

BUDGET, FINANCE AND INNOVATION COMMITTEE REPORT relative to the Third (Mid-Year) Financial Status Report (FSR) for Fiscal Year 2023-24 (FY 23-24).

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

1. APPROVE Recommendation Nos. 3 through 27 and Nos. 29 through 54 contained in the City Administrative Officer (CAO) report dated March 18, 2024, attached to Council file No. 23-0600-S116, relative to the Mid-Year FSR for FY 23-24.
2. AMEND and APPROVE Recommendation No. 1, Attachment 3, FY 23-24 Budget Adjustments, New Appropriations, contained in the CAO report dated March 18, 2024, attached to the Council file, to include the following transaction under the Economic and Workforce Development Department, for the Mayor's Fund Los Angeles Grant for the Workforce Equity Demonstration Pilot at Board of Public Works (page 1 of 3): Within Fund No. 62E/22, Mayor's Fund for Los Angeles Fund, appropriate \$250,000 from the cash balance to Account No. 22Y6AX, Workforce Equity Demonstration-Board of Public Works, for the Workforce Equity Demonstration Pilot at the Board of Public Works.
3. AMEND and APPROVE Recommendation No. 2, Attachment 4, contained in the CAO report dated March 18, 2024, attached to the Council file, to increase the amount of the transfer from the Department of Cultural Affairs Fund No. 100/30, Account No. 001010, Salaries General, to Account No. 001070, Salaries, As-Needed, by \$134,376 from \$477,852 to \$612,228 in order to meet as-needed staff payroll obligations.
4. DELETE Recommendation Nos. 28 and 28.a contained in the CAO report dated March 18, 2024, attached to the Council file.
5. ADD and APPROVE the following recommendation, respectively, to the CAO report dated March 18, 2024, attached to the Council file:
 - a. Transfer \$300,000 from the Reserve Fund No. 101/62 through the General Fund No. 100/58, Unappropriated Balance, and appropriate there from to Fund No. 100/56, General City Purposes, Account No. 000472, Homelessness Prevention Services Rental Assistance - CD 8, for the purpose of transferring funding to Contract No. C-140419, Special Services for Groups Inc.

Fiscal Impact Statement: The CAO reports that a total of \$288.56 million in projected over-expenditures are identified in the Mid-Year FSR. Transfers, appropriations and other budgetary adjustments totaling approximately \$553.38 million are recommended in Sections 1, 2 and 7 of the CAO report dated March 18, 2024, attached to the Council file. This includes \$104.44 million in transfers from the Unappropriated Balance Reserve for Mid-Year Adjustments Account.

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 the issuance of Municipal Improvement Corporation of Los Angeles for the reauthorization of the Los Angeles Convention Center Expansion project, which requires an additional \$500,000, would cause the City to borrow \$500,000 at an approximate 5.5 percent interest rate over 20 years. The total estimated debt service for the projects is \$1,105,302, including interest of approximately \$444,863. Actual interest rates may differ as rates are dependent on market conditions at the time of issuance.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on March 20, 2024, your Budget, Finance and Innovation Committee considered a CAO report relative to the Mid-Year FSR for FY 23-24.

After an opportunity for public comment was held, the Committee recommended to move forward the recommendations contained in the CAO report, as detailed above, as amended. This matter is now submitted to the Council for consideration.

Respectfully Submitted,



BUDGET, FINANCE AND INNOVATION COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD	YES
HARRIS-DAWSON	YES
YAROSLAVSKY	ABSENT
MCOSKER	YES
RODRIGUEZ	ABSENT

LV 3.20.24

-NOT OFFICIAL UNTIL COUNCIL ACTS-