

BUDGET, FINANCE AND INNOVATION COMMITTEE REPORT relative to the Third (Mid-Year) Financial Status Report (FSR) for Fiscal Year (FY) 2022-23.

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 Third FSR for FY 2022-23, dated March 10, 2023, attached to the Council file.
2. AMEND the Ninth transaction relative to Accumulated Overtime for the Police Department, on page five of Attachment 4, included in the CAO report, attached to the Council file, to update the source account to reflect a transfer of \$1.2 million within Police Department Fund No. 100/70, from Salaries As-Needed Account No. 001070, to Accumulated Overtime Account No. 001095.
3. AUTHORIZE the Controller to make technical corrections to Schedule 3, Forfeited Assets Trust Fund of the Police Department, as follows: Transfer appropriations only in the amount of \$15,052 from the Police Account in the U.S. Treasury Asset Forfeiture Fund to the California State Asset Forfeiture Fund, and transfer appropriations only in the amount of \$109,635 from the Supplemental Police Account in the U.S. Treasury Asset Forfeiture Fund to the U.S. Department of Justice Asset Forfeiture Fund (\$102,791) and the California State Asset Forfeiture Fund (\$6,844).
4. TRANSFER and APPROPRIATE \$150,000 from the General City Purposes Fund No. 100/56, Account No. 000867 (Council District 10 Council Fee Subsidy) to the General City Purposes Fund No. 100/56, Account No. 000710 (Council District 10 Community Services).

Fiscal Impact Statement: The CAO reports that a total of \$129.12 million in projected over-expenditures are identified in the Mid-Year (Third) FSR. Transfers, appropriations, and other budgetary adjustments totaling approximately \$185.92 million are recommended in Sections 1, 2, and 5 of the CAO report. This includes \$31.48 million in transfers from the Unappropriated Balance Reserve for Mid-Year Adjustments Account, and \$25.55 million in transfers from the Reserve Fund.

Financial Policies Statement: The CAO reports that the recommendations in the 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 the report as there are no new debt issuance authorizations recommended.

Community Impact Statement: None submitted

SUMMARY

At its regular meeting held on March 13, 2023, the Budget, Finance and Innovation Committee considered a CAO report relative to the Third (Mid-Year) FSR for FY 2022-23.

Representatives from the CAO provided an overview of the item. After an opportunity for public comment was held, the Committee moved to approve the CAO recommendations, as amended, to include Recommendation Nos. 2-4, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET, FINANCE AND INNOVATION COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD	YES
PRICE	YES
YAROSLAVYSKY	YES
MCOSKER	YES
RODRIGUEZ	YES

AS 3/13/23

-NOT OFFICIAL UNTIL COUNCIL ACTS-