

BUDGET AND FINANCE COMMITTEE REPORT relative to the Fourth Financial Status Report (FSR) for Fiscal Year 2021-22.

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

1. APPROVE the recommendations of the City Administrative Officer (CAO) as detailed in the Fourth FSR for Fiscal Year 2021-22, dated June 3, 2022, attached to the Council file, as amended to incorporate the changes as detailed in Recommendation Nos. 2-6 below.
2. REMOVE the transaction instructions for the Controller related to the E-Payables Rebate Revenues included on Page 1 of Attachment No. 3, "New Appropriations," attached to the CAO report, attached to the Council file.
3. TRANSFER the available cash balance within the E-Payables Rebate Fund No. 60Y/39 to the General Fund No. 100/26, Revenue Source Code No. 5188, Miscellaneous Revenue, Other, to properly record the receipt of E-Payables rebate revenues.
4. AUTHORIZE the Controller to transfer \$404,217 from Personnel Department Fund No. 100/66, Account No. 003040, Contractual Services, to General Services Department Fund No. 100/40, Account No. 001101, Hiring Hall Construction (\$68,836), Account No. 001121, Benefits Hiring Hall Construction (\$37,066), and Account No. 003180, Construction Materials (\$289,315), for the replacement of gates and improved security at the Personnel Department building on East Temple St.
5. AUTHORIZE the Controller to transfer \$250,000 from Police Department Fund No. 100/70, Account No. 001012, Salaries Sworn, to Police Department Fund No. 100/70, Account No. 001010, Salaries General, to address additional projected civilian salary costs.
6. AMEND the transaction instructions for the Bureau of Sanitation included in Attachment No. 3, "New Appropriations" related to Hyperion Incident Insurance, to change the destination account for \$10,000,000 being transferred to the Sewer Operations and Maintenance Fund No. 760/50 from TBD, Hyperion Incident Insurance to Account No. 50VX82, Sanitation Expense and Equipment.

Fiscal Impact Statement: The CAO reports that a total of \$31.21 million in projected over-expenditures and \$2.79 million in additional General Fund appropriation required to supplement special fund revenue shortfalls are identified in the Year-End (Fourth) FSR. Transfers, appropriations, and other budgetary adjustments totaling approximately \$82.38 million are recommended in Sections 1, 2, 5, 6, and 7 of this report. This includes \$26.8 million in transfers from the Unappropriated Balance Reserve for Mid-Year Adjustments Account, \$18.49 in transfers from the Reserve Fund, and \$5.58 million in Reserve Fund loans.

Financial Policies Statement: The CAO reports that the recommendations in this report comply with the City's Financial Policies as the recommended transactions use current revenues and balances to pay for current operations.

Debt Impact Statement: The CAO reports that there is no debt impact to the General Fund as a result of the recommendations in this report as there are no new debt issuance authorizations recommended.

Community Impact Statement: None submitted

SUMMARY

At the special meeting held on June 3, 2022, the Budget and Finance Committee considered a CAO report relative to the Third FSR for Fiscal Year 2021-22.

A representative from the CAO provided an overview of the report and answered questions from the Committee members. After an opportunity for public comment was held, the Committee recommended to approve the CAO recommendations, as amended, to transfer funds within departments, as detailed in the 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
BLUMENFIELD	YES
DE LEON	ABSENT
RODRIGUEZ	YES
PRICE	ABSENT



AS 6/6/22
COUNCIL FILE 21-0600-S115

-NOT OFFICIAL UNTIL COUNCIL ACTS-