

BUDGET, FINANCE AND INNOVATION COMMITTEE REPORT relative to the Fourth (Year-End) 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) report as detailed in the Fourth FSR for FY 2022-23, dated June 1, 2023, attached to the Council file.
2. TRANSFER/APPROPRIATE \$30,000 from the General City Purposes Fund No. 100/56, Account No. 000703 (CD-3 Community Services) to the Department of Cultural Affairs Fund No. 844, Account No. to be determined (30XXXW) (CD3 4th of July Extravaganza) to be used as a contribution to support the Department of Cultural Affairs ongoing cultural program.
3. AUTHORIZE the Controller to transfer \$105,349.94 from the Building and Safety Building Permit Enterprise Fund No. 48R/40, Expense and Equipment Account No. 08W601 to the General Services Fund No. 100/40, Mail Services Account No. 009130 to address Fiscal Year 2022-23 postage costs for the Department of Building and Safety from July 2022 through April 2023.
4. AMEND the accounts for Los Angeles Fire Department transactions on Attachment 10, attached to the CAO report, attached to the Council file:
  - a. The first transaction titled Cardiac Monitor Replacement, to read \$850,000 to be reappropriated from Fund No. 100/38, Account No. 006020, Operating Supplies (Fiscal Year 2022-23) to Fund No. 100/38, Account No. 006020, Operating Supplies (Fiscal Year 2023-24) to reflect the correct account information.
  - b. The second line of the third transaction titled False Fire Alarm Program, to read \$128,198 to be reappropriated from Fund No. 100/38, Account No. 006010 Office and Administrative (FY 2022-23) to Fund No. 100/38, Account No. 006010 Office and Administrative (FY 2023-24) to reflect the correct account information with no change to the Salaries General Account information listed.
  - c. The fifth transaction titled Mobile Radio Chanel Reconfiguration, to read \$48,427.79 to be reappropriated from Fund No. 100/38, Account No. 001090 Overtime General (FY 2022-23) to Fund No. 100/38, Account No. 001090 Overtime General (FY 2023-24) to reflect the correct account information.
5. AMEND Recommendation No. 36.D.ii, to read "Make quarterly payments for the PP-GEMT-IGT Program in accordance with deadlines established by the State, upon receipt of invoices, and report back on the status of the program in subsequent FSRs."
6. REMOVE the 12th transaction titled "Funding Swap – Open Streets" and the 13th transaction titled "Funding Swap – San Fernando Bike Path Phase 3," listed on page 5 of Attachment 5, for the Department of Transportation, attached to the CAO report.
7. AMEND Recommendation No. 36, to add the following recommendations to the list of 2023-24 actions:
  - a. Reappropriate up to \$2,475,000 from Department of Transportation Fund No. 100/94, Account No. 003040, Contractual Services, in the same amount and into the same account as exists on June 30, 2023, to allow the Department of Transportation to continue support for the Curb Asset Management System, Travel Demand Model and Mobility

Investment programs.

- b. Reappropriate up to \$75,000 from the Youth Development Department Fund No. 100/19, Account No. 003040, Contractual Services, in the same amount and into the same account as exists on June 30, 2023, inasmuch as the Task Order for the Single-User Interface Platform for Youth Programming will not be executed before the end of the fiscal year.

- 8. INSTRUCT the CAO to report back on the reason why staff positions specified in the Housing Department portion of the FSR are being funded out of the affordable housing trust fund unallocated account and the roles and responsibilities of those positions.

Fiscal Impact Statement: The CAO reports a total of \$65.2 million in projected over-expenditures are identified in the Fourth FSR. Transfers, appropriations, and other budgetary adjustments totaling approximately \$532.5 million are recommended in Sections 1, 2, and 5 of the CAO report. This includes \$50.37 million in transfers from the Unappropriated Balance Reserve for Mid-Year Adjustments Account, and \$61.81 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 in several ways. First, the recommended transactions use current revenues and balances to pay for current operations. In addition, the report fulfills the requirement that the CAO prepare periodic reports to the Mayor and City Council regarding the condition of the current year's budget that forecast year-end expenditure and revenues, identify issues of concern, and recommend budgetary adjustments. Finally, the report subjects changes to current year budget appropriations to the approval of the Mayor and City Council.

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 its special meeting held on June 6, 2023, the Budget, Finance and Innovation Committee considered a CAO report relative to the Fourth (Year-End) 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 technical corrections from departments, transfer instructions from Council District 3, and an instruction for a report back from Council District 7. 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 6/6/23

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**