

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



JEFFREY R. CLEMENTS
Chief of Research
(904) 255-5137

117 West Duval Street
City Hall, Suite 425
Jacksonville, FL 32202
FAX (904) 255-5229

Bill Type and Number: Ordinance 2024-990

Introducer/Sponsor(s): Council Member Lahnen

Date of Introduction: December 10, 2024

Committee(s) of Reference: R, F

Date of Analysis: December 12, 2024

Type of Action: Ordinance Code amendment

Bill Summary: The ordinance amends Ordinance Code Chapter 106 – Budget and Accounting Code – to add a provision limiting the use of operating or emergency reserve funds for non-recurring expenditures to no more than 1.25% of the General Fund/General Services District expenditures in a mayor’s proposed budget. It revises and relocates existing language defining a “balanced budget” to provide that a proposed budget shall not be considered balanced as required by the Code if it contains any of the following: 1) a 2% overall lapse of the General Fund/General Services District proposed budget; 2) a 4% per department lapse, including Constitutional Officers, within the General Fund/General Services District proposed budget; or 3) a combined use of General Fund/General Services District Operating Reserves or Emergency Reserves greater than 1.25%) of the General Fund/General Services District proposed budget.

Background Information: Mayor Deegan’s FY24-25 budget proposed to utilize \$47 million in operating reserves for one-time investments into projects, including a housing loan fund, economic developments grants and loans, and public safety vehicles. The Finance Committee amended the proposed budget to utilize approximately \$10 million in reserves as a funding source as adopted. As of the September 30, 2024 unaudited fourth quarter budget report for FY23-24, the City’s reserves stood at \$388 million in the Operating Reserve and \$128 million in the Emergency Reserve.

Policy Impact Area: Budget policy

Fiscal Impact: Would prohibit a mayor from submitting a budget proposal utilizing reserve funds as the funding source for more than 1.25% of the General Fund/General Services District expenditures.

Analyst: Clements