This section of the City and County of San Francisco’s (the City) Comprehensive Annual Financial Report (CAFR) presents a narrative overview and analysis of the financial activities of the City for the year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information in our transmittal letter. Certain amounts presented as 2010-11 summarized comparative financial information in the basic financial statements have been reclassified to conform to the presentation in the 2011-12 basic financial statements.

FINANCIAL HIGHLIGHTS

The assets of the City exceeded its liabilities at the end of the fiscal year by approximately $6.95 billion (net assets). Of this balance, $6.46 billion represents the City’s investment in capital assets net of related debt and $902.1 million represents restricted net assets. This is offset by a deficit in unrestricted net assets of $410.2 million. The City’s total net assets increased by $648.5 million or 10.3 percent over the previous fiscal year. Of this amount, total invested in capital assets net of related debt and restricted net assets increased by $465.5 million or 7.8 percent and $232.7 million or 34.8 percent, respectively, and were offset by $49.7 million or 13.8% decrease in unrestricted net assets.

The City’s governmental funds reported total revenues of $4.26 billion; a $152.1 million or 3.7 percent increase over the prior year. Within this, revenues from other local taxes, business taxes, hotel room tax, fines, forfeitures and penalties, sale and use tax and interest and investment income grew by approximately $102.6 million, $45.9 million, $29.6 million, $18.3 million, $16.8 million and $14.3 million, respectively. At the same time, there was a decline in revenues from federal intergovernmental grants, property taxes, and other revenue for a total of $104.8 million. Governmental funds expenditures totaled $4.06 billion for this period, a $281.0 million or 7.4 percent increase, reflecting increases in demand for governmental services of $201.3 million, debt service payments of $24.4 million and capital outlay of $55.3 million.

At the end of the fiscal year, total fund balances for the governmental funds amounted to $1.54 billion, an increase of $409.5 million or 36.3 percent from prior year, primarily due to a strong growth in most revenues over a moderate increase of expenditure and other financing uses this year over last year and an extraordinary gain of $197.3 million recognized as a result of the dissolution of the former Redevelopment Agency as discussed further below.

The City’s total long-term liabilities, including all bonds, loans, commercial paper and capital leases increased by $1.40 billion during this fiscal year. The City issued a total of $3.27 billion in debt this year. Of this amount, a total of $331.0 million in general obligation bonds were issued for improvements for earthquake safety and emergency response projects, clean and safe neighborhood park projects, road repaving and street safety projects and an additional drawdown of $4.3 million of general obligation bonds for the seismic safety loan program for privately-owned buildings within the City. The City also issued $9.8 million in equipment lease revenues bonds, $86.5 million refunding certificates of participation, $42.8 million in certificates of participation for multiple capital projects and $339.5 million general obligation refunding bonds to take advantage of the lower interest rates. The San Francisco International Airport issued a total of $1.02 billion revenue bonds and refunding revenue bonds to retire outstanding commercial paper notes and certain outstanding fixed rate bonds. The San Francisco Water Enterprise issued a total of $1.02 billion in revenue bonds and refunding revenue bonds to provide new money for capital projects of the massive Water System Improvement Program, to refund a portion of the outstanding water revenue bonds and litigation costs. Hetch Hetchy Water and Power Enterprise issued $14.9 million in clean renewable energy bonds and qualified energy conservation bonds. The balance of commercial paper issued to fund new capital projects or to refinance matured commercial paper also increased by $63.8 million this fiscal year. Of this increase, $29.3 million was for governmental activities and $34.5 million was for business-type activities.
On June 28, 2011, Assembly Bill X1 26 (AB X1 26) was enacted. This legislation is referred to herein as the Redevelopment Dissolution Law. On December 29, 2011, the California Supreme Court upheld the constitutionality of AB X1 26 and all redevelopment agencies in California were dissolved by operation of law effective February 1, 2012. The legislation provides for successor agencies and oversight boards that are responsible for overseeing the dissolution process and wind down of redevelopment activity. The City’s Board of Supervisors elected to become the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency), effective February 1, 2012. Based upon the nature of the Successor Agency’s custodial role, the Successor Agency is reported as a Private Purpose Trust. In general, the Successor Agency’s 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, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. The City’s Board of Supervisors also elected to retain the housing assets and functions, rights, powers, duties and obligations previously performed by the former Agency, which were placed in a new Special Revenue Fund, the Low and Moderate Income Housing Asset Fund pursuant to the Redevelopment Dissolution Law. On the statement of activities, the City and former Agency recorded extraordinary gains of $323.1 million and $364.0 million, respectively, and the Successor Agency recorded an extraordinary loss of $687.1 million on the statement of changes in fiduciary net assets.
OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements comprise three components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These various elements of the Comprehensive Annual Financial Report are related as shown in the graphic below.

Organization of City and County of San Francisco Comprehensive Annual Financial Report

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<th>Statistical Section</th>
<th>STATISTICAL SECTION</th>
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The following figure summarizes the major features of the financial statements. The overview section below also describes the structure and contents of each of the statements in more detail.

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<th>Scope</th>
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<tr>
<td></td>
<td>Entire entity (except fiduciary funds)</td>
<td>The day-to-day operating activities of the City for basic governmental services</td>
</tr>
<tr>
<td>Accounting basis and measurement focus</td>
<td>Accrual accounting and economic resources focus</td>
<td>Modified accrual accounting and current financial resources focus</td>
</tr>
<tr>
<td>Type of asset and liability information</td>
<td>All assets and liabilities, both financial and capital, short-term and long-term</td>
<td>All assets and liabilities, both financial and capital, short-term and long-term</td>
</tr>
<tr>
<td>Type of inflow and outflow information</td>
<td>All revenues and expenses during year, regardless of when cash is received or paid</td>
<td>Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable</td>
</tr>
</tbody>
</table>

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City’s assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City’s net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include public protection, public works,
transportation and commerce, human welfare and neighborhood development, community health, culture and recreation, general administration and finance, and general City responsibilities. The business-type activities of the City include an airport, port, public transportation systems (including parking), water and power operations, an acute care hospital, a long-term care hospital, sewer operations, and a produce market.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate redevelopment agency, the San Francisco Redevelopment Agency, and a legally separate development authority, the Treasure Island Development Authority (TIDA), for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government. Pursuant to Redevelopment Dissolution Law, the Redevelopment Agency was dissolved by operation of law effective February 1, 2012 and financial activities are reported for the seven-month period ended January 31, 2012. The Successor Agency is a component unit, which is reported in fiduciary funds beginning on February 1, 2012. Included within the governmental activities of the government-wide financial statements are the San Francisco County Transportation Authority and San Francisco Finance Corporation. Included within the business-type activities of the government-wide financial statements is the operation of the San Francisco Parking Authority. Although legally separate from the City, these component units are blended with the primary government because of their governance or financial relationships to the City.

**Fund Financial Statements**

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into the following three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements – i.e. most of the City’s basic services are reported in governmental funds. These statements, however, focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available and the constraints for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City’s programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects and permanent funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annually appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.
Proprietary funds. Proprietary funds are generally used to account for services for which the City charges customers – either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of the San Francisco International Airport (SFO or Airport), Port of San Francisco (Port), San Francisco Water Enterprise (Water), Hetch Hetchy Water and Power (Hetch Hetchy), Municipal Transportation Agency (MTA), Laguna Honda Hospital, San Francisco General Hospital Medical Center, and the San Francisco Wastewater Enterprise (Wastewater), all of which are considered to be major funds of the City.

- **Internal Service funds** are used to report activities that provide supplies and services for certain City programs and activities. The City uses internal service funds to account for its fleet of vehicles, management information services, printing and mail services, and for lease-purchases of equipment by the San Francisco Finance Corporation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City employees’ pension and health plans, retiree’s health care, the Successor Agency to the San Francisco Redevelopment Agency, the external portion of the Treasurer’s Office investment pool, and the agency funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City’s own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City’s progress in funding its obligation to provide pension and other postemployment benefits to its employees.

Combining Statements and Schedules

The combining statements and schedules referred to earlier in connection with non-major governmental funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on pensions and other postemployment benefits.
CITY AND COUNTY OF SAN FRANCISCO
Management's Discussion and Analysis (Unaudited) (Continued)
Year ended June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets
June 30, 2012 (in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Governmental activities</th>
<th>Business-type activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
<td>2011</td>
<td>2012</td>
</tr>
<tr>
<td>Assets and deferred outflows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current and other assets</td>
<td>$2,850,238</td>
<td>$2,288,417</td>
<td>$4,681,192</td>
</tr>
<tr>
<td>Capital assets</td>
<td>3,688,246</td>
<td>3,314,450</td>
<td>11,880,773</td>
</tr>
<tr>
<td>Deferred outflows</td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Total assets and deferred outflows</td>
<td>$6,538,484</td>
<td>$5,602,867</td>
<td>$16,660,944</td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>1,195,565</td>
<td>1,071,868</td>
<td>1,608,865</td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>3,422,909</td>
<td>3,220,720</td>
<td>10,020,813</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>4,618,474</td>
<td>4,292,588</td>
<td>11,629,678</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>2,199,316</td>
<td>1,910,341</td>
<td>4,519,090</td>
</tr>
<tr>
<td>Restricted *</td>
<td>675,163</td>
<td>446,799</td>
<td>249,434</td>
</tr>
<tr>
<td>Unrestricted (deficit) *</td>
<td>(954,469)</td>
<td>(1,046,861)</td>
<td>262,742</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$1,920,010</td>
<td>$1,310,279</td>
<td>$5,031,266</td>
</tr>
</tbody>
</table>

* See note 2(k) to the basic financial statements.

Analysis of Net Assets

Current and other assets increased by $1.27 billion of which $561.8 million in governmental activities and $712.8 million in business-type activities. Governmental activities increases reflect the overall operating results of the year ended 2011-12 and the business-type activities increases reflect increased receipts from capital grants and contributions and proceeds from bond issuances as discussed in the analysis of changes in net assets.

Net assets may serve as a useful indicator of the government’s financial position. As noted earlier, at the end of fiscal year 2011-12, the City’s total net assets exceeded liabilities by $6.95 billion.

The largest portion of the net assets reflects the City’s $6.46 billion investment in capital assets (e.g. land, buildings, and equipment) less any outstanding debt related to the acquisition of these assets. This is 92.9 percent of the City’s total net assets, a 7.8 percent increase over the prior year that is largely due to growth in net capital assets in the governmental activities from the addition of former Redevelopment Agency capital assets in the amount of $124.5 million and increases in the following business-type activities: MTA, Wastewater, Port, Hetch Hetchy, General Hospital and the San Francisco Market Corporation. This was partially offset by the decreases in Airport, Water, and Laguna Honda. Since the government uses capital assets to provide services, these assets are not available for future spending. Further, the resources required to pay the outstanding debt must come from other sources since the capital assets themselves cannot be liquated to pay that liability.

Another portion of the City’s net assets, $902.1 million or 13.0 percent represents restricted resources that are subject to external limitations regarding their use. The governmental activities have a $954.5 million deficit in the unrestricted net assets, due largely to transfers to business-type activities and the recognition of other postemployment benefit expense. This deficit also includes $218.5 million of long-
CITY AND COUNTY OF SAN FRANCISCO
Management's Discussion and Analysis (Unaudited) (Continued)
Year ended June 30, 2012

The City’s total net assets increased by $648.5 million during fiscal year 2011-12, the second consecutive increase following three years of decline. The governmental activities net assets increased $609.7 million and the business-type activities increased $38.8 million. The City’s governmental activities experienced a $205.3 million or 5.1 percent growth in total revenues reflecting increases in nearly all of the general City revenues. A discussion of these and other changes is presented in the governmental activities and business-type activities sections that follow.
Governmental activities. Governmental activities increased the City's total net assets by approximately $609.7 million. Key factors contributing to this change are discussed below.

Overall, total revenues from governmental activities were $4.27 billion, a $205.3 million or 5.1 percent increase over the prior year. For the same period, expenses totaled $3.74 billion before transfers of $251.1 million and an extraordinary gain of $323.1 million, resulting in a total net assets increase of $609.7 million by June 30, 2012.

Property tax revenues increased by $15.3 million or 1.1 percent. Other local tax revenues grew by $102.5 million. Of this, $98.4 million were from Property Transfer Tax. This growth was due in large part to recent tax rate increases. Proposition N, passed in November 2008, increased the transfer tax rate from 0.75 percent to 1.5 percent for all transactions valued over $5 million. A second Proposition N, passed in
November 2010, increased the rate from 1.5 percent to 2.0 percent for transactions valued between $5 million and $10 million, and from 1.5 percent to 2.5 percent for transactions valued over $10 million. This rate increase coupled with a rise in the number of commercial transactions over $5 million significantly contributed to revenue growth. An increase in parking tax revenue by approximately $3.9 million made up the remaining growth in the other local taxes.

Revenues from business, hotel, and sales and use taxes totaled $875.5 million, a growth of $92.3 million over the prior year. Business taxes grew by $45.9 million due to an increase in average weekly wages in San Francisco, stronger growth in non-exempt business and improved taxpayer compliance with the implementation of online filing and payments. Hotel room tax increased by $29.6 million due to increased occupancy, and a rise in average daily room rates from $173 per room-night to $197 per room-night. Sales and Use Tax also increased by $16.8 million. The increases reflected strong sales growth across virtually every economic segment, resulting in all-time peak sales in many retail categories. Increased visitor spending contributed to strong growth in the restaurant, apparel and general retail sales categories during the fiscal year.

Operating and capital grants and contributions decreased $58.0 million. This was primarily due to a significant decrease in Federal and State funding for the fiscal year 2011-2012 concentrated in public works, which declined by $44.9 million, and human welfare, which declined by $18.5 million. There were also declines in community health and general city responsibilities, all declines were offset by an increase in public protection.

Total charges for services and other revenues increased $39.5 million, or 8.1 percent. This was primarily due to an increase of $15.4 million in tobacco settlement revenue, which is used to offset the cost of debt service on the Laguna Honda Hospital replacement project as directed by Proposition A of 1999. There were also increases in building permit revenue of $10.0 million, and community impact fee revenue of $3.3 million. In addition, there was a $6.1 million reimbursement of America’s Cup costs incurred by the City from the America’s Cup Organizing Committee, a $1.5 million increase in services to other government agencies and $0.5 million in developer exactions, offset by a one-time sale of Fire Department property on Tennessee Street for $1.3 million in fiscal year 2010-11.

Interest and investment income revenue increased by $13.8 million, or 78.3 percent, primarily due to a much higher cash and investment balance due to increased governmental revenues and a slightly higher interest rate on the City’s pooled investments from an estimated gross 1.24 percent in the prior year to 1.32 percent in the current year.

Net transfers from the governmental activities to business-type activities were $251.1 million, a 25.5 percent or $86.0 million decrease from the prior fiscal year, of which $407.6 represented net cash transfers out to business-type activities as discussed in note 14 to the basic financial statements offset with a $156.5 million transfer of the outstanding balance of the certificates of participation to Laguna Honda Hospital along with the revenue stream dedicated to repay this obligation. This obligation was issued for the purpose of rebuilding and improving the Laguna Honda Hospital.

The moderate increase of total governmental expenses of $162.1 million or 4.5 percent was primarily due to increases in demand for the government’s services in almost all functional services by $201.7 million, which was partly offset by the decrease of expenses in public works, transportation and commerce, and culture and recreation service functions by $39.6 million.

The City recorded an extraordinary gain due to the dissolution of the Redevelopment Agency of $323.1 million, of which $196.8 million was current assets, $124.5 million was capital assets, and the remainder of $1.8 million was other assets less other liabilities.
The charts on the previous page illustrate expenses and program revenues by functional area, and all revenues by source. As shown, public protection is the largest function (31.0 percent), followed by human welfare and neighborhood development (25.2 percent) and community health (18.0 percent). General revenues are not shown by program or function because they are used to support activities citywide. The distribution of these revenues shows property tax (31.7 percent) as the single largest funding source, followed by operating grants and contributions (23.4 percent), charges for services (10.2 percent), and business taxes (10.2 percent). This relative ranking is equivalent to the prior fiscal year and the actual percentage distributions showed only small differences.
The City's Water Enterprise is the third largest municipal water agency in California. For the fiscal year 2011-12, it reported net assets of $358.5 million, a decrease of $37.8 million or 9.5 percent from the prior year. While the Water Enterprise had $37.5 million of operating income for the year, the primary reasons for the decrease were an increase in non-operating expense of $7.5 million, and a reduction in capital contributions of $18.3 million, which was a one-time contribution received in fiscal year 2010-11 from the San Francisco Fire Department. The contribution consisted of assets and bond proceeds intended for improvements to the Auxiliary Water Supply System.

Hetch Hetchy Water and Power's net assets at fiscal year-end were $512.7 million, an increase of $16.7 million, or 3.4 percent over the prior year. The enterprise is composed of two segments: Hetch Hetchy Water upcountry operations and water system and Hetch Hetchy Power, also referred to as the Power Enterprise. A number of the facilities are joint assets and are used for both water and power operations. Hetch Hetchy Power's net assets increased by $6.3 million during the year, while Hetch Hetchy Water's net assets increased by $10.4 million. Hetch Hetchy Water's increase to net assets of $10.4 million was aided by a transfer of $14.1 million from the City's Water Enterprise to finance improvements of certain upcountry water storage and transmission facilities. The transfer was offset by a loss of $4.5 million from operations, net of $0.8 million of net nonoperating revenue.

The Municipal Transportation Agency (MTA) had net assets of $2.10 billion at year-end, which represents an increase of $134.6 million, or 6.9 percent. The increase is attributable to improvements in all revenue categories. The largest portion of the MTA's net assets reflects its investment in capital assets, which totaled $2.12 billion. The remainder of the MTA's net assets is comprised of restricted net assets, including deposits and investments with the City, and receivables. The MTA's unrestricted net asset balance is $6.5 million, which is a $47.8 million improvement over the prior year's unrestricted net deficit of $41.3 million.

General Hospital, the City's acute care hospital, ended the fiscal year with a net deficit of $90.7 million compared to a deficit of $70.9 million the prior year, which was an increase in net deficit of $19.8 million or 27.9 percent. Although the Hospital had an overall increase in operating revenues of approximately $25.0 million, primarily attributable to increased gross patient service revenue, those revenues were exceeded by rising operating expenses of $52.8 million caused by increases in costs for personnel and contractual services. Non-operating activity showed decreases in grant revenues of $4.5 million, and increases in net transfers in of $40.8 million. Transfers in and out will vary from year to year based upon the City's budget.

The City's Wastewater Enterprise had total net assets of $1.10 billion at June 30, 2012, an increase from the prior year of $39.1 million, or 3.7 percent. This increase in net assets was due primarily to $48.3 million of net income from operations. Although operating revenues increased, Wastewater also experienced increases in operating expenses such as salaries, fringes and depreciation. Other activities included net nonoperating losses of $9.2 million, which were lower than nonoperating losses in fiscal year 2010-11 by $4.9 million.

The Port's net assets increased by $26.0 million, or 8.4 percent, yielding total net assets of $335.5 million at the end of fiscal year 2011-12. The Port is responsible for a seven and one-half mile stretch of waterfront land and its revenue is derived primarily from property rentals to commercial and industrial enterprises and a diverse mix of maritime operations. The Port's increase to net assets during the current year was comprised of $6.7 million of income from operations, $3.0 million of net nonoperating revenues, $6.6 million of capital contributions and net transfers in of $9.7 million. Increases to net operating revenues were due primarily to increases in parking and maritime revenues.

Net assets for Laguna Honda Hospital, the City's skilled nursing care hospital, decreased $120.2 million, or 22.3 percent this year. The decrease is related to the hospital's assumption of debt for capital activities, which are supported by certificates of participation. The $159.9 million transfer out is partially offset by a transfer in of $40.5 million from the capital and debt service funds, also related to the construction of the new hospital. Laguna Honda Hospital's losses from operations were $85.3 million compared to $58.4 million in fiscal year 2010-11.
FINANCIAL ANALYSIS OF THE CITY’S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City’s governmental funds statements is to provide information on near-term inflows, outflows, and balances of resources available for future spending. Such information is useful in assessing the City’s financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and the Permanent Fund.

At the end of the current fiscal year, the City’s governmental funds reported combined fund balances of $1.54 billion, an increase of $409.5 million or 36.3 percent over the prior year. Of the total fund balances, $333.4 million is assigned and a negative $119.5 million is unassigned. This totals $213.9 or 13.9 percent of the total fund balances and constitutes the fund balances that are accessible to meet the City’s needs. Within these fund balance classifications, the General Fund had an assigned fund balance of $305.4 million. The remainder of the governmental funds fund balances include $20.7 million nonspendable for items that are not expected to be converted to cash such as inventories and long-term loans, $1.22 billion restricted for programs at various levels and $79.3 million committed for other reserves.

The General Fund is the chief operating fund of the City. As a measure of liquidity, both the sum of assigned and unassigned fund balances and total fund balance can be compared to total fund expenditures. As of end of the fiscal year, assigned and unassigned fund balances totaled $322.7 million while total fund balance reached $455.7 million. Combined assigned and unassigned fund balances represent 12.4 percent of total expenditures, while total fund balance represents 17.6 percent of total expenditures. For the year, the General Fund’s total revenues exceeded expenditures by $557.6 million before transfers and other items of $429.1 million and an extraordinary loss of $0.8 million due to the dissolution of the Redevelopment Agency resulting total fund balance increased by $127.7 million. Overall, the significant growth in revenues, particularly in real estate property transfer taxes, business taxes and hotel room tax were offset by an increase rate of expenditure growth due to growing demand for services and personnel costs across City functions and new America’s Cup project resulted in the substantial fund balance improvement this fiscal year.

In addition to the extraordinary loss recorded in the General Fund due to the dissolution of the Redevelopment Agency, a $198.1 million gain was recorded to Special Revenue Funds for a net extraordinary gain of $197.3 million to the governmental funds.

**Proprietary Funds**

The City’s proprietary fund statements provide the same type of information found in the business-type activities section of the government-wide financial statements, but in more details.

At the end of the current fiscal year, the unrestricted net assets for the proprietary funds were as follows: Airport: $189.6 million, Water Enterprise: $16.4 million, Hetch Hetchy Water and Power: $188.7 million, Wastewater Enterprise: $9.4 million, MTA: $6.5 million, the Port: $41.5 million and Market Corporation: $4.9 million. In addition, the San Francisco General Hospital and Laguna Honda Hospital had deficits in unrestricted net assets of $145.8 million and $48.4 million, respectively.

The following table shows actual revenues, expenses and results of operations for the current fiscal year in the City’s proprietary funds (in thousands). As seen here, the total net assets for these funds increased by approximately $38.8 million due to current year financial activities. Reasons for this change are discussed in the previous section on the City’s business-type activities.
### Non-Operating Operating Capital Interfund Change in Net Assets

<table>
<thead>
<tr>
<th>Fund</th>
<th>Operating Revenues</th>
<th>Operating Expenses</th>
<th>Operating Income (Loss)</th>
<th>Operating Revenues (Expense)</th>
<th>Capital Contributions and Others</th>
<th>Interfund Transfers, Net</th>
<th>Change in Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport</td>
<td>$668,672</td>
<td>$543,063</td>
<td>$125,609 ($106,512)</td>
<td>$14,538</td>
<td>-</td>
<td>($33,993)</td>
<td>($358)</td>
</tr>
<tr>
<td>Water</td>
<td>$342,101</td>
<td>304,562</td>
<td>37,539 (61,717)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hetch Hetchy</td>
<td>127,309</td>
<td>130,610</td>
<td>(3,301)</td>
<td>5,974</td>
<td>-</td>
<td>14,071</td>
<td>16,744</td>
</tr>
<tr>
<td>General Hospital</td>
<td>607,396</td>
<td>735,108</td>
<td>(127,712)</td>
<td>60,366</td>
<td>-</td>
<td>47,548</td>
<td>(19,798)</td>
</tr>
<tr>
<td>Wastewater Enterprise</td>
<td>244,155</td>
<td>195,857</td>
<td>48,298 (9,225)</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
<td>39,072</td>
</tr>
<tr>
<td>Port</td>
<td>77,260</td>
<td>70,540</td>
<td>6,720 (2,967)</td>
<td>6,550</td>
<td>9,732</td>
<td>25,969</td>
<td></td>
</tr>
<tr>
<td>Laguna Honda Hospital</td>
<td>133,524</td>
<td>218,818</td>
<td>(85,294)</td>
<td>84,447</td>
<td>-</td>
<td>(119,324)</td>
<td>(120,171)</td>
</tr>
<tr>
<td>Market Corporation</td>
<td>1,672</td>
<td>1,138</td>
<td>534 (3)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>537</td>
</tr>
<tr>
<td>Total</td>
<td>$2,552,553</td>
<td>3,156,391</td>
<td>($603,838)</td>
<td>$217,567</td>
<td>$173,975</td>
<td>251,088</td>
<td>38,792</td>
</tr>
</tbody>
</table>

### Fiduciary Funds

The City maintains fiduciary funds for the assets of the San Francisco Employees' Retirement System, Health Service System and Retiree Health Care Trust, and manages the investment of monies held in trust to benefit public service employees. At the end of the current fiscal year, the net assets of the Retirement System, Health Services System and Retiree Health Care Trust combined totaled $15.36 billion, representing a $270 million decrease over the prior year, a 1.7 percent change. This decrease is primarily a result of the net difference between contributions received by the funds and benefit payments made from the funds. The Private Purpose Trust accounts for the Successor Agency, and had a net deficit of $664.2 million at June 30, 2012 caused by the extraordinary loss at its inception from the Redevelopment Agency dissolution. The Investment Trust Fund's net assets were $323.4 million at year's end, compared to $448.4 million at the end of the previous fiscal year. This 27.9 percent decrease represents the excess of distributions to external participants over additions to the funds in the current year.

### General Fund Budgetary Highlights

The City's final budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects, and supplemental appropriations approved during the fiscal year.

During the year, actual revenues and other resources were $175.2 million higher than the final budget. The City realized $115.0 million, $45.4 million, $30.5 million and $22.8 million more revenue than budgeted in real property transfer tax, business tax, property taxes and hotel room tax, respectively. These increases were offset by $67.2 million shortfall of actual versus budgeted revenue in other categories, namely, federal grants and subventions, utility user tax, charges for services, other financing sources and other resources.

Differences between the final budget and the actual (budgetary basis) expenditures resulted in $124.3 million in expenditure savings. Major factors include:

- **$50.3 million savings** in the Human Services Agency, due largely to lower than budgeted client assistance, aid payments, non-profit organization services, non-personnel services as well as personnel costs from unfilled Jobs Now program.

- **$28.0 million in savings** in the Department of Public Health, mainly from lower than budgeted intergovernmental transfer costs to State related to Hospital Fee program and Safety Net Care Pool program, professional services expenditures and material and supplies expenditures.

- **$11.1 million in savings** due to close-out of unspent General Reserve not used for supplemental appropriation or other contingencies during fiscal year 2011-12.
$7.3 million in saving mainly in Treasurer/Tax Collector, Assessor/Recorder, Controller’s office, Administrative Services and other departments in the general administration and finance non-personnel services, contingency expenditures and services from other departments.

The remaining lower than budgeted expenditures are savings from public protection, other City responsibilities and transfers to other funds.

The net effect of substantial revenue increases, savings in expenditures and reduction in reserve balances was a budgetary fund balance available for subsequent year appropriation of $220.3 million at the end of fiscal year 2011-12. The City’s fiscal year 2012-13 Adopted Original Budget assumed an available balance of $104.3 million, and $116.0 million remains available. (See also Note 4 to the Basic Financial Statements for additional fund balance details).

**Capital Assets and Debt Administration**

**Capital Assets**

The City’s capital assets for its governmental and business-type activities as of June 30, 2012, increased by $1.32 billion, 9.3 percent, to $15.57 billion (net of accumulated depreciation). Capital assets include land, buildings and improvements, machinery and equipment, park facilities, roads, streets, bridges, and intangible assets. Governmental activities contributed $373.8 million or 28.4 percent to this total while business-type activities contributed $944.5 million or 71.6 percent. Details are shown in the table below.

<table>
<thead>
<tr>
<th>Governmental Activities</th>
<th>Business-type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land..........................</td>
<td>$281,858</td>
<td>$201,334</td>
</tr>
<tr>
<td>Construction in progress...</td>
<td>$157,308</td>
<td>$181,013</td>
</tr>
<tr>
<td>Facilities and Improvement...</td>
<td>$2,179,509</td>
<td>$2,722,410</td>
</tr>
<tr>
<td>Machinery and equipment...</td>
<td>$1,805,866</td>
<td>$2,001,021</td>
</tr>
<tr>
<td>Infrastructure...............</td>
<td>$369,919</td>
<td>$801,021</td>
</tr>
<tr>
<td>Property held under lease...</td>
<td>$5</td>
<td>$5</td>
</tr>
<tr>
<td>Intangible assets.............</td>
<td>$27,594</td>
<td>$37,626</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,688,246</td>
<td>$15,569,019</td>
</tr>
</tbody>
</table>

Major capital asset events during the current fiscal year included the following:

- Under governmental activities, net capital assets increased by $373.8 million. As a result of the dissolution of the Redevelopment Agency, housing capital assets of $124.5 million were transferred to the City. Other increases were mainly due to construction in progress and completed assets at various branch libraries, park and recreational sites, various street and building improvement projects. Among the various city-wide parks, libraries, public works and traffic signal, bicycle lanes and building improvement projects, the General Hospital Rebuild Project, which is recorded in governmental activities grew by $104.4 million during the fiscal year. $103.9 million in construction in progress was substantially completed and capitalized as facilities and improvement, infrastructure and intangible assets during the fiscal year. Of the completed projects, $3.6 million is for public library improvements, $5.3 million is for various building improvements, $32.0 million is for Moscone Center improvements and $37.6 million is for public works, traffic signal projects and bicycle lane projects, and $23.4 million for various parks and recreation centers such as McCoppin Square, Mission Dolores Playground, South Murphy Windmill and other park and recreation improvement projects. Growth in construction-in-progress projects included park facilities, earthquake safety improvements, Marina West Harbor renovations, library renovations and other public works projects.
The Water Enterprise’s net capital assets increased by $754.3 million or 30.4 percent. Close to $157.3 million, or 20.8 percent, of the change reflects the net increase in construction-in-progress on the enterprise’s ten-year capital plan, including the Water System Improvement Program. Major additions to construction work included Bay Division Pipeline Reliability Upgrade, New Irvington Tunnel, 525 Golden Gate Headquarters, and other Water System Improvement Program (WSIP). The total estimated cost for the WSIP is $4.6 billion, including $4.1 billion for capital projects and $0.5 billion for net financing costs. The program is on target to meet an overall completion date of December 2015. During the fiscal year, there was an increase of $590.5 million or 48.3 percent in structures, buildings, and equipment, an increase of $0.6 million in intangible assets of the Customer Care & Billing computer software enhancement. Completed as of June 30, 2012 the Enterprise has incurred $119.1 million in construction costs for the 525 Golden Gate Avenue Headquarters project. As of June 30, 2012, the SFPUC’s Water Enterprise is midway through construction of its multi-billion dollar, multi-year program to upgrade the Hetch Hetchy Regional and Local Water Systems, known as the Water System Improvement Program (WSIP). The WSIP delivers capital improvements that enhance the Enterprise’s ability to provide reliable, affordable, high quality drinking water to its customers.

MTA’s net capital assets increased by $86.6 million or 4.3 percent, compared to the previous year, which was attributed to an increase in construction work for new and existing projects offset by an increase in depreciation expense for existing assets. Construction in progress is made up of various transit pedestrian and bike projects. The four projects that have the highest balances on June 30, 2012, are the Central Subway, rail replacement, Islais Creek-Woods Annex and wayside fare collection. The Central Subway Project proceeded with the detail design and construction. This project will link the existing 5.2 mile Phase I T-line, beginning at the CalTrain and 4th Street and king Streets, to BART, Union Square and Chinatown to the north. The project completed utility relocation on Stockton Street and utility vault installations/water tiepins on Geary near Stockton. The MTA received an additional $35.0 million from Federal Transit Administration (FTA) awarded in August 2011 for the second phase of Islais Creek Maintenance Facility Project. Additional funds were received to advance Track, Overhead and Cable Car Rehabilitation Programs as well as Central Control and Communication and Radio Replacement Projects.

Laguna Honda Hospital’s net capital assets increased by $13.0 million or 2.4 percent due primarily to construction in progress on the capital project to rebuild the hospital. The California Hospital Facilities Safety Act (SB 1953) specifies certain requirements that must be met at various dates in order to increase the probability that LHH could maintain uninterrupted operations following major earthquakes. By January 1, 2008, all general acute care buildings must be life safe. By January 1, 2030, all general acute care inpatient buildings must be able to be operational after an earthquake. In December 2001, LHH finalized and submitted a plan to the State of California indicating that the Laguna Honda Hospital Replacement Project will be fully operational by 2013 and thereby in full compliance with the 2030 requirements. A five-year extension for the January 2008 deadline was requested and granted, postponing the deadline to 2013. As of June 30, 2012, general obligation bonds in the amount of $298 million have been sold to fund the Replacement Project and are reported as a governmental activity and LHH has entered into various purchase contracts totaling approximately $21.9 million that are related to the old building remodel phase of the Replacement Project.

General Hospital’s net capital assets increased by $13.6 million or 23.1 percent, primarily due to the increase in construction in progress related to the hospital rebuild project. As of June 30, 2012, general obligation bonds, in the amount of $426.3 million have been sold to fund the hospital rebuild. On August 25, 2012, additional bonds were sold in the amount of $251.1 million. The general obligation bonds are accounted for as a governmental activity and transactions are accounted for in the City’s Governmental Capital Project Funds. Upon completion of the new facility, it will be contributed to the SFGH enterprise fund.
CITY AND COUNTY OF SAN FRANCISCO
Management’s Discussion and Analysis (Unaudited) (Continued)
Year ended June 30, 2012

- The Wastewater Enterprise net capital assets reported an increase of $93.7 million or 6.5 percent mainly in construction activities. These include the Sunnydale Sewer Improvements, 525 Golden Gate Headquarters Building, Mission/Cesar Chavez Improvements, and other capital projects throughout the system. As of June 30, 2012, the Enterprise has incurred $28.6 million in construction costs for the 525 Golden Gate Avenue Headquarters project. The Commission recently completed a review of the endorsed goals and service levels associated with the Sewer System Improvement Program (SSIP) in August 2012. The estimated costs over the next 20 years are projected to total $6.9 billion, of which Phase 1 totals $2.7 billion and is planned over the next 10 years.

- Hetch Hetchy net capital assets increased by $32.0 million or 10.5 percent during the year, resulting from an increase of $46.3 million in construction in progress offset by transfers of $38.3 million with increases of $25.6 million in facilities, improvements, machinery and equipment, net of depreciation and $1.6 million in capital write-offs.

- The Airport’s net capital assets decreased $79.8 million or 2.1 percent largely due to higher depreciation expense with the opening of Terminal 2.

- The Port’s net capital assets increased by $30.9 million or 11.7 percent mainly in construction activities that include the Hyde Street Harbor Joint Operations Building, Mission Bay Shoreline for Bayfront Park Project, Port Security Fence Phase 3, and the Energy Efficiency Project.

At the end of the year, the City’s business-type activities had approximately $1.40 billion in commitments for various capital projects. Of this, Water Enterprise had an estimated $969.3 million, MTA had $188.9 million, Wastewater had $819.9 million, Airport had $33.2 million, Hetch Hetchy had $31.8 million, Port had $72.4 million, Laguna Honda Hospital had $21.9 million and the General Hospital had $1.0 million. In addition, there was approximately $320.8 million reserved for encumbrances in capital project funds for the general government projects.

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

Additional information about the City’s capital assets can be found in Note 7 to the Basic Financial Statements.

**Debt Administration**

At the end of the current fiscal year, the City had total long-term and commercial paper debt outstanding of $12.37 billion. Of this amount, $1.51 billion is general obligation bonds secured by ad valorem property taxes without limitation as to rate or amount upon all property subject to taxation by the City and $10.86 billion is revenue bonds, loans, certificates of participation, capital leases, and other debts of the City secured solely by specified revenue sources.

As noted previously, the City’s total long-term debt including all bonds, loans, commercial paper notes and capital leases increased by $1.40 billion or 12.8 percent during the fiscal year. The net increase in debt obligations in the governmental activities was $77.9 million primarily due to issuance of new debt. For the business-type activities, the net increase in debt obligations was $1.32 billion due primarily to the issuance of revenue bonds by the San Francisco Water Enterprise for various capital projects.
The business-type activities issued a combined total of $2.44 billion revenue bonds, of which $1.02 billion was issued for refunding and restructuring a portion of the Airport’s long term debt and for cash flow savings. The San Francisco Water Enterprise issued a total of $1.42 billion of revenue bonds to refund $155.9 million of outstanding revenue bonds, to reimburse the San Francisco Public Utilities Commission for costs to settle litigation arising out of certain capital projects in benefit to SFPUC’s Water Enterprise and to provide new money for the Water System Improvement Program (WSIP) capital projects. Hetch Hetchy Water and Power Enterprise issued $14.9 million in clean renewable energy bonds to finance installation of solar energy equipment on City-owned facilities and fund certain qualified green components of SFPUC’s 525 Golden Gate headquarters. The Airport and the San Francisco Water Enterprise issued a total of $34.5 million additional commercial paper notes.

The City issued a total of $674.8 million in general obligation bonds, of which $339.5 million was for refunding bonds issued for economic savings and $331.0 million was issued to fund the City’s earthquake safety and emergency response projects, clean and safe neighborhood parks projects, and road repaving and street safety projects. The City also issued $4.3 million in general obligation bonds to provide loans for the seismic strengthening of privately-owned unreinforced masonry buildings within the City. The City and County of San Francisco Finance Corporation issued $9.8 million in lease revenue bonds to finance equipment purchases. The City issued $129.3 million in certificates of participation, of which, $86.5 million was issued to refund lease revenue bonds financing the construction of and various improvements to Moscone Convention Center for economic savings and $42.8 million was issued for the construction, installation, repair and renovation of certain access ramps, street improvements and related facilities. An additional loan for $4.4 million was drawn for the renovation of the City’s west harbor marina.

The City’s Charter imposes a limit on the amount of general obligation bonds the City can have outstanding at any given time. That limit is three percent of the taxable assessed value of property in the City – $165.42 billion in value as of the close of the fiscal year. As of June 30, 2012, the City had $1.51 billion in authorized, outstanding general obligation bonds, which is equal to approximately 0.87 percent of gross (0.91 percent of net) taxable assessed value of property. As of June 30, 2012, there were an additional $1.08 billion in bonds that were authorized but unissued. If all of these general obligation bonds were issued and outstanding in full, the total debt burden would be approximately 1.50 percent of gross (1.56 percent of net) taxable assessed value of property.

The City’s underlying ratings on general obligation bonds as of June 30, 2012 were:

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s Investors Service, Inc.</td>
<td>Aa2</td>
</tr>
<tr>
<td>Standard &amp; Poor’s</td>
<td>AA</td>
</tr>
<tr>
<td>Fitch Ratings</td>
<td>AA-</td>
</tr>
</tbody>
</table>

During the fiscal year, Moody’s Investors Service (Moody’s) and Fitch Ratings maintained the City’s ratings at “Aa2” and “AA-”, respectively, with a stable outlook. Standard & Poor’s affirmed its rating at “AA” and its negative outlook on all the City’s outstanding bonds.

The City’s enterprise activities maintained their underlying debt ratings this fiscal year. Moody’s, Standard & Poor’s and Fitch Ratings affirmed their underlying credit ratings of the Airport of “A+”, “A1” and “A+” with Stable Rating Outlooks, respectively. The San Francisco Water Enterprise carried underlying ratings of “Aa3” and “AA-“ from Moody’s and Standard & Poor’s, respectively. The San Francisco Wastewater Enterprise carried underlying ratings of “Aa3” from Moody’s and “AA-” from Standard & Poor’s.

Additional information in the City’s long-term debt can be found in Note 8 to the Basic Financial Statements.
Economic factors and next year's budget and rates

Despite the length and severity of the recession that struck the state and the nation in late 2007, San Francisco continued to fare better than the rest of California and continued to show improvement in the economy. The following economic factors were considered in the City's fiscal year 2012-13 budget.

- Average unemployment for fiscal year 2011-12 was 8.0 percent down 1.2 percent from the fiscal year 2010-11. Over the course of fiscal year 2011-12, the San Francisco Metropolitan Division experienced a total employment increase of 4.4 percent.

- Housing prices, industry employment, residential and commercial rent, hotel revenues, and retail sales all showed significant signs of recovery.

- As of March 2012, Financial, Professional and Business, and Information Services sectors grew by approximately 14,600 jobs versus the prior year, a 7.5% increase. This is a significant increase when compared to California, which only saw a 3% increase in these sectors during the same period.

- The hotel sector saw significant growth in fiscal year 2011-12. Hotel room average occupancy rose remarkably to 81.9 percent. Average daily room rates grew substantially by 13.9 percent to $197 per room-night.

- The City's taxable sales have been growing rapidly, with fiscal year 2011-12 sales tax revenue up 9.2 percent over fiscal year 2010-11. Both residential and commercial rents asking price rose in fiscal year 2011-12. However, the average median home price in fiscal year 2011-12 was at $646,646, up 0.7 percent from the previous fiscal year.

- In March 2012, the Controller's Office, Mayor's Budget Office, and Board of Supervisors projected a $170 million General Fund shortfall. This projection assumed current service and staffing levels, and was primarily driven by the significant cuts in the State funding in the FY 2012-13 budget, dissolution of San Francisco Redevelopment Agency and expected increases in employee benefit and other costs.

- The Mayor and Board of Supervisors approved a final FY 2012-13 budget in July 2012, which bridges this General Fund shortfall with a host of departmental expenditure reductions, deferral of projected increased funding for capital and other needs, improved revenue forecasts, the use of a higher than previously projected balance available from the prior year, and other actions.
CITY AND COUNTY OF SAN FRANCISCO

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Below are the contacts for questions about this report or requests for additional financial information.

City and County of San Francisco
Office of the Controller
1 Dr. Carlton B. Goodlett Place, Room 316
San Francisco, CA 94102-4694

Individual Department Financial Statements

San Francisco International Airport
Office of the Airport Deputy Director
Business and Finance Division
PO Box 8097
San Francisco, CA 94128

Port of San Francisco
Public Information Officer
Pier 1, The Embarcadero
San Francisco, CA 94111

San Francisco Water Enterprise
Hetch Hetchy Water and Power
San Francisco Wastewater Enterprise
Chief Financial Officer
525 Golden Gate Avenue
San Francisco, CA 94102

Laguna Honda Hospital
Chief Financial Officer
375 Laguna Honda Blvd.
San Francisco, CA 94116

Municipal Transportation Agency
SFMTA Finance and Information Technology Services
1 South Van Ness Avenue, 8th Floor
San Francisco, CA 94103

Health Service System
Executive Director
1145 Market Street, Suite 200
San Francisco, CA 94103

San Francisco General Hospital Medical Center
Chief Financial Officer
1001 Potrero Avenue, Suite 2A7
San Francisco, CA 94110

San Francisco Employees’ Retirement System
Executive Director
30 Van Ness Avenue, Suite 3000
San Francisco, CA 94102

Blended Component Units Financial Statements

San Francisco County Transportation Authority
Deputy Director for Administration and Finance
1455 Market Street, 22nd Floor
San Francisco, CA 94103

San Francisco Finance Corporation
Office of Public Finance
City Hall, Room 336
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Other Component Unit Financial Statements

Successor Agency to the
San Francisco Redevelopment Agency
Executive Director
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

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