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FOR IMMEDIATE RELEASE

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Greuel Reveals Balances in City Special Revenue Funds

Approximately 500 Funds Hold Millions of Dollars

LOS ANGELES- As part of her ongoing campaign to make Los Angeles a national model of transparency and accountability in government, Los Angeles City Controller Wendy Greuel will be posting the balances of approximately 500 active special revenue funds, which account for hundreds of millions of dollars of City expenditures. The funds are designated for a wide array of specific purposes.

Greuel is currently in the process of auditing some of the highest risk special revenue funds to ensure full transparency and accountability of every dollar within these funds. Regardless of the purpose and type of fund, City departments need to be held accountable for how these funds are derived, how they are spent, and the rationale for maintaining given cash balance levels.

“The audits that I am performing of these special revenue funds are more important than ever, given the recent challenges facing the State.” said Greuel. “The public deserves to know how all funds are being used as well as be assured that there are not any inappropriate transactions or stockpiling of funds occurring at a time when our City needs immediate economic stimulus.”

Greuel will post information for each of these funds on her website, www.controller.lacity.org.

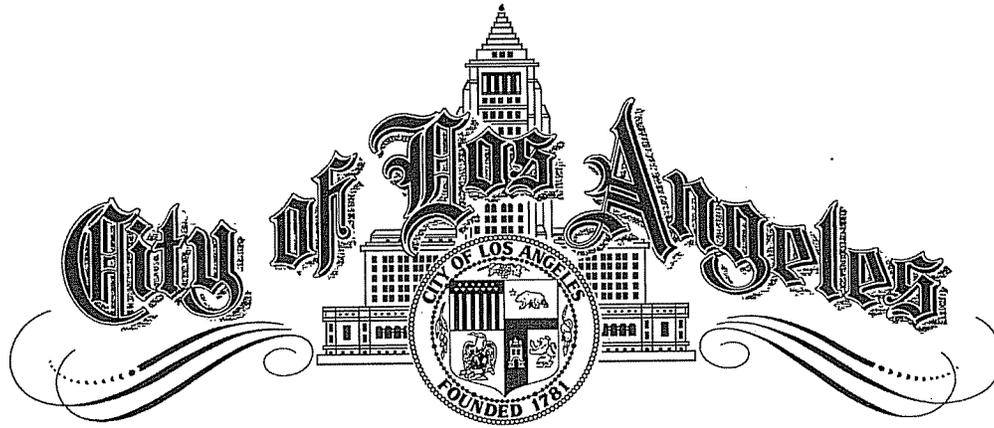
“Similar to my posting of City salaries following the scandal in the City of Bell, I am furthering my commitment of making information easily available for City residents and businesses to see their dollars at work,” said Greuel.

Controller Greuel has conducted more than 60 audits and uncovered more than \$130 million that the City has lost to wasteful spending, fraudulent activity, and abuse of city resources.

For more information, please visit the Controller’s website at: www.controller.lacity.org.

Copy of letter Greuel sent to Mayor and Council is attached.

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WENDY GREUEL
CONTROLLER

August 16, 2012

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

Dear Mayor Villaraigosa and Honorable Councilmembers:

As City Controller, I want to update you on my continuing efforts to increase transparency and accountability of the City's funds. As you are aware, the City has many Funds; approximately 500 of which are active Special Revenue Funds. I am currently in the process of auditing some of these Special Revenue Funds to ensure full transparency and accountability of every dollar within these Funds. Regardless of the purpose and type of Fund, City departments need to be held accountable for how these funds are derived, how they are spent, and the rationale for maintaining given cash balance levels.

Special Revenue Funds as a whole are designated for a wide array of specific purposes. While many of these Funds are identified in the annually adopted budget (on-budget) for expenditure, there are some that remain off-budget with cash balances in the millions of dollars. It is imperative that City leaders closely review departments' current use of these Funds and determine their availability to be brought on-budget. The public deserves to know how all funds are being used as well as be assured that there are not any inappropriate transactions or stockpiling of funds occurring at a time when our City needs immediate economic stimulus.

Similar to my posting of City salaries following the scandal in the City of Bell, I will be posting information for each of these Funds on my website, www.controller.lacity.org. I am furthering my commitment of making information easily available for City residents and businesses to see their dollars at work.



Honorable Antonio R. Villaraigosa, Mayor
Honorable Members of the City Council
August 16, 2012
Page 2

The audits that I am performing of these Special Revenue Funds are more important than ever, given the recent challenges facing the State. As I have repeatedly stated as part of my advocacy for Performance Based Budgeting, budgetary decisions do not occur in a vacuum, and the City's decision-makers must have full knowledge of all City funds. Budgetary decisions should be as transparent as possible, regardless of the funding source.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wendy Greuel".

WENDY GREUEL
City Controller

cc: Miguel Santana, City Administrative Officer
Gerry Miller, Chief Legislative Analyst