

BUDGET AND FINANCE COMMITTEE REPORT relative to authorization for Year-End Reserve Fund Borrowing.

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

1. AUTHORIZE the Controller to process Reserve Fund borrowing for each departmental budget authority (appropriation) up to \$50,000 or one percent (1 percent) of said budget authority, whichever amount is greater, to cover any circumstances where departmental expenditures exceed appropriations at year-end closing.
2. REQUEST the Controller and INSTRUCT the City Administrative Officer (CAO) to work with departments to cancel encumbrances where expenditures and encumbrances exceed either appropriations or available receipts.
3. REQUEST the Controller to include in the Preliminary Financial Report to the Mayor and Council a list of year-end Reserve Fund advances resulting from this authority.

Fiscal Impact Statement: None submitted by the Controller. Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

### SUMMARY

At its regular meeting held on June 11, 2018, the Budget and Finance Committee considered a report from the Controller dated April 6, 2018 relative to authorization for Year-End Reserve Fund Borrowing. The Controller reports that per Charter Section 341, it annually requests Mayor and Council authority to process advances from the Reserve Fund to cover circumstances where departmental expenditures exceed appropriations at year-end closing. The Controller report, attached to the Council file, provides additional information.

After consideration, and after providing an opportunity for public comment, the Budget and Finance Committee approved the recommendations in the Controller's 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
ENGLANDER:	ABSENT
KORETZ:	YES
BLUMENFIELD:	YES
BONIN:	ABSENT



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