Basic Financial Statements and Supplemental Information

Year ended September 30, 2012

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Basic Financial Statements and Supplemental Information

Year ended September 30, 2012

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Honorable Mayor and City Council City of Inglewood Inglewood, California

#### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Inglewood, California, as of and for the year ended September 30, 2012, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the management of the City of Inglewood. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Inglewood, California, as of September 30, 2012, and the respective changes in financial position and cash flows, where applicable, of the City of Inglewood, California for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 16 to the financial statements, on January 25, 2011, the Inglewood Redevelopment Agency and the City of Inglewood entered into a Cooperation Agreement for the purpose to facilitate the implementation of various redevelopment projects and programs and to provide the funding necessary to effectuate the completion of these projects and programs within the current fiscal year and forthcoming fiscal years. As discussed further in note 16, the asset transfers associated with this Cooperation Agreement are subject to the results of a future review by the California State Controller, as provided by Section 34167.5 of Assembly Bill X1 26. The accompanying financial statements do not reflect any adjustments that might result from the outcome of this uncertainty.

Management has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Honorable Mayor and City Council City of Inglewood Inglewood, California Page Two

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule identified as required supplementary information in the accompanying table of contents to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express and opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Inglewood's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

In accordance with Government Auditing Standards, we have also issued a report dated August 8, 2013 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Mayor Holfman Melma Pl.

Irvine, California August 8, 2013 **BASIC FINANCIAL STATEMENTS** 

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## Statement of Net Assets September 30, 2012

	Primary Government			
	Governmental		Business-Type	
		Activities	Activities	Total
Assets:			-	***
Cash and investments (note 2)	\$	168,130,033	9,006,453	177,136,486
Receivables, net allowances:				, ,
Accounts		1,922,910	4,011,112	5,934,022
Taxes		3,860,811	36,565	3,897,376
Interest		157,368	24,306	181,674
Loans (note 4)		12,412,264	, -	12,412,264
Due from other governments (note 3)		9,498,143	-	9,498,143
Inventories		93,665	-	93,665
Deposits and prepaid items		974,601	-	974,601
Land held for resale		55,509,213	<del>-</del>	55,509,213
Net pension asset		46,506,965	-	46,506,965
Deferred charges		1,489,796	-	1,489,796
Capital assets (note 5):				
Capital assets, not depreciated		90,815,211	90,598	90,905,809
Capital assets, depreciated, net		66,914,545	30,529,509	97,444,054
Total assets		458,285,525	43,698,543	501,984,068
Liabilities:				
Accounts payable		8,935,935	3,462,987	12,398,922
Accrued wages and benefits		1,816,370	-,·, ·	1,816,370
Accrued interest		318,345	-	318,345
Customer deposits and funds held for others		429,854	2,221,952	2,651,806
Unearned revenue		9,293,172		9,293,172
Long-term liabilities (note 6):				, ,
Due within one year		2,735,000	-	2,735,000
Due within more than one year		177,617,493	745,602	178,363,095
Total liabilities		201,146,169	6,430,541	207,576,710
Net assets:				
Invested in capital assets, net of related debt		140,392,652	30,620,107	171,012,759
Restricted for:		, . ,	0.0000000	171,012,757
Public safety		669,689	-	669,689
Transportation		17,752,431		17,752,431
Culture and leisure		599,172	-	599,172
Community development		55,489,322	<del>-</del>	55,489,322
Low and moderate housing		13,940,346	-	13,940,346
Unrestricted		28,295,744	6,647,895	34,943,639
Total net assets	\$	257,139,356	37,268,002	294,407,358

#### Statement of Activities

#### Year Ended September 30, 2012

	_	Program Revenues		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Governmental activities:				
General government	\$ 17,960,088	6,118,022	-	-
Public safety	60,539,361	3,408,681	7,012,692	240,603
Transportation	14,631,238	1,262,458	9,097,143	-
Culture and leisure	12,958,754	542,742	4,046,838	-
Community development	61,570,294	-	26,154,483	-
Interest expense and other charges	11,787,243			
Total governmental activities	179,446,979	11,331,903	46,311,156	240,603
Business-type activities:				
Water utility	19,166,819	16,323,633	-	-
Sewer	2,644,901	3,017,863	-	-
Sanitation	12,090,229	12,935,065	<del>-</del>	-
Parking	4,094,754	3,831,960		-
Total business-type activities	37,996,703	_36,108,521	<del>-</del>	-
Total primary government	\$ 217,443,682	47,440,424	46,311,156	240,603

#### General revenues:

Taxes:

Property taxes

Sales taxes

Utility users taxes

Transient occupancy taxes

Franchise taxes

Business license taxes

Casino taxes

Other taxes

Motor vehicle in lieu, (unrestricted)

Use of money and property

Other

Transfers

Total general revenues

Extraordinary gain (note 17)

Change in net assets

Net assets at beginning of year, as restated (note 18)

Net assets at end of year

# Net (Expenses) Revenues and Changes in Net Assets

Primary Go	overnment	
Governmental	Business-type	
Activities	Activities	Total
(11,842,066)	-	(11,842,066)
(49,877,385)	-	(49,877,385)
(4,271,637)	-	(4,271,637)
(8,369,174)	-	(8,369,174)
(35,415,811)	<del>-</del>	(35,415,811)
(11,787,243)	-	(11,787,243)
(121,563,317)	-	(121,563,317)
	(2,843,186)	(2,843,186)
_	372,962	372,962
_	844,836	844,836
-	(262,794)	(262,794)
	(1,888,182)	(1,888,182)
(121 563 317)	(1,888,182)	(123,451,499)
(121,563,317)	(1,000,102)	(123,731,777)
25,548,012	-	25,548,012
11,865,680	-	11,865,680
15,414,603	-	15,414,603
3,135,842	-	3,135,842
6,876,815	-	6,876,815
4,502,483	-	4,502,483
3,839,499	-	3,839,499
2,410,124	-	2,410,124
9,038,774	-	9,038,774
1,253,700	134,826	1,388,526
2,375,095	-	2,375,095
(154,000)	154,000	
86,106,627	288,826	86,395,453
146,304,334	-	146,304,334
110,847,644	(1,599,356)	109,248,288
146,291,712	38,867,358	185,159,070
\$ 257,139,356	37,268,002	294,407,358

#### Governmental Funds

#### Balance Sheet

September 30, 2012

	•	•		
		Special Revenue		Debt Service
	General Fund	Noise Mitigation	Grants Fund	Redevelopment Debt Service - City Funds
Assets				
Cash and investments	\$ 22,271,499	5,830,795	954,300	91,296,237
Receivables, net allowances:				-
Accounts	1,838,365	-	144	-
Taxes	3,011,702	-	-	-
Interest	50,464	13,087	538	11,183
Loans (note 4)	-	-	-	-
Due from other governments (note 3)	-	5,290,815	2,878,753	-
Due from other funds (note 13)	238,858	-	-	-
Inventories	93,665	-	-	-
Deposits and prepaid items	-	-	-	-
Land held for resale	<del>-</del>		-	-
Total assets	\$ 27,504,553	11,134,697	3,833,735	91,307,420
<u>Liabilities and Fund Balances</u> Liabilities:				
Accounts payable	\$ 4,257,936	1,591,956	1,761,482	
Accrued wages and benefits	1,816,370	1,591,950	1,701,402	-
Due to other funds (note 13)	1,010,570	_	_	-
Customer deposits and funds held for others	86,854	9,600		-
Deferred revenue	1,360,702	9,659,582	2,955,876	-
Total liabilities	7,521,862	11,261,138	4,717,358	<del></del>
		11,201,136	4,/1/,336	<del>-</del>
Fund balances:				
Nonspendable - inventories	93,665	-	-	-
Restricted for:				
Community development	-	-	-	91,307,420
Debt service	-	-	-	-
Unassigned	19,889,026	(126,441)	(883,623)	<del>-</del>
Total fund balances	19,982,691	(126,441)	(883,623)	91,307,420
Total liabilities and fund balances	\$ 27,504,553	11,134,697	3,833,735	91,307,420

$\sim$		T .	• .
- Car	nıtal	Pro	rects

Capital F	rojects		
Merged	Low/Moderate	Non-Major	
Redevelopment -	Income	Governmental	
City	Housing - City	Funds	Total
555,191	5,338,933	41,744,203	167,991,158
1 402		91 765	1 00 1 777
1,493	-	81,765	1,921,767
	11.526	849,109	3,860,811
5,667	11,536	64,893	157,368
-	10,812,271	1,599,993	12,412,264
-	-	1,328,575	9,498,143
-	-	<del>-</del>	238,858
-	-	-	93,665
-	-	974,601	974,601
31,979,826	3,070,906	1,470,381	36,521,113
32,542,177	19,233,646	48,113,520	233,669,748
38,734	-	942,436	8,592,544
-	-	-	1,816,370
-	-	238,858	238,858
313,400	20,000	<del>-</del>	429,854
-	5,273,300	1,901,874	21,151,334
352,134	5,293,300	3,083,168	32,228,960
-	-	-	93,665
			·
32,190,043	13,940,346	31,355,271	168,793,080
- · · · · · · · · · · · · · · · · · · ·	-	13,684,320	13,684,320
-	-	(9,239)	18,869,723
32,190,043	13,940,346	45,030,352	201,440,788
32,542,177	19,233,646	48,113,520	233,669,748

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#### Governmental Funds

#### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets September 30, 2012

Fund balances of governmental funds	\$ 201,440,788
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets have not been included as financial resources in governmental fund activity:	
Capital assets Accumulated depreciation	267,936,235 (110,301,741)
Long-term debt and compensated absences that have not been included in governmental fund activity:	
Bonds payable Claims payable Compensated absences Unamortized bond issuance costs	(88,903,301) (24,854,761) (12,892,577) 1,489,796
Accrued interest payable for the current portion of interest due on bonds payable has not been reported in the governmental funds.	(7,906,954)
Deferred revenue balances relating to certain receivables are not reported as liabilities in the Statement of Net Assets since revenue recognition is not based upon measurable and available criteria.	11,858,162
Land purchases from grant funding recorded as expenditures in the governmenta funds are reported on the statement of net assets as land held for resale	l 18,988,100
Internal service funds are used by management to charge the costs of certain activities, such as information technology services, to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net assets:	(108,111)
Pension benefit contributions funded by the 2005 Taxable Pension Obligation Bonds recorded as expenditures in governmental funds are reported on the statement of net assets as prepaid assets.	46,506,965
In accordance with GASB 45, a net OPEB liability has been established for the government wide statements, as these liabilities do not impact current financial resources and are therefore not reported in governmental funds.	(46,113,245)
Net assets of governmental activities	\$ 257,139,356

## Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances

#### Year Ended September 30, 2012

		Special Rev	Debt Service	
Davis	General Fund	Noise Mitigation	Grants Fund	Redevelopment Debt Service - City Funds
Revenues:	¢ 62 425 120			9 007 010
Taxes Special assessments	\$ 63,435,139	-	-	8,907,919
Licenses and permits	1,378,841	<b>-</b>	-	-
Fines and forfeitures	4,069,887	_	313,605	_
Uses of money and property	743,994	70,868	2,213	134,214
Intergovernmental	9,279,284	13,283,050	3,418,504	151,211
Charges for services	2,829,515	-	83,329	-
Other revenues	602,664	<u>-</u>		
Total revenues	82,339,324	13,353,918	3,817,651	9,042,133
Expenditures:				
General government	15,290,585	-	-	-
Public safety	50,201,573	-	2,637,909	-
Transportation	1,962,346	-	-	-
Culture and leisure	7,803,813	-	1,936,039	-
Community development	563,273	13,516,018	2,723,674	854,540
Capital outlay	508,778	43,462	-	-
Debt service:				
Principal	-	-	-	-
Issuance costs	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Interest and fiscal charges	<del>-</del>		-	8,757
Total expenditures	76,330,368	13,559,480	7,297,622	863,297
Excess (deficiency) of revenues				
over (under) expenditures	6,008,956	(205,562)	(3,479,971)	8,178,836
Other financing sources (uses):				
Transfers in (note 13)	5,464,000	-	1,567,422	-
Transfers out (note 13)	(5,742,861)	-	, , <u>-</u>	(28,864,816)
Proceeds from sale of asset	· · · · · ·	-	-	-
Proceeds of bonds	-	-	-	-
Payment to bond escrow agent			-	
Total other financing				
sources (uses)	(278,861)		1,567,422	(28,864,816)
Extraordinary gain (loss) (note 17)			-	
Net change in fund balance	5,730,095	(205,562)	(1,912,549)	(20,685,980)
Fund balances at beginning				
of year, as restated (note 18)	14,252,596	79,121	1,028,926	111,993,400
Fund balances (deficits) at end of year	\$ 19,982,691	(126,441)	(883,623)	91,307,420

A 1. 1	m	
Cantal	Projects	

Capital Projects			
Merged	Low/Moderate	Non-Major	
Redevelopment -	Income	Governmental	
City	Housing - City	Funds	Total
-	=	5,525,982	77,869,040
-	-	2,771,369	2,771,369
-	-	-,,	1,378,841
-	-	116,843	4,500,335
70,588	11,536	220,287	1,253,700
-		26,627,258	52,608,096
124,474	24,745	65,846	3,127,909
2,400	54,208	1,379,060	2,038,332
197,462	90,489	36,706,645	145,547,622
-	-	-	15,290,585
-	-	88,746	52,928,228
-	-	7,125,030	9,087,376
-	-	1,267,347	11,007,199
24,032,446	261,481	17,480,820	59,432,252
-	-	842,066	1,394,306
-	-	1,710,000	1,710,000
-	-	723,489	723,489
-	-	2,533,385	2,533,385
<u> </u>	<u> </u>	6,294,899	6,303,656
24,032,446	261,481	38,065,782	160,410,476
(23,834,984)	(170 002)	(1 250 127)	(1.4.962.954)
(23,634,964)	(170,992)	(1,359,137)	(14,862,854)
19,970,370	-	8,003,058	35,004,850
(1,522)	(2,930,522)	(5,812,814)	(43,352,535)
(-,)	(=,===,===)	497,986	497,986
-	-	30,826,999	30,826,999
-	-	(17,133,759)	(17,133,759)
			(17,155,755)
19,968,848	(2,930,522)	16,381,470	5,843,541
		(14,618,016)	(14,618,016)
(3,866,136)	(3,101,514)	404,317	(23,637,329)
(3,000,130)	(3,101,314)	707,517	(23,037,329)
	1= 0 0		00-0-0-
36,056,179	17,041,860	44,626,035	225,078,117
32,190,043	13,940,346	45,030,352	201,440,788
22,170,073	12,210,270	10,000	201,710,700

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#### Governmental Funds

# Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement Activities Year Ended September 30, 2012

to the Statement Activities	
Year Ended September 30, 2012	

Changes in fund balances of governmental funds	\$	(23,637,329)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.  Expenditures for capital assets		5.051.521
Depreciation expense		5,051,531 (4,891,092)
Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.  Principal payments  Amortization of bond issuance costs		(1,710,000) 445,377
Issuance of debt increases liabilities in the statement of net assets and do not result in a revenue in the Statement of Activities:  Debt issued		(30,826,999)
Payment to bond escrow agent is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets		19,667,144
Accrued interest expense related to the long-term liabilities. This amount is the difference between the amount of interest paid and the amount of interest incurred on long-term liabilities.		1,119,416
To record as a revenue the net change in compensated absences in the statement of activities.		(850,551)
Revenues that are measurable but not available are recorded as deferred revenue under the modified accrual basis of accounting.		(1,403,332)
Pension benefit contributions funded by the 2005 Taxable Pension  Obligation Bonds are recorded as expenditures in the government wide statements as the principal on the liability becomes due.		(750,897)
In accordance with GASB 45, a net OPEB liability has been established for the government wide statements, as these liabilities do not impact current financial resources and are therefore not reported in governmental funds.		(11,902,956)
Internal service funds are used by management to charge the costs of certain activities, such as information technology services, to individual funds. The net revenues (expenses) of the internal services funds is reported with governmental activities.		(385,018)
Extraordinary gain through the dissolution of the redevelopment agency	_	160,922,350
Changes in net assets of governmental activities	<u>\$</u>	110,847,644

#### CITY OF INGLEWOOD Proprietary Funds Statement of Net Assets September 30, 2012

			Business-Type Activities			Governmental Activities	
	Water Utility Fund	Sewer Fund	Sanitation Fund	Parking Fund	Total Business-Type Activities	Internal Service Fund	Total
Assets: Current assets:							
Cash and investments  Due from other funds	\$ 4,549,085 77,946	2,725,490	1,731,878	- -	9,006,453 77,946	138,875	9,145,328 77,946
Accounts receivable	2,096,779	418,402	1,495,931	-	4,011,112	1,143	4,012,255
Taxes receivable Interest receivable	12,900	6,223	36,565 5,183		36,565 24,306		36,565 24,306
Total current assets	6,736,710	3,150,115	3,269,557	-	13,156,382	140,018	13,296,400
Noncurrent assets: Capital assets (note 5):							
Land Buildings and improvements	90,598 19,212,671	-	-	-	90,598 19,212,671	-	90,598
Machinery and equipment	2,575,668	5,239	124,502	-	2,705,409	- 885,901	19,212,671 3,591,310
Vehicles	62,613	15,903	20,902	-	99,418	-	99,418
Infrastructure Accumulated depreciation	33,518,328 (27,394,543)	4,573,030 (2,049,666)	(135,138)	-	38,091,358 (29,579,347)	- (790,639)	38,091,358 (30,369,986)
Total capital assets (net of	(27,554,545)	(2,0+2,000)	(155,156)		(29,379,341)	(790,039)	(30,309,980)
accumulated depreciation)	28,065,335	2,544,506	10,266		30,620,107	95,262	30,715,369
Total noncurrent assets	28,065,335	2,544,506	10,266		30,620,107	95,262	30,715,369
Total assets	34,802,045	5,694,621	3,279,823		43,776,489	235,280	44,011,769
Liabilities: Current liabilities:							
Accounts payable	1,126,569	4,370	2,301,603	30,445	3,462,987	343,391	3,806,378
Deposits Due to other funds	2,073,119	<del>-</del>	148,833	77,946	2,221,952 77,946	<del>-</del>	2,221,952 77,946
Total current liabilities	3,199,688	4,370	2,450,436	108,391	5,762,885	343,391	6,106,276
Noncurrent liabilities: Long-term liabilities, portion							
due beyond one year (note 6)	745,602		-		745,602		745,602
Total liabilities	3,945,290	4,370	2,450,436	108,391	6,508,487	343,391	6,851,878
Net assets: Invested in capital assets,							
net of related debt Unrestricted	28,065,335 2,791,420	2,544,506 3,145,745	10,266 819,121	(108,391)	30,620,107 6,647,895	95,262 (203,373)	30,715,369 6,444,522
Total net assets	\$ 30,856,755	5,690,251	829,387	(108,391)	37,268,002	(108,111)	37,159,891

#### CITY OF INGLEWOOD Proprietary Funds

#### Statement of Revenues, Expenses and Changes in Fund Net Assets

#### Year Ended September 30, 2012

			Business-Type Activities			Governmental Activities	
	Water Utility Fund	Sewer Fund	Sanitation Fund	Parking Fund	Total Business-Type Activities	Internal Service Fund	Total
Operating revenues: Charges for services Licenses and permits Intergovernmental	\$ 16,323,633 - -	2,949,934 67,929	12,686,582 - 248,483	3,831,960	35,792,109 67,929 248,483	4,051,489 - -	39,843,598 67,929 248,483
Total operating revenues	16,323,633	3,017,863	12,935,065	3,831,960	36,108,521	4,051,489	40,160,010
Operating expenses: Personnel services Maintenance and operations Depreciation	3,824,242 14,438,028 904,549	1,460,254 958,096 226,551	357,889 11,707,439 24,901	341,294 3,753,460	5,983,679 30,857,023 1,156,001	2,162,464 2,117,659 156,384	8,146,143 32,974,682 1,312,385
Total operating expenses	19,166,819	2,644,901	12,090,229	4,094,754	37,996,703	4,436,507	42,433,210
Operating income (loss)	(2,843,186)	372,962	844,836	(262,794)	(1,888,182)	(385,018)	(2,273,200)
Nonoperating revenues (expenses): Investment income	101,680	22,369	10,374	403	134,826		134,826
Income (loss) before transfers	(2,741,506)	395,331	855,210	(262,391)	(1,753,356)	(385,018)	(2,138,374)
Interfund transfers Transfers in (note 13)				154,000	154,000		154,000
Changes in net assets	(2,741,506)	395,331	855,210	(108,391)	(1,599,356)	(385,018)	(1,984,374)
Net assets (deficit) at beginning of year, as restated (note 18)	33,598,261	5,294,920	(25,823)		38,867,358	276,907	39,144,265
Net assets (deficit) at end of year	\$ 30,856,755	5,690,251	829,387	(108,391)	37,268,002	(108,111)	37,159,891

#### CITY OF INGLEWOOD Proprietary Funds

#### Statement of Cash Flows

	Business-Type C Activities				Governmental Activities	
	Water Utility Fund	Sewer Fund	Sanitation Fund	Parking Fund	Internal Service Fund	Total
Cash flows from operating activities:						
Cash received from customers and users	\$ 15,832,132	2,962,833	12,840,632	3,831,960	4,051,489	39,519,046
Cash payments to employees for services Cash payments to suppliers for	(3,648,537)	(1,460,254)	(357,889)	(341,294)	(2,162,464)	(7,970,438)
goods and services	(14,358,914)	(957,459)	(10,948,616)	(3,723,015)	(2,174,449)	(32,162,453)
Net cash provided by (used for) operating activities	(2,175,319)	545,120	1,534,127	(232,349)	(285,424)	(613,845)
Cash flows from non-capital and related						
financing activities: Cash paid to other funds	(77,946)	_	-	-	-	(77,946)
Cash received from other funds				231,946		231,946
Net cash provided by (used for) non- capital and related financing activities	(77,946)	_		231,946		154,000
Cash flows from capital and related						
activities: Acquisition of capital assets	(1,119,820)					(1,119,820)
Net cash provided by (used for) capital and related financing activities	(1,119,820)					(1,119,820)
Cash flows from investing activities: Interest received on investments	97,909	18,299	6,638	403	205	123,454
Net cash provided by (used for)						
investing activities	97,909	18,299	6,638	403	205	123,454
Net increase (decrease) in cash and cash equivalents	(3,275,176)	563,419	1,540,765	-	(285,219)	(1,456,211)
Cash and cash equivalents at beginning of year	7,824,261	2,162,071	191,113		424,094	10,601,539
Cash and cash equivalents at end of year	\$ 4,549,085	2,725,490	1,731,878	_	138,875	9,145,328

#### CITY OF INGLEWOOD Proprietary Funds

#### Statement of Cash Flows

#### (Continued)

	Business-Type Activities	21 21		Governmental Activities		
	Water Utility Fund	Sewer Fund	Sanitation Fund	Parking Fund	Internal Service Fund	Total
Reconciliation of operating income to net cash provided by operating activities:						
Operating income (loss)  Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	\$ (2,843,186)	\$ 372,962	844,836	(262,794)	(385,018)	(2,273,200)
Depreciation (Increase) decrease in accounts	904,549	226,551	24,901	-	156,384	1,312,385
receivable Increase (decrease) in accounts	(539,382)	(55,030)	(94,433)	-	-	(688,845)
payable	79,114	637	758,823	30,445	(56,790)	812,229
Increase (decrease) in deposits Increase (decrease) in compensated	47,881	-	-	-	-	47,881
absences	<u>175,705</u>					175,705
Net cash provided by (used for)	Ф (2.175.210)	5.15.100				
operating activities	\$ (2,175,319)	545,120	1,534,127	(232,349)	(285,424)	(613,845)

Non-cash investing, capital and related financing activities:

There were no significant noncash capital, financing, or investing activities for the year ended September 30, 2012.

#### Statement of Fiduciary Net Assets September 30, 2012

<u>Assets</u>	Agency Funds	Pension Trust Funds	Private Purpose Trust Funds	Total
Cash and investments (note 2)	\$ 1,187,635	816,584	20,780,235	22,784,454
Receivables:				
Accounts	81,620	939	-	82,559
Deferred charges			5,198,602	5,198,602
Total assets	1,269,255	817,523	25,978,837	28,065,615
<u>Liabilities</u>				
Accounts payable	392,165	-	145,312	537,477
Interest payable	-	-	2,954,014	2,954,014
Due to bondholders	877,090	-	-	877,090
Current portion of long-term tiabilities (note 6)			4,741,674	4,741,674
Total current liabilities	1,269,255		7,841,000	9,110,255
Long-term liabilities (note 6)	-	-	156,597,403	156,597,403
Total liabilities	1,269,255	-	164,438,403	165,707,658
Net Assets				
Restricted		817,523	(138,459,566)	(137,642,043)
Total net assets (deficit)	\$ -	817,523	(138,459,566)	(137,642,043)

#### Statement of Changes in Fiduciary Net Assets Year ended September 30, 2012

			Private	
	)	Pension	Purpose	
	Tr	ust Funds	Trust Funds	
<u>Additions</u>				Total
Taxes	\$	-	8,279,351	8,279,351
Contributions		38,334	-	38,334
Investment income		19,467	9,844	29,311
Rental income			5,145	5,145
Total revenues		57,801	8,294,340	8,352,141
<u>Deductions</u>				
Community development		-	536,800	536,800
Interest expense		-	6,639,959	6,639,959
Pass-through payments		-	1,466,498	1,466,498
Benefit payments		81,641		81,641
Total expenses		81,641	8,643,257	8,724,898
Additions over (under) deductions				
before other financing sources		(23,840)	(348,917)	(372,757)
Transfers in (note 13)		-	8,193,685	8,193,685
Extraordinary loss (note 17)			(146,304,334)	(146,304,334)
Changes in fiduciary net assets		(23,840)	(138,459,566)	(138,483,406)
Net assets at beginning of year		841,363		841,363
Net assets (deficit) at end of year	\$	817,523	(138,459,566)	(137,642,043)

#### Notes to Basic Financial Statements

Year ended September 30, 2012

#### (1) Summary of Significant Accounting Policies

The financial statements of the City of Inglewood, California (City) have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

#### (a) Reporting Entity

The City is a municipal corporation governed by an elected mayor and a four-member council. As required by generally accepted accounting principles, the accompanying basic financial statements present the City of Inglewood (primary government) and its component units, entities for which the primary government is considered to be financially accountable. In accordance with GASB Statement No. 14, all of the City's component units are considered blended component units. Although legally separate entities, they are, in substance, part of the City's operations, and therefore, data from these units are combined with data of the primary government.

#### Blended Component Units

<u>Inglewood Redevelopment Agency (RDA)</u> The governing body of the RDA is comprised of members of the City Council and the Mayor. Among its duties, it approves the RDA's budget and appoints the management. The financial activities of the RDA are included within the capital projects and debt service funds. See footnote 17 for additional information about the dissolution of the Inglewood Redevelopment Agency during fiscal year ended September 30, 2012.

<u>Inglewood Housing Authority (Housing Authority)</u> The governing body of the Housing Authority is comprised of members of the City Council and the Mayor. Among its duties, it approves the Housing Authority's budget, determines the rates and charges for the use of facilities and appoints the management The financial activities of the Housing Authority are reported as a special revenue fund.

Inglewood Public Financing Authority (Public Financing Authority) The governing body of the Public Financing Authority is comprised of members of the City Council and the Mayor. The Public Financing Authority was formed for the public purpose of assisting in financing public improvements of the City, the RDA and other local agencies. The financial activities of the Public Financing Authority are included within the debt service funds.

<u>Inglewood Development Corporation (Development Corporation)</u> The governing body is a board appointed by the Mayor and members of the City Council, and is included as part of the City's Grants Special Revenue Fund. The Development Corporation administers federally funded small business loans for the City, who is the grantee.

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

#### (a) Reporting Entity, (Continued)

Separately issued financial statements for the Housing Authority may be obtained through the City of Inglewood, Finance Department, One Manchester Blvd., Inglewood, California 90301. There are no separately issued financial statements for the other component units.

#### (b) <u>Basis of Presentation</u>

#### Government-wide Financial Statements

The statement of net assets and statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. It is the City's policy to make eliminations to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. The City has included indirect expenses within direct expenses. Expenses by function have been adjusted for any internal service profit/loss existing at fiscal year-end. Program revenues include (1) charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

#### Governmental Fund Balances

Fund balances are reported in the fund statements in the following classifications:

#### Nonspendable Fund Balance

Nonspendable Fund Balance – this includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

#### (b) Basis of Presentation, (Continued)

Spendable Fund Balance

<u>Restricted Fund Balance</u> – this includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. If the Council action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.

<u>Committed Fund Balance</u> – this includes amounts that can be used only for the specific purposes determined by a formal action of the Council. It includes legislation (Council action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if the Council action limiting the use of the funds is separate from the action (legislation) that created (enables) the funding source, then it is committed, not restricted. The City considers a resolution to constitute a formal action of Council for the purposes of establishing committed fund balance.

<u>Assigned Fund Balance</u> – this includes amounts that are designated or expressed by the Council, but does not require a formal action like a resolution or ordinance. The Council may delegate the ability of an employee or committee to assign uses of specific funds, for specific purposes.

<u>Unassigned Fund Balance</u> – this includes the remaining spendable amounts which are not included in one of the other classifications.

It is the City's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the Board.

#### Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

#### (b) Basis of Presentation, (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All expenses not meeting this definition are reported as nonoperating expenses.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as general government, public safety, transportation, culture and leisure, and community development

The Noise Mitigation Fund accounts for revenues and expenditures from the Federal Aviation Administration (FAA) and the Los Angeles World Airport (LAWA) to pay for noise abatement programs for those properties under the flightpath and in the noise corridor.

The Grants Fund receives, disburses, and accounts for monies accruing to the City from Federal, State, and County grant programs except for those in the Transportation fund, the Noise Mitigation Fund, and the HUD (CDBG) Fund.

The Merged Redevelopment-City and Low/Moderate Income Housing Capital Projects Funds-City accounts for redevelopment activity in their respective project areas.

The Merged Redevelopment-City Debt Service Funds accounts for the accumulation of resources for, and the payment of, RDA general long-term debt principal and interest.

The City reports the following major enterprise fund:

- The Water Utility Fund accounts for the maintenance and operations of the City's water system. Revenue for this fund is primarily from charges for services.
- The Sewer Fund accounts for the maintenance and operations of the City's sewer system. Revenue for this fund is primarily from charges for services.

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

- The Sanitation Fund accounts for the refuse pick-up services provided by private contract. Billing and collection is assisted by City staff and an outside billing company for non-residential accounts.
- The *Parking Fund* accounts for the citation management and processing services that the City provides to other Cities.

The City reports the following additional fund types:

- The City's Internal Service Fund is used to account for services provided by the City's Information Technology and Communications Department. The Internal Service Fund is presented in summary form as part of the proprietary fund financial statements. In the government-wide financial statements, the changes in net assets at the end of the fiscal year, as presented in the statements of activities, were allocated to the user functions of the governmental activities, to reflect the entire activity for the year. Since the predominant users of the internal services are the City's governmental activities, the asset and liability balances of the Internal Service Funds are consolidated into the governmental activities column at the government- wide level.
- Pension Trust Funds are used to account for resources held in trust for the
  members and beneficiaries of a single employer defined benefit pension
  plan established for part-time City or seasonal employees not eligible for
  social security or California Public Employees' Retirement System (PERS)
  participation that was discontinued in 2004.
- An Agency Fund accounts for funds due to other cities as part of the City's parking ticket collection services. The fund only involves the receipts, temporary investments, and eventual remittances to others.
- The City's *Private Purpose Trust Funds* are used to account for the activities of the Redevelopment Obligation Retirement Funds, and other Successor Agency funds, which accumulates resources for obligations previously incurred by the former Inglewood Redevelopment Agency.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

Governmental fund type financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues and other governmental fund type financial resources (i.e., bond issuance proceeds) are recognized when they become susceptible to accrual - that is, when they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property, sales, and transient occupancy taxes are considered available and are accrued when received within sixty days after fiscal year-end. All other revenue sources are considered available and are accrued when received within 12 months of year-end. General capital assets acquisitions are reported as expenditures in governmental fund statements. Proceeds of general long-term debt and capital leases are reported as other financing sources.

For business-type activities reported on the government-wide financial statements and proprietary fund financial statements, the City has elected under GASB Statement No 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

Because the governmental fund financial statements *are* presented on a different measurement focus and basis of accounting than the government-wide financial statements for governmental activities, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the governmental-wide statements.

#### (c) Cash Deposits and Investments

The City follows the practice of pooling cash and investments of all funds to maximize returns for all funds, except for funds required to be held by trustees or fiscal agents. Interest income earned on pooled cash and investments is allocated to the various funds based on their monthly average cash balances. For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted cash and investments) with an original maturity of three months or less when purchased to be cash equivalents.

Investment transactions are recorded on the trade date. Investments in nonparticipating interest-earning investment contracts are reported at cost, and all other investments are at fair value. Fair value is defined as the amount that the City could reasonably expect to receive for an investment in a current sale between a willing buyer and seller and is generally measured by quoted market prices.

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

#### (d) Notes and Loans Receivable

The accompanying financial statements reflect the recording of certain loans receivable that represent loans made to private developers and other parties. In certain cases, the amount of collection is dependent upon future residual receipts to be generated by the property or contingent upon the ability of the owner to sell the property at an amount sufficient to pay all liens against the property, including the obligation to the City. When reasonably estimable, an allowance for doubtful accounts has been recorded to reflect management's best estimate of probable losses associated with non-repayment. An estimate of any additional potential losses associated with non-repayment cannot be reasonably estimated at this time.

#### (e) <u>Inventories</u>

Inventories are valued at cost, which approximates market, using the average cost method. The costs of governmental fund-type inventories are recorded as expenditures when consumed (i.e. consumption method).

#### (f) <u>Capital Assets</u>

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, sewer system, landscaping and improvements. The capitalization threshold for all capital assets is \$5,000 with a useful life of greater than one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds. Proprietary fund capital assets are recorded in the Water Enterprise Fund or Internal Service Fund. The estimated useful lives are as follows:

20 years
20 years
30-100 years
20 years
5 years
20-40 years
5-30 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the changes in financial position.

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

#### (g) <u>Land Held for Resale</u>

The balance sheet caption, "land held for resale", within the governmental funds represents land purchased held for resale. Such amount is valued at the lower of cost or net realizable value once the City has entered into an agreement for sale and an amount can be determined. Land held for resale purchased with grant funds has been expensed in the governmental fund financial statements and has been capitalized as land for resale on the statement of net assets.

#### (h) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City of Inglewood accrues only those taxes which are received within 60 days after year end.

The property tax calendar is as follows:

Lien Date: January 1
Levy Date: July 1

Due Date: First Installment - November 1

Second Installment - February 1 First Installment - December 11

Second Installment - April 11

Taxes are collected by Los Angeles County and are remitted to the City periodically. Dates and percentages are as follows:

December 20
January 20
February 20
April 20
May 20
July 20

40% Advance
Collection No. 1
35% Advance
Collection No. 2
Collection No. 2
Collection No. 3

#### (i) <u>Compensated Absences</u>

Delinquent Date:

Accumulated vacation and sick leave is accrued when incurred in the government-wide financial statements. Accrued vacation and sick leave is recorded in the governmental funds only to the extent that such amounts have matured (i.e., as a result of employee resignations and retirements).

#### Notes to Basic Financial Statements

(Continued)

#### (1) Summary of Significant Accounting Policies, (Continued)

Upon termination of employment, the City will pay the employee all accumulated vacation leave at 100% of the employee's base hourly rate. Upon retirement, termination after ten years of service, or death, the City will pay the employee all accumulated sick leave at 50% of the employee's base hourly rate.

#### (j) <u>Deferred Revenue</u>

Deferred revenue arises when a potential revenue transaction does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenue also arises when resources are received before the City has a legal claim to them, as when grant monies are received in advance of incurring qualified expenditures.

#### (k) Claims and Judgments

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability (including claims incurred but not reported) has been incurred prior to year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. In the normal course of municipal operations, the City has recorded a liability for claims and judgments based upon management's best estimate of the probable amount of loss associated with those claims. Additional amounts of potential loss (ranging from \$175,000 to \$700,000) have not been accrued because management has not determined those additional amounts to be probable of payment.

#### (l) <u>Long-term Obligations</u>

The City reports long-term debt of governmental funds in the government-wide statement of net assets. Certain other governmental fund obligations not currently due and payable at year end are also reported in the government-wide statement of net assets. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary fund and government-wide statement of net assets.

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets.

Bond discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond discount. In the fund financial statements, governmental funds recognize bond discounts during the current period. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

### Notes to Basic Financial Statements

(Continued)

## (1) Summary of Significant Accounting Policies, (Continued)

#### (m) Net Assets

The government-wide financial statements and business-type activities fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted and unrestricted.

- Invested In Capital Assets, Net of Related Debt This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Assets This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The City exhausts all restricted resources before use of unrestricted resources.
- Unrestricted Net Assets This category represents net assets of the City, not restricted for any project or other purpose.

#### (n) Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## (o) Net Pension Asset

In 2005 the City made contribution payments to PERS in addition to the annual required contribution which is reflected as a net pension asset in the Government-wide Statement of Net Assets. The Net Pension asset will be amortized over 20 years in accordance with the requirements of the Governmental Accounting Standards Board Statement Number 27, Accounting for Pensions by State and Local Governmental Employers.

#### Notes to Basic Financial Statements

#### (Continued)

#### (2) Cash and Investments

The City follows the practice of pooling cash and investments of all funds to maximize returns for all funds, except for funds required to be held by trustees or fiscal agents. Interest income earned on pooled cash and investments is allocated to the various funds based on their monthly average cash balances. Cash and investments as of September 30, 2012 are as classified in the accompanying financial statements as follows:

Statement of Net Assets:

Cash and investments

\$ 177,136,486

Fiduciary Funds:

Statement of Assets and Liabilities:

Cash and investments 22,784,454

Total cash and investments

\$ 199,920,940

Cash and investments as of September 30, 2012 consists of the following:

Cash on hand\$ 15,820Deposits with financial institutions18,905,153Investments180,999,967

# <u>Investments Authorized by the California Government Code and the Entity's Investment Policy</u>

The adjacent table identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that addresses interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

### Notes to Basic Financial Statements

(Continued)

# (2) Cash and Investments, (Continued)

Investment Types Authorized by State Law	Authorized By Investment <u>Policy</u>	*Maximum <u>Maturity</u>	*Maximum Percentage <u>Of Portfolio</u>	*Maximum Investment <u>In One Issuer</u>
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	30%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	Yes	100 days	20%	None
Reverse Repurchase Agreements	No	92 days	20%	None
Medium-Term Notes	Yes	5 years	30%	None
Mutual Funds	No	N/A	15%	None
Time Certificates of Deposit	Yes	5 years	25%	None
Money Market Mutual Funds	Yes	N/A	15%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
County Pooled Investment Funds	No	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None

<sup>\*</sup> Based on state law requirements or investment policy requirements, whichever is more restrictive.

# Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value of an investment will fall due to increasing market interest rates. Investments with longer maturities are usually more sensitive to interest rate changes. The City mitigates its exposure to interest rate risk by:

- Investing primarily in shorter term securities.
- Structuring its investment portfolio so that securities mature to meet the City's cash demands for ongoing operations.

#### Notes to Basic Financial Statements

(Continued)

## (2) Cash and Investments, (Continued)

The following table shows the distribution of the City's investments by maturity, including investments held by bond trustees or fiscal agents:

	Remaining Maturity (in Months)						
	12 ]	Months	13 to 24	1	25 to 36	More than	
	<u>01</u>	Less	Months 1	<u> </u>	Months 4 1	36 Months	<u>Total</u>
Federal Agency							
Securities	\$ 2	,006,400	_		2,000,000	37,785,500	41,791,900
Local Agency Investment							
Fund	27	,935,828	_		<b>-</b>	_	27,935,828
Medium term notes		-	_		-	1,000,000	1,000,000
Held by fiscal agents:							
Money market treasury							
obligations	110	,272,239					110,272,239
Total	<u>\$ 140</u>	<u>,214,467</u>		_	2,000,000	38,785,500	<u>180,999,967</u>

### Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City mitigates its exposure to credit risk by:

- Limiting investments to the types of securities authorized by the investment policy.
- Using only financial institutions which have been pre-qualified.
- Diversifying the investment portfolio.

The following table presents the credit quality of investments as of the end of the fiscal year.

	Rating as of Year End					
Investment	<u>Aal</u>	<u>Aaa</u>	<u>Unrated</u>	<u>Total</u>		
Federal agency securities	\$ -	41,791,900	-	41,791,900		
Local Agency Investment Fund	-	-	27,935,828	27,935,828		
Medium term notes	1,000,000	_	_	1,000,000		
Held by fiscal agents:						
Money market treasury						
obligations	-	<u>14,572,926</u>	95,699,313	110,272,239		
Total	<u>\$1,000,000</u>	56,364,826	123,635,141	<u>180,999,967</u>		

#### Notes to Basic Financial Statements

(Continued)

#### (2) Cash and Investments, (Continued)

#### Concentration of Credit Risk

The City's investment policy allows no more than 50% of the City's total investment portfolio to be invested in a single security type or with a single financial institution, with the exception of U.S. Treasury securities and investments in authorized pools. Investments in any one issuer that represent 5% or more of total City investments are as follows:

<u>Issuer</u>	Investment Type	Reported Amount
FHLB FFCB	Federal agency callable bonds Federal agency callable bonds Total	\$ 12,365,900 <u>21,000,000</u> \$ 33,365,900

## Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the *risk* that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The California Government Code and the City's investment policy do not contain any other legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments.

#### Notes to Basic Financial Statements

(Continued)

## (2) Cash and Investments, (Continued)

## Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

(3)	Due From Other Governments	Outstanding Balance at September 30, 2012
	The City submitted reimbursement requests to the U.S. Department of Housing and Urban Development for expenditures incurred for the Section 8 Housing Voucher, CDBG, HOME, and Emergency Shelter programs.	\$ 1,072,328
	The City incurred expenditures for repairs and purchased parcels of land as part of the Residential Sound Insulation program and has submitted reimbursement requests to the Federal Aviation Agency.	5,290,815
	The City incurred costs for certain transportation projects reimbursed by the Department of Transportation.	7,826
	The City incurred costs for certain transportation projects reimbursed by the County of Los Angeles.	215,213
	The City submitted reimbursement requests to the County of Los Angeles for expenditures related to Older Americans Act, Care Management, Homeland Security grants and various transportation grants	2,878,753
	The City submitted reimbursement requests for expenditures allowable under AB2766 to reduce air pollution from mobile sources such as cars, trucks and buses.	33,208
	Total due from other governments	<u>\$ 9,498,143</u>

#### Notes to Basic Financial Statements

(Continued)

## (4) Loans Receivable

The City provided financial assistance to qualifying low and moderate income households in connection with the first time home buyers and home rehabilitation loan programs. In addition, the City provided a loan for the development of real property. Due to the long-term nature of the loans, the City, on the governmental fund financial statements, has deferred recognition of revenues until receipt for loans associated with the first time home buyer loans. As of September 30, 2012, the balance of loans receivable was as follows:

	Low/Moderate Income Housing – Agency Capital Projects Fund	Non-Major Governmental <u>Funds</u>	<u>Total</u>
First time home buyer and rehabilitation loans	\$ 3,824,421	2,019,829	5,844,250
Development loans	50,980,131	7,300,000	58,280,131
Allowance for doubtful Accounts	(43,992,281)	(7,719,836)	<u>(51,712,117)</u>
Total loans	<u>\$ 10,812,271</u>	<u> 1,599,993</u>	12,412,264

### First time home buyer and rehabilitation loans:

One of the primary objectives of the Inglewood Redevelopment Agency (the "Agency") is to increase, improve and preserve the City's supply of low- and moderate-income housing. The First-Time Home Buyer Program, established in 1995, is one way in which the Agency attempts to meet this objective. On an annual basis, and in accordance with the Agency's approved budget, the Agency allocates monies from the Housing Fund for this First-Time Homebuyer Program. Allocated monies are used to provide loans for down payment and closing cost assistance for the purchase of a home to be used as a principal residence by a first-time homebuyer qualifying as a person or family of low- or moderate-income. The assistance is offered as a second mortgage loan made by the Agency concurrently with a first mortgage loan made by a lender. The loans are fully deferred loans until the home is sold or the title to the property is transferred. Program eligibility is based, in part, on the total household size and income.

#### Development loans:

<u>Loan to Osage Senior Villas</u> - In 2004 a loan in the amount of \$1,700,000 was made to Osage Senior Villas for the construction of 91 very low and low income senior housing units. The loan is to be repaid to the City in monthly installments over thirty years with interest rates ranging from 3-5%. The outstanding balance plus accrued interest as of September 30, 2012 is \$1,395,850.

#### Notes to Basic Financial Statements

(Continued)

### (4) Loans Receivable, (Continued)

Regency Senior Tower – In 2010 redevelopment tax increment funds were used to issue a loan in the amount of \$5,592,000 to Regency Towers Senior Housing L.P to facilitate in the acquisition and rehabilitation of the 104 unit Regency Senior Housing Complex. The loan is to be repaid over 55 years at 3% simple interest. The repayments are to be made through residual cash receipts. The outstanding balance as of September 30, 2012 is \$5,592,000.

Path Venture Loan - In 2010 redevelopment tax increment funds were used to issue a loan in the amount of \$2,462,995 to PATH Villas Osage Apartments L.P to provide construction and development of a 20 rental unit complex for low income housing. The loan accrues interest 3% simple interest. No loan repayments are due until February 2, 2065 or whenever the property is sold or transferred. Management has evaluated this loan and does not believe it will be fully collectible. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$2,959,915.

Regent 145 L.P. – During 2011 redevelopment tax increment fund were used to issue a new loan in the amount of \$13,948,000 to Regent 145 L.P. to provide construction and development of an affordable housing development consisting of 145 rental units. The loan accrues interest at 1.79% compounding interest and is to be repaid over 55 years in annual installments beginning on June 1 after the first full calendar year after the conversion date. Management has evaluated this loan and does not believe it will be fully collectible. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$13,948,000.

In 2011 the City also used HOME funds to issue a separate \$4,000,000 loan to Regent 145 L.P. for the same project noted above. The terms of this loan are the same as the redevelopment loan. Management has evaluated this loan and does not believe it will be fully collectible. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$4,000,000.

<u>Cloudbreak Inglewood</u> – During 2011 a loan in the amount of \$7,400,000 was approved to Cloudbreak Inglewood, LLC to provide construction and development of an affordable housing development consisting of 196 rental units. The loan accrues interest at 5% simple interest with repayment due to the City on May 1<sup>st</sup> each year based on residual residential receipts. The full unpaid balance is due on the earliest of: 1) June 30, 2064, 2) the 55<sup>th</sup> anniversary of the release of construction covenants, 3) the date of sale, transfer, assignment or refinance of the Site, or 4) the date of default by the Participant under the terms of the note. Management has evaluated this loan and does not believe it will be fully collectible. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$7,400,018.

#### Notes to Basic Financial Statements

(Continued)

## (4) Loans Receivable, (Continued)

Market Park Partners, L.P. – During 2011 the City approved a \$500,000 loan with HOME funding for the acquisition of affordable housing units. The loan accrues interest at 3% simple interest. The loan will be forgiven if all HOME program requirements are met for the specified period of time noted within the agreement. No payments are to be made unless the Participant is considered to be in default caused by violation of the agreement. In that event the unpaid principal and interest will be due. Management has evaluated this loan and does not believe it will be fully collectible. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$500,000.

Madison Square Garden Forum, LLC (MSG) — During 2012, the City approved an \$18,000,000 loan which provides for a commercial rehabilitation loan to assist MSG in the rehabilitation and renovation of the Forum. The loan accrues interest at 3% simple interest starting at the beginning of the sixth (6<sup>th</sup>) Loan Year. The loan will automatically be partially (50%) forgiven if all of the requirements of the agreement are met at the end of the fifth (5<sup>th</sup>) loan year. At the end of the sixth (6<sup>th</sup>) loan year, and at the end of each loan year thereafter, the principal and accrued interest will automatically be forgiven. As a result of these terms, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$18,000,000.

Grevillea Housing, L.P. – During 2012, the City approved a \$2,800,000 development loan using HOME funds which provides financial assistance to facilitate the development of a 62-unit residential affordable housing project. The loan accrues interest at 3% simple interest with repayment due to the City on June 1<sup>st</sup> of each year based on residual residential receipts. The full unpaid balance is due on the earliest of: 1) the 55<sup>th</sup> anniversary of the issuance of a permanent certificate of occupancy, 2) the date of sale, transfer, assignment or refinance of the Site, or 3) the date of default by the Participant under the terms of the note. Management has evaluated this loan and does not believe it will be fully collectible. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$2,800,000.

Four Prairie, Inc. – In 2005, Low/Mod Income Housing funds were used to issue a loan in the amount of \$1,172,000 for the development of nine (9) two-story single-family homes to be made available to moderate-income families for a period of 45 years. The loan bears no interest unless and until there is a default under the terms of the note. In May 2007, an amendment was approved to increase the loan to \$1,398,000 to install a fire hydrant as required by the Fire Department. The loan will be forgiven if all requirements are met for the specified period of 45 years as noted within the agreement. As a result, management has set up an allowance for the full amount outstanding. The outstanding balance as of September 30, 2012 is \$1,684,348.

## Notes to Basic Financial Statements

(Continued)

# (5) Capital Assets

Capital asset activity for the year ended September 30, 2012 was as follows:

	Balance October 1,			Balance September 30,
Governmental Activities:	<u>2011*</u>	<u>Additions</u>	<u>Deletions</u>	<u>2012</u>
Capital assets, not being depreciated:				
Land	\$ 84,491,750	-	-	84,491,750
Construction in progress	6,253,418	<u>5,052,267</u>	(4,982,224)	6,323,461
Total capital assets, not	00.545.460	505000		
being depreciated	90,745,168	5,052,267	_(4,982,224)	90,815,211
Capital assets, being depreciated:				
Buildings and improvements	51,119,350	598,996		51 710 246
Vehicles	7,529,548	402,265	<del>-</del>	51,718,346
Equipment	3,041,490	533,025	<del></del>	7,931,813
Road network	110,410,301	5,783,894	(2,336,693)	3,574,515 113,857,502
Landscaping	924,749	3,763,654	(2,330,093)	924,749
. 0	<u> </u>			<u> </u>
Total capital assets, being depreciated	173,025,438	7,318,180	(2,336,693)	178,006,925
Less accumulated depreciation for: Buildings and				
improvements	(42,401,900)	(562,737)	<del></del>	(42,964,637)
Vehicles	(5,183,696)	(1,001,862)		(6,185,558)
Equipment	(2,110,403)	(331,712)	<del></del>	(2,442,115)
Road network	(55,892,658)	(5,441,619)	2,336,693	(58,997,584)
Landscaping	(456,249)	(46,237)	-	(502,486)
Total accumulated				
depreciation	(106,044,906)	<u>(7,384,167</u> )	2,336,693	(111,092,380)
Total capital assets, being depreciated, net	66,980,532	(65,987)		66,914,545
Governmental activities capital assets, net	<u>\$157,725,700</u>	4,986,280	(4,982,224)	<u> 157,729,756</u>

<sup>\*</sup>Capital asset balances as of September 30, 2011 were restated in the amount of \$2,806,224. See footnote 18 for additional information.

# Notes to Basic Financial Statements

# (Continued)

# (5) Capital Assets, (Continued)

Business-type Activities:	Balance October 1, 2011*	Additions	Deletions	Balance September 30, 2012
Capital assets, not being				
depreciated:				
Land	\$ 90,598	-	-	90,598
Construction in progress		<u>1,119,819</u>	(1,119,819)	
Total capital assets, not				
being depreciated	90,598	<u>1,119,819</u>	(1,119,819)	90,598
Capital assets, being				
depreciated:				
Buildings and improvements	18,092,852	1,119,819	-	19,212,671
Vehicles	99,418	-	-	99,418
Machinery and equipment	2,705,409	<del>-</del>	-	2,705,409
Sewer system	4,573,030	-	-	4,573,030
Water system	33,518,328			33,518,328
Total capital assets, being				
depreciated	58,989,037	<u>1,119,819</u>		60,108,856
Less accumulated depreciation				
for:				
Buildings and improvements	(9,499,300)	(488,525)	-	(9,987,825)
Vehicles	(95,997)	(3,421)	-	(99,418)
Machinery and equipment	(2,149,318)	(48,397)	-	(2,197,715)
Sewer system	(1,804,418)	(225,503)	-	(2,029,921)
Water system	(14,874,313)	<u>(390,155</u> )	-	(15,264,468)
Total accumulated				
depreciation	(28,423,346)	<u>(1,156,001</u> )		(29,579,347)
Total capital assets, being				
depreciated, net	<u>30,565,691</u>	(36,182)		30,529,509
Business-type activities capital				
assets, net	<u>\$ 30,656,289</u>	<u>1,083,637</u>	<u>(1,119,819</u> )	<u>30,620,107</u>

<sup>\*</sup>Capital asset balances as of September 30, 2011 were restated in the amount of \$2,806,224. See footnote 18 for additional information.

## Notes to Basic Financial Statements

(Continued)

#### <u>(5)</u> Capital Assets, (Continued)

## **Depreciation**

Depreciation expense was charged to governmental functions as follows:

General government	\$ 156,845
Public safety	45,783
Transportation	6,506,432
Community development	302,343
Culture & Leisure	216,380
Depreciation on capital assets held by the City's internal service funds is charged to the various	
functions based on their usage of the assets	<u>156,384</u>
Total depreciation expenses - governmental functions	\$ 7,384,167

Depreciation expense was charged to the business-type functions as follows:

Water Utility Fund	\$ 904,549
Sewer Fund	226,551
Sanitation Fund	24,901

Total depreciation expense — business-type functions \$1,156,001

\$7,384,167

#### **Long-Term Obligations** <u>(6)</u>

A summary of long-term debt obligations for governmental activities is as follows:

Type of Indebtedness	<u>Maturity</u>	Interest Rates	Annual Principal <u>Installments</u>	Original Issue <u>Amount</u>	Outstanding at September 30, 2012
Public financing authority 2012 series	09/30/35	4.00%-7.42%	\$ 945,000 - 2,895,000	\$30.826.99 <u>9</u>	30,826,999
Pension Obligation Bonds: Taxable pension obligation bonds 2005 series A	09/01/25	4.60%-5.105%	\$ 1,190,000 - 21,655,000	41,620,000	36,235,000
Taxable pension obligation bonds 2005 series B Capital Appreciation Bonds	09/01/35	5.28%	\$1,348,000 - 2,154,000	17,231,302	17,231,302
Taxable pension obligation bonds 2005 series C Total pension obligation bonds	09/01/25	4.37%-4.95%	\$ 195,000 - 470,000	6,135,000 64,986,302	4,610,000 58,076,302
Total Governmental Activities				<u>\$ 95.813,301</u>	<u>88,903,301</u>

## Notes to Basic Financial Statements

(Continued)

## (6) Long-Term Obligations, (Continued)

## **Debt Service Requirements**

As of September 30, 2012, annual debt service requirements of governmental activities to maturity are as follows:

_	Lease Revenue Bonds		Pension Oblig	Pension Obligation Bonds		
Fiscal Year Ending September 30	Principal	<u>Interest</u>	Principal	Interest		
2013	\$ 945,000	876,716	\$ 1,790,000	2,061,855		
2014	1,300,000	836,488	1,880,000	1,975,369		
2015	1,895,000	784,488	1,975,000	1,883,781		
2016	2,045,000	689,738	2,060,000	1,787,201		
2017	2,200,000	587,488	2,175,000	1,683,991		
2018-2022	11,877,478	2,374,522	14,440,000	6,673,225		
2023-2027	5,385,105	7,264,894	20,723,671	10,487,811		
2028-2032	3,628,703	9,021,296	8,769,044	23,413,406		
2033-2035	1,550,713	6,039,287	4,263,587	15,044,982		
Total	<u>\$ 30,826,999</u>	<u> 28,474,917</u>	<u>\$ 58,076,302</u>	<u>65,011,621</u>		

# Changes in Long-term Liabilities

The following is a summary of long-term liability transactions for the year ended September 30, 2012:

Governmental Activities:	October 1, 2011	Additions	Reductions*	September 30, <u>2012</u>	Due Within One Year
Debt long-term liabilities:					
Tax allocation bonds payable	\$ 152,635,924	-	(152,635,924)	-	-
Pension obligation bonds					
payable	59,786,302	-	(1,710,000)	58,076,302	1,790,000
Lease revenue bonds payable	19,150,000	30,826,999	(19,150,000)	30,826,999	945,000
Notes payable	1,500,000	-	(1,500,000)		
Total debt long-term liabilities	233,072,226	30,826,999	(174.995.924)	88,903,301	2.735,000
Other long-term liabilities:					
Compensated absences	12,042,026	3,104,243	(2,253,692)	12,892,577	-
Accreted interest payable	15,630,384	1,260,258	(9,302,033)	7,588,609	-
Estimated claims liability	24,604,493	9,108,647	(8,858,379)	24,854,761	-
Net OPEB obligation	34,210,289	16,336,000	(4,433,044)	46,113,245	
Total other long-term liabilities	86,487,192	29,809,148	(24,847,148)	91,449,192	<del>-</del>
Total governmental activities					
<ul> <li>long-term liabilities</li> </ul>	<u>\$ 319,559,418</u>	60,636,147	<u>(199.843.072</u> )	<u>180,352,493</u>	<u>2,735,000</u>

<sup>\*</sup>On February 1, 2012 \$154,135,924 of liabilities of the former Redevelopment Agency of the City of Inglewood were transferred to the Successor Agency. See footnote 17 for additional information.

# Notes to Basic Financial Statements

(Continued)

# (6) Long-Term Obligations, (Continued)

## Changes in Long-term Liabilities

The following is a summary of long-term liabilities transactions for the year ended September 30, 2012:

Business-Type Activities:	October 1, 2011	Additions	Reductions	September 30, <u>2012</u>	Due Within One Year
Other long-term liabilities: Compensated absences	<u>\$ 569,897</u>	517,105	(341,400)	<u>745,602</u>	<del></del>

## Defeasance of Debt

The City has defeased certain tax allocation, lease/revenue bonds and certificates of participation in prior years. Proceeds of new bonds have been placed in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and liability for defeased bonds are not included in the City's financial statements.

A summary of long-term debt obligations for Successor Agency activities is as follows:

Tax Allocation Bonds: Merged Redevelopment Project Tax	<u>Maturity</u>	Interest Rates	Annual Principal <u>Installments</u>	Original Issue <u>Amount</u>	Outstanding at September 30, 2012
Allocation Refunding Bonds	05/01/23	4.00%-5.25%	\$ 465,000 -		
Series 1998A			2,305,000	\$ 38,960,000	20,950,000
Merged Redevelopment Project Tax					•
Allocation Refunding Bonds	05/01/31	4.30%-4.71%	\$ 630,000 -		
Series 2003A			1,555,000	16,157,175	16,157,175
Merged Redevelopment Project					
Subordinate Lien Tax Allocation	05/01/31	5.00%-6.50%	\$ 88,000 -		
Bonds Series 2003			1,390,000	10,993,749	10,085,093
Merged Redevelopment Project	05/01/00				
Subordinate Lien Tax Allocation Bonds series 2007A-1	05/01/38	3.25%-5.00%	\$ 445,000 -		
			4,890,000	67,230,000	61,910,000
Merged Redevelopment Project Subordinate Lien Tax Allocation	05/01/00	< a			
Bonds series 2007A-T	05/01/38	6.315%	\$ 90,000 -		
Merged Redevelopment Project		_	530,000	7,535,000	7,135,000
Subordinate Lien Tax Allocation	05/01/09	5 75 6 6 0 1 5 cc	A		
Bonds series 2007A-H	05/01/38	5.75%-6.315%	\$ 375,000 -		
Total tax allocation bonds			1,865,000	<u>35,315,000</u>	<u>32,055,000</u>
Notes payable:				<u>176,190.924</u>	148,292,268
Vons Company, Inc.	06/01/13	7.50%	Φ <b>Ω 0.757</b> 000	<b>A</b> 000 000	
	00/01/13	1.50%	\$0 - 2,757,000	2.000.000	1,500,000
Total Successor Agency Activities		44		<u>\$ 178,190,924</u>	149,792,268

#### Notes to Basic Financial Statements

(Continued)

## (6) Long-Term Obligations, (Continued)

## **Debt Service Requirements**

As of September 30, 2012, annual debt service requirements of Successor Agency transactions to maturity are as follows:

	Т	ax Allocati	on Bonds	N	Notes Payable	
Fiscal Year Ending September 30	<u>Pr</u>	incipal	Interest	Princip	oal Inte	erest
2013	\$ 4	1,741,674	7,946,306		<del>-</del>	<del>-</del>
2014	2	1,690,288	8,283,870		-	-
2015	4	5,054,202	8,026,281		<del>-</del>	-
2016	4	5,460,523	7,694,439		-	-
2017	4	5,667,875	7,626,949		<del>-</del>	-
2018-2022	35	5,825,777	32,929,995		<del>-</del>	<del>-</del>
2023-2027	37	7,642,397	19,305,081		-	-
2028-2032	28	3,064,532	10,499,280		<del>-</del>	<del>-</del>
2033-2037	18	3,905,000	2,947,955		-	-
2038	2	2,240,000	<u>121,659</u>	1,500,0	000 1,30	<u>5,38</u> 6
Total	<u>\$148</u>	3,292,268	<u>105,381,815</u>	1,500,0	000 1,30	<u>5,386</u>
		October	1,		September 30	), Due Within
Successor Agency Activ	ities:	<u>2011</u>	<u>Additions</u>	Reductions	2012*	One Year
Debt long-term liabilities:						
Accreted interest payable		\$ -	11,546,809	-	11,546,809	-
Tax allocation bonds pay	able	-	152,635,924	(4,343,656)	148,292,268	4,741,674
Notes payable		•	<u> 1,500,000</u>		1,500,000	<del></del>
Total debt long-term lia	bilities	\$ <u></u>	<u>165,682,733</u>	(4,343,656)	161,339,077	4,741,674

<sup>\*</sup>On February 1, 2012 \$154,135,924 of liabilities of the former Redevelopment Agency of the City of Inglewood were transferred to the Successor Agency. See footnote 17 for additional information.

### Bonds, Notes, and Loans Payable

Long-term obligations of the City and Successor Agency consist of lease revenue bonds, tax allocation bonds, taxable pension obligation bonds, notes payable, installment loans payable, compensated absences and claims liabilities which are payable from the General, Debt Service, Enterprise Funds and Private Purpose Trust Funds.

The refunding of the 1999 lease revenue Bonds into the 2012 lease revenue bonds resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$871,822 and a reduction of total debt service payments of \$1,548,842.

### Notes to Basic Financial Statements

(Continued)

## (7) Risk Management

## **Insurance Joint Powers Authority**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Independent Cities Risk Management Authority (ICRMA), a joint powers authority formed to provide liability insurance coverage for cities at an affordable cost. ICRMA has 26 member cities and each city appoints one member to the ICRMA Governing Board. Under the terms of the agreement with the ICRMA, the City is insured for losses above \$1,500,000 retention, with a liability limit of \$25,000,000 per occurrence. The City is insured for workers' compensation losses above \$1,000,000 retention, with a liability limit of \$95,000,000. The City's estimated liability for workers' compensation and general liability claims as of September 30, 2012 is based on the independent claim managers' estimate of probable losses including allocated expenses, as well as an adjustment for incurred but not reported (IBNR) losses based on an independent actuarial analysis. There have been no claims that have exceeded insured coverage during the last three fiscal years or changes in coverage from the prior year.

Changes in the claims and judgments payable amounts in fiscal years 2011 and 2012 are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim <u>Payments</u>	Balance at <u>Fiscal Year End</u>
2010-11	\$23,174,140	8,880,022	(7,449,669)	24,604,493
2011-12	24,604,493	9,108,647	(8,858,379)	24,854,761

#### (8) Retirement Plan

#### Pension Plan Description

The City of Inglewood contributes to the California Public Employees Retirement System (PERS). Separate agent-employer defined benefit pension plans have been established for the safety employees and the miscellaneous employees of the City. PERS provides retirement and disability benefits, annual cost of living adjustment, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Copies of PERS' annual financial report may be obtained from its executive office at 400 "P" Street, Sacramento, California 95814.

## Contributions and Funding Policy

Miscellaneous and safety participants are required to contribute 8% and 9%, respectively, of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. Benefit provisions and all other requirements are established by state statute and City contract with employee bargaining groups.

#### Notes to Basic Financial Statements

(Continued)

## (8) Retirement Plan, (Continued)

Under GASB 27, an employer reports an annual pension cost (APC) equal to the annual required contribution (ARC) plus an adjustment for the cumulative difference between the APC and the employer's actual plan contributions for the year. The cumulative difference is called the net pension obligation (NPO). The ARC reflected in the accompanying financial statements has been determined by an actuarial valuation of the plan as of June 30, 2011. The contribution rate indicated for the period is 28.341% of payroll for the safety plan and 12.922% of payroll for the miscellaneous plan.

A summary of principle assumptions and methods used to determine the ARC is shown below.

Cafata Dlam

Missellaneaus Dlan

Miscellaneous Plan	<u>Safety Plan</u>
June 30, 2009	June 30, 2009
Entry Age Normal Cost Method	Entry Age Normal Cost Method
Level Percent of Payroll	Level Percent of Payroll
25 Years as of the Valuation Date	29 Years as of the Valuation Date
15 Year Smoothed Market	15 Year Smoothed Market
7.75% (net of administrative expenses)	7.75% (net of administrative expenses)
3.25% to 14.45% depending on Age,	3.25% to 13.15% depending on Age,
Service, and type of employment	Service, and type of employment
3.00%	3.00%
3.25%	3.25%
A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.0% and an annual production growth of 0.25%	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.0% and an annual production growth of 0.25%
	June 30, 2009 Entry Age Normal Cost Method Level Percent of Payroll 25 Years as of the Valuation Date 15 Year Smoothed Market  7.75% (net of administrative expenses) 3.25% to 14.45% depending on Age, Service, and type of employment 3.00% 3.25% A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.0% and an annual production growth of

Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a rolling 30 year period, which results in an amortization of 6% of unamortized gains and losses each year. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period.

The Schedule of Funding Progress below shows the recent history of the actuarial value of assets, actuarial accrued liability, their relationship, and the relationship of the unfunded accrued liability to payroll. The schedule of funding progress, presented below presents multiyear information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

#### Notes to Basic Financial Statements

(Continued)

## (8) Retirement Plan, (Continued)

### City Miscellaneous Employees Group

Valuation <u>Date</u>	Entry Age Normal n Accrued Liability	Actuarial Value of Assets	Unfunded Liability/ (Excess <u>Assets)</u>	Funded Status	Annual Covered <u>Payroll</u>	UAAL As a % of <u>Payroll</u>
6/30/09 6/30/10	\$279,004,265 \$293,302,009	264,873,752 273,031,264	14,130,513 20,270,745	94.9% 93.1%	32,128,541 32,849,063	44.0% 61.7%
6/30/11	\$310,473,828	281,336,390	29,137,438	90.6%	28,013,123	104.0%

### City Safety Employees Group

Valuation <u>Date</u>	Entry Age Normal n Accrued Liability	Actuarial Value of Assets	Unfunded Liability/ (Excess <u>Assets)</u>	Funded Status	Annual Covered <u>Payroll</u>	UAAL As a % of <u>Payroll</u>
6/30/09	\$308,218,676	281,211,835	27,006,841	91.2%	18,952,756	142.5%
6/30/10	\$320,036,284	286,497,465	33,538,819	89.5%	19,891,980	168.6%
6/30/11	\$333,898,663	293,250,216	40,648,447	87.8%	19,029,268	213.6%

### Three-Year Trend Information

### Annual Pension Cost (Employer Contribution)

Fiscal			Percentage of	Net Pension
Year	Safety	Miscellaneous	APC Contributed	<b>Obligation</b>
9 <del>/30/1</del> 0	3,886,888	3,328,329	100%	-0-
9/30/11	4,505,794	2,974,743	100%	-0-
9/30/12	5,221,615	3,577,623	100%	-0-

### (9) Part Time Retirement Plan

Effective January 1, 2005, the City implemented a new Public Agency Retirement System (PARS) defined contribution plan for those part-time or seasonal employees who are not covered by PERS. Under the PARS plan, covered employees will contribute 7.5% of wages and will become fully vested immediately. The City is not required to contribute to the plan. The PARS plan replaced the City's prior plan that had been in existence from January 1, 1992 through December 31, 2004. Assets of the prior plan are reported as a pension trust fund pending distribution to former participants based on the value of their individual plan assets. The City is currently determining final distribution amounts.

#### Notes to Basic Financial Statements

(Continued)

## (10) Other Post-Employment Benefits Other than Pensions

Plan Description: The City administers a single-employer defined benefit plan which provides medical insurance benefits to eligible retirees and one additional dependent in accordance with various labor agreements. The City has not established a trust that is administered by the City for the purpose of holding assets accumulated for plan benefits. At age 65, Medicare automatically becomes the primary provider of health coverage and the City's defined benefit plan becomes the secondary provider. Eligible retirees will have no noticeable change in health benefits or plan administration; however, there is a reduction in the City's cost of health coverage as the secondary provider. The City's defined benefit plan administrator establishes the cost of secondary provider rates annually.

Eligibility: Employees are eligible for retiree health benefits if they retire from the City on or after age 50 and are eligible for a PERS pension benefit provided they elect to exchange sick and/or vacation hours as outlined in their specific labor agreement. Hours to exchange range from 400 to 1,000 depending on the percentage of cost of health care coverage elected and years of service as provided in the respective labor agreements. Membership of the plan consisted of the following at June 30, 2011, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	655
Active plan members	402
Total	<u>1,057</u>

City's Funding Policy: The contribution requirements of plan members and the City are established and may be amended by City Council. The contribution required to be made under City Council and labor agreement requirements is based on a pay-as-you-go basis (i.e., as medical insurance premiums become due). For fiscal year 2011-12, the City contributed \$4,433,044 to the plan for current premiums.

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

## Notes to Basic Financial Statements

(Continued)

# (10) Other Post-Employment Benefits Other than Pensions, (Continued)

Annual required contribution	\$17,467,000
Interest on net OPEB obligation	1,560,000
Adjustments to annual required contributions	(2,691,000)
Annual OPEB cost (expense)	16,336,000
Contributions made (including premiums paid)	(4,433,044)
Increase in net OPEB obligation	11,902,956
Net OPEB obligation-beginning of year	34,210,289
Net OPEB obligation-end of year	<u>\$46,113,245</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB <u>Obligation</u>
9/30/10	\$12,853,000	53%	\$ 24,314,493
9/30/11	\$13,644,000	40%	\$ 34,210,289
9/30/12	\$16,336,000	35%	\$ 46,113,245

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

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

#### Notes to Basic Financial Statements

(Continued)

# (10) Other Post-Employment Benefits Other than Pensions, (Continued)

actuarial cost method used for determining the benefit obligations is the Frozen Entry Age Actuarial Cost Method. The actuarial assumptions included a 4.75 percent investment rate of return, which is the assumed rate of the expected long-term investment returns on plan assets calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 3.4 percent initially, reduced by decrements of 0.5 per year to an ultimate rate of 2 percent after the third year. The UAAL is being amortized as a level percentage of projected payroll over 30 years. It is assumed the City's payroll will increase 3.25% per year. Schedule of Funding Progress.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)		UAAL as a Percentage of covered payrol! ((b-a)/c)
6/30/09	\$0	\$166,770,000	\$166,770,000	0%	\$33,721,000	494.6%
6/30/11	\$0	\$197,281,000	\$197,281,000	0%	\$33,121,000	595.6%

## (11) Pledged Revenue

The City is holding in a private-purpose trust fund (Successor Agency) the net assets of the dissolved former redevelopment agency pending their distribution to other governmental entities. The debt of the former redevelopment agency is secured by tax increment that is generated by each project area of the former redevelopment agency. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented in the accompanying notes. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in the accompanying notes. For the current year, debt service payments as a percentage of the pledged gross revenue are indicated in the table below. However, due to the requirements of the dissolution legislation, the distribution of future tax increment to the Successor Agency is limited to the amount required to pay the enforceable obligations of the Successor Agency that are due to be paid that year. The ability to pay these obligations is contingent upon future tax increment being sufficient to provide for the annual payment requirements. In addition, the dissolution of the former redevelopment agency has caused additional uncertainty about the ability of future tax increment to sustain the levels that were experienced in the past.

#### Notes to Basic Financial Statements

(Continued)

# (11) Pledged Revenue, (Continued)

Description of Pledged Revenue	Annual Amount of Revenue	Annual Debt Service Payments (of all debt secured by this revenue)	Debt Service as a Percentage of Pledged Revenue
Pension tax override revenues – Merged Redevelopment Project Area (2005 bonds)	\$8,390,242	3,853,109	45.9%
Tax increment – Merged Redevelopment Project Area	7,404,344	7,138,840	96.4%
Tax increment – Merged Redevelopment Project Area Low and Moderate Income Housing	1,503,575	2,930,527	194.9%

## (12) Related Party Transactions

On March 28, 2003, a former employee, entered into the Residency Incentive Loan Program and was provided a home loan for \$361,723 to help cope with the cost of housing and other objectives which accrues interest at a rate of 2.603% per annum. At September 30, 2012 the outstanding balance of the loan was \$348,743, contained within the General Fund receivables. The interest rate for these loans is adjusted annually based upon the City's rate of investment earning plus one half percent. As of September 30, 2012 the loan is in default and the City has begun the foreclosure process. As a result, the City has set up an allowance for the full amount outstanding.

### (13) Interfund Transactions

The following schedule summarizes the City's transfer activity:

Transfers In	Transfers Out	<u>Amount</u>
General Fund	Non-Major Governmental Funds	\$ 5,464,000 (a)
Merged Redevelopment Capital Projects Fund - City	Redevelopment Debt Service - City Funds	
Grants Fund	General Fund Non-Major Governmental Funds	1,218,608 (c) 348,814 (d) 1,567,422

#### Notes to Basic Financial Statements

(Continued)

## (13) Interfund Transactions

Non-Major Governmental	General Fund	4,370,253	(e)
Funds	Low/Moderate Income Housing - City	2,930,522	(f)
	Redevelopment Debt Service - City Funds	700,761	(g)
	Merged Redevelopment Capital Projects Fund - City	1,522 8,003,058	
Private Purpose Trust Fund	Redevelopment Debt Service - City Funds	<u>8,193,685</u>	(h)
Non-Major Enterprise Funds	General Fund	154,000	(i)
Total Transfers		\$_43,352,535	

- (a) The Measure IT Fund transferred \$5,464,000 to the General Fund for public safety reimbursements.
- (b) The Redevelopment Debt Service City Fund transferred \$19,970,370 to the Merged Redevelopment Capital Projects Fund City for ongoing operations including to provide for a commercial rehabilitation loan to assist Madison Square Garden in the rehabilitation and renovation of the Forum as well as to provide funding to the Hollywood Park and Land Co as part of an Owner Participation Agreement.
- (c) The General Fund transferred \$1,218,608 to the Grants fund to cover the City's portion of program expenditures.
- (d) The Prop C fund transferred \$348,814 to the Grants fund to record revenue received for reimbursable expenditures that are split between local and federal funds.
- (e) The General Fund transferred \$517,144 and \$3,853,109 to the Civic Center Debt Service Fund and Pension Obligation Bonds Debt Service Fund, respectively, to fund debt service payments for the 1999 Series A Lease Revenue Bonds and the 2005 Series A, B, and C Taxable Pension Obligation Bonds.
- (f) The Low/Moderate Income Housing City Fund transferred \$2,930,522 to the Subordinate Lien 2007 A-H Debt Service Fund to fund debt service payments for the Merged Redevelopment Project Subordinate Lien Tax Allocation Bonds series 2007 A-H.
- (g) The Redevelopment Debt Service City Fund transferred \$700,761 into a non-major fund to cover debt service payments.
- (h) The Redevelopment Debt Service City Fund transferred \$8,193,685 to a Private Purpose Trust Fund for debt service payments.
- (i) The General Fund transferred \$154,000 to the Information Technology and Communications Internal Service Fund for Police/ITC reimbursement.

#### Notes to Basic Financial Statements

(Continued)

### (13) Interfund Transactions, (Continued)

Interfund receivable and payable balances at September 30, 2012 are as follows:

Due from other funds	Due to other funds	<u>Amount</u>
General Fund	Non-Major Governmental Funds	\$ 238,858
Water Utility Fund	Parking Fund	<u>77,946</u>
		\$316,804

Interfund receivable and payable balances between the General Fund and a Non-Major Governmental Fund are the result of short term borrowing relating to grant program funding. The interfund borrowing between the Water Utility Fund and Parking Fund are a result of short-term cash borrowings to cover deficit cash balances at year end.

## (14) Expenditures in Excess of Appropriations

Expenditures for the year ended September 30, 2012 exceeded the appropriations of the following funds:

· ·	Budget	Actual	Variance
Special Revenue Funds:			
Proposition A	\$ 150,000	1,432,612	(1,282,612)
ARRA	-	46,631	(46,631)
Prop 1B	<del>-</del>	410	(410)
Debt Service Funds:			()
Redevelopment - City	-	863,297	(863,297)
Pension Obligation Bonds	3,853,109	3,854,947	(1,838)
Civic Center	2,529,288	3,774,018	(1,244,730)
Capital Projects Funds:			
Merged Redevelopment - City	<del>-</del>	24,032,446	(24,032,446)
Low/Moderate Income Housing - City	-	261,481	(261,481)

## (15) Accumulated Fund Deficits

Major Funds: Noise Mitigation Grants Parking Fund	\$(126,441) (883,623) (108,391)
Non-Major Funds: ITC Fund ARRA Fund	(108,111) (9,239)

Deficit Balance

Management's explanations for the resolution of accumulated fund deficits are summarized as follows. The deficit fund balances in these funds are the result of pending reimbursements.

#### Notes to Basic Financial Statements

(Continued)

# (16) Risk and Uncertainties - Cooperation Agreement with the Inglewood Redevelopment Agency

On January 25, 2011 the Inglewood Redevelopment Agency (Agency) and City of Inglewood (City) entered into a Cooperation Agreement. The purpose of the Cooperation Agreement is to facilitate the implementation of various redevelopment projects and programs and to provide the funding necessary to effectuate the completion of these projects and programs within the current fiscal year and forthcoming fiscal years. The key terms of the Cooperation Agreement are that it will:

- 1. Provide for the implementation of certain projects and programs, and
- 2. Evidence the Agency's pledge of net available tax increment to make reimbursement payments to the City of the cost of performing its obligations, and financing projects and programs

On February 15, 2011 the First Amendment to the Cooperation Agreement was approved by the Agency and City. This Amendment increased the number of projects and modified the related net available tax increment funding to reflect the increase in number of projects. The schedule of performance was also revised with this Amendment to reflect the additional projects.

On March 8, 2011 resolution Nos. 11-39 & R11-13 were adopted by the City and Agency for the transfer of real property and other assets of the Inglewood Redevelopment Agency to the City of Inglewood to meet existing obligations set forth in the Cooperation Agreement. Per this resolution:

The Council determined that the transfer of the real property and other assets of the Agency to the City is appropriate and necessary at this time to pay previously incurred indebtedness, to comply with Section 33333.8 of the California Health and Safety Code and to enforce the existing covenants, contracts or other obligations assumed by the City as set further in the Cooperation Agreement between the City and Agency.

Through this resolution the City approved and accepted the transfer of real property and other assets for the use by the City for municipal purposes consistent with the Cooperation Agreement. The City Council authorized the execution of Certificates of Acceptance of Grant Deeds for the transfer of ownership of the Real Property from the Agency to the City. The City and Agency believe that all asset transfers were completed in compliance with applicable laws in effect during the time of the transfers.

The asset transfers associated with this Cooperation Agreement are subject to the results of a future review by the California State Controller, as provided by Section 34167.5 of Assembly Bill X1 26. The accompanying financial statements do not reflect any adjustments that might be associated with this review that is expected to occur at a later date.

On March 15, 2012 the California State Controller's Office issued a letter to County Auditor-Controller's instructing every redevelopment agency's Successor Agency complete and return a "Asset Transfer Assessment Form" included within the letter. Per this letter, the assessment form will be used as part of the forthcoming field review, as well as to identify improper asset transfers.

### Notes to Basic Financial Statements

(Continued)

## (17) Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Inglewood that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On August 13, 2011, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 6057.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Prior to dissolution of the Redevelopment Agency on February 1, 2012, the final seven months of the activity of the redevelopment agency were reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City, pending the liquidation and distribution of the assets and liabilities of the former Redevelopment Agency to other taxing entities in accordance with state law.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an

#### Notes to Basic Financial Statements

(Continued)

# (17) Successor Agency Trust for Assets of Former Redevelopment Agency, (Continued)

extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of February 1, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (current financial resources measurement focus) and the measurement focus of the trust funds (economic resources measurement focus), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary loss recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in governmental funds - increase to net assets of the Successor Agency Trust Funds	\$ (14,618,016)
Accrued bond interest reported in the government-wide financial statements – decrease to net assets of the Successor Agency Trust Funds	12,221,165
Long-term debt reported in the government-wide financial statements – decrease to net assets of the Successor Agency Trust Funds	148,701,185
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary gain reported in the government-wide financial statements of the City	<u>\$ 146,304,334</u>

## Notes to Basic Financial Statements

(Continued)

# (18) Restatement of Fund Balance and Net Assets

The following schedules summarize the effects of the prior period adjustment to the Fund Financial Statements and Government-wide Statements.

## Governmental Funds:

	General <u>Fund</u>	Low/Moderate Income <u>Housing - City</u>	Other Governmental <u>Funds</u>
Fund balance at beginning of year, as previously reported	\$17,131,737	41,349,793	35,039,153
Restatement to make the Sewer Fund an Enterprise Fund	(2,523,863)	-	-
Restatement to make the Sanitation Fund an Enterprise Fund	(355,278)	-	-
Adjustment to record an allowance f doubtful accounts for certain outsta loans receivable balances	or nding -	(24,307,933)	(4,000,000)
Reclassification of major fund presentation from fiscal year ended September 30, 2011:			
Grant Special Revenue Fund	-	-	(1,028,926)
Merged-Redevelopment Capital Projects Funds – Agency	-	-	1,493
Redevelopment Debt Service Agency Funds		<del>-</del>	14,614,315
Fund balance at beginning of year, as restated	<u>\$14,252,596</u>	17,041,860	44,626,035

## Notes to Basic Financial Statements

(Continued)

# (18) Restatement of Fund Balance and Net Assets, (Continued)

The following schedule summarizes the effect of the prior period adjustments on the beginning net assets at October 1, 2011:

	Governmental <u>Activities</u>	Business-Type Activities	Total
Net assets at the beginning of the year, as previously reported	\$ 180,285,010	33,598,261	213,883,271
Restatement to make the Sewer Fund an enterprise fund	(2,523,863)	2,523,863	-
Restatement to make the Sanitation Fund an Enterprise Fund	(355,278)	355,278	-
Adjustment to record an allowance for doubtful accounts for certain outstanding loans receivables	(28,307,933)	-	(28,307,933)
Adjustment to transfer capital assets to Sewer and Sanitation Enterprise Funds in conjunction with the change in their fund classifications	(2,806,224)	2,806,224	-
Adjustment to correct revenue recognition in Sanitation Fund		(416,268)	(416,268)
Net assets at the beginning of the year, as restated	<u>\$ 146,291,712</u>	38,867,358	<u>185,159,070</u>

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REQUIRED SUPPLEMENTARY INFORMATION

### General Fund

# Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

Variance with

	Dudonto d	A		Final Budget
	Budgeted A			Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	\$ 57,437,000	57,437,000	63,435,139	5,998,139
Licenses and permits	829,100	1,134,100	1,378,841	244,741
Fines and forfeitures	5,073,100	5,073,100	4,069,887	(1,003,213)
Uses of money and property	542,200	540,600	743,994	203,394
Intergovernmental	9,759,000	9,246,800	9,279,284	32,484
Charges for services	3,430,907	3,639,207	2,829,515	(809,692)
Other revenues	448,100	448,600	602,664	154,064
Total revenues	77,519,407	77,519,407	82,339,324	4,819,917
Expenditures:				
Personnel services	56,223,391	54,728,944	53,752,818	976,126
Maintenance and operations	21,576,637	25,605,851	22,068,772	3,537,079
Capital outlay	575,000	840,556	508,778	331,778
Total expenditures	78,375,028	81,175,351	76,330,368	4,844,983
Excess (deficiency) of revenues				
over (under) expenditures	(855,621)	(3,655,944)	6,008,956	9,664,900
Other financing sources (uses):				
Transfers in	6,714,000	6,714,000	5,464,000	(1,250,000)
Transfers out	<u>(6,578,799</u> )	(6,578,799)	(5,742,861)	835,938
Total other financing				
sources (uses)	135,201	135,201	(278,861)	(414,062)
Net change in fund balance	(720,420)	(3,520,743)	5,730,095	9,250,838
Fund balances at beginning of year	14,252,596	14,252,596	14,252,596	
Fund balances at end of year	\$ 13,532,176	10,731,853	19,982,691	9,250,838

# Noise Mitigation Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Budgeted 2	Amounts		Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Uses of money and property	\$ -	-	70,868	70,868
Intergovernmental	20,233,000	20,233,000	13,283,050	(6,949,950)
Total revenues	20,233,000	20,233,000	13,353,918	(6,879,082)
Expenditures:				
Community development	39,464,735	39,464,735	13,516,018	25,948,717
Capital outlay	120,000	120,000	43,462	76,538
	***************************************		<u> </u>	
Total expenditures	39,584,735	39,584,735	13,559,480	26,025,255
Net change in fund balance	(19,351,735)	(19,351,735)	(205,562)	19,146,173
Fund balances at beginning of year	79,121	79,121	79,121	
Fund balances (deficit) at end of year	\$ (19,272,614)	(19,272,614)	(126,441)	19,146,173

# Grants Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive
	<u>Original</u>	Final	Actual	(Negative)
Revenues:				
Fines and forfeitures	\$ 852,000	952.000	212 605	(520.205)
Uses of money and property	\$ 632,000	852,000	313,605 2,213	(538,395) 2,213
Intergovernmental	5,116,145	5,116,145	3,418,504	(1,697,641)
Charges for services	85,450	85,450	83,329	(2,121)
Charges for services		05,450	65,529	(2,121)
Total revenues	6,053,595	6,053,595	3,817,651	(2,235,944)
Expenditures:				
Public safety	3,231,943	3,231,943	2,637,909	594,034
Culture and leisure	630,341	630,341	1,936,039	(1,305,698)
Community development	3,766,805	3,766,805	2,723,674	1,043,131
Capital outlay	50,000	50,000		50,000
Total expenditures	7,679,089	7,679,089	7,297,622	381,467
Excess (deficiency) of revenues				
over (under) expenditures	(1,625,494)	(1,625,494)	(3,479,971)	(1,854,477)
Other financing sources (uses): Transfers in	_	_	1,567,422	1,567,422
			1,507,122	1,507,122
Total other financing				
sources (uses)	-	_	1,567,422	1,567,422
Net change in fund balance	(1,625,494)	(1,625,494)	(1,912,549)	(287,055)
Fund balances at beginning of year	1,028,926	1,028,926	1,028,926	-
			<del></del>	
Fund balances (deficits) at end of year	<u>\$ (596,568)</u>	(596,568)	(883,623)	(287,055)

# Notes to Required Supplementary Information

September 30, 2012

## (1) Budgets and Budgetary Data

The City Council makes appropriations annually by budget resolution. The City Administrator is responsible for the preparation and recommendation of the annual budget and for its administration after adoption by City Council. The Council may amend the budget by resolution during the fiscal year. The City Administrator has the authority to transfer monies between line items and between and within organizational division and section activity and program budgets without restriction as to an amount. The City Administrator may transfer monies between personnel services, maintenance and operations, and capital outlay and improvement accounts up to the amount of \$5,000 without approval of the Mayor and City Council; however, the Mayor and City Council shall have exclusive authority to approve any such transfer exceeding that amount.

Annual budgets are adopted for all funds except for the Civic Center Debt Service Fund, Pension Obligation Bond Debt Service Fund, Subordinate Lien 2007A-1 Debt Service Fund and the Subordinate Lien 2007A-H Debt Service Fund because effective control is alternatively achieved through the provisions of the respective bond indentures and City ordinances.

Budgets are adopted on a basis consistent with generally accepted accounting principles.

SUPPLEMENTARY SCHEDULES

### Combining Balance Sheet

# Non-Major Governmental Funds

September 30, 2012

	_	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<u>Assets</u>					
Cash and investments Receivables, net allowances:	\$	28,041,167	13,703,036	-	41,744,203
Accounts Taxes Interest		81,765 849,109 63,229	- - 1,664	- - -	81,765 849,109 64,893
Loans Due from other governments Deposits and prepaid items Land held for resale		1,599,993 1,328,575 974,601 1,470,381	- - -	-	1,599,993 1,328,575 974,601
Total assets	<u>\$</u>	34,408,820	13,704,700		1,470,381 48,113,520
Liabilities and Fund Balances					
Liabilities:					
Accounts payable Due to other funds Deferred revenue	\$	922,056 238,858 1,901,874	20,380		942,436 238,858 1,901,874
Total liabilities		3,062,788	20,380		3,083,168
Fund balances:					
Restricted Unassigned		31,355,271 (9,239)	13,684,320	<u>-</u>	45,039,591 (9,239)
Total fund balances  Total liabilities and fund balances	<u></u>	31,346,032 34,408,820	13,684,320 13,704,700	<u>-</u>	45,030,352
	<del>-</del>	2 , 100,020	13,704,700	<del>-</del>	48,113,520

# Combining Statement of Revenues, Expenditures and Changes in Fund Balances

# Non-Major Governmental Funds

### Year Ended September 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues:				
Taxes	\$ 5,525,982	_	_	5,525,982
Special assessments	2,771,369	_	_	2,771,369
Fines and forfeitures	116,843	_	_	116,843
Uses of money and property	214,345	5,942	-	220,287
Intergovernmental	26,627,258	-	-	26,627,258
Charges for services	65,846	-	-	65,846
Other revenues	1,379,060			1,379,060
Total revenues	36,700,703	5,942		36,706,645
Expenditures:				
Public safety	88,746	-	-	88,746
Transportation	7,125,030	-	-	7,125,030
Culture and leisure	1,267,347	-	_	1,267,347
Community development	17,480,820	-	-	17,480,820
Capital outlay	842,066	-	-	842,066
Debt service:				
Principal retirement	-	1,710,000	-	1,710,000
Issuance costs	-	723,489	-	723,489
Payment to bond escrow agent	-	2,533,385	-	2,533,385
Interest and fiscal charges		6,294,899		6,294,899
Total expenditures	26,804,009	11,261,773	-	38,065,782
Excess (deficiency) of revenues over (under) expenditures	9,896,694	(11,255,831)		(1,359,137)
Other financing sources (uses):				
Transfers in	-	8,003,058	_	8,003,058
Transfers out	(5,812,814)	-	-	(5,812,814)
Proceeds of bonds	-	30,826,999	-	30,826,999
Payment to bond escrow agent	-	(17,133,759)	-	(17,133,759)
Premium on bonds		497,986		497,986
Total other financing sources (uses)	(5,812,814)	22,194,284	_	16,381,470
Extraordinary gain (loss)		(14,616,523)	(1,493)	(14,618,016)
Net change in fund balances	4,083,880	10,938,453		15,022,333
Fund balances at beginning of year, as restated	27,262,152	17,362,390	1,493	44,626,035
Fund balances at end of year	\$ 31,346,032	13,684,320	1,170	
- I am a summer at one of your	Ψ 31,370,032			45,030,352

#### NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

The City of Inglewood has the following Non-Major Special Revenue Funds:

<u>Measure IT Fund</u> – In 2006 the voters of Inglewood approved a special one-half cent use tax on sales within Inglewood. Most of the activities to be funded are anticipated to relate to public safety and critical community services.

<u>Traffic Offender Fund</u> – This fund is derived from revenues received from administrative fees for vehicles impounded for vehicle code violations. The revenues are used for traffic safety and enforcement purposes.

Arts Fund – This fund is derived from a fee imposed on certain new development for public art.

<u>Gas Tax Fund</u> – This fund receives grants and subventions of revenues from the Federal, State and County governments. Revenue allocated to this fund is used for street and signal construction and maintenance.

<u>Proposition A Fund</u> – One revenue stream the City uses for transportation related purposes are proceeds from a special use tax on sales within the County of Los Angeles.

<u>Prop C, Federal, State Transportation Fund</u> – The City receives transportation related revenues from the Federal government, State government and County government under a variety of programs. This fund receives those proceeds from programs such as the Federal Transportation Equity Act, Prop. 42 State traffic mitigation revenues, and the County of Los Angeles Measure C revenues.

<u>ARRA Fund</u> – To account for revenues and expenditures provided and used with American Reinvestment and Recovery act funds.

<u>AB2766 (AQMD) Fund</u> – This fund is a special revenue source of transportation projects designed to reduce air pollution emissions.

<u>Special Assessment Fund</u> – This fund receives, disburses, and accounts for monies accruing to the City as a result of the annual levy of assessments for special services within the boundaries of the various districts.

<u>Housing Fund</u> – This fund is a special revenue fund used specifically for providing housing to the qualifying individuals of the City.

#### NON-MAJOR SPECIAL REVENUE FUNDS, (CONTINUED)

<u>Housing – New Construction Fund</u> – This fund is dedicated to the design, creation and improvement of housing projects constructed to provide special services within the City limits.

<u>HUD (CDBG) Fund</u> – This fund accounts for all HUD (Housing and Urban Development) and CDBG (Community Development Block Grant) related revenues and expenses from Federal grant programs.

<u>Measure R Fund</u> – This fund accounts for a county-wide one half percent sales tax to fund transportation projects. Receipts can be used to synchronize traffic signals, repair potholes, keep senior, student and disabled bus fares low and provide community traffic relief. The tax receipts will be used primarily to improve public transit and street maintenance projects.

<u>Prop 1B</u> – This special revenue fund is for the purposes of safety improvement, repairs to state highways, updating freeway to reduce congestion, and maintenance to local and street roads.

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#### Combining Balance Sheet

## Non-Major Special Revenue Funds September 30, 2012

	]	Measure IT	Traffic Offender	Arts	Gas Tax	Proposition A
<u>Assets</u>						
Cash and investments	\$	134,505	149,702	597,813	2,494,741	2,186,488
Receivables, net allowances:						
Accounts		-	-	-	-	-
Taxes		383,800	-	-	363,519	-
Interest		1,342	340	1,359	5,767	4,921
Loans		-	-	-	-	-
Due from other governments		-	-	-	-	-
Deposits and prepaid items		-	-	_	_	-
Land held for resale	_	_				
Total assets	<u>\$</u>	519,647	150,042	599,172	2,864,027	2,191,409
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$	-	-	-	107,138	-
Due to other funds		-	-	-	-	-
Deferred revenue						
Total liabilities				<del>-</del>	107,138	
Fund balances:						
Restricted		519,647	150,042	599,172	2,756,889	2,191,409
Unassigned		-	· -	_	-	,,,
Total fund balances		519,647	150,042	599,172	2,756,889	2,191,409
Total liabilities and fund balances	<u>\$</u>	519,647	150,042	599,172	2,864,027	2,191,409

Prop C, Federal,					
State		AB2766	Special		Housing - New
Transportation	ARRA	(AQMD)	Assessment	Housing	Construction
5,712,992	-	441,918	758,752	727,050	80,296
81,765	-	-	-	-	-
-	-	-	101,790	-	-
16,835	-	1,003	1,661	89	-
215,213	- 7,826	33,208	-	- 74,293	-
213,213	7,620	33,206	-		-
-	-	_	-	839,551 -	_
6,026,805	7,826	476,129	862,203	1,640,983	80,296
472,816	-	-	107,543	3,186	80,296
-	9,239	-	-	-	-
215,214	7,826	33,208			
688,030	17,065	33,208	107,543	3,186	80,296
5,338,775	_	442,921	754,660	1,637,797	_
-	(9,239)	-	-	-	-
5,338,775	(9,239)	442,921	754,660	1,637,797	
	· · · · · ·				
6,026,805	7,826	476,129	862,203	1,640,983	80,296
					(Continued)

# CITY OF INGLEWOOD Combining Balance Sheet

# Non-Major Special Revenue Funds

(Continued)

	HUD (CDBG)	Measure R	Prop 1B	Total
<u>Assets</u>				
Cash and investments Receivables, net allowances:	8,396,345	2,667,385	3,693,180	28,041,167
Accounts	-	-	-	81,765
Taxes	-	-	-	849,109
Interest	15,250	6,267	8,395	63,229
Loans	1,599,993	-	-	1,599,993
Due from other governments	998,035	_	-	1,328,575
Deposits and prepaid items	135,050	_		974,601
Land held for resale	1,470,381			1,470,381
Total assets	12,615,054	2,673,652	3,701,575	34,408,820
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	52,866	98,211	-	922,056
Due to other funds	229,619	_	-	238,858
Deferred revenue	1,645,626			1,901,874
Total liabilities	1,928,111	98,211		3,062,788
Fund balances:				
Restricted	10,686,943	2,575,441	3,701,575	31,355,271
Unassigned		- -	· · · · · -	(9,239)
Total fund balances	10,686,943	2,575,441	3,701,575	31,346,032
Total liabilities and fund balances	12,615,054	2,673,652	3,701,575	34,408,820

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# CITY OF INGLEWOOD Combining Statement of Revenues, Expenditures and Changes in Fund Balances

#### Non-Major Special Revenue Funds

#### Year Ended September 30, 2012

	Measure IT	Traffic Offender	Arts	Gas Tax	Proposition A
Revenues:					
Taxes	\$ 5,525,982	-	-	-	-
Special assessments	-	-	-	-	-
Fines and forfeitures	=	116,843	-	-	-
Uses of money and property	1,574	1,417	5,176	19,630	19,118
Intergovernmental	-	-	-	3,217,464	1,774,566
Charges for services	-	-	-	-	-
Other revenues					
Total revenues	5,527,556	118,260	5,176	3,237,094	1,793,684
Expenditures:					
Public safety	-	88,746	-	_	_
Transportation	-	-	_	1,868,909	1,432,612
Culture and leisure	-	_	4,123	-	-, 12 =, 51 =
Community development	-	-	-	_	_
Capital outlay	<del>-</del>	<u>-</u>		751,258	
Total expenditures		88,746	4,123	2,620,167	1,432,612
Excess (deficiency) of revenues over (under) expenditures	5,527,556	29,514	1,053	616,927	361,072
Other financing sources (uses): Transfers out	(5,464,000)				
Total other financing sources (uses)	(5,464,000)				
Net change in fund balance Fund balances (deficits) at	63,556	29,514	1,053	616,927	361,072
beginning of year, as restated	456,091	120,528	598,119	2,139,962	1,830,337
Fund balances (deficits) at end of year	\$ 519,647	150,042	599,172	2,756,889	2,191,409

Prop	C,
Feder	al.

rederal,					
State		AB2766	Special		Housing - New
Transportation	ARRA	(AQMD)	Assessment	Housing	Construction
-	-	_	-	-	-
_	-	_	2,771,369	_	_
=	=	-	-	_	_
46,550	1,381	3,613	1,397	250	_
3,050,700	52,005	138,025	_	8,293,477	_
65,846	-	_	_	-	_
1,013	-	_	_	1,369,763	-
2 164 100	50.006		0.550.544	···	
3,164,109	53,386	141,638	2,772,766	9,663,490	
873,454	46,631	_	2,380,665	-	-
1,144,048	+0,051	_	2,360,003	-	<del>-</del>
1,144,040	_	_	-	9,820,061	-
_	_	_	_	9,020,001	-
				<del></del>	<del></del>
2,017,502	46,631	_	2,380,665	9,820,061	_
1,146,607	6,755	141,638	392,101	(156,571)	
(348,814)	-	_	_	-	_
(348,814)					
797,793	6,755	141,638	392,101	(156,571)	_
- · <b>,</b> ·	-,	, -, - <del>-</del> 3	<b>-,</b>	(-00,0,1)	
4 540 000	(15.004)	201.002	262 550	1 704 270	
4,540,982	(15,994)	301,283	362,559	1,794,368	
5,338,775	(9,239)	442,921	754,660	1,637,797	-
			-		

(Continued)

# CITY OF INGLEWOOD Combining Statement of Revenues, Expenditures and Changes in Fund Balances

# Non-Major Special Revenue Funds

#### (Continued)

	HUD (CDBG)	Measure R	Prop 1B	Total
Revenues:				
Taxes	-	-	-	5,525,982
Special assessments	-	-	-	2,771,369
Fines and forfeitures	-	-	-	116,843
Uses of money and property	58,693	22,016	33,530	214,345
Intergovernmental	7,231,289	1,097,486	1,772,246	26,627,258
Charges for services	-	-	-	65,846
Other revenues	8,284			1,379,060
Total revenues	7,298,266	1,119,502	1,805,776	36,700,703
Expenditures:				
Public safety	-	-	-	88,746
Transportation	-	522,349	410	7,125,030
Culture and leisure	119,176	_	-	1,267,347
Community development	7,660,759	_	-	17,480,820
Capital outlay	90,808			842,066
Total expenditures	7,870,743	522,349	410	26,804,009
Excess (deficiency) of revenues				
over (under) expenditures	(572,477)	597,153	1,805,366	9,896,694
Other financing sources (uses):				
Transfers out			<del>-</del>	(5,812,814)
Total other financing sources (uses)				(5,812,814)
Net change in fund balance	(572,477)	597,153	1,805,366	4,083,880
Fund balances (deficits) at				•
beginning of year	11,259,420	1,978,288	1,896,209	27,262,152
Fund balances (deficits) at end of year	10,686,943	2,575,441	3,701,575	31,346,032

# Measure IT Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 5,224,000	5,525,982	301,982
Uses of money and property	-	1,574	1,574
Total revenues	5,224,000	5,527,556	303,556
Excess (deficiency) of revenue over (under) expenditures	5,224,000	5,527,556	303,556
Other financing sources (uses): Transfers out	(5,464,000)	(5,464,000)	
Total other financing sources (uses)	(5,464,000)	(5,464,000)	
Net change in fund balance	(240,000)	63,556	303,556
Fund balances at beginning of year	456,091	456,091	
Fund balances at end of year	\$ 216,091	519,647	303,556

### Traffic Offender Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 100,000	116,843	16,843
Uses of money and property	2,000	1,417	(583)
Total revenues	102,000	118,260	16,260
Expenditures:			
Public safety	227,363	88,746	138,617
Total expenditures	227,363	88,746	138,617
Net change in fund balance	(125,363)	29,514	154,877
Fund balances at beginning of year	120,528	120,528	
Fund balances (deficits) at end of year	\$ (4,835)	150,042	154,877

# Arts Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	\$ 60,000	-	(60,000)
Uses of money and property	3,000	5,176	2,176
Total revenues	63,000	5,176	(57,824)
Expenditures:			
Culture and leisure	260,000	4,123	255,877
Total expenditures	260,000	4,123	255,877
Net change in fund balance	(197,000)	1,053	198,053
Fund balances at beginning of year	598,119	598,119	
Fund balances at end of year	\$ 401,119	599,172	198,053

### Gas Tax Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ -	19,630	19,630
Intergovernmental	3,224,000	3,217,464	(6,536)
Total revenues	3,224,000	3,237,094	13,094
Expenditures:			
Transportation	2,020,709	1,868,909	151,800
Capital outlay	1,017,000	751,258	265,742
Total expenditures	3,037,709	2,620,167	417,542
Net change in fund balance	186,291	616,927	430,636
Fund balances at beginning of year	2,139,962	2,139,962	-
Fund balances at end of year	\$ 2,326,253	2,756,889	430,636

# Proposition A Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property Intergovernmental	\$ - 1,642,000	19,118 1,774,566	19,118 132,566
Total revenues	1,642,000	1,793,684	151,684
Expenditures: Transportation	150,000	1,432,612	(1,282,612)
Total expenditures	150,000	1,432,612	(1,282,612)
Excess (deficiency) of revenues over (under) expenditures	1,492,000	361,072	_(1,130,928)
Other financing sources (uses): Transfers out	(1,250,000)		1,250,000
Total other financing sources (uses)	(1,250,000)		1,250,000
Net change in fund balance	242,000	361,072	119,072
Fund balances at beginning of year	1,830,337	1,830,337	
Fund balances at end of year	\$ 2,072,337	2,191,409	119,072

# Prop C, Federal, State Transportation Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ -	46,550	16 550
Intergovernmental	13,609,437	3,050,700	46,550 (10,558,737)
Charges for services	75,000	65,846	(9,154)
Other revenues	-	1,013	1,013
Total revenues	13,684,437	3,164,109	(10,520,328)
Expenditures:			
Transportation	20,017,345	873,454	19,143,891
Culture and leisure	1,300,734	1,144,048	156,686
Total expenditures	21,318,079	2,017,502	19,300,577
Excess (deficiency) of revenues over (under) expenditures	(7,633,642)	1,146,607	8,780,249
Other financing sources (uses): Transfers out		(348,814)	(348,814)
Total other financing sources (uses)		(348,814)	(348,814)
Net change in fund balance	(7,633,642)	797,793	8,431,435
Fund balances at beginning of year	4,540,982	4,540,982	
Fund balances at end of year	\$ (3,092,660)	5,338,775	8,431,435

# ARRA Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property Intergovernmental	\$ - 	1,381 52,005	1,381 52,005
Total revenues		53,386	53,386
Expenditures: Transportation		46,631	(46,631)
Total expenditures	_	46,631	(46,631)
Net change in fund balance	-	6,755	6,755
Fund balances (deficits) at beginning of year	(15,994)	(15,994)	
Fund balances (deficits) at end of year	\$ (15,994)	(9,239)	6,755

# AB2766 (AQMD) Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property Intergovernmental	\$ - 130,000	3,613 138,025	3,613 8,025
Total revenues	130,000	141,638	11,638
Excess (deficiency) of revenues over (under) expenditures	130,000	141,638	11,638
Net change in fund balance	130,000	141,638	11,638
Fund balances at beginning of year	301,283	301,283	
Fund balances at end of year	\$ 431,283	442,921	11,638

## Special Assessment Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special assessments	\$ 2,682,329	2,771,369	89,040
Uses of money and property		1,397	1,397
Total revenues	2,682,329	2,772,766	90,437
Expenditures:			
Transportation	2,556,543	2,380,665	175,878
Total expenditures	2,556,543	2,380,665	175,878
Net change in fund balance	125,786	392,101	266,315
Fund balances at beginning of year	362,559	362,559	
Fund balances at end of year	\$ 488,345	754,660	266,315

### Housing Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ -	250	250
Intergovernmental Other revenues	8,465,052 4,739,124	8,293,477 1,369,763	(171,575) (3,369,361)
Total revenues	13,204,176	9,663,490	(3,540,686)
Expenditures:			
Community development	13,053,829	9,820,061	3,233,768
Total expenditures	13,053,829	9,820,061	3,233,768
Excess (deficiency) of revenues			
over (under) expenditures	150,347	(156,571)	(306,918)
Net change in fund balance	150,347	(156,571)	(306,918)
Fund balances at beginning of year	1,794,368	1,794,368	
Fund balances at end of year	\$ 1,944,715	1,637,797	(306,918)

# Housing - New Construction Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total revenues	\$ -	-	-
Excess (deficiency) of revenues over (under) expenditures			
Other financing sources (uses): Transfers in			
Total other financing			
sources (uses)			-
Net change in fund balance	-	-	-
Fund balances at beginning of year		-	
Fund balances at end of year	\$	<del>-</del>	<del>-</del>

# HUD (CDBG) Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ -	58,693	58,693
Intergovernmental	16,704,026	7,231,289	(9,472,737)
Other revenues		8,284	8,284
Total revenues	16,704,026	7,298,266	(9,405,760)
Expenditures:			
Culture and leisure	191,962	119,176	72,786
Community development	19,663,791	7,660,759	12,003,032
Capital outlay	322,110	90,808	231,302
Total expenditures	20,177,863	7,870,743	12,307,120
Net change in fund balance	(3,473,837)	(572,477)	2,901,360
Fund balances at beginning of year, as restated	11,259,420	11,259,420	
Fund balances at end of year	\$ 7,785,583	10,686,943	2,901,360

### Measure R Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	 Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ -	22,016	22,016
Intergovernmental	 1,021,000	1,097,486	76,486
Total revenues	 1,021,000	1,119,502	98,502
Expenditures:			
Transportation	 1,263,065	522,349	740,716
Total expenditures	 1,263,065	522,349	740,716
Excess (deficiency) of revenues			
over (under) expenditures	 (242,065)	597,153	839,218
Net change in fund balance	(242,065)	597,153	839,218
Fund balances at beginning of year	 1,978,288	1,978,288	
Fund balances at end of year	\$ 1,736,223	2,575,441	839,218

# Prop 1B Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ -	1,772,246	1,772,246
Uses of money and property		33,530	33,530
Total revenues		1,805,776	1,805,776
Expenditures:			
Transportation	-	410	(410)
Total expenditures		410	(410)
Excess (deficiency) of revenues			
over (under) expenditures		1,805,366	1,805,366
Net change in fund balance	-	1,805,366	1,805,366
Fund balances at beginning of year	1,896,209	1,896,209	
Fund balances at end of year	\$ 1,896,209	3,701,575	1,805,366

#### NON-MAJOR DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, governmental long-term debt principal and interest. Budgets are adopted for debt service funds relating to the redevelopment projects as required by State law, but are not employed for other debt service funds (Redevelopment – Agency, Redevelopment – City, Civic Center, Pension Obligation Bonds) because effective control is alternatively achieved through the provisions of the respective bond indentures.

City of Inglewood has the following Non-Major Debt Service Funds:

Civic Center Debt Service Fund Pension Obligation Bonds Debt Service Fund Redevelopment Debt Service – Agency Funds

# CITY OF INGLEWOOD Combining Balance Sheet

# Non-Major Debt Service Funds

### September 30, 2012

	Civic Center	Pension Obligation Bond	Redevelopment Debt Service - Agency Funds	Total
<u>Assets</u>		••••		W. 1827 W. 2
Cash and investments Receivables, net allowances:	\$ 13,489,895	213,141	-	13,703,036
Interest	1,660	4	<del></del>	1,664
Total assets	\$ 13,491,555	213,145		13,704,700
Liabilities and Fund Balances				
Liabilities: Total liabilities	\$ 20,380			20,380
Fund balances:				
Restricted	13,471,175	213,145	_	13,684,320
Total fund balances	13,471,175	213,145		13,684,320
Total liabilities and				
fund balances	<u>\$ 13,491,555</u>	213,145	-	13,704,700

# Combining Statement of Revenues, Expenditures and Changes in Fund Balances

#### Non-Major Debt Service Funds

### Year Ended September 30, 2012

	Civic Center	Pension Obligation Bond	Redevelopment Debt Service - Agency Funds	Total
Revenues:		***************************************		
Uses of money and property	\$ 3,435	296	2,211	5,942
Total revenues	3,435	296	2,211	5,942
Expenditures:				
Debt service:				
Principal	702 400	1,710,000	-	1,710,000
Issuance costs	723,489		-	723,489
Payment to bond escrow agent	2,533,385		-	2,533,385
Interest and other charges	517,144	2,144,947	3,632,808	6,294,899
Total expenditures	3,774,018	3,854,947	3,632,808	11,261,773
Excess (deficiency) of revenues				
over (under) expenditures	(3,770,583	(3,854,651)	(3,630,597)	(11,255,831)
Other financing sources (uses):				
Transfers in	517,144	3,853,109	3,632,805	8,003,058
Proceeds of bonds	30,826,999	, ,	5,052,005	30,826,999
Payment to bond escrow agent	(17,133,759		_	(17,133,759)
Premium on bonds	497,986	•	-	497,986
Total other financing		-		177,700
sources (uses)	14,708,370	3,853,109	3,632,805	22,194,284
Extraordianary gain (loss)			(14,616,523)	(14,616,523)
Net change in fund balance	10,937,787	(1,542)	(14,614,315)	(3,678,070)
Fund balances at beginning of year	2,533,388	214,687	14,614,315	17,362,390
Fund balances at end of year	\$ 13,471,175	213,145	_	13,684,320

### Redevelopment Debt Service - City Funds Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ -	8,907,919	8,907,919
Uses of money and property		134,214	134,214
Total revenues		9,042,133	9,042,133
Expenditures:			
Community development	-	854,540	(854,540)
Debt service: Interest and fiscal charges	_	8,757	(8,757)
morest and risear charges	<del>.</del>	<u>0,757</u>	(0,737)
Total expenditures	-	863,297	(863,297)
Excess (deficiency) of revenues over (under) expenditures		8,178,836	8,178,836
Other financing sources (uses):			
Transfers in	4,307,602	-	(4,307,602)
Transfers out		(28,864,816)	(28,864,816)
Total other financing		•	
sources (uses)	4,307,602	(28,864,816)	(33,172,418)
Net change in fund balance	4,307,602	(20,685,980)	(24,993,582)
Fund balances at beginning of year	111,993,400	111,993,400	
Fund balances at end of year	\$ 116,301,002	91,307,420	(24,993,582)

# Civic Center Debt Service Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$	3,435	3,435
Total revenues		3,435	3,435
Expenditures: Debt service:			
Principal retirement	1,495,000	_	1,495,000
Issuance costs	-	723,489	(723,489)
Payment to bond escrow agent	_	2,533,385	(2,533,385)
Interest and fiscal charges	1,034,288	517,144	517,144
Total expenditures	2,529,288	3,774,018	(1,244,730)
Excess (deficiency) of revenues over (under) expenditures	(2,529,288)	(3,770,583)	(1,241,295)
Other financing sources (uses):			
Transfers in	2,529,288	517,144	(2,012,144)
Proceeds of bonds	-,, ,- 3 3	30,826,999	30,826,999
Payment to bond escrow agent	_	(17,133,759)	(17,133,759)
Premium on bonds		497,986	497,986
Total other financing			-
sources (uses)	2,529,288	14,708,370	12,179,082
Net change in fund balance	-	10,937,787	10,937,787
Fund balances at beginning of year	2,533,388	2,533,388	_
Fund balances at end of year	\$ 2,533,388	13,471,175	10,937,787
	07		

### Pension Obligation Bond Debt Service Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	<u>\$</u>	296	296
Total revenues		296	296
Expenditures:			
Debt service:			
Principal retirement	1,710,000	1,710,000	-
Interest and fiscal charges	2,143,109	2,144,947	(1,838)
Total expenditures	3,853,109	3,854,947	(1,838)
Excess (deficiency) of revenues			
over (under) expenditures	(3,853,109)	(3,854,651)	(1,542)
Other financing sources (uses): Transfers in	3,853,109	3,853,109	-
Total other financing			
sources (uses)	3,853,109	3,853,109	
Net change in fund balance	-	(1,542)	(1,542)
Fund balances at beginning of year	214,687	214,687	
Fund balances at end of year	\$ 214,687	213,145	(1,542)

Redevelopment Debt Service - Agency Funds Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 17,942,000	-	(17,942,000)
Uses of money and property	520,000	2,211	(517,789)
Total revenues	18,462,000	2,211	(18,459,789)
Expenditures:			
Community development  Debt service:	3,197,328	-	3,197,328
Principal retirement	3,435,000		2 425 000
Interest and fiscal charges	6,682,317	3,632,808	3,435,000 3,049,509
Total expenditures	13,314,645	3,632,808	9,681,837
Excess (deficiency) of revenues			
over (under) expenditures	5,147,355	(3,630,597)	(8,777,952)
Other financing sources (uses):			
Transfers in	12,262,129	3,632,805	(8,629,324)
Transfers out	(18,700,000)		18,700,000
Total other financing			
sources (uses)	(6,437,871)	3,632,805	10,070,676
Net change in fund balance	(1,290,516)	2,208	1,292,724
Extraordinary gain (loss)		(14,616,523)	(14,616,523)
Fund balances at beginning of year	14,614,315	14,614,315	
Fund balances at end of year	\$ 13,323,799	_	(13,323,799)

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#### MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the purchase or construction of major capital facilities which are not financed by Proprietary Funds. Capital Projects Funds are ordinarily not used to account for the acquisition of furniture, fixtures, machinery, equipment and other relatively minor or comparatively short-lived capital assets.

The City of Inglewood has the following Major Capital Projects Funds:

Merged Redevelopment – City – Capital Projects Fund Low/Moderate Income Housing – City – Capital Projects Fund

# CITY OF INGLEWOOD Combining Balance Sheet

# Non-Major Capital Projects Funds

September 30, 2012

	Merged Redevelopment - Agency		Low/Moderate Income Housing - Agency	y Total
Assets	1 111111		-	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Cash and investments Receivables, net allowances: Interest	\$	-	-	- -
Total assets	<del></del>	-		
Liabilities and Fund Balances				
Liabilities: Total liabilities		_		
Fund balances: Restricted Total fund balances		<del>-</del>		
Total fund balances		<del>-</del>	-	
Total liabilities and fund balances	\$			<u>-</u>

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### Non-Major Capital Projects Funds

### Year Ended September 30, 2012

	Merged Redevelopment - Agency	Low/Moderate Income Housing - Agency	Total
Total revenues	\$ -	-	-
Total expenditures			-
Excess (deficiency) of revenues over (under) expenditures	-		
Other financing sources (uses): Extraordinary gain (loss)	(1,493)		(1,493)
Total other financing sources (uses)	(1,493)		(1,493)
Net change in fund balance	(1,493)	-	(1,493)
Fund balances at beginning of year	1,493		1,493
Fund balances at end of year	\$ -	-	_

### Merged Redevelopment - Agency - Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ 410,000	-	(410,000)
Other revenues	31,240		(31,240)
Total revenues	441,240		(441,240)
Expenditures:			
Community development	6,621,230		6,621,230
Total expenditures	6,621,230	-	6,621,230
z otaz emperiarenes		<del></del>	
Excess (deficiency) of revenues			
over (under) expenditures	(6,179,990)		6,179,990
Other financing sources (uses):			
Transfers in	5,000,000	-	(5,000,000)
Extraordinary gain (loss)	-	(1,493)	(1,493)
Total other financing			
sources (uses)	5,000,000	(1,493)	(5,001,493)
Net change in fund balance	(1,179,990)	(1,493)	1,178,497
Fund balances at beginning of year	1,493	1,493	_
Fund balances (deficits) at end of year	\$ (1,178,497)		1,178,497

### Low/Moderate Income Housing - Agency - Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ 200,000	-	(200,000)
Other revenues	163,000	-	(163,000)
Total revenues	363,000		(363,000)
Expenditures:			
Community development	8,952,350	_	8,952,350
Total expenditures	8,952,350		8,952,350
Excess (deficiency) of revenues	(0.500.050)		0 700 470
over (under) expenditures	(8,589,350)		8,589,350
Other financing sources (uses):			
Transfers in	4,200,000	-	(4,200,000)
Transfers out	(2,930,527)		2,930,527
Total other financing			
sources (uses)	1,269,473	-	(1,269,473)
Net change in fund balance	(7,319,877)	-	7,319,877
Fund balances at beginning of year			
Fund balances (deficits) at end of year	\$ (7,319,877)	_	7,319,877

### Merged Redevelopment - City - Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Uses of money and property	\$ -	70,588	70,588
Charges for services	-	124,474	124,474
Other revenues	<del>-</del>	2,400	2,400
Total revenues		197,462	197,462
Expenditures:			
Community development		24,032,446	(24,032,446)
Total expenditures		24,032,446	(24,032,446)
Excess (deficiency) of revenues			
over (under) expenditures		(23,834,984)	(23,834,984)
Other financing sources (uses):			
Transfers in	-	19,970,370	19,970,370
Transfers out		(1,522)	(1,522)
Total other financing			
sources (uses)		19,968,848	19,968,848
Net change in fund balance	-	(3,866,136)	(3,866,136)
Fund balances at beginning of year	36,056,179	36,056,179	_
Fund balances at end of year	\$ 36,056,179	32,190,043	(3,866,136)

### Low/Moderate Income Housing - City - Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended September 30, 2012

			Variance with Final Budget
	Final		Positive
	Budget	Actual	(Negative)
	<del></del>		
Revenues:			
Uses of money and property	\$ -	11,536	11,536
Charges for services	-	24,745	24,745
Other revenues		54,208	54,208
Total revenues	-	90,489	90,489
		•	
Expenditures:			
Community development	_	261,481	(261,481)
Total expenditures		261,481	(261,481)
Excess (deficiency) of revenues			
over (under) expenditures	_	(170,992)	(170,992)
Other financing courses (vess).			
Other financing sources (uses): Transfers out	_	(2,930,522)	(2,930,522)
Transfers out	Pullulani	(2,730,322)	(2,730,322)
Total other financing			
sources (uses)	-	(2,930,522)	(2,930,522)
Net change in fund balance	-	(3,101,514)	(3,101,514)
Fund balances at beginning of year	<u>17,041,860</u>	17,041,860	_
<b>T</b>	<b></b>		
Fund balances at end of year	<u>\$ 17,041,860</u>	13,940,346	(3,101,514)

### AGENCY FUNDS

Agency Funds account for monies held by the City in a trustee capacity as an agent for individuals, private organizations and other governmental units.

The City's Agency Funds are as follows:

<u>Trust and Agency Fund</u> – This fund primarily accounts for funds due to other cities as part of the City's parking ticket collection services. The fund only involves the receipts, temporary investments, and eventual remittances to others.

<u>Hollywood Park CFD Fund</u> – This fund accounts for funds advanced under the terms of the Advance Funds Agreement(s) between the City of Inglewood and Hollywood Park Land Company, LLC providing for reimbursement of costs incurred by the City for the redevelopment of the Hollywood Park mixed use project.

The City of Inglewood has the following Pension Trust Funds:

<u>Pension Trust Fund</u> – This fund is used to account for resources held in trust for the members and beneficiaries of a single employer defined benefit pension plan established for part-time City or seasonal employees not eligible for social security or California Public Employees' Retirement Systems (PERS) participation that was discontinued in 2004.

<u>PARS Plan Fund</u> – This fund is used to account for resources held in trust for the members and beneficiaries of a single employer defined benefit pension plan established for part-time City or seasonal employees not eligible for social security or California Public Employees' Retirement System (PERS) participation that was effective in 2005.

The City of Inglewood has the following Private Purpose Trust Funds:

Redevelopment Obligation Retirement Fund — This fund accounts for property tax allocated to the Successor Agency to pay the enforceable obligations listed on the ROPS.

<u>Successor Agency Low and Moderate Housing Fund</u> – This fund accounts for the Successor Agency's gross tax increment revenue that is set-aside for the purpose of low-income housing development.

<u>Successor Agency Debt Service Fund</u> – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the Successor Agency.

<u>Successor Agency Capital Projects Fund</u> – This fund accounts for the acquisition and construction of major capital facilities of the Successor Agency.

### Combining Statement of Assets and Liabilities - Agency Funds

### September 30, 2012

	Trust and Agency Fund		<b>,</b>	
<u>Assets</u>				
Cash and investments Due from other governments	\$	922,875 81,620	264,760	1,187,635 81,620
Total assets	\$	1,004,495	264,760	1,269,255
<u>Liabilities</u>				
Accounts payable Funds held for others	\$	360,408 644,087	31,757 233,003	392,165 877,090
Total liabilities	\$	1,004,495	264,760	1,269,255

### CITY OF INGLEWOOD Agency Fund

### Statement of Changes in Assets and Liabilities

### Year ended September 30, 2012

	Balance at September 30.2	<u> 2011</u> <u>A</u>	Additions	<u>Deletions</u>	Balance at September 30, 2012
Trust and Agency Fund					
<u>Assets</u>					
Cash and investments  Due from other governments		5,737 - 5,737	922,875 81,620 1,004,495	(816,737)	922,875 81,620 1,004,495
<u>Liabilities</u>					
Accounts payable Funds held for others	33	9,333 7,404 6,737	360,408 644,087 1,004,495	(479,333) (337,404) (816,737)	360,408 644,087 1,004,495
HOLLYWOOD PARK CFD					
<u>Assets</u>					
Cash and investments		5,514 5,514	264,760 264,760	(145,514) (145,514)	264,760 264,760
<u>Liabilities</u>					
Accounts payable Funds held for others  TOTALS - ALL AGENCY FUNDS	133	2,497 3.017 5,514	31,757 233,003 264,760	(12,497) (133,017) (145,514)	31,757 233,003 264,760
<u>Assets</u>					
Cash and investments  Due from other governments	\$ 962	2,251 	1,187,635 81,620	(962,251)	1,187,635 81,620
Total assets	\$ 962	2,251	1,269,255	(962,251)	1,269,255
<u>Liabilities</u>					
Accounts payable Funds held for others		1,830 ),421	392,165 877,090	(491,830) (470,421)	392,165 877,090
Total liabilities	\$ 962	2,251	1,269,255	(962,251)	1,269,255

# Combining Statement of Assets and Liabilities - Pension Trust Funds

### Year Ended September 30, 2012

	Pension Trust Fund		PARS <u>Pl</u> an Fund	Totals	
<u>Assets</u>					
Cash and investments Accounts receivable	\$	413,152 939	403,432	816,584 939	
Total assets	\$	414,091	403,432	817,523	
Net Assets					
Held in trust for pension benefits	\$	414,091	403,432	817,523	

### Pension Trust Funds

### Combining Statement of Changes in Fiduciary Net Assets Year Ended September 30, 2012

	Pension	PARS	
	Trust Fund	Plan Fund	Total
Additions			
Contributions	\$ -	38,334	38,334
Investment income	3,554	15,913	19,467
Total revenues	3,554	54,247	57,801
Deductions			
Benefits	-	81,641	81,641
Total expenses		81,641	81,641
Changes in net assets	3,554	(27,394)	(23,840)
Net assets at beginning of year	410,537	430,826	841,363
Net assets at end of year	<u>\$ 414,091</u>	403,432	817,523

### Private Purpose Trust Funds Combining Statement of Fiduciary Net Assets Year Ended September 30, 2012

	Redevelopment	Low and			
	Obligation	Moderate	Debt	Capital	
<u>Assets</u>	Retirement Fund	Housing	Service	Projects	Total
Current assets:					
Cash and investments	\$ 6,426,510	-	14,352,232	1,493	20,780,235
Deferred charges			5,198,602		5,198,602
Total assets	6,426,510		19,550,834	1,493	25,978,837
<u>Liabilities</u> Current liabilities:			_		
Accounts payable	145,312	_	_	_	145,312
Interest payable	-	_	2,954,014	_	2,954,014
Current portion of long-term liabilities:				_	,
Bonds payable			4,741,674		4,741,674
Total current liabilities	145,312		7,695,688		7,841,000
Long-term liabilities:					
Bonds payable			156,597,403	_	156,597,403
Total long-term liabilities			156,597,403	_	156,597,403
Total liabilities	145,312		164,293,091	_	164,438,403
Net assets					
Unrestricted	6,281,198		(144,742,257)	1,493	(138,459,566)
Total net assets (deficit)	\$ 6,281,198	_	(144,742,257)	1,493	(138,459,566)

### Private Purpose Trust Funds

### Combining Statement of Changes in Fiduciary Net Assets Year Ended September 30, 2012

		Successor Agency				
	Re	edevelopment	Low and			
		Obligation	Moderate	Debt	Capital	
	Re	tirement Fund	_Housing	Service	Projects	Total
Additions						
Taxes	\$	8,279,351	-	_	_	8,279,351
Investment income		_	=	9,844	_	9,844
Rental income		5,145		-	_	5,145
Total revenues		8,284,496		9,844		8,294,340
Deductions						
Community development		536,800	_	_	_	536,800
Interest expense		_	_	6,639,959	_	6,639,959
Pass-through payments		1,466,498		-	_	1,466,498
Total expenses		2,003,298	_	6,639,959		8,643,257
Additions over (under) deductions before extraordinary gain (loss)						
and transfers		6,281,198		(6,630,115)		(348,917)
Extraordinary gain (loss) and transfers: Transfers in					···	
		-	-	8,193,685	-	8,193,685
Extraordinary gain (loss)				(146,305,827)	1,493	(146,304,334)
Total extraordinary gain (loss)						
and transfers				(138,112,142)	1,493	(138,110,649)
Changes in fiduciary net assets		6,281,198	-	(144,742,257)	1,493	(138,459,566)
Net assets at beginning of year		<u>-</u>				_
Net assets (deficit) at end of year	\$	6,281,198		(144,742,257)	1,493	(138,459,566)

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### CITY OF INGLEWOOD, CALIFORNIA STATISTICAL SECTION (unaudited) YEAR ENDED SEPTEMBER 30, 2012

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Net Assets by Component
Last Ten Fiscal Years
(Dollars in Thousands)
(modified accrual basis of accounting)

						Fiscal Year	J.				
	2012	2011	2010	2009	2008	2007	2006 As Restated	ed 2005	2004	20	2003
Governmental Activities Invested in Capital Assets, Net of Related Debt Restricted Unrestricted Total Governmental Activities Net Assets	\$ 140,393 88,450 28,296 \$ 257,139	\$143,915 115,685 (79,315) \$180,285	\$151,596 109,774 (77,881) \$183,489	\$159,152 126,369 (76,978) \$208,543	\$150,167 124,136 (57,563) \$216,740	\$ 57,892 41,713 (40,553) \$ 59,052	\$ 42,067 46,313 (64,241 \$ 24,139	3 23,174 3 46,867 (74,019) 5 (3,978)	\$ 30,100 39,518 (16,952) \$ 52,666	e e	25,581 29,874 22,502) 32,953
Business - Type Activities Invested in Capilal Assets, Net of Related Debt Restricted Unrestricted	\$ 30,620	\$ 27,850	\$ 27,967	\$ 28,108	\$ 28,716	\$ 29,075	\$ 28,860	30,219 - 30,219	\$ 30,532	& 	29,758
Total Business - Type Activities Net Assets	\$ 37,268	\$ 33,598	\$ 38,302	\$ 41,804	\$ 41,560	\$ 42,062	\$ 40,379	\$	\$ 37,479	8	34,835
Primary Government Invested in Capital Assets, Net of Related Debt Restricted Unrestricted	\$171,013 88,450 34,944	\$171,765 115,685 (73,567)	\$ 179,563 109,774 (67,547)	\$ 187,260 126,369 (63,282)	\$ 178,883 124,136 (44,719)	\$ 86,967 41,713 (27,566)	-	ا ه م	\$ 60,632 39,518 (10,005)	æ ⊕ (1, 12, 55	55,339 29,874 17,425)
Total Primary Government Net Assets	\$ 294,407	\$213,883	\$221,791	\$ 250,347	\$ 258,300	\$101,114	\$ 64,518	8 \$ 36,196	\$ 90,145	es 0	67,788

Note: The City implemented Governmental Accounting Standards Board Statement No. 34 (GASB 34) for the fiscal year ended September 30, 2002. Information prior to the implementation of GASB 34 is unavailable.

CITY OF INGLEWOOD, CALIFORNIA
Changes in Net Assets
Last Ten Fiscal Years
(Dollars in Thousands)
(modified accrual basis of accounting)

			•					•										
	2012	2011		2010		2000			F	iscal Year								
		2011		2010		2009		800		2007	-	2006		2005		2004		2003
EXPENSES																		
Governmental activities;																		
General government	\$ 17,960	\$ 19,098	s	21,844	s	22,649	s	17,157	\$	19.007	s	16,105	s	11,405	s	11.061	s	16,994
Public safety	60.539	60.659	-	63,753	•	60,628		59,512	•	52,400	~	50,862	•	54,555	•	40,623	٠	48.727
Transportation	14,631	10,644		19,659		18,539		16,282		9.348		8,700		8.699		10.687		10.831
Health	- 1,00	15,328		14.866		13,464		13,144		12.601		12,316		11,272		12.268		9,915
Culture and leisure	12,959	12.847		14,185		15,640		13,930		12,807		10,271		10.547		10.098		10.963
Community development	61,570	34,309		32,069		36,369		52,170		40,952		29,600		56,491		42,194		32,540
Interest on Long-term debt	11,787	12,007		13,504		12,671		9,643		6,778		6.684		4,927		4.375		4,130
Total governmental activities expenses	179,446	164,892		179,880	_	179,960	11	81,838	_	153,893	_	134,538	_	157,896	_	131,306	_	134,100
Business-type activities:																		
Water utility fund	19,167	18,389		17.268		14,686		15,210		14,790		14,103		13,704		13,157		14,376
Sewer	2,645	,		,		,		,		14,100		14,100		10,101	_	10,107	_	14,570
Sanitation	12,090																	
Parking	4,095																	
Total business-type activities expenses	37,997	18,389		17,268	_	14,686		15,210	_	14,790	_	14,103		13,704		13,157		14.376
Total primary government expenses	217,443	183,281		197,148	=	194,646		97,048	_	168,683	_	148,641		171,600		144,463		148,476
PROGRAM REVENUES																		
Governmental activities:																		
Charges for Services																		
General government	6,118	6,225		5,795		7,057		7,623		5,714		3,511		5,871		6,455		9,025
Public safety	3,409	3,465		2,649		3,895		4,827		9,628		9,392		3,245		2,844		2,638
Transportation	1,262	1,158		227		242		308		1,206		1,046		3,279		3,294		5,120
Health	- 543	14,673		14,592		14,688		14,129		14,107		13,879		13,645		11,479		9,792
Culture and leisure	543	568		592		477		511		367		423		339		468		522
Community development		104		325		315		380		1,098		3,351		7,727		4,687		4,739
Operating Grants and Confributions																		
General government	7.040					48		448				128		261				193
Public safety	7,013	7,557		4,981		5,614		6,198		1,118		1,544		1,143		1,521		1,107
Transportation	9,097	8,629		5,878		6,741		3,977		6,297		7,515		6,028		7,756		7,826
Health		111		15		6		67		329		32				•		-
Culture and leisura	4,047	4,454		4,053		3,966		4,358		1,351		218		2,019		1,345		1,695
Community development	26,154	30,502		18,924		26,590		53,385		48,568		19,119		36,825		36,409		27,076
Capital Grants and Contributions	240	146		5,401		272		177		224		232		<del></del>		<del></del>		
Total Governmental activitias program revenues	57,883	77,592		63,432		69,911		96,388		90,078		60,390		80,382		76,258		69,733
Business-type activities:																		
Charges for Services																		
Water utility fund	16,324	13,569		13,602		14,504		14,681		15,878		15,055		16,151		15,676		14,196
Sewer	3,018																	•
Sanitation	12,935																	
Parking	3,832																	
Total business-type activities program revenues	36,109	13,569		13,602		14,504		14,681		15,878		15,055		16,151		15,676		14,196
Total primary government program revenues	93,992	91, r61		77,034	_	84,415	1	11,069	-	105,956	_	75,445		96,533	_	91,934		83,929
NET REVENUES (EXPENSES):																		
Governmental activities	(121,563)	(87,300)		(116,448)		(110,049)	(8	35,450)		(63,815)		(74,148)		(77,514)		(55,048)		(64,367)
Business-type activities	(1,888)	(4,820)		(3,666)		(182)		(529)		1,088		952		2,447		2,519		(180)
Total net revenues (expenses)	(123,451)	(92,120)		(120,114)	_	(110,231)	(8	35,979)		(62,727)		(73,196)		(75,067)	_	(52,529)		(64,547)

(continues on following page)

Changes in Net Assets Last Ten Fiscal Years (Dollars in Thousands)

(modified accrual basis of accounting)

(confinued from previous page)						Fiscal Year				
-	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General revenues and other changes in net assets:  Governmental activities:										
Taxes:										
Property 1axes	25,548	\$ 30,582	\$ 36,431	\$ 32,816	\$ 31,644	\$ 30,161	\$25,462	\$ 21,389	\$ 20,807	\$ 18,428
Utility users taxes	15,415	15,757	16,020	17,295	18,892	20,039	18,943	18,469	17,439	16,290
Transieni occupancy taxes	3,136	2,979	2,517	2,502	3,164	3,249	2,832	2,521	2,103	1,836
Franchise 1axes	6,877	1,782	1,903	2,088	1,951	2,000	1,800	1,616	1,493	1,384
Business license laxes	4,502	4,528	4,475	3,966	4,416	4,242	4,460	4,214	3,893	3,876
Casino laxes	3,839	3,824	4,227	4,859	4,979	5,122	4,712	4,045	3,927	3,725
Other taxes	2,410	2,552	2,324	2,674	3,084	3,226	3,337	3,301	3,482	3,220
Sales laxes - shared revenues	11,866	11,069	10,108	10,912	12,103	13,817	11,474	10,186	8,809	8,916
Molor vehicle in -lieu of taxes from the State	9,039	9,456	9,963	9,965	9,633	8,921	8,707	8,893	5.256	5,857
Investment earnings	1,254	933	2,204	6,510	8,421	6,591	4,398	2,937	1,969	2,273
Gain on sale of property	•	-	-	-		31	416	-	•	-
Olher revenues	2,375	2,290	2,116	2,897	2,085	2,159	597	299	350	712
Transfers	(154)							_	_	(1,031)
Total Governmental activities	86,107	85,752	92,288	96,484	100,372	99,558	87,138	77,870	69,528	65,486
Business - type activities:										
Investment earnings	135	116	164	426	600	594	410	248	125	114
Translers	154	-	-	_	-	-	-		,	1,031
Olher revenues	-	_	_	-	_	_	-	-	-	-,500
Total Business - type activities	289	116	164	426	600	594	410	248	125	1,145
Total Primary government	86,396	85,868	92,452	96,910	100,972	100,152	87,548	78,118	69,653	66,631
Changes in net assets								,		
Government activities	(35,457)	(1,548)	(24,160)	(13,565)	14,922	35,743	12,990	356	14,480	1.119
Business - type activities	(1,599)	(4,704)	(3,502)	244	71	1,682	1,362			
Total Primary government changes in net assets	(37,056)	(6,252)		(13,321)	14,993	37,425		2,695	2,644	965
Total Primary government changes in het assets	(360,16)	(6,252)	(27,662)	(13,321)	14,553	31,425	14,352	3,051	17,124	2,084
Special item - payment of PERS unfunded liabilit								(57,000)		
Extraordinary gain	146,304	-	-	-	-	-	-	-	-	-
Total Primary government changes in net assets	400.045	A (A 05-1	A 10- 00-					**		
atler Special Ilem	109,248	\$ (6,252)	\$ (27,662)	<u>\$ (13,321)</u>	\$ 14,993	\$ 37,425	S14,352	\$(53,949)	\$ 17,124	\$ 2,084

Note: The City implemented Governmental Accounting Standards Board Statement No. 34 (GASB 34) for the fiscal year ended September 30, 2002. Information prior to the implementation of GASB 34 is unavailable.

Fund Balances, Governmental Funds Last Ten Fiscal Years (Dollars in Thousands) (modified accrual basis of accounting)

									ΕİS	Fiscal Year						
	지	2012	7	2011	2010		2009	2008		2002		2006	2005	2004	20	2003
GENERAL FUND	•	,	4						 							
Nonspendable	643	94	<del>69</del>	96	6A	<del>(</del> >	•	€9	<b>6</b> 9		↔	•	, 69	· 49		
Kestricled							•			•		٠		•		
Reserved		,			5,722	Ŋ	6,054	3,649	6	13,766		5.532	5.121	4.813		3.745
Unreserved					11,158	82	29,140	44,899	60	31,890		33,701	29 484	25 246	•	25 110
Unassigned	7	19,889	-	17,036					,	-			· '	; ;		
Tolal General Fund	8	19,983	\$	17,132	\$ 16,880	S .	35 194	\$ 48,548	8	45,656	69	39,233	\$ 34,605	\$ 30.059	69	28.855
ALL OTHER GOVERNMENTAL FUNDS	S															
Reserved	69		<del>69</del>		\$ 102,141		\$ 102,651	\$ 200,691	5	121.707	69	80.772	\$88.973	\$ 93.506		97 587
Unreserved, reported in:							_		•	<u>:</u>	٠					2
Special revenue funds				,	3,592	ŭ	9,938	10,651	<u>:</u>	(40,135)		1,696	(5,465)	(17,643)	_	(14.894)
Capilal project funds					13,291	Σ	18,891	15,723	33	12,260		(904)	(8,770)	(4,006)	_	1,428
Debt service fund				,	108,977		110,097	11,052	ŭ	8,805		11,188	10,560	10,215		
					125,860	و	138,926	37,426	  မွ	(19,070)		11,980	(3.675)	(11,434)		84.121
Restricted	18	182,477	23	239,133		  •			  •					'		
Unassigned	)	(1,019)		ı		ı	•		ı	•			ı	•		
Total All Other Governmental Funds	\$ 18	181,458	\$ 23	239,133	\$ 228,001	l 1	\$ 241,577	\$ 238,117	  s	102,637	69	92,752	\$ 85,298	\$ 82.072	2 \$ 84.121	121
						 									H	

Note: The Cily of Inglewood implemented GASB54 for the fiscal year ended September 30, 2011. Information prior to the implementation of GASB 54 is not required to be restated.

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Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Dollars in Thousands)

(modified accrual basis of accounting)

					F	iscal Year				
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
REVENUES										
Taxes	77,869	\$ 83,441	\$ 82,642	\$84,586	\$ 86,840	\$ 81,421	\$72,893	\$65,963	\$61,574	57,176
Special assessments	2,771	2,813	2,849	2,831	4,711	4,653	4,653	4,875	5,135	4,816
Licenses and permits	1,379	1,112	1,101	1,616	1,885	1,704	1,668	2,251	1,193	1,164
Fines, torfeitures and penallies	4,500	5,668	4,356	4,258	4,548	4,978	4.501	4,168	4,130	3,236
Revenues from use of monies and properties	1,254	934	2,224	6,481	8,487	6,448	4,796	2,884	1,969	2.273
Intergovernmental revenues	52,608	54,709	45,824	49,101	73,783	67,180	38,009	54,384	51,436	42,649
Charges for services	3,128	18,151	16,571	18,832	17.090	16,762	17,001	17,883	13,660	14,391
Other revenues	2,038	1,596	1,296	2,072	1.780	2,237	825	1,957	1,947	1,910
Total revenues	145,547	168,424	156,863	169,777	199 124	185,383	144,346	154,365	141,044	127,615
EXPENDITURES									-	
General government	15,291	15,646	19,476	21,007	14,752	14,801	13,178	9,540	8,723	4,388
Public satety	52,928	53,452	59,866	56,840	56,236	52,211	52,032	52,671	44,756	41,527
Transportation	9,087	9,379	13,035	11,082	14,217	6,859	6,149	7,765	10,217	10,377
Health	<del>.</del>	13,507	14,542	12,952	13,319	12,453	12,045	11,225	12,238	9,903
Cullure and leisure	11,007	11,321	12,326	13,976	11,414	12,522	10,193	10,523	10,090	10,963
Community development	59,432	38,395	49,820	42,477	53,589	41,412	30,158	44,596	44,950	32,306
Capilal outlay	1,394	901	1,591	3,422	3,316	19,801	5,471	6,287	5,087	12,751
Debt Service										
Principal	1,710	7,400	6,810	6,186	2,820	2,705	2,600	2,290	2,175	2,285
Interest and other charges	6,304	10,474	11,149	11,420	8,158	5,909	5,989	3,757	3,863	4,458
Costs of issuance	3,257				4,783		-	-	-	-
Tolal expendilures	160,410	160,475	188,615	179,362	182,604	168,673	137,815	148,654	142,099	128,958
Excess (deficiency) of revenues										
over (under) expenditures	(14,863)	7,949	(31,752)	(9,585)	16,520	16,710	6.531	5,711	(1,055)	(1,343)
, , , , , , , , , , , , , , , , , , , ,	(,,	. 10 .00	(,,	(0,000)	10,020	10,110	0,001	0,711	(1,000)	(1,045)
OTHER FINANCING SDURCES (USES)										
Proceeds from bonds issued	30.827	-	_	_	_	_	6,135	58,851	_	10.994
Proceeds from retunding bonds issued		-	_	-	_	_	2,100	-	_	16,401
Payment to bond retunding escrow agent	(17,134)	-	_	_	-	-	_		-	(16,293)
Proceeds from capital leases	-	-	-	-	_	398	_	_	71	(10,235)
Proceeds from sales of capital assets		-	_	_	_	31	-	210	140	-
Proceeds from sales of real property	498	5,230	-	_	_	-	416	210	140	-
Transfers in	35.005	241,621	35.577	30,928	26,598	36,452	23,867	10.042	9,006	8,344
Transfers out	(43,352)	(241,760)	(35,716)	(30,928)	(26,598)	(36,452)	(23,867)	(10,042)	(9,006)	
Issuance of long-term debt	(10,002)	(241,700)	(55,7 15)	(50,520)	110,080	(50,452)	(23,001)	(10,042)	(9,006)	(9,375)
Premium on long-term debt	_	-	-	-	64	-	-	-	-	-
Discount on long-term debt	-	-	-	-	(47)	-	-	-	-	-
Total other financing sources (uses)	5.844	5,091	(139)	<u> </u>	110,097	429				
Total offer (marioling obuloes (uses)		3,031	(133)	<u> </u>	110,037	429	6,551	59,061	211	10,071
Special ilem	-	-	_	-	-	-	_	(57,000)		-
Residual equity 1 ransfers	-	-	-	-	-	-	-		46,991	-
Extraordinary gain (loss)	(14,618)									
Net changes in Fund Balances	\$ (23,637)	\$ 13,040	\$ (31,891)	\$ (9,585)	\$ 126,617	\$ 17,139	\$13,082	\$ 7,772	\$46,147	\$ 8,728
DEDT OFFICE AS A DESCRIPTION										
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	7.6%	12.1%	10.3%	10.9%	0.50/	F 001	0.501	4.0	4.45	
HOROGE HAL DIE ENDHONES	7,070	12.170	10,3%	10.9%	6.5%	5.8%	6.5%	4.2%	4.4%	5.8%

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Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years
(Dollars in Thousands)
(modified accrual basis of accounting)

(continues from previous page)

Calculation of Debt Service as a percentage of Noncapital expenditures\*

					Fi	scal Year				
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Total expenditures (per prior page):	160,410	160,475	188,615	179,362	182,604	168,673	137,815	148,654	142,099	128,958
Less: capital outlay (as included in	(11,007)	(11,321)	(12,326)	(13,976)	(11,414)	-,	,		,	,,
delinition below)	(1,394)	(901)	(1.591)	(3,422)	(3,316)	(19,801)	(5,471)	(6,287)	(5,749)	(12,756)
Noncapilal expenditures	148,009	148,253	174,698	161,964	167,874	148,872	132,344	142,367	136,350	116,202
Debl Service (per prior page)										
Principal	1,710	7,400	6,810	6,186	2,820	2,705	2,600	2,290	2,175	2,285
Interest and other charges	6,304	10,474	11,149	11,420	8,158	5,909	5,989	3,757	3,863	4,458
Costs of issuance	3,257	-	· -		4,783	· -	· -	· -	-	-
Total debt service	11,271	17,874	17,959	17,606	10,978	8,614	8,589	6,047	6,038	6,743
Tolal debt service / Noncapital expenditures	7.6%	12,1%	10.3%	10.9%	6,5%	5.8%	6,5%	4.2%	4.4%	5.8%

<sup>\*</sup>Defined by GASB No.44 as:

Noncapital expenditures are total expenditures less capital outlay (101he extent capitalized for the government-wide statement of net assets) and expenditures for capitalized assets included within the functional expenditure categories.

CITY OF INGLEWOOD, CALIFORNIA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years (Unaudited)

(Dollars in Thousands)

	Total Taxable Value	4,435,637	4,655,963	4,955,522	5,423,053	6,149,233	6,756,806	7,136,599	7,036,301	6,651,461	4,243,619
	Assessed Value After Exemptions	1,188,008	1,591,937	1,701,624	1,846,619	2,205,380	2,413,872	2,568,201	2,586,576	2,454,972	
nt Agency (1)	Less Exemptions	(266'9)	(22,706)	(28,295)	(31,669)	(49,909)	(49,431)	(66,649)	(7,462)	(94,159)	ŗ
Redevelopment Agency (1)	Unsecured	97,219	92,086	133,583	148,966	153,403	153,638	172,852	174,702	136,425	•
	Secured	1,097,781	1,519,557	1,596,336	1,729,322	2,101,886	2,309,665	2,494,998	2,419,336	2,412,706	
	Taxable Value	3,247,629	3,064,026	3,253,898	3,576,434	3,943,853	4,342,934	4,568,398	4,449,725	4,196,489	4,243,619
	Less Exemptions	(41,408)	(28,408)	(35,774)	(40,206)	(45,631)	(45,758)	(70,018)	(62,293)	(79,527)	(92,223)
City	Unsecured	88,756	74,518	30,236	38,506	32,473	36,638	38,429	35,693	36,331	39,218
	Secured	3,200,281	3,017,916	3,259,436	3,578,134	3,957,011	4,352,054	4,599,987	4,476,325	4,239,685	4,296,624
1	Fiscal Year Ended <u>September 30,</u>	2003	2004	2002	2006	2007	2008	5009	2010	2011	2012

County of Los Angeles, Department of Auditor-Controller - Tax Division Source:

(1) On February 1, 2012 Assets abd liabilities from RDA were transferred to the Successor Agency.

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (Unaudited)
(rate per \$1,000 of assessed value)

Fiscal Year	Direct Rate		Overlapp	ing Rates	
Ended			School	Special	
September 30,	City	County	Districts	Districts	Total
2003	0.1470	1.0019	0.0597	0.0067	1.2152
2004	0.1470	1.0014	0.1020	0.0061	1.2565
2005	0.1470	1.0011	0.0957	0.0058	1.2496
2006	0.1470	1.0008	0.1408	0.0052	1.2938
2007	0.1470	1.0007	0.0936	0.0047	1.2460
2008	0.1470	1.0000	0.0744	0.0045	1.2259
2009	0.1470	1.0000	0.0907	0.0043	1.2420
2010	0.1470	1.0000	0.1279	0.0043	1.2792
2011	0.1470	1.0000	0.1307	0.0037	1.2814
2012	0.1470	1.0000	0.1399	0.0035	1.2903

Notes: (1) The City of Inglewood has twenty five tax code areas, and code area 4569 used for this schedule is the most representative.

Source: Los Angeles County Tax Collector Kelvin Atkins (213) 974-7998

Principal Property Tax Payers Current Year and Nine Years Ago September 30, 2012 (Unaudited)

Fiscal Year

	 2	012			20	03	
	Toyobla		Percentage of Total City		<b>-</b>		Percentage of Total City
	Taxable Assessed		Taxable		Taxable		Taxable
Tax Payer	Value	Rank	Assessed Value		Assessed	Dami	Assessed
Tux t dyer	 value	Nank	value		Value	Rank	Value
Hollywood Park Land Company LLC	\$ 254,745,506	1	3.83%	\$	_	_	_
Prime Healthcare Centinela LLC	92,153,545	2	1.39%		-	-	-
HCL Inglewood Village LLC	51,664,620	3	0.78%		-	-	_
Wal Mart Stores, Inc	39,951,277	4	0.60%		-	_	_
Inglewood North Development Corporation	30,914,235	5	0.46%		-	-	-
LAX Airport Owners LLC	29,831,912	6	0.45%		-	-	-
Forum Enterprises Inc.	27,923,989	7	0.42%		-	-	-
COSTCO Wholesale Corporation	25,338,055	8	0.38%		-	-	-
9800 La Cienega LLC	24,747,600	9	0.37%		-	-	-
Klabin Redevelopment Associates LLC	23,684,538	10	0.36%				
Churchill Downs California Company	-	-	-		150,810,099	1	3.40%
CVHS Hospital Corporation	-	-	-		99,379,071	2	2.24%
Daniel Freeman Hospitals Inc	-	-	-		39,297,268	3	0.89%
Trizechahn Office Properties Inc	-	-	-		36,000,000	4	0.81%
LAX Airport Owners LLC	-	-	-		25,442,115	5	0.57%
Forum Enterprises Inc.	-	-	-		24,160,000	6	0.54%
Klabin Redevelopment Associates LLC	-	-	-		22,315,119	7	0.50%
TYCO Printed Circuit Group LP	-	-	-		22,212,959	8	0.50%
Gillingham Pursche Ltd	-	-	-		19,701,600	9	0.44%
Hollywood Park Inc	-	-	-		18,961,103	10	0.43%
Total principal property tax payers							
assessed value	 600,955,277		9.03%		458,279,334		10.33%
Total City assessed value	\$ 6,651,460,851		100.00%	<u>\$</u>	4,435,636,877		100.00%

Source: The HDL Companies, City Finance Department

Property Tax Levies and Collections Last Ten Fiscal Years (Unaudited) (Dollars in Thousands)

Fiscal Year	Taxes Levied	Collected wit Fiscal Year o		Collections in	Total Collec	ctions to Date
Ended September 30,	for the Fiscal Year	Amount	Percent of Levy	Subsequent Years	Amount	Percent of Levy
2003	9,627	8,842	91.8%	481	9,322	96.83%
2004	10,257	10,174	99.2%	540	10,714	104.46%
2005	10,736	10,156	94.6%	558	10,714	99.80%
2006	11,656	10,970	94.1%	773	11,743	100.75%
2007	12,957	12,923	99.7%	743	13,666	105.47%
2008	13,968	14,082	100.8%	1,138	15,220	108.96%
2009	14,663	14,165	96.6%	1,289	15,454	105.39%
2010	14,461	14,388	99.5%	926	15,314	105.90%
2011	13,525	12,902	95.4%	801	13,703	101.32%
2012	13,587	14,696	108%	694	15,390	113.27%

Notes: (1) Includes General Fund property tax revenue only.

Source: City Finance Department

CITY OF INGLEWOOD, CALIFORNIA
Tax Revenue by Category
Last Ten Fiscal Years (Dollars in Thousands)
(Unaudited)

Total	57,176	61,574	65,963	72,945	81,098	85,687	84,690	78,005	83,005	77,920
Others	1,909	2,069	2,137	2,163	2,032	1,940	1,705	1,638	1,753	1,895
Pari- Mutuel Taxes	1,221	1,152	1,117	1,048	1,117	923	841	999	570	909
Casino Taxes	3,725	3,927	4,045	4,764	5,223	5,031	4,961	4,227	3,883	3,885
Admission Taxes	96	107	47	126	77	22.1	128	20	229	6
Utility Taxes	16,290	17,439	18,469	18,943	20,039	18,892	17,295	16,020	15,757	15,420
Business License	3,876	3,893	4,214	4,460	4,242	4,419	3,966	4,475	4,528	4,502
Franchise	1,384	1,493	1,616	1,800	2,000	1,951	2,088	1,903	1,782	6,877
Transient Occupancy	1,836	2,103	2,521	2,832	3,249	3,164	2,502	2,517	2,979	3,136
Sales and Use	8,916	8,809	10,186	11,474	12,906	17,502	15,840	10,108	16,286	17,392
Property Taxes		20,582	21,611	25,335	30,213	31,644	35,364	36,431	35,238	24,298
Fiscal Year Ended September 30,	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012

Source : City Finance Department

Ratios of Outstanding Debt by Type Last Ten Fiscal Years (Unaudited) (Dollars in Thousands, Except Per Capita)

> Business-type Activities

		Gove	rnmental Ac	tivities (in Ti	(Approximate)		(i= Tl1-)			
Fiscal Year Ended September 30,	General Obligation Bonds (1)	Leases	Loans	Notes (5)	Tax Allocation Bonds (2)& (5)	Total Governmental Activities	(in Thousands) Water Revenue Bonds	Total Primary Government	Percentage of Per Capita Personal Income (3)	Debt Per Capita
2003	28,830	711	153	2,498	60,636	92,675	_	92,675	0.04%	792
2004	27,835	491	440	2,609	59,456	90,391	_	90,391	0.04%	769
2005	85,621	292	291	2,757	58,231	146,901	_	146,901	0.03%	1,243
2006	90,431	152	130	2,935	56,956	150,474	_	150,474	0.03%	-
2007	89,051	919	-	3,128	55,631	148,729	-	148,729	0.03%	1,274
2008	87,611	244	-	3,337	164,331	255,523	_	255,523	0.05%	1,248
2009	84,911	166	_	3,561	160,871	249,509	-	249,509		2,149
2010	81,991	88	_	1,500	156,981	240,560			0.05%	2,099
2011	78,936	_	_	1,500	152,636	233,072	-	240,560	(4)	2,193
2012	58,076	_	_	1,500	132,036	•	•	233,072	(4)	2,118
· <del></del>	- 3107 0		=	-	-	58,076	-	58,076	(4)	525

Notes: Details regarding the City's oustanding debt can be found in the notes to the financial statements.

- (1) Includes all lease revenue bonds. In 2005, the City issued \$58.9 million of new Pension Obligation Bonds and in 2006 issued an additional \$6.1 million of new Pension Obligation Bonds.
- (2) In 2008, the Redevelopment Agency issued \$110.1 million of Merged Redevelopment Subordinate Lien Tax Allocation Bonds.
- (3) Ratios calculated using Per Capita Personal Income for the calendar year from the U.5. Department of Commerce, Bureau of Economic Analysis for the Los Angeles-Long Beach-Santa Ana MSA, local data unavailable.
- (4) Per Capita Personal Income Data is not currently available from U.5. Department of Commerce, Bureau of Economic Analysis and will be updated when data becomes available.
- (5) On February 1, 2012 \$154,135,924 of liabilities (Notes & Tax Allocation Bonds) from RDA were transferred to the 5uccessor Agency.

Source: City Finance Department

County of Los Angeles Auditor - Controller

U.5. Department of Commerce - Bureau of Economic Analysis

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years (Unaudited) (Dollars in Thousands)

	Outstandi	ng General Bond	ed Debt			
Fiscal Year	General	Tax		Taxable	Percent of	
Ended	Obligation	Allocation		Assessed	Assessed	Per
September 30,	Bonds (1)	Bonds (3)	Total	Valuation (2)	Value	Capita
2003	28,830	60,636	89,466	4,435,637	2.0%	765
2004	27,835	59,456	87,291	4,655,963	1.9%	742
2005	85,621	58,231	143,852	4,955,522	2.9%	1,217
2006	90,431	56,956	147,387	5,423,053	2.7%	1,248
2007	89,051	55,631	144,682	6,149,233	2.4%	1,214
2008	87,611	164,331	251,942	6,756,806	3.7%	2,119
2009	84,911	160,871	245,782	7,136,599	3.4%	2,068
2010	81,991	156,981	238,972	7,106,056	3.4%	2,179
2011	78,936	152,636	231,572	6,651,461	3.5%	2,105
2012	58,076	_	58,076	6,709,373	0.9%	0.525

Notes:

- (1) General bonded debt is the debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).
- (2) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.
- (3) On February 1, 2012 \$154,135,924 of liabilities (Notes & Tax Allocation Bonds) from KDA were transferred to the Successor Agency.

Source:

City Finance Department

Direct and Overlapping Government Activities Debt (Unaudited) 5eptember 30, 2012

2011-12 Assessed Valuation	\$ 6,651,460,851
Redevelopment Agency Incremental Valuation	 (1,786,911,597)
Adjusted Assessed Valuation	\$ 4,864,549,254

	Tot	al Debt 9/30/12	Percentage Applicable (1)		Estimated 5hare Debt 9/30/12	
OVERLAPPING TAX AND ASSESSMENT DEBT:						
Los Angeles County Flood Control District	\$	37,195,000	0.535%	\$	198,993	
Metropolitan Water District		196,545,000	0.270%		530,672	
El Camino Community College District		340,829,491	6.447%		21,973,277	
Los Angeles Community College District		3,469,755,000	0.004%		138,790	
Inglewood Unified 5chool District		108,930,000	73.744%		80,329,339	
Los Angeles Unified 5chool District		10,945,695,000	0.005%		547,285	
Centinela Valley Union High School District		190,539,098	1.489%		2,837,127	
Lennox 5chool District		9,203,698	21.462%		1,975,298	
Hawthorne School District		54,679,273	0.033%		18,044	
Los Angeles County Regional Park and Open 5pace Assessment District		170,725,000	0.524%		894,599	
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT				\$	109,443,424	
DIRECT AND OVERLAPPING GENERAL FUND DEBT:						
Los Angeles County General Fund Obligations	\$	1,447,164,091	0.524%	\$	7,583,140	
Los Angeles County Superintendent of Schools Certificates of Participation		10,377,239	0.524%		54,377	
Los Angeles County Sanitation District No. 5 Authority		49,899,761	6.701%		3,343,783	
Inglewood Unified School District Certificates of Participation		1,660,000	73,744%		1,224,150	
Los Angeles Unified School District Certificates of Participation		418,851,037	0.005%		20.943	
Hawthorne School District Certificates of Participation		3,870,000	0.033%		1,277	
City of Inglewood General Fund Obligations		30,826,999	100.000%		30,826,999	
City of Inglewood Pension Obligations		58,076,302	100,000%		58,076,302	
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT				\$	101,130,971	
Less: Los Angeles County General Fund Obligations supported by landfill n	evenues			•	(87,498)	
Los Angeles Unified School District Qualified Zone Academy Bonds su		building and			(0/,200)	
sinking fund payments	-	<del>-</del>			(220)	
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT				S	101,043,253	
TOTAL DIRECT DEBT				\$	88,903,301	
TOTAL GROSS OVERLAPPING DEBT				\$	121,671,094	
TOTAL NET OVERLAPPING DEBT				\$	121,583,376	
GROSS COMBINED TOTAL DEBT				\$	210,574,395	(2)
NET COMBINED TOTAL DEBT				\$	210,486,677	(2)
				Ψ	210,400,077	

 $<sup>(1) \ \</sup> Percentage of overlapping agency's assessed valuation located within boundaries of the City.$ 

### Ratios to 2011-12 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.65%
Ratios to Adjusted Assessed Valuation:	
Total Direct Debt (\$88,903,301)	1.83%
Gross Combined Total Debt	4.33%
Net Combined Total Debt	4.33%
	•
State School Building Aid Repayable as of 6/30/12:	\$ -0-

Source: California Municipal Statistics, Inc. -Oakland, California

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

CITY OF INGLEWOOD, CALIFORNIA Legal Debi Margin Information Last Ten Fiscal Years (Unaudited)

	**************************************	FISC	Fiscal Year						*****	
	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004	2002-2003
Nei Assessed Value Plus Exempl Property	\$ 4,335,842,007 \$ 92,223,215	\$ 6,651,460,851 173,686,535	\$ 7,106,055,853	\$ 7,135,598,868 169,667,560	\$ 6,756,805,847 95,189,343	\$ 6,149,232,919 95,540,291	\$ 5,423,053,862 71,874,290	\$ 4,955,521,805 64,068,814	\$ 4,655,962,596 51,113,654	\$ 4,435,636,877 48,400,146
Tolal Assessed Value.	\$ 4,428,065,222	\$ 4,428,065,222 \$ 6,825,147,386	\$ 7,283,668,297	\$ 7,306,266,428	5 6,851,995,190	\$ 6,244,773,210	\$ 5,494,928,152	\$ 5,019,590,619	\$ 4,707,076,250	\$ 4,484,037,023
Debl Limit - 15% of Total Assessed Value (1) \$ 664,209,783 \$ 1,023,772,108	\$ 664,209,783	\$ 1,023,772,108	\$ 1,092,550,245	\$ 1,095,939,964	\$ 1,027,799,279	\$ 936,715,982	w	824,239,223 \$ 752,938,593	\$ 706,061,438	\$ 672,605,553
Amount ol Debl Applicable to Debl Limit (2) \$ 58,076,302 \$ 59,7	\$ 58,076,302	\$ 59,786,302	61,421,302	62,981,302	64,386,302	64,591,302	64,791,302	58,851,302		,
Legal debi margin	\$ 606,133,481 \$ 963,985,806	\$ 963,985,806	\$ 1,031,128,943	\$ 1,032,958,662	\$ 963,412,977	\$ 872,124,680	\$ 759,447,921	5 694,087,291	\$ 706,061,438	\$ 672,605,553
Total debi applicable to the limit as a percentage of debi limit	8.74%	5.84%	5.62%	5.75%	6.26%	6.90%	7.86%	7.82%	0.00%	%00.0

Nole:

(1) The City of inglewood is a Charter City. Under Article XXXVI, Section 31 of the Charter, "The bonded indebtedness of said City shall not at any time exceed an amount equal to fifteen per cent of its assassed non-operative value".

(2) City of inglewood and its various authorifies' lease revenue bonds are not subject to the debt limit.

Source: City Finance Dapartment

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Pledged-Revenue Coverage Last Ten Fiscal Years (Unaudited) (Dollars in Thousands)

Governmental Activities

			Rever	iue Bonds		
Fiscal Year		Less	Net	Lea	se	
Ended	Operating	Operating	Available	Debt Se	ervice	
September 30	Revenues	Expenses	Revenue	Principal	Interest	Coverage
			***			
2003	127,615	122,215	5,400	935	1,593	2.14
2004	141,044	136,061	4,983	995	1,530	1.97
2005	154,365	142,607	11 <i>,</i> 758	1,065	1,463	4.65
2006	144,346	129,226	15,120	1,130	1,398	5.98
2007	185,383	160,059	25,324	1,180	1,347	10.02
2008	199,125	166,844	32,281	1,235	1,292	12.77
2009	169 <i>,77</i> 5	158,334	11,441	1,295	1,234	4.52
2010	156,863	169,065	(12,202)	1,360	1,172	(4.82)
2011	168,424	141,424	27,000	1,420	1,105	10.69
2012	145,548	149,140	(3,592)	1,495	1,034	(1.42)

Note: Details regarding the city's oustanding debt can be found in the notes to the financial statements. Operating expenses do not include

interest or depreciation expenses.

Source: City of Inglewood, Finance Department

	Government	al Activitie	es		1	Business-type	e Activities		
	Tax Allocat	ion Bonds				Water Rever			
Tax	Debt S	ervice		Water	Less Operating	Net Available	Debt S	ervice	
Increment	Principal	Interest	Coverage	Revenue	Expenses	Revenue	Principal	Interest	Coverage
8,516	1,655	2,591	2.01	14,196	13,495	701	1,400	47	0.48
9,365	1,180	2,232	2.74	-	-	-	_	-	-
10,896	1,225	2,236	3.15	~	-	-	_	_	-
13,592	1,275	2,189	3.92	~	-	<del></del>	_	_	-
15,520	1,325	2,138	4.48	_	-	_	_	-	-
17,632	1,380	4,288	3.11	-	-	_	_	-	-
19,909	3,460	<i>7,7</i> 76	1. <i>77</i>	-	_	_	-	-	-
21,116	3,890	7,628	1.83	-	_	~	~	-	-
21,535	4,345	7,462	1.82	-	-	_	-	-	-
-	-	~	-	-	-	-	-	-	-

# Demographic and Economic Statistics Last Ten Years

September 30, 2012 (Unaudited)

Year	Population (1)	Population Percent Change	Personal Income (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2003	116,979	1.6%	427,549,556	33,537	8.8%
2004	117,593	0.5%	452,200,899	35,309	8.2%
2005	118,164	0.5%	481,123,703	37,543	6.8%
2006	118,112	0.0%	518,757,773	40,538	6.1%
2007	119,212	0.9%	540,510,195	42,278	6.5%
2008	118,878	-0.3%	567,707,034	44,462	9.5%
2009	118,201	-0.6%	550,831,747	42,784	14.5%
2010	109,673	<i>-</i> 7.2%	(4)	(4)	15.5%
2011	110,028	0.3%	(4)	(4)	15.5%
2012	110,678	0.6%	(4)	(4)	14.1%

Sources:

- (1) Department of Finance, State of California.
- (2) U.S. Department of Commerce, Bureau of Economic Analysis. Data is for the Los Angeles-Long Beach-Santa Ana MSA, local data unavailable.
- (3) State of California, Employment Development Department, Labor Market Information Division.
- (4) Data is not currently available from U.S. Department of Commerce, Bureau of Economic Analysis and will be updated when data becomes available.

Principal Employers
Current Year and Nine Years Ago
September 30, 2012 (Unaudited)

		2012			2003	
	<u> </u>		Percentage			Percentage
			of Total City			of Total City
Employer	Employees	Rank	Employment	Employees	Rank	Employment

This information was not available, but will be included in future reports as it becomes available.

CITY OF INGLEWOOO, CALIFORNIA
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years (Unaudited)

	Fi	Fiscal Year Ended September 30	September 30			Fis	Fiscal Year Ended September 30	d September 3	0	
Function/Program	2012	2011	2010	2009	2008	2002	2006	2005	2004	2003
Mayor and City Council	10.50	11.00	11.00	12.00	12.00	12.00	11.00	11.00	10.00	9.00
City Clerk	5.50	5.50	5.50	6.50	6.50	5.50	5.50	6.00	6.00	6.00
City Treasurer	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.63
City Attorney	17.00	18.75	18.75	17.50	15.00	15.25	15.25	11.00	11.50	11.00
Administration	9.00	9,00	9.00	9.00	55.75	09'6	8.60	19.00	19.00	16.72
Human Resources	9.00	10.45	10.45	10.45	10.45	10,45	9.19	9.19	9.19	12.18
Information Technology	20.00	29.00	31.00	29.00	29.00	39,50	37.50	36.17	35.17	41.00
Finance	44.50	47.50	47.50	49.50	42.50	42.00	42.08	47.08	47.27	48.37
Parking and Outsource Services (a)	3.00	,	,	1	,	,	,	,	,	,
Community Development	26.00	37.00	36.00	38.00	20.00	87.25	92.69	66.93	65.93	62.85
Fire	,	,	,	,	,	1	,	,	,	,
Residential Sound Insulation (b)	25.00	25.00	25.00	25.00	26.00	,	,	,	,	1
Planning and Building Safety (c)	22.00	23.00	23.00	24.00	22.00	13.00	1	1	,	1
Police	291.63	317.87	325.12	342.12	334.22	330.87	284.37	316.63	316.63	284.64
Library	30.34	38.95	38.95	46.32	46.32	46.32	55.37	45.37	45.37	48.15
Public Works	126.50	141.00	141.00	148.05	149.05	145.55	142.53	161.53	159.03	149.74
Parks, Recreation and Community Services	115.74	136.34	136.14	143.31	117.15	130.34	159.85	113.84	110.58	187.39
Total	757.21	852.36	860.41	902.75	887.94	889.63	865.93	845.74	836.67	878.67

Note: Includes full-time and part-time hours (2,080 hours = 1 FTE)

Source: City of Inglewood Budget Department

<sup>(</sup>a) Transferred from Information Technology in Fiscal Year 2012.(b) Transferred from Community Development In Fiscal Year 2008.(c) Transferred from Community Development in Fiscal Year 2007.

CITY OF INGLEWOOD, CALIFORNIA
Operating Indicators by Function/Program
Last Ten Fiscal Years
September 30, 2012 (Unaudited)

					Fiscal Year	(ear				
Program/Function	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Water Utility										
Water sold to customers in acre feet	6,665	6,687	10,488	8,001	10,554	10,756	10,634	10,886	11,298	10,397
Number of accounts	14,908	14,902	14,778	13,252	13,230	14,865	14,859	14,475	14,527	14,496
Sewer										
Number of accounts	<u>(T</u> )	(1)	Ξ	(1)	Ð	( <u>T</u> )	(1)	(1)	(I)	(1)
City sewage flow in million gallons/day	Ξ	(1)	Ξ	(1)	( <u>T</u> )	( <u>T</u> )	(1)	(I)	(I)	(1)
Library										
Total circulation	Ξ	(1)	(1)	(1)	Ð	(1)	(I)	( <u>T</u> )	(1)	(E)
Community Development										
Construction permits - residential	942	883	707	918	1,490	1,368	1,288	1,773	1,364	1,191
Construction permits - commercial, industrial and all others	216	226	165	258	239	237	315	315	320	323

Source - Various City Departments

(1) This information was not available, but will be included in future reports as it becomes available

CITY OF INGLEWOOD, CALIFORNIA

Capital Asset Statistics by Function/Program Last Ten Fiscal Years (Unaudited) September 30, 2012

						Fisc	Fiscal Year			
Program/Function	2012	2011	2010	2009	2008	2002	2006	2005	2004	2003
Recreation and Parks										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Acres of Park	26	26	26	26	26	26	26	26	26	26
Number of Playgrounds	12	12	12	12	12	12	12	12	12	12
Number of Swimming Pools	-	٢	-	-	<del>, ,</del>	-	-	-	-	-
Number of Recreation Facilities	∞	∞	∞	8	œ	8	∞	œ	8	œ
Library:										
Number of facilities: main and branches	က	က	3	3	က	3	3	3	3	က

Source - Various City Departments