

2008-2009

CONTROLLER'S
Preliminary
FINANCIAL
REPORT



Fiscal Year Ended June 30, 2009

CITY OF LOS ANGELES

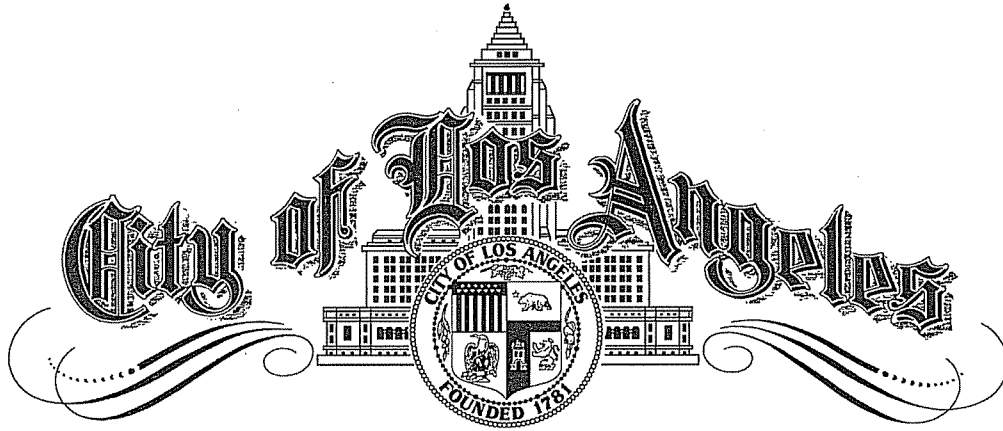
Wendy Greuel, Controller

City of Los Angeles
 Controller's Preliminary Financial Report
 For the Fiscal Year Ended June 30, 2009

Page

Letter of Transmittal

Executive Summary	i
Cash Condition – Statement of Receipts and Disbursements - All Funds	1
Statement of Receipts and Disbursements – Reserve Fund	2
Schedule of Cash Balances by Fund Types	3
Statement of Receipts – Budget and Actual (Non-GAAP Budgetary Basis) – All Annually Budgeted Funds	6
Statement of Budget Appropriations, Expenditures and Encumbrances – Budget and Actual (Non-GAAP Budgetary Basis) All Annually Budgeted Funds	9
Schedule of Year-End Encumbrances – General Fund	11
Statement of Receipts – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	12
Schedule of General Fund Unencumbered Balances Reverted to the Reserve Fund at June 30, 2005 – 2009	13
Schedule of Reserve Fund Cash Balances at June 30, 2000 - 2009	14
Schedule of Advances from Reserve Fund for Unfunded Expenditures	15
Revenue Trends/Expenditure Trends – 2008-09, 2007-08, 1999-00	16
Revenue and Expenditure Charts – Fiscal Year 2008-09	17
Statement of General Obligation Bonded Debt	18
Ratio of Debt Service Requirements to General Fund Receipts	20
Statement of Legal Debt Margin	21



WENDY GREUEL
CONTROLLER

September 14, 2009

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

SUBJECT: PRELIMINARY FINANCIAL REPORT FISCAL YEAR 2008-09

I am submitting my Preliminary Financial Report of financial operations for the City of Los Angeles for fiscal year 2008-09.

After closing the City's General Ledger for fiscal year 2008-09, the available cash balance in the Reserve Fund was \$174.3 million. This is \$43.2 million less than was originally anticipated. The adopted budget for fiscal year 2009-10 projected an Emergency Reserve of \$121.0 million and a Contingency Reserve of \$122.5 million; the actual Emergency Reserve was \$121.0 million and the Contingency Reserve was \$30.7 million.

The reduced Contingency Reserve reflects transfers and appropriations that have not occurred.

Reserve Fund Cash Balance
Available July 1, 2009
(In Millions)

	Adopted FY 09-10 Budget	Actual	Difference
Cash Balance, Ending 6/30/09 and Beginning 7/1/09	\$ 217.5	\$ 174.3	\$ (43.2)
Return of Advances for Unfunded Encumbrances	18.0	15.0	(3.0)
Reappropriations	(38.8)	(37.6)	1.2
Appropriation to the Reserve Fund	46.8	--*	(46.8)
Total Reserve Fund, 7/1/09	243.5	151.7	(91.8)
Emergency Reserve	(121.0)	(121.0)	0
Total Contingency Reserve, 7/1/09	\$ 122.5	\$ 30.7	\$ (91.8)

* This amount does not include a General Fund appropriation of \$46.8 million to the Reserve Fund.

Detail may not total due to rounding.

Honorable Antonio Villaraigosa, Mayor
Honorable Members of the Los Angeles City Council
September 14, 2009
Page 2

At the beginning of the 2009-10 fiscal year, the Reserve Fund was \$91.8 million less than what was projected in the budget. The budgeted General Fund appropriation to the Reserve Fund of \$46.8 million is not expected to occur due to General Fund budget balancing issues. Additionally, a transfer of fiscal year 2008-09 surplus Special Parking Revenue Funds did not occur. Discussion on declaring a surplus for 2008-09 continues, and if it occurs this year will increase the Reserve Fund Cash balance.

For the second consecutive year, the City's General Fund revenue was significantly below budget and below budget appropriations. The City Council managed the changing fiscal landscape by making budget adjustments throughout the year. The Mayor, City Council and departments demonstrated fiscal responsibility with belt-tightening measures, and at June 30, expenditures and encumbrances were \$190.2 million below budget appropriations.

However, on June 30, there was only \$46.1 million in cash supporting those appropriations, resulting in \$144.1 million in appropriations not backed by cash. Had mid-year budgetary reductions not occurred and departments utilized their full appropriation authority, the Contingency Reserve would have been eliminated, departments would have been forced to cancel encumbrances, and the Emergency Reserve would have been reduced below \$121.0 million.

The attached report with supporting schedules addresses certain issues in detail, and shows the cash position of the City along with the status of the General Fund and bonded indebtedness.

General Fund revenues were \$138.5 million less than the Adopted Budget and \$35.8 million less than the Year-End Revised Estimate. Overall, General Fund receipts were 1.2 percent higher than the prior year. General Fund receipts increased due to the 10.8 percent combined increase in Property Taxes; Licenses, Permits, Fees and Fines; and the Power Revenue Transfer. The greatest increase was seen in Property Taxes, which increased 8.6 percent. The General Fund continued to benefit from high property values resulting from the previous healthy real estate market. But weak real estate sales and declining property values negatively impacted Documentary Transfer Tax revenue, which declined 36.9 percent. Gains were also realized in Utility Users Tax, and Parking Fines. Other revenues decreased 4.6 percent overall. Economy-sensitive taxes decreased 5.4 percent, with the greatest impact coming from Sales Tax, which declined 7 percent, Transient Occupancy Tax

Honorable Antonio Villaraigosa, Mayor
Honorable Members of the Los Angeles City Council
September 14, 2009
Page 3

declined 8 percent, and Business Tax decreased 3 percent. Declines were also realized in State Motor Vehicle License Fees, and Interest Revenue.

The City has dealt with difficult financial conditions in 2008-09 and is undergoing difficult financial circumstances in the current fiscal year. It is likely to see continuing difficulties for the next three to four fiscal years. An economic recovery, when it comes, is expected to be long and slow, not quick and steep. Unemployment is approaching 10% nationally and is over 12% locally. The near term impact of the economy on Property Taxes, Documentary Transfer Taxes, Transient Occupancy Taxes, and Sales Taxes is uncertain. The State Budget and its impact on the state as a whole, not just local governments, is unknown.

The City has not yet made final decisions on an Employee Retirement Incentive Plan (ERIP) or an alternative staffing reduction plan to bring salary expenditures in line with the budget, both short-term and long-term. If an ERIP is approved, certain employees will receive payments (increases and bonuses) of almost 7% of salary per year for three years beginning in July 2011. If the ERIP is not approved, certain employees may be entitled to salary increases of almost 5% per year effective in July 2009.

Sworn police and fire are in negotiations for a new contract which were scheduled to start in July of 2009. The City is also facing several years of increased contributions to both the City Employees Retirement System (LACERS) and the Fire and Police Pension System (Pensions) based upon asset performance in fiscal year 2009 a year of steep economic deterioration in the national economy. The actual contribution increase required will not be known until LACERS and Pensions complete their annual actuarial valuation, but a substantial increase is expected. Unless the economy and asset performance improve dramatically, improvement is not expected at this time and future contribution increases may not be significantly offset by gains in asset values.

The City is facing difficult financial times. The largest category of the City budget is salaries and salary related items (health and dental insurance, workers compensation, and retirement contributions). As painful as it is, we need to act swiftly and aggressively to bring salaries in line with budgeted revenues in the current and future fiscal years. This will require difficult decisions, prioritization of services and a restructuring of City departments. It may be necessary to significantly reduce or completely eliminate certain functions that are currently performed. At this point, we simply do not have the resources to continue to provide all the services we desire to provide this year and in the next several years.

Honorable Antonio Villaraigosa, Mayor
Honorable Members of the Los Angeles City Council
September 14, 2009
Page 4

I also wish to express concern about using the Reserve Fund this year solely to get through the year without making substantial, ongoing reductions in expenditures. We do not know at this time what the future holds, but it is likely that we will need a strong Reserve Fund to help get us through the next several years. I support using some, but not all, of the Reserve Fund to help with expenses related to staffing reductions, either voluntary or non voluntary, as part of a comprehensive plan to bring expenditures in line with both the budget and revenue. I cannot support the depletion of the Reserve Fund to maintain staffing levels this year, only to face more challenging issues next year.

Later this fiscal year, I will issue the City's Comprehensive Annual Financial Report (CAFR). The CAFR will contain a complete accounting of all City funds with audited financial statements prepared in accordance with generally accepted accounting principles.

My staff and I express our appreciation to all City departments and offices for their help and cooperation in the preparation of this report and a smooth year-end closing.

Sincerely,



WENDY GREUEL
City Controller

Attachments

RESERVE FUND POLICY AND JULY 1, BALANCE

The Mayor and Council have taken significant steps in recent years to bring the Reserve Fund to its current balance. The City is faced with uncertainties ranging from an unpredictable State budget to a prolonged economic downturn; therefore, the Reserve Fund must be used sparingly. The Mayor and the City Council are still working to balance the FY 2009-10 Budget, and revenue shortfalls or expenditure overages could further unbalance that budget. Departments should be closely monitored throughout the fiscal year to ensure that expenditures and revenues stay on track with the budget as it is brought into balance.

City's Reserve Fund

The Mayor and City Council established the Reserve Fund Policy (CF 98-0459) and instructed the Controller to establish the following accounts within the Reserve Fund:

- **Contingency Reserve:** This account was created as the source of funds for programs that experience unanticipated expenses or revenue shortfalls in the current budget year. Funding for new programs or positions created outside of the current year budget is not allowed.
- **Emergency Reserve:** This account was created as the source of funds upon a determination of "urgent economic necessity" by the Mayor and Council based on a significant economic downturn, earthquake, or other natural disaster.

The Reserve Fund policy remains as established in the 2007-08 Budget, the Mayor and Council's policy allows for an Emergency Reserve of 2.75 percent of General Fund receipts, while preserving the overall goal of the total Reserve Fund at 5 percent of General Fund receipts. At the beginning of fiscal year 2009-10, the Reserve Fund was \$174.3 million. After reappropriations, and return of advances, the Reserve Fund balance was \$151.7 million, including the budgeted \$121.0 million Emergency Reserve. The Contingency Reserve is \$30.7 million, and the budgeted appropriation of \$46.8 million from the General Fund to the Reserve Fund is not expected to occur.

The following pages provide information on how the Reserve Fund balances were determined. The first section discusses the Reserve Fund balance, at June 30. The second section discusses the Reserve Fund on July 1. The final two sections provide recent information on Reserve Fund balances and Controller Recommendations. That is followed by various financial schedules which provide information on financial results for Fiscal Year 2008-09.

RESERVE FUND BALANCE (JUNE 30, 2009)

When the City's General Ledger for fiscal year 2008-09 closed, the Reserve Fund balance was \$174.3 million, which was \$43.2 million less than the budget amount. Table I below shows the comparison between the actual Reserve Fund balances and those anticipated in the fiscal year 2009-10 Budget.

Table I

Reserve Fund Balance as of June 30, 2009
(In Millions)

	Adopted FY 2009-10 Budget	Actual	Difference
Contingency Reserve:			
Balance Before Year-End Reversions/Borrowings	\$ 62.3	\$ 62.0	\$ (0.3)
Reversion of Unencumbered Balances	66.0	46.1	(19.9)
Advances Under Charter Section 261(i) and CF 08-0600-S66	<u>(36.0)</u>	<u>(59.0)</u>	<u>(23.0)</u>
Total Contingency Reserve	92.3	49.1	(43.2)
Emergency Reserve	<u>125.2</u>	<u>125.2</u>	<u>--</u>
Total Reserve Fund, 6/30/09	<u>\$ 217.5</u>	<u>\$ 174.3</u>	<u>\$ (43.2)</u>

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 2008-09 year-end reversions and borrowings. It does not include cash in the Emergency Reserve.

Reversion of Unencumbered Balances

This category refers to fiscal year 2008-09 General Fund appropriations that reverted to the Reserve Fund because the funds were not encumbered or expended during the year. The Mayor and Council grant *appropriation authority*¹ to City departments each year. Those appropriations are consumed throughout the year in the form of

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

*encumbrances*² and *expenditures*³. The *total appropriation authority*⁴ minus encumbrances and expenditures represents the unencumbered balance at year-end. Unencumbered balances from General Fund appropriations revert to the Reserve Fund each year up to the extent that such unencumbered balances are supported by cash. When the fiscal year 2009-10 budget was adopted in June 2009, the City anticipated an unencumbered balance cash reversion of \$66 million. The year-end unencumbered balance was \$190.2 million of which \$46.1 million was supported by cash. The year-end total reversion of cash was \$19.9 million short of the anticipated amount. Table II is a summary of General Fund unencumbered balances for fiscal year 2008-09 by department.

Table II
Year-End Unencumbered Balances
As of June 30, 2009

<u>Department</u>	<u>Amount</u>
Aging	\$ 516,516
Animal Services	139,680
Building and Safety	194,191
Capital Finance Administration	7,258
Capital Improvement Expenditure Program	20,003,680
City Administrative Officer	205,999
City Attorney	60,016
City Clerk	2,716,178
Commission on the Status of Women	21,754
Commission for Children, Youth & their Families	186,656
Community Development	20,636
Controller	434,118
Council	7,829,928
Cultural Affairs	2
Disability	30,101
Emergency Management	2,143
Employee Relations Board	32,639
Environmental Affairs	32,507
Finance	645,773
Fire	5,324,543
Non-Departmental – General	<u>4,586,710</u>
Subtotal	\$ 42,991,028

(Table continues on next page)

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)

Year-End Unencumbered Balances
As of June 30, 2009

<u>Department</u>	<u>Amount</u>
General City Purposes	\$ 3,284,371
General Services	6,494,587
Human Relations Commission	26,720
Human Resources Benefits	2,047,262
Information Technology Agency	3,732,165
Mayor	5,108,186
Personnel	521,233
Planning	1,438,476
Police	2,856,130
Public Works – Board	177,954
Public Works – Contract Administration	2,370,250
Public Works – Engineering	2,755,473
Public Works – Sanitation	1,989,459
Public Works – Street Services	3,315,995
Transportation	1,090,410
Treasurer	4,042
Unappropriated Balance	109,485,979
Water and Electricity	<u>514,323</u>
Total Unencumbered Balances	190,204,043
Less – Appropriations not supported by cash	<u>(144,145,215)</u>
Actual Cash Reversion to Reserve Fund	<u>\$ 46,058,828</u>

The adopted budget provides that amounts earmarked for specific functions in a given year, but not expended in that year, will be automatically reappropriated in the subsequent year. The reappropriation is the difference between the amount appropriated in the prior year and the amounts expended, and encumbered. The reappropriations include the Capital Improvement Expenditure Program (CIEP) - \$20.0 million, Mayor and Council Projects - \$12.9 million, GSD Construction projects - \$3.9 million, and other technical adjustments. The CIEP reappropriations require a separate Council action, so the actual reappropriation may vary from \$20.0 million.

Advances Under CF 08-0600-S66

Council File 08-0600-S66 authorized the Controller to borrow from the Reserve Fund in order to balance the budget upon closing the City's General Ledger. This measure was taken so that the Controller could balance the budget without departments returning to the City Council at year-end to request additional appropriations, a process that would delay the closing of the City's general ledger. The Controller transferred \$19.6 million to balance the budget at the time of closing. That is more than the previous year of \$0.5 million. The anticipated transfer from the Special Parking Revenue Fund (\$19.6 million) did not occur by July 1, 2009 and is still being considered by the Mayor and City Council.

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

Under Charter Section 261(i), the Controller transfers funds from the Reserve Fund as a loan to any fund that becomes depleted due to tardy revenue receipts. The fiscal year 2009-10 budget anticipated \$36 million in year-end loans from the Reserve Fund. The actual loans, in accordance with this Charter section, were \$39.4 million (\$24.4 million for unfunded expenditures, and \$15.0 million for unfunded encumbrances, see Table III). 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 seek Mayor and Council forgiveness for repayment. Such actions reduce the availability of funds in the Reserve Fund in the following year. 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.

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

Department	Expenditure	Encumbrance	Total
A. Council File No. 08-0600-S66			
City Attorney	\$ 3,680	\$ --	\$ 3,680
Disability	278	--	278
Liability Claims	34	--	34
Transportation	19,588,570	--	19,588,570
Sub-total	<u>19,592,562</u>	<u>--</u>	<u>19,592,562</u>
B. Charter Section 261(i)			
Aging	14,769	2,272	17,041
Building & Safety	253,482	89,819	343,301
City Administrative Officer	104,868	--	104,868
City Attorney	820,146	--	820,146
Community Development	298,793	2,335,902	2,634,695
Controller	137,248	107,830	245,078
Disability	30,258	--	30,258
Emergency Management	163,949	5,028	168,977
Fire	1,665,418	--	1,665,418
General Services	5,535,008	7,662,787	13,197,795
Housing	231,119	3,438,572	3,669,691
Information Technology Agency	1,009,906	43,157	1,053,063
Mayor	317,574	--	317,574
General City Purposes	--	318,628	318,628
Planning	2,839	445,607	448,446
Police	1,780,749	63,034	1,843,783
PW – Board	432	27,591	28,023
PW – Contract Administration	1,009,814	--	1,009,814
PW – Engineering	3,341,999	--	3,341,999
PW – Sanitation	140,066	11,835	151,901
PW – Street Lighting	1,733,589	343,397	2,076,986
PW – Street Services	5,775,723	130,049	5,905,772
Transportation	4,100	--	4,100
Sub-total	<u>24,371,849</u>	<u>15,025,508</u>	<u>39,397,357</u>
Total	<u><u>\$ 43,964,411</u></u>	<u><u>\$ 15,025,508</u></u>	<u><u>\$ 58,989,919</u></u>

Emergency Reserve

To arrive at the total June 30, 2009 Reserve Fund cash balance of \$174.3 million, the Emergency Reserve of \$125.2 million is added to the \$49.1 million Contingency Reserve balance.

RESERVE FUND BALANCE (JULY 1, 2009)
--

This fiscal year, the adopted budget projected the following with respect to the Reserve Fund balance:

- A beginning cash balance of \$217.5 million;
- Return of Reserve Fund advances (loans) for unfunded encumbrances amounting to \$18.0 million;
- Reappropriations amounting to \$38.8 million; and
- General Fund appropriation to the Reserve Fund amounting to \$46.8 million.

The actual Reserve Fund beginning cash balance was \$43.2 million less than the estimate in the fiscal year 2009-10 budget. The beginning cash balance is adjusted by adding the return of Advances for Unfunded Encumbrances, offset by Reappropriations, and the budgeted Emergency Reserve. This resulted in the budgeted Emergency Reserve of \$121.0 million and a Contingency Reserve of \$30.7 million. The budgeted General Fund appropriation to the Reserve Fund is not expected to occur.

Table IV

Reserve Fund Cash Balance
Available July 1, 2009
(In Millions)

	Adopted FY 09-10 <u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Cash Balance, Ending 6/30/09 and Beginning 7/1/09	\$ 217.5	\$ 174.3	\$ (43.2)
Return of Advances for Unfunded Encumbrances	18.0	15.0	(3.0)
Reappropriations	(38.8)	(37.6)	1.2
Appropriation to Reserve Fund	<u>46.8</u>	<u>--</u>	<u>(46.8)</u>
Total Reserve Fund, 7/1/09	243.5	151.7	(91.8)
Emergency Reserve	<u>(121.0)</u>	<u>(121.0)</u>	<u>--</u>
Total Contingency Reserve, 7/1/09	<u>\$ 122.5</u>	<u>\$ 30.7</u>	<u>\$ (91.8)</u>

Detail may not total due to rounding.

MAINTENANCE OF RESERVE FUND

Table V displays the Reserve Fund balances back to FY 2004-05. Since Fiscal Year 2004-2005, significant strides were made to double the Emergency Reserve by FY 2008-09. While a strong Contingency Reserve remains a priority of the Mayor and City Council, the beginning Contingency Reserve balance has traded down over the six years displayed.

Last fiscal year was a difficult year for the City. The Mayor and City Council managed the changing fiscal landscape by making budget adjustments throughout the year. Departments responded with belt-tightening that resulted in expenditures and encumbrances significantly below appropriations. Due to the unpredictable State Budget, the longevity of the economic downturn, and unrest in financial markets a repeat performance may be necessary this fiscal year. I emphasize the importance of maintaining a healthy Reserve Fund to mitigate revenue shortfalls and the impact of emergencies.

Table V

Beginning Reserve Fund Balances
(In Millions)

	FY09-10	FY08-09	FY07-08	FY06-07	FY05-06	FY04-05
Transfer to Budget	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 71.2</u>	<u>\$ 231.3</u>	<u>\$ 295.3</u>	<u>\$ 122.9</u>
Reserve Fund Balance, July 1 After Transfer to Budget						
Contingency Reserve	\$ 30.7	\$ 40.9	\$ --	\$ 70.3	\$ 79.6	\$ 83.9
Emergency Reserve	<u>121.0</u>	<u>125.2</u>	<u>113.7</u>	<u>108.5</u>	<u>78.9</u>	<u>61.0</u>
Total	<u>\$ 151.7</u>	<u>\$ 166.1</u>	<u>\$ 113.7</u>	<u>\$ 178.8</u>	<u>\$ 158.5</u>	<u>\$ 144.9</u>

Detail may not total due to rounding.

RECOMMENDATIONS

That the Mayor and Council:

1. Exercise extreme caution when making decisions involving the use of the Reserve Fund;
2. Take action to adjust budget appropriations and expenditures to bring the two in line;
3. Review the \$37.6 million in reappropriations to determine if all are necessary;
4. 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; and
5. Instruct invoicing and paying departments involved in unfunded expenditures (Table III) to review their procedures to identify methods to improve their invoicing and paying processes.

City of Los Angeles

**Cash Condition
Statement of Receipts and Disbursements - All Funds
For the Fiscal Year Ended June 30, 2009**

Cash Balance, July 1, 2008	\$ 6,497,276,724
Add - Outstanding Warrants, July 1, 2008	<u>241,281,846</u>
Cash in the Treasury, July 1, 2008	6,738,558,570
Add - Receipts during the year ⁽¹⁾	<u>16,295,450,275</u>
Total Available	23,034,008,845
Less - Disbursements during the Year ⁽¹⁾	<u>16,529,395,506</u>
Cash in the Treasury, June 30, 2009	6,504,613,339
Less - Outstanding Warrants, June 30, 2009	<u>254,589,304</u>
Cash Balance, June 30, 2009 ⁽²⁾	<u><u>\$ 6,250,024,035</u></u>

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

(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, 2009. 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, 2009**

Cash Balance, July 1, 2008		\$ 191,564,433
Receipts:		
Return of Advances Under Charter Section 261(i) for:		
Unfunded Expenditures	\$ 16,970,093	
Unfunded Encumbrances	17,294,614	
Return of Loans from Other Funds	5,531,201	
Transfer of Power Revenue Surplus	222,505,900	
Transfer of Special Parking Revenue Surplus	56,260,500	
Early Reversion of Unencumbered Balance	12,934,059	
Year-End Reversion of Unencumbered Balance	46,058,828	
Miscellaneous	13,325,363	390,880,558
Total Available Cash		582,444,991
Disbursements:		
Transfer to General Fund of Special Parking Revenue Surplus	56,260,500	
Transfer to General Fund of Power Revenue Surplus	222,505,900	
Transfers to Other Funds	24,365,122	
Loans to Other Funds	2,970,487	
Reappropriations of Prior Year Funds for Capital Improvement Projects and Other Departmental Accounts	43,101,509	
Advances Under Charter Section 261(i) for:		
Unfunded Expenditures	24,371,849	
Unfunded Encumbrances	15,025,508	
Advances for Unfunded Expenditures per CF#08-0600-S66	19,592,562	408,193,437
Cash Balance, June 30, 2009		<u>\$ 174,251,554</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, 2009, the total Contingency account is \$49,025,554 and the Emergency account is \$125,226,000.

City of Los Angeles

Schedule of Cash Balances by Fund Types
June 30, 2009

Governmental Funds:

General Funds

General	\$	409,335,855	
Reserve		174,251,555	
Stores Revolving		10,759,018	
Other General Funds		<u>6,731,778</u>	\$ 601,078,206

Special Revenue Funds

Recreation and Parks	217,698,778
Transportation Grants	205,637,157
Proposition A Local Transit Assistance (PALTA)	127,673,710
MICLA Special Revenue Funds	81,601,247
Special Parking Revenue	78,486,463
Citywide Recycling Trust	55,292,857
Proposition 1B Infrastructure Bond Fund	49,435,125
Seismic Bond Reimbursement	42,285,393
Fire Hydrant Installation and Main Replacement	38,440,647
Subventions and Grants	36,937,098
Building and Safety Permit Enterprise	29,016,608
Solid Waste Resources Revenue Bond 2006A Acquisition	25,992,997
Homeland Security Assistance	25,411,625
Systematic Code Enforcement Fee Trust	23,898,464
Municipal Sports Account	22,195,555
Street Lighting Maintenance Assessment	21,328,925
Solid Waste Resources Revenue	17,884,580
Coastal Transportation Corridor Trust	17,466,310
Automated Traffic Surveillance and Control (ATSAC) Trust	14,138,454
U.S. Department of Justice Asset Forfeiture	13,871,011
Alternative Fuel Program	10,745,260
City of Los Angeles Affordable Housing	10,587,644
Special Gas Tax Street Improvement	10,523,348
One Stop Permit Center	10,365,757
Matching Campaign Funds Trust	10,157,228
West LA Transportation Improvement & Mitigation	9,065,987
Engineering Special Service	8,692,788
Rent Stabilization Trust	8,358,717
Warner Center Transportation Improvement Trust	7,716,590
Attorney Conflicts Panel Special Fund	7,256,265
Proposition C Anti-Gridlock Transit Improvement	6,846,956
California State Asset Forfeiture	6,676,317
Bureau of Engineering Equipment and Training Trust	6,651,321
Library	6,423,624
Mobile Source Air Pollution Reduction Fund	6,141,216
Disaster Assistance Trust	5,887,952
Ventura/Cahuenga Corridor Plan	5,869,782
Library Trust	5,845,958
Sanitation Equipment Charge Revenue Bond 2005A Acquisition	5,555,813
Rental Housing Production	5,276,234
Street Furniture Revenue	4,852,466
Zoo Enterprise Trust	4,713,297
Central City West Housing Trust	4,122,059
Special Police Communications/911 System Tax	3,436,484

Continued...

City of Los Angeles

Schedule of Cash Balances by Fund Types - (Continued)
June 30, 2009

Governmental Funds - Special Revenue Funds (Continued)			
Sanitation Equipment Charge Revenue Bond 2003B Acquisition	\$	3,374,454	
Community Development Trust		3,299,329	
Other Special Revenue Funds		<u>184,076,591</u>	\$ 1,507,212,441
Debt Service Funds			
General Obligation Bonds		163,732,826	
Other Debt Service Funds		<u>3,826,900</u>	167,559,726
Capital Projects Funds			
GOB Series 1989-A, 1990-B, 1992-A, 1993-A, 1994-A 1995-A, 1999-B & 2000-A Library/Police/Fire/Public Works/ Recreation & Parks/Zoo		22,141,593	
GOB Series 2001-A Library/Zoo/ Animal Shelter/Fire		25,748,063	
GOB Series 2002-A Zoo/ Animal Shelter/Fire/Police 911		50,666,290	
GOB Series 2003-A Animal Shelter/Fire/Police 911		59,995,387	
GOB Series 2004-A Police 911		87,739,324	
GOB Series 2005-A Storm Water/Fire		43,403,542	
GOB Series 2006-A Storm Water/Fire/Police 911/Animal Shelter		60,223,412	
GOB Series 2008-A Clean Water, Ocean, River, Beach, Bay Storm Water Clean-up Projects Construction Fund		82,085,238	
Recreation and Parks Grant		49,179,965	
Proposition K Projects		69,319,374	
Proposition K Maintenance		18,961,722	
Capital Projects Bond Reserve		3,467,509	
Other Capital Projects Funds		<u>28,171,636</u>	601,103,055
Proprietary Funds - Enterprise			
Airport Revenue		653,925,092	
Harbor Revenue		156,694,012	
Power Revenue		523,936,693	
Water Revenue		138,748,830	
Passenger Facility Charge Fund - LAWA		507,246,310	
Passenger Facility Charge Fund - Ontario		57,252,318	
Airport Revenue Fund - Ontario		35,023,688	
Airport Insurance Trust Fund - LAWA		99,796,934	
China Shipping Mitigation		48,139,430	
Harbor Emergency		37,122,334	
Sewer Construction and Maintenance		12,899,908	
Sewer Operations and Maintenance		45,031,588	
Sewer Capital		11,641,748	
Los Angeles Convention Center		3,183,196	
Construction (Bond) Funds		260,660,368	
Bond Debt Service Funds		390,958,088	
Strategic Operating Fund		199,000,000	
Other Enterprise Funds		<u>39,961,089</u>	3,221,221,626
Pension Trust			
City Employees Retirement		1,027,952	
Fire and Police Pension		66,969,701	
Water and Power Employees' Retirement/Disability/Death Benefits		6,560,305	
Other Pension Trust Funds		<u>251,199</u>	74,809,157

Continued...

City of Los Angeles

Schedule of Cash Balances by Fund Types - (Continued)
June 30, 2009

Agency Funds

Building and Safety Trust	\$	12,769,670	
General Demand		65,786,789	
General Payroll Reimbursement		4,617,169	
Department of Water and Power Payroll		36,972,321	
Department of Water and Power Disbursement		65,430,510	
Department of Water and Power Plan Benefit		16,233,033	
Public Works Trust		35,444,775	
Parking Violation Trust		16,361,980	
Internal Revenue Code Section 501(c) Employee Benefits Trust		15,798,266	
Other Agency Funds		62,214,615	
		<u>62,214,615</u>	<u>\$ 331,629,128</u>

Total Cash Balance - All Fund Types ⁽¹⁾ **6,504,613,339**

Less - Outstanding Warrants:

General Demands		65,786,733	
General Payroll and Reimbursement		4,491,426	
Department of Water and Power Payroll		36,972,321	
Department of Water and Power Disbursement		65,430,510	
Department of Water and Power Plan Benefit		16,233,033	
Fire and Police Pension Funds		65,675,281	
		<u>65,675,281</u>	<u>254,589,304</u>

Total Cash Balance in the Treasury, June 30, 2009 **\$ 6,250,024,035**

⁽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, 2009 and 2008**

	<u>Budget</u>	<u>Actual</u>	
		<u>2009</u>	<u>2008</u>
General Receipts:			
Property Tax:			
Property Tax 1%	\$ 1,037,729,000	\$1,076,892,290	\$ 972,662,405
Property Tax - Sales Tax Replacement	111,546,000	111,683,135	119,336,844
Property Tax - Vehicle License Fee Replacement	312,119,000	320,497,608	297,256,185
Total Property Tax	1,461,394,000	1,509,073,033	1,389,255,434
Utility Users Tax	637,600,000	647,822,285	628,318,814
Licenses, Permits, Fees and Fines	804,177,566 ⁽¹⁾	689,632,624	614,890,595
Sales Tax	336,137,000	311,937,620	335,562,124
Business Tax	472,395,000	451,494,822	466,996,623
Power Revenue Transfer	197,400,000	222,505,900	182,003,900
Parking Fines	134,000,000	132,535,046	127,261,984
Transient Occupancy Tax	155,914,000	136,323,442	148,523,276
Documentary Transfer Tax	120,024,000	83,945,934	132,922,465
Parking Users Tax	94,480,000	84,474,732	87,129,914
Franchise Income	53,341,000	53,055,929	50,747,209
Interest	32,172,000	40,130,036	57,735,560
State Motor Vehicle License Fees	19,700,000	11,627,379	17,137,893
Grant Receipts	17,116,237	24,018,280	19,817,027
Tobacco Settlement	12,028,000	11,429,293	10,401,201
Transfer From Telecommunications			
Development Account	3,871,000	3,871,000	3,996,000
Residential Development Tax	1,920,000	1,319,700	2,952,100
Transfer from Business Tax Reform Fund	--	--	15,979,650
Transfer from Reserve Fund	--	--	71,228,867
Total General Receipts	<u>4,553,669,803</u>	<u>4,415,197,055</u>	<u>4,362,860,636</u>
Special Receipts:			
Sewer Construction & Maintenance Fund	735,220,199	730,139,545	628,348,799
Special Gas Tax Street Improvement Fund:			
State Gas Tax - Section 2105	31,200,000	27,798,142	18,144,035
State Gas Tax - Section 2106	17,500,000	16,182,490	10,409,037
State Gas Tax - Section 2107	40,000,000	37,173,433	24,271,359
Surface Transportation Program	11,648,000	7,404,550	10,431,770
Interest on Gas Tax Funds	1,000,000	878,500	1,654,011
Other Receipts	31,000	3,304,342	1,009,028
Proposition 1B	--	--	15,500,000
Traffic Congestion Relief AB 2928	38,600,000	26,079,803	--
City Tax Levy (Debt Service)	164,279,912	168,763,665	158,484,621
Proposition A Local Transit Assistance Fund	110,625,522	101,670,101	109,816,604
Building & Safety Permit Enterprise Fund	115,000,000	75,377,960	113,387,936
Solid Waste Resources Revenue Fund	275,567,879	261,550,099	205,494,261
Proposition C Anti-Gridlock Transit Improvement Fund	78,456,438	69,238,486	61,062,597

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, 2009 and 2008

	Budget	Actual	
		2009	2008
Special Receipts: (Continued)			
Street Lighting Maintenance Assessment Fund	\$ 46,758,625	\$ 49,933,741	\$ 44,658,991
Community Development Trust Fund	35,666,434	39,537,686	41,087,495
Local Public Safety Fund	36,900,000	33,617,064	36,595,039
Special Parking Revenue Fund	14,440,283	49,895,142	43,273,678
Stormwater Pollution Abatement Fund	29,785,000	29,616,366	29,899,471
City Employees' Retirement Fund ⁽²⁾	60,133,892	57,532,368	58,541,507
Code Enforcement Trust Fund	33,450,710	32,014,869	34,795,824
Convention Center Revenue Fund	30,396,822	26,500,345	25,861,350
Special Police/911 System Tax Fund	20,354,079	20,275,844	20,869,880
Zoo Enterprise Trust Fund	16,136,376	14,998,908	22,040,905
Traffic Safety Fund	15,173,000	14,410,177	13,724,180
Workforce Investment Act Fund	9,522,237	12,434,145	11,862,801
Citywide Recycling Trust Fund	20,394,492	26,813,418	24,253,580
Rent Stabilization Trust Fund	11,543,500	11,245,784	11,685,075
Arts & Cultural Facilities & Services Trust Fund	12,392,000	12,809,808	11,582,449
Greater Los Angeles Visitors & Convention Bureau Fund	11,993,000	10,502,563	11,454,177
Neighborhood Empowerment Fund	7,133,712	4,061,243	7,707,672
Business Tax Reform Fund	--	--	51,142
Affordable Housing Trust Fund	12,000,000	24,589,639	27,370,094
HOME Investment Partnerships Program Fund	5,172,290	3,947,824	5,362,903
Mobile Source Air Pollution Reduction Trust Fund	4,900,000	5,582,509	5,058,356
Supplemental Law Enforcement Services Fund	7,418,272	3,324,188	8,188,899
Efficiency and Police Hiring Fund	--	--	141,702
Telecommunications Liquidated Damages and Lost Franchise Fees Fund	11,548,927	8,515,573	6,380,447
Staples Arena Special Fund	4,120,000	2,298,319	5,184,383
Major Projects Review Trust Fund	2,080,000	1,831,861	3,406,391
El Pueblo de Los Angeles Historical Monument Fund	4,507,953	4,516,653	4,212,296
City Employees Ridesharing Fund	3,024,600	3,296,705	3,038,075
Municipal Housing Finance Fund	1,227,583	1,447,190	1,976,238
Arts Development Fee Trust Fund	1,410,000	1,787,681	2,097,442
City Ethics Commission Fund	2,279,752	2,216,034	2,236,885
Landfill Maintenance Fund	5,350,000	6,140,752	5,800,387
Local Transportation Fund	2,665,468	443,364	2,353,949
Household Hazardous Waste Fund	2,079,750	2,195,994	2,262,811
Community Services Administration Grant	1,876,864	2,046,677	1,334,052
Older Americans Act Fund	2,219,000	2,333,654	2,326,430
Park & Recreational Sites & Facilities Fund	1,150,000	765,400	1,545,360
Street Damage Restoration Fee Fund	3,811,000	7,944,279	6,525,704
Local Law Enforcement Block Grant Fund	--	--	5,402,868
Housing Opportunities for Persons with AIDS Fund	313,110	318,446	351,450
Procurement Reengineering Trust Fund	--	--	(5,701)

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, 2009 and 2008

	Budget	Actual	
		2009	2008
Special Receipts: (Continued)			
Multi-Family Bulky Item Fund	\$ 7,410,283	\$ 7,329,624	\$ --
Central Recycling and Transfer Fund	3,065,623	2,726,641	--
VLF Gap Loan Financing Proceeds Fund	--	--	1,000,000
Disaster Assistance Trust Fund	16,884,122	8,036,635	729,672
AB 2800 Senior Services Grant	63,418	57,338	58,918
Bicycle License Fund	62,219	599	18,050
Business Improvement District Trust Fund	352,755	352,755	471,643
Bus Bench Advertising Trust Fund	147,596	147,596	143,338
Capital Projects Bond Reserves Fund	--	--	1,577,138
City Planning Systems Development Fund	7,441,473	4,378,310	6,419,575
Coastal Transportation Corridor Trust Fund	301,319	224,480	294,225
Cultural Affairs Trust Fund	155,285	115,240	95,958
Curbside Recycling Trust Fund	2,117,388	1,607,475	1,538,028
Fire Hydrant Installation and Replacement Fund	633,456	633,456	636,503
First and Broadway Child Care Fund	196,152	189,905	156,152
General Services Trust	359,786	585,983	1,879,273
Industrial Development Authority Fund	321,552	278,095	--
Integrated Solid Waste Management Fund	899,768	1,261,709	361,913
Landfill Closure and Maintenance Trust	1,400,000	1,399,997	--
Los Angeles Regional Agency Trust Fund	84,204	77,138	--
Pershing Square Project	573,250	573,250	579,850
Street Banners Trust Fund	63,523	63,523	64,998
Used Oil Collection Fund	520,315	520,315	221,290
UDAG Miscellaneous Revenue	--	--	205,662
Ventura/Cahuenga Blvd Corridor Plan	781,830	50,988	75,842
Warner Center Transportation Trust Fund	92,988	31,884	--
West LA Transportation Improvement & Mitigation	89,848	89,848	92,358
Total Special Receipts	2,154,475,834	2,088,036,113	1,927,131,081
Available Balances	404,978,809	503,961,808	473,112,551
Total Receipts	\$ 7,113,124,446	\$ 7,007,194,976	\$ 6,763,104,268

(1) The budget for Licenses, Permit, Fees, and Fines (LPFF) included a \$56,285,500 transfer from the Special Parking Revenue Fund (SPRF). To implement the adopted budget and legally use the SPRF surplus monies, the Council (CF No. 08-0600-S33) declared a surplus in SPRF, transferred \$56,260,500 to the Reserve Fund and appropriated the same amount to the General Fund. The budget for LPFF was also reduced by \$56,285,500.

(2) 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, 2009 and 2008

	Budget Appropriations 2008-09	Final Appropriations 2008-09	Expenditures & Encumbrances 2008-09	Expenditures & Encumbrances 2007-08
Aging	\$ 4,215,853	\$ 4,835,617	\$ 3,953,062	\$ 4,110,409
Animal Services	20,314,323	21,490,826	21,352,420	20,870,234
Building & Safety	83,774,345	87,221,253	84,241,606	82,130,978
City Administrative Officer	13,967,922	14,561,157	14,269,276	13,170,163
City Attorney	99,962,080	116,132,900	115,920,148	112,524,515
City Clerk	28,961,597	32,024,986	29,315,148	15,255,072
City Ethics Commission	2,505,306	2,457,368	2,424,162	2,323,994
Commission for Children, Youth and Their Families	1,676,991	1,847,221	1,546,476	1,414,645
Commission on the Status of Women	292,450	237,974	216,220	800,824
Community Development	18,725,907	30,531,199	26,604,678	27,704,631
Controller	17,232,983	18,671,804	18,091,802	18,620,300
Council	25,578,853	37,005,109	29,367,438	27,423,030
Cultural Affairs	9,972,741	10,422,494	9,892,156	9,812,357
Disability	1,758,631	1,865,747	1,850,958	1,872,270
El Pueblo De Los Angeles Historical Monument Authority	2,119,939	2,116,573	1,923,355	1,974,843
Emergency Management	1,976,288	2,707,412	2,543,040	2,316,793
Employee Relations Board	382,244	432,244	399,605	346,715
Environmental Affairs	2,969,097	3,096,876	2,992,794	3,107,763
Finance	26,421,396	28,310,252	27,603,821	26,721,522
Fire	561,730,473	569,742,591	562,898,864	546,970,917
General Services	289,454,785	377,202,160	337,823,746	321,463,011
Human Relations Commission	802,538	880,236	853,516	1,309,511
Information Technology Agency	106,103,774	114,281,046	108,914,055	113,380,092
Los Angeles Housing	46,654,782	48,968,839	47,409,589	45,694,406
Los Angeles Convention Center	26,071,687	26,584,831	24,220,726	24,962,516
Mayor	26,969,405	36,615,844	29,656,143	13,036,502
Neighborhood Empowerment	3,806,263	3,747,941	3,626,323	3,765,461
Personnel	65,052,575	65,219,319	64,698,086	63,292,778
Planning	34,067,321	31,916,489	28,855,306	29,556,954
Police	1,323,114,147	1,333,820,327	1,322,001,060	1,261,348,146
Public Works:				
Board Office	19,085,876	23,541,759	23,207,620	26,300,597
Contract Administration	32,839,641	38,274,809	33,279,392	31,696,964
Engineering	82,839,767	94,912,281	85,257,684	86,253,503
Sanitation	268,464,532	264,711,710	255,777,160	249,660,085
Street Lighting	20,435,172	27,782,734	22,545,478	23,133,828
Street Services	162,678,980	200,364,509	186,197,221	174,472,359
Transportation	152,231,791	177,928,667	149,812,630	143,563,630
Treasurer	5,129,165	7,486,724	7,482,744	4,944,483
Zoo	19,329,046	19,010,892	17,948,014	18,623,224
Total - Budgetary Departments	3,609,670,666	3,878,962,720	3,706,973,522	3,555,930,025

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, 2009 and 2008

	Budget Appropriations 2008-09	Final Appropriations 2008-09	Expenditures & Encumbrances 2008-09	Expenditures & Encumbrances 2007-08
Library	\$ 71,572,143	\$ 69,773,143	\$ 69,773,143 ⁽¹⁾	\$ 64,325,712
Recreation & Parks	131,726,537	134,225,730	134,225,730 ⁽¹⁾	132,227,040
City Employees' Retirement	60,133,892	57,532,368	57,532,368 ⁽¹⁾	58,541,507
Fire & Police Pension	--	--	--	282,600
Tax and Revenue				
Anticipation Notes	661,137,608	657,950,594	653,365,594	699,056,371
Bond Redemption and Interest	164,279,912	166,637,701	166,637,701	171,624,632
Capital Finance Administration	169,488,661	170,489,678	170,482,421	149,986,662
Capital Improvement				
Expenditure Program	292,383,009	294,764,648	216,471,400	148,239,484
General City Purposes	84,984,538	80,666,965	77,340,723	62,165,421
Human Resources Benefits	507,376,000	471,236,000	469,188,738	467,961,740
Judgment Obligation Bonds				
Debt Service	4,299,080	4,299,080	4,297,371	6,819,335
Liability Claims	32,000,000	36,838,996	36,750,720	36,637,818
Proposition A Local Transit				
Assistance Trust	151,468,535	155,214,606	96,699,308	85,606,262
Proposition C Anti-Gridlock				
Transit Improvement	49,754,620	54,284,620	34,498,362	41,010,606
Special Parking Revenue	47,685,812	42,737,989	27,121,152	31,239,157
Unappropriated Balance	16,462,500	109,485,979 ⁽²⁾	--	--
Wastewater Special Purpose	411,617,271	397,845,484	333,469,691	344,990,148
Water and Electricity	46,720,102	46,720,102	46,720,102	43,204,047
Other Special Purpose Funds	600,363,560	592,351,089	382,947,004	354,890,966
Total - Nondepartmental	<u>3,503,453,780</u>	<u>3,543,054,772</u>	<u>2,977,521,528</u>	<u>2,898,809,508</u>
Total	<u>\$ 7,113,124,446</u>	<u>\$ 7,422,017,492</u>	<u>\$ 6,684,495,050</u>	<u>\$ 6,454,739,533</u>

⁽¹⁾ Amount disbursed by allocation to the Departments controlling their own funds.

⁽²⁾ Total final appropriations was \$186,620,139 of which \$77,134,160 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, 2005 through 2009

	2009	2008	2007	2006	2005
Aging	\$ 336,649	\$ 387,899	\$ 477,317	\$ 452,999	\$ 364,681
Animal Services	1,632,563	1,801,602	2,226,292	1,991,474	1,168,528
Building & Safety	5,255,705	5,186,527	4,610,538	4,118,761	3,869,642
City Administrative Officer	1,744,638	1,209,062	1,353,015	1,981,173	1,122,314
City Attorney	8,381,496	9,298,393	10,651,035	9,991,179	7,452,892
City Clerk	9,841,252	2,357,479	4,176,130	3,033,653	2,856,742
City Ethics Commission	194,090	163,553	212,829	162,282	148,367
Commission for Children, Youth and Their Families	170,225	212,571	239,622	197,274	169,997
Commission on the Status of Women	13,463	40,036	45,444	68,132	60,846
Community Development	2,343,465	2,474,835	3,258,874	3,198,618	3,863,244
Controller	2,085,523	2,945,799	2,800,833	2,537,531	1,981,395
Council	2,173,693	2,130,523	2,054,386	1,799,493	1,578,623
Cultural Affairs	1,705,956	1,945,206	1,830,084	1,552,500	1,772,623
Disability	188,496	194,479	165,620	219,035	207,025
El Pueblo	227,199	181,266	201,989	189,773	--
Emergency Management	167,528	140,273	109,783	85,833	70,371
Employee Relations Board	45,301	59,003	26,447	49,983	51,929
Environmental Affairs	199,580	307,452	397,658	466,216	394,407
Finance	2,097,555	2,087,243	2,198,472	1,818,084	2,529,784
Fire	38,294,735	38,165,307	46,714,418	30,896,600	26,700,113
General Services	43,158,897	39,161,803	43,894,817	32,333,301	31,662,156
Human Relations Commission	76,803	93,112	112,585	160,529	56,152
Information Technology Agency	14,860,174	21,966,920	23,691,808	16,949,364	13,497,395
Los Angeles Housing	3,498,750	4,113,962	5,792,943	4,962,246	4,661,440
Los Angeles Convention Center	1,523,392	2,098,182	1,903,181	1,966,799	1,702,355
Mayor	7,800,400	996,619	813,105	621,733	985,809
Neighborhood Empowerment	470,079	333,490	464,979	571,451	545,653
Personnel	10,817,351	13,620,094	11,012,980	11,688,119	9,302,157
Planning	5,094,763	6,297,562	4,248,338	3,368,820	2,093,486
Police	106,973,469	101,413,119	106,482,347	94,080,542	74,616,468
PW - Board	1,971,973	3,047,684	3,242,422	2,983,779	2,089,002
PW - Contract Administration	2,279,846	2,029,448	2,039,969	1,790,096	1,621,840
PW - Engineering	6,424,833	5,957,826	5,820,846	5,968,563	5,723,800
PW - Sanitation	22,812,507	25,051,856	24,800,489	19,947,520	15,490,564
PW - Street Lighting	2,680,417	2,951,502	2,166,523	1,767,266	2,031,083
PW - Street Services	17,696,990	15,246,007	20,614,302	18,104,879	14,306,522
Transportation	13,330,868	12,269,503	14,906,909	12,883,239	10,506,855
Treasurer	1,432,509	602,066	1,484,359	391,181	824,266
Zoo	1,535,663	1,522,807	1,830,215	1,417,284	1,659,702
Capital Finance Administration	793,387	156,685	125,371	48,845	76,573
Capital Improvement Expenditure Program	11,660,532	16,350,670	14,826,231	7,611,318	8,343,578
General City Purposes	24,231,045	11,876,145	12,506,262	9,559,337	9,360,898
Human Resources Benefits	5,546,432	4,177,514	3,074,148	2,563,947	8,763,662
Liability Claims	91,574	266,574	2,916,574	--	180,000
Water and Electricity	18,965,936	18,603,429	15,011,447	11,890,707	11,747,100
Total Encumbrances ⁽¹⁾	\$ 402,827,702	\$ 381,493,087	\$ 407,533,936	\$ 328,441,458	\$ 288,212,039
Encumbrances for Salaries	\$ 198,068,702	\$ 181,570,358	\$ 175,643,985	\$ 149,806,041	\$ 130,724,236
Encumbrances for Other Accounts	204,759,000	199,922,729	231,889,951	178,635,417	157,487,803
Total	\$ 402,827,702	\$ 381,493,087	\$ 407,533,936	\$ 328,441,458	\$ 288,212,039

⁽¹⁾ 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, 2009**

	Budget Estimates 2008-2009	Actual Receipts 2008-2009	Variance Over (Under)	Variance Rate
General Receipts:				
Property Tax:				
Property Tax - 1%	\$ 1,037,729,000	\$ 1,076,892,290	\$ 39,163,290	3.8%
Property Tax - Sales Tax Replacement	111,546,000	111,683,135	137,135	0.1%
Property Tax - Vehicle License Fee Replacement	<u>312,119,000</u>	<u>320,497,608</u>	<u>8,378,608</u>	2.7%
Total Property Tax	1,461,394,000	1,509,073,033	47,679,033	3.3%
Utility Users Tax	637,600,000	647,822,285	10,222,285	1.6%
Licenses, Permits, Fees and Fines	804,177,566 ⁽¹⁾	689,632,624	(114,544,942)	-14.2%
Sales Tax	336,137,000	311,937,620	(24,199,380)	-7.2%
Business Tax	472,395,000	451,494,822	(20,900,178)	-4.4%
Power Revenue Transfer	197,400,000	222,505,900	25,105,900	12.7%
Parking Fines	134,000,000	132,535,046	(1,464,954)	-1.1%
Transient Occupancy Tax	155,914,000	136,323,442	(19,590,558)	-12.6%
Documentary Transfer Tax	120,024,000	83,945,934	(36,078,066)	-30.1%
Parking Users Tax	94,480,000	84,474,732	(10,005,268)	-10.6%
Franchise Income	53,341,000	53,055,929	(285,071)	-0.5%
Interest	32,172,000	40,130,036	7,958,036	24.7%
State Motor Vehicle License Fees	19,700,000	11,627,379	(8,072,621)	-41.0%
Grant Receipts	17,116,237	24,018,280	6,902,043	40.3%
Tobacco Settlement	12,028,000	11,429,293	(598,707)	-5.0%
Transfer From Telecommunications				
Development Account	3,871,000	3,871,000	--	0.0%
Residential Development Tax	<u>1,920,000</u>	<u>1,319,700</u>	<u>(600,300)</u>	-31.3%
Total General Receipts	<u>\$ 4,553,669,803</u>	<u>\$ 4,415,197,055</u>	<u>\$ (138,472,748)</u>	-3.0%

⁽¹⁾ The budget for Licenses, Permit, Fees, and Fines (LPFF) included a \$56,285,500 transfer from the Special Parking Revenue Fund (SPRF). To implement the adopted budget and legally use the SPRF surplus monies, the Council (CF No. 08-0600-S33) declared a surplus in SPRF, transferred \$56,260,500 to the Reserve Fund and appropriated the same amount to the General Fund. The budget for LPFF was also reduced by \$56,285,500.

City of Los Angeles

General Fund
 Schedule of Unencumbered Balances Reverted
 to the Reserve Fund at June 30, 2005 through 2009

	2009	2008	2007	2006	2005
Aging	\$ 516,516	\$ --	\$ 2,245	\$ 362,694	\$ 323,498
Animal Services	139,680	599,893	1,024,688	872,917	1,276,584
Building & Safety	194,191	188,011	245,556	735,617	313,577
Capital Finance Administration	7,258	12,159	4,826,389	3,224,601	2,416,946
Capital Improvement Expenditure Pro	20,003,680	17,737,329	23,849,261	22,588,391	12,499,215
City Administrative Officer	205,999	866,098	528,339	463,212	421,239
City Attorney	60,016	399,574	1,004,962	1,229,122	465,620
City Clerk	2,716,178	1,129,126	948,899	1,756,749	3,837,122
City Ethics	--	--	1,031	--	635
Commission for Children, Youth and Their Families	186,656	113,958	201,622	148,412	96,698
Commission on the Status of Women	21,754	5,291	14,912	35,143	14,511
Community Development	20,636	--	--	--	--
Controller	434,118	1,921,809	4,714,966	1,879,922	40,792
Council	7,829,928	6,600,347	5,510,624	3,894,812	2,907,809
Cultural Affairs	2	13,071	61,743	--	--
Disability	30,101	9,490	75,191	9,006	61,412
Emergency Management	2,143	29,126	33,166	15,829	56,701
Employee Relations Board	32,639	39,140	79,965	21,263	25,625
Environmental Affairs	32,507	64,336	5,929	112,639	10,914
Finance	645,773	239,015	519,539	517,018	232,265
Fire	5,324,543	3,880,192	2,008,574	1,874,148	2,698,157
General City Purposes	3,284,371	8,049,810	1,215,763	2,046,812	4,177,195
General Services	6,494,587	8,415,334	6,001,597	10,393,776	6,378,219
Human Relations Commission	26,720	48,081	49,340	138,668	20,796
Human Resources Benefits	2,047,262	424,720	61	--	19,864,568
Information Technology Agency	3,732,165	2,223,179	1,538,465	3,712,906	1,136,965
Liability Claims	--	128,589	4,760,112	72,669	15,762,621
Los Angeles Convention Center	--	--	--	1,784	--
Los Angeles Housing	--	--	8,000	187,053	135,200
Mayor	5,108,186	3,069,991	1,154,995	454,965	346
Neighborhood Empowerment	--	--	--	--	804
Non-departmental General	4,586,710	2,364	4,253,277	3,979,282	2,747,283
Personnel	521,233	1,314,322	1,330,527	5,606,286	821,002
Planning	1,438,476	863,941	1,014,173	554,850	384,965
Police	2,856,130	11,168,113	3,072,539	8,538,166	4,182,575
PW - Board	177,954	393,360	214,162	369,256	102,419
PW - Contract Administration	2,370,250	1,681,748	1,939,785	300,754	890,343
PW - Engineering	2,755,473	223,480	348,934	3,056	10,948
PW - Sanitation	1,989,459	699,698	761,485	4,833,765	1,122,465
PW - Street Lighting	--	43,373	--	2,572	39
PW - Street Services	3,315,995	1,655,821	3,634,467	1,507,757	2,316,389
Transportation	1,090,410	7,309,646	572,268	1,682,245	1,091,289
Treasurer	4,042	151,291	27,886	50,748	227,320
Unappropriated Balance	109,485,979	18,542,543	11,175,972	17,107,716	8,548,753
Water and Electricity	514,323	707	4,929	4,887	353
Zoo	--	--	--	--	3,429
Total	190,204,043	100,258,076	88,736,338	101,291,468	97,625,606
Less: Unfunded Appropriations	(144,145,215)	(70,478,867)	--	--	--
Net Cash Balances Reverted	\$ 46,058,828	\$29,779,209	\$ 88,736,338	\$ 101,291,468	\$ 97,625,606

City of Los Angeles

**Reserve Fund
Schedule of Cash Balances
June 30, 2000 through 2009**

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
2001-02	.....	232,086,754
2000-01	.....	107,048,396
1999-00	.....	59,181,301

City of Los Angeles

Schedule of Year-End Advances From The Reserve Fund
For Unfunded Expenditures
June 30, 2009

COUNCIL FILE #08-0600-S66 Advances

City Attorney	\$ 3,680
Disability	278
Liability Claims	34
Transportation	19,588,570
Total Council File #08-0600-S66 Advances	<u>19,592,562</u>

CHARTER SECTION 261(i) Advances

Aging	14,769
Building & Safety	253,482
City Administrative Officer	104,868
City Attorney	820,146
Community Development Department	298,793
Controller	137,248
Disability	30,258
Emergency Management Department	163,949
Fire	1,665,418
General Services	5,535,008
Housing	231,119
Information Technology Agency	1,009,906
Mayor	317,574
Planning	2,839
Police	1,780,749
Public Works - Board	432
Public Works - Contract Administration	1,009,814
Public Works - Engineering	3,341,999
Public Works - Sanitation	140,066
Public Works - Street Lighting	1,733,589
Public Works - Street Services	5,775,723
Transportation	4,100
Total Charter Section 261(i) Advances	<u>24,371,849</u>

TOTAL \$ 43,964,411

City of Los Angeles

**REVENUE TRENDS
(Non-GAAP Budgetary Basis)**

	2008-09		2007-08		1999-00	
	Amount	%	Amount	%	Amount	%
Taxes ⁽¹⁾	\$ 3,548,928,203	55	\$ 3,501,817,149	56	\$ 2,160,864,178	53
Licenses, Permits and Fees	799,751,110	12	716,635,946	11	454,993,995	11
Intergovernmental	379,702,622	6	360,276,619	6	678,294,990	17
Charges for Services	1,093,196,673	17	1,034,706,020	16	585,155,519	14
Special Assessments	44,049,793	1	42,032,099	1	40,550,619	1
Interest	86,214,862	1	118,738,317	2	67,867,608	2
Program Income	429,188	--	296,131	--	8,173,412	1
Other	328,454,817	5	262,256,669	4	80,525,152	1
Transfer to General Fund	222,505,900	3	253,232,767	4	--	--
Total Revenue ⁽²⁾	\$ 6,503,233,168	100	\$ 6,289,991,717	100	\$ 4,076,425,473	100

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

⁽²⁾ Does not include available balances at July 1.

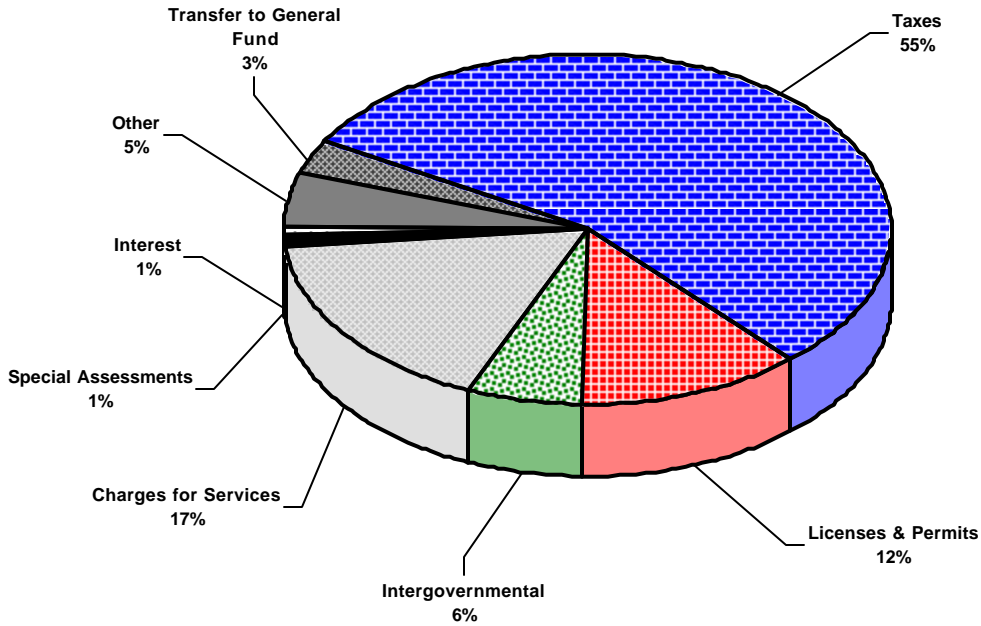
**EXPENDITURE TRENDS
(Non-GAAP Budgetary Basis)**

	2008-09		2007-08		1999-00	
	Amount	%	Amount	%	Amount	%
General Government	\$ 1,444,184,449	23	\$ 1,397,683,151	23	\$ 922,050,992	24
Protection of Persons and Property	1,932,207,606	31	1,865,695,028	31	1,258,696,807	32
Public Works (Maintenance and Improvements)	369,940,963	6	330,255,106	6	252,853,343	6
Health and Sanitation	506,432,965	8	420,595,741	7	303,922,556	8
Cultural and Recreational Services	296,614,961	5	292,334,418	5	255,228,263	7
Community Development	146,780,614	2	169,150,915	3	88,970,773	2
Pension & Retirement Systems Contributions	716,463,734	12	763,015,822	13	301,691,595	8
Capital Outlay	147,271,318	2	86,376,446	1	101,857,394	3
Bond Redemption & Interest	338,064,976	6	371,855,615	6	244,652,235	6
Transportation	271,589,301	5	265,995,489	5	163,391,545	4
Total Expenditures ⁽³⁾	\$ 6,169,550,887	100	\$ 5,962,957,731	100	\$ 3,893,315,503	100

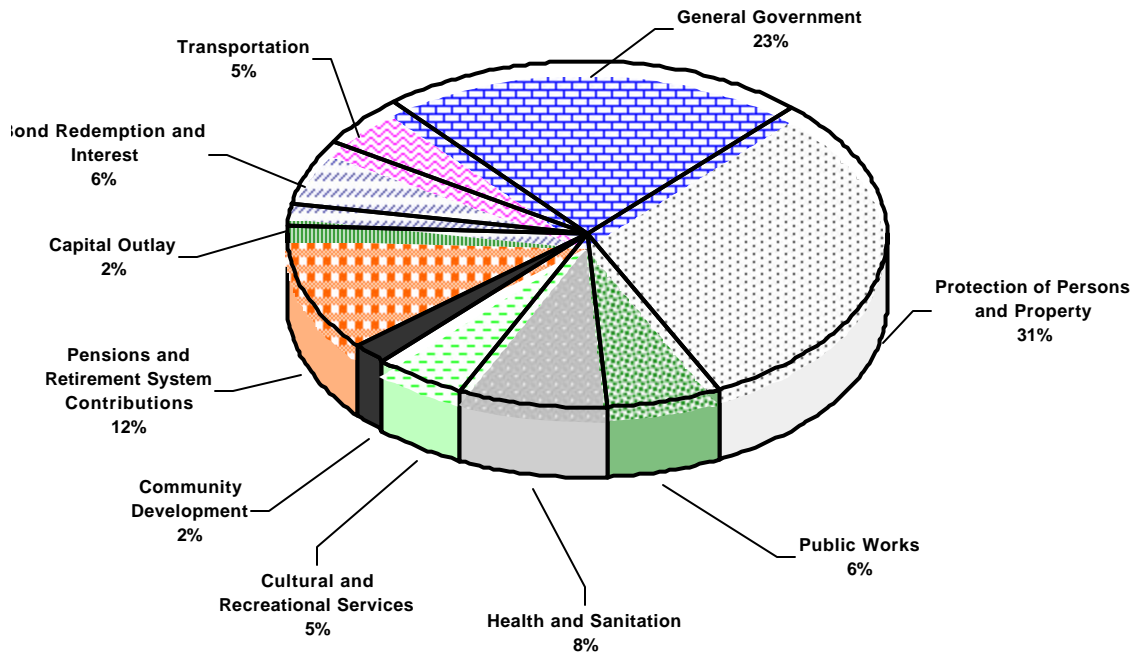
⁽³⁾ Does not include encumbrances at year-end.

City of Los Angeles
Fiscal Year 2008-09

REVENUE SOURCES



EXPENDITURES



City of Los Angeles

Statement of General Obligation Bonded Debt
Fiscal Year Ended June 30, 2009

Purpose	Outstanding 07/01/08	Issued	Matured	Outstanding 06/30/09
Series 1998-A - Advance refunding of a portion of outstanding General Obligation Bonds Series 1989-A, 1990-B, 1991-A, 1992-A and 1995-A	\$ 96,110,000	\$ --	\$ 12,925,000	\$ 83,185,000
Series 1999-A - Advance refunding of a portion of outstanding General Obligation Series 1992-A, 1993-A, 1994-A and 1995-A	52,895,000	--	13,170,000	39,725,000
Series 1999-B - Acquisition and improvement of Library Facilities and Zoo Facilities	6,000,000	--	3,000,000	3,000,000
Series 2000-A - Acquisition and improvement of Library Facilities	13,950,000	--	4,650,000	9,300,000
Series 2001-A - Acquisition and improvement of Animal Shelter, Library, Zoo and Fire/Paramedic Facilities and Emergency Helicopter	90,575,000	--	10,065,000	80,510,000
Series 2002-A - Acquisition and improvement of Animal Shelter, Zoo, Fire/Paramedic, and 911-Police-Fire-Paramedic Facilities	196,650,000	--	13,110,000	183,540,000
Series 2002-B - Advance refunding of a portion of outstanding General Obligation Bonds Series 1993-A, 1999-B, 2000-A and 2001-A	69,550,000	--	395,000	69,155,000
Series 2003-A - Acquisition and improvement of Fire/Paramedic, Animal Shelter, and and 911-Police-Fire-Paramedic Facilities	186,705,000	--	11,665,000	175,040,000
Series 2003-B - Advance refunding of outstanding General Obligation Bonds Series 1993-A, 1993-B and 1993-C	30,425,000	--	9,000,000	21,425,000
Series 2004-A - Acquisition and improvement of 911-Police/Fire & Paramedic Facilities	306,465,000	--	18,025,000	288,440,000
Series 2005-A - Acquisition and improvement of Fire Station and Fire/Paramedic/Emergency Rescue Helicopter Facilities & finance Water Quality Improvement projects	114,120,000	--	6,340,000	107,780,000

Continued...

City of Los Angeles

Statement of General Obligation Bonded Debt - (Continued)
Fiscal Year Ended June 30, 2009

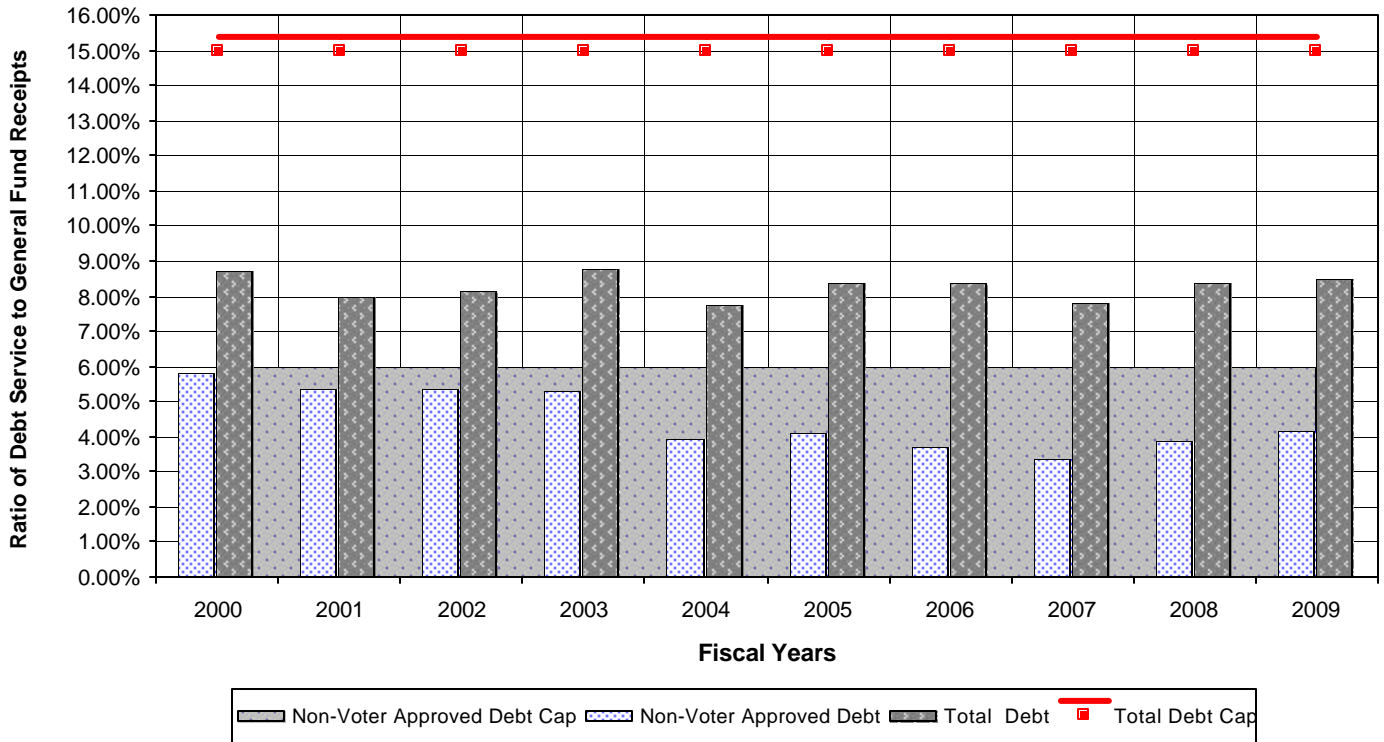
Purpose	Outstanding 7/1/08	Issued	Matured	Outstanding 6/30/09
Series 2005-B - Advance refunding of a portion of outstanding General Obligation Bonds Series 1999-B, 2000-A and 2001-A	\$ 72,900,000	\$ --	\$ 95,000	\$ 72,805,000
Series 2006-A - Acquisition and improvement of Fire/Paramedic, Animal Shelter, 911-Police-Fire-Paramedic Facilities and finance Water Quality Improvement projects	66,690,000	--	3,510,000	63,180,000
Series 2008-A - Acquisition and improvement of Stormwater Pollution Abatement projects	--	101,000,000	--	101,000,000
Total	<u>\$ 1,303,035,000</u>	<u>\$ 101,000,000</u>	<u>\$ 105,950,000</u>	<u>\$ 1,298,085,000</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
2000	\$ 166,311,227	\$ 82,241,888	\$ 248,553,115	\$ 2,860,424,266	5.81%	2.88%	8.69%
2001	169,203,130	82,013,874	251,217,004	3,150,528,837	5.37%	2.60%	7.97%
2002	172,708,476	89,972,564	262,681,040	3,227,337,646	5.35%	2.79%	8.14%
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%

(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, 2009**

TAXABLE PROPERTY AND BONDING CAPACITY

Assessed Valuation ⁽¹⁾	<u>\$ 413,823,442,807</u>
Debt Limit (15% of Assessed Value)	\$ 62,073,516,421 ⁽²⁾
General Obligation Bonds:	
Bonds Outstanding	<u>(1,298,085,000) ⁽³⁾</u>
Legal Debt Margin	<u>\$ 60,775,431,421 ⁽⁴⁾</u>

⁽¹⁾ Certified by Los Angeles County Auditor-Controller, August 2008

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

⁽³⁾ 2.09% of Debt Limit

⁽⁴⁾ 97.91% of Debt Limit