



City Controller Kenneth Mejia's office releases Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022

LOS ANGELES - February 1, 2023 - As the new Controller for the City of Los Angeles, our office is honored to present to you our Annual Comprehensive Financial Report (ACFR). The report provides a complete picture of the City's finances for the fiscal year ended June 30, 2022.

The full report and summary are at controller.lacity.gov/reports/pafr22

“I would like to acknowledge our GAAP team and the entire Financial Analysis and Reporting Division for this report. As a CPA myself, I'd like the public to understand that it takes a lot of time, effort, research, and coordination to create financial reports, especially for the second largest city in the country,” said Controller Mejia.

Here are some highlights for the fiscal year ended on June 30, 2022:

- Total City Revenues were \$20.0 billion, an increase of 8.7% over the prior year.
- Total City Expenses were \$16.6 billion, 4.5% less than the prior year.
- Aggregate fund balances of the City's governmental funds were \$7.3 billion, a net increase of \$857.4 million from prior year.
- Reserve fund ending cash balance was \$601.7 million or 8.1% of the General Fund, down from \$647 million from prior year.
- The City's bonded debt and long-term notes payable as of June 30, 2022, totaled \$37.3 billion, an increase of \$3.1 billion from the prior year's balance of \$34.2 billion. Of the \$37.3 billion, \$751.7 million were General Obligation bonds.
- The largest General Fund departmental expenditures (including encumbrances) went to Police (\$1.8 billion); Fire (\$780.2 million); and Sanitation (\$330.6 million). These expenditures include salaries, expenses, and equipment (not pensions or benefits).

While the City is currently in a stable fiscal position, significant challenges lie ahead. The almost \$2.0 billion in one-time revenue from the federal government available during the last two years has largely been spent.



**kenneth
mejia**
LA CITY CONTROLLER

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Retirement Plans' adverse investment returns during Fiscal Year 2021-22 will increase future pension costs, which now consume more than 15% of the General Fund budget. Increased labor costs put a further strain on resources to maintain and improve services to our residents.

There is also universal recognition of the need to spend more to house the more than 42,000 unhoused residents of our community.

Finally, Los Angeles has underinvested for decades in maintaining its capital and human infrastructure - which will come under intense test from the impacts of climate change.

We pledge that the Office of the Controller will be a collaborative partner in meeting and tackling those shared challenges our City faces.

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