Date: December 21, 2012

To: June Lagmay, City Clerk
Attn: Jinny Pak, Assistant Chief, Election Division

From: Miguel A. Santana, City Administrative Officer

Subject: MARCH 5, 2013 CITY BALLOT – FINANCIAL IMPACT STATEMENTS

In accordance with City Election Code Section 604(b), attached is the Financial Impact Statements for the two City measures on the March 5, 2013 Ballot.

cc: Jacob Wexler, Election Division Chief

MAS:RPC:MHA:MCK
March 5, 2013 Primary Election Measure

For: NEIGHBORHOOD PUBLIC SAFETY AND VITAL CITY SERVICES FUNDING MEASURE. PROPOSITION A

FINANCIAL IMPACT STATEMENT
BY MIGUEL A. SANTANA, CITY ADMINISTRATIVE OFFICER

This measure would increase the local retail transactions and use tax (commonly referred to as a "sales" tax) within the City of Los Angeles by a half-cent (0.5%). The revenue from this tax will be deposited in the City's General Fund and will not go to the State or County. This revenue may be used for any City services, including restoring fire and emergency services, maintaining police services, funding gang reduction efforts, and repairing streets and public infrastructure.

Currently, the sales tax rate in the City of Los Angeles is 9.00%, of which the City's share is 0.75%. If this measure is adopted, the total sales tax rate will increase to 9.50%, and the City's share will increase to 1.25%. The estimated General Fund revenue will be approximately $211 million annually, of which approximately $106 million will be received in its first year of implementation in Fiscal Year 2013-14.

For: FIRE AND POLICE PENSION PLAN; COST NEUTRAL PURCHASES OF RETIREMENT CREDIT BY CERTAIN MEMBERS. PROPOSITION B

FINANCIAL IMPACT STATEMENT
BY MIGUEL A. SANTANA, CITY ADMINISTRATIVE OFFICER

This measure will allow sworn police personnel who are transferred from the Department of General Services to the Police Department to purchase retirement credit for prior sworn City service at their own expense. The measure is not expected to result in any additional cost to the City or to the City’s General Fund.