

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE** Committee

**reports as follows:**

BUDGET AND FINANCE COMMITTEE REPORT relative to an update on cash flow and the potential transfer of \$90 million from the Reserve Fund.

Recommendations for Council action:

1. NOTE and FILE the City Controller’s urgent update on cash flow in as much as the report is submitted for information and no Council action is necessary.
2. RECEIVE and FILE the Motion (Hahn-Koretz) relative to the potential transfer of \$90 million from the Reserve Fund to ensure that the City does not run out of cash in early May 2010, inasmuch as the City Administrative Officer’s Fourth Financial Status Report (Council file 09-0600-S203), considered by the Council on April 14, 2010, addresses the Reserve Fund transfer and no Council action is necessary.

Fiscal Impact Statement: Neither the City Administrative Officer (CAO) nor the Chief Legislative Analyst (CLA) has completed a financial analysis of this report.

Community Impact Statement: None submitted

SUMMARY

At its meeting of April 12, 2010, the Budget and Finance Committee considered, in conjunction with the CAO’s Fourth Financial Status Report (FSR), the City Controller’s urgent update on cash flow, and Motion (Hahn-Koretz) relative to an instruction to the CAO and CLA, and a request of the City Controller to report on the potential transfer of \$90 million from the Reserve Fund to address the City’s cash flow needs through May 2010. Inasmuch as the FSR contains a recommendation relative to the transfer of funds from the Reserve Fund to ensure that the City does not run out of cash in early May 2010, and the Controller’s report is submitted for information, the Budget and Finance Committee recommended to note and file the Controller’s report and receive and file the Motion (Hahn-Koretz). This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	ABSENT
ROSENDAHL:	YES
HUIZAR:	YES
KORETZ:	YES