

City of Calabasas, California
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
For the Fiscal Year Ended June 30, 2009

CAFR

2009



CITY of CALABASAS



CITY of CALABASAS
www.cityofcalabasas.com

"Financial acumen lends itself well to achievement."
~ Dr. Gary J. Lysik, CFO



CITY of GALABASAS

Comprehensive Annual Financial Report
Year Ended June 2009

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>

January 29, 2009

The Honorable Mayor Jonathon Wolfson
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 Management, 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 adopted financial approach includes a two-year budget that is approved on an annual basis. In this case, the City Council is presented each year with a new, 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 since its inception, this approach has proven beneficial, particularly in regards to managing Capital Improvement Projects.

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 focused its resources on street rubberized overlay, annual concrete rehabilitation, citywide sewer expansion, park and trail improvements, and other projects which benefit the citizens of 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 2.27%, with total earnings for all funds equaling \$774,821.

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 \$77,649, which is 1.8 times that of the State of California. At \$104,935 the median household income in Calabasas in 2009



was nearly twice that of the State of California. The median age of Calabasas residents in 2009 is 41.20, 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 2009 was \$1,029,806. This figure represents a 9.5% decrease from 2008.

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 1.6% 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 6.5% per year during that same period of time. Property tax and sales tax are the two major contributors to the increase, and current estimates indicate a 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 remains strong, despite reduced revenue from a slowed economy, and the City maintained its excellent credit ratings (2006) issued by Moody's (Aa2) and Standard & Poor's (AA+) providing a solid testimony to this assertion. The strength of the City's finances is a



relational byproduct of clearly defined, consistent management practices and responsible stewardship of the City's assets. Following are undertakings that have helped to strengthen the City's financial stability.

1. Continued 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 2009, with Council approval, the City Treasurer continued investing in U.S. Government securities and effectively increased the amount of annual interest income received by the City by approximately \$250,000 without any demonstrable change in investment security.

2. Developed the Department's Standard Policy & Procedure (SPP) Manual

Staff members of the City's Finance Department developed and distributed a new set of Standard Policies & Procedures (SPPs) which provides insight and direction as to how activities within the Department must be handled. The SPPs identify the "who" and "what" regarding how the Finance Department operates. Staff members are now provided with clear direction on how to complete forms and what processes need to be followed for the proper handling of nearly all finance related efforts and activities.

3. Continued to Improve the City's Grant / Contract Management Functions

The Department of Finance continued to expand its role in Grant / Contract Management by:

- a. Administrating nearly \$5M of grant funds, and
- b. Improving a contract review system that quickly and easily identifies contracts that have either expired, are nearing their spending limits, or do not have current liability insurance coverage. These combined efforts have greatly reduced the amount of liability risk maintained by the City, thus reducing the risk of higher insurance premiums.

4. Continued Delivery of Accurate and Comprehensible Financial Statements

Budget Performance Reports (BPRs) and Problem Analysis Reports (PARs) are prepared regularly and are distributed to management for the purpose of identifying areas of spending patterns not in keeping with the approved budget. As such, management is easily able to identify problems, understand the financial impact of the problems, and establish corrective action plans for meeting organizational and citywide goals.

ACKNOWLEDGEMENTS

The City of Calabasas' Department of Finance has a team of committed individuals, each contributing to the sound financial standing of the City. Within the Department of Finance, I am particularly proud to 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.

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 (Hon. Jonathon Wolfson), Mayor Pro Tem (Hon. Barry Groveman), council members (James Bozajian, Mary Sue Maurer, 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, 2008. 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, 2009, 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, 2009.

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, 2009.

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, 2008

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



President

Executive Director





Mission and Value Statements

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

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

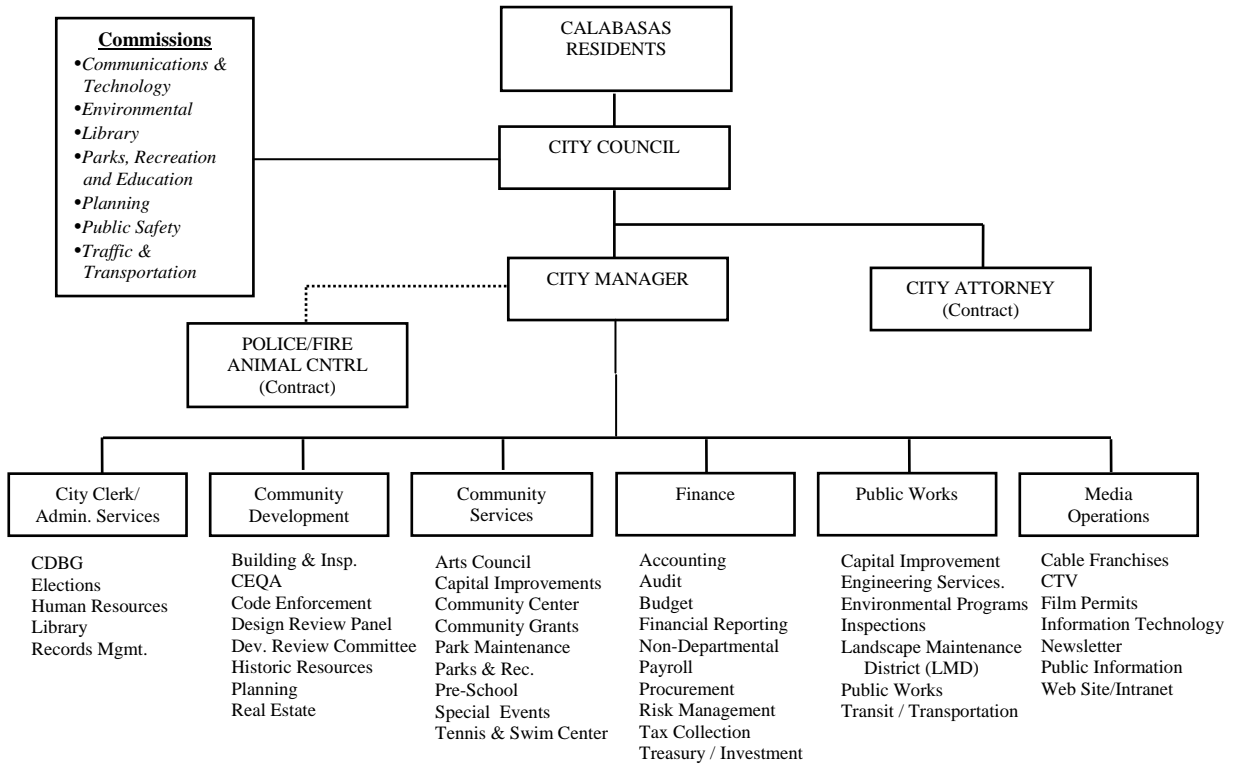
The Department leads by example while encouraging growth and advancement in the organization. Finance provides direction through experience and desires to be acknowledged as the “Go-To Organization” for critical decision making needs.

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** – Robert J. Lia, Chair
- Environmental Commission** – Lisa Brackelmanns-Wilder, Chair
- Historic Preservation Commission** – Kim Lamorie, Chair
- Library Commission** – Dave Shapiro, President
- Parks, Recreation and Education Commission** – Jennifer Bercy, Chair
- Planning Commission** – John Mueller, Chair
- Public Safety Commission** – Diana Brenke, Chair
- Traffic and Transportation Commission** – Robert Friedman, Chair



City Officials



Jonathon Wolfson
Mayor

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



Barry Groveman
Mayor Pro Tem

First Elected: 2003

Biographical Information:

- Past 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



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



Mary Sue Maurer
Councilmember

Year First Elected: 2005

Biographical Information:

- Past 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



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

Jim Jordan, *Director of Public Safety*

Robin Parker, *Director of Administrative Services*

Jeff Rubin, *Community Services Director*

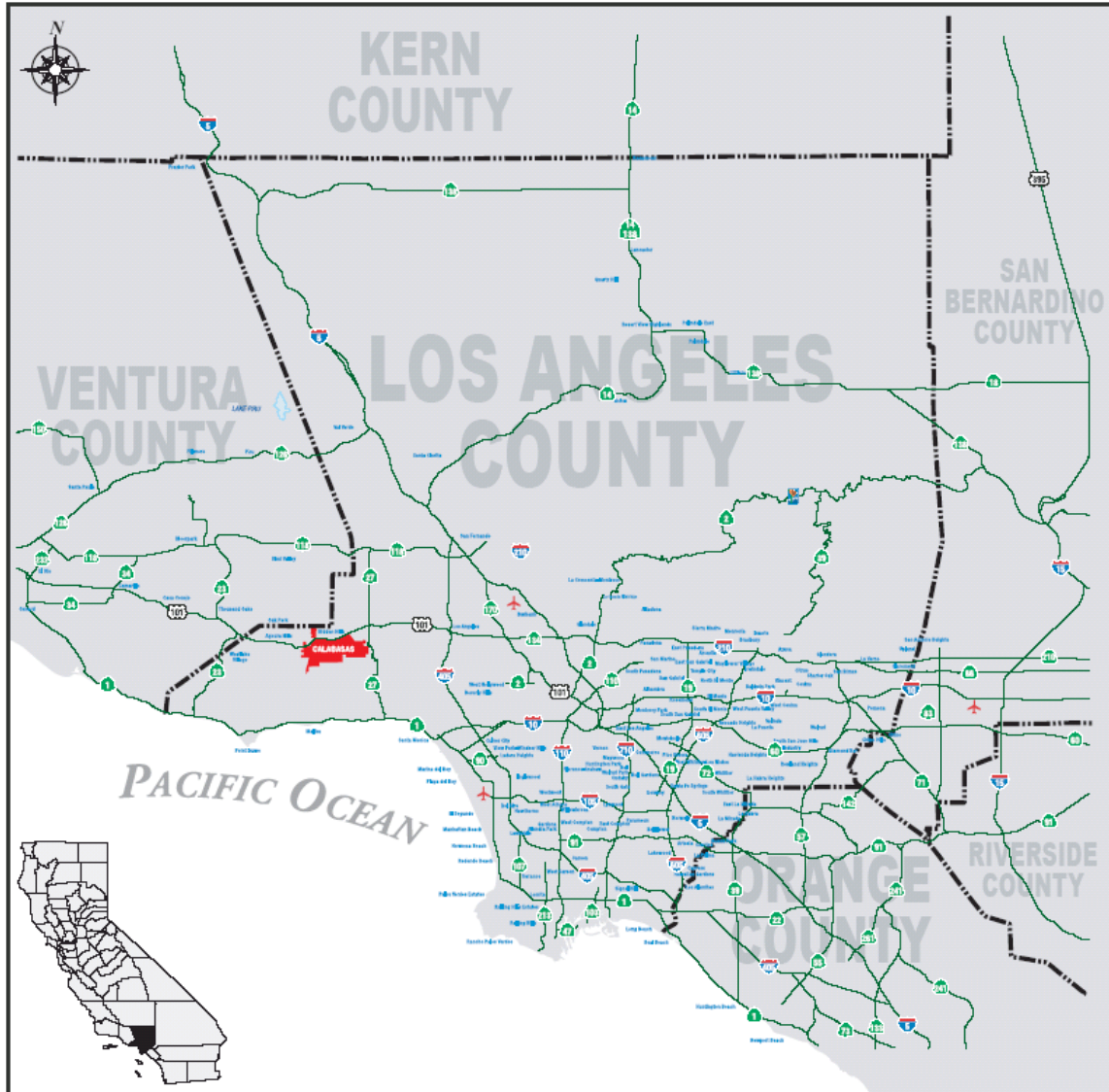
Deborah Steller, *Media Operations Director*

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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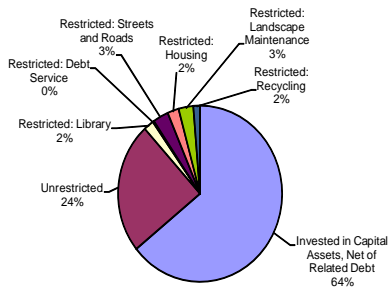


Highlights

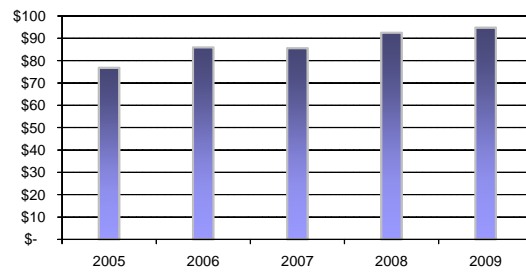
The Financial Section details the City’s financial workings for fiscal year ended June 30, 2009. This section is expected to enlighten readers as to financial highlights, occurrences, and events affecting the City’s annual budget.

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

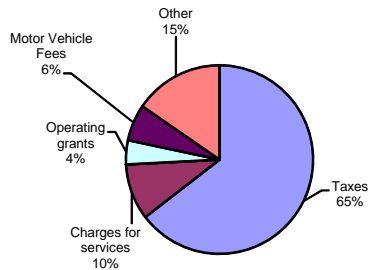
Net Assets - Primary Government
For the Fiscal Year Ended June 30, 2009
(as a percent)



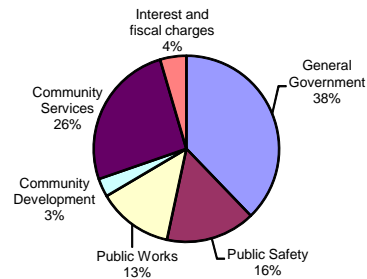
Total Net Assets - Governmental Activities
For the Fiscal Year Ended June 30, 2009
(amounts in millions)



Revenues by Source - Governmental Activities
For the Fiscal Year Ended June 30, 2009
(as a percent)



Expenses - Governmental Activities
For the Fiscal Year Ended June 30, 2009
(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, 2009, 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof 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, 2008, the City adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employees for Postemployment Benefits Other than Pensions*, GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of Auditing Standards*.

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

In accordance with Government Auditing Standards, we have also issued a report dated January 11, 2010, 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.

The Management’s Discussion and Analysis on pages 27 through 42 and the Postemployment Benefits Other than Pensions, the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund, Landscape District Maintenance Special Revenue Fund, Developer Impact Fees Special Revenue Fund, Storm Damage Special Revenue Fund and Grants Special Revenue Fund on pages 89 through 94 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, Schedule of Revenue, Expenditures, and Changes in Funds Balance – Budget and Actual – Capital Improvement and Civic Center Capital Project Funds, combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, combining agency fund statements and the statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements. The Schedule of Revenue, Expenditures, and Changes in Funds Balance – Budget and Actual – Capital Improvement and Civic Center Capital Project Funds, the combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, 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, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Beverly Hills, California
January 29, 2010



Management’s Discussion and Analysis

Management’s Discussion and Analysis (MD&A)
Fiscal Year Ended June 30, 2009

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, 2009. 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 \$97.2 million*
- *Total net assets increased by \$2.3 million from 2008*
- *Combined ending fund balances for governmental funds experienced a 9.0% decrease*
- *\$32.8 million available for the City’s governmental activities*
- *Unreserved fund balance for the general fund was \$19.9 million*
- *The City’s total long-term debt (\$38.1 million) was reduced by \$0.4 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 5th 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

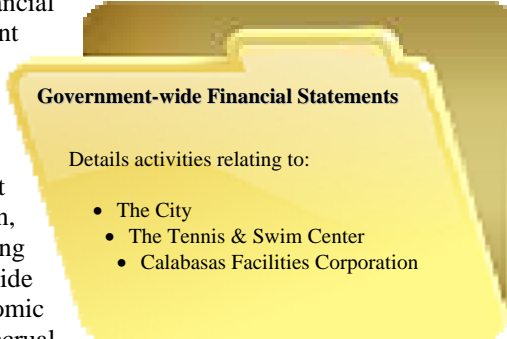


Fund respectively. Notes to the financial statements include support and other qualifying documentation as warranted.

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.

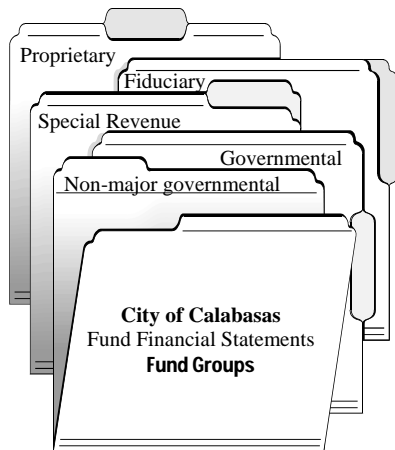
Component units are legally separate entities that the City is either financially accountable for or shares a significant relationship with in such a way that their exclusion would cause the City’s financial statements to be misleading or incomplete. The Calabasas Facilities Corporation (termed the “Corporation”)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

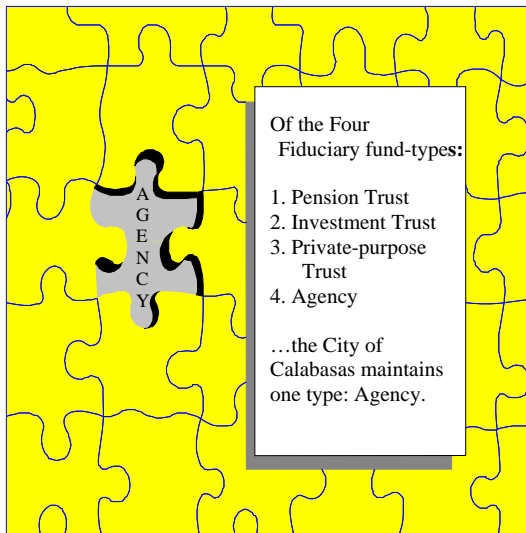
Proprietary Funds. *Proprietary funds* record revenues when they are earned and record expenses at the time liabilities are incurred. Proprietary funds can be divided into two fund types: enterprise funds and internal service funds.



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.



Required Supplementary Information

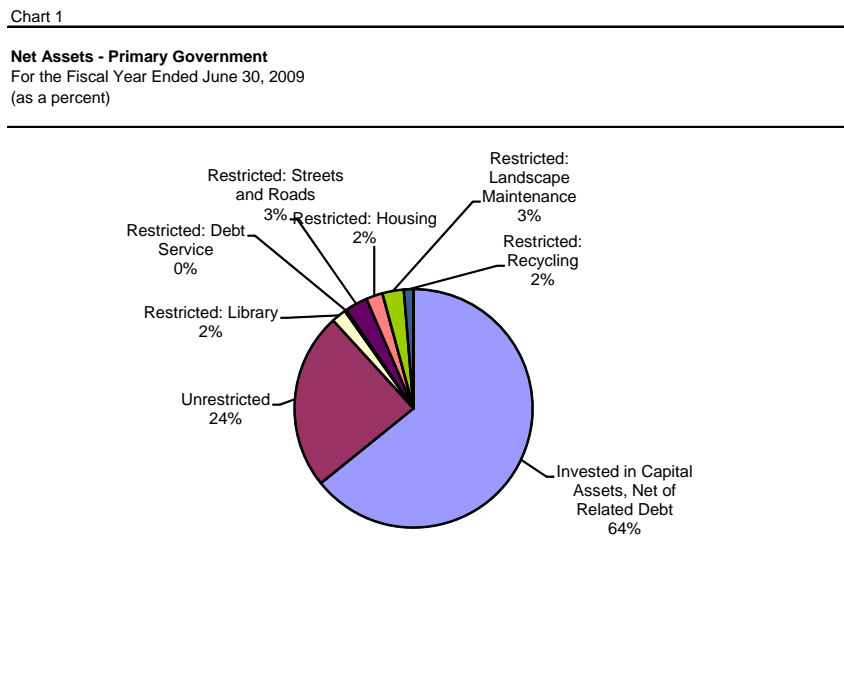
In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City’s Special Revenue Funds, Debt Service Fund, and Agency Funds. Reports include schedules of revenues, expenditures, and changes in fund balances (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 (64%), debt service (0%), and unrestricted assets (24%). The percentage of net assets subject to external use restrictions, except for that associated with the servicing of City debt, makes up 12% of the net asset portfolio. Streets and roads, housing, landscape maintenance, and recycling fall under this category.

For purposes of discussion, 64% 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.



Twenty-four percent (\$23.3 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



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

creditors. As 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 \$2.3 million dollars (2.4%) from the prior fiscal year bringing the total net assets for both governmental activities and business-type activities to \$97.2 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, 2009
(amounts in millions)

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Cash and investments	\$ 32.6	\$ 37.5	\$ 0.4	\$ 0.4	\$ 33.0	\$ 37.9
Other current assets	4.2	4.1	0.1	-	4.3	4.1
Capital Assets	98.6	94.4	2.0	2.1	100.6	96.5
Other non-current assets	1.6	1.6	-	-	1.6	1.6
Total assets	\$ 137.0	\$ 137.6	\$ 2.5	\$ 2.5	\$ 139.5	\$ 140.1
Current liabilities	\$ 4.1	\$ 6.6	\$ 0.1	\$ 0.1	\$ 4.2	\$ 6.7
Non-current liabilities	38.1	38.5	-	-	38.1	38.5
Total liabilities	\$ 42.2	\$ 45.1	\$ 0.1	\$ 0.1	\$ 42.3	\$ 45.2
Total Net Assets:	\$ 94.8	\$ 92.5	\$ 2.4	\$ 2.4	\$ 97.2	\$ 94.9
Invested in capital assets, net of related debt	\$ 60.5	\$ 57.4	\$ 2.0	\$ 2.1	\$ 62.5	\$ 59.5
Restricted	11.4	23.4	-	-	11.4	23.4
Unrestricted	22.9	11.7	0.4	0.3	23.3	12.0
Total Net Assets	\$ 94.8	\$ 92.5	\$ 2.4	\$ 2.4	\$ 97.2	\$ 94.9

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

Governmental activities expenses totaled \$29.5 million. Of this, \$7.6 million (community services department expenses), \$3.9 million (public works), \$4.6 million (public safety), and \$11.1 million (general government department expenses) account for slightly greater than 92.2% of governmental activity expenditures. City funding for governmental activities was derived from \$24.0 million (74.5%) in general revenue and such sources as program revenue, which contributed \$8.2 million (25.5%). Program revenue funds were secured from \$3.1 million in charges for services and \$5.1 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 \$94.8 million representing an upward adjustment of \$2.3 million since the fiscal year ended June 30, 2008 due mostly to an increased receipt of property tax revenue, and a decrease in public work expenses and interest and fiscal charges. Chart 3 presents a five-year comparison of net assets for governmental activities.



As of this printing, tax revenue (64.6%) was the single greatest source of City revenues for governmental activities. Total tax revenues collected for governmental activities decreased by (\$0.6) million compared to the prior fiscal year, mostly caused by a decrease in sales tax. A weaker economy and the slow-down in new automobile sales was the greatest contributing factor. 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, 2009
(amounts in millions)

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue:						
Program Revenue:						
Charges for services	\$ 3.1	\$ 3.2	\$ 3.4	\$ 3.0	\$ 6.5	\$ 6.2
Operating grants and contributions	1.3	0.4	-	-	1.3	0.4
Capital grants and contributions	3.8	6.2	-	-	3.8	6.2
General Revenue:						
Taxes:						
Utility users tax	3.6	3.7	-	-	3.6	3.7
Transient occupancy tax	1.1	1.3	-	-	1.1	1.3
Sales tax	5.7	6.8	-	-	5.7	6.8
Property tax	9.5	8.8	-	-	9.5	8.8
Franchise tax	0.9	0.8	-	-	0.9	0.8
Other tax	-	-	-	-	-	-
Motor vehicle in-lieu	2.0	1.9	-	-	2.0	1.9
Use of money and property	0.7	2.4	-	-	0.7	2.4
Miscellaneous	0.4	0.3	-	-	0.4	0.3
Transfers	0.1	-	-	-	0.1	-
Total Revenue	\$ 32.2	\$ 35.8	\$ 3.4	\$ 3.0	\$ 35.6	\$ 38.8
Expenses:						
General Government	\$ 11.1	\$ 10.9	\$ -	\$ -	\$ 11.1	\$ 10.9
Public Safety	4.6	4.0	-	-	4.6	4.0
Public Works	3.9	4.1	-	-	3.9	4.1
Community Development	0.9	1.1	-	-	0.9	1.1
Community Services	7.6	7.3	-	-	7.6	7.3
Interest and fiscal charges	1.4	2.1	-	-	1.4	2.1
Unallocated depreciation	-	-	-	-	-	-
Tennis and Swim Center	-	-	3.4	3.2	3.4	3.2
Total Expenses	\$ 29.5	\$ 29.5	\$ 3.4	\$ 3.2	\$ 32.9	\$ 32.7
Change in Net Assets	\$ 2.7	\$ 6.3	\$ -	\$ (0.2)	\$ 2.7	\$ 6.1
Net Assets - Beginning of Fiscal Year	92.5	85.5	2.4	2.6	94.9	88.1
Prior Period Adjustments	(0.4)	0.7	-	-	(0.4)	0.7
Net Assets - End of Fiscal Year	\$ 94.8	\$ 92.5	\$ 2.4	\$ 2.4	\$ 97.2	\$ 94.9



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, 2009
(amounts in millions)

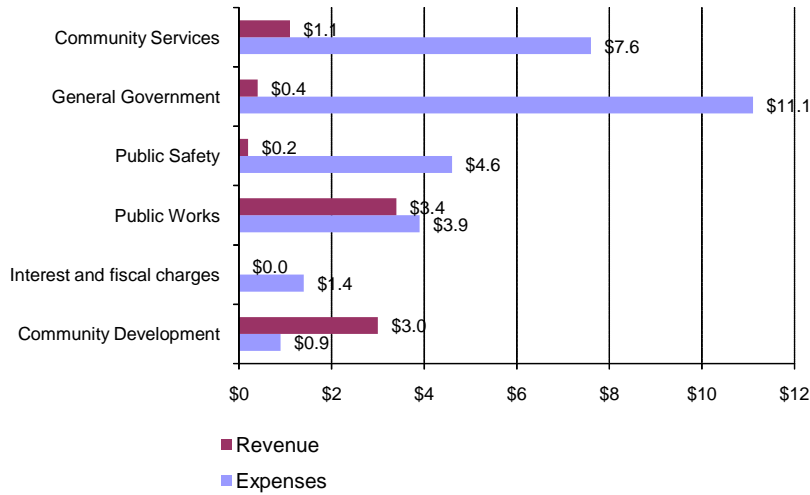
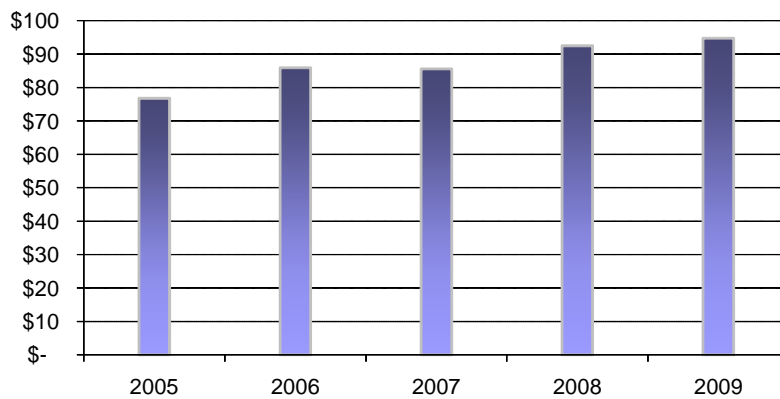


Chart 3 Five-year comparisons of net assets for governmental activities.

Chart 3

Total Net Assets - Governmental Activities

For the Fiscal Year Ended June 30, 2009
(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, 2009
 (as a percent)

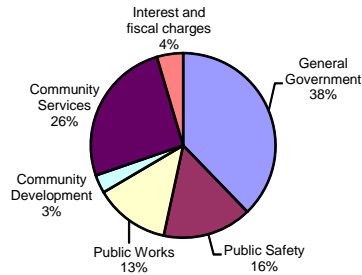
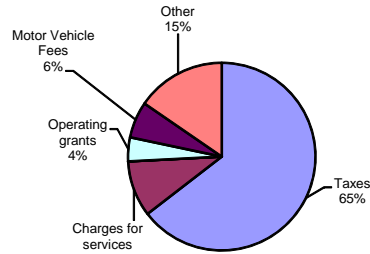


Chart 5

Revenues by Source - Governmental Activities
 For the Fiscal Year Ended June 30, 2009
 (as a percent)

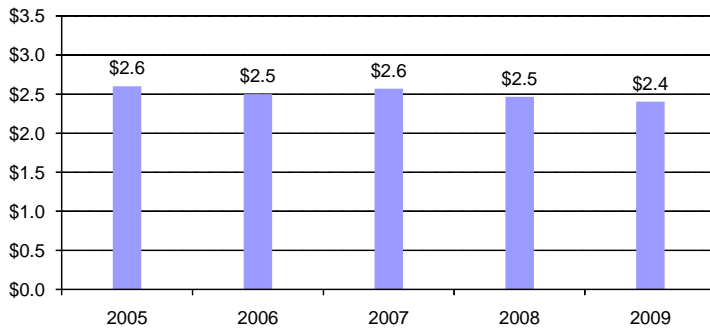


Business-type activities. As mentioned earlier, business-type activities are funded in large part through the assignment of user fees imposed on external parties in exchange for goods or services. The Tennis and Swim Center (the “Center”) is reported in this category. Business-activity revenue remained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

Chart 6 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, 2009
 (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 \$3.4 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, \$0.7 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 \$19.9 million general fund balance depicts an overall decrease of (\$1.1) 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 \$32.8 million, which represented a (\$3.2) million or (8.9%) 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, virtually all \$32.8 million was identified as unreserved thereby making these funds available for appropriation.

Revenue. Total General Fund revenue decreased by (\$1.4) million over last year bringing the total revenue for the fiscal year to \$20.0 million. Of this, \$14.3 million was generated by taxes, \$0.8 million (licenses and fees), \$0.2 million (fines and forfeitures), \$0.5 million (use of money and property), \$3.5 million (charges for services), and \$0.7 million (others) represents source specific income that contributed to the general fund’s total revenue balance (see Chart 7).

Expenditures. A \$0.2 million dollar increase in General Fund expenditures from the prior fiscal year is noted, bringing the total expenditures to \$20.0 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, Developer Impact Fees, Storm Damage, and Grants) experienced a \$1.5 million increase from the prior fiscal year with a combined fund balance of \$4.8 million. The ending fund balance for the Landscape Maintenance District was \$2.8 million which represented a \$0.6 million increase due to collecting greater amounts of assessment revenue compared to expenditure outlays. Additionally, the City received \$0.8 million more in reimbursements than what was spent on grant related projects.

Capital projects. The Capital Improvement fund should reflect a zero or near zero fiscal year ending balance. This is expected since capital project fund revenues are project specific and are funded by other sources in amounts equal to the amount spent. Less than the prior fiscal year by (\$1.9) million, this year’s expenditures totaled \$4.7 million. Primary expenditures included \$3.9 million for public work projects, and \$0.8 million for transportation projects.

Non-major governmental funds. The City’s non-major governmental funds include AB939, affordable housing, proposition C, the library district, bridge and thoroughfare / Lost Hills district, and others.



Total revenue of \$3.7 million for non-major governmental funds is slightly lower than the prior fiscal year by (\$0.8) million. The major revenue sources included intergovernmental revenue at \$1.6 million, taxes at \$1.9 million, and uses of money and property at \$0.2 million. (See Chart 8).

Expenditures totaled \$4.3 million, an increase of \$1.9 million from last year. The greatest expenditure of \$2.0 million was in the area of community services. Other expenditures including spending for public safety, community development, and various capital projects accounted for the remaining costs incurred (see Chart 9). The total fund balances of all non-major governmental funds increased by \$1.4 million bringing the total fund balances to \$7.7 million (see Chart 10).

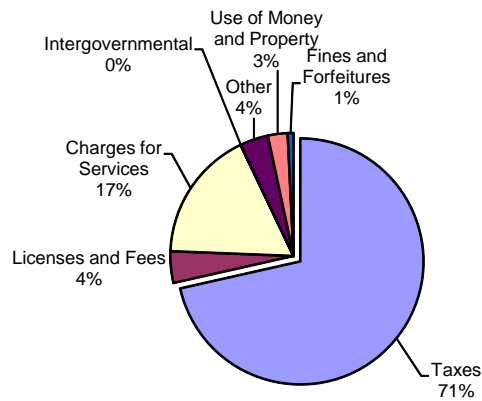
Proprietary funds. As mentioned in the business-type activities discussion, the City accounts for one proprietary fund: The Tennis and Swim Center. The Center received its operating revenue exclusively from fees associated with services. This fiscal year total revenue received was \$3.4 million, higher than that of last fiscal year by \$0.4 million due to increased level of public involvement in programs offered by the Center. Operating expenses remained virtually unchanged from last fiscal year and totaled \$3.4 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 \$14.7 million, down from \$15.0 million last fiscal year mostly due to the payment of interest earnings on deposited monies to the School District (LVUSD).

Chart 7 General fund revenue sources.

Chart 7

Revenue by Source - General Fund
 For the Fiscal Year Ended June 30, 2009
 (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, 2009
 (as a percent)

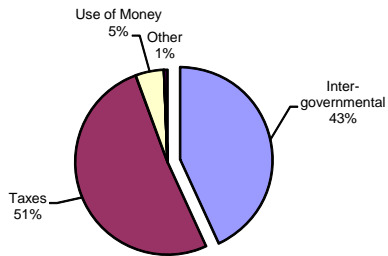


Chart 9

Expenses - Non-major Governmental Funds
 For the Fiscal Year Ended June 30, 2009
 (as a percent)

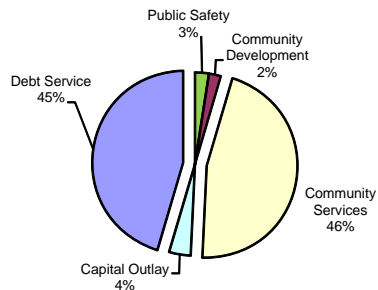
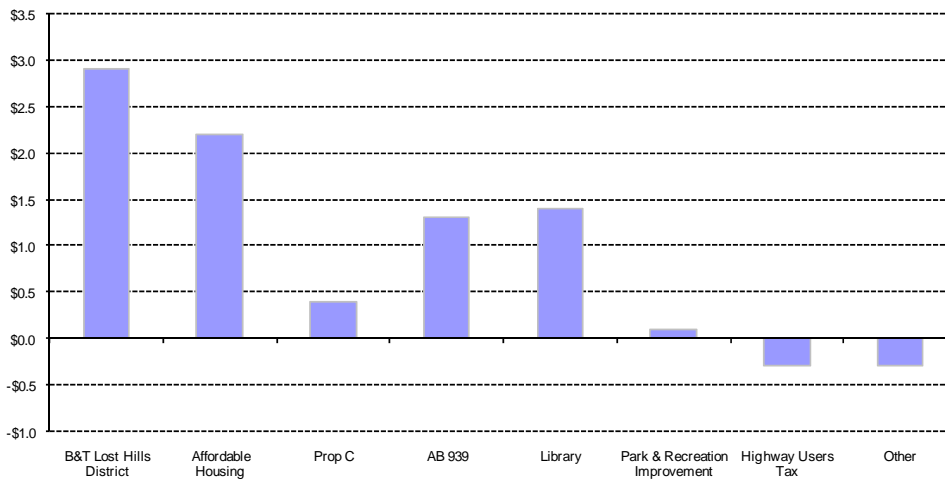


Chart 10 Fiscal year ending fund balances for the non-major governmental funds.

Chart 10

Fund Balances - Non-major Governmental Funds
 For the Fiscal Year Ended June 30, 2009
 (amounts in millions)





CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City’s current fiscal year investment in capital assets for its governmental and business-type activities amounted to \$100.6 million (net of accumulated depreciation). The City’s capital assets increased by \$4.1 million mostly in the “infrastructure” category. 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 (net of accumulated depreciation)
 For the Fiscal Year Ended June 30, 2009
 (amounts in millions)

	Governmental Activities	Business-type Activities	Total
Land	\$ 5.089	\$ 0.837	\$ 5.926
Construction in progress	2.178	0.438	2.616
Buildings	47.302	0.565	47.867
Equipment	4.151	0.113	4.264
Investment in joint venture	0.913	-	0.913
Infrastructure	39.008	-	39.008
Library collection	0.128		
Total	\$ 98.769	\$ 1.953	\$ 100.722

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 and the increase in compensated absences and other post-employment benefits (OPEB) during fiscal year 2009. Total outstanding balance owed for the COPs is \$38.2 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, 2009
 (amounts in millions)

	Governmental Activities	Business-type Activities	Total
2005 Refunding Certificates of Participation	\$ 3.175	\$ -	\$ 3.175
2006 Certificates of Participation	35.000		35.000
Compensated absences payable	0.515	0.020	0.535
Other post employment benefits	0.100		
Total	\$ 38.790	\$ 0.020	\$ 38.810



GENERAL FUND BUDGETARY HIGHLIGHTS

- In July 2009, the City adopted a biennial budget identifying revenue and expenditures for the two-year period ending June 2011. Council renews the budget annually or as need arises.
- Decreased 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 (\$1.0) million less than the budgeted amount. Total General Fund revenue received during the fiscal year was \$20.0 million.
- The City under-ran its General Fund budgeted expenditures by \$0.8 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, 2009 was \$19.9 million, down (\$1.1) million from the previous fiscal year mostly 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 also 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 2009-10 approved General Fund spending plan is approximately \$22.4 million.

A new two-year budget with an annual review is being developed and is slated for release on July 1, 2010. 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, 2009**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Current Assets:			
Cash and investments	\$ 32,177,885	\$ 386,627	\$ 32,564,512
Cash and investments with fiscal agents	402,536		402,536
Accounts and taxes receivable	3,860,557	129,464	3,990,021
Deferred charges	51,768		51,768
Interest receivable	120,343	1,110	121,453
Intergovernmental receivable	147,366		147,366
Loans receivable- employees	12,842		12,842
Prepaid items		2,974	2,974
Total Current Assets	<u>36,773,297</u>	<u>520,175</u>	<u>37,293,472</u>
Non-current Assets:			
Notes receivable	47,920		47,920
Deferred charges, net of accumulated amortization	1,119,342		1,119,342
Deferred loss on refunding, net of accumulated amortization	426,201		426,201
Capital assets:			
Not being depreciated	7,266,455	837,819	8,104,274
Being depreciated, net of accumulated depreciation	<u>91,374,399</u>	<u>1,115,412</u>	<u>92,489,811</u>
Total Non-current Assets	<u>100,234,317</u>	<u>1,953,231</u>	<u>102,187,548</u>
Total Assets	<u>137,007,614</u>	<u>2,473,406</u>	<u>139,481,020</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	3,024,980	48,514	3,073,494
Interest payable	135,102		135,102
Retention payable	80,100		80,100
Compensated absences, due within one year	286,529	17,239	303,768
Other long-term liabilities, due within one year	<u>555,000</u>		<u>555,000</u>
Total Current Liabilities	<u>4,081,711</u>	<u>65,753</u>	<u>4,147,464</u>
Non-current Liabilities			
Bonds premium, net of accumulated amortization	157,849		157,849
Compensated absences, due in more than one year	228,953	3,524	232,477
Other long-term liabilities, due in more than one year	37,620,000		37,620,000
Other post-employment benefits obligation	<u>100,006</u>		<u>100,006</u>
Total Non-current Liabilities	<u>38,106,808</u>	<u>3,524</u>	<u>38,110,332</u>
Total Liabilities	<u>42,188,519</u>	<u>69,277</u>	<u>42,257,796</u>
NET ASSETS			
Invested in capital assets, net of related debt	60,465,854	1,953,231	62,419,085
Restricted for:			
Library	1,937,779		1,937,779
Debt service	267,434		267,434
Streets/roads	2,973,111		2,973,111
Housing	2,180,067		2,180,067
Landscape maintenance	2,835,247		2,835,247
Recycling	1,268,441		1,268,441
Unrestricted	<u>22,891,162</u>	<u>450,898</u>	<u>23,342,060</u>
Total Net Assets	<u>\$ 94,819,095</u>	<u>\$ 2,404,129</u>	<u>\$ 97,223,224</u>

See Accompanying Notes to Basic Financial Statements



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

**CITY OF CALABASAS
 STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended June 30, 2009**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 11,147,772	\$ 426,233	\$ -	\$ -
Public safety	4,609,892	239,467		
Public works	3,874,139	155,866		3,281,063
Community development	943,703	2,005,954	964,318	
Community services	7,579,973	271,259	363,978	507,817
Interest and fiscal charges	1,354,135			
Total Governmental Activities	<u>29,509,614</u>	<u>3,098,779</u>	<u>1,328,296</u>	<u>3,788,880</u>
Business-type Activities:				
Tennis & swim center	<u>3,355,084</u>	<u>3,369,318</u>		
Total Business-type Activities	<u>3,355,084</u>	<u>3,369,318</u>		
Total Primary Government	<u>\$ 32,864,698</u>	<u>\$ 6,468,097</u>	<u>\$ 1,328,296</u>	<u>\$ 3,788,880</u>

General Revenues:
 Taxes:
 Utility users taxes
 Transient occupancy taxes
 Sales taxes
 Property taxes
 Franchise taxes
 Other intergovernmental-motor vehicle in-lieu, unrestricted
 Use of money and property
 Miscellaneous
 Transfers
 Total General Revenues and Transfers
 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
\$ (10,721,539)	\$ -	\$ (10,721,539)
(4,370,425)		(4,370,425)
(437,210)		(437,210)
2,026,569		2,026,569
(6,436,919)		(6,436,919)
(1,354,135)		(1,354,135)
(21,293,659)		(21,293,659)
	14,234	14,234
	14,234	14,234
(21,293,659)	14,234	(21,279,425)
3,584,283		3,584,283
1,095,424		1,095,424
5,708,235		5,708,235
9,549,219		9,549,219
868,667		868,667
2,022,189		2,022,189
666,239	6,031	672,270
432,208		432,208
81,418	(81,418)	
24,007,882	(75,387)	23,932,495
2,714,223	(61,153)	2,653,070
92,472,403	2,465,282	94,937,685
(367,531)		(367,531)
92,104,872	2,465,282	94,570,154
\$ 94,819,095	\$ 2,404,129	\$ 97,223,224



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

CITY OF CALABASAS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 June 30, 2009

	General	Special Revenue Funds			
		Landscape District Maintenance	Developer Impact Fees	Storm Damage	Grants
ASSETS:					
Cash and investments	\$ 15,434,862	\$ 3,319,288	\$ 4,160,942	\$ -	\$ -
Cash and investments with fiscal agents					
Receivables:					
Accounts and taxes	1,609,089	239,310		396,985	642,683
Interest	61,023	10,368	14,462		
Intergovernmental					
Due from other funds	4,069,852				
Loans receivable, employees	12,842				
Notes receivable					
Total Assets	\$ 21,187,668	\$ 3,568,966	\$ 4,175,404	\$ 396,985	\$ 642,683
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,199,177	\$ 700,981	\$ -	\$ 5,645	\$ 10,045
Due to other funds		32,738		1,438,693	1,409,545
Deferred revenue	109,821				426,177
Retention payable					
Total Liabilities	1,308,998	733,719		1,444,338	1,845,767
Fund balances					
Reserved:					
Loans receivable, employees	12,842				
Unreserved:					
General fund	19,865,828				
Special revenue funds		2,835,247	4,175,404		
Debt service fund					
Capital projects funds				(1,047,353)	(1,203,084)
Total Fund Balances	19,878,670	2,835,247	4,175,404	(1,047,353)	(1,203,084)
Total Liabilities and Fund Balances	\$ 21,187,668	\$ 3,568,966	\$ 4,175,404	\$ 396,985	\$ 642,683

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



<u>Capital Projects Funds</u>				
<u>Capital Improvement</u>	<u>Civic Center</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>	
\$ 922,685	\$ 52,676	\$ 8,287,432	\$ 32,177,885	
		402,536	402,536	
	819,736	152,754	3,860,557	
	3,454	31,036	120,343	
		147,366	147,366	
			4,069,852	
			12,842	
		47,920	47,920	
<u>\$ 922,685</u>	<u>\$ 875,866</u>	<u>\$ 9,069,044</u>	<u>\$ 40,839,301</u>	
\$ 943,147	\$ -	\$ 165,985	\$ 3,024,980	
		1,188,876	4,069,852	
	311,919	47,920	895,837	
80,100			80,100	
<u>1,023,247</u>	<u>311,919</u>	<u>1,402,781</u>	<u>8,070,769</u>	
			12,842	
			19,865,828	
		7,485,673	14,496,324	
		180,590	180,590	
(100,562)	563,947		(1,787,052)	
<u>(100,562)</u>	<u>563,947</u>	<u>7,666,263</u>	<u>32,768,532</u>	
<u>\$ 922,685</u>	<u>\$ 875,866</u>	<u>\$ 9,069,044</u>	<u>\$ 40,839,301</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, 2009

Fund balances for governmental funds \$ 32,768,532

Amounts reported for governmental activities in the Statement of Net Assets are different from those reported in the Governmental Funds because of the following:

Capital assets used in Governmental Activities are not current resources and, therefore, are not reported in the Governmental Funds Balance Sheet.

Capital assets	\$ 123,022,036	
Less: accumulated depreciation	<u>(24,381,182)</u>	98,640,854

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 participations	\$ (38,175,000)	
Compensated absences	(515,482)	
Interest payable	(135,102)	
Other post-employment benefits obligation	<u>(100,006)</u>	(38,925,590)

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 issuance costs	\$ 1,171,110	
Deferred loss on refunding	426,201	
Bond premium	<u>(157,849)</u>	1,439,462

Under the modified accrual basis of accounting used in governmental funds, revenues are not recognized for transactions that do not represent available financial resources. In the statement of net assets and statement of activities, however, revenues and assets are reported regardless of when financial resources are available.

Deferred revenue		847,917
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Long-term notes receivable are offset by deferred revenue in the governmental funds as they do not represent current financial resources.

	<u>47,920</u>
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Net assets of governmental activities	\$ <u>94,819,095</u>
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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, 2009

	General	Special Revenue Funds			Grants
		Landscape District Maintenance	Developer Impact Fees	Storm Damage	
REVENUES					
Taxes	\$ 14,316,631	\$ 4,602,296	\$ -	\$ -	\$ -
Licenses and fees	833,720				
Intergovernmental	5,075				2,346,937
Fines and forfeitures	152,610				
Developer fees			52,536		
Use of money and property	518,674		88,232	(37,109)	
Charges for services	3,463,260				
Other, donations, and reimbursements	740,786				
Total Revenues	20,030,756	4,602,296	140,768	(37,109)	2,346,937
EXPENDITURES					
Current:					
General government	10,919,897				
Public safety	4,481,510				
Public works	2,338,316				
Community development	824,390				
Community services	1,190,593	3,931,462			117,689
Capital outlay	210,110				
Debt service:					
Principal retirement					
Interest and fiscal charges					
Total Expenditures	19,964,816	3,931,462			117,689
Excess of Revenues over (under) Expenditures	65,940	670,834	140,768	(37,109)	2,229,248
OTHER FINANCING SOURCES (USES)					
Transfers in	357,845	52,951			
Transfers out	(1,543,923)	(112,887)	(39,183)		(1,431,530)
Total Other Financing Sources (Uses)	(1,186,078)	(59,936)	(39,183)		(1,431,530)
Net Change in Fund Balances	(1,120,138)	610,898	101,585	(37,109)	797,718
Fund Balances (deficit), Beginning of Fiscal Year	20,998,808	2,224,349	4,073,819	(685,001)	(2,000,802)
Prior Period Adjustments				(325,243)	
Fund Balances (deficit), Beginning of Fiscal Year (restated)	20,998,808	2,224,349	4,073,819	(1,010,244)	(2,000,802)
Fund Balances (deficit), End of Fiscal Year	\$ 19,878,670	\$ 2,835,247	\$ 4,175,404	\$ (1,047,353)	\$ (1,203,084)

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



Capital Projects Funds		Nonmajor Governmental Funds	Total Governmentals Funds
Capital Improvement	Civic Center		
\$ -	\$ -	\$ 1,886,902	\$ 20,805,829
	507,817	1,588,503	833,720
		21,519	4,448,332
	21,092	183,932	174,129
			52,536
			774,821
		1,089	3,463,260
			741,875
	<u>528,909</u>	<u>3,681,945</u>	<u>31,294,502</u>
			10,919,897
		105,691	4,587,201
			2,338,316
		90,186	914,576
4,695,919	1,245,748	1,976,178	7,215,922
		164,172	6,315,949
		305,000	305,000
		<u>1,638,448</u>	<u>1,638,448</u>
<u>4,695,919</u>	<u>1,245,748</u>	<u>4,279,675</u>	<u>34,235,309</u>
<u>(4,695,919)</u>	<u>(716,839)</u>	<u>(597,730)</u>	<u>(2,940,807)</u>
4,681,842	12,535,029	719,835	18,347,502
		<u>(15,138,561)</u>	<u>(18,266,084)</u>
<u>4,681,842</u>	<u>12,535,029</u>	<u>(14,418,726)</u>	<u>81,418</u>
<u>(14,077)</u>	<u>11,818,190</u>	<u>(15,016,456)</u>	<u>(2,859,389)</u>
(86,485)	(11,254,243)	22,725,007	35,995,452
		<u>(42,288)</u>	<u>(367,531)</u>
<u>(86,485)</u>	<u>(11,254,243)</u>	<u>22,682,719</u>	<u>35,627,921</u>
<u>\$ (100,562)</u>	<u>\$ 563,947</u>	<u>\$ 7,666,263</u>	<u>\$ 32,768,532</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, 2009**

Net change in fund balances - total governmental funds \$ (2,859,389)

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	\$ 6,250,381	
Depreciation	<u>(1,940,337)</u>	4,310,044

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. 305,000

Interest is not accrued in the governmental funds. However, it is to be accrued in the statement of activities. This is the net change. 388,764

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. (82,799)

Other postemployment benefits payable was added to the Statement of Net Assets in the current period, due to implementation of GASB Statement No. 45. This is the amount of the change in the payable in the current period. (100,006)

Deferred revenues, not recognized in revenue in governmental fund statements because the revenue was not available within 60 days of close of fiscal year. This is the net change. 847,917

Amortization of deferred charges is not an expense of the governmental funds, but under the full accrual method is a component of interest expense. (46,980)

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 \$0) (Issued \$9,140) 9,140

Change in net assets of governmental activities \$ 2,714,223

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS
 STATEMENT OF NET ASSETS
 PROPRIETARY FUND
 June 30, 2009**

	Tennis and Swim Center
ASSETS	
Current Assets:	
Cash and investments	\$ 386,627
Accounts and taxes receivable	129,464
Interest receivable	1,110
Prepaid items	2,974
Total Current Assets	520,175
Noncurrent assets:	
Capital assets	
Land	837,819
Depreciable buildings and improvements, net	1,002,156
Depreciable equipment, net	113,256
Total Noncurrent Assets	1,953,231
Total Assets	2,473,406
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities	48,514
Compensated absences	17,239
Total Current Liabilities	65,753
Noncurrent Liabilities	
Compensated absences	3,524
Total Noncurrent Liabilities	3,524
Total Liabilities	69,277
NET ASSETS	
Invested in capital assets	1,953,231
Unrestricted	450,898
Total Net Assets	\$ 2,404,129

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, 2009

	<u>Tennis and Swim Center</u>
OPERATING REVENUES	
Tennis and swim fees	\$ 3,172,530
Other	196,788
	<u>3,369,318</u>
OPERATING EXPENSES	
Administration	131,367
Salaries and benefits	575,907
Outside services	168,454
Materials, supplies, and other operating expenses	525,253
Utilities	157,054
Top Seed	1,567,511
Depreciation	229,538
	<u>3,355,084</u>
Total Operating Expenses	<u>3,355,084</u>
Operating Income (Loss)	14,234
NON-OPERATING REVENUES	
Interest	6,031
	<u>6,031</u>
INCOME BEFORE TRANSFERS	<u>20,265</u>
TRANSFERS	
Transfers out	(81,418)
	<u>(81,418)</u>
Change in Net Assets	<u>(61,153)</u>
Net Assets, Beginning of Fiscal Year	<u>2,465,282</u>
Net Assets, End of Fiscal Year	<u>\$ 2,404,129</u>

See Accompanying Notes to Basic Financial Statements



**CITY OF CALABASAS
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Fiscal Year Ended June 30, 2009**

	Tennis and Swim Center
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tennis and swim fees	\$ 3,172,530
Receipts from other operating activities	196,788
Payments to suppliers	(2,676,999)
Payments to employees	(575,047)
	117,272
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfers out	(81,418)
	(81,418)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(43,755)
	(43,755)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	8,408
	8,408
Increase (decrease) in cash and cash equivalents	507
Cash and Cash Equivalents, Beginning of Fiscal Year	386,120
Cash and Cash Equivalents, End of Fiscal Year	\$ 386,627
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ 14,234
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	229,538
Changes in assets and liabilities:	
(Increase) decrease in accounts receivables	(127,572)
(Increase) decrease in loan receivables	548
Increase (decrease) in compensated absences	312
Increase (decrease) in account payable and accrued liabilities	211
	211
Net Cash Provided by Operating Activities	\$ 117,272

See Accompanying Notes to Basic Financial Statements



CITY OF CALABASAS
STATEMENT OF FIDUCIARY NET ASSETS
June 30, 2009

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ 11,731,799
Cash and investments with fiscal agents	2,590,558
Interest receivable	37,342
Special taxes receivable	<u>301,843</u>
Total Assets	<u>14,661,542</u>
LIABILITIES	
Accounts payable and accrued liabilities	8,168,750
Deposits	705,964
Due to bondholders	<u>5,786,828</u>
Total Liabilities	<u>14,661,542</u>
NET ASSETS	<u><u>\$ -</u></u>

See Accompanying Notes to Basic Financial Statements

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements



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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Capital outlay	\$ 5,895,000	\$ 5,895,000	\$ 4,695,919	\$ 1,199,081
Total Expenditures	<u>5,895,000</u>	<u>5,895,000</u>	<u>4,695,919</u>	<u>1,199,081</u>
Excess of Revenues over (under) Expenditures	<u>(5,895,000)</u>	<u>(5,895,000)</u>	<u>(4,695,919)</u>	<u>1,199,081</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>5,895,000</u>	<u>5,895,000</u>	<u>4,681,842</u>	<u>(1,213,158)</u>
Total Other Financing Sources (Uses)	<u>5,895,000</u>	<u>5,895,000</u>	<u>4,681,842</u>	<u>(1,213,158)</u>
Net Changes in Fund Balance			(14,077)	(14,077)
Fund Balance (deficit), Beginning of Fiscal Year	<u>(86,485)</u>	<u>(86,485)</u>	<u>(86,485)</u>	
Fund Balance (deficit), End of Fiscal Year	<u>\$ (86,485)</u>	<u>\$ (86,485)</u>	<u>\$ (100,562)</u>	<u>\$ (14,077)</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Basic Financial Statements

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,327,600	\$ 1,327,600	\$ 507,817	\$ (819,783)
Use of money and property	121,200	121,200	21,092	(100,108)
Total Revenues	<u>1,448,800</u>	<u>1,448,800</u>	<u>528,909</u>	<u>(919,891)</u>
EXPENDITURES				
Capital outlay	\$ 2,700,000	\$ 2,700,000	\$ 1,245,748	\$ 1,454,252
Total Expenditures	<u>2,700,000</u>	<u>2,700,000</u>	<u>1,245,748</u>	<u>1,454,252</u>
Excess of Revenues over (under) Expenditures	<u>(1,251,200)</u>	<u>(1,251,200)</u>	<u>(716,839)</u>	<u>534,361</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>9,617,700</u>	<u>9,617,700</u>	<u>12,535,029</u>	<u>2,917,329</u>
Total Other Financing Sources (Uses)	<u>9,617,700</u>	<u>9,617,700</u>	<u>12,535,029</u>	<u>2,917,329</u>
Net Changes in Fund Balance	8,366,500	8,366,500	11,818,190	3,451,690
Fund Balance (deficit), Beginning of Fiscal Year	<u>(11,254,243)</u>	<u>(11,254,243)</u>	<u>(11,254,243)</u>	
Fund Balance (deficit), End of Fiscal Year	<u>\$ (2,887,743)</u>	<u>\$ (2,887,743)</u>	<u>\$ 563,947</u>	<u>\$ 3,451,690</u>



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CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2009

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, 2009

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

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.

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

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.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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

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

The City reports the following major 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.

Additionally, the City reports the following fund types:

Governmental Funds:

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

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

Fiduciary Funds:

Agency Funds - used to account for assets held by the City as an agent. These funds are 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, 2009

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, 2009

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 and double-declining balance method over the estimated useful lives of the assets as follows:

Equipment	5 years
Buildings	15-50 years
Improvements other than buildings	10 years
Infrastructure	20-50 years

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, 2009

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

The City has implemented the requirements of GASB Statement No. 45, No.49, No. 52, No. 55, and No. 56 during the fiscal year ended June 30, 2009.

GASB Statement No. 45 – Accounting and Financial Reporting by Employees for Postemployment Benefits Other than Pensions

This Statement is effective for periods beginning after July 1, 2008 for a Phase 2 government (1999 total revenues less the \$100 million and more than \$10 million). This Statement establishes standards for accounting and financial reporting for state and local government employees that offer "Other Postemployment Benefits" (OPEB) and requires accrual basis measurement and recognition of OPEB expenses and liabilities that will result in recognition of expenses over periods that approximate employees' years of service. See notes 13 for more details of the City's Plan and the effect on the financial statements.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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

F. New Accounting Pronouncements (Continued)

GASB Statement No. 49 – Accounting and Financial Reporting for Pollution Remediation Obligations

This Statement is effective for periods beginning after December 15, 2007. The Statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The scope of the document excludes pollution prevention or control obligations with respect to current operations, and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and post-closure care and nuclear power plant decommissioning. Implementation of GASB Statement No. 49 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

GASB Statement No. 52 – Land and Other Real Estate Held as Investments by Endowments

This Statement is effective for periods beginning after June 15, 2008. The Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value. Implementation of GASB Statement No. 52 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

GASB Statement No. 55 – The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

This Statement is effective as of April 2, 2009. The objective of this Statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's authoritative literature. The "GAAP hierarchy" consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. Implementation of GASB Statement No. 55 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

GASB Statement No. 56 – Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of Auditing Standards

This Statement is effective as of April 16, 2009. The objective of this Statement is to incorporate into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statements on Auditing Standards. This Statement addresses three issues not included in the authoritative literature that establishes accounting principles – related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the preparation of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature. Implementation of GASB Statement No. 56 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 2 Stewardship, Compliance, and Accountability

A. Budgetary Control and Accounting

General Budget Policies:

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

The budget is reported on the same basis as the fund types and on a basis consistent with accounting principles generally accepted in the United States of America. Additional appropriations or other changes during the fiscal year may be submitted by the department for Council review and approval.

B. Excess Expenditures over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

	Final Budget	Expenditures	Excess
Major Fund:			
Landscape District Maintenance	\$ 2,359,000	\$ 3,931,462	\$ 1,572,462
Grants		117,689	117,689
Nonmajor Funds:			
Proposition C	99,000	591,880	492,880
South Coast Air Quality Management		13,299	13,299
Community Development Block Grant	31,000	90,186	59,186
Debt Service	1,192,800	1,943,448	750,648

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

The Storm Damage Special Revenue Fund (Major) has a deficit fund balance of \$1,047,353 that should be alleviated as additional revenues are received. The Grants Special Revenue Fund (Major) has a deficit fund balance of \$1,203,084 that should be alleviated as additional revenues are received. The Capital Improvement Capital Projects Fund (Major) has a deficit fund balance of \$100,562 due to expenditures being incurred but grant revenue is not available. The Proposition A Special Revenue Fund has a deficit fund balance of \$92,379 that should be alleviated as additional revenues are received. The Highway Users Tax Special Revenue Fund has a deficit fund balance of \$322,634 that should be alleviated as additional revenues are received. The Used Oil Grant Special Revenue Fund has a deficit fund balance of \$28,461 that should be alleviated as additional revenues are received. The TDA Special Revenue Fund has a deficit fund balance of \$352 that should be alleviated as additional revenues are received. The COPS AB3229 Special Revenue Fund has a deficit fund balance of \$44,269 that should be alleviated as additional revenues are received. The Debt Service Fund has a deficit fund balance of \$180,590 that should be alleviated as additional revenues are received.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 3 Cash and Investments

Cash and investments as of June 30, 2009 are classified in the accompanying financial statements as follows:

Statement of net assets:	
Cash and investments	\$ 32,564,512
Restricted cash and investments with fiscal agents	402,536
Fiduciary funds:	
Cash and investments	11,731,799
Restricted cash and investments with fiscal agents	2,590,558
Total cash and investments	<u>\$ 47,289,405</u>

Cash and investments as of June 30, 2009 consist of the following:

Cash on hand	\$ 2,568
Deposits with financial institutions	4,545,118
Investments	<u>42,741,719</u>
Total cash and investments	<u>\$ 47,289,405</u>

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, 2009

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 60 Months</u>
State Investment Pool	\$ 39,748,625	\$ 39,748,625	\$ -	\$ -	\$ -
Held by Debt Trustee:					
Money Market Funds	2,993,094	2,993,094			
	<u>\$ 42,741,719</u>	<u>\$ 42,741,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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	\$ 39,748,625	N/A	\$ -	\$ -	\$ -	\$ -	\$ 39,748,625
Held by Debt Trustee: Money Market Funds	<u>2,993,094</u>	N/A		<u>2,993,094</u>			
Total	\$ 42,741,719		\$ -	\$ 2,993,094	\$ -	\$ -	\$ 39,748,625

F. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments in any one issuer (other than State Investment Pool, Money Market Funds, U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2009, \$4,984,015 of the City’s deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts. As of June 30, 2009, 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>
Money market funds	\$ 2,993,094

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, 2009:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Governmental Activities -			
Accounts and taxes	\$ 3,860,557	\$ -	\$ 3,860,557
Intergovernmental	147,366		147,366
	<u>\$ 4,007,923</u>	<u>\$ -</u>	<u>\$ 4,007,923</u>
Business-type Activities -			
Accounts and taxes	<u>\$ 129,464</u>	<u>\$ -</u>	<u>\$ 129,464</u>
Fiduciary Funds:			
Special taxes	\$ 301,843	\$ -	\$ 301,843
	<u>\$ 301,843</u>	<u>\$ -</u>	<u>\$ 301,843</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 5 **Notes and Loans Receivable**

- A. The City has established a program whereby employees can receive an interest free loan to purchase computers and related equipment. 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, 2009, seven new loans were given totaling \$15,594 and principal on loans was paid in the amount of \$18,572 leaving an outstanding balance as of June 30, 2009 of \$12,842.
- 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 one note amounting to \$7,415 that are outstanding for 10 years on a graduated schedule were forgiven during the fiscal year ended June 30, 2009. The outstanding balance of the notes as of June 30, 2009 was \$47,920.

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, 2009:

	<u>Amortization</u> <u>Period</u>	<u>Deferred</u> <u>Charges</u>	<u>Current</u> <u>Amortization</u>	<u>Accumulated</u> <u>Amortization</u>	<u>Bala</u> <u>6/30,</u>
2005 Refunding Certificates of Participation	132 months	\$ 223,042	\$ 20,280	\$ 72,670	\$ 1,
2006 Certificates of Participation	420 months	<u>1,102,082</u>	<u>31,488</u>	<u>81,344</u>	<u>1,0</u>
		<u>\$ 1,325,124</u>	<u>\$ 51,768</u>	<u>\$ 154,014</u>	<u>\$ 1,1</u>

Note 7 **Interfund Activity**

The following represents the interfund activity of the City for the fiscal year ended June 2009.

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.

Due to/Due from	<u>Interfund</u> <u>Receivables</u>	<u>Interfund</u> <u>Payables</u>
Major Funds		
To: General	\$ 4,069,852	\$ -
From: Landscape District Maintenance		32,738
Storm Damage		1,438,693
Grants		1,409,545
Nonmajor Funds		
From: Proposition A		70,440
Highway Users Tax		403,121
Community Development Block Grant		48,899
Used Oil Grant		28,348
TDA		11,057
COPS AB3229		45,175
Debt Service		581,836
	<u>\$ 4,069,852</u>	<u>\$ 4,069,852</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 7 Interfund Activity (Continued)

A. 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	\$ 357,845	\$ 1,543,923
Landscape District Maintenance	52,951	112,887
Developer Impact Fees		39,183
Grants		1,431,530
Capital Improvement	4,681,842	
Civic Center	12,535,029	
Nonmajor Funds:		
Proposition A		59,821
Highway Users Tax		1,039,000
Proposition C		665,404
Community Development Block Grant AB 939	31,154	4,276
B & T Lost Hills District		15,520
TDA		282,932
COPS AB3229		4,927
Library District		52
Debt Service	688,681	265,800
Major Proprietary Fund: Tennis and Swim Center		12,800,829
Totals	<u>\$ 18,347,502</u>	<u>\$ 18,347,502</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Notes to Basic Financial Statements

CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2009 is as follows:

	Balance at July 1, 2008	Additions	Deletions	Transfers	Balance at June 30, 2009
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 5,068,059	\$ 20,500	\$ -	\$ -	\$ 5,088,559
Construction in progress	50,893,719	5,978,965		(54,694,788)	2,177,896
	<u>55,961,778</u>	<u>5,999,465</u>		<u>(54,694,788)</u>	<u>7,266,455</u>
Capital assets, being depreciated:					
Buildings	1,553,838			46,835,863	48,389,701
Equipment	5,859,944	122,299		95,236	6,077,479
Investment in joint venture - community center	2,813,060				2,813,060
Infrastructure	50,583,035			7,763,689	58,346,724
Library Collection		128,617			128,617
	<u>60,809,877</u>	<u>250,916</u>		<u>54,694,788</u>	<u>115,755,581</u>
Less accumulated depreciation for:					
Buildings	(984,097)	(103,589)			(1,087,686)
Equipment	(1,712,633)	(213,644)			(1,926,277)
Investment in joint venture - community center	(1,712,942)	(187,537)			(1,900,479)
Infrastructure	(18,031,173)	(1,435,567)			(19,466,740)
	<u>(22,440,845)</u>	<u>(1,940,337)</u>			<u>(24,381,182)</u>
Total capital assets, being depreciated, net	<u>38,369,032</u>	<u>(1,689,421)</u>		<u>54,694,788</u>	<u>91,374,399</u>
Governmental activities capital assets, net	<u>\$ 94,330,810</u>	<u>\$ 4,310,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,640,854</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2009 is as follows:

	<u>Balance at</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2009</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	769,498	8,004		777,502
Buildings	2,370,642	18,607		2,389,249
Machinery and equipment	480,630	17,144		497,774
Total capital assets, being depreciated	<u>3,620,770</u>	<u>43,755</u>		<u>3,664,525</u>
Less accumulated depreciation for:				
Improvements	(284,305)	(55,678)		(339,983)
Buildings	(1,678,551)	(146,060)		(1,824,611)
Machinery and equipment	(356,719)	(27,800)		(384,519)
Total accumulated depreciation	<u>(2,319,575)</u>	<u>(229,538)</u>		<u>(2,549,113)</u>
Total capital assets, being depreciated, net	<u>1,301,195</u>	<u>(185,783)</u>		<u>1,115,412</u>
Business-type activities capital assets, net	<u>\$ 2,139,014</u>	<u>\$(185,783)</u>	<u>\$ -</u>	<u>\$ 1,953,231</u>

Depreciation expense was charged to the following functions:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
General government	\$ 150,373	\$ -
Public safety		
Public works	1,435,567	
Community development	24,225	
Community services	330,172	
Tennis and swim center		229,538
Total	<u>\$ 1,940,337</u>	<u>\$ 229,538</u>



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 9 Long-Term Debt

A. Changes in Long-term Debt

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

	Balance at July 1, 2008	Additions	Deletions	Balance at June 30, 2009	Due Within One Year
Governmental activities:					
2005 Refunding Certificates of Participation	\$ 3,480,000	\$ -	\$ (305,000)	\$ 3,175,000	\$ 325,000
2006 Certificates of Participation	35,000,000			35,000,000	230,000
Compensated absences payable	432,683	369,328	(286,529)	515,482	286,529
Other post-employment benefits		142,435	(42,429)	100,006	
Total governmental long-term debt	\$ 38,912,683	\$ 511,763	\$ (633,958)	\$ 38,790,488	\$ 841,529

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

	Balance at July 1, 2008	Additions	Deletions	Balance at June 30, 2009	Due Within One Year
Business-type activities:					
Compensated absences payable	\$ 20,451	\$ 17,552	\$ (17,240)	\$ 20,763	\$ 17,239

B. Defeased 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 2009, the unpaid principal balance for the defeased bonds was \$5,680,000.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2009. 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, 2009, were \$3,175,000.

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, 2009. 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, 2009, 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.

\$ 515,482

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, 2009

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, 2009, excluding compensated absences and other post-employment benefits obligation are as follows:

2005 Refunding Certificates of Participation			
Fiscal Year	Principal	Interest	Total
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	410,000	58,969	468,969
2015-2017	1,315,000	79,568	1,394,568
Totals	\$ 3,175,000	\$ 506,729	\$ 3,681,729

2006 Certificates of Participation			
Fiscal Year	Principal	Interest	Total
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	275,000	1,454,286	1,729,286
2015-2019	2,475,000	7,062,397	9,537,397
2020-2024	4,510,000	6,349,587	10,859,587
2025-2029	5,510,000	5,326,544	10,836,544
2030-2034	6,795,000	3,999,203	10,794,203
2035-2039	8,425,000	2,330,953	10,755,953
2040-2042	6,020,000	414,225	6,434,225
Totals	\$ 35,000,000	\$ 32,869,064	\$ 67,869,064



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 10 **Operating Lease**

The City has entered into an operating lease agreement with Honda for automobile in March, 2009. Any operating leases with scheduled rent increases are considered immaterial to the future minimum lease payments and current rental expenditures. Operating lease payments are recorded as expenditures or expenses of the related funds when incurred. For the fiscal year ended June 30, 2009, total operating lease expenditures were \$90,533. Future minimum lease commitment for noncancelable operating leases as of June 30, 2009 is as follows:

Fiscal Year Ended June 30,	Total
2010	\$ 32,921
2011	32,921
2012	24,691
Total future minimum lease payments	<u>\$ 90,533</u>

Note 11 **Defined Benefit Plan**

A. Plan Description

The City of Calabasas contributes to the California Public Employees Retirement System (PERS), an agent cost-sharing 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 9.52% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by CalPERS. The City's contribution to CalPERS for the fiscal years ending June 30, 2009, 2008, and 2007 were \$584,968, \$505,624, and \$466,444 respectively and were equal to the required contribution.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 12 **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 5-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, 2009. 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, 2009

Note 12 **Risk Management (Continued)**

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 13 **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, 2009. A copy of the Authority financial statements can be obtained at: 100 Civic Center Way, Calabasas, CA 91302.

Note 14 **Contingencies**

The City has been named as a defendant in water intrusion and waste discharge complains, construction complains and lawsuits and claims with unpermitted grading. Such claims arise primarily from violation of waste discharge requirements for the storm water system that serves the City, complains of the Civic Center construction by sub-contractor, violation for conducting unpermitted grading on petitioners property and damaged of property owned and maintained by the City. Management believes that the ultimate result of the pending lawsuits and claims will not have a material adverse affect upon the City's basic financial statements taken as a whole.



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 15 **Post-Employment Benefits Other Than Pensions**

Plan Description

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 \$101 per month for fiscal year 2008-09. 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.

Funding Policy

The City's adopted policy is to contribute an amount sufficient to pay the current fiscal year's premium. For fiscal year 2008-09, the City contributed \$42,429, which consisted of current premiums, but did not include any additional prefunding of benefits.

Annual OPEB and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), and an amount actuarially determined in accordance with the parameters of GASB Statement No.45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Annual required contribution	\$ 142,435
Annual OPEB cost (expense)	142,435
Contributions made	(42,429)
Increase in net OPEB obligation	100,006
Net OPEB obligation - beginning of fiscal year	_____
Net OPEB obligation - end of fiscal year	\$ 100,006

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation (Asset)
6/30/2009	\$ 42,429	29.8%	\$ 100,006



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 15 **Post-Employment Benefits Other Than Pensions (Continued)**

Funded Status and Funding Progress

As of July 1, 2008, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$881,806, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$881,806.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2008 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 5 percent investment rate of return, which is the expected long-term investment returns on plan assets, and an annual healthcare cost trend rate of 4 percent. The actuarial value of assets is not applicable (no assets as of the initial valuation date). The UAAL is being amortized as a flat percentage of covered payroll over thirty years. The remaining amortization period at July 1, 2008 was thirty years.

Note 16 **Special Assessment Districts (AD) Bonds**

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

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

AD#	Special Assessment Bonds	Amount of Issue	Outstanding June 30, 2009
98-1	Community Facilities District	\$ 12,515,000	\$ 8,140,000
2001-1 Series 2006	Community Facilities District	26,535,000	24,685,000

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. .



CITY OF CALABASAS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

Note 17 **Net Assets and Fund Balances**

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

a. Net Assets

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

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 \$11,462,079 of restricted net assets, of which \$10,594,260 is restricted by enabling legislation.

b. Fund Balances

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

Note 18 **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:

Storm Damage Special Revenue Fund

A prior period adjustment of (\$325,243) due to overstatement of accounts receivable.

Nonmajor Governmental Funds:

Highway Users Tax Special Revenue Fund

A prior period adjustment of (\$42,288) due to overstatement of accounts receivable.

Government-wide Governmental Activities:

A prior period adjustment of (\$367,531) due to overstatement of accounts receivable.



CITY OF CALABASAS
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2009

Postemployment Benefit Plans Other than Pensions

Trend Information

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS FOR
 RETIREE HEALTH PLAN
 BI-ANNUAL

<u>Actuarial Valuation Date</u>	<u>Projected Unit Credit Cost Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded Liability (Excess Assets)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL As a % of Payroll</u>
7/1/2008	\$ 881,806	\$ -	\$ 881,806	-%	\$31,865,746	4.7%



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CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required 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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 15,671,000	\$ 15,671,000	\$ 14,316,631	\$ (1,354,369)
Licenses and fees	934,400	934,400	833,720	(100,680)
Intergovernmental	6,000	6,000	5,075	(925)
Fines and forfeitures	140,000	140,000	152,610	12,610
Use of money and property	837,900	837,900	518,674	(319,226)
Charges for services	2,989,600	2,989,600	3,463,260	473,660
Other, donations, and reimbursements	384,200	384,200	740,786	356,586
Total Revenues	20,963,100	20,963,100	20,030,756	(932,344)
EXPENDITURES				
Current:				
General government	11,294,600	11,294,600	10,919,897	374,703
Public safety	3,824,600	3,824,600	4,481,510	(656,910)
Public works	2,515,100	2,515,100	2,338,316	176,784
Community development	1,203,200	1,203,200	824,390	378,810
Community services	1,721,100	1,721,100	1,190,593	530,507
Capital outlay	186,000	186,000	210,110	(24,110)
Total Expenditures	20,744,600	20,744,600	19,964,816	779,784
 Excess of Revenues over (under) Expenditures	 218,500	 218,500	 65,940	 (152,560)

(Continued)



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required 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, 2009
(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 129,400	\$ 129,400	\$ 357,845	\$ 228,445
Transfers out	(2,211,000)	(2,211,000)	(1,543,923)	667,077
Total Other Financing Sources (Uses)	<u>(2,081,600)</u>	<u>(2,081,600)</u>	<u>(1,186,078)</u>	<u>895,522</u>
Net Change in Fund Balance	(1,863,100)	(1,863,100)	(1,120,138)	742,962
Fund Balance, Beginning of Fiscal Year	<u>20,998,808</u>	<u>20,998,808</u>	<u>20,998,808</u>	
Fund Balance, End of Fiscal Year	<u>\$ 19,135,708</u>	<u>\$ 19,135,708</u>	<u>\$ 19,878,670</u>	<u>\$ 742,962</u>

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required Supplemental Information



CITY OF CALABASAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LANDSCAPE DISTRICT MAINTENANCE SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,782,600	\$ 3,782,600	\$ 4,602,296	\$ 819,696
Total Revenues	<u>3,782,600</u>	<u>3,782,600</u>	<u>4,602,296</u>	<u>819,696</u>
EXPENDITURES				
Current:				
Community services	2,359,000	2,359,000	3,931,462	(1,572,462)
Total Expenditures	<u>2,359,000</u>	<u>2,359,000</u>	<u>3,931,462</u>	<u>(1,572,462)</u>
Excess of Revenues over (under) Expenditures	<u>1,423,600</u>	<u>1,423,600</u>	<u>670,834</u>	<u>(752,766)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in			52,951	52,951
Transfers out	(125,000)	(125,000)	(112,887)	12,113
Total Other Financing Sources (Uses)	<u>(125,000)</u>	<u>(125,000)</u>	<u>(59,936)</u>	<u>65,064</u>
Net Change in Fund Balance	1,298,600	1,298,600	610,898	(687,702)
Fund Balance, Beginning of Fiscal Year	<u>2,224,349</u>	<u>2,224,349</u>	<u>2,224,349</u>	
Fund Balance, End of Fiscal Year	<u>\$ 3,522,949</u>	<u>\$ 3,522,949</u>	<u>\$ 2,835,247</u>	<u>\$ (687,702)</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required 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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Developer fees	\$ 18,000	\$ 18,000	\$ 52,536	\$ 34,536
Use of money and property	130,400	130,400	88,232	(42,168)
Total Revenues	148,400	148,400	140,768	(7,632)
OTHER FINANCING SOURCES (USES)				
Transfers out	(400,000)	(400,000)	(39,183)	360,817
Total Other Financing Sources (Uses)	(400,000)	(400,000)	(39,183)	360,817
Net Change in Fund Balance	(251,600)	(251,600)	101,585	353,185
Fund Balance, Beginning of Fiscal Year	4,073,819	4,073,819	4,073,819	
Fund Balance, End of Fiscal Year	\$ 3,822,219	\$ 3,822,219	\$ 4,175,404	\$ 353,185

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required Supplemental Information



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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 646,837	\$ 646,837	\$ -	\$ (646,837)
Use of money and property	(600)	(600)	(37,109)	(36,509)
Total Revenues	<u>646,237</u>	<u>646,237</u>	<u>(37,109)</u>	<u>(683,346)</u>
Net Change in Fund Balance	<u>646,237</u>	<u>646,237</u>	<u>(37,109)</u>	<u>(683,346)</u>
Fund Balance (deficit), Beginning of Fiscal Year	(685,001)	(685,001)	(685,001)	
Prior Period Adjustments			(325,243)	(325,243)
Fund Balance (deficit), Beginning of Fiscal Year (restated)	<u>(685,001)</u>	<u>(685,001)</u>	<u>(1,010,244)</u>	<u>(325,243)</u>
Fund Balance (deficit), End of Fiscal Year	<u>\$ (38,764)</u>	<u>\$ (38,764)</u>	<u>\$ (1,047,353)</u>	<u>\$ (1,008,589)</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Required Supplemental Information

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,072,700	\$ 1,072,700	\$ 2,346,937	\$ 1,274,237
Use of money and property	(52,600)	(52,600)		52,600
Total Revenues	1,020,100	1,020,100	2,346,937	1,326,837
EXPENDITURES				
Current:				
Community services			117,689	(117,689)
Total Expenditures			117,689	(117,689)
Excess of Revenues Over (Under) Expenditures	1,020,100	1,020,100	2,229,248	1,209,148
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,200,000)	(1,200,000)	(1,431,530)	(231,530)
Total Other Financing Sources (Uses)	(1,200,000)	(1,200,000)	(1,431,530)	(231,530)
Net Change in Fund Balance	(179,900)	(179,900)	797,718	977,618
Fund Balance (deficit), Beginning of Fiscal Year	(2,000,802)	(2,000,802)	(2,000,802)	
Fund Balance (deficit), End of Fiscal Year	\$ (2,180,702)	\$ (2,180,702)	\$ (1,203,084)	\$ 977,618



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.

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.

DEBT SERVICE FUND

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



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Special Revenue Funds		
	Proposition A	Highway Users Tax	Proposition C
ASSETS			
Cash and investments	\$ -	\$ -	\$ 440,652
Cash and investments with fiscal agents			
Receivables:			
Accounts and taxes			
Interest			2,811
Intergovernmental		81,256	
Notes receivable			
Total Assets	<u>\$ -</u>	<u>\$ 81,256</u>	<u>\$ 443,463</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 21,939	\$ 769	\$ 60,669
Due to other funds	70,440	403,121	
Deferred revenue			
Total Liabilities	<u>92,379</u>	<u>403,890</u>	<u>60,669</u>
Fund Balances:			
Reserved:			
Debt service			
Unreserved:			
Undesignated	<u>(92,379)</u>	<u>(322,634)</u>	<u>382,794</u>
Total Fund Balances	<u>(92,379)</u>	<u>(322,634)</u>	<u>382,794</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 81,256</u>	<u>\$ 443,463</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
\$ 157,979	\$ -	\$ 130,796	\$ 1,247,561	\$ 2,844,416	\$ -
553		455	20,600 4,307	10,565	
	55,375 47,920				
<u>\$ 158,532</u>	<u>\$ 103,295</u>	<u>\$ 131,251</u>	<u>\$ 1,272,468</u>	<u>\$ 2,854,981</u>	<u>\$ -</u>
\$ -	\$ 6,476 48,899 47,920	\$ 14,950	\$ 4,027	\$ -	\$ 113 28,348
	103,295	14,950	4,027		28,461
158,532		116,301	1,268,441	2,854,981	(28,461)
158,532		116,301	1,268,441	2,854,981	(28,461)
<u>\$ 158,532</u>	<u>\$ 103,295</u>	<u>\$ 131,251</u>	<u>\$ 1,272,468</u>	<u>\$ 2,854,981</u>	<u>\$ -</u>

(Continued)



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds

CITY OF CALABASAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009
(Continued)

	Special Revenue Funds		
	TDA	Affordable Housing	COPS AB 3229
ASSETS			
Cash and investments	\$ -	\$ 2,172,514	\$ -
Cash and investments with fiscal agents			
Receivables:			
Accounts and taxes			1,279
Interest		7,553	
Intergovernmental	10,735		
Notes receivables			
	<u>10,735</u>	<u>2,180,067</u>	<u>1,279</u>
Total Assets	<u>\$ 10,735</u>	<u>\$ 2,180,067</u>	<u>\$ 1,279</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 30	\$ -	\$ 373
Due to other funds	11,057		45,175
Deferred revenue			
	<u>11,087</u>		<u>45,548</u>
Fund Balances:			
Unreserved:			
Undesignated	<u>(352)</u>	<u>2,180,067</u>	<u>(44,269)</u>
	<u>(352)</u>	<u>2,180,067</u>	<u>(44,269)</u>
Total Fund Balances	<u>(352)</u>	<u>2,180,067</u>	<u>(44,269)</u>
	<u>\$ 10,735</u>	<u>\$ 2,180,067</u>	<u>\$ 1,279</u>

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds



Special Revenue Fund		Total Nonmajor Governmental Funds
Library District	Debt Service	
\$ 1,293,514	\$ - 402,536	\$ 8,287,432 402,536
130,875		152,754
4,792		31,036
		147,366
		47,920
<u>\$ 1,429,181</u>	<u>\$ 402,536</u>	<u>\$ 9,069,044</u>
\$ 55,349	\$ 1,290 581,836	\$ 165,985 1,188,876 47,920
<u>55,349</u>	<u>583,126</u>	<u>1,402,781</u>
<u>1,373,832</u>	<u>(180,590)</u>	<u>7,666,263</u>
<u>1,373,832</u>	<u>(180,590)</u>	<u>7,666,263</u>
<u>\$ 1,429,181</u>	<u>\$ 402,536</u>	<u>\$ 9,069,044</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 FUNDS
For the Fiscal Year Ended June 30, 2009

	Special Revenue Funds		
	Proposition A	Highway Users Tax	Proposition C
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties			
Intergovernmental	341,162	623,431	277,180
Use of money and property	475	(4,950)	22,155
Other, donations, and reimbursements			
Total Revenues	<u>341,637</u>	<u>618,481</u>	<u>299,335</u>
EXPENDITURES			
Current:			
Public safety			
Community development			
Community services	194,449		591,880
Capital outlay			
Debt service:			
Principal retirement			
Interest and other charges			
Total Expenditures	<u>194,449</u>	<u></u>	<u>591,880</u>
Excess of Revenues Over (Under) Expenditures	<u>147,188</u>	<u>618,481</u>	<u>(292,545)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			
Transfers out	<u>(59,821)</u>	<u>(1,039,000)</u>	<u>(665,404)</u>
Total Other Financing Sources (Uses)	<u>(59,821)</u>	<u>(1,039,000)</u>	<u>(665,404)</u>
Net Change in Fund Balances	<u>87,367</u>	<u>(420,519)</u>	<u>(957,949)</u>
Fund Balances (deficits), Beginning of Fiscal Year	(179,746)	140,173	1,340,743
Prior Period Adjustments		<u>(42,288)</u>	
Fund Balances (deficits), Beginning of Fiscal Year (restated)	<u>(179,746)</u>	<u>97,885</u>	<u>1,340,743</u>
Fund Balances (deficits), End of Fiscal Year	<u>\$ (92,379)</u>	<u>\$ (322,634)</u>	<u>\$ 382,794</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
\$ -	\$ -	\$ -	\$ 215,947	\$ -	\$ -
33,515	91,060		6,205		19,137
3,202		3,383	25,382	65,747	(734)
<u>36,717</u>	<u>91,060</u>	<u>3,383</u>	<u>247,534</u>	<u>65,747</u>	<u>18,403</u>
	90,186				
13,299		87,418	116,743		7,250
<u>13,299</u>	<u>90,186</u>	<u>87,418</u>	<u>116,743</u>		<u>7,250</u>
23,418	874	(84,035)	130,791	65,747	11,153
	31,154 (4,276)		(15,520)	(282,932)	
	26,878		(15,520)	(282,932)	
23,418	27,752	(84,035)	115,271	(217,185)	11,153
135,114	(27,752)	200,336	1,153,170	3,072,166	(39,614)
<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>\$ 158,532</u>	<u>\$ -</u>	<u>\$ 116,301</u>	<u>\$ 1,268,441</u>	<u>\$ 2,854,981</u>	<u>\$ (28,461)</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 FUNDS
 For the Fiscal Year Ended June 30, 2009
 (Continued)**

	Special Revenue Funds		
	TDA	Affordable Housing	Cops AB3229
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties			
Intergovernmental	10,735		76,279
Use of money and property	(143)	46,119	(1,849)
Other, donations, and reimbursements			52
Total Revenues	10,592	46,119	74,482
EXPENDITURES			
Current:			
Public safety			105,691
Community development			
Community services			
Capital outlay			
Debt service:			
Principal retirement			
Interest and fiscal charges			
Total Expenditures			105,691
Excess of Revenues Over (Under) Expenditures	10,592	46,119	(31,209)
OTHER FINANCING SOURCES (USES)			
Transfers in			
Transfers out	(4,927)		(52)
Total Other Financing Sources (Uses)	(4,927)		(52)
Net Change In Fund Balances	5,665	46,119	(31,261)
Fund Balances (deficits), Beginning of Fiscal Year	(6,017)	2,133,948	(13,008)
Prior Period Adjustments			
Fund Balances (deficits), Beginning of Fiscal Year(restated)	(6,017)	2,133,948	(13,008)
Fund Balances (deficits), End of Fiscal Year	\$ (352)	\$ 2,180,067	\$ (44,269)

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Nonmajor Governmental Funds



Special Revenue Fund		Total Nonmajor Governmental Funds
Library District	Debt Service	
\$ 1,670,955	\$ -	\$ 1,886,902
21,519		21,519
12,081	97,718	1,588,503
25,145		183,932
1,037		1,089
<u>1,730,737</u>	<u>97,718</u>	<u>3,681,945</u>
		105,691
		90,186
978,438		1,976,178
150,873		164,172
	305,000	305,000
	<u>1,638,448</u>	<u>1,638,448</u>
<u>1,129,311</u>	<u>1,943,448</u>	<u>4,279,675</u>
<u>601,426</u>	<u>(1,845,730)</u>	<u>(597,730)</u>
	688,681	719,835
<u>(265,800)</u>	<u>(12,800,829)</u>	<u>(15,138,561)</u>
<u>(265,800)</u>	<u>(12,112,148)</u>	<u>(14,418,726)</u>
<u>335,626</u>	<u>(13,957,878)</u>	<u>(15,016,456)</u>
1,038,206	13,777,288	22,725,007
		<u>(42,288)</u>
<u>1,038,206</u>	<u>13,777,288</u>	<u>22,682,719</u>
<u>\$ 1,373,832</u>	<u>\$ (180,590)</u>	<u>\$ 7,666,263</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 A SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 340,000	\$ 341,162	\$ 1,162
Use of money and property	39,100	475	(38,625)
Total Revenues	<u>379,100</u>	<u>341,637</u>	<u>(37,463)</u>
EXPENDITURES			
Current:			
Community services	<u>306,000</u>	<u>194,449</u>	<u>111,551</u>
Total Expenditures	<u>306,000</u>	<u>194,449</u>	<u>111,551</u>
Excess of Revenues Over (Under) Expenditures	<u>73,100</u>	<u>147,188</u>	<u>74,088</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(67,400)</u>	<u>(59,821)</u>	<u>7,579</u>
Total Other Financing Sources (Uses)	<u>(67,400)</u>	<u>(59,821)</u>	<u>7,579</u>
Net Change in Fund Balance	5,700	87,367	81,667
Fund Balance (deficit) - Beginning of Fiscal Year	<u>(179,746)</u>	<u>(179,746)</u>	
Fund Balance (deficit) - End of Fiscal Year	<u>\$ (174,046)</u>	<u>\$ (92,379)</u>	<u>\$ 81,667</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, 2009**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 417,200	\$ 623,431	\$ 206,231
Use of money and property	600	(4,950)	(5,550)
Total Revenues	417,800	618,481	200,681
OTHER FINANCING SOURCES (USES)			
Transfers out	(400,000)	(1,039,000)	(639,000)
Total Other Financing Sources (Uses)	(400,000)	(1,039,000)	(639,000)
Net Change In Fund Balance	17,800	(420,519)	(438,319)
Fund Balance - Beginning of Fiscal Year	140,173	140,173	
Prior Period Adjustments		(42,288)	(42,288)
Fund Balance - Beginning of Fiscal Year, Restated	140,173	97,885	(42,288)
Fund Balance (deficit) - End of Fiscal Year	\$ 157,973	\$ (322,634)	\$ (480,607)



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, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 380,000	\$ 277,180	\$ (102,820)
Use of money and property	62,400	22,155	(40,245)
Total Revenues	442,400	299,335	(143,065)
EXPENDITURES			
Current:			
Community services	99,000	591,880	(492,880)
Total Expenditures	99,000	591,880	(492,880)
Excess of Revenues Over (Under) Expenditures	343,400	(292,545)	(635,945)
OTHER FINANCING SOURCES (USES)			
Transfers out	(972,000)	(665,404)	306,596
Total Other Financing Sources (Uses)	(972,000)	(665,404)	306,596
Net Change in Fund Balance	(628,600)	(957,949)	(329,349)
Fund Balance - Beginning of Fiscal Year	1,340,743	1,340,743	
Fund Balance - End of Fiscal Year	\$ 712,143	\$ 382,794	\$ (329,349)



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, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 14,400	\$ 33,515	\$ 19,115
Use of money and property	4,700	3,202	(1,498)
Total Revenues	19,100	36,717	17,617
EXPENDITURES			
Capital outlay		13,299	(13,299)
Total Expenditures		13,299	(13,299)
Excess of Revenues Over (Under) Expenditures	19,100	23,418	4,318
Fund Balance - Beginning of Fiscal Year	135,114	135,114	
Fund Balance - End of Fiscal Year	\$ 154,214	\$ 158,532	\$ 4,318



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, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 51,000	\$ 91,060	\$ 40,060
Use of money and property	(600)		600
Total Revenues	50,400	91,060	40,660
EXPENDITURES			
Current:			
Community development	31,000	90,186	(59,186)
Total Expenditures	31,000	90,186	(59,186)
Excess of Revenues Over (Under) Expenditures	19,400	874	(18,526)
OTHER FINANCING SOURCES (USES)			
Transfers in		31,154	31,154
Transfers out	(20,000)	(4,276)	15,724
Total Other Financing Sources (Uses)	(20,000)	26,878	46,878
Net Change in Fund Balance	(600)	27,752	28,352
Fund Balance (deficit) - Beginning of Fiscal Year	(27,752)	(27,752)	
Fund Balance (deficit) - End of Fiscal Year	<u>\$ (28,352)</u>	<u>\$ -</u>	<u>\$ 28,352</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, 2009**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 96,200	\$ -	\$ (96,200)
Use of money and property	6,600	3,383	(3,217)
Total Revenues	102,800	3,383	(99,417)
EXPENDITURES			
Current:			
Community services	96,200	87,418	8,782
Total Expenditures	96,200	87,418	8,782
Excess of Revenues Over (Under) Expenditures	6,600	(84,035)	(90,635)
Fund Balance - Beginning of Fiscal Year	200,336	200,336	
Fund Balance - End of Fiscal Year	\$ 206,936	\$ 116,301	\$ (90,635)



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, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 135,000	\$ 215,947	\$ 80,947
Intergovernmental		6,205	6,205
Use of money and property	38,300	25,382	(12,918)
Total Revenues	173,300	247,534	74,234
EXPENDITURES			
Current:			
Community services	159,600	116,743	42,857
Total Expenditures	159,600	116,743	42,857
Excess of Revenues Over (Under) Expenditures	13,700	130,791	117,091
OTHER FINANCING SOURCES (USES)			
Transfers out	(30,000)	(15,520)	14,480
Total Other Financing Sources (Uses)	(30,000)	(15,520)	14,480
Net Change in Fund Balance	(16,300)	115,271	131,571
Fund Balance - Beginning of Fiscal Year	1,153,170	1,153,170	
Fund Balance - End of Fiscal Year	\$ 1,136,870	\$ 1,268,441	\$ 131,571



**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, 2009**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 57,200	\$ 65,747	\$ 8,547
Total Revenues	57,200	65,747	8,547
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,400,000)	(282,932)	1,117,068
Total Other Financing Sources (Uses)	(1,400,000)	(282,932)	1,117,068
Net Change in Fund Balance	(1,342,800)	(217,185)	1,125,615
Fund Balance - Beginning of Fiscal Year	3,072,166	3,072,166	
Fund Balance - End of Fiscal Year	\$ 1,729,366	\$ 2,854,981	\$ 1,125,615



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, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 28,400	\$ 19,137	\$ (9,263)
Use of money and property	(600)	(734)	(134)
Total Revenues	27,800	18,403	(9,397)
EXPENDITURES			
Current:			
Community services	16,000	7,250	8,750
Total Expenditures	16,000	7,250	8,750
Excess of Revenue Over (Under) Expenditures	11,800	11,153	(647)
Fund Balance (deficit) - Beginning of Fiscal Year	(39,614)	(39,614)	
Fund Balance (deficit) - End of Fiscal Year	<u>\$ (27,814)</u>	<u>\$ (28,461)</u>	<u>\$ (647)</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, 2009**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 10,735	\$ 10,735
Use of money and property		(143)	(143)
Total Revenues		10,592	10,592
OTHER FINANCING SOURCES (USES)			
Transfers out		(4,927)	(4,927)
Total Other Financing Sources (Uses)		(4,927)	(4,927)
Net Change in Fund Balance		5,665	5,665
Fund Balance (deficit) - Beginning of Fiscal Year	(6,017)	(6,017)	
Fund Balance (deficit) - End of Fiscal Year	\$ (6,017)	\$ (352)	\$ 5,665



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, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 73,800	\$ 46,119	\$ (27,681)
Total Revenues	73,800	46,119	(27,681)
Net Change in Fund Balance	73,800	46,119	(27,681)
Fund Balance - Beginning of Fiscal Year	2,133,948	2,133,948	
Fund Balance - End of Fiscal Year	\$ 2,207,748	\$ 2,180,067	\$ (27,681)



**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, 2009**

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 100,000	\$ 76,279	\$ (23,721)
Use of money and property	(100)	(1,849)	(1,749)
Other, donations, and reimbursements		52	52
	<u>99,900</u>	<u>74,482</u>	<u>(25,418)</u>
EXPENDITURES			
Current:			
Public safety	122,900	105,691	17,209
	<u>122,900</u>	<u>105,691</u>	<u>17,209</u>
Excess of Revenues Over (Under) Expenditures	<u>(23,000)</u>	<u>(31,209)</u>	<u>(8,209)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out		(52)	(52)
	<u></u>	<u>(52)</u>	<u>(52)</u>
Net Change in Fund Balance	(23,000)	(31,261)	(8,261)
Fund Balance (deficit) - Beginning of Fiscal Year	<u>(13,008)</u>	<u>(13,008)</u>	<u></u>
Fund Balance (deficit) - End of Fiscal Year	<u>\$ (36,008)</u>	<u>\$ (44,269)</u>	<u>\$ (8,261)</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
LIBRARY DISTRICT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES			
Taxes	\$ 1,550,000	\$ 1,670,955	\$ 120,955
Fines and forfeitures	15,000	21,519	6,519
Intergovernmental	9,200	12,081	2,881
Use of money and property	44,900	25,145	(19,755)
Other, donations, and reimbursements	1,000	1,037	37
Total Revenues	<u>1,620,100</u>	<u>1,730,737</u>	<u>110,637</u>
EXPENDITURES			
Current:			
Community services	1,046,400	978,438	67,962
Capital outlay	<u>85,000</u>	<u>150,873</u>	<u>(65,873)</u>
Total Expenditures	<u>1,131,400</u>	<u>1,129,311</u>	<u>2,089</u>
Excess of Revenues Over (Under) Expenditures	<u>488,700</u>	<u>601,426</u>	<u>112,726</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(265,800)</u>	<u>(265,800)</u>	
Total Other Financing Sources (Uses)	<u>(265,800)</u>	<u>(265,800)</u>	
Net Change in Fund Balance	222,900	335,626	112,726
Fund Balance - Beginning of Fiscal Year	<u>1,038,206</u>	<u>1,038,206</u>	
Fund Balance - End of Fiscal Year	<u>\$ 1,261,106</u>	<u>\$ 1,373,832</u>	<u>\$ 112,726</u>



**CITY OF CALABASAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 DEBT SERVICE FUND
 For the Fiscal Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 11,000	\$ 97,718	\$ 86,718
Total Revenues	<u>11,000</u>	<u>97,718</u>	<u>86,718</u>
EXPENDITURES			
Debt service			
Principal retirement	305,000	305,000	
Interest and fiscal charges	<u>887,800</u>	<u>1,638,448</u>	<u>(750,648)</u>
Total Expenditures	<u>1,192,800</u>	<u>1,943,448</u>	<u>(750,648)</u>
Excess of Revenue Over (Under) Expenditures	<u>(1,181,800)</u>	<u>(1,845,730)</u>	<u>(663,930)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,181,800	688,681	(493,119)
Transfers out	<u>(9,617,700)</u>	<u>(12,800,829)</u>	<u>(3,183,129)</u>
Total Other Financing Sources (Uses)	<u>(8,435,900)</u>	<u>(12,112,148)</u>	<u>(3,676,248)</u>
Net Change in Fund Balance	(9,617,700)	(13,957,878)	(4,340,178)
Fund Balance - Beginning of Fiscal Year	<u>13,777,288</u>	<u>13,777,288</u>	
Fund Balance - End of Fiscal Year	<u>\$ 4,159,588</u>	<u>\$ (180,590)</u>	<u>\$ (4,340,178)</u>



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AGENCY FUNDS

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

Las Virgenes Parking Authority Fund – used for the Las Virgenes Parking Authority.

Community Facilities District 98-1 Fund – used for debt service requirements of Community Facilities District No. 98-1.

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

Community Facilities District 2006-1 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, and 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, 2009

Assets	Las Virgenes Parking Authority Fund	Community Facilities District 98-1	Community Facilities District 2001-1	Community Facilities District 2006-1
Cash and investments	\$ 43,817	\$ 1,158,742	\$ 10,788	\$ 1,716,322
Cash and investments with fiscal agent		820,217	17	1,770,324
Special tax receivable		203,588		98,255
Interest receivable		3,655	52	4,868
Total Assets	<u>\$ 43,817</u>	<u>\$ 2,186,202</u>	<u>\$ 10,857</u>	<u>\$ 3,589,769</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 43,817	\$ -	\$ -	\$ -
Deposits				
Due to bondholders		2,186,202	10,857	3,589,769
Total Liabilities	<u>\$ 43,817</u>	<u>\$ 2,186,202</u>	<u>\$ 10,857</u>	<u>\$ 3,589,769</u>



Deposits	LVUSD	Calabasas Education	Total
\$ 728,180	\$ 8,073,503	\$ 447	\$ 11,731,799
			2,590,558
			301,843
	28,767		37,342
<u>\$ 728,180</u>	<u>\$ 8,102,270</u>	<u>\$ 447</u>	<u>\$ 14,661,542</u>
\$ 22,216	\$ 8,102,270	\$ 447	\$ 8,168,750
705,964			705,964
			5,786,828
<u>\$ 728,180</u>	<u>\$ 8,102,270</u>	<u>\$ 447</u>	<u>\$ 14,661,542</u>



CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Agency Funds

CITY OF CALABASAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2009

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
<u>Las Virgenes Parking Authority Fund</u>				
Assets:				
Cash and investments	\$ 46,518	\$ -	\$ 2,701	\$ 43,817
Liabilities:				
Accounts payable and accrued liabilities	\$ 46,518	\$ -	\$ 2,701	\$ 43,817
<u>Community Facilities District 98-1</u>				
Assets:				
Cash and investments	\$ 1,188,713	\$ -	\$ 29,971	\$ 1,158,742
Cash and investments with fiscal agent	828,369		8,152	820,217
Special tax receivable	202,416	1,172		203,588
Interest receivable	10,037	3,655	10,037	3,655
	<u>\$ 2,229,535</u>	<u>\$ 4,827</u>	<u>\$ 48,160</u>	<u>\$ 2,186,202</u>
Liabilities:				
Due to bondholders	\$ 2,229,535	\$ 4,827	\$ 48,160	\$ 2,186,202
	<u>\$ 2,229,535</u>	<u>\$ 4,827</u>	<u>\$ 48,160</u>	<u>\$ 2,186,202</u>
<u>Community Facilities District 2001-1</u>				
Assets:				
Cash and investments	\$ 14,440	\$ -	\$ 3,652	\$ 10,788
Cash and investments with fiscal agent	17			17
Interest receivable	(3,915)	3,967		52
	<u>\$ 10,542</u>	<u>\$ 3,967</u>	<u>\$ 3,652</u>	<u>\$ 10,857</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to bondholders	10,542	3,967	3,652	10,857
	<u>\$ 10,542</u>	<u>\$ 3,967</u>	<u>\$ 3,652</u>	<u>\$ 10,857</u>
<u>Community Facilities District 2006-1</u>				
Assets:				
Cash and investments	\$ 1,477,003	\$ 239,319	\$ -	\$ 1,716,322
Cash and investments with fiscal agent	1,812,641		42,317	1,770,324
Special tax receivable	76,903	21,352		98,255
Interest receivable	15,350		10,482	4,868
	<u>\$ 3,381,897</u>	<u>\$ 260,671</u>	<u>\$ 52,799</u>	<u>\$ 3,589,769</u>
Liabilities:				
Due to bondholders	\$ 3,381,897	\$ 260,671	\$ 52,799	\$ 3,589,769
	<u>\$ 3,381,897</u>	<u>\$ 260,671</u>	<u>\$ 52,799</u>	<u>\$ 3,589,769</u>

CITY of CALABASAS, CALIFORNIA
FINANCIAL SECTION – Agency Funds



**CITY OF CALABASAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
For the Fiscal Year Ended June 30, 2009**

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
<u>Deposits</u>				
Assets:				
Cash and investments	\$ 880,718	\$ -	\$ 152,538	\$ 728,180
	\$ 880,718	\$ -	\$ 152,538	\$ 728,180
Liabilities:				
Accounts payable and accrued liabilities	\$ 62,128	\$ -	\$ 39,912	\$ 22,216
Deposits	818,590		112,626	705,964
	\$ 880,718	\$ -	\$ 152,538	\$ 728,180
<u>LVUSD</u>				
Assets:				
Cash and investments	\$ 8,253,009	\$ -	\$ 179,506	\$ 8,073,503
Interest receivable	72,751		43,984	28,767
	\$ 8,325,760	\$ -	\$ 223,490	\$ 8,102,270
Liabilities:				
Accounts payable and accrued liabilities	\$ 8,325,760	\$ -	\$ 223,490	\$ 8,102,270
<u>Education</u>				
Assets:				
Cash and investments	\$ 164,556	\$ -	\$ 164,109	\$ 447
Interest receivable	1,436		1,436	
	\$ 165,992	\$ -	\$ 165,545	\$ 447
Liabilities:				
Accounts payable and accrued liabilities	\$ 165,992	\$ -	\$ 165,545	\$ 447
<u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 12,024,957	\$ 239,319	\$ 532,477	\$ 11,731,799
Cash and investments with fiscal agent	2,641,027		50,469	2,590,558
Special tax receivable	279,319	22,524		301,843
Interest receivable	95,659	7,622	65,939	37,342
	\$ 15,040,962	\$ 269,465	\$ 648,885	\$ 14,661,542
Liabilities:				
Accounts payable and accrued liabilities	\$ 8,600,398	\$ -	\$ 431,648	\$ 8,168,750
Deposits	818,590		112,626	705,964
Due to bondholders	5,621,974	269,465	104,611	5,786,828
	\$ 15,040,962	\$ 269,465	\$ 648,885	\$ 14,661,542



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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, 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, 2009, and have issued our report thereon dated January 11, 2010. 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

Moss, Levy & Hartzheim, LLP
Beverly Hills, California
January 11, 2010



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

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time	129
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	141
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	153
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	161
<u>Operating Information</u> These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the service the city provides and the activities it performs.	165

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2003; 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				
	2005	2006	2007	2008	2009
ASSETS					
Current Assets:					
Governmental Activities	\$41,361,260	\$43,864,499	\$70,293,381	\$41,594,232	\$36,773,297
Business-type Activities	953,826	770,875	611,194	394,474	520,175
Total Current Assets	\$42,315,086	\$44,635,374	\$70,904,575	\$41,988,706	\$37,293,472
Non-Current Assets:					
Governmental Activities	\$45,498,750	\$49,226,911	\$60,909,051	\$96,039,639	\$100,234,317
Business-type Activities	2,044,051	2,135,398	2,046,099	2,139,562	1,953,231
Total Non-current Assets	\$47,542,801	\$51,362,309	\$62,955,150	\$98,179,201	\$102,187,548
TOTAL ASSETS	\$89,857,887	\$95,997,683	\$133,859,725	\$140,167,907	\$139,481,020
LIABILITIES					
Current Liabilities:					
Governmental Activities	\$3,773,920	\$3,112,178	\$6,650,605	\$6,650,814	\$4,081,711
Business-type Activities	402,856	408,398	88,695	65,861	65,753
Total Current Liabilities	\$4,176,776	\$3,520,576	\$6,739,300	\$6,716,675	\$4,147,464
Non-current Liabilities:					
Governmental Activities	\$6,325,483	\$4,080,512	\$39,020,399	\$38,510,654	\$38,106,808
Business-type Activities	15,558	13,583	2,893	2,893	3,524
Total Non-current Liabilities	\$6,341,041	\$4,094,095	\$39,020,399	\$38,513,547	\$38,110,332
TOTAL LIABILITIES	10,517,817	7,614,671	45,759,699	45,230,222	42,257,796
NET ASSETS	\$79,340,070	88,383,012	88,100,026	94,937,685	97,223,224
Invested in capital assets, net of related debt:					
Governmental Activities	\$39,377,655	45,123,316	21,876,051	57,394,720	60,465,854
Business-type Activities	2,044,051	2,135,398	2,046,099	2,139,014	1,953,231
Total Invested in capital assets	\$41,421,706	47,258,714	23,922,150	59,533,734	62,419,085
Restricted for:					
Library	\$2,777,241	2,421,386			1,937,779
Debt service	430,472	393,657	33,801,437	13,253,422	267,434
Streets/roads	3,266,198	5,263,111	4,648,678	4,601,711	2,973,111
Housing	1,525,170	1,897,639	2,030,396	2,133,948	2,180,067
Landscape maintenance	1,783,511	1,733,932	1,669,772	2,224,349	2,835,247
Transit	269,389	311,718	165,496		
Recycling	722,280	852,753	1,027,663	1,153,170	1,268,441
Public safety	65,621	50,499	36,506		
Total restricted	\$10,839,882	\$12,924,695	\$43,379,948	\$23,366,600	\$11,462,079
Unrestricted:					
Governmental Activities	\$26,543,070	27,850,709	20,275,429	11,711,083	22,891,162
Business-type Activities	535,412	348,894	522,499	326,268	450,898
Total unrestricted	\$27,078,482	28,199,603	20,797,928	12,037,351	23,342,060
NET ASSETS	\$79,340,070	\$88,383,012	\$88,100,026	\$94,937,685	\$97,223,224

Source:
 City of Calabasas Finance Department



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

	Fiscal Year				
	2005	2006	2007	2008	2009
Expenses					
Governmental activities					
General government	\$4,388,680	\$ 4,524,460	\$ 9,803,874	\$ 10,861,438	\$ 11,147,772
Public safety	3,352,542	3,520,506	3,842,443	3,960,090	4,609,892
Public works	3,978,104	5,396,310	9,867,876	4,081,055	3,874,139
Community development	1,153,303	1,380,375	863,608	1,087,358	943,703
Community services	7,969,825	8,818,016	7,281,760	7,502,948	7,579,973
Interest and fiscal charges	325,447	96,461	1,139,779	2,141,369	1,354,135
Unallocated depreciation	0	0	0	0	0
Total governmental activities expenses	21,167,901	23,736,128	32,799,340	29,634,258	29,509,614
Business-type activities					
Tennis & swim center	2,917,890	3,035,382	3,176,904	3,169,277	3,355,084
Total business-type activities expenses	2,917,890	3,035,382	3,176,904	3,169,277	3,355,084
Total primary government net expenses	\$24,085,791	\$ 26,771,510	\$ 35,976,244	\$ 32,803,535	\$ 32,864,698
Program revenues					
Governmental activities					
Charges for services					
General government	37,300	\$ 629,652	\$ 232,370	\$ 433,822	\$ 426,233
Public safety	279,737	349,677	298,245	264,409	239,467
Public works	6,198,546	788,735	32,603	45,690	155,866
Community development		2,619,208	1,574,364	928,970	2,005,954
Community services	3,552,160	3,838,463	3,955,539	1,480,245	271,259
Operating contributions and grants	933,439	875,072	547,427	416,607	1,328,296
Capital contributions and grants	3,586,358	3,297,396	3,279,335	6,225,173	3,788,880
Total governmental activities program revenues	14,587,540	12,398,203	9,919,883	9,794,916	8,215,955
Business-type activities					
Charges for services					
Tennis & swim center	2,826,061	\$ 2,927,584	\$ 2,909,051	\$ 3,045,535	\$ 3,369,318
Total business-type activities program revenues	2,826,061	2,927,584	2,909,051	3,045,535	3,369,318
Total primary government program revenues	\$17,413,601	\$ 15,325,787	\$ 12,828,934	\$ 12,840,451	\$ 11,585,273

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				
	2005	2006	2007	2008	2009
Net (expense)/revenue					
Governmental activities	(\$6,580,361)	(\$11,337,925)	(\$22,879,457)	(\$19,839,342)	(\$21,293,659)
Business-type activities	(91,829)	(107,798)	(267,853)	(123,742)	14,234
Total primary government net expense	(\$6,672,190)	(\$11,445,723)	(\$23,147,310)	(\$19,963,084)	(\$21,279,425)
General revenues and other changes in net assets					
Governmental activities					
Taxes					
Utility users taxes	\$3,019,532	\$3,195,743	\$3,638,310	\$3,665,484	\$3,584,283
Transient occupancy taxes	1,241,711	1,351,848	1,463,061	1,342,425	1,095,424
Sales taxes	5,680,413	6,284,061	6,400,067	6,813,339	5,708,235
Property taxes	3,468,510	4,893,831	5,647,765	8,814,322	9,549,219
Franchise taxes	590,388	673,606	740,563	786,351	868,667
Other taxes	370,110	0	0	0	0
Other intergovernmental-motor vehicle in-lieu	1,735,620	1,663,770	1,822,590	1,894,868	2,022,189
Use of money and property	1,327,849	1,349,309	2,541,834	2,350,712	666,239
Miscellaneous	298,641	1,063,870	112,827	271,681	432,208
Transfers					81,418
Total governmental activities	17,732,774	20,476,038	22,367,017	25,939,182	24,007,882
Business-Type Activities					
Use of money and property	2,910	12,627	22,819	21,620	6,031
Transfers					(81,418)
Total Business-Type Activities	2,910	12,627	22,819	21,620	(75,387)
Extraordinary Item - Insurance settlement					
Total Primary Government	\$17,735,684	\$20,488,665	\$22,389,836	\$25,960,802	\$23,932,495
Change in Net Assets					
Governmental Activities	\$11,152,413	\$9,138,113	(\$512,440)	\$6,099,840	\$2,714,223
Business-Type Activities	(88,919)	(95,171)	(245,034)	(102,122)	(61,153)
Total Primary Government	\$11,063,494	\$9,042,942	(\$757,474)	\$5,997,718	\$2,653,070
Schedule 2					

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				
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund					
Reserved	\$139,921	\$261,199	\$323,896	\$100,113	\$86,659
Unreserved	10,558,254	13,113,687	15,128,106	12,922,668	16,755,874
Total General Fund	\$10,698,175	\$13,374,886	\$15,452,002	\$13,022,781	\$16,842,533
All Other Governmental Funds					
Reserved	\$504,777	\$476,356	\$471,119	\$465,767	\$462,107
Unreserved, Reported In:					
Special Revenue Funds	7,842,333	8,238,842	9,266,620	4,485,706	8,661,158
Capital Projects Funds	0	(17,145)	(219,294)	5,864,199	5,271,014
Total All Other Governmental Funds	\$8,347,110	\$8,698,053	\$9,518,445	\$10,815,672	\$14,394,279
Total Governmental Funds	\$19,045,285	\$22,072,939	\$24,970,447	\$23,838,453	\$31,236,812

(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				
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
		\$19,770	\$15,270	\$12,842
19,408,300	21,934,440	22,331,574	20,983,538	19,865,828
<u>\$19,408,300</u>	<u>\$21,934,440</u>	<u>\$22,351,344</u>	<u>\$20,998,808</u>	<u>\$19,878,670</u>
\$456,083	\$405,330	\$33,938,001	\$13,777,288	\$0
10,547,270	7,820,547	1,075,403	12,560,084	14,676,914
7,072,036	10,806,286	6,714,362	(11,340,728)	(1,787,052)
<u>\$18,075,389</u>	<u>\$19,032,163</u>	<u>\$41,727,766</u>	<u>\$14,996,644</u>	<u>\$12,889,862</u>
<u>\$37,483,689</u>	<u>\$40,966,603</u>	<u>\$64,079,110</u>	<u>\$35,995,452</u>	<u>\$32,768,532</u>



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Financial Trends

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

	2000	2001	2002	2003	2004
REVENUES					
Taxes	\$12,495,765	\$14,052,461	\$14,366,022	\$15,621,239	\$13,299,541
Licenses and fees	828,829	1,113,000	1,253,387	1,230,510	1,515,469
Intergovernmental	2,573,872	3,207,607	2,027,151	3,898,690	2,880,111
Fines and forfeitures	292,401	251,081	210,669	245,511	295,148
Developer fees	3,614,674	807,866	2,772,155	3,484,077	261,518
Use of money and property					881,750
Charges for services					3,442,358
Other, donations, and reimbursements	2,083,394	1,976,841	2,109,529	3,415,854	520,076
Total Revenues	\$21,888,935	\$21,408,856	\$22,738,913	\$27,895,881	\$23,095,971
EXPENDITURES					
Current:					
General government	\$1,323,668	\$2,873,322	\$3,423,505	\$4,949,740	\$4,490,308
Public safety	2,606,895	2,716,715	2,848,251	2,899,021	3,131,804
Public works	3,773,292	3,842,309	5,348,336	1,770,923	2,835,309
Community development	1,794,490	1,539,442	1,675,352	2,219,870	1,086,609
Community services	9,226,775	5,199,238	5,776,214	6,218,988	7,418,439
Transfers out to agency fund					
Capital outlay	359,072	792,086	425,089	5,715,792	5,314,644
Unreimbursable Grant Expenditure	85,437				
Debt service:					
Principal retirement	70,000	15,000	25,000	35,000	50,000
Interest and fiscal charges	335,757	320,383	319,658	318,698	313,112
Debt issuance costs					
Total Expenditures	\$19,575,386	\$17,298,495	\$19,841,405	\$24,128,032	\$24,640,225
Excess of Revenues over (under) Expenditures	\$2,313,549	\$4,110,361	\$2,897,508	\$3,767,849	(\$1,544,254)
OTHER FINANCING SOURCES (USES)					
Proceed from issuance of long term debt					
Payment to refunded debt escrow					
Original issuance discount					
Certificates of participation proceeds					
Transfers in	2,736,300	2,178,715	3,771,236	5,439,325	5,648,426
Transfers out	(2,736,300)	(2,178,715)	(3,771,236)	(5,439,325)	(5,448,426)
Total Other Financing Sources (Uses)					200,000
Net Change in Fund Balances Before Extraordinary Items	\$2,313,549	\$4,110,361	\$2,897,508	\$3,767,849	\$ (1,344,254)
Extraordinary items-Insurance proceeds					2,770,110
Net Change in Fund Balance	\$2,313,549	\$4,110,361	\$2,897,508	\$3,767,849	\$1,425,856
Debt Service as a Percentage of Non Capital Expenditure	2.11%	2.03%	1.78%	1.92%	1.88%

(Continued)



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

2005	2006	2007	2008	2009
\$14,615,943	\$16,511,862	\$17,949,547	\$21,421,919	\$20,805,829
3,045,314	2,619,208	1,517,364	928,970	833,720
6,054,596	5,627,399	5,730,471	8,636,648	4,448,332
187,921	269,417	206,489	174,534	174,129
3,488,716	895,508	32,603	45,690	52,536
1,335,349	1,598,827	2,782,121	2,569,358	774,821
3,546,613	3,758,828	3,885,132	1,590,214	3,463,260
298,642	1,735,063	243,993	366,765	741,875
\$32,573,094	\$33,016,112	\$32,347,720	\$35,734,098	\$31,294,502
\$4,281,416	\$4,405,376	\$9,656,995	\$10,696,865	\$10,919,897
3,350,806	3,518,770	3,840,707	3,959,278	4,587,201
2,886,420	4,104,344	2,793,109	2,695,840	2,338,316
1,149,848	1,422,875	883,623	1,030,144	914,576
7,659,404	8,521,512	6,937,153	7,035,758	7,215,922
6,729,322	4,738,693	18,149,125	146,587	6,250,381
65,000	223,042	265,000	280,000	305,000
318,890	75,305	900,015	1,646,824	1,638,448
		1,123,631		
\$26,441,106	\$27,009,917	\$44,549,358	\$63,280,314	\$34,169,741
\$6,131,988	\$6,006,195	(\$12,201,638)	(\$27,529,513)	(\$2,875,239)
	4,025,000	35,000,000		
	(6,548,281)	167,425		
5,415,916	6,587,186	13,518,178	28,277,676	18,347,502
(5,415,916)	(6,587,186)	(13,518,178)	(28,277,676)	(18,266,084)
	(2,523,281)	35,167,425		
\$6,131,988	\$3,482,914	\$22,965,787	\$ (27,529,513)	\$ (2,875,239)
\$6,131,988	\$3,482,914	\$22,965,787	(27,529,513)	(2,875,239)
1.95%	1.34%	8.67%	7.01%	6.96%



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>
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
2009	5,755,971	5,431,635	3,443,741	1,095,424	868,667	168,306	4,042,085	20,805,829
Change 2000-2009	220.4%	55.9%	61.9%	82.5%	99.2%	-3.0%	4.2%	66.5%

Source:
City of Calabasas Finance Department



STATISTICAL SECTION

Revenue Capacity



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

Fiscal Year	Secured Valuation	Unsecured Valuation	Assessed Valuation
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
2009	6,356,230,021	175,051,955	6,531,281,976

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**

	1999-00	2000-01	2001-02	2002-03	2003-04
General	1.000000	1.000000	1.000000	1.000000	1.000000
County	0.006490	0.001310	0.001130	0.001030	0.000990
Las Virgenes Unified School District	0.030760	0.034780	0.021950	0.028290	0.029880
Los Angeles Community College District	0.000000	0.000000	0.016000	0.014600	0.019860
Los Angeles County Flood Control District	0.001760	0.001560	0.001070	0.000880	0.000470
Los Angeles Unified School District	0.031520	0.040760	0.048140	0.036970	0.077130
Metropolitan Water District	0.008900	0.008800	0.007700	0.006700	0.006100
Las Virgenes Municipal Water District	0.019390	0.018250	0.017150	0.013700	0.009300
Total	1.098830	1.105450	1.113120	1.102170	1.143740

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:

Los Angeles County Auditor/Controller data, MuniServices, LLC
 Tax Rate as represented by TRA 010-900
 Rates are not adjusted for ERAF



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

2004-05	2005-06	2006-07	2007-08	2008-09
1.000000	1.000000	1.000000	1.000000	1.000000
0.006720	0.006000	0.005360	0.004500	0.000000
0.028800	0.027030	0.028080	0.049010	0.049930
0.018100	0.014300	0.021460	0.008780	0.022115
0.000240	0.000050	0.000050	0.000000	0.000000
0.088850	0.084380	0.106820	0.123340	0.000000
0.005800	0.005200	0.004700	0.004500	0.004300
0.005800	0.005200	0.004700	0.004500	0.000000
<u>1.154300</u>	<u>1.142120</u>	<u>1.171170</u>	<u>1.194640</u>	<u>1.076355</u>



CITY of CALABASAS, CALIFORNIA
STATISTICAL SECTION – Revenue Capacity

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

Taxpayer	2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
ASN Calabasas I LLC	\$102,959,444	1	1.58%
Casden Malibu Canyon L P	92,593,989	2	1.42%
Calabasas TC Properties LLC	86,000,000	3	1.32%
Kilroy Realty LP	68,302,384	4	1.05%
Commons At Calabasas LLC	63,162,828	5	0.97%
Countrywide Home Loans, Inc.	57,358,217	6	0.88%
Cheesecake Factory Inc	40,806,425	7	0.62%
MS LPC Malibu Land Holdings LLC	38,188,800	8	0.58%
Calabasas Courtyard Inc	32,938,408	9	0.50%
Cypress Calabasas LLC	24,038,604	10	0.37%
Total	\$606,349,099		9.29%
Total Assessed Value	6,531,281,976		

Taxpayer	2000		
	Taxable Assessed Value	Rank	Assessed Valuation
Casden Malibu Canyon LP	\$ 67,293,980	1	2.27%
Kilroy Realty LP	59,080,692	2	1.99%
Arden Realty LP	54,565,184	3	1.84%
Lincoln Malibu Meadows	41,628,931	4	1.41%
Countrywide Home Loans, Inc.	35,342,336	5	1.19%
Malibu Canyon Office Partners	15,571,375	6	0.53%
Aetna Life Insurance Co	15,193,796	7	0.51%
NM Homes One LLC	13,734,088	8	0.46%
Calabasas Sorrento Square LLC	11,600,000	9	0.39%
ACD2	11,087,714	10	0.37%
Total	\$ 325,098,096		10.96%
Total Assessed Value	2,962,329,409		

Source: _____

Los Angeles County Assessor data, MuniServices, LLC



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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
1997	\$1,264,675	-	\$1,264,675	\$1,136,484	89.86%
1998	1,393,060	-	1,393,060	1,314,749	94.38%
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%
2009	5,596,085	-	5,596,085	6,238,806	111.49%

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
-	\$1,136,484	89.86%
-	1,314,749	94.38%
-	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%
-	6,238,806	101.10%



CITY of CALABASAS, CALIFORNIA
 STATISTICAL SECTION – Revenue Capacity

CITY OF CALABASAS
 Taxable Sales by Category
 Last Ten Calendar Years

	Calendar Year ¹				
	2000	2001	2002	2003	2004
Business to Business	1,920,591	2,197,305	2,108,013	1,996,853	2,077,992
Transportation	884,190	940,420	1,020,466	1,121,725	1,657,058
Food Products ²	532,964	532,062	577,910	624,416	701,873
General Retail	440,933	477,969	510,206	518,717	593,068
Miscellaneous	21,273	14,449	39,725	35,861	31,613
Construction	6,958	8,418	12,219	19,000	15,343
Total	3,806,909	4,170,623	4,268,539	4,316,572	5,076,947
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.

³ Projected amount.



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

	Calendar Year ¹				
	2005	2006	2007	2008	2009 ³
	2,535,204	2,446,571	2,686,281	2,300,045	2,194,669
	1,891,367	1,845,683	1,789,102	1,708,606	1,548,341
	715,927	721,833	738,145	706,839	657,330
	677,098	717,945	698,335	667,195	522,801
	35,242	35,026	58,530	68,049	64,877
	5,403	8,015	3,307	2,527	3,155
	5,860,241	5,775,073	5,973,700	5,453,261	4,991,173
	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	Other Post-Employment Benefits	Total Government Long-Term Debt	Compensated Absences Payable				
2009	\$38,175,000	\$515,482	\$100,006	\$38,790,488	\$20,763	\$38,811,251	2.12%	\$1,636	
2008	38,480,000	432,683	0	38,912,683	17,558	38,930,241	2.19%	1,641	
2007 ¹	38,760,000	375,764	0	39,135,764	19,575	39,155,339	2.30%	1,665	
2006	4,025,000	320,512	0	4,345,512	13,583	4,359,095	0.27%	187	
2005	6,085,000	315,483	0	6,400,483	15,558	6,416,041	0.44%	279	

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 2000 to 2009

	FY 2009		
FY 2008-09 Assessed Valuation:	\$6,567,104,312		
	Total Debt		City's Share of
	6/30/09	% Applicable ¹	Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Los Angeles County	\$0	0.000%	\$0
Los Angeles County Flood Control District	84,705,000	0.712%	603,100
Metropolitan Water District	293,425,000	0.356%	1,044,593
Los Angeles Community College District	2,408,605,000	1.252%	30,155,735
Los Angeles Unified School District	8,046,220,000	0.0001%	8,046
Las Virgenes Joint Unified School District	115,348,607	36.837%	42,490,966
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	25,260,000	100.000%	25,260,000
City of Calabasas Community Facilities District No. 98-1	8,140,000	100.000%	8,140,000
Los Angeles County Community Facilities District No. 4-B	0	0.000%	0
Los Angeles Regional Park and Open Space Assessment District	246,875,000	0.703%	1,735,531
City of Calabasas	0	0.000%	0
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$109,437,971
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Los Angeles County General Fund Obligations	\$928,941,195	0.703%	6,530,457
Los Angeles County Pension Obligations	235,690,861	0.703%	1,656,907
Los Angeles County Superintendent of Schools Certificates of Participation	15,904,264	0.703%	111,807
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	12,730,000	36.837%	4,689,350
Los Angeles Unified School District General Fund Obligations	440,351,710	0.0001%	440
City of Calabasas Certificates of Participation	38,175,000	100.000%	38,175,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$51,163,961
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			51,163,961
GROSS COMBINED TOTAL DEBT ²			\$160,601,932
NET COMBINED TOTAL DEBT			\$160,601,932
Ratios to Fiscal Year's Assessed Valuation:			
Combined Direct Debt Amount			\$38,175,000
Combined Direct Debt			0.58%
Total Overlapping Tax and Assessment Debt			1.67%
Gross Combined Total Debt			2.45%
Net Combined Total Debt			2.45%
STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/09:			0

Source:
MuniServices, LLC

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 2008</u>	<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>
\$6,197,568,970	\$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
Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt	Debt
\$0	\$0	\$54,987	\$105,495	\$149,504	\$188,990	\$224,506	\$261,030	\$290,062
708,359	777,886	842,466	797,095	882,848	62,649	106,264	147,277	193,504
1,148,525	1,213,809	1,289,460	1,396,569	1,282,278	3,066,464	1,624,932	1,724,860	1,791,745
17,286,040	12,162,920	7,659,288	8,516,980	7,625,322	7,723,798	5,717,250	5,733,000	0
7,325	13,010	1,191	897	1,025	1,092	542	0	0
44,350,241	44,226,999	28,221,697	28,986,034	28,919,018	30,026,871	18,445,148	19,103,345	13,346,672
0	0	0	0	56,205	49,820	147,635	191,312	223,060
0	0	0	0	128,544	124,449	370,153	481,813	587,830
0	0	0	0	0	0	0	0	404
25,910,000	26,535,000	26,535,000	27,540,000	27,970,000	0	28,645,000	0	0
8,575,000	9,150,000	9,150,000	10,225,000	10,725,000	0	11,655,000	12,095,000	12,515,000
0	0	0	0	0	0	0	28,700,000	29,100,000
1,903,465	2,056,629	1,992,739	2,276,482	2,396,458	0	2,535,614	2,698,203	2,802,871
0	0	0	0	0	0	0	0	0
\$99,888,955	\$96,136,253	\$75,746,828	\$79,844,552	\$80,136,202	\$41,244,133	\$69,472,044	\$71,135,840	\$60,851,148
7,187,847	7,333,599	8,066,515	9,045,319	9,245,118	10,239,744	10,239,744	10,367,081	10,232,989
2,483,401	3,696,700	4,827,890	6,836,134	8,413,830	10,774,722	10,774,722	11,830,788	12,497,068
125,921	133,965	129,803	154,720	164,052	183,090	183,090	195,917	207,949
0	0	0	0	0	989,925	989,925	1,048,166	1,104,821
0	0	0	0	0	979,174	979,174	711,056	729,121
4,779,677	6,922,217	6,710,991	6,921,200	6,813,000	31,341	31,341	62,958	201,683
498	791	80	120	182	148	148	0	0
38,480,000	38,760,000	4,025,000	6,085,000	6,150,000	6,235,000	6,235,000	6,260,000	6,275,000
\$53,057,344	\$56,847,272	\$23,760,279	\$29,042,493	\$30,786,182	\$29,433,144	\$29,433,144	\$30,475,966	\$31,248,631
0	0	176,654	360,296	443,702	590,431	590,431	702,976	787,830
53,057,344	56,847,272	23,583,625	28,682,197	30,342,480	28,842,713	28,842,713	29,772,990	30,460,801
\$152,946,299	\$152,983,525	\$99,507,107	\$108,887,045	\$110,922,384	\$70,677,277	\$98,905,188	\$101,611,806	\$92,099,779
\$152,946,299	\$152,983,525	\$99,330,453	\$108,526,749	\$110,478,682	\$70,086,846	\$98,314,757	\$100,908,830	\$91,311,949
\$38,480,000	\$38,760,000	\$4,025,000	\$6,085,000					
0.62%	0.71%	0.07%	0.14%					
1.61%	1.75%	1.38%	1.81%					
2.47%	2.79%	1.82%	2.46%					
2.47%	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 2009	FY 2008	FY 2007	FY 2006
Total Assessed Value of all Real and Personal Property	\$6,567,104,312	\$6,197,568,970	\$5,481,605,234	\$4,835,544,337
Debt Limit Percentage	15.00%	15.00%	15.00%	15.00%
Total Debt Limit ¹	\$985,065,647	\$929,635,346	\$822,240,785	\$725,331,651
Amount of Debt Applicable to Debt Limit	-	-	-	-
Legal Debt Margin	\$985,065,647	\$929,635,346	\$822,240,785	\$725,331,651

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 2005	FY 2004	FY 2003	FY 2002	FY 2001	FY 2000
\$4,421,546,650	4,021,388,352	3,670,453,772	3,417,259,201	3,208,817,999	2,970,803,441
15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
\$663,231,998	\$603,208,253	\$550,568,066	\$512,588,880	\$481,322,700	\$445,620,516
-	-	-	-	-	-
\$663,231,998	\$603,208,253	\$550,568,066	\$512,588,880	\$481,322,700	\$445,620,516



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STATISTICAL SECTION

Demographic and Economic Information



CITY OF CALABASAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS ¹
 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>
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	40	58.0%	3.5% ⁴
2009	23,590 ³	1,831,740	77,649 ²	41	63.0%	5.6% ⁴

Source:
 MuniServices, LLC

Notes:

- Information presented are estimates and are to be used to give perspective to the City relative to other municipalities.
- Per Capita Personal Income for 2009 was calculated by increasing the 2008 amount by the Los Angeles County CPI increase of 3.5%.
- Population Source: California Department of Finance
- Unemployment Rate Source: California Employment Development Department
<http://www.labormarketinfo.edd.ca.gov>



**CITY OF CALABASAS
 Principal Employers
 Fiscal Year 2009 and Nine Years Ago**

<u>Employer</u>	<u>2009</u>			<u>2000</u>
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Principal Employer</u>
Las Virgenes Unified School District	1672	1	14.17%	Y
Countrywide Home Loans, Inc.	700	2	5.93%	Y
Cheesecake Factory, Inc.	640	3	5.42%	Y
Alcatel Internetworking, Inc. ¹	373	4	3.16%	
Sedgwick Claims Management	350	5	2.97%	
Viewpoint Education Foundation	275	6	2.33%	
Spirent Communications	210	7	1.78%	Y
City of Calabasas	199	8	1.69%	Y
Informa Research Services, Inc.	173	9	1.47%	
Valley Crest Co.	160	10	1.36%	
Mercedes Benz of Calabasas	--		--	Y
Acura 101 West	--		--	Y
Digital Insight	--		--	Y
John Paul Richards, Inc	--		--	Y
Las Virgenes Water District	--		--	Y
Total	<u><u>4,752</u></u>		<u><u>40.27%</u></u>	
Total City Employment	11,800			

Sources:

MuniServices, LLC
 City of Calabasas Department of Finance
 Calabasas Chamber of Commerce
 Total City Employment provided by EDD Labor Force Data

Notes:

1. This number is from last year's data collection, as the current number of employees for this year was unavailable.
2. Results based on direct correspondence with City's local businesses.
3. The Las Virgenes School District number represents all employees within the district.
4. Total City employment provided by EDD Labor Force Data.



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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>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>	<u>2009</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	4.50	4.50	5.00	6.00	6.00	6.00	6.00	7.00	7.00	23.00 ³
Public Safety	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50 ⁴
Finance Department	4.50	4.50	4.50	4.75	4.50	8.50	7.25	9.00	8.50	8.50
Media Operations Department	4.00	5.50	5.50	5.50	7.75	7.75	9.75	11.00	9.00	10.00
Transportation Department	4.00	4.00	4.00	4.50	5.00	5.00	6.25	6.00	6.00	7.50
Community Development Dept.	10.00	10.00	17.00	16.00	16.00	20.00	19.25	22.50	22.00	22.50
Engineering & Public Works Dept.	5.50	6.00	8.50	8.75	8.75	10.00	8.75	17.00	11.50	13.50
Community Services Department ¹	21.80	21.80	22.80	23.80	23.80	21.75	31.00	47.50	59.00	65.50
Total	61.30	63.30	74.30	76.30	78.80	86.00	95.25	127.00	130.00	159.00

Source: _____
 City of Calabasas, Finance and Human Resources Departments

- 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.
 3. Prior to 2008, the City of Calabasas Library was managed by an outside contractor, therefore the Library employees were not employees of the City until the middle of 2008.
 4. The Public Safety Department was created for the first time in FY08/09.



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

<u>Function/Program</u>	2009	2008	2007
<u>General Government</u>			
Building permits issued	1,333	1,890	2,115
Building inspections conducted	5,321	6,980	9,536
Code Enforcement inspections conducted	787	856	720
<u>Parks and recreation</u>			
Number of City sponsored events	30	23	20
Number of Tennis & Swim Center members	6,207	6,225	4,740
<u>Public Works</u>			
Street resurfacing (sq. feet)	1,180,328	1,143,000	950,940
<u>Recyclable Collections</u>			
Mixed Electronics Collected (pounds)	228,571	183,090	125,742
Dry Cell Batteries (pounds)	17,601	11,228	9,149
Recycling Baskets distributed	0	100	2,140
Used Oil Recycling Program (gallons)	583	0 ¹	0 ¹
<u>Transit</u>			
Total route (miles)	104	104	104
Passengers (monthly)	16,000	15,000	14,700

Sources:

 Various City departments

Notes:

 1. 2009 is the first year data reported for Used Oil Recycling Program.



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

<u>Function/Program</u>	<u>2009</u>	<u>2008</u>	<u>2007</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	22	20
<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, 44, 45, 49, 52, 55, and 56.

Comments and questions can be directed to:

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The City of Calabasas Office of Finance



CITY of CALABASAS