

February 7, 2024

To: Mayor and Members of City Council

202400408

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – Funding for Financial Freedom Initiatives Per City Council Motion #202400205

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer of \$1,875,000 from the General Fund balance sheet reserve account no. 050x3422, “Deferred Appropriations,” to the unappropriated surplus of General Fund 050; and **AUTHORIZING** the transfer and appropriation of \$1,875,000 from the unappropriated surplus of General Fund 050 to the City Manager’s General Fund non-personnel operating budget account no. 050x101x7400 to provide one-time funds for the following Financial Freedom Initiatives: Medical Debt Forgiveness (\$1,500,000) and Child Savings Accounts (\$375,000).

The Emergency Ordinance authorizes the transfer of \$1,875,000 from General Fund balance sheet reserve account no. 050x3422, “Deferred Appropriations,” to the unappropriated surplus of the General Fund. Additionally, this Emergency Ordinance authorizes the transfer and appropriation of \$1,875,000 from the unappropriated surplus of the General Fund to the City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7400 for Financial Freedom Initiatives for Fiscal Year 2024 as identified in Council Motion #202400205. The allocations include the following initiatives: \$1,500,000 for Medical Debt Forgiveness and \$375,000 for Child Savings Accounts.

Ordinance No. 0207-2023, as part of the City Council adjustments to the FY 2024 Operating Budget, transferred \$2,125,000 to balance sheet reserve account no. 050x3422, “Deferred Appropriations,” to preserve resources for Financial Freedom Initiatives for Fiscal Year 2024 pending additional information to be presented to the City Council by the Administration on proposed uses of funds. Pursuant to City Council Motion #202400205 adopted on January 24, 2024, \$1,875,000 of the total amount of \$2,125,000 will be allocated to the following Financial Freedom Initiatives: Medical Debt Forgiveness (\$1,500,000) and Child Savings Accounts (\$375,000). The remaining \$250,000 will remain in balance sheet reserve account no. 050x3422, “Deferred Appropriations,” to be preserved for a Guaranteed Basic Income (GBI) pilot program while additional fundraising for leveraged funding can be undertaken.

The reason for the emergency is the immediate need to accomplish the authorized transfers and appropriations so that the funding provided by this ordinance is in place so that the necessary expenditures authorized by this ordinance may be made as soon as possible.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment