\$40,966,603</u>	<u>\$64,079,110</u>	<u>\$35,995,452</u>



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Financial Trends

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

	1999	2000	2001	2002	2003
REVENUES					
Taxes	\$11,017,194	\$12,495,765	\$14,052,461	\$14,366,022	\$15,621,239
Licenses and fees	1,433,990	828,829	1,113,000	1,253,387	1,230,510
Intergovernmental	5,229,241	2,573,872	3,207,607	2,027,151	3,898,690
Fines and forfeitures	363,284	292,401	251,081	210,669	245,511
Developer fees	726,093	3,614,674	807,866	2,772,155	3,484,077
Use of money and property					
Charges for services					
Other, donations, and reimbursements	1,298,050	2,083,394	1,976,841	2,109,529	3,415,854
Total Revenues	\$20,067,852	\$21,888,935	\$21,408,856	\$22,738,913	\$27,895,881
EXPENDITURES					
Current:					
General government	\$3,618,906	\$1,323,668	\$2,873,322	\$3,423,505	\$4,949,740
Public safety	2,917,451	2,606,895	2,716,715	2,848,251	2,899,021
Public works	6,679,080	3,773,292	3,842,309	5,348,336	1,770,923
Community development	1,694,545	1,794,490	1,539,442	1,675,352	2,219,870
Community services	8,363,190	9,226,775	5,199,238	5,776,214	6,218,988
Transfers out to agency fund					
Capital outlay	403,582	359,072	792,086	425,089	5,715,792
Unreimbursable Grant Expenditure	411,440	85,437			
Debt service:					
Principal retirement		70,000	15,000	25,000	35,000
Interest and fiscal charges	181,648	335,757	320,383	319,658	318,698
Debt issuance costs					
Total Expenditures	\$24,269,842	\$19,575,386	\$17,298,495	\$19,841,405	\$24,128,032
Excess of Revenues over (under) Expenditures	(\$4,201,990)	\$2,313,549	\$4,110,361	\$2,897,508	\$3,767,849
OTHER FINANCING SOURCES (USES)					
Proceed from issuance of long term debt					
Payment to refunded debt escrow					
Original issuance discount					
Certificates of participation proceeds	6,345,000				
Transfers in	12,096,178	2,736,300	2,178,715	3,771,236	5,439,325
Transfers out	(12,096,178)	(2,736,300)	(2,178,715)	(3,771,236)	(5,439,325)
Total Other Financing Sources (Uses)	6,345,000				
Net Change in Fund Balances Before Extraordinary Items	\$2,143,010	\$2,313,549	\$4,110,361	\$2,897,508	\$3,767,849
Extraordinary items-Insurance proceeds					
Net Change in Fund Balance	\$2,143,010	\$2,313,549	\$4,110,361	\$2,897,508	\$3,767,849
Debt Service as a Percentage of Non Capital Expenditure	0.76%	2.11%	2.03%	1.78%	1.92%

(Continued)



CITY OF CALABASAS
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Continued)

2004	2005	2006	2007	2008
\$13,299,541	\$14,615,943	\$16,511,862	\$17,949,547	\$21,421,919
1,515,469	3,045,314	2,619,208	1,517,364	928,970
2,880,111	6,054,596	5,627,399	5,730,471	8,636,648
295,148	187,921	269,417	206,489	174,534
261,518	3,488,716	895,508	32,603	45,690
881,750	1,335,349	1,598,827	2,782,121	2,569,358
3,442,358	3,546,613	3,758,828	3,885,132	1,590,214
520,076	298,642	1,735,063	243,993	366,765
\$23,095,971	\$32,573,094	\$33,016,112	\$32,347,720	\$35,734,098
\$4,490,308	\$4,281,416	\$4,405,376	\$9,656,995	\$10,696,865
3,131,804	3,350,806	3,518,770	3,840,707	3,959,278
2,835,309	2,886,420	4,104,344	2,793,109	2,695,840
1,086,609	1,149,848	1,422,875	883,623	1,030,144
7,418,439	7,659,404	8,521,512	6,937,153	6,889,171
				146,587
5,314,644	6,729,322	4,738,693	18,149,125	35,789,018
50,000	65,000	223,042	265,000	280,000
313,112	318,890	75,305	900,015	1,646,824
			1,123,631	
\$24,640,225	\$26,441,106	\$27,009,917	\$44,549,358	\$63,133,727
(\$1,544,254)	\$6,131,988	\$6,006,195	(\$12,201,638)	(\$27,399,629)
		4,025,000	35,000,000	
		(6,548,281)	167,425	
5,648,426	5,415,916	6,587,186	13,518,178	28,277,676
(5,448,426)	(5,415,916)	(6,587,186)	(13,518,178)	(28,277,676)
200,000		(2,523,281)	35,167,425	0
\$ (1,344,254)	\$6,131,988	\$3,482,914	\$22,965,787	\$ (27,399,629)
2,770,110				
\$1,425,856	\$6,131,988	\$3,482,914	\$22,965,787	(27,399,629)
1.88%	1.95%	1.34%	8.67%	7.05%



CITY of CALABASAS, CALIFORNIA
 STATISTICAL SECTION – Financial Trends

CITY OF CALABASAS
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
 (modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales & Use</u>	<u>Utility Users</u>	<u>Occupancy</u>	<u>Franchise</u>	<u>Transfer</u>	<u>Other</u>	<u>Total</u>
1999	1,461,040	2,986,121	1,819,766	509,927	495,735	208,533	3,536,072	11,017,194
2000	1,796,618	3,483,320	2,127,435	600,089	436,139	173,430	3,878,734	12,495,765
2001	1,888,414	4,693,609	2,445,703	668,316	464,767	179,784	3,711,868	14,052,461
2002	2,060,549	4,459,699	2,678,170	676,601	556,125	215,048	3,719,830	14,366,022
2003	2,989,719	4,675,583	2,883,922	1,029,014	590,101	288,102	3,164,798	15,621,239
2004	3,372,794	4,830,399	2,980,798	1,124,140	567,539	423,871	0	13,299,541
2005	3,468,509	5,925,693	3,019,532	1,241,711	590,388	370,110	0	14,615,943
2006	4,121,285	6,486,751	3,195,745	1,351,848	612,787	535,204	208,242	16,511,862
2007	4,738,636	5,968,667	3,638,314	1,463,061	775,528	456,648	908,693	17,949,547
2008	5,785,855	5,995,037	3,665,484	1,342,425	786,351	251,549	3,595,219	21,421,919
Change 1999-2008	296.0%	100.8%	101.4%	163.3%	58.6%	20.6%	1.7%	94.4%

Source:
 City of Calabasas Finance Department



STATISTICAL SECTION

Revenue Capacity



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

<u>Fiscal Year</u>	<u>Secured Valuation</u>	<u>Unsecured Valuation</u>	<u>Assessed Valuation</u>
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
2007	5,328,424,654	153,180,580	5,481,605,234
2008	6,029,128,365	168,440,605	6,197,568,970

Sources:

1. Assessor, County of Los Angeles Auditor Controller
2. Hdl, Coren & Cone

Note:

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



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

	1998-99	1999-00	2000-01	2001-02	2002-03
General	1.000000	1.000000	1.000000	1.000000	1.000000
County	0.005200	0.006490	0.001310	0.001130	0.001030
Las Virgenes Unified School District	0.029580	0.030760	0.034780	0.021950	0.028290
Los Angeles Community College District	0.000000	0.000000	0.000000	0.016000	0.014600
Los Angeles County Flood Control District	0.001950	0.001760	0.001560	0.001070	0.000880
Los Angeles Unified School District	0.024760	0.031520	0.040760	0.048140	0.036970
Metropolitan Water District	0.008900	0.008900	0.008800	0.007700	0.006700
Las Virgenes Municipal Water District	0.021330	0.019390	0.018250	0.017150	0.013700
Total	1.091710	1.098830	1.105450	1.113120	1.102170

Continued

Notes:

1. 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.

2. This chart has been reworked to better represent the GASB 44 Implementation Guide. It now includes all tax rates that are covered within the City's Direct & Overlapping area. The result of doing this is an inflated tax rate, meaning it's more than any single person pays. This occurs because the "Total Direct & Overlapping Tax Rates" include all possible tax rates within all of the City's tax rate areas. In the previous report the total included in the "Total Tax Rate" only included tax rates that applied to that one particular tax rate area.

Source:

Hdl, Coren & Cone



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

2003-04	2004-05	2005-06	2006-07	2007-08
1.000000	1.000000	1.000000	1.000000	1.000000
0.000990	0.006720	0.006000	0.005360	0.004500
0.029880	0.028800	0.027030	0.028080	0.049010
0.019860	0.018100	0.014300	0.021460	0.008780
0.000470	0.000240	0.000050	0.000050	0.000000
0.077130	0.088850	0.084380	0.106820	0.123340
0.006100	0.005800	0.005200	0.004700	0.004500
0.009300	0.005800	0.005200	0.004700	0.004500
1.143740	1.154300	1.142120	1.171170	1.194640



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Revenue Capacity

**CITY OF CALABASAS
 PRINCIPAL PROPERTY TAX PAYERS
 Current Year and Nine Years Ago**

Taxpayer	2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
ASN Calabasas I LLC	\$100,879,758	1	1.63%
Casden Malibu Canyon L P	90,713,347	2	1.46%
Kilroy Realty Limited Partnership	66,913,296	3	1.08%
Commons At Calabasas LLC	61,924,346	4	1.00%
Countrywide Financial Corporation	56,233,549	5	0.91%
Calabasas TC Properties LLC	51,000,000	6	0.82%
MS LPC Malibu Land Holdings LLC	40,440,000	7	0.65%
Calabasas Courtyard Inc	32,292,558	8	0.52%
Cheesecake Factory Inc	28,631,419	9	0.46%
Calabasas Sorrento Square LLC	27,064,460	10	0.44%
Total	\$556,092,733		8.97%
Total Assessed Value	<u>6,197,568,970</u>		

Taxpayer	1999		
	Taxable Assessed Value	Rank	Assessed Valuation
Kilroy Calabasas Associates	\$ 64,088,933	1	2.35%
Casden Malibu Canyon Limited	46,821,000	2	1.72%
Lincoln Malibu Meadows	40,872,972	3	1.50%
Countrywide Home Loans, Inc.	35,365,081	4	1.30%
Calabasas Tech Center Inc	32,025,515	5	1.18%
Aetna Life Insurance Company	14,917,378	6	0.55%
NM Homes One LLC	13,484,230	7	0.49%
Calabasas & Sorrento	11,600,000	8	0.43%
Maria A. D'Egido Trust	9,647,010	9	0.35%
J M Peters Company, Inc.	7,897,724	10	0.29%
Total	\$ 276,719,843		10.16%
Total Assessed Value	<u>2,724,966,457</u>		

Source:
 Hdl, Coren & Cone



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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year ¹ (Original Levy)	Adjustments ³	Total Adjusted Levy	Collected within the Fiscal Year of the Levy	
				Amount ²	Percentage of Original Levy
1999	1,909,467	-	1,909,467	1,810,483	94.82%
2000	2,128,968	-	2,128,968	1,992,094	93.57%
2001	2,315,044	-	2,315,044	2,195,116	94.82%
2002	2,493,243	-	2,493,243	2,362,375	94.75%
2003	2,938,660	-	2,938,660	2,875,937	97.87%
2004	3,266,168	-	3,266,168	3,242,789	99.28%
2005	3,633,186	-	3,633,186	3,320,848	91.40%
2006	4,063,535	-	4,063,535	3,974,035	97.80%
2007	4,760,831	-	4,760,831	4,760,859	100.00%
2008	5,509,834	-	5,509,834	5,570,195	101.10%

Continued

Sources:

¹ HdL Coren & Cone

² City of Calabasas, Finance Department

³ 'Adjustments' and 'Collections in Subsequent Years' were immaterial and constituted less than 1% of the levy in all years, therefore they are stated as zero.



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

Collections in Subsequent Years ³	Total Collections to date	
	Amount ²	Percentage of Original Levy
-	1,810,483	94.82%
-	1,992,094	93.57%
-	2,195,116	94.82%
-	2,362,375	94.75%
-	2,875,937	97.87%
-	3,242,789	99.28%
-	3,320,848	91.40%
-	3,974,035	97.80%
-	4,760,859	100.00%
-	5,570,195	101.10%



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Revenue Capacity

CITY OF CALABASAS
Taxable Sales by Category
Last Ten Calendar Years

	Calendar Year ¹				
	1999	2000	2001	2002	2003
Business to Business	1,196,373	1,920,591	2,197,305	2,108,013	1,996,853
Transportation	754,496	884,190	940,420	1,020,466	1,121,725
Food Products ²	434,766	532,964	532,062	577,910	624,416
General Retail	354,457	440,933	477,969	510,206	518,717
Miscellaneous	21,449	21,273	14,449	39,725	35,861
Construction	21,542	6,958	8,418	12,219	19,000
Total	2,783,083	3,806,909	4,170,623	4,268,539	4,316,572
City direct sales tax rate	1%	1%	1%	1%	1%

Continued

Source:
 MBIA Muni Services

Notes:

¹ Retail sales information is not available on a fiscal-year basis.

² General grocery items are not taxable; the sales tax applies only to prepared food items and nonfood items.



CITY OF CALABASAS
Taxable Sales by Category
Last Ten Calendar Years
 (Continued)

	Calendar Year ¹				
	2004	2005	2006	2007	2008
	2,077,992	2,535,204	2,446,571	2,686,281	2,300,045
	1,657,058	1,891,367	1,845,683	1,789,102	1,708,606
	701,873	715,927	721,833	738,145	706,839
	593,068	677,098	717,945	698,335	667,195
	31,613	35,242	35,026	58,530	68,049
	15,343	5,403	8,015	3,307	2,527
	5,076,947	5,860,241	5,775,073	5,973,700	5,453,261
	1%	1%	1%	1%	1%



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STATISTICAL SECTION

Debt Capacity



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Debt Capacity

CITY OF CALABASAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Five Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income ²	Per Capita ²
	Facilities Corporation Certificates of Participation	Compensated Absences Payable	Total Government Long-Term Debt	Compensated Absences Payable				
2008	\$38,480,000	\$432,683	\$38,912,683	\$17,558	\$38,930,241	2.19%	\$1,641	
2007 ¹	38,760,000	375,764	39,135,764	19,575	39,155,339	2.30%	1,665	
2006	4,025,000	320,512	4,345,512	13,583	4,359,095	0.27%	187	
2005	6,085,000	315,483	6,400,483	15,558	6,416,041	0.44%	279	
2004	6,150,000	282,744	6,432,744	11,717	6,444,461	0.49%	282	

Notes:

¹ The City issued \$35 million of new certificates of participation in 2007.

² See the Demographic & Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source:

City of Calabasas Audited Financials - Note #9 Long-Term Debt



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CITY of CALABASAS, CALIFORNIA
 STATISTICAL SECTION – Debt Capacity

CITY OF CALABASAS
 ESTIMATED DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 Fiscal Years 1999 to 2008

	FY 2008		
FY 2007-08 Assessed Valuation:	\$6,197,568,970		
	Total Debt		
	6/30/08	% Applicable ¹	Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Los Angeles County	\$0	0.000%	\$0
Los Angeles County Flood Control District	99,210,000	0.714%	708,359
Metropolitan Water District	327,215,000	0.351%	1,148,525
Los Angeles Community College District	1,370,820,000	1.261%	17,286,040
Los Angeles Unified School District	7,325,045,000	0.00001%	7,325
Las Virgenes Joint Unified School District	120,301,202	36.866%	44,350,241
Las Virgenes Municipal Water District I.D. No. U-1	0	0.000%	0
Las Virgenes Municipal Water District I.D. No. U-2	0	0.000%	0
Los Angeles County Waterworks District No. 29	0	0.000%	0
City of Calabasas Community Facilities District No. 2001-1	25,910,000	100.000%	25,910,000
City of Calabasas Community Facilities District No. 98-1	8,575,000	100.000%	8,575,000
Los Angeles County Community Facilities District No. 4-B	0	0.000%	0
Los Angeles Regional Park and Open Space Assessment District	269,995,000	0.705%	1,903,465
City of Calabasas	0	0.000%	0
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$99,888,955
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Los Angeles County General Fund Obligations	\$1,019,552,788	0.705%	7,187,847
Los Angeles County Pension Obligations	352,255,398	0.705%	2,483,401
Los Angeles County Superintendent of Schools Certificates of Participation	17,861,064	0.705%	125,921
Los Angeles County Flood Control District General Fund Obligations	0	0.000%	0
Los Angeles County Community College District Certificates of Participation	0	0.000%	0
Las Virgenes Joint Unified School District Certificates of Participation	12,965,000	36.866%	4,779,677
Los Angeles Unified School District General Fund Obligations	498,121,710	0.00001%	498
City of Calabasas Certificates of Participation	38,480,000	100.000%	38,480,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$53,057,344
Less: Los Angeles County Certificates of Participation (100% self-supporting) from leasehold revenues on properties in Marina Del Rey			0
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			53,057,344
GROSS COMBINED TOTAL DEBT ²			\$152,946,299
NET COMBINED TOTAL DEBT			\$152,946,299
Ratios to Fiscal Year's Assessed Valuation:			
Combined Direct Debt Amount			\$38,480,000
Combined Direct Debt			0.62%
Total Overlapping Tax and Assessment Debt			1.61%
Gross Combined Total Debt			2.47%
Net Combined Total Debt			2.47%
STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/08: \$0			0

Source:
 California Municipal Statistics, Inc.

Note:
¹ Percentage of overlapping agency's assessed valuation located within boundaries of the city.

² Excludes tax and revenue anticipation notes, revenue, mortgage revenue, and tax allocation bonds and non bonded capital lease obligations.

**CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Debt Capacity**



**CITY OF CALABASAS
ESTIMATED DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
Fiscal Years 1999 to 2008
(Continued)**

<u>FY 2007</u>	<u>FY 2006</u>	<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>
\$5,481,605,234	\$4,835,544,337	\$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
Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt
\$0	\$54,987	\$105,495	\$149,504	\$188,990	\$224,506	\$261,030	\$290,062	\$307,959
777,886	842,466	797,095	882,848	62,649	106,264	147,277	193,504	230,473
1,213,809	1,289,460	1,396,569	1,282,278	3,066,464	1,624,932	1,724,860	1,791,745	1,832,371
12,162,920	7,659,288	8,516,980	7,625,322	7,723,798	5,717,250	5,733,000	0	0
13,010	1,191	897	1,025	1,092	542	0	0	0
44,226,999	28,221,697	28,986,034	28,919,018	30,026,871	18,445,148	19,103,345	13,346,672	9,681,619
0	0	0	56,205	49,820	147,635	191,312	223,060	243,190
0	0	0	128,544	124,449	370,153	481,813	587,830	676,342
0	0	0	0	0	0	0	404	732
26,535,000	26,535,000	27,540,000	27,970,000	0	28,645,000	0	0	0
9,150,000	9,150,000	10,225,000	10,725,000	0	11,655,000	12,095,000	12,515,000	12,515,000
0	0	0	0	0	0	28,700,000	29,100,000	29,500,000
2,056,629	1,992,739	2,276,482	2,396,458	0	2,535,614	2,698,203	2,802,871	2,822,818
0	0	0	0	0	0	0	0	0
\$96,136,253	\$75,746,828	\$79,844,552	\$80,136,202	\$41,244,133	\$69,472,044	\$71,135,840	\$60,851,148	\$57,810,504
7,333,599	8,066,515	9,045,319	9,245,118	10,239,744	10,239,744	10,367,081	10,232,989	9,706,904
3,696,700	4,827,890	6,836,134	8,413,830	10,774,722	10,774,722	11,830,788	12,497,068	12,664,361
133,965	129,803	154,720	164,052	183,090	183,090	195,917	207,949	19,115
0	0	0	0	989,925	989,925	1,048,166	1,104,821	1,113,750
0	0	0	0	979,174	979,174	711,056	729,121	652,162
6,922,217	6,710,991	6,921,200	6,813,000	31,341	31,341	62,958	201,683	326,392
791	80	120	182	148	148	0	0	0
38,760,000	4,025,000	6,085,000	6,150,000	6,235,000	6,235,000	6,260,000	6,275,000	6,345,000
\$56,847,272	\$23,760,279	\$29,042,493	\$30,786,182	\$29,433,144	\$29,433,144	\$30,475,966	\$31,248,631	\$30,827,684
0	176,654	360,296	443,702	590,431	590,431	702,976	787,830	841,230
56,847,272	23,583,625	28,682,197	30,342,480	28,842,713	28,842,713	29,772,990	30,460,801	29,986,454
\$152,983,525	\$99,507,107	\$108,887,045	\$110,922,384	\$70,677,277	\$98,905,188	\$101,611,806	\$92,099,779	\$88,638,188
\$152,983,525	\$99,330,453	\$108,526,749	\$110,478,682	\$70,086,846	\$98,314,757	\$100,908,830	\$91,311,949	\$87,796,958
\$38,760,000	\$4,025,000	\$6,085,000						
0.71%	0.07%	0.14%						
1.75%	1.38%	1.81%						
2.79%	1.82%	2.46%						
2.79%	1.81%	2.45%						
0	0	0	0	0	0	0	0	0



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Debt Capacity

CITY OF CALABASAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	FY 2008	FY 2007	FY 2006	FY 2005
Total Assessed Value of all Real and Personal Property	\$6,197,568,970	\$5,481,605,234	\$4,835,544,337	\$4,421,546,650
Debt Limit Percentage	15.00%	15.00%	15.00%	15.00%
Total Debt Limit ¹	\$929,635,346	\$822,240,785	\$725,331,651	\$663,231,998
Amount of Debt Applicable to Debt Limit	-	-	-	-
Legal Debt Margin	\$929,635,346	\$822,240,785	\$725,331,651	\$663,231,998

Continued

Note:

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 2004	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
4,021,388,352	3,670,453,772	3,417,259,201	3,208,817,999	2,970,803,441	2,724,966,457
15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
\$603,208,253	\$550,568,066	\$512,588,880	\$481,322,700	\$445,620,516	\$408,744,969
-	-	-	-	-	-
\$603,208,253	\$550,568,066	\$512,588,880	\$481,322,700	\$445,620,516	\$408,744,969



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STATISTICAL SECTION

Demographic and Economic Information



**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>
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	22,833 ³	1,319,976	57,810	42	33.0%	2.1%
2005	22,981 ³	1,472,278	64,065	39	58.0%	1.8%
2006	23,338 ³	1,641,128	70,320	40	58.0%	1.8%
2007	23,521 ³	1,704,940	72,486	40	58.0%	4.4%
2008	23,725 ³	1,779,917	75,023 ²	40	58.0%	3.5% ⁴

Source:
 Various on-line resources

Notes:

¹ Information presented are estimates and are to be used to give perspective to the City relative to other municipalities.

² Per Capita Personal Income for 2008 was calculated by increasing the 2007 amount by the Los Angeles County CPI increase of 3.5%.

³ Population Source: California Department of Finance

⁴ Unemployment Rate Source: California Employment Development Department
<http://www.labormarketinfo.edd.ca.gov>



**CITY OF CALABASAS
 Principal Employers
 Fiscal Year 2008 and Ten Years Ago**

<u>Employer</u>	<u>2008</u>			<u>1999</u>
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Principal Employer</u>
Las Virgenes Unified School District	855	1	5.64%	Y
Countrywide Home Loans, Inc.	700	2	4.62%	Y
Alcatel Internetworking, Inc.	373	3	2.46%	
IXIA Communications	350	4	2.31%	
Spirent Communications	250	5	1.65%	
Cheesecake Factory, Inc.	250	6	1.65%	Y
Bob Smith BMW	152	7	1.00%	
Gelson's Market	150	8	0.99%	
Mercedes Benz of Calabasas	130	9	0.86%	Y
City of Calabasas	130	10	0.86%	
Acura 101 West	--		--	Y
Digital Insight	--		--	Y
John Paul Richards, Inc	--		--	Y
Las Virgenes Water District	--		--	Y
The Ryland Group	--		--	Y
Total	<u>3,340</u>		<u>22.04%</u>	

Sources:

1. Finance Department
2. Calabasas Chamber of Commerce
3. Number of Employees through 2007



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STATISTICAL SECTION

Operating Information



CITY of CALABASAS, CALIFORNIA
 STATISTICAL SECTION – Operating Information

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

Function/Department	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</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	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Administrative Services	4.00	4.50	4.50	5.00	6.00	6.00	6.00	6.00	7.00	7.00
Finance Department	3.00	4.50	4.50	4.50	4.75	4.50	8.50	7.25	9.00	8.50
Media Operations Department	2.50	4.00	5.50	5.50	5.50	7.75	7.75	9.75	11.00	9.00
Transportation Department	3.50	4.00	4.00	4.00	4.50	5.00	5.00	6.25	6.00	6.00
Community Development Dept.	9.00	10.00	10.00	17.00	16.00	16.00	20.00	19.25	22.50	22.00
Engineering & Public Works Dept.	5.50	5.50	6.00	8.50	8.75	8.75	10.00	8.75	17.00	11.50
Community Services Department ^{1,2}	13.00	21.80	21.80	22.80	23.80	23.80	21.75	31.00	47.50	59.00
Total	47.50	61.30	63.30	74.30	76.30	78.80	86.00	95.25	127.00	130.00

Notes:

¹ Community Services Department includes the Recreation Division (de Anza Park), the Tennis & Swim Center and the Creekside Park and Preschool.

² For the Community Services Department, the hourly staff number fluctuates depending on the season.

Source:

City of Calabasas, Finance and Human Resources Departments



**CITY OF CALABASAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Three Fiscal Years**

<u>Function/Program</u>	2008	2007	2006
<u>General Government</u>			
Building permits issued	1,890	2,115	2,686
Building inspections conducted	6,980	9,536	14,097
Code Enforcement inspections conducted	856	720	--
<u>Parks and recreation</u>			
Number of City sponsored events	23	20	12
Number of Tennis & Swim Center members	6,225	4,740	4,550
<u>Public Works</u>			
Street resurfacing (sq. feet)	1,143,000	950,940	415,260
<u>Recyclable Collections</u>			
Mixed Electronics Collected (pounds)	183,090	125,742	--
Dry Cell Batteries (pounds)	11,228	9,149	--
Recycling Baskets distributed	100	2,140	--
<u>Transit</u>			
Total route (miles)	104	104	104
Passengers (monthly)	15,000	14,700	14,400

Sources:

 Various City departments



CITY OF CALABASAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Three Fiscal Years

<u>Function/Program</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Public works</u>			
Bridges	4	4	4
Sewer system network (linear feet)	341,168	341,168	341,168
Streets / Highway (miles)	55.1	55.1	55.1
Traffic signals	22	20	19
<u>Parks and recreation</u>			
Basketball courts	6	6	6
Community centers	1	1	1
Fitness centers	1	1	1
Libraries	1	1	1
Park acreage	56.6	56.6	56.6
Parks	10	10	10
Swimming pools	2	2	2
Tennis courts	18	18	18
<u>Transit</u>			
Buses (including Trolleys)	10	10	10

Sources:

Various city departments



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:

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The City of Calabasas Office of Finance



CITY of CALABASAS