

BUDGET AND FINANCE COMMITTEE REPORT relative to the annual review of the status of Reserve Fund loans and recommended loan write-offs.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. WRITE OFF \$2,639,066.60 in the Reserve Fund loans and advances listed on Attachment 1 of the City Administrative Officer (CAO) report dated January 13, 2020 [attached to Council file (C.F.) No. 13-1465].
2. INSTRUCT departments with outstanding loans to work with the special fund administrators and report to the CAO in 90 days on the status of loans listed on Attachment 1 of said CAO report as requiring further analysis.
3. INSTRUCT departments to continue to submit invoices as soon as possible to the appropriate City department(s) in order to recover Reserve Fund loans made for special fund expenditures.
4. AUTHORIZE the CAO to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

Fiscal Impact Statement: The CAO reports that there is no General Fund impact resulting from the actions recommended within this report, as the 2019-20 Budget does not assume the repayment of these loans. In addition, these actions will not impact the current status of the Reserve Fund.

Community Impact Statement: None submitted.

### SUMMARY

At its regular meeting held on February 3, 2020, the Budget and Finance Committee considered a CAO report dated January 13, 2020 (attached to the C.F.), relative to the annual review of the status of Reserve Fund loans and recommended loan write-offs. The Council instructed the CAO to annually review the status of Reserve Fund loans and recommended loan write-offs (C.F. 99-1794-S1).

The report states that the CAO worked with departments and special fund administrators to determine the status and estimated repayment dates of each loan, and to identify the loans that are uncollectible. After providing an opportunity for public comment, the Budget and Finance Committee approved the recommendations in the CAO report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
PRICE:	YES
KORETZ:	YES
BLUMENFIELD:	YES
BONIN:	YES

MM 02-03-20 Council file No. 13-1465

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**