



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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ACTING AUDITOR-CONTROLLER

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS
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October 20, 2008

TO: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe *Wendy L. Watanabe*
Acting Auditor-Controller

SUBJECT: **CASH FLOW PROJECTION**

The County's current cash position is stable and the outlook for the remainder of the fiscal year indicates this positive trend will continue. Attached is a monthly cash flow projection, which estimates the June 30, 2009 combined cash balances for the General Fund and Hospital Funds at positive \$783 million.

Short-Term Outlook

On July 1, 2008, the County received \$500 million from the successful issuance of Tax and Revenue Anticipation Notes (TRANS), which mature on June 30, 2009. The delayed State budget resulted in corresponding delays in certain cash receipts for the first quarter of this fiscal year. However, by the end of the quarter, the County had recovered virtually all of the delayed cash flows from the State and the combined cash balances were positive \$456 million as of September 30, 2008. The estimated October 31, 2008 combined cash balances are positive \$108 million.

The County's short-term cash outlook is enhanced by the following factors:

- Last week's successful \$5 billion sale of State issued short-term notes enables the County to place more reliance on the timing of State related cash flows.
- The County currently has over \$1 billion of internal resources (predominately trust accounts) that are available for ongoing borrowing, should the need arise.

- The County General Fund is scheduled to receive approximately \$1 billion of property tax related collections on December 19, 2008, of which \$155 million will be set aside as required to meet pledge requirements for the repayment of the TRANS.

Our office reviews the County's cash flow on a daily basis and we meet regularly with staff from the Chief Executive Office and Treasurer and Tax Collector to monitor the County's cash position and significant changes in the cash flow projections. We will provide your Board with monthly updates on the status of the County's cash flow.

If you have any questions, please contact me, or your staff may call John Naimo at (213) 974-8484.

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Attachment

c: William T Fujioka, Chief Executive Officer
Mark J. Saladino, Treasurer and Tax Collector
Sachi A. Hamai, Executive Officer

**GENERAL FUND
HOSPITAL FUNDS
MONTHLY CASH FLOW PROJECTION**
(in thousands)

REVISED

Description	ACTUAL	ACTUAL	ACTUAL									
	July 2008	August 2008	September 2008	October 2008	November 2008	December 2008	January 2009	February 2009	March 2009	April 2009	May 2009	June 2009
General Fund :												
Beginning Cash	\$ 1,492,772	\$ 993,620	\$ 499,949	\$ 378,335	\$ 27,756	\$ (362,626)	\$ 195,519	\$ 664,632	\$ 413,472	\$ 92,082	\$ 478,586	\$ 919,772
Receipts	1,488,803	694,786	1,049,898	919,952	855,208	1,919,456	1,821,247	907,547	843,509	1,725,979	1,630,632	1,601,369
Disbursements	(1,987,955)	(1,188,457)	(1,171,512)	(1,270,531)	(1,245,590)	(1,361,311)	(1,352,134)	(1,158,707)	(1,164,899)	(1,339,475)	(1,189,446)	(1,818,233)
Month End Cash	\$ 993,620	\$ 499,949	\$ 378,335	\$ 27,756	\$ (362,626)	\$ 195,519	\$ 664,632	\$ 413,472	\$ 92,082	\$ 478,586	\$ 919,772	\$ 702,908
Hospital Funds :												
Month End Cash	89,272	78,700	77,717	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Total Month End Cash	\$ 1,082,892	\$ 578,649	\$ 456,052	\$ 107,756	\$ (282,626)	\$ 275,519	\$ 744,632	\$ 493,472	\$ 172,082	\$ 558,586	\$ 999,772	\$ 782,908