



WENDY GREUEL
CONTROLLER

September 27, 2012

Honorable Antonio R. Villaraigosa, Mayor
Honorable Members of the Los Angeles City Council

SUBJECT: PRELIMINARY FINANCIAL REPORT FISCAL YEAR 2011-12

Today, I am submitting my Preliminary Financial Report for the City of Los Angeles for the fiscal year 2011-12, which provides detailed information regarding the fiscal year-end closing results for the Reserve Fund along with the status of the General Fund and the city's bonded indebtedness. My report shows that the City still has a lengthy road to long-term fiscal recovery. Similar to prior years' Preliminary Financial Reports, this report includes recommended Mayor and Council actions specifically concerning the Reserve Fund and prior-year encumbrances.

At the end of fiscal year 2011-12 (June 30, 2012), the Reserve Fund cash balance was \$242.3 million and the General Fund receipts totaled \$4.39 billion. This Reserve Fund cash balance, as a percentage of actual General Fund receipts, was equal to 5.52 percent. However, this does not reflect departmental adjustments that impacted the total amount in the Reserve Fund.

After applying Reserve Fund adjustments that were initiated in the prior year and those included in the fiscal year 2012-13 adopted budget, the Reserve Fund cash balance decreased to \$224.9 million (July 1, 2012). The largest contributing factor in the adjustment was due to re-appropriations of funds, which totaled \$39.5 million. As a result of these re-appropriations, the adjusted Reserve Fund cash balance as a percentage of the fiscal year 2012-13 anticipated General Fund receipts of \$4.55 billion, is equal to 4.94 percent.

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Once these adjustments are taken into account, the adjusted Reserve Fund cash balance is \$6.9 million more than originally anticipated in the 2012-13 adopted budget, but \$2.6 million less than the 5 percent (\$227.5 million) prescribed by the City's Reserve Fund Policy. As I have repeatedly emphasized in recent years, the City must continue efforts to maintain and grow the Reserve Fund to at least 5 percent.

I would like to highlight that given the City's current practices, the adjusted Reserve Fund cash balance could have been higher if, either, re-appropriations were less or more unused prior-year encumbrances were disencumbered. As of August 31, 2012, after urging all departments to disencumber any unused funds, General Fund No. 100 prior-year encumbrances still totaled \$113.7 million. This practice needs to change. My Office continues to work with the CAO and labor representatives to review prior-year encumbrances and we are working towards the development of a prior-year encumbrance policy to make more funds available to increase reversions at year end.

In the interim, departments need to make every effort to expend funds in the most transparent manner and regularly review encumbrances for current year use. As a reminder, departments should also comply with my Office's past audit recommendation to ensure that funds not be encumbered without valid City obligations or work orders corresponding to a given appropriation's budget fiscal year. Further, departments should adhere to a Council approved instruction in last year's preliminary financial report for departments to disencumber unwarranted items to increase reversions whenever possible.

Soon the Council will be faced with finding revenue to avoid layoffs during this fiscal year. In addition, the most recent Budget Outlook anticipates a budget gap of \$215.9 million in fiscal year 2013-14. It should be noted that next year's budget gap already assumes new ongoing General Fund revenues of approximately \$37 million from the Special Parking Revenue Fund and Property Tax-CRA Increment monies. Further, the budget gap is subject to change if unanticipated revenue shortfalls or potential new contingency expenditures occur. Steps should be taken immediately towards addressing these problems, including a full implementation of Performance Based Budgeting which I put forth last year to increase transparency and accountability of departments for every dollar spent.

In previous reports, I have warned that the continued policy of reducing or eliminating overtime cash payments by increasing banked hour limits would likely result in larger banked hour balances across fiscal years if not properly managed. In July 2009, for example, the banked overtime hours for sworn personnel totaled an estimated payout value of \$48.0 million. As of the first pay period of the current fiscal year, the banked overtime hours for sworn personnel totaled 2.2 million hours with an estimated payout

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value of \$103.1 million. Therefore City managers must minimize banked compensated absences by year-end, rather than deferring an even larger liability to be paid out in future years.

It should also be noted that, although the City recently initiated steps towards pension reform, the budgetary impact of that decision has yet to be determined.

Please note that the attached report also serves as the starting point for the preparation of the City's fiscal year 2011-12 financial statements, which will be included in the 2011-12 Comprehensive Annual Financial Report (CAFR) along with other required supplementary information. Preparation of the CAFR will require participation from all City departments, and appropriate resources are critical for its timely completion. The CAFR will be prepared in conformity with generally accepted accounting principles (GAAP) for governmental units and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The CAFR is a critical component of the City's debt issuance process.

My staff and I express our appreciation to all City departments and offices for their assistance and cooperation in the preparation of the attached report and for a successful year-end closing accomplished despite exceedingly difficult times which may continue to prove challenging for the foreseeable future.

Sincerely,



WENDY GREUEL
City Controller

Attachments

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The City's Reserve Fund Policy (CF 98-0459) establishes a Reserve Fund cash balance goal equal to 5 percent of budgeted General Receipts. Additionally, Charter Section 302(b), amended by voters on March 8, 2011, states the following:

"The Reserve Fund shall include funding for unanticipated expenditures and revenue shortfalls in the City's General Fund. It shall include two accounts within the fund, the Contingency Reserve Account and the Emergency Reserve Account."

It further defines these two accounts as follows:

- **Contingency Reserve:** The Contingency Reserve Account shall include all monies in the Reserve Fund over and above the amount required to be allocated to the Emergency Reserve Account.
- **Emergency Reserve:** The City Council shall annually allocate an amount to the Emergency Reserve Account of the Reserve Fund that shall bring the balance in that account to not less than two and three-fourths (2 3/4) percent of all General Fund receipts anticipated for that fiscal year in the adopted budget.

After closing the City's General Ledger for fiscal year 2011-12, the Reserve Fund cash balance was \$242.3 million on June 30, 2012, and actual General Fund receipts totaled \$4.39 billion. Therefore, the June 30 Reserve Fund cash balance, as a percentage of actual 2011-12 General Fund receipts, equaled 5.52 percent.

After applying current year Reserve Fund adjustments initiated in the prior year plus those included in the fiscal year 2012-13 adopted budget, the Reserve Fund cash balance decreased to \$224.9 million. The largest category of adjustments was re-appropriations, which totaled \$39.5 million. The adjusted Reserve Fund cash balance amount, as a percentage of 2012-13 anticipated General Fund receipts of \$4.55 billion, equals 4.94 percent.

The 2012-13 Emergency Reserve amount is set at \$125.1 million, which is 2.75 percent of General Fund receipts anticipated in the 2012-13 adopted budget. Therefore, the Contingency Reserve equals \$99.8 million (Contingency Reserve equals the Reserve Fund amount minus the Emergency Reserve amount).

The following pages provide information on how the Reserve Fund cash balances were determined. The first section discusses the Reserve Fund cash balance, at June 30. The second section discusses the Reserve Fund cash balance after adjustments, initiated in the prior year plus those included in the fiscal year 2012-13 adopted budget, are applied. The final two sections provide recent information on the Reserve Fund cash balance and Controller Recommendations. That is followed by various financial schedules which provide information on financial results for fiscal year 2011-12.

| |
|--|
| RESERVE FUND CASH BALANCE (JUNE 30, 2012) |
|--|

After closing the City's General Ledger for fiscal year 2011-12, the Reserve Fund balance was \$242.3 million. This was \$11.2 million more than the amount anticipated in the 2012-13 adopted budget as shown in Table I below.

Table I

Reserve Fund Cash Balance as of June 30, 2012
(In Millions)

| | Adopted FY 2012-13 Budget | Actual | Difference |
|---|---------------------------------|-----------------|----------------|
| Contingency Reserve: | | | |
| Balance Before Year-End Reversions/Borrowings | \$ 90.2 | \$ 97.4 | \$ 7.2 |
| Reversion of Uncommitted Balances | 68.7 | 66.9 | (1.8) |
| Unallocated Revenue | 0.6 | -- | (0.6) |
| Advances Under CF 11-0600-S158 | -- | (1.3) | (1.3) |
| Advances Under Charter Section 261(i) | (49.0) | (41.3) | 7.7 |
| Total Contingency Reserve | 110.5 | 121.7 | 11.2 |
| Emergency Reserve | 120.6 | 120.6 | -- |
| Total Reserve Fund, 6/30/11 | <u>\$ 231.1</u> | <u>\$ 242.3</u> | <u>\$ 11.2</u> |

The following are descriptions of the line items listed in the above table:

Balance Before Year-End Reversions/Borrowings

This category represents the amount of cash available in the Contingency Reserve after closing the general ledger and prior to adjustments for fiscal year 2011-12 year-end reversions and borrowings. It does not include cash in the Emergency Reserve. The actual amount was \$7.2 million more than anticipated in the 2012-13 adopted budget. Escheated funds and repayment of Reserve Fund advances contributed to the higher amount.

Reversion of Uncommitted Balances

This category refers to fiscal year 2011-12 General Fund appropriations that reverted to the Reserve Fund at year-end because portions of the appropriations were

uncommitted (not encumbered nor expended) at year-end. The Mayor and Council grant *appropriation authority*¹ to City departments each year. Those appropriations are committed throughout the year in the form of *encumbrances*² and *expenditures*³. The *total appropriation authority*⁴ minus encumbrances and expenditures represents the uncommitted balance at year-end. Uncommitted balances from General Fund appropriations revert to the Reserve Fund at year-end up to the extent that such uncommitted balances are supported by cash. When the fiscal year 2012-13 budget was adopted in June 2012, the City anticipated an uncommitted balance cash reversion of \$68.7 million. The year-end uncommitted balance was \$84.5 million of which \$66.9 million was supported by cash. Table II is a summary of General Fund uncommitted balances for fiscal year 2011-12 by department.

Table II
Fiscal Year 2011-12 Year-End Uncommitted Balances and
Fiscal Year 2012-13 Adopted Budget Reappropriations

| Department | Uncommitted Balances | Reappropriation Amounts |
|--|----------------------|-------------------------|
| Aging | \$ 77,221 | \$ -- |
| Animal Services | 208,967 | -- |
| Building and Safety | 220,842 | -- |
| Capital Finance Administration | 5,814,019 | -- |
| Capital Improvement Expenditure Program (CIEP) | 13,995,335 | 13,995,335 |
| City Administrative Officer | 1,088,434 | -- |
| City Attorney | 590,831 | -- |
| City Clerk | 2,495,638 | 387,750 |
| Controller | 764,594 | 500,000 |
| Council | 9,589,652 | 9,589,652 |
| Cultural Affairs | 15,999 | -- |
| Disability | 85,540 | -- |
| Emergency Management | 394 | -- |
| Employee Relations Board | 80,143 | -- |
| Ethics | 79,655 | -- |
| Finance | 447,415 | -- |
| Subtotal | \$ 35,554,679 | \$ 24,472,737 |

¹ **An appropriation authority** is the legal authority to incur obligations and expend up to a budgeted amount for a stated purpose.

² **An encumbrance** is an obligation or commitment to pay for a good or service. An example of an encumbrance is ordering a car.

³ **An expenditure** is an actual payment. Using the example in footnote 2, an example of an expenditure is writing the check to pay for the car.

⁴ **Total appropriation authority** includes the adopted budget and actions taken by Mayor and Council during the year to amend the adopted budget.

Table II (Continued)

Fiscal Year 2011-12 Year-End Uncommitted Balances and
Fiscal Year 2012-13 Adopted Budget Reappropriations

| Department | Uncommitted Balances | Reappropriation Amounts |
|---|-------------------------|----------------------------|
| Fire | \$ 2,860,497 | \$ -- |
| General City Purpose | 5,485,948 | 4,215,325 |
| General-Nondepartmental | 2 | -- |
| General Services | 7,243,604 | 4,503,182 |
| Human Resources Benefits | 4,014,855 | -- |
| Information Technology Agency | 1,886,693 | -- |
| Liability Claims | 40,547 | -- |
| Mayor | 160,440 | 160,440 |
| Personnel | 2,990,062 | -- |
| Planning | 289,552 | -- |
| Police | 5,314,837 | -- |
| PW - Board | 69,850 | -- |
| PW - Contract Administration | 594,665 | -- |
| PW - Engineering | 1,843,199 | -- |
| PW - Street Services | 80,121 | -- |
| Transportation | 2,502,678 | -- |
| Unappropriated Balance | 13,520,136 | 40,000 |
| Total Uncommitted Balances and Reappropriations | 84,452,365 | 33,391,684 |
| Less-Unfunded Appropriations | (17,600,151) | - |
| Year-start Reappropriations (Not in Adopted Budget) | -- | 6,139,604 |
| Total Net Reversion and Reappropriation Amounts | <u>\$ 66,852,214</u> | <u>\$ 39,531,288</u> |

The adopted budget provided that certain year-end uncommitted balances, earmarked for specific functions in a given year but not expended in that year, be automatically reappropriated in 2012-13. Reappropriation amounts can be equal to or less than the Uncommitted Balances for given appropriated amounts from the prior year. The 2012-13 reappropriation amounts are listed in the above Table II. However, the CIEP reappropriation amount requires a separate Council action, so the actual reappropriation amount may vary from the \$14.0 million listed amount.

Unallocated Revenue

Unallocated Revenue occurs when revenues exceed the total budget appropriation. The 2012-13 adopted budget anticipated \$0.6 million in unallocated revenue at 2011-12 year-end. Since actual 2011-12 revenues were below total appropriations, there was no unallocated revenue at year-end.

Advances Under CF 11-0600-S158

Council File 11-0600-S158 authorized the Controller to process advances (borrowings) from the Reserve Fund at year-end to balance departmental budgets where needed in order to expedite the closing of the City's General Ledger. This measure was taken so that the Controller could increase appropriations within established limits without departments returning to the City Council to request the additional appropriations; a process that would delay the closing of the City's General Ledger. Under this Council authority, the Controller processed \$1.3 million (see Table III-A) in Reserve Fund borrowings to balance departmental budgets at year-end closing. Please note that these departments had greater total General Fund related year-end uncommitted balances than the borrowing amounts. (as illustrated in Table II).

Advances Under Charter Section 261(i) for Unfunded Encumbrances and Expenditures

Under Charter Section 261(i), the Controller advances funds from the Reserve Fund to any fund that becomes depleted due to tardy receipts of revenue. The fiscal year 2012-13 adopted budget anticipated \$49 million in year-end advances from the Reserve Fund. The actual advances, in accordance with this Charter section, were \$41.3 million (\$22.0 million for unfunded expenditures, and \$19.3 million for unfunded encumbrances, see Table III-B). The unfunded expenditures generally occur due to: 1) an imbalance between the timing of receipts in relation to expenditures, and/or; 2) billing delays. Departments typically repay Reserve Fund advances as they are reimbursed by their funding source, or request Mayor and Council approval to write-off advances. The unfunded encumbered amounts represent a technical adjustment at year-end, mainly for grant contracts, and are reversed at the start of the new fiscal year. As advances for unfunded expenditures are repaid throughout the fiscal year, the Reserve Fund cash balance will increase unless additional transfers from or advances from the Reserve Fund are approved by City Council.

The following table (Table III) provides a listing of departments that received year-end Reserve Fund advances:

| Department | Expenditure | Encumbrance | Total |
|---|----------------------|----------------------|----------------------|
| A. Council File No. 11-0600-S158 | | | |
| City Attorney | \$ 64,850 | \$ -- | \$ 64,850 |
| Fire | 1,252,853 | -- | 1,252,853 |
| Subtotal | 1,317,703 | -- | 1,317,703 |
| B. Charter Section 261(i) | | | |
| Aging | 425,190 | 213,512 | 638,702 |
| Building & Safety | 285,432 | 49,244 | 334,676 |
| Capital Finance | 52,000 | 18,907 | 70,907 |
| City Administrative Officer | 147,137 | -- | 147,137 |
| City Attorney | 559,141 | 19,592 | 578,733 |
| Community Development | 381,311 | 1,451,141 | 1,832,452 |
| Controller | 74,425 | -- | 74,425 |
| Disability | 20,135 | -- | 20,135 |
| Emergency Management | 798,035 | 92,178 | 890,213 |
| Fire | 1,220,586 | -- | 1,220,586 |
| General Services | 5,505,376 | 9,366,632 | 14,872,008 |
| Housing | 197,610 | 2,145,162 | 2,342,772 |
| Information Technology Agency | 555,110 | 185,822 | 740,932 |
| Mayor | 835,434 | -- | 835,434 |
| Planning | 17,944 | 869,966 | 887,910 |
| Police | 3,965,618 | -- | 3,965,618 |
| PW - Board | 83,881 | 594,191 | 678,072 |
| PW - Contract Administration | 602,722 | -- | 602,722 |
| PW - Engineering | 804,713 | -- | 804,713 |
| PW - Sanitation | 774,458 | 77,846 | 852,304 |
| PW - Street Lighting | 1,540,401 | 224,641 | 1,765,042 |
| PW - Street Services | 2,045,814 | 3,954,154 | 5,999,968 |
| Transportation | 1,113,655 | -- | 1,113,655 |
| Subtotal | 22,006,128 | 19,262,988 | 41,269,116 |
| Total | \$ 23,323,831 | \$ 19,262,988 | \$ 42,586,819 |

Emergency Reserve

For fiscal year 2011-12, the Emergency Reserve, at 2.75 percent of budgeted 2011-12 General Fund receipts, was \$120.6 million.

RESERVE FUND CASH BALANCE (2012-13 YEAR START)

The fiscal year 2012-13 adopted budget anticipated the following with respect to the Adjusted Year Start Reserve Fund cash balance:

- A June 30 cash balance of \$231.1 million;
- Return of Reserve Fund advances for unfunded encumbrances of \$18.0 million;
- Reappropriations amounting to \$36.0 million; and
- An appropriation to the Reserve Fund of \$4.9 million.

The actual June 30 Reserve Fund cash balance was higher by \$11.2 million compared to the estimate in the fiscal year 2012-13 adopted budget. The beginning cash balance is adjusted by adding the Return of Advances for Unfunded Encumbrances, and Appropriation to the fund offset by Reappropriations resulting in a total adjusted Reserve Fund cash balance of \$233.1 million; \$125.1 million - Emergency Reserve and \$108.0 million - Contingency Reserve. This was \$15.1 million more than anticipated in the 2012-13 adopted budget or 0.12 percent more than the 5 percent (\$227.5 million) prescribed by the City's Reserve Fund Policy.

Table IV

Reserve Fund Cash Balance
Year Start Adjusted by 2012-13 Adopted Budget
(In Millions)

| | Adopted FY 2012-13 Budget | Actual | Difference |
|---|---------------------------------|----------|------------|
| Cash Balance, Ending 6/30/12 and Beginning 7/1/12 | \$ 231.1 | \$ 242.3 | \$ 11.2 |
| Return of Advances for Unfunded Encumbrances | 18.0 | 19.3 | 1.3 |
| Appropriation to Reserve Fund | 4.9 | 4.9 | -- |
| Reappropriations | (36.0) | (33.4) | 2.6 |
| Year-start Reappropriations (Not in Adopted Budget) | -- | (6.1) | (6.1) |
| Total Reserve Fund, Year Start Adjusted | 218.0 | 227.0 | 9.0 |
| Emergency Reserve | (125.1) | (125.1) | -- |
| Total Contingency Reserve, Year Start Adjusted | \$ 92.9 | \$ 101.9 | \$ 9.0 |

Please note that subsequent to the Reserve Fund adjustments included in the adopted budget, the Council took actions (CF 11-0600-S159, 11-1487-S4 and 12-0600-S154) that resulted in \$8.1 million in additional year start Reserve Fund adjustments. These actions ranged from \$44,204 (landscaping of the Police Administration building) to \$3.5 million (LINX Workers' Compensation Claims Management System Replacement). The effect on the Reserve Fund was a reduction to the Contingency Reserve to \$99.9 million, or \$7.0 million above the 2012-13 adopted budget estimate.

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| MAINTENANCE OF RESERVE FUND |
|------------------------------------|

Table V displays the Year Start Adjusted Reserve Fund available cash balances back to fiscal year 2007-08. The City's Reserve Fund Policy sets a Reserve Fund goal of 5 percent of budgeted General Fund receipts. Of the 5 percent, 2.75 percent is referred to as the Emergency Reserve and the remaining 2.25 percent is referred to as the Contingency Reserve. While a strong Contingency Reserve remains a priority of the Mayor and City Council, the beginning Contingency Reserve balance has varied over the six years displayed.

Because of recent events, which reveal that the economy has yet to stabilize, I emphasize the importance of maintaining a healthy Reserve Fund to mitigate unforeseen revenue shortfalls and to have a ready source of cash available in the event of an emergency.

Table V

Year Start Reserve Fund Balances
(In Millions)

| | <u>FY12-13</u> | <u>FY11-12</u> | <u>FY10-11</u> | <u>FY09-10</u> | <u>FY08-09</u> | <u>FY07-08</u> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Transfer to Budget | <u>\$ --</u> | <u>\$ 8.9</u> | <u>\$ 3.6</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 71.2</u> |
| Reserve Fund Balance, Year Start Adjusted* | | | | | | |
| Contingency Reserve | <u>\$ 108.0</u> | <u>\$ 80.1</u> | <u>\$ 51.1</u> | <u>\$ 30.7</u> | <u>\$ 40.9</u> | <u>\$ --</u> |
| Emergency Reserve | <u>125.1</u> | <u>120.6</u> | <u>120.3</u> | <u>121.0</u> | <u>125.2</u> | <u>113.7</u> |
| Total | <u>\$ 233.1</u> | <u>\$ 200.7</u> | <u>\$ 171.4</u> | <u>\$ 151.7</u> | <u>\$ 166.1</u> | <u>\$ 113.7</u> |
| Percent Total Reserve Fund to Budgeted General Receipts | <u>5.12%</u> | <u>4.58%</u> | <u>3.92%</u> | <u>3.45%</u> | <u>3.65%</u> | <u>2.56%</u> |

* Does not include the effect of Council and Mayor year start adjustments approved subsequent to the adopted budget.

RECOMMENDATIONS

That the Mayor and Council:

1. Exercise extreme caution when making decisions involving the use of the Reserve Fund;
2. Review the \$39.5 million in reappropriations to determine if all are necessary;
3. Instruct departments listed in Table III to report to the City Administrative Officer and the Controller on plans to accelerate repayment of Reserve Fund advances for unfunded expenditures;
4. Instruct invoicing and paying departments involved in unfunded expenditures (Table III-B) to review their procedures to identify methods to improve their invoicing and paying processes;
5. Instruct departments listed in Table III-A to report to the Council on the need to expend over the amount budgeted or the amount of cash available in Special Revenue Funds; and,
6. Instruct departments to report to Mayor and Council on all prior year encumbrances with a valid business reason for each encumbered item in order to disencumber unwarranted items and increase reversions to the Reserve Fund.

City of Los Angeles

Cash Condition
Statement of Receipts and Disbursements - All Funds
For the Fiscal Year Ended June 30, 2012

| | |
|---|--------------------------------|
| Cash Balance, July 1, 2011 | \$ 7,844,767,547 |
| Add - Outstanding Warrants, July 1, 2011 | <u>91,833,333</u> |
| Cash in the Treasury, July 1, 2011 | 7,936,600,880 |
| Add - Receipts during the year ⁽¹⁾ | <u>14,763,716,836</u> |
| Total Available | 22,700,317,716 |
| Less - Disbursements during the Year ⁽¹⁾ | <u>14,849,669,191</u> |
| Cash in the Treasury, June 30, 2012 | 7,850,648,525 |
| Less - Outstanding Warrants, June 30, 2012 | <u>117,068,702</u> |
| Cash Balance, June 30, 2012 ⁽²⁾ | <u><u>\$ 7,733,579,823</u></u> |

⁽¹⁾ Receipts exclude interfund operating transfers. Disbursements include checks paid and wire transfers to depository banks by the City Treasurer.

⁽²⁾ Excludes cash with fiscal agents, petty cash, other revolving funds, and time deposits held for safekeeping by the City Treasurer.

The Treasury has a large cash balance at June 30, 2012. Under the City Charter that cash "resides" in various Funds created by the City Charter and legislative actions. That cash is not available to the General Fund (except for limited General Fund balances) for general government activities of the City. The "Schedule of Cash Balances by Fund Types" on Pages 3 to 5 provides additional information of the June 30, cash balances.

City of Los Angeles

Reserve Fund
Statement of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2012

| | | |
|---|---------------|-----------------------|
| Cash Balance Ending June 30, 2011 and Beginning July 1, 2011 | | \$ 217,740,599 |
| Receipts: | | |
| Return of Advances Under Charter Section 261(i) for: | | |
| Unfunded Expenditures | \$ 28,997,543 | |
| Unfunded Encumbrances | 17,629,572 | |
| Return of Loans from Other Funds | 3,189,595 | |
| Transfer of Power Revenue Surplus | 250,077,000 | |
| Early Reversion of Unencumbered Balance | 8,089,697 | |
| Year-End Reversion of Unencumbered Balance | 67,073,996 | |
| Miscellaneous | 2,666,188 | 377,723,591 |
| | | <hr/> |
| Total Available Cash | | 595,464,190 |
| Disbursements: | | |
| Transfer to Budget | 8,939,164 | |
| Transfer to General Fund of Power Revenue Surplus | 250,077,000 | |
| Transfers to Other Funds | 17,347,446 | |
| Loans to Other Funds | 5,459,615 | |
| Reappropriations of Prior Year Funds for Capital Improvement Projects and Other Departmental Accounts | 28,748,740 | |
| Advances Under Charter Section 261(i) for: | | |
| Unfunded Expenditures | 22,006,128 | |
| Unfunded Encumbrances | 19,262,989 | |
| Advances for Unfunded Expenditures per CF#11-0600-S158 | 1,317,703 | 353,158,785 |
| | | <hr/> |
| Cash Balance Ending June 30, 2012 and Beginning July 1, 2012 | | <u>\$ 242,305,405</u> |

Note: The Reserve Fund Policy was adopted by Council (File 98-0459) on August 4, 1998 to create two accounts in the Reserve Fund, the Contingency Reserve and the Emergency Reserve. As of June 30, 2012, the total Contingency account is \$121,698,405 and the Emergency account is \$120,607,000.

City of Los Angeles

Schedule of Cash Balances by Fund Types
June 30, 2012

Governmental Funds:

General Funds

| | | |
|---------------------|-------------------|----------------|
| General | \$ 299,072,348 | |
| Reserve | 242,305,405 | |
| Stores Revolving | 13,609,695 | |
| Other General Funds | <u>19,457,590</u> | \$ 574,445,038 |

Special Revenue Funds

| | | |
|--|--------------------|---------------|
| Recreation and Parks | 234,425,595 | |
| Transportation Grants | 156,825,974 | |
| Solid Waste Resources Revenue | 148,238,929 | |
| Proposition A Local Transit Assistance (PALTA) | 137,264,511 | |
| MICLA Special Revenue Funds | 75,222,395 | |
| Special Gas Tax Street Improvement | 59,611,904 | |
| Measure R Local Return Fund | 54,717,358 | |
| Special Parking Revenue | 52,742,879 | |
| Proposition 1B Infrastructure Bond Fund | 42,748,317 | |
| Citywide Recycling Trust | 37,854,306 | |
| Subventions and Grants | 36,705,717 | |
| Building and Safety Permit Enterprise | 35,356,812 | |
| Seismic Bond Reimbursement | 31,581,513 | |
| Systematic Code Enforcement Fee Trust | 31,563,216 | |
| Solid Waste Resources Revenue Bond 2009A Acquisition | 27,403,279 | |
| ARRA Transportaton Projects Special Funds | 27,273,821 | |
| Street Lighting Maintenance Assessment | 25,623,265 | |
| State AB 1290 City | 25,536,524 | |
| Telecommunication Liquidated Damage and Lost Franchise Fee | 23,856,344 | |
| Municipal Sports Account | 22,652,388 | |
| Recreation and Parks Golf Special | 21,893,896 | |
| Proposition C Anti-Gridlock Transit Improvement | 20,650,468 | |
| City of Los Angeles Affordable Housing Trust Fund | 16,362,586 | |
| Coastal Transportation Corridor Trust | 16,329,234 | |
| U.S. Department of Justice Asset Forfeiture | 15,081,849 | |
| Engineering Special Service | 14,416,880 | |
| Integrated Solid Waste Management Trust Fund | 14,386,263 | |
| Matching Campaign Fund Trust | 11,530,261 | |
| Construction Services Trust Fund | 11,228,739 | |
| Other Special Revenue Funds | <u>393,726,284</u> | 1,822,811,507 |

Debt Service Funds

| | | |
|--|----------------|-------------|
| General Obligation Bonds | 162,734,763 | |
| Tax and Revenue Anticipation Notes Debt Service Fund | 601,540,920 | |
| Other Debt Service Funds | <u>309,588</u> | 764,585,271 |

Continued...

City of Los Angeles

Schedule of Cash Balances by Fund Types - (Continued)
June 30, 2012

Capital Projects Funds

| | | |
|--|-------------------|----------------|
| GOB Series 1989-A, 1990-B, 1992-A, 1993-A, 1994-A 1995-A, 1999-B & 2000-A, 2001-A Library/Police/Fire/Public Works/Recreation & Parks/Zoo/Animal Shelter | \$ 26,989,586 | |
| GOB Series 2002-A Zoo/ Animal Shelter/Fire/Police 911 | 27,891,419 | |
| GOB Series 2003-A Animal Shelter/Fire/Police 911 | 42,229,239 | |
| GOB Series 2004-A Police 911 | 80,673,395 | |
| GOB Series 2005-A Storm Water/Fire | 29,911,711 | |
| GOB Series 2006-A Storm Water/Fire/Police 911/Animal Shelter | 54,083,612 | |
| GOB Series 2008-A Clean Water, Ocean, River, Beach, Bay Storm Water Clean-up Projects | 27,938,967 | |
| GOB Series 2009-A Clean Water, Ocean, River, Beach, Bay Storm Water Clean-up Projects | 119,537,001 | |
| GOB Series 2011-A Clean Water, Ocean, River, Beach, Bay Storm Water Clean-up Projects | 114,713,708 | |
| Recreation and Parks Grant | 69,540,713 | |
| Proposition K Projects and Bond Match | 68,771,983 | |
| Proposition K Maintenance and Administration | 23,014,263 | |
| Other Capital Projects Funds | <u>31,114,795</u> | \$ 716,410,392 |

Proprietary Funds - Enterprise

| | | |
|--|-------------------|---------------|
| Airport Revenue | 754,402,761 | |
| Harbor Revenue | 178,929,754 | |
| Power Revenue | 519,284,398 | |
| Water Revenue | 314,050,501 | |
| Passenger Facility Charge Fund - LAWA | 725,427,704 | |
| Passenger Facility Charge Fund - Ontario | 27,078,796 | |
| Airport Revenue Fund - Ontario | 103,815,331 | |
| Airport Insurance Trust Fund - LAWA | 106,250,486 | |
| China Shipping Mitigation | 33,469,793 | |
| Harbor Emergency | 47,367,920 | |
| Strategic Operating Fund | 199,000,000 | |
| Sewer Construction and Maintenance | 64,364,695 | |
| Sewer Operations and Maintenance | 59,264,059 | |
| Sewer Capital | 18,112,973 | |
| Los Angeles Convention Center | 5,613,112 | |
| Construction (Bond) Funds | 54,720,749 | |
| Bond Debt Service Funds | 482,647,600 | |
| Other Enterprise Funds | <u>29,871,406</u> | 3,723,672,038 |

Pension Trust

| | | |
|---|----------------|------------|
| City Employees Retirement | 540,904 | |
| Fire and Police Pension | 6,260,433 | |
| Water and Power Employees' Retirement/Disability/Death Benefits | 15,796,083 | |
| Other Pension Trust Funds | <u>275,300</u> | 22,872,720 |

Continued...

City of Los Angeles

Schedule of Cash Balances by Fund Types - (Continued)
June 30, 2012

| | | |
|--|---------------|-------------------------|
| Agency Funds | | |
| Building and Safety Trust | \$ 15,847,076 | |
| General Demand | 42,256,582 | |
| General Payroll Reimbursement | 8,182,263 | |
| Department of Water and Power Payroll | 4,291,116 | |
| Department of Water and Power Disbursement | 43,668,693 | |
| Department of Water and Power Plan Benefit | 18,548,771 | |
| Public Works Trust | 42,068,936 | |
| Parking Violation Trust | 8,506,808 | |
| Internal Revenue Code Section 501(c) Employee Benefits Trust | 21,344,679 | |
| Other Agency Funds | 21,136,635 | \$ 225,851,559 |
| Total Cash Balance - All Fund Types ⁽¹⁾ | | 7,850,648,525 |
| Less - Outstanding Warrants: | | |
| General Demands | 42,256,526 | |
| General Payroll and Reimbursement | 7,874,390 | |
| Department of Water and Power Payroll | 4,568,250 | |
| Department of Water and Power Disbursement | 43,668,693 | |
| Department of Water and Power Plan Benefit | 18,548,772 | |
| Fire and Police Pension Funds | 152,071 | 117,068,702 |
| Total Cash Balance in the Treasury, June 30, 2012 | | \$ 7,733,579,823 |

⁽¹⁾ Excludes cash with fiscal agents, petty cash, other revolving funds, and time deposits held for safekeeping by the City Treasurer.

City of Los Angeles

Statement of Receipts - Budget and Actual
(Non-GAAP Budgetary Basis)
All Annually Budgeted Funds
Fiscal Years Ended June 30, 2012 and 2011

| | Budget | Actual | |
|--|------------------|------------------|------------------|
| | | 2012 | 2011 |
| General Receipts: | | | |
| Property Tax: | | | |
| Property Tax 1% | \$ 1,019,377,000 | \$ 1,021,445,211 | \$ 1,024,468,264 |
| Property Tax - Sales Tax Replacement | 101,611,000 | 100,538,201 | 96,811,687 |
| Property Tax - Vehicle License Fee Replacement | 315,375,000 | 316,856,742 | 312,872,142 |
| Total Property Tax | 1,436,363,000 | 1,438,840,154 | 1,434,152,093 |
| Utility Users Tax: | | | |
| Electric Users Tax | 306,832,000 | 303,765,053 | 303,812,085 |
| Telephone Users Tax | 243,000,000 | 242,974,285 | 251,846,927 |
| Gas Users Tax | 78,000,000 | 68,294,987 | 72,409,856 |
| Total Utility Users Tax | 627,832,000 | 615,034,325 | 628,068,868 |
| Licenses, Permits, Fees and Fines | 725,092,271 | 727,537,927 | 691,280,227 |
| Business Tax | 439,219,000 | 439,802,223 | 418,373,813 |
| Sales Tax | 306,239,000 | 323,247,176 | 296,607,966 |
| Documentary Transfer Tax | 107,000,000 | 103,236,898 | 100,412,631 |
| Power Revenue Transfer | 254,000,000 | 250,077,000 | 258,815,000 |
| Transient Occupancy Tax | 136,200,000 | 151,722,170 | 134,796,321 |
| Parking Fines | 136,879,000 | 152,844,121 | 133,807,753 |
| Parking Users Tax | 88,200,000 | 86,449,901 | 83,161,055 |
| Franchise Income | 48,100,000 | 44,208,581 | 44,479,827 |
| Interest | 14,280,000 | 15,084,026 | 15,439,103 |
| State Motor Vehicle License Fees | 14,700,000 | 10,578,173 | 13,147,533 |
| Grant Receipts | 9,820,000 | 5,266,963 | 14,542,188 |
| Tobacco Settlement | 9,500,000 | 9,196,891 | 9,018,727 |
| Transfer From Telecommunications | | | |
| Development Account | 4,915,000 | 4,915,056 | 5,624,066 |
| Residential Development Tax | 1,905,000 | 2,263,501 | 1,668,900 |
| Transfer from Special Parking Revenue | 16,509,000 | -- | 10,019,067 |
| Transfer from Reserve Fund | 8,939,164 | 8,939,164 | 3,616,627 |
| Total General Receipts | 4,385,692,435 | 4,389,244,250 | 4,297,031,765 |
| Special Receipts: | | | |
| City Tax Levy (Debt Service) | 167,395,099 | 170,419,602 | 165,328,828 |
| Sewer Construction & Maintenance Fund | 660,315,865 | 526,839,196 | 659,094,104 |
| Proposition A Local Transit Assistance Fund | 123,829,123 | 151,939,363 | 131,835,710 |
| Proposition C Anti-Gridlock Transit | | | |
| Improvement Fund | 70,788,194 | 58,461,143 | 50,901,253 |
| Special Parking Revenue Fund | 43,850,295 | 66,769,338 | 42,148,263 |
| Greater Los Angeles Visitors & Convention | | | |
| Bureau Fund | 10,477,000 | 11,673,138 | 10,370,416 |
| Solid Waste Resources Revenue Fund | 289,462,233 | 317,836,190 | 300,155,643 |
| Traffic Safety Fund | 13,120,939 | 10,250,522 | 12,702,019 |
| Special Gas Tax Street Improvement Fund: | | | |
| State Gas Tax - Section 2103 | 38,790,000 | 54,553,897 | 32,742,183 |
| State Gas Tax - Section 2105 | 21,260,000 | 18,825,274 | 21,061,956 |

Continued...

City of Los Angeles

Statement of Receipts - Budget and Actual
(Non-GAAP Budgetary Basis)
All Annually Budgeted Funds - (Continued)
Fiscal Years Ended June 30, 2012 and 2011

| | Budget | Actual | |
|---|---------------|---------------|---------------|
| | | 2012 | 2011 |
| Special Receipts: (Continued) | | | |
| State Gas Tax - Section 2106 | \$ 12,390,000 | \$ 11,986,785 | \$ 12,298,917 |
| State Gas Tax - Section 2107 | 28,280,000 | 27,819,054 | 28,133,873 |
| Surface Transportation Program | 12,100,000 | 3,932,545 | 542,476 |
| Interest on Gas Tax Funds | 700,000 | 716,576 | 502,706 |
| Other Receipts | 31,000 | 2,529,589 | 451,665 |
| Traffic Congestion Relief AB 2928 | -- | -- | 10,254,563 |
| Affordable Housing Trust Fund | 1,100,000 | 32,804,706 | 26,213,438 |
| Stormwater Pollution Abatement Fund | 30,429,000 | 29,465,143 | 30,815,094 |
| Community Development Trust Fund | 34,222,682 | 37,136,391 | 37,074,880 |
| HOME Investment Partnerships Program Fund | 6,091,386 | 4,995,062 | 4,450,261 |
| Mobile Source Air Pollution Reduction Trust Fund | 4,715,000 | 4,666,111 | 4,863,267 |
| City Employees' Retirement Fund ⁽¹⁾ | 87,529,621 | 75,978,843 | 72,701,328 |
| Community Services Administration Grant | 1,976,485 | 2,180,444 | 2,084,159 |
| Park & Recreational Sites & Facilities Fund | 1,200,000 | 1,311,202 | 1,021,800 |
| Convention Center Revenue Fund | 27,794,692 | 27,314,702 | 26,069,784 |
| Local Public Safety Fund | 32,850,000 | 34,433,027 | 31,823,440 |
| Neighborhood Empowerment Fund | 4,459,079 | 4,555,130 | 4,412,845 |
| Street Lighting Maintenance Assessment Fund | 61,044,333 | 64,686,614 | 61,830,027 |
| Telecommunications Liquidated Damages and Lost Franchise Fees Fund | 12,673,944 | 13,336,354 | 14,983,009 |
| Older Americans Act Fund | 2,326,382 | 1,982,388 | 2,114,979 |
| Workforce Investment Act Fund | 16,780,876 | 14,801,241 | 8,609,309 |
| Rent Stabilization Trust Fund | 11,054,510 | 14,248,635 | 12,083,328 |
| Arts & Cultural Facilities & Services Trust Fund | 10,592,219 | 10,663,879 | 9,830,537 |
| Arts Development Fee Trust Fund | 990,000 | 5,220,466 | 1,573,089 |
| City Employees Ridesharing Fund | 3,329,609 | 2,923,526 | 3,109,999 |
| City Ethics Commission Fund | 1,866,479 | 1,866,479 | 2,109,024 |
| Staples Arena Special Fund | 4,090,000 | 4,652,837 | 2,593,724 |
| Citywide Recycling Trust Fund | 23,749,166 | 21,697,112 | 22,641,087 |
| Special Police/911 System Tax Fund | 21,609,356 | 21,039,243 | 21,176,205 |
| Local Transportation Fund | 2,848,790 | 2,856,106 | 2,658,158 |
| Planning Case Processing Revenue Fund | 14,062,000 | 16,004,946 | 11,731,852 |
| Disaster Assistance Trust Fund | 7,509,405 | 2,581,138 | 6,510,793 |
| Landfill Maintenance Fund | 4,632,252 | 6,147,168 | 5,479,696 |
| Household Hazardous Waste Fund | 2,012,662 | 2,842,210 | 2,207,836 |
| Building & Safety Permit Enterprise Fund | 100,517,551 | 107,270,105 | 96,990,289 |
| Housing Opportunities for Persons with AIDS Fund | 323,268 | 314,683 | 322,923 |
| Code Enforcement Trust Fund | 32,340,675 | 42,112,345 | 37,581,350 |
| El Pueblo de Los Angeles Historical Monument Fund | 4,507,398 | 4,590,914 | 4,076,990 |
| Zoo Enterprise Trust Fund | 18,283,477 | 19,139,495 | 18,265,687 |
| Supplemental Law Enforcement Services Fund | 100,000 | 5,028,402 | 3,858,190 |
| Street Damage Restoration Fee Fund | 7,693,000 | 5,437,633 | 6,454,082 |
| Measure R Traffic Relief and Rail Expansion Fund | 37,820,000 | 38,185,862 | 38,050,275 |
| Central Recycling and Transfer Fund | 2,434,126 | 3,191,367 | 2,312,509 |
| Municipal Housing Finance Fund | -- | 1,512,478 | 2,622,234 |

Continued...

City of Los Angeles

Statement of Receipts - Budget and Actual
(Non-GAAP Budgetary Basis)
All Annually Budgeted Funds - (Continued)
Fiscal Years Ended June 30, 2012 and 2011

| | Budget | Actual | |
|---|-------------------------|-------------------------|-------------------------|
| | | 2012 | 2011 |
| Special Receipts: (Continued) | | | |
| Multi-Family Bulky Item Fund | \$ 6,511,696 | \$ 7,114,314 | \$ 7,644,348 |
| ARRA - Workforce Investment | 250,892 | 105,901 | 6,337,503 |
| ARRA - Community Service | -- | -- | 1,635,012 |
| ARRA - Community Development Block Grant | -- | -- | 1,453,686 |
| ARRA - COPS Hiring Recovery Program | 3,000,000 | 3,000,000 | 3,758,323 |
| ARRA - Neighborhood Stabilization | 2,111,374 | 2,771,405 | - |
| Business Improvement District Trust Fund | 434,393 | 559,393 | 177,541 |
| Bus Bench Advertising Trust Fund | 147,836 | 147,836 | 157,273 |
| City Attorney Consumer Protection Fund | 1,869,000 | 1,869,000 | -- |
| City Planning Systems Development Fund | 4,268,880 | 3,793,332 | 4,081,209 |
| Coastal Transportation Corridor Trust Fund | 324,043 | 431,525 | 650,315 |
| Council District 15 Real Property Trust Fund | 200,000 | 129,500 | 177,067 |
| Federal Emergency Shelter Grant | 55,414 | 59,712 | 54,696 |
| Fire Hydrant Installation and Replacement Fund | 861,264 | 861,264 | 861,264 |
| Forfeited Assets Trust Fund of Police Dept | -- | 6,568,457 | 6,569,654 |
| General Services Trust | 359,786 | 178,981 | 138,589 |
| Industrial Development Authority Fund | -- | -- | 3,284 |
| Integrated Solid Waste Management Fund | 297,109 | 509,310 | 317,200 |
| Los Angeles Regional Agency Trust Fund | 90,774 | 83,339 | 73,582 |
| Lopez Canyon Amenities | 200,000 | 200,000 | -- |
| Neighborhood Stabilization Fund | 44,305 | 339,205 | -- |
| Off-Site Sign Periodic Inspection Fee Fund | 194,202 | 123,463 | 405,566 |
| Permit Parking Program Revenue Fund | 2,612,815 | 966,598 | -- |
| Pershing Square Project | 574,706 | 574,706 | 578,488 |
| City Planning Long Range Planning Fund | 1,815,182 | 1,815,182 | 1,515,936 |
| Prop 1B Infrastructure Fund | 34,209,869 | 43,547,424 | 25,021,204 |
| Repair and Demolition | 300,000 | 439,000 | -- |
| Section 108 Loan Guarantee Fund | 152,635 | -- | -- |
| State AB 1290 City Fund | 200,000 | 2,849,114 | -- |
| Used Oil Collection Fund | 443,273 | 417,689 | 488,444 |
| Ventura/Cahuenga Blvd Corridor Plan | 823,716 | 193,072 | 178,951 |
| Warner Center Transportation Trust Fund | 102,041 | 102,041 | 268,351 |
| West LA Transportation Improvement & Mitigation | 99,600 | 299,415 | 435,062 |
| Total Special Receipts | 2,192,903,976 | 2,203,776,777 | 2,184,814,600 |
| Available Balances | 292,964,058 | 404,645,779 | 322,169,192 |
| Total Receipts | \$ 6,871,560,469 | \$ 6,997,666,806 | \$ 6,804,015,557 |

(1) Retirement contributions from Harbor and Airport departments.

City of Los Angeles

Statement of Budget Appropriations, Expenditures and Encumbrances
 Budget and Actual (Non-GAAP Budgetary Basis) - All Annually Budgeted Funds
 Fiscal Years Ended June 30, 2012 and 2011

| | Budget Appropriations 2011-12 | Final Appropriations 2011-12 | Expenditures & Encumbrances 2011-12 | Expenditures & Encumbrances 2010-11 |
|---|-------------------------------------|------------------------------------|---|---|
| Aging | \$ 3,792,602 | \$ 4,789,021 | \$ 3,485,770 | \$ 3,451,599 |
| Animal Services | 19,919,848 | 20,385,428 | 20,141,066 | 20,098,567 |
| Building & Safety | 68,943,603 | 71,764,509 | 70,543,131 | 68,454,839 |
| City Administrative Officer | 11,580,492 | 14,089,791 | 12,791,768 | 11,260,345 |
| City Attorney | 94,950,894 | 103,504,744 | 102,436,071 | 106,869,286 |
| City Clerk | 8,603,838 | 13,554,356 | 11,101,629 | 22,433,805 |
| City Ethics Commission | 2,031,383 | 2,086,038 | 1,823,890 | 2,026,999 |
| Community Development | 26,619,693 | 30,878,922 | 28,718,131 | 29,633,523 |
| Controller | 13,791,344 | 16,825,231 | 16,073,889 | 15,670,082 |
| Council | 18,881,782 | 36,869,378 | 26,977,875 | 25,641,478 |
| Cultural Affairs | 7,421,341 | 8,141,493 | 7,418,105 | 8,629,190 |
| Disability | 1,608,668 | 1,479,665 | 1,385,790 | 1,596,731 |
| El Pueblo De Los Angeles Historical Monument Authority | 1,517,194 | 1,643,555 | 1,553,465 | 1,616,884 |
| Emergency Management | 1,600,598 | 2,891,456 | 2,469,329 | 2,419,092 |
| Employee Relations Board | 421,616 | 383,143 | 306,272 | 369,993 |
| Finance ⁽¹⁾ | 37,644,214 | 42,467,467 | 42,058,929 | 25,268,668 |
| Fire | 472,597,193 | 506,842,888 | 502,862,177 | 499,045,838 |
| General Services | 228,012,024 | 314,555,920 | 279,334,160 | 264,365,890 |
| Information Technology Agency | 78,379,548 | 90,582,389 | 89,580,037 | 87,808,881 |
| Los Angeles Housing | 52,146,171 | 55,084,872 | 50,283,811 | 51,026,742 |
| Los Angeles Convention Center | 24,264,518 | 24,824,733 | 23,737,920 | 22,246,024 |
| Mayor | 22,752,477 | 36,789,864 | 34,528,304 | 32,506,512 |
| Neighborhood Empowerment | 1,832,164 | 1,923,381 | 1,683,502 | 1,609,476 |
| Personnel | 41,267,436 | 42,687,033 | 39,599,531 | 38,571,516 |
| Planning | 25,393,267 | 25,345,021 | 22,350,189 | 23,889,385 |
| Police | 1,167,771,840 | 1,243,643,139 | 1,234,397,289 | 1,200,772,950 |
| Public Works: | | | | |
| Board Office | 15,212,179 | 20,275,831 | 19,781,370 | 20,718,763 |
| Contract Administration | 28,486,926 | 32,150,994 | 28,124,679 | 27,926,920 |
| Engineering | 71,567,612 | 76,866,092 | 70,281,914 | 69,793,353 |
| Sanitation | 221,352,636 | 221,397,272 | 199,330,528 | 200,868,291 |
| Street Lighting | 23,908,283 | 30,217,358 | 24,904,802 | 22,478,523 |
| Street Services | 146,019,376 | 181,735,594 | 167,128,362 | 148,480,281 |
| Transportation | 127,917,673 | 140,048,046 | 134,091,514 | 126,436,913 |
| Treasurer ⁽¹⁾ | -- | -- | -- | 14,166,702 |
| Zoo | 18,283,477 | 18,242,383 | 17,026,516 | 16,270,618 |
| Total - Budgetary Departments | 3,086,493,910 | 3,434,967,007 | 3,288,311,715 | 3,214,424,659 |

Continued...

City of Los Angeles

Statement of Budget Appropriations, Expenditures and Encumbrances
 Budget and Actual (Non-GAAP Budgetary Basis) - All Annually Budgeted Funds - (Continued)
 Fiscal Years Ended June 30, 2012 and 2011

| | Budget Appropriations 2011-12 | Final Appropriations 2011-12 | Expenditures & Encumbrances 2011-12 | Expenditures & Encumbrances 2010-11 |
|--------------------------------|-------------------------------------|------------------------------------|---|---|
| Library | \$ 89,247,557 | \$ 89,247,557 | \$ 89,247,557 ⁽²⁾ | \$ 75,902,051 |
| Recreation & Parks | 141,411,089 | 148,615,795 | 148,615,795 ⁽²⁾ | 142,160,953 |
| City Employees' Retirement | 87,529,621 | 75,978,843 | 75,978,843 ⁽²⁾ | 72,701,328 |
| Tax and Revenue | | | | |
| Anticipation Notes | 895,475,151 | 798,081,315 | 798,081,315 | 734,432,503 |
| Bond Redemption and Interest | 167,395,099 | 182,116,089 | 175,062,961 | 174,318,519 |
| Capital Finance Administration | 202,097,658 | 211,376,482 | 205,562,462 | 213,558,498 |
| Capital Improvement | | | | |
| Expenditure Program | 150,180,271 | 91,871,712 | 37,299,050 | 95,788,097 |
| General City Purposes | 82,252,655 | 57,407,023 | 52,640,862 | 70,745,456 |
| Human Resources Benefits | 553,488,000 | 549,786,127 | 546,134,290 | 541,526,777 |
| Judgment Obligation Bonds | | | | |
| Debt Service | 9,031,375 | 9,031,375 | 9,031,373 | 9,899,622 |
| Liability Claims | 47,850,000 | 49,175,000 | 49,057,456 | 46,792,826 |
| Proposition A Local Transit | | | | |
| Assistance Trust | 139,475,001 | 139,593,010 | 72,557,018 | 77,489,072 |
| Proposition C Anti-Gridlock | | | | |
| Transit Improvement | 29,350,904 | 29,892,266 | 15,575,030 | 14,196,815 |
| Special Parking Revenue | 48,805,771 | 46,868,904 | 38,085,636 | 32,717,707 |
| Unappropriated Balance | 21,679,000 | 13,520,136 ⁽³⁾ | | |
| Wastewater Special Purpose | 433,598,197 | 436,323,621 | 381,272,197 | 359,069,648 |
| Water and Electricity | 35,978,000 | 35,978,000 | 35,978,000 | 34,404,503 |
| Other Special Purpose Funds | 650,221,210 | 700,578,793 | 467,194,955 | 444,695,564 |
| Total - Nondepartmental | <u>3,785,066,559</u> | <u>3,665,442,048</u> | <u>3,197,374,800</u> | <u>3,140,399,939</u> |
| Total | <u>\$ 6,871,560,469</u> | <u>\$ 7,100,409,055</u> | <u>\$ 6,485,686,515</u> | <u>\$ 6,354,824,598</u> |

⁽¹⁾ Office of Finance and Office of the Treasurer were consolidated under Council File Number 11-0600-S40

⁽²⁾ Amount disbursed by allocation to the Departments controlling their own funds.

⁽³⁾ Total final appropriations was \$71,837,954 of which \$58,317,819 was transferred to various departments and is included in Departmental appropriations.

City of Los Angeles

Schedule of Year-End Encumbrances - General Fund
Fiscal Years Ended June 30, 2008 through 2012

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Aging | \$ 253,884 | \$ 156,106 | \$ 186,077 | \$ 336,649 | \$ 387,899 |
| Animal Services | 1,145,351 | 880,915 | 837,722 | 1,632,563 | 1,801,602 |
| Building & Safety | 2,713,560 | 2,495,675 | 2,157,835 | 5,255,705 | 5,186,527 |
| City Administrative Officer | 1,209,427 | 653,056 | 767,543 | 1,744,638 | 1,209,062 |
| City Attorney | 9,314,999 | 8,428,321 | 5,428,526 | 8,381,496 | 9,298,393 |
| City Clerk | 1,265,418 | 4,745,976 | 1,210,374 | 9,841,252 | 2,357,479 |
| City Ethics Commission | 145,029 | 131,327 | 67,981 | 194,090 | 163,553 |
| Commission for Children, Youth and Their Families ⁽¹⁾ | -- | -- | -- | 170,225 | 212,571 |
| Commission on the Status of Women ⁽¹⁾ | -- | -- | -- | 13,463 | 40,036 |
| Community Development | 2,089,028 | 1,758,585 | 1,811,952 | 2,343,465 | 2,474,835 |
| Controller | 1,759,358 | 1,442,063 | 1,555,670 | 2,085,523 | 2,945,799 |
| Council | 1,866,189 | 1,252,831 | 1,433,387 | 2,173,693 | 2,130,523 |
| Cultural Affairs | 1,442,489 | 2,049,345 | 1,816,796 | 1,705,956 | 1,945,206 |
| Disability | 202,977 | 140,799 | 86,847 | 188,496 | 194,479 |
| El Pueblo | 158,782 | 137,339 | 144,603 | 227,199 | 181,266 |
| Emergency Management | 107,641 | 104,030 | 79,475 | 167,528 | 140,273 |
| Employee Relations Board | 40,193 | 47,080 | 27,553 | 45,301 | 59,003 |
| Environmental Affairs ⁽²⁾ | -- | -- | 113,427 | 199,580 | 307,452 |
| Finance ⁽³⁾ | 4,510,493 | 1,235,016 | 1,029,990 | 2,097,555 | 2,087,243 |
| Fire | 20,192,219 | 19,824,076 | 19,185,220 | 38,294,735 | 38,165,307 |
| General Services | 31,911,714 | 31,064,004 | 30,605,640 | 43,158,897 | 39,161,803 |
| Human Services ⁽¹⁾⁽²⁾ | -- | -- | 53,724 | 76,803 | 93,112 |
| Information Technology Agency | 20,814,131 | 17,692,746 | 15,495,410 | 14,860,174 | 21,966,920 |
| Los Angeles Housing | 2,550,828 | 3,031,105 | 2,468,816 | 3,498,750 | 4,113,962 |
| Los Angeles Convention Center | 1,110,118 | 1,062,384 | 1,175,421 | 1,523,392 | 2,098,182 |
| Mayor | 9,334,120 | 7,543,239 | 9,498,154 | 7,800,400 | 996,619 |
| Neighborhood Empowerment | 85,490 | 82,402 | 225,747 | 470,079 | 333,490 |
| Personnel | 4,703,665 | 5,919,496 | 8,694,368 | 10,817,351 | 13,620,094 |
| Planning | 3,875,663 | 4,208,889 | 4,505,011 | 5,094,763 | 6,297,562 |
| Police | 59,326,515 | 51,561,854 | 46,972,719 | 106,973,469 | 101,413,119 |
| PW - Board | 2,509,500 | 2,368,456 | 1,746,711 | 1,971,973 | 3,047,684 |
| PW - Contract Administration | 1,116,461 | 1,003,238 | 937,888 | 2,279,846 | 2,029,448 |
| PW - Engineering | 3,207,809 | 2,915,917 | 2,606,942 | 6,424,833 | 5,957,826 |
| PW - Sanitation | 11,008,593 | 10,315,446 | 17,910,352 | 22,812,507 | 25,051,856 |
| PW - Street Lighting | 1,398,791 | 1,562,942 | 1,200,154 | 2,680,417 | 2,951,502 |
| PW - Street Services | 24,670,187 | 16,192,083 | 12,110,180 | 17,696,990 | 15,246,007 |
| Transportation | 9,219,635 | 7,129,043 | 6,925,909 | 13,330,868 | 12,269,503 |
| Treasurer ⁽³⁾ | -- | 2,495,458 | 3,305,937 | 1,432,509 | 602,066 |
| Zoo | 1,080,908 | 923,866 | 852,876 | 1,535,663 | 1,522,807 |
| Capital Finance Administration | 702,933 | 1,039,840 | 1,051,351 | 793,387 | 156,685 |
| Capital Improvement Expenditure Program | 5,063,734 | 9,335,162 | 6,075,386 | 11,660,532 | 16,350,670 |
| General City Purposes | 16,845,729 | 29,883,164 | 16,799,475 | 24,231,045 | 11,876,145 |
| Human Resources Benefits | 10,760,519 | 8,549,343 | 9,689,120 | 5,546,432 | 4,177,514 |
| Liability Claims | 125,000 | 1,901,500 | 125,000 | 91,574 | 266,574 |
| Water and Electricity | 17,344,320 | 26,559,300 | 19,381,402 | 18,965,936 | 18,603,429 |
| Total Encumbrances ⁽⁴⁾ | \$ 287,183,400 | \$ 289,823,417 | \$ 258,354,671 | \$ 402,827,702 | \$ 381,493,087 |
| Encumbrances for Salaries | \$ 103,934,348 | \$ 90,992,792 | \$ 79,115,979 | \$ 198,068,702 | \$ 181,570,358 |
| Encumbrances for Other Accounts | 183,249,052 | 198,830,625 | 179,238,692 | 204,759,000 | 199,922,729 |
| Total | \$ 287,183,400 | \$ 289,823,417 | \$ 258,354,671 | \$ 402,827,702 | \$ 381,493,087 |

⁽¹⁾ Under Council File 09-0600 the Commission for Children, Youth and Their Families, Commission on the Status of Women, and Human Relations Commission were consolidated into the Human Service Department.

⁽²⁾ Human Services and Environmental Affairs departments were eliminated under Council File Nos. 10-0706-S1 and 10-0623, respectively.

⁽³⁾ Office of Finance and Office of the Treasurer were consolidated per CF11-0600-S40.

⁽⁴⁾ Includes prior years' encumbrances not yet liquidated.

City of Los Angeles

Statement of Receipts - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund
Fiscal Year Ended June 30, 2012

| | Budget Estimates 2011-2012 | Actual Receipts 2011-2012 | Variance Over (Under) | Variance Rate |
|---|----------------------------------|---------------------------------|-----------------------------|------------------|
| General Receipts: | | | | |
| Property Tax: | | | | |
| Property Tax - 1% | \$ 1,019,377,000 | \$ 1,021,445,211 | \$ 2,068,211 | 0.2% |
| Property Tax - Sales Tax Replacement | 101,611,000 | 100,538,201 | (1,072,799) | -1.1% |
| Property Tax - Vehicle License Fee Replacement | 315,375,000 | 316,856,742 | 1,481,742 | 0.5% |
| Total Property Tax | 1,436,363,000 | 1,438,840,154 | 2,477,154 | 0.2% |
| Utility Users Tax: | | | | |
| Electric Users Tax | 306,832,000 | 303,765,053 | (3,066,947) | -1.0% |
| Telephone Users Tax | 243,000,000 | 242,974,285 | (25,715) | 0.0% |
| Gas Users Tax | 78,000,000 | 68,294,987 | (9,705,013) | -12.4% |
| Total Utility Users Tax | 627,832,000 | 615,034,325 | (12,797,675) | -2.0% |
| Licenses, Permits, Fees and Fines | 725,092,271 | 727,537,927 | 2,445,656 | 0.3% |
| Business Tax | 439,219,000 | 439,802,223 | 583,223 | 0.1% |
| Sales Tax | 306,239,000 | 323,247,176 | 17,008,176 | 5.6% |
| Documentary Transfer Tax | 107,000,000 | 103,236,898 | (3,763,102) | -3.5% |
| Power Revenue Transfer | 254,000,000 | 250,077,000 | (3,923,000) | -1.5% |
| Transient Occupancy Tax | 136,200,000 | 151,722,170 | 15,522,170 | 11.4% |
| Parking Fines | 136,879,000 | 152,844,121 | 15,965,121 | 11.7% |
| Parking Users Tax | 88,200,000 | 86,449,901 | (1,750,099) | -2.0% |
| Franchise Income | 48,100,000 | 44,208,581 | (3,891,419) | -8.1% |
| Interest | 14,280,000 | 15,084,026 | 804,026 | 5.6% |
| State Motor Vehicle License Fees | 14,700,000 | 10,578,173 | (4,121,827) | -28.0% |
| Grant Receipts | 9,820,000 | 5,266,963 | (4,553,037) | -46.4% |
| Tobacco Settlement | 9,500,000 | 9,196,891 | (303,109) | -3.2% |
| Transfer From Telecommunications | | | | |
| Development Account | 4,915,000 | 4,915,056 | 56 | 0.0% |
| Residential Development Tax | 1,905,000 | 2,263,501 | 358,501 | 18.8% |
| Transfer from Special Parking Revenue | 16,509,000 | -- | (16,509,000) | -100.0% |
| Transfer from Reserve Fund | 8,939,164 | 8,939,164 | -- | 0.0% |
| Total General Receipts | \$ 4,385,692,435 | \$ 4,389,244,250 | \$ 3,551,815 | 0.1% |

City of Los Angeles

General Fund
Schedule of Unencumbered Balances Reverted
to the Reserve Fund at June 30, 2008 through 2012

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Aging | \$ 77,221 | \$ 30,758 | \$ 307,481 | \$ 516,516 | \$ -- |
| Animal Services | 208,967 | 189,194 | 164,133 | 139,680 | 599,893 |
| Building & Safety | 220,842 | 158,668 | 104,567 | 194,191 | 188,011 |
| Capital Finance Administration | 5,814,019 | 10,110,342 | 6,559,242 | 7,258 | 12,159 |
| Capital Improvement Expenditure Program | 13,995,335 | 9,223,965 | 11,935,850 | 20,003,680 | 17,737,329 |
| City Administrative Officer | 1,088,434 | 664,239 | 219,777 | 205,999 | 866,098 |
| City Attorney | 590,831 | 11,452 | 5,193 | 60,016 | 399,574 |
| City Clerk | 2,495,638 | 1,674,354 | 1,755,934 | 2,716,178 | 1,129,126 |
| City Ethics | 79,655 | -- | -- | -- | -- |
| Commission for Children, Youth and Their Families ⁽¹⁾ | -- | -- | -- | 186,656 | 113,958 |
| Commission on the Status of Women ⁽¹⁾ | -- | -- | -- | 21,754 | 5,291 |
| Community Development | -- | -- | 2,804 | 20,636 | -- |
| Controller | 764,594 | 975,236 | 480,067 | 434,118 | 1,921,809 |
| Council | 9,589,652 | 9,537,303 | 8,620,103 | 7,829,928 | 6,600,347 |
| Cultural Affairs | 15,999 | -- | 49 | 2 | 13,071 |
| Disability | 85,540 | 7,581 | 768 | 30,101 | 9,490 |
| Emergency Management | 394 | 1,318 | 5,327 | 2,143 | 29,126 |
| Employee Relations Board | 80,143 | 15,845 | 17,338 | 32,639 | 39,140 |
| Environmental Affairs ⁽²⁾ | -- | -- | 180,430 | 32,507 | 64,336 |
| Finance ⁽³⁾ | 447,415 | 440,394 | 460,893 | 645,773 | 239,015 |
| Fire | 2,860,497 | 6,390,782 | 4,197,596 | 5,324,543 | 3,880,192 |
| General City Purposes | 5,485,948 | 6,782,977 | 8,129,072 | 3,284,371 | 8,049,810 |
| General Services | 7,243,604 | 4,013,931 | 6,797,024 | 6,494,587 | 8,415,334 |
| Human Services ^{(1) (2)} | -- | -- | 104,768 | 26,720 | 48,081 |
| Human Resources Benefits | 4,014,855 | 1,483,890 | 4,090,001 | 2,047,262 | 424,720 |
| Information Technology Agency | 1,886,693 | 942,564 | 1,070,953 | 3,732,165 | 2,223,179 |
| Liability Claims | 40,547 | 1,836,087 | 9,389 | -- | 128,589 |
| Los Angeles Housing | -- | -- | 3,870 | -- | -- |
| Mayor | 160,440 | 2,223,387 | 1,852,097 | 5,108,186 | 3,069,991 |
| Non-departmental General | 2 | 8,565,938 | 8,249,623 | 4,586,710 | 2,364 |
| Personnel | 2,990,062 | 3,654,561 | 2,412,446 | 521,233 | 1,314,322 |
| Planning | 289,552 | 86,508 | 366,726 | 1,438,476 | 863,941 |
| Police | 5,314,837 | 5,865,664 | 7,697,688 | 2,856,130 | 11,168,113 |
| PW - Board | 69,850 | 174,937 | 181,041 | 177,954 | 393,360 |
| PW - Contract Administration | 594,665 | 993,160 | 2,061,007 | 2,370,250 | 1,681,748 |
| PW - Engineering | 1,843,199 | 150,165 | 3,618,961 | 2,755,473 | 223,480 |
| PW - Sanitation | -- | -- | 2,956 | 1,989,459 | 699,698 |
| PW - Street Lighting | -- | -- | -- | -- | 43,373 |
| PW - Street Services | 80,121 | 3,843,452 | 8,044,024 | 3,315,995 | 1,655,821 |
| Transportation | 2,502,678 | 3,647,295 | 3,037,774 | 1,090,410 | 7,309,646 |
| Treasurer ⁽³⁾ | -- | 324,836 | 115,740 | 4,042 | 151,291 |
| Unappropriated Balance | 13,520,136 | 78,520,557 | 30,980,468 | 109,485,979 | 18,542,543 |
| Water and Electricity | -- | 369,870 | 249,275 | 514,323 | 707 |
| Total | 84,452,365 | 162,911,210 | 124,092,455 | 190,204,043 | 100,258,076 |
| Less: Unfunded Appropriations | (17,600,151) | (97,012,162) | (29,081,365) | (144,145,215) | (70,478,867) |
| Net Cash Balances Reverted | \$ 66,852,214 | \$ 65,899,048 | \$ 95,011,090 | \$ 46,058,828 | \$ 29,779,209 |

⁽¹⁾ Under Council File 09-0600 the Commission for Children, Youth and Their Families, Commission on the Status of Women, and Human Relations Commission were consolidated into the Human Service Department.

⁽²⁾ Human Services and Environmental Affairs departments were eliminated under CF Nos. 10-0706-S1 and 10-0623, respectively.

⁽³⁾ Office of Finance and Office of the Treasurer were consolidated per CF11-0600-S40.

City of Los Angeles

Reserve Fund
Schedule of Cash Balances
June 30, 2003 through 2012

| | | |
|---------|-------|----------------|
| 2011-12 | ..... | \$ 242,305,405 |
| 2010-11 | ..... | 217,740,599 |
| 2009-10 | ..... | 193,512,062 |
| 2008-09 | ..... | 174,251,554 |
| 2007-08 | ..... | 191,564,433 |
| 2006-07 | ..... | 224,192,242 |
| 2005-06 | ..... | 432,399,335 |
| 2004-05 | ..... | 460,036,919 |
| 2003-04 | ..... | 278,010,435 |
| 2002-03 | ..... | 295,520,331 |

City of Los Angeles

Schedule of Year-End Advances From The Reserve Fund
For Unfunded Expenditures
June 30, 2012

COUNCIL FILE #11-0600-S158 Advances

| | |
|---|-----------|
| City Attorney | \$ 64,850 |
| Fire | 1,252,853 |
| | <hr/> |
| Total Council File #11-0600-S158 Advances | 1,317,703 |

CHARTER SECTION 261(i) Advances

| | |
|--|------------|
| Aging | 425,190 |
| Building & Safety | 285,432 |
| Capital Finance Administration | 52,000 |
| City Administrative Officer | 147,137 |
| City Attorney | 559,141 |
| Community Development | 381,311 |
| Controller | 74,425 |
| Disability | 20,135 |
| Emergency Management | 798,035 |
| Fire | 1,220,586 |
| General Services | 5,505,376 |
| Housing | 197,610 |
| Information Technology Agency | 555,110 |
| Mayor | 835,434 |
| Planning | 17,944 |
| Police | 3,965,618 |
| Public Works - Board | 83,881 |
| Public Works - Contract Administration | 602,722 |
| Public Works - Engineering | 804,713 |
| Public Works - Sanitation | 774,458 |
| Public Works - Street Lighting | 1,540,401 |
| Public Works - Street Services | 2,045,814 |
| Transportation | 1,113,655 |
| | <hr/> |
| Total Charter Section 261(i) Advances | 22,006,128 |

TOTAL \$ 23,323,831

City of Los Angeles

REVENUE TRENDS
(Non-GAAP Budgetary Basis)

| | 2011-12 | | 2010-11 | | 2002-03 | |
|-------------------------------------|-------------------------|------------|-------------------------|------------|-------------------------|------------|
| | Amount | % | Amount | % | Amount | % |
| Taxes ⁽¹⁾ | \$ 3,473,418,878 | 53 | \$ 3,448,050,273 | 53 | \$ 2,387,744,936 | 47 |
| Licenses, Permits and Fees | 850,994,338 | 13 | 812,887,549 | 13 | 547,172,867 | 11 |
| Intergovernmental ⁽²⁾ | 496,485,725 | 7 | 423,990,986 | 7 | 576,256,783 | 12 |
| Charges for Services | 1,192,363,020 | 18 | 1,135,409,121 | 18 | 654,580,963 | 13 |
| Special Assessments | 45,740,764 | 1 | 44,734,455 | 1 | 44,412,110 | 1 |
| Interest | 33,169,773 | -- | 33,171,640 | -- | 63,213,637 | 1 |
| Program Income | 441,027 | -- | 2,216,410 | -- | -- | -- |
| Other ⁽²⁾ | 241,391,338 | 4 | 308,935,237 | 4 | 488,559,086 | 10 |
| Transfer to General Fund | 259,016,164 | 4 | 272,450,694 | 4 | 241,843,628 | 5 |
| Total Revenue ⁽³⁾ | \$ 6,593,021,027 | 100 | \$ 6,481,846,365 | 100 | \$ 5,003,784,010 | 100 |

⁽¹⁾ Major tax revenue sources included are Property Tax, Utility Users Tax, Sales Tax and Business Tax.

⁽²⁾ FY2002-03 amounts were restated to conform with FY2011-12 classification.

⁽³⁾ Does not include available balances at July 1.

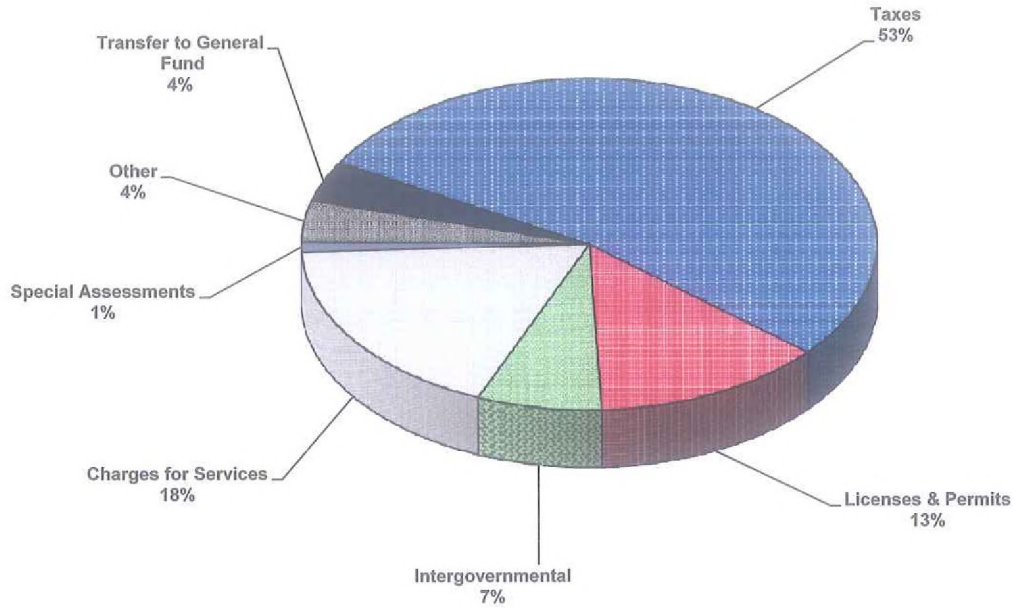
EXPENDITURE TRENDS
(Non-GAAP Budgetary Basis)

| | 2011-12 | | 2010-11 | | 2002-03 | |
|--|-------------------------|------------|-------------------------|------------|-------------------------|------------|
| | Amount | % | Amount | % | Amount | % |
| General Government | \$ 1,447,401,724 | 24 | \$ 1,434,615,902 | 24 | \$ 1,079,557,706 | 24 |
| Protection of Persons and Property | 1,818,672,107 | 30 | 1,790,516,692 | 30 | 1,425,831,637 | 32 |
| Public Works (Maintenance and Improvements) | 338,334,474 | 6 | 320,805,293 | 5 | 297,593,080 | 7 |
| Health and Sanitation | 505,337,429 | 8 | 504,381,470 | 8 | 300,680,569 | 7 |
| Cultural and Recreational Services | 317,078,303 | 5 | 293,282,404 | 5 | 307,651,570 | 7 |
| Community Development | 149,607,225 | 2 | 145,314,887 | 2 | 121,888,717 | 3 |
| Pension & Retirement Systems Contributions | 874,060,158 | 14 | 806,487,628 | 14 | 193,643,095 | 4 |
| Capital Outlay | 21,656,547 | -- | 71,435,096 | 1 | 157,145,803 | 4 |
| Bond Redemption & Interest | 414,298,834 | 7 | 394,512,081 | 7 | 374,643,236 | 8 |
| Transportation | 260,157,417 | 4 | 240,563,279 | 4 | 191,672,349 | 4 |
| Total Expenditures ⁽⁴⁾ | \$ 6,146,604,218 | 100 | \$ 6,001,914,732 | 100 | \$ 4,450,307,762 | 100 |

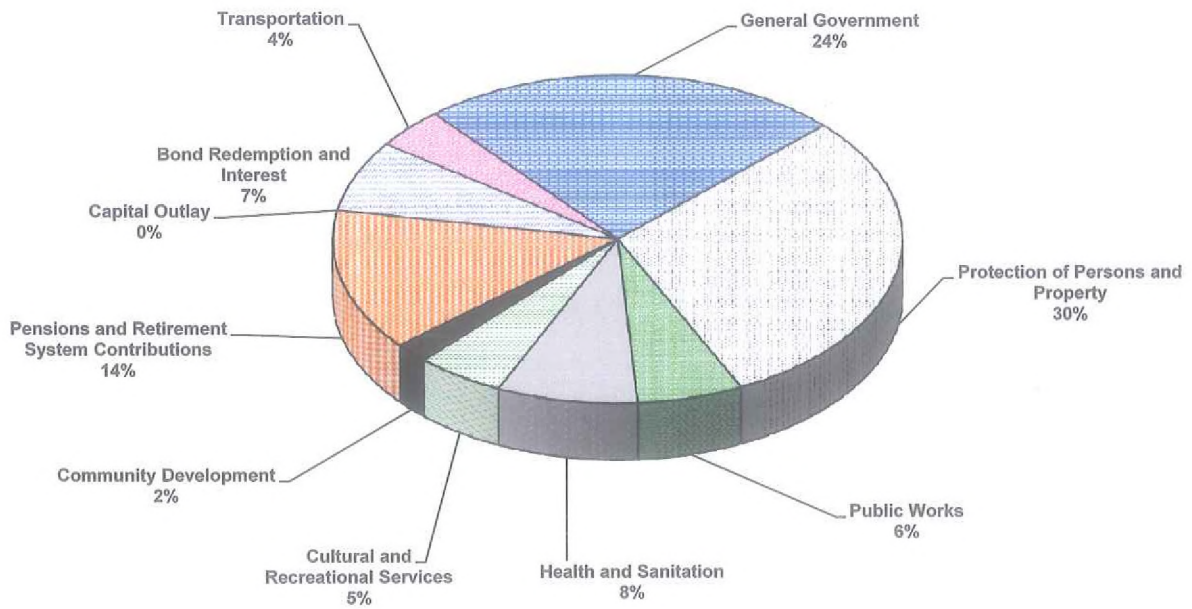
⁽⁴⁾ Does not include encumbrances at year-end.

**City of Los Angeles
Fiscal Year 2011-12**

REVENUE SOURCES



EXPENDITURES



City of Los Angeles

Statement of General Obligation Bonded Debt
Fiscal Year Ended June 30, 2012

| Purpose | Outstanding 07/01/11 | Issued | Matured | Refunded | Outstanding 06/30/12 |
|--|-------------------------|--------|---------------|-------------|-------------------------|
| Series 1998-A - Advance refunding of a portion of Series 1989-A, 1990-B, 1991-A, 1992-A and 1995-A | \$ 57,565,000 | \$ -- | \$ 12,655,000 | \$ -- | \$ 44,910,000 |
| Series 1999-A - Advance refunding of a portion of Series 1992-A, 1993-A, 1994-A and 1995-A | 21,190,000 | -- | 5,435,000 | 15,755,000 | -- |
| Series 2001-A - Acquisition and improvement of Animal Shelter, Library, Zoo and Fire/Paramedic Facilities and Emergency Helicopter | 60,380,000 | -- | 10,065,000 | 50,315,000 | -- |
| Series 2002-A - Acquisition and improvement of Animal Shelter, Zoo, Fire/Paramedic and 911-Police-Fire-Paramedic Facilities | 157,320,000 | -- | 13,110,000 | 104,880,000 | 39,330,000 |
| Series 2002-B - Advance refunding of a portion of Series 1993-A, 1999-B, 2000-A and 2001-A | 58,045,000 | -- | 15,230,000 | -- | 42,815,000 |
| Series 2003-A - Acquisition and improvement of Fire/Paramedic, Animal Shelter and 911-Police-Fire-Paramedic Facilities | 151,710,000 | -- | 11,670,000 | 116,700,000 | 23,340,000 |
| Series 2003-B - Advance refunding of Series 1993-A, 1993-B and 1993-C | 14,790,000 | -- | 1,365,000 | -- | 13,425,000 |
| Series 2004-A - Acquisition and improvement of 911-Police/Fire-Paramedic Facilities | 252,390,000 | -- | 18,025,000 | 180,290,000 | 54,075,000 |
| Series 2005-A - Acquisition and improvement of Fire Station and Fire/Paramedic/Emergency Rescue Helicopter Facilities & finance Water Quality Improvement projects | 95,100,000 | -- | 6,340,000 | 63,400,000 | 25,360,000 |
| Series 2005-B - Advance refunding of a portion of Series 1999-B, 2000-A, and 2001-A | 72,605,000 | -- | 105,000 | -- | 72,500,000 |

Continued...

City of Los Angeles

Statement of General Obligation Bonded Debt - (Continued)
Fiscal Year Ended June 30, 2012

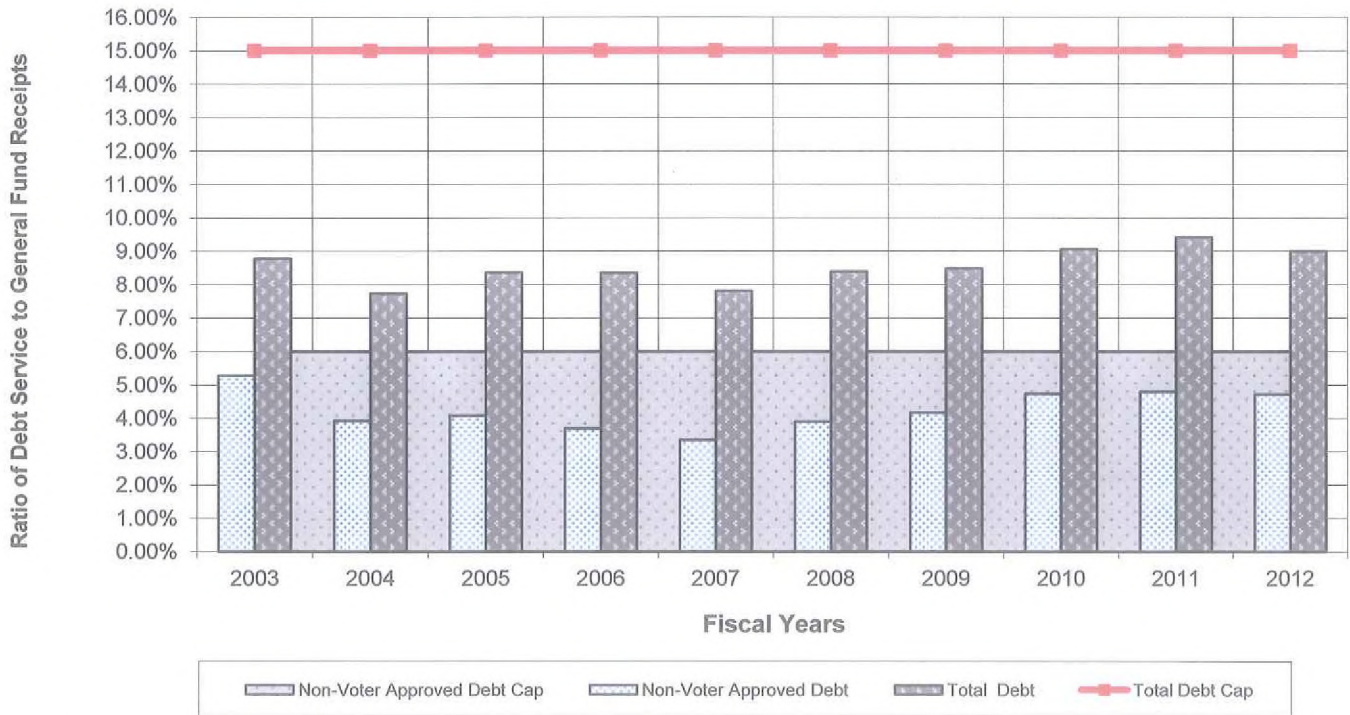
| Purpose | Outstanding 7/1/11 | Issued | Matured | Refunded | Outstanding 6/30/12 |
|--|-------------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| Series 2006-A - Acquisition and improvement of Fire/Paramedic, Animal Shelter, 911-Police-Fire-Paramedic Facilities and finance Water Quality Improvement projects | \$ 56,160,000 | \$ -- | \$ 3,510,000 | \$ -- | \$ 52,650,000 |
| Series 2008-A - Acquisition and improvement of Stormwater Pollution Abatement projects | 90,900,000 | -- | 5,050,000 | -- | 85,850,000 |
| Series 2009-A - Acquisition and improvement of Stormwater Pollution Abatement projects | 114,725,000 | -- | 8,825,000 | -- | 105,900,000 |
| Series 2009-B - Acquisition and improvement of Stormwater Pollution Abatement projects | 52,950,000 | -- | -- | -- | 52,950,000 |
| Series 2011-A - Acquisition and improvement of Stormwater Pollution Abatement projects | -- | 117,000,000 | -- | -- | 117,000,000 |
| Series 2011-B - Advance refunding of Series 1999-A and 2001-A and a portion of Series 2002-A and Series 2003-A | -- | 259,660,000 | -- | -- | 259,660,000 |
| Series 2012-A - Advance refunding of a portion of Series 2004-A and 2005-A | -- | 225,850,000 | -- | -- | 225,850,000 |
| Total | <u>\$ 1,255,830,000</u> | <u>\$ 602,510,000</u> | <u>\$ 111,385,000</u> | <u>\$ 531,340,000</u> | <u>\$ 1,215,615,000</u> |

City of Los Angeles

Ratio of Debt Service Requirements
To General Fund Receipts
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Debt Service Requirements | | | General Fund Receipts ⁽¹⁾ | Ratio of Debt Service Requirements to General Fund Receipts | | |
|---------------------------------|---------------------------|-------------------|-------------|---|--|-------------------|-------|
| | Non-Voter Approved | Voter Approved | Total | | Non-Voter Approved | Voter Approved | Total |
| 2003 | 176,440,604 | 117,084,741 | 293,525,345 | 3,342,647,835 | 5.28% | 3.50% | 8.78% |
| 2004 | 141,008,595 | 136,739,299 | 277,747,894 | 3,585,316,653 | 3.93% | 3.81% | 7.74% |
| 2005 | 159,823,544 | 167,281,520 | 327,105,064 | 3,912,975,296 | 4.08% | 4.28% | 8.36% |
| 2006 | 152,991,584 | 192,483,903 | 345,475,487 | 4,136,531,029 | 3.70% | 4.65% | 8.35% |
| 2007 | 146,791,654 | 195,720,003 | 342,511,657 | 4,386,747,690 | 3.35% | 4.46% | 7.81% |
| 2008 | 170,801,748 | 196,742,647 | 367,544,395 | 4,383,566,846 | 3.90% | 4.49% | 8.39% |
| 2009 | 185,066,947 | 191,308,437 | 376,375,384 | 4,435,145,176 | 4.17% | 4.31% | 8.48% |
| 2010 | 210,288,273 | 191,756,276 | 402,044,549 | 4,435,433,454 | 4.74% | 4.32% | 9.06% |
| 2011 | 206,824,552 | 198,867,524 | 405,692,076 | 4,304,949,490 | 4.80% | 4.62% | 9.42% |
| 2012 | 207,383,076 | 188,246,265 | 395,629,341 | 4,396,039,813 | 4.72% | 4.28% | 9.00% |

(1) General Fund receipts have been adjusted upwards to reflect bond proceeds to pay for capitalized interest.



Note: The 6% non-voter approved debt cap can only be exceeded in two instances:
 (a) There is a guaranteed new revenue stream for the debt payments and the additional debt will not cause the debt service ratio to exceed 7.5%, or
 (b) There is no guaranteed revenue stream for the debt but the 6% ratio shall only be exceeded for one fiscal year.

City of Los Angeles

Statement of Legal Debt Margin
As of June 30, 2012

TAXABLE PROPERTY AND BONDING CAPACITY

| | |
|------------------------------------|---|
| Assessed Valuation ⁽¹⁾ | <u>\$ 409,130,899,371</u> |
| Debt Limit (15% of Assessed Value) | \$ 61,369,634,906 ⁽²⁾ |
| General Obligation Bonds: | |
| Bonds Outstanding | <u>(1,215,615,000) ⁽³⁾</u> |
| Legal Debt Margin | <u>\$ 60,154,019,906 ⁽⁴⁾</u> |

(1) Certified by Los Angeles County Auditor-Controller, August 2011

(2) Per debt limit provided in Section 43605 of the Government Code of the State of California

(3) 1.98% of Debt Limit

(4) 98.02% of Debt Limit