



City of Gainesville
CITY COMMISSION SPECIAL MEETING
AGENDA

Tuesday, June 18, 2024, 1:00 p.m.

City Hall Auditorium
200 East University Avenue
Gainesville, FL 32601

Commission Members

Mayor Harvey L. Ward, Jr.
Mayor Pro Tempore Cynthia Moore Chestnut (At Large, Seat B)
Desmon Duncan-Walker (District 1)
Reina Saco (At Large, Seat A)
Ed Book (District 2)
Casey Willits (District 3)
Bryan Eastman (District 4)

The City Commission makes policy and conducts City business in an open forum. For information on how to attend the meeting and submit public comment, visit the City [Agendas & Meetings website](#).

Neighbors are welcome to attend meetings in person. Seating capacity may be limited. Fill out a comment card and give it to the meeting clerk to request to speak. Speakers will be called to share their comments in the order of sign-up.

The City Hall Auditorium and Roberta Lisle Kline Conference Room are equipped with hearing loop assistive listening systems. When using your own hearing aid, you must switch your device to Telecoil or "T" mode. If your hearing aid does not have a Telecoil mode, broadcast staff can provide a headset.

If you have a disability and need accommodation in order to participate in this meeting, please contact the Office of Equity and Inclusion at (352) 334-5051 at least two business days in advance. TTY (Text Telephone Telecommunication Device) users please call 711 (Florida Relay Service). For Speech to Speech (STS) relay, please call 1-877-955-5334. For STS Spanish relay, please call 1-877-955-8773. For STS French Creole relay, please call 1-877-955-8707.

A. CALL TO ORDER

Agenda Statement: The City of Gainesville encourages civil public speech. The Gainesville City Commission expects each person entering this chamber to treat others with respect and courtesy. Speakers are expected to focus on agenda items under discussion and avoid personal attacks or offensive comments. Threatening language is not allowed. Anyone who repeatedly disrupts the proceedings will be asked to leave. Signs, props, posters, food and drink should be left outside the auditorium.

B. ADOPTION OF THE AGENDA

C. ORDINANCES: SECOND READING - (Roll Call Required)

1. 2024-448 Proposed Charter Amendment Regarding the City of Gainesville's Local Public Utilities (Gainesville Regional Utilities) Governance (B)

Description: Ordinance No. 2024-448: An ordinance of the City of Gainesville, Florida; proposing an amendment to Article VII titled "Gainesville Regional Utilities Authority" of the Charter Laws of the City of Gainesville; providing for submission of the charter amendment to the voters for approval or disapproval at the November 5, 2024 general election; approving the question to be placed on the ballot; providing that this charter amendment shall become effective if approved by the voters; providing directions to the codifier; providing directions to the city clerk; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

Recommendation: The City Commission adopt the proposed ordinance.

D. BUSINESS DISCUSSION ITEMS

1. 2024-405 FY 2025 Budget Development Update (B)

Department: Office of the City Manager

Description: Staff update on the City's FY 2025 Budget Development process for the Department of Housing & Community Development, Gainesville Community Reinvestment Area, Department of Sustainable Development, Transportation Department, and Non-Departmental. Staff will also provide an overview of revenue and expenditure projections for the General Fund.

Fiscal Note: Impact to be determined as the FY 2025 budget is developed.

Recommendation: The City Commission hear the presentation from staff and provide direction as needed.

E. MEMBER COMMENT

F. ADJOURNMENT



City of Gainesville Agenda Item Report

File Number: 2024-448

Agenda Date: June 18, 2024

Department: Office of the City Attorney

Title: 2024-448 Proposed Charter Amendment Regarding the City of Gainesville's Local Public Utilities (Gainesville Regional Utilities) Governance (B)

Description: Ordinance No. 2024-448: An ordinance of the City of Gainesville, Florida; proposing an amendment to Article VII titled "Gainesville Regional Utilities Authority" of the Charter Laws of the City of Gainesville; providing for submission of the charter amendment to the voters for approval or disapproval at the November 5, 2024 general election; approving the question to be placed on the ballot; providing that this charter amendment shall become effective if approved by the voters; providing directions to the codifier; providing directions to the city clerk; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

Explanation: This Charter Amendment proposed by the City Commission would place the following ballot question on the November 5, 2024 general election ballot:

"SHALL THE CITY OF GAINESVILLE CHARTER BE AMENDED TO DELETE ARTICLE VII, ELIMINATING THE GOVERNOR-APPOINTED GAINESVILLE REGIONAL UTILITIES AUTHORITY AND ITS APPOINTED ADMINISTRATOR THAT MANAGE, OPERATE AND CONTROL THE CITY OF GAINESVILLE'S LOCAL PUBLIC UTILITIES, AND PLACING THAT RESPONSIBILITY WITH THE ELECTED CITY COMMISSION AND CHARTER OFFICER; AND ELIMINATING LIMITATIONS ON THE GOVERNMENT SERVICES CONTRIBUTION AND UTILITY DIRECTIVES, AS PROPOSED BY ORDINANCE NO. 2024-448?"

If the Ordinance passes by the required four-fifths majority, the proposed Charter amendment shall be placed "to a vote of the electors at the next general election held within the municipality or at a special election called for such purpose." The next general election is scheduled for Tuesday, November 5, 2024.

At its March 21, 2024 regular meeting, the City Commission provided direction to the Office of the City Attorney to draft an Ordinance for consideration calling for a Charter amendment ballot referendum. The proposed Charter amendment would delete Article VII of the City Charter titled "Gainesville Regional Utilities Authority." Ordinance 2024-352 was presented to the City Commission for first and second readings on May 16, 2024 and May 23, 2024, respectively, and it received the requisite affirmative votes at

both hearings. However, per Florida Statute 166.041(4) [effective October 1, 2023], a Business Impact Estimate must be posted on the municipality's website no later than the date the notice of proposed enactment of an ordinance is published. A Business Impact Estimate was not posted prior to enactment of Ordinance No. 2024-352, so this Ordinance is presented to correct that oversight. Accordingly, a Business Impact Estimate was posted to the City's website in a timely fashion prior to the proposed enactment of this Ordinance.

The ordinance is authorized by Florida Statutes section 166.031(1) and City of Gainesville Charter 5.01, and adoption of the ordinance requires an affirmative four-fifths vote of the membership of the City Commission. Per Florida Statutes section 101.161(1) and controlling caselaw, the proposed ballot summary must be an explanatory statement that is "clear and unambiguous" and provides voters with the "chief purpose" of the referendum. It should be stated in the form of a question followed by the word "yes" for approval and "no" for rejection. The ballot title shall not exceed 15 words in length. The ballot summary shall not exceed 75 words in length.

Recommendation: The City Commission adopt the proposed ordinance.

ORDINANCE NO. 2024-448

An ordinance of the City of Gainesville, Florida; proposing an amendment to Article VII titled “Gainesville Regional Utilities Authority” of the Charter Laws of the City of Gainesville; providing for submission of the charter amendment to the voters for approval or disapproval at the November 5, 2024 general election; approving the question to be placed on the ballot; providing that this charter amendment shall become effective if approved by the voters; providing directions to the codifier; providing directions to the city clerk; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

WHEREAS, the City of Gainesville, Florida, is a duly constituted municipality having such power and authority conferred upon it by the Florida Constitution and the Municipal Home Rule Powers Act; and

WHEREAS, the Municipal Home Rule Powers Act, Chapter 166, Florida Statutes, secures for municipalities the broad exercise of home rule powers granted by Article VIII, Section 2 of the Florida Constitution, including the exercise of any power for municipal purposes not expressly prohibited by law; and

WHEREAS, Section 166.031(1), Florida Statutes, provides that, “[t]he governing body of a municipality may, by ordinance, or the electors of a municipality may, by petition signed by 10 percent of the registered electors as of the last preceding municipal general election, submit to the electors of said municipality a proposed amendment to its charter, which amendment may be to any part or to all of said charter except that part describing the boundaries of such municipality. The governing body of the municipality shall place the proposed amendment contained in the ordinance or petition to a vote of the electors at the next general election held within the municipality or at a special election called for such purpose;” and

WHEREAS, pursuant to Section 5.01 of the City Charter, the City Commission may

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1 propose amendments to the City Charter by adoption of an ordinance by four-fifths vote of the
2 membership of the City Commission; and

3 **WHEREAS**, the City Commission has duly considered the charter amendment set forth in
4 this ordinance, and by passage of this ordinance indicates its desire to approve the charter
5 amendment as set forth herein, subject to approval of the electorate at a municipal election; and

6 **WHEREAS**, at least 10 days' notice has been given by publication in a newspaper of
7 general circulation notifying the public of this proposed ordinance and of public hearings in the
8 Auditorium of City Hall in the City of Gainesville; and

9 **WHEREAS**, the public hearings before the City Commission were held pursuant to the
10 published notice described at which hearings the parties in interest and all others had an
11 opportunity to be and were, in fact, heard;

12 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE**
13 **CITY OF GAINESVILLE, FLORIDA:**

14 The following proposed amendment to Chapter 90-394, Laws of Florida, 1990, as amended
15 by Chapter 2023-348, Laws of Florida, 2023, otherwise known as the Charter Laws of the City of
16 Gainesville, Florida, is approved for submission to the electors of the City of Gainesville, Florida,
17 for approval or disapproval at the election set for Tuesday, November 5, 2024:

18 **PROPOSED AMENDMENT**

19 **SECTION 1.** The proposed amendment to Chapter 90-394, Laws of Florida, 1990, as
20 amended by Chapter 2023-348, Laws of Florida, 2023, otherwise known as the Charter Laws of
21 the City of Gainesville, Florida, which is provided in Section 2 of this ordinance is approved for
22 submission to the electors of the City of Gainesville, Florida, for approval or disapproval at the

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1 general election set for Tuesday, November 5, 2024.

2 **Section 2.** Article VII titled “Gainesville Regional Utilities Authority” of the Charter of
3 the City of Gainesville is deleted in its entirety, and amended to read as set forth below.

4 **~~ARTICLE VII. GAINESVILLE REGIONAL UTILITIES AUTHORITY.~~**

5 **~~7.01 Establishment.—~~**

6 ~~There is created a regional utilities authority to be known as the “Gainesville Regional Utilities~~
7 ~~Authority” (“Authority”). Gainesville Regional Utilities shall be governed by the Authority upon~~
8 ~~installation of the Authority’s members pursuant to this article. The Authority shall operate as a~~
9 ~~unit of city government and, except as otherwise provided in this article, shall be free from~~
10 ~~direction and control of the Gainesville City Commission. The Authority is created for the~~
11 ~~express purpose of managing, operating, controlling, and otherwise having broad authority with~~
12 ~~respect to the utilities owned by the City of Gainesville.~~

13 **~~7.02 Definitions.—~~**

14 ~~For the purposes of this article, unless otherwise designated, or the context otherwise requires,~~
15 ~~the following terms have the following meanings:~~

16 (1) ~~“Authority” means the Gainesville Regional Utilities Authority created in this article.~~

17 (2) ~~“City” means the City of Gainesville.~~

18 (3) ~~“City Commission” means the Gainesville City Commission.~~

19 (4) ~~“County” means Alachua County.~~

20 (5) ~~“Customer” means a person or an entity that makes application for and is supplied~~
21 ~~with service by GRU for its ultimate use.~~

22 (6) ~~“Flow of funds” means the sum of required debt service, necessary operations and~~

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1 management expenses, a reasonable contribution to a utility plan improvement fund, identified
2 SLA related losses, and any other lawful purpose as provided in bond covenants.

3 (7) “Government services contribution” or “GSC” means the portion of revenues
4 generated from rates, fees, assessments, and charges for the provision of utility services by the
5 utility system which is annually transferred by the Authority to the City for use in funding or
6 financing its general government municipal functions.

7 (8) “GRU” means Gainesville Regional Utilities.

8 (9) “Member” means a member of the Authority.

9 (10) “Net revenues” means the gross revenues less fuel revenues.

10 (11) “Service level agreement” or “SLA” means a contract entered into by the Authority
11 that establishes a set of deliverables that one party has agreed to provide another.

12 (12) “Utilities” means the electric utility system, water utility system, wastewater utility
13 system, reuse water utility system, natural gas utility system, communications utility system, and
14 such other utility systems as may be acquired by GRU in the future.

15 7.03 Powers and duties.—

16 (1) The Authority shall have the following powers and duties, in addition to the powers
17 and duties otherwise conferred by this article:

18 (a) To manage, operate, and control the utilities, and to do all things necessary to
19 effectuate an orderly transition of the management, operation, and control of the utilities from the
20 City to the Authority, consistent with this article.

21 (b) To establish and amend the rates, fees, assessments, charges, rules, regulations, and
22 policies governing the sale and use of services provided through the utilities.

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1 ~~(c) To acquire real or personal property and to construct such projects as necessary to~~
2 ~~operate, maintain, enlarge, extend, preserve, and promote the utility systems in a manner that~~
3 ~~will ensure the economic, responsible, safe, and efficient provision of utility services, provided~~
4 ~~that title to all such property is vested in the City.~~

5 ~~(d) To exercise the power of eminent domain pursuant to chapter 166, Florida Statutes,~~
6 ~~and to use utility funds to appropriate or acquire property, excluding federal or state property, for~~
7 ~~the purpose of obtaining, constructing, and maintaining utility facilities, provided that title to all~~
8 ~~such property is vested in the City.~~

9 ~~(e) To authorize the issuance of revenue bonds and other evidences of indebtedness of the~~
10 ~~City, secured by the revenues and other pledged funds and accounts of the utility system,~~
11 ~~pursuant to Florida law. Upon resolution of the Authority establishing the authorized form,~~
12 ~~terms, and purpose of such bonds, for the purpose of financing or refinancing utility system~~
13 ~~projects, and to exercise all powers in connection with the authorization of the issuance, and sale~~
14 ~~of such bonds by the City as conferred upon municipalities by part II of chapter 166, Florida~~
15 ~~Statutes, other applicable state laws, and section 103 of the Internal Revenue Code of 1986. Such~~
16 ~~bonds may be validated in accordance with chapter 75, Florida Statutes. The Authority may not~~
17 ~~authorize the issuance of general obligation bonds. Such bonds and other forms of indebtedness~~
18 ~~of the City shall be executed and attested by the officers, employees, or agents of the City,~~
19 ~~including the chief executive officer/general manager (CEO/GM) or chief financial officer of the~~
20 ~~utility system, the Authority has so designated as agents of the City. The Authority may enter~~
21 ~~into hedging agreements or options for the purpose of moderating interest rates on existing and~~
22 ~~proposed indebtedness or price fluctuations of fuel or other commodities, including agreements~~

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1 ~~for the future delivery thereof, or any combinations thereof.~~

2 ~~(f) To dispose of utility system assets only to the extent and under the conditions that the~~
3 ~~City Commission may dispose of such assets pursuant to section 5.04 of Article V.~~

4 ~~(g) To prepare and submit to the City Commission, at least 3 months before the start of~~
5 ~~the City's fiscal year, an annual budget for all Authority and GRU operations, including the~~
6 ~~amount of any transfer to the City. The term of the budget shall coincide with the City's fiscal~~
7 ~~year. The amount of any transfer is subject to the limitations specified in section 7.11.~~

8 ~~(h) To appoint and remove a CEO/GM as provided in this article.~~

9 ~~(i) To recommend, by resolution to the City Commission, the acquisition and operation of~~
10 ~~a utility system not owned or operated by GRU as of the date of transfer of governing authority~~
11 ~~to the Authority.~~

12 ~~7.04 Authority members.—~~

13 ~~(1) There shall be five members of the Authority appointed by the Governor. Each~~
14 ~~member shall be a person of recognized ability and good business judgment as identified by the~~
15 ~~Governor who is expected to perform his or her official duties in the best interests of GRU and~~
16 ~~its customers. Appointments shall be made as follows:~~

17 ~~(a) One member shall be a residential customer with substantial knowledge of GRU, its~~
18 ~~operations, and its history.~~

19 ~~(b) One member shall be a private, nongovernment customer consuming at least 10,000~~
20 ~~kilowatt hours per month of electric usage during each of the previous 12 months. This member~~
21 ~~may be the owner or representative of the customer.~~

22 ~~(c) Three members shall be competent and knowledgeable in one or more specific fields~~

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1 substantially related to the duties and functions of the Authority, including, but not limited to,
2 law, economics, accounting, engineering, finance, or energy.

3 ~~(2) All members of the Authority shall:~~

4 ~~(a) Maintain primary residence within the electric service territory of GRU's electric~~
5 ~~utility system.~~

6 ~~(b) Receive GRU electric utility system service at all times during the term of~~
7 ~~appointment.~~

8 ~~(c) Not have been convicted of a felony as defined by general law.~~

9 ~~(d) Be a qualified elector of the City, except that a minimum of one member must be a~~
10 ~~resident of the unincorporated area of the county or a municipality in the county other than the~~
11 ~~City of Gainesville.~~

12 ~~(3) The composition of the Authority shall be adjusted upon expiration of any member's~~
13 ~~term, or upon any Authority vacancy, to reflect the ratio of total electric meters serving GRU~~
14 ~~electric customers outside the City's jurisdictional boundaries to total electric meters serving all~~
15 ~~GRU electric customers. For example, upon expiration of a member's term or upon an Authority~~
16 ~~vacancy, if the ratio of total electric meters serving customers outside the City boundaries to total~~
17 ~~electric meters serving all electric customers reaches 40 percent, the Governor must appoint a~~
18 ~~second member from outside the City boundaries to serve the next term that would otherwise be~~
19 ~~served by a qualified elector of the City. Conversely, upon expiration of any member's term or~~
20 ~~upon any Authority vacancy, if the ratio subsequently falls below 40 percent, the Governor must~~
21 ~~appoint a qualified elector of the City to serve the next term that otherwise would have been~~
22 ~~served by a resident from outside the City boundaries.~~

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1 ~~7.05 Member nominations and terms.—~~

2 ~~(1) The Governor shall issue a public notice soliciting citizen nominations for Authority~~
3 ~~members within 120 days after the effective date of this article. The nomination solicitation~~
4 ~~period shall remain open for at least 30 days after the date of the public notice.~~

5 ~~(2) The Governor shall appoint initial members to the Authority from among the~~
6 ~~nominees within 60 days after the close of the nomination solicitation period. The initial terms of~~
7 ~~office for the five members shall commence at 12 a.m. on October 1, 2023. The terms of the~~
8 ~~initial appointments shall be as follows: one member shall be designated to serve until 12 a.m. on~~
9 ~~October 1, 2024; one member shall be designated to serve until 12 a.m. on October 1, 2025; one~~
10 ~~member shall be designated to serve until 12 a.m. on October 1, 2026; and two members shall be~~
11 ~~designated to serve until 12 a.m. on October 1, 2027.~~

12 ~~(3) The Governor shall have a citizen nomination solicitation period for at least 30 days~~
13 ~~and appoint members for subsequent terms from among the nominees. Members appointed for~~
14 ~~subsequent terms shall be appointed for 4-year terms commencing at 12 a.m. on October 1 of the~~
15 ~~year in which they are appointed. If a member is appointed to complete an unexpired term, the~~
16 ~~member's term shall commence at the time of appointment and shall continue through the~~
17 ~~remainder of the unexpired term.~~

18 ~~(4) The Governor shall fill any vacancy for the unexpired portion of a term within 60~~
19 ~~days after the vacancy occurs if the remainder of the term exceeds 90 days.~~

20 ~~7.06 Member compensation.—Beginning October 1, 2023, necessary expenses of members~~
21 ~~incurred in carrying out and conducting the business of the Authority shall be paid in accordance~~
22 ~~with Authority policy and procedures, subject to the approval of a majority of the members of~~

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1 ~~the Authority. No supplemental benefits shall be provided for a member position.~~

2 ~~7.07 Authority; oath; organization; and meeting.—~~

3 ~~(1) The Authority shall initially meet at the chambers of the City Commission at 6 p.m.~~
4 ~~on Wednesday, October 4, 2023.~~

5 ~~(2) Before taking office for any term, each member shall be given an oath or affirmation~~
6 ~~by the Mayor or his or her designee similar to the oath or affirmation required of a member of~~
7 ~~the City Commission.~~

8 ~~(3) The first official action of the Authority shall be election of a chairperson and a vice~~
9 ~~chairperson from among its membership.~~

10 ~~(4) The Authority shall meet at least once each month, except in case of unforeseen~~
11 ~~circumstances. All meetings of the Authority shall be noticed and open to the public, and~~
12 ~~minutes shall be kept as required by law, except that meetings related to settlement of then~~
13 ~~existing litigation may be held as allowed by law.~~

14 ~~(5) The GRU general manager or his or her designee shall be responsible for making~~
15 ~~arrangements for and providing adequate notice for the initial meeting of the Authority.~~

16 ~~7.08 Removal and suspension of members.—~~

17 ~~(1) A member may be removed or suspended from office by the Governor in accordance~~
18 ~~with s. 112.501, Florida Statutes. In addition to the grounds for removal set forth therein, a~~
19 ~~member may be removed by the Governor for failure to maintain the qualifications specified in~~
20 ~~section 7.04.~~

21 ~~(2) The Authority may recommend to the Governor that a member be removed or~~
22 ~~suspended from office if it finds, by vote of at least three members, a reasonable basis for~~

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1 ~~removal or suspension on one or more of the grounds set forth in s. 112.501, Florida Statutes, or~~
2 ~~for failure to maintain the qualifications specified in section 7.04. The Authority shall give~~
3 ~~reasonable notice of any proceeding in which such action is proposed and must provide the~~
4 ~~member against whom such action is proposed a written statement of the basis for the proposed~~
5 ~~action and an opportunity to be heard. The member against whom such action is proposed may~~
6 ~~not participate in the Authority's debate or vote on the matter.~~

7 ~~7.09 Management and personnel.—~~

8 ~~(1) A chief executive officer/general manager (CEO/GM) shall direct and administer all~~
9 ~~utility functions, subject to the rules and resolutions of the Authority. The CEO/GM shall serve~~
10 ~~at the pleasure of the Authority. Appointment or removal of the CEO/GM shall be by majority~~
11 ~~vote of the Authority. Until such time as the Authority appoints a CEO/GM, the sitting general~~
12 ~~manager of GRU shall serve as the CEO/GM. A sitting member of the Authority may not be~~
13 ~~selected as the CEO/GM.~~

14 ~~(2) All officers and employees of the City who serve under the supervision and direction~~
15 ~~of the sitting general manager of GRU shall serve under the CEO/GM. The CEO/GM shall have~~
16 ~~the exclusive authority to hire, transfer, promote, discipline, or terminate employees under his or~~
17 ~~her supervision and direction.~~

18 ~~(3) The Authority shall fix the salary of the CEO/GM, and the CEO/GM shall fix the~~
19 ~~salaries of all other employees who serve under his or her direction consistent with the annual~~
20 ~~budget approved by the Authority. The sitting general manager of GRU, as well as all officers~~
21 ~~and employees of the City who, by virtue of this article, become subject to the supervision and~~
22 ~~direction of the CEO/GM, shall continue without any loss of rights or benefits as employees~~

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1 under the pension plans and civil service merit system of the City existing as of the creation of
2 the Authority.

3 ~~7.10 General provisions.—~~

4 ~~(1) The City and the Authority shall perform all acts necessary and proper to effectuate~~
5 ~~an orderly transition of the governance, operation, management, and control of all utility~~
6 ~~systems, properties, and assets held in the possession of GRU as of January 1, 2023, to the~~
7 ~~Authority, including, but not limited to, the creation of such instruments as are necessary for the~~
8 ~~Authority to function in accordance with this article. Notwithstanding the reorganization of the~~
9 ~~governance structure of the management of the utility system as provided in this section, the~~
10 ~~utility system shall continue to be operated as a single enterprise and there shall be no change to~~
11 ~~the ownership of the utility system.~~

12 ~~(2) All City ordinances, policies, rates, fees, assessments, charges, rules, regulations, and~~
13 ~~budgets related to operation of the utilities shall remain in effect until such time as the Authority,~~
14 ~~pursuant to the powers granted in this article, modifies any such item. In the event that any City~~
15 ~~charter provision, ordinance, resolution, decree, or any part thereof conflicts with the provisions~~
16 ~~of this article, the provisions of this article shall govern. This subsection is not intended to and~~
17 ~~shall not interfere with existing contractual arrangements between the City and county,~~
18 ~~regardless of whether such arrangements are reflected in charter provisions, ordinances,~~
19 ~~resolutions, decrees, or any part thereof.~~

20 ~~(3) All rights, responsibilities, claims, and actions involving GRU as of the transfer to the~~
21 ~~Authority shall continue, except as may be modified by the Authority under the powers granted~~
22 ~~by this article and consistent with law.~~

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1 ~~(4) No franchise, right of way, license, permit or usage fee or tax may be levied by the~~
2 ~~City upon the Authority or the utilities unless allowed by general law.~~

3 ~~(5) Any utility advisory board created by the City Commission shall have no role with~~
4 ~~respect to the Authority.~~

5 ~~(6) No member of the Authority shall be individually responsible for Authority debts or~~
6 ~~liabilities.~~

7 ~~(7) The Authority shall develop an ethics policy and a code of business conduct that shall~~
8 ~~be reviewed at least biennially.~~

9 ~~(8) In order to provide for the transitional administrative needs and orderly compliance~~
10 ~~with the provisions of this act, the chairperson of the Authority or his or her designee is~~
11 ~~authorized to execute documents required for the transition.~~

12 ~~7.11 Limitation on government services contribution.—~~

13 ~~(1) MAXIMUM CAP ON GSC.—For any fiscal year, the GSC may not exceed aggregate~~
14 ~~utility system net revenues less flow of funds.~~

15 ~~(2) DEBT SERVICE AND AVOIDANCE.—Any remaining funds, after deductions for~~
16 ~~flow of funds and GSC, shall be dedicated to additional debt service or utilized as equity in~~
17 ~~future capital projects.~~

18 ~~7.12 Limitation on utility directives.—The Authority and the CEO/GM, in making all policy and~~
19 ~~operational decisions over the affairs of the utility system as contemplated under the provisions~~
20 ~~of this act, shall consider only pecuniary factors and utility industry best practices standards,~~
21 ~~which do not include consideration of the furtherance of social, political, or ideological interests.~~
22 ~~Appropriate pecuniary factors and utility industry best practices are those which solely further~~

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1 ~~the fiscal and financial benefit of the utility system and customers. This provision does not~~
2 ~~prohibit the establishment and application of rate structures based on utility usage.~~

3 **Section 3.** The following ballot title and question is approved for submission to the
4 electors of the City of Gainesville, Florida, for approval or rejection at the election set for Tuesday,
5 November 5, 2024:

6 CITY OF GAINESVILLE CHARTER AMENDMENT

7 LOCAL PUBLIC UTILITIES

8 “SHALL THE CITY OF GAINESVILLE CHARTER BE AMENDED TO
9 DELETE ARTICLE VII, ELIMINATING THE GOVERNOR-APPOINTED
10 GAINESVILLE REGIONAL UTILITIES AUTHORITY AND ITS APPOINTED
11 ADMINISTRATOR THAT MANAGE, OPERATE AND CONTROL THE CITY
12 OF GAINESVILLE’S LOCAL PUBLIC UTILITIES, AND PLACING THAT
13 RESPONSIBILITY WITH THE ELECTED CITY COMMISSION AND
14 CHARTER OFFICER; AND ELIMINATING LIMITATIONS ON THE
15 GOVERNMENT SERVICES CONTRIBUTION AND UTILITY DIRECTIVES,
16 AS PROPOSED BY ORDINANCE NO. 2024-448?”

17 **Section 4.** The Supervisor of Elections is requested to place this ballot title and question
18 on the November 5, 2024 general election ballot.

19 **Section 5.** In the event that the charter amendment proposed by Section 2 of this
20 Ordinance is approved by affirmative vote of a majority of votes cast by the electors of the City of
21 Gainesville, Florida at the November 5, 2024 election, then: 1) the codifier is directed to
22 incorporate the amendments stated in Section 2 of this Ordinance in the Charter Laws of the City

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1 of Gainesville; and 2) the City Clerk is directed to file a true copy of this ordinance with the
2 Florida Department of State.

3 **Section 6.** If any section, sentence, clause or phrase of this ordinance is held to be invalid
4 or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect
5 the validity of the remaining portions of this ordinance.

6 **Section 7.** City of Gainesville Ordinance 2024-352 and all other ordinances or parts of
7 ordinances in conflict herewith are to the extent of such conflict hereby repealed.

8 **Section 8.** This ordinance shall become effective immediately upon final adoption.

9 **PASSED AND ADOPTED this ____ day of June, 2024.**

10
11
12
13 _____
14 HARVEY L. WARD, JR.
15 MAYOR

16
17 ATTEST:

Approved as to form and legality

18
19 _____
20 KRISTEN J. BRYANT
21 CITY CLERK

DANIEL M. NEE
CITY ATTORNEY

22
23 This ordinance passed on first reading this ____ day of June, 2024.

24 This ordinance passed on second reading this ____ day of June, 2024.
25

CODE: Words ~~stricken~~ are deletions; words underlined are additions.

City of Gainesville, Florida

Business Impact Estimate

This form should be included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the City of Gainesville's website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference: **Ordinance No. 2024-448**

An ordinance of the City of Gainesville, Florida; proposing an amendment to Article VII titled "Gainesville Regional Utilities Authority" of the Charter Laws of the City of Gainesville; providing for submission of the charter amendment to the voters for approval or disapproval at the November 5, 2024 general election; approving the question to be placed on the ballot; providing that this charter amendment shall become effective if approved by the voters; providing directions to the codifier; providing directions to the city clerk; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City of Gainesville is of the view that a business impact estimate is not required by state law¹ for the proposed ordinance, but the City of Gainesville is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The ordinance relates to procurement; or
- ☐ The proposed ordinance is enacted to implement the following:
 - a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
 - b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
 - c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
 - d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

¹ See Section 166.041(4)(c), Florida Statutes.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City of Gainesville hereby publishes the following information:

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

Ordinance No. 2024-448 would submit a ballot referendum to the electors of the City of Gainesville to amend the City Charter eliminating Article VII titled "Gainesville Regional Utilities Authority." The ordinance is authorized by Florida Statutes section 166.031(1) and City of Gainesville Charter 5.01, and adoption of the ordinance requires an affirmative four-fifths vote of the membership of the City Commission. The purpose of the ordinance is to allow the electors of the City of Gainesville to determine the form of government over the City of Gainesville's utility system.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Gainesville, if any:

- (a) An estimate of direct compliance costs that businesses may reasonably incur;
- (b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and
- (c) An estimate of the City of Gainesville's regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

There is no direct compliance cost that businesses may reasonably incur due to the proposed ordinance.

There is no new charge or fee imposed by the proposed ordinance.

There is no anticipated regulatory cost associated with the proposed ordinance.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

None

4. Additional information the governing body deems useful (if any):

This proposed ordinance would submit to the electors of the City of Gainesville a proposed amendment to the City Charter, and place a referendum on the general election ballot. Per Florida Statutes section 166.031(1) and City of Gainesville Charter 5.01, an adoption of an amendment to the City of Gainesville Charter would require an affirmative vote of a majority of the votes cast by the electors voting in a referendum upon such proposed amendment.



City of Gainesville Agenda Item Report

File Number: 2024-405

Agenda Date: June 18, 2024

Department: Office of the City Manager

Title: 2024-405 FY 2025 Budget Development Update (B)

Department: Office of the City Manager

Description: Staff update on the City's FY 2025 Budget Development process for the Department of Housing & Community Development, Gainesville Community Reinvestment Area, Department of Sustainable Development, Transportation Department, and Non-Departmental. Staff will also provide an overview of revenue and expenditure projections for the General Fund.

Fiscal Note: Impact to be determined as the FY 2025 budget is developed.

Explanation:

Gainesville Regional Utilities Flow of Funds Analysis for Fiscal Years 2018-2024:

The Flow of Funds is a measurement of the utility's ability to transfer funds to the City after first paying all other necessary costs. It is an alternative method for evaluating the ability of Gainesville Regional Utilities (GRU) to fund the Government Services Contribution, formerly known as the General Fund Transfer. It is consistent with the Gainesville Regional Utilities Bond Resolution and the Flow of Funds included in the Government Services Contribution Formula recommended by both GRU and General Government staff to the City Commission.

Analyzing the Flow of Funds from 2018 – 2023 shows four years during which the transfer exceeded GRU's ability to pay after first covering all other costs. When the six years are taken as a whole, GRU's flow of funds shows as a net positive of \$5,983,329.

Budget Update:

Staff will provide an update on the FY2025 Budget Development process. The department presentations include FY25 expenditure details under two scenarios: if no Government Services Contribution is remitted to General Government by Gainesville Regional Utilities and if \$15,305,224 is remitted. The \$15.3 million represents the adopted FY 2024 level and deviates from the formula adopted by both the City and Gainesville Regional Utilities. Should Gainesville Regional Utilities follow the formula-driven process, the transfer would be \$16,247,574.

Budgets will be presented for the following new departments:

- Department of Housing & Community Development
- Gainesville Community Reinvestment Area
- Department of Sustainable Development
- Transportation Department
- Non-Departmental

The second portion of the presentation will provide an overview on General Fund revenues, expenditures and next steps to balance the FY 2025 budget.

Strategic Connection:

- ☐ Goal 1: Equitable Community
- ☐ Goal 2: More Sustainable Community
- ☐ Goal 3: A Great Place to Live and Experience
- ☐ Goal 4: Resilient Local Economy
- ☒ Goal 5: “Best in Class” Neighbor Services

Recommendation: The City Commission hear the presentation from staff and provide direction as needed.

Law GSC Calculation Max		
Gross Revenue		\$460,445,982
Less: Fuel Revenue		\$107,202,801
Net Revenue		\$353,243,181
Flow of Funds		
Less: Debt Service Expense		\$102,918,848
Less: Operations and Management Expense		\$157,324,197
Less: UPIF Contribution		\$46,125,618
Less: Any SLA's (those not covered in O&M)	\$ -	
Less: Any Bond Covenant Items	\$ -	
		\$306,368,663
Amount available for GSC		\$46,874,518
Amount calculated for GSC in formula from new law		\$15,305,225
Difference		\$31,569,293

Ordinance GSC Calculation Max		
Net Revenue		\$195,918,984
Less: Transfers to/from Rate Stabilization	\$ -	
Less: Debt Service Expenses		\$102,918,848
Less: UPIF Contribution		\$46,125,618
		\$149,044,466
Amount available for GSC		\$46,874,518
Amount calculated for GSC in formula from new resolution		\$15,305,225
Difference		\$31,569,293

* The "difference" is to be allocated to Debt Defeasance as per the October 2022 policy.

Revenue Related To Rate Stablization Transfers	\$	(2,799,145)
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Net Flow of Funds 2018-2024 (2024 reflects GRU Budgeted estimate)		
FY 2018	\$	(3,473,364)
FY 2019	\$	(5,404,885)
FY 2020	\$	(8,477,125)
FY 2021	\$	14,829,412
FY 2022	\$	10,591,518
FY 2023	\$	(2,082,227)
FY 2024 - Budget	\$	31,569,293
Net Transfers Over the Flow of Funds	\$	37,552,622

Retained In Revenue Totals		17,695,179
Additional Debt Defeasance Transfers		22,250,320
Total uses not identified in the Flow of Funds		39,945,499

Total Transfers to RSF 2018-2023		(12,238,429)
Total Transfers From RSF 2018-2023		21,071,659

Sum of Overpayments Only	\$	(19,437,601)
Net Flow of Funds over the Transfers FY 18-23	\$	5,983,329

Law GSC Calculation Max		FY 2023 Audited Financial Statements Supplemental Information Section					
		Electric	Water	WasteWater	Gas	Telecom	Total
Gross Revenue	\$468,722,693						
Less: Fuel Revenue	<u>\$122,172,718</u>						
Net Revenue	\$346,549,975						
Flow of Funds		O& M Financial Statements - less Fuel	94,101,258	21,466,090	26,061,397	7,060,182	10,936,146 \$ 159,625,073
Less: Debt Service Expense	\$109,677,918	Fuel Expense	<u>109,346,516</u>		<u>12,826,202</u>		<u>\$ 122,172,718</u>
Less: Operations and Management Expense	\$159,625,073		203,447,774		19,886,384		281,797,791
Less: UPIF Contribution	\$45,846,211						
Less: Any SLA's (those not covered in O&M)	\$ -	UPIF Transfers Financial Statements	27,349,341	6,371,313	7,265,160	3,503,680	1,356,717 \$ 45,846,211
Less: Any Bond Covenant Items	<u>\$ -</u>						
	\$315,149,202						
Amount available for GSC	\$31,400,773	GFT by System per Financial Statements	21,511,376	4,045,394	4,840,760	1,830,712	1,254,758 \$ 33,483,000
Amount calculated for GSC in formula from new law	<u>\$33,483,000</u>						
Difference	-\$2,082,227						
Ordinance GSC Calculation Max		Debt Service	79,086,522	9,462,816	13,634,605	5,005,296	2,488,679 \$ 109,677,918
Net Revenue	<u>\$186,924,902</u>						
Less: Transfers to/from Rate Stabilization	\$ -						
Less: Debt Service Expenses	\$109,677,918	Rate Stbl Fund Transfers	(5,192,857)	(253,461)	(3,955,015)	445,982	120,953 \$ (8,834,398)
Less: UPIF Contribution	<u>\$45,846,211</u>						
	\$155,524,129	Transfer to Debt Defeasance	3,713,691	320,207	3,628,202	163,548	113,342 \$ 7,938,990
Amount available for GSC	\$31,400,773	Legal Defeasance	(3,460,000)				\$ (3,460,000)
Amount calculated for GSC in formula from new resolutic	<u>\$33,483,000</u>						
Difference	-\$2,082,227	Retain in Revenue Funds					\$ -
Revenue Related To Rate Stablization Transfers							\$ (8,834,398)

Net Flow of Funds 2018-2024 (2024 reflects Budgeted)

Law GSC Calculation Max	
Gross Revenue	\$527,346,592
Less: Fuel Revenue	<u>\$169,913,624</u>
Net Revenue	\$357,432,968
Flow of Funds	
Less: Debt Service Expense	\$99,932,784
Less: Operations and Management Expense	\$145,903,271
Less: UPIF Contribution	\$45,762,559
Less: Any SLA's (those not covered in O&M)	\$ -
Less: Any Bond Covenant Items	<u>\$ -</u>
	\$291,598,614
Amount available for GSC	\$65,834,354
Amount calculated for GSC in formula from new law	<u>\$36,283,000</u>
Difference	\$29,551,354

Ordinance GSC Calculation Max	
Net Revenue	<u>\$211,529,697</u>
Less: Transfers to/from Rate Stabilization	\$ 12,276,987
Less: Debt Service Expenses	\$99,932,784
Less: UPIF Contribution	<u>\$45,762,559</u>
	\$149,044,466
Amount available for GSC	\$46,874,518
Amount calculated for GSC in formula from new resolution	<u>\$36,283,000</u>
Difference	\$10,591,518

FY 2022 Audited Financial Statements Supplemental Information Section						
Electric	Water	WasteWater	Gas	Telecom	Total	
87,837,893	19,768,177	22,711,966	5,554,562	10,030,673	\$	145,903,271
<u>154,038,253</u>			<u>15,875,371</u>		\$	<u>169,913,624</u>
241,876,146			21,429,933			315,816,895
24,770,690	6,765,625	8,314,263	4,762,422	1,149,559	\$	45,762,559
23,888,369	4,426,217	5,346,802	1,799,797	1,321,815	\$	36,783,000
71,808,192	8,736,112	12,577,473	4,762,688	2,048,319	\$	99,932,784
9,316,848	347,214	1,797,451	815,474	-	\$	12,276,987
3,711,977	319,915		163,465	113,265	\$	4,308,622
7,185,000					\$	7,185,000
10,932,387	1,822,839	6,064,449	1,086,975	(2,211,471)	\$	17,695,179

Revenue Related To Rate Stablization Transfers

\$ 12,276,987

Law GSC Calculation Max			FY 2021 Audited Financial Statements Supplemental Information Section						
Gross Revenue	\$412,106,509		Electric	Water	WasteWater	Gas	Telecom	Total	
Less: Fuel Revenue	\$89,824,980								
Net Revenue	\$322,281,529								
Flow of Funds		O& M Financial Statements - less Fuel	83,731,345	15,220,413	19,501,551	5,261,267	9,569,276	\$ 133,283,852	
Less: Debt Service Expense	\$92,207,499	Fuel Expense	89,150,789			9,225,895		\$ 98,376,684	
Less: Operations and Management Expense	\$133,283,852		172,882,134			14,487,162		231,660,536	
Less: UPIF Contribution	\$43,675,766								
Less: Any SLA's (those not covered in O&M)	\$ -	UPIF Transfers Financial Statements	23,383,465	6,515,350	8,040,610	4,659,189	1,077,152	\$ 43,675,766	
Less: Any Bond Covenant Items	\$ -								
	\$269,167,117								
Amount available for GSC	\$53,114,412	GFT by System per Financial Statements	22,415,868	5,356,071	6,860,672	2,465,554	1,186,835	\$ 38,285,000	
Amount calculated for GSC in formula from new law	\$38,285,000								
Difference	\$14,829,412								
Ordinance GSC Calculation Max			Debt Service	68,266,348	7,671,377	9,892,337	4,467,960	1,909,477 \$ 92,207,499	
Net Revenue	\$188,997,677								
Less: Transfers to/from Rate Stabilization	\$ -								
Less: Debt Service Expenses	\$92,207,499	Rate Stbl Fund Transfers	(6,928,735)	(2,865,383)	192,749	(395,228)	2,336,255	\$ (7,660,342)	
Less: UPIF Contribution	\$43,675,766								
	\$135,883,265	Transfer to Debt Defeasance	4,625,457	563,179	657,905	227,309	203,858	\$ 6,277,708	
Amount available for GSC	\$53,114,412								
Amount calculated for GSC in formula from new resolution	\$38,285,000								
Difference	\$14,829,412								
Revenue Related To Rate Stablization Transfers			\$ (7,660,342)						

Law GSC Calculation Max			FY 2020 Audited Financial Statements Supplemental Information Section					
Gross Revenue	\$395,465,175		Electric	Water	WasteWater	Gas	Telecom	Total
Less: Fuel Revenue	<u>\$73,670,982</u>							
Net Revenue	\$321,794,193							
Flow of Funds		O& M Financial Statements - less Fuel	88,945,975	18,129,535	21,654,244	5,429,654	8,782,444	\$ 142,941,852
Less: Debt Service Expense	\$96,710,070	Fuel Expense	<u>67,538,540</u>			<u>6,132,442</u>		<u>\$ 73,670,982</u>
Less: Operations and Management Expense	\$142,941,852		156,484,515			11,562,096		216,612,834
Less: UPIF Contribution	\$43,857,271							
Less: Any SLA's (those not covered in O&M)	\$ -	UPIF Transfers Financial Statements	21,179,375	6,794,242	8,343,416	6,649,462	890,776	\$ 43,857,271
Less: Any Bond Covenant Items	<u>\$ -</u>							
	\$283,509,193							
Amount available for GSC	\$38,285,000	GFT by System per Financial Statements	22,415,868	5,356,071	6,860,672	2,465,554	1,186,835	\$ 38,285,000
Amount calculated for GSC in formula from new law	<u>\$38,285,000</u>							
Difference	\$0							

Ordinance GSC Calculation Max		Debt Service	74,346,601	7,074,691	8,644,371	4,141,955	2,502,452	\$ 96,710,070
Net Revenue	<u>\$178,852,341</u>							
Less: Transfers to/from Rate Stabilization	\$ -							
Less: Debt Service Expenses	\$102,918,848	Rate Stbl Fund Transfers	(2,918,305)	(2,699,220)	(2,730,032)	1,963,645	1,805,825	\$ (4,578,087)
Less: UPIF Contribution	<u>\$46,125,618</u>							
	\$149,044,466	Transfer to Debt Defeasance	-					
Amount available for GSC	\$29,807,875							
Amount calculated for GSC in formula from new resolution	<u>\$38,285,000</u>							
Difference	-\$8,477,125							

Revenue Related To Rate Stablization Transfers		\$ (4,578,087)
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Law GSC Calculation Max	
Gross Revenue	\$410,202,993
Less: Fuel Revenue	<u>\$95,459,248</u>
Net Revenue	\$314,743,745
Flow of Funds	
Less: Debt Service Expense	\$91,095,672
Less: Operations and Management Expense	\$144,528,663
Less: UPIF Contribution	\$41,284,410
Less: Any SLA's (those not covered in O&M)	\$ -
Less: Any Bond Covenant Items	<u>\$ -</u>
	\$276,908,745
Amount available for GSC	\$37,835,000
Amount calculated for GSC in formula from new law	<u>\$38,285,000</u>
Difference	-\$450,000

Ordinance GSC Calculation Max	
Net Revenue	<u>\$170,215,082</u>
Less: Transfers to/from Rate Stabilization	\$ 4,954,885
Less: Debt Service Expenses	\$91,095,672
Less: UPIF Contribution	<u>\$41,284,410</u>
	\$137,334,967
Amount available for GSC	\$32,880,115
Amount calculated for GSC in formula from new resolution	<u>\$38,285,000</u>
Difference	-\$5,404,885

FY 2019		Audited Financial Statements Supplemental Information Section					
Electric	Water	WasteWater	Gas	Telecom	Total		
O& M Financial Statements - less Fuel	91,860,277	17,744,598	20,536,359	6,997,953	7,389,476	\$	144,528,663
Fuel Expense	<u>86,839,936</u>			<u>8,619,312</u>		\$	<u>95,459,248</u>
	178,700,213			15,617,265			239,987,911
UPIF Transfers Financial Statements	22,870,663	6,794,891	8,799,016	2,360,793	459,046	\$	41,284,409
GFT by System per Financial Statements	15,915,868	5,356,072	5,860,672	9,965,554	1,186,835	\$	38,285,001
Debt Service	69,583,183	6,904,026	8,079,167	3,902,061	2,627,235	\$	91,095,672
Rate Stbl Fund Transfers	1,175,180	(1,434,068)	(2,165,521)	6,907,847	471,447	\$	4,954,885
Revenue Related To Rate Stablization Transfers						\$	4,954,885

Law GSC Calculation Max	
Gross Revenue	\$401,232,472
Less: Fuel Revenue	<u>\$107,123,441</u>
Net Revenue	\$294,109,031
Flow of Funds	
Less: Debt Service Expense	\$89,930,194
Less: Operations and Management Expense	\$126,514,062
Less: UPIF Contribution	\$40,925,205
Less: Any SLA's (those not covered in O&M)	\$ -
Less: Any Bond Covenant Items	<u>\$ -</u>
	\$257,369,461
Amount available for GSC	\$36,739,570
Amount calculated for GSC in formula from new law	<u>\$36,373,147</u>
Difference	\$366,423

Ordinance GSC Calculation Max	
Net Revenue	<u>\$167,594,969</u>
Less: Transfers to/from Rate Stabilization	\$ 3,839,787
Less: Debt Service Expenses	\$89,930,194
Less: UPIF Contribution	<u>\$40,925,205</u>
	\$134,695,186
Amount available for GSC	\$32,899,783
Amount calculated for GSC in formula from new resolution	<u>\$36,373,147</u>
Difference	-\$3,473,364

		FY 2018	Audited Financial Statements Supplemental Information Section				
		Electric	Water	WasteWater	Gas	Telecom	Total
O& M Financial Statements - less Fuel		78,405,386	16,242,279	20,213,023	5,150,808	6,502,566	\$ 126,514,062
Fuel Expense		<u>99,281,397</u>			<u>7,842,044</u>		<u>\$ 107,123,441</u>
		177,686,783			12,992,852		233,637,503
UPIF Transfers Financial Statements		20,498,577	7,468,215	9,836,478	2,878,702	243,233	\$ 40,925,205
GFT by System per Financial Statements		21,427,278	5,838,843	7,348,574	1,382,405	376,047	\$ 36,373,147
Debt Service		66,107,727	7,318,225	8,756,861	4,025,315	3,722,066	\$ 89,930,194
Rate Stbl Fund Transfers		7,206,070	(437,706)	1,097,355	(3,887,772)	(138,160)	\$ 3,839,787
Revenue Related To Rate Stablization Transfers					\$ 3,839,787		

City of **Gainesville**

Fiscal Year 2025 Budget Development

PRESENTED BY: CYNTHIA W. CURRY, CITY MANAGER

Cintya G. Ramos, Executive Chief of Staff

Steven Varvel, Office of Management & Budget Director

JUNE 18, 2024

Timeline

February

March

April

May

June

July

August

September

February

- OMB prepares preliminary revenue and expenditure estimates and drafts department budget worksheets

March

- FY25 Budget Process Kick Off
- Departments Prepare Budget Submissions
- Fiscal Retreat with the City Commission
- Departments review submissions with OMB

April

- Departments discuss budget submissions with OMB

May 7

- City Commission Budget Workshop
- Charter Offices
 - Administrative Services
- Departments: Communications & Marketing, Financial Services, Human Resources, Management & Budget, Risk, and Technology

May 28

- City Commission Budget Workshop
- Police
 - Fire Rescue
 - Parks, Recreation and Cultural Affairs
 - Public Works

City Commission Meeting

- First Public Hearing for the Fire Assessment

June 18

- City Commission Budget Workshop
- Housing & Community Development
 - Gainesville Community Reinvestment Area
 - Sustainable Development
 - Transportation
 - Non-Departmental

July 1

- Property Appraiser releases Tax Year 2024 Taxable Values

July 18

- City Commission Meeting
- Set Maximum Millage Rate

August 6

- City Commission Meeting (optional)
- Capital Projects
 - Operating and Capital Budget Update

September 12

- First public hearing for FY25 Budget. City Commission:
- Sets Final Fire Assessment
 - Sets Tentative Appendix A
 - Sets Tentative Millage Rate
 - Sets Tentative Financial Operating Plan for City

September 26

- Second public hearing for FY25 Budget. City Commission:
- Sets Final Appendix A
 - Sets Final Millage Rate
 - Sets Final Financial Operating Plan for City

General Fund FY25 Estimates – May 28, 2024

Department	FY23 Actual	FY24 Adopted	FY24 Amended	Target Budgets		FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
				FY25 Proposed \$0 GSC	% Change vs. FY24 Budget		
City Attorney	1,501,709	1,633,410	1,633,410	1,676,569	2.6%	1,676,569	2.6%
City Auditor	816,362	909,639	919,264	854,821	(6.0%)	918,271	0.9%
City Clerk	1,654,515	1,293,628	1,395,878	1,225,739	(5.2%)	1,344,567	3.9%
City Commission	510,506	475,360	475,360	579,098	21.8%	579,098	21.8%
City Manager's Office	1,639,805	1,664,859	1,664,859	1,567,327	(5.9%)	1,618,964	(2.8%)
Communications & Marketing	896,412	1,012,582	1,012,582	962,723	(4.9%)	1,061,890	4.9%
Equity & Inclusion	1,187,119	1,545,651	1,545,651	1,447,750	(6.3%)	1,565,576	1.3%
Financial Services	3,637,827	3,921,907	3,925,872	3,693,340	(5.8%)	3,984,686	1.6%
Fire Rescue	23,992,813	27,956,134	27,956,134	26,267,399	(6.0%)	27,854,701	(0.4%)
Human Resources	2,270,668	2,351,593	2,351,593	2,225,273	(5.4%)	2,537,359	7.9%
Management & Budget	1,464,221	1,289,370	1,331,902	1,023,891	(20.6%)	1,129,267	(12.4%)
Parks, Recreation and Cultural Affairs	12,161,794	11,811,736	11,825,541	10,920,570	(7.5%)	11,242,797	(4.9%)
Police	36,232,292	41,301,911	41,397,559	39,111,662	(5.3%)	42,967,033	4.0%
Public Works	14,668,957	17,120,730	18,115,331	15,713,884	(8.2%)	17,077,075	(0.3%)
Risk Management	229,462	162,827	162,827	80,000	(50.9%)	94,000	(42.3%)
Technology	1,598,575	5,009,486	5,009,486	8,085,985	61.4%	8,186,656	63.4%
FTEs (All Funds)	1,110.00	1,085.00	1,087.25	1,039.55	(4.2%)	1,087.25	0.2%

Department Presentations

Example Department

Core Services

- Core Service 1
- Core Service 2
- Core Service 3
- Core Service 4
- Core Service 5
- Core Service 6

Strategic Connection



Equitable Community



More Sustainable Community



A Great Place to Live & Experience



Resilient Local Economy



“Best in Class” Neighbor Services

City Manager Recommendations

- City Manager Recommendation 1
- City Manager Recommendation 2
- City Manager Recommendation 3
- City Manager Recommendation 4
- City Manager Recommendation 5
- City Manager Recommendation 6

Budget Trends

				Target: \$500.00			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	5	10	13	7	(35.0%)	11	10.0%
Fringe Benefits	10	15	18	12	(23.3%)	16	6.7%
Operating	15	20	23	17	(17.5%)	21	5.0%
Capital Outlay	20	25	28	22	(14.0%)	26	4.0%
Total General Fund	50	70	80	56	(20.0%)	74	5.7%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	5	10	13	7	(35.0%)	11	10.0%
Fringe Benefits	10	15	18	12	(23.3%)	16	6.7%
Operating	15	20	23	17	(17.5%)	21	5.0%
Capital Outlay	20	25	28	22	(14.0%)	26	4.0%
Total Other Funds	50	70	80	56	(20.0%)	74	5.7%
Total All Funds	100	140	160	112	(20.0%)	148	5.7%
Total FTE	5.00	5.0	6.0	4.0	(20.0%)	(1.0)	(120.0%)

Program and Service Impacts

- Program Impact 1
 - Program Impact 2
- Service Impact 1
 - Service Impact 2

Gainesville Community Reinvestment Area

Core Services

- Development of Affordable and Workforce Housing
- Support Small Business and Entrepreneurs
- Promote Job Creation and Commercial Development
- Revitalize Downtown and GCRA Neighborhoods
- Incentives for Business and Homeowners

Strategic Connection

 Equitable Community

 More Sustainable Community

 A Great Place to Live & Experience

 Resilient Local Economy

 "Best in Class" Neighbor Services

City Manager Recommendations

- Provide funding for Downtown Detail in the Public Works Department
- Add 1.0 FTE in the GCRA for GIS support

Budget Trends

Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	536,991	620,216	729,927	912,493	47.1%	912,493	47.1%
Fringe Benefits	111,173	126,206	156,037	226,747	79.7%	226,747	79.7%
Operating	2,380,804	5,281,688	23,024,368	5,525,881	4.6%	5,525,881	4.6%
Capital Outlay	222,024	0	1,438,745	0	N/A	0	N/A
Aid to Private Organizations	793,703	882,120	4,751,994	0	(100.0%)	0	(100.0%)
Debt Service	700	0	0	79,740	N/A	79,740	N/A
Transfers	0	0	0	298,000	N/A	298,000	N/A
Total Other Funds	4,045,395	6,910,231	30,101,070	7,042,861	1.9%	7,042,861	1.9%
Total All Funds	4,045,395	6,910,231	30,101,070	7,042,861	1.9%	7,042,861	1.9%
Total FTE	7.0	7.0	9.0	10.0	42.9%	10.0	42.9%

Program and Service Impacts

- GCRA Projects FY20-29:
 - Cornerstone/GTEC - \$26.7 million
 - 8th Avenue & Waldo Road - \$14 million
 - Downtown - \$12.2 million
 - Heartwood - \$6.2 million
 - FAPS Heritage Trail - \$2.3 million
- Add a Program Manager 4 (1.0 FTE)

Department of Housing and Community Development

Core Services

- Affordable Housing Development, Home Rehabilitation & Neighborhood Revitalization
- Home Ownership & Housing Stabilization Assistance
- Assistance to Seniors and/or At-Risk Youth
- Job Training/Employment Opportunities

Strategic Connection



Equitable Community



A Great Place to Live & Experience

City Manager Recommendations

- Maintain funding for the Legal/Eviction Services Program with Three Rivers

Budget Trends

				Target: \$446,216			
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
General Fund	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	261,368	344,125	344,125	331,329	(3.7%)	331,329	(3.7%)
Fringe Benefits	62,981	94,891	94,891	91,741	(3.3%)	91,741	(3.3%)
Operating	52,256	35,137	35,137	37,145	5.7%	43,515	23.8%
Total General Fund	376,606	474,153	474,153	460,215	(2.9%)	466,585	(1.6%)
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
Other Funds	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	458,500	533,280	196,006	433,608	(18.7%)	433,608	(18.7%)
Fringe Benefits	108,673	148,473	13,888	133,190	(10.3%)	133,190	(10.3%)
Operating	4,344,034	3,667,897	4,651,081	2,545,384	(30.6%)	2,545,384	(30.6%)
Capital Outlay	0	0	7,340,398	0	N/A	0	N/A
Aid to Private Organizations	46,459	10,000	10,000	10,000	0.0%	10,000	0.0%
Debt Service	19,467	0	0	43,805	N/A	43,805	N/A
Total Other Funds	4,977,133	4,359,650	12,211,373	3,165,987	(27.4%)	3,165,987	(27.4%)
Total All Funds	5,353,738	4,833,803	12,685,526	3,626,202	(25.0%)	3,632,572	(24.9%)
Total FTE	13.0	13.0	11.0	11.0	(15.4%)	11.0	(15.4%)

Program and Service Impacts

- Reduction in operating expenditures such as materials and supplies, advertising, printing and binding, and professional services
- Grant funding levels from CDBG and HOME have remained steady, however any reductions in this funding could impact services provided
- GRU Authority has decided to discontinue the ConnectFree surcharge and funding will stop being remitted to the City in FY25
- ConnectFree fund balance is \$4,007,612 as of May 31, 2024

Department of Sustainable Development

Core Services

- Development and Implementation of the City's Comprehensive Plan
- Support Safe and Organized Planning and Development of the City
- City Code Compliance and Enforcement
- Management of City's Real Estate Portfolio
- Economic Development
- Climate Change Coordination and Response

Strategic Connection



Equitable Community



More Sustainable Community



A Great Place to Live & Experience



Resilient Local Economy



"Best in Class" Neighbor Services

City Manager Recommendations

- Maintain funding for a Permit Expeditor I that is funded by the General Fund and Building Fund

Budget Trends

				Target: \$3,199,428			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	2,624,836	2,136,269	2,136,271	2,142,032	0.3%	2,172,803	1.7%
Fringe Benefits	651,787	532,076	532,076	529,730	(0.4%)	539,893	1.5%
Operating	675,649	775,815	794,900	556,006	(28.3%)	676,256	(12.8%)
Aid to Private Organizations	0	1,836	1,836	1,836	0.0%	1,836	0.0%
Total General Fund	3,952,272	3,445,996	3,465,083	3,229,605	(6.3%)	3,390,788	(1.6%)
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,876,830	2,438,589	2,438,589	2,399,147	(1.6%)	2,462,593	1.0%
Fringe Benefits	468,007	680,346	680,346	708,208	4.1%	685,696	0.8%
Operating	971,389	897,002	1,150,145	1,052,377	17.3%	1,052,377	17.3%
Capital Outlay	(3,852)	27,500	60,958	30,500	10.9%	30,500	10.9%
Depreciation and Amortization	83,518	0	0	0	N/A	0	N/A
Amortization - ROU	24,288	0	0	0	N/A	0	N/A
Aid to Private Organizations	0	12,000	12,000	0	(100.0%)	0	(100.0%)
Debt Service	103	0	0	249,555	N/A	249,555	N/A
Total Other Funds	3,420,283	4,055,436	4,342,038	4,439,787	9.5%	4,480,721	10.5%
Total All Funds	7,372,555	7,501,433	7,807,121	7,669,392	2.2%	7,871,508	4.9%
Total FTE	85.0	71.0	71.0	70.0	(1.4%)	71.0	0.0%

Program and Service Impacts

- Elimination of a vacant Strategic Customer Experience Supervisor (1.0 FTE)
- Elimination of funding for external legal services/internal litigation, demolition, aid to private organizations, lawn maintenance/lot clearing, professional services

Transportation Department

Core Services

- Transit Services
- Parking Operations
- Fleet Management Services
- Interconnectivity of Transportation Modes and Multimodal Networks
- Vision Zero

Strategic Connection



City Manager Recommendations

- Staff from the City and the University of Florida continue working to develop a new service contract
- Maintain funding for 18 and under/65 and over Fare Free program
- Maintain funding for employee bus pass program for General Government community builders

Budget Trends

				Target: \$1,256,322			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,673,702	665,041	665,041	639,664	(3.8%)	639,664	(3.8%)
Fringe Benefits	403,977	187,248	187,248	159,446	(14.8%)	159,446	(14.8%)
Operating	1,669,413	494,212	1,014,205	557,096	12.7%	680,860	37.8%
Total General Fund	3,747,092	1,346,501	1,866,494	1,356,206	0.7%	1,479,970	9.9%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	13,954,180	15,313,658	15,332,914	14,151,362	(7.6%)	14,151,362	(7.6%)
Fringe Benefits	3,637,250	4,151,333	4,151,333	3,756,065	(9.5%)	3,756,065	(9.5%)
Operating	21,473,806	18,795,166	25,748,074	17,698,826	(5.8%)	17,698,826	(5.8%)
Capital Outlay	282,585	322,500	4,884,407	250,000	(22.5%)	250,000	(22.5%)
Depreciation and Amortization	7,740,387	0	0	0	N/A	0	N/A
Debt Service	0	0	0	1,538,367	N/A	1,538,367	N/A
Total Other Funds	47,088,208	38,582,657	50,116,727	37,394,620	(3.1%)	37,394,620	(3.1%)
Total All Funds	50,835,300	39,929,158	51,983,221	38,750,826	(3.0%)	38,874,590	(2.6%)
Total FTE	369.0	310.0	309.5	282.0	(9.0%)	282.0	(9.0%)

Program and Service Impacts

- Regional Transit System
 - Elimination of positions: vacant Transit Operator positions – (21.0 FTE), vacant Fleet Mechanic (3.0 FTE), vacant Marketing Supervisor (1.0 FTE), vacant Account Clerk Senior (1.0 FTE), vacant Vehicle Service Attendant (1.0 FTE), and an Assistant Fleet Maintenance Manager (1.0 FTE, filled)
 - Elimination of Holiday Service
- Transportation Division:
 - Elimination of vacant Program Coordinator (0.5 FTE)
 - Reduction of funding for ongoing maintenance at parking garage
- Fleet Division:
 - Elimination of a vacant Fleet Mechanic II (1.0 FTE) and add two Fleet Support Specialist (2.0 FTE)
 - Elimination of NAPA contract

Non-Departmental

Strategic Connection



City Manager Recommendations

- Maintain funding for all outside agency grants:
 - PRCA PAPI and SEAS
 - Special Events Grants in Aid
 - Early Learning Coalition
 - Freedom in Motion Program
- Restore funding for the Alachua County Coalition for the Homeless and Hungry for the provision of homeless services to FY23 funding level (\$1.5 million) in FY25 only
- Maintain funding for 18 and under/65 and over Fare Free program
- Maintain funding for employee bus pass program for General Government community builders
- Increase funding for the Combined Communications Center in alignment with FY25 budgeted cost from the County

Budget Trends

				Target: \$26,292,053			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	(67,590.79)	0.00	0.00	160,000.00	N/A	160,000.00	N/A
Fringe Benefits	1,959,932	0	0	25,000	N/A	25,000	N/A
Operating	6,365,672	9,318,436	8,325,944	8,645,236	(7.2%)	8,645,236	(7.2%)
Bad Debt Expense	138,132	35,000	35,000	35,000	0.0%	35,000	0.0%
Aid to Private Organizations	0	1,594,044	1,344,044	1,794,044	12.5%	1,794,044	12.5%
Debt Service	0	0	0	14,106,691	N/A	14,106,691	N/A
Transfers	30,316,140	20,744,531	20,942,753	4,580,588	(77.9%)	5,459,201	(73.7%)
Total General Fund	38,712,286	31,692,011	30,647,741	29,346,559	(7.4%)	30,225,172	(4.6%)
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	61,972,367	75,510,000	75,510,000	75,510,000	0.0%	75,510,000	0.0%
Fringe Benefits	7,106,044	0	0	0	N/A	0	N/A
Operating	4,737,051	12,233,048	12,233,048	14,046,906	14.8%	14,046,906	14.8%
Capital Outlay	0	32,500	32,500	0	(100.0%)	0	(100.0%)
Bad Debt Expense	58,127	0	0	0	N/A	0	N/A
Aid to Private Organizations	0	0	250,000	0	N/A	0	N/A
Debt Service	26,002,463	27,347,537	27,347,537	12,149,283	(55.6%)	12,149,283	(55.6%)
Transfers	0	5,562,540	5,841,260	0	(100.0%)	0	(100.0%)
Total Other Funds	99,876,051	120,685,625	121,214,345	101,706,189	(15.7%)	101,706,189	(15.7%)
Total All Funds	138,588,337	152,377,637	151,862,086	131,052,748	(14.0%)	131,931,361	(13.4%)

Program and Service Impacts

- Elimination of funding for Marketing Program for City services, NCF Regional Planning Council, and holiday service
- Eliminates transfer to Roadway Resurfacing Fund
- No contingency funding for unexpected expenditures in upcoming fiscal year outside of the use of Fund Balance

General Fund Overview

As of June 18, 2024

Budget Development Impacts

FY 2024 Recap:

- Government Services Contribution (GSC) Formula set by the City Commission on April 13, 2023
 - Formula developed by both City and GRU staff and serves as a proxy for property tax and a franchise fee
 - Formula generated a GSC of \$15,305,224 – \$19.0 million/55.4% reduction from FY 2023; lowest level in history of the transfer
- Taxable Assessed Value grew from \$8,965,992,444 in 2022 to \$10,186,842,781 in 2023
 - 13.6% increase generates an estimated \$6.3 million in property tax revenue
- Millage rate in FY 2024 increased from 5.5000 to 6.4297 mills
 - 16.9% increase generates an estimated additional \$9.1 million in property tax revenue
- Fire Assessment methodology updated to a historical demand approach and is set to recoup 51.68% of the assessable budget
 - Generates an estimated \$2.9 million in additional revenue
- Operating Budget Reductions
 - Reduced Position Level to 1,496.0 in FY 2024, reduction of \$8.9 million in expenditures
 - Eliminated 125.5 FTEs across the City
 - Operating budgets for 13 departments reduced
 - IT SLA increased from \$1.2 million to \$2.9 million, an increase of \$1.7 million/139.9%
- Additional mid-fiscal year Government Service Contribution reductions by GRU
 - Indirect cost allocation: \$1.4 million
 - IT SLA additional cost recovery: \$3 million

General Fund FY25 Revenue

Updates:

- Property Tax Values: original assumption assumed an 8% increase but June 1st preliminary estimate grew by 7.39% - revenue reduction of \$380,401
 - June 1 Estimated Taxable Value: \$10,940,000,000
 - Value of 1 mil: \$10,940,000
- Fire Assessment historical demand methodology in place for FY 2025 with same revenue level as FY 2024 - \$12.3 million
- Government Services Contribution:
 - Formula driven GSC for FY25: \$16,247,574
 - GRU Authority discussed GSC on June 12, 2024:
 - Approved same level as FY 2024 (\$15,305,224) and reduced by \$6,800,000 = \$8,505,224
 - To be held at this level for the next ten years
 - GRU Authority has asked GRU staff to continue evaluating any additional areas to recoup costs from the City and reduce the GSC accordingly
 - Formal budget submission to the City due by end of June
- The Indirect Cost Allocation study, based on FY 2023 audited actuals, revealed a lower cost allocation compared to FY 2022.
 - As a result, the indirect cost allocation to be recovered for the General Fund will be reduced for FY 2025
- Other revenues updated based on more months of actual data available

General Fund FY25 Revenue

- GSC to be updated once formal submission of budget is remitted by GRU
 - Total revenues would be \$153,653,665 or \$2.8 million/1.8% lower than FY 2024 Adopted Budget

Revenues	FY23 Actual	FY24 Adopted	FY25		\$ Change vs. FY24	% Change vs. FY24
			Estimate (Fiscal Retreat)	FY25 Proposed		
Property Taxes	47,389,007	62,878,409	67,908,682	67,527,281	4,648,872	7.4%
Other Taxes	21,172,736	22,140,428	22,599,521	22,689,209	548,781	2.5%
Fire Assessment	9,056,432	12,297,476	12,297,476	12,297,476	0	0.0%
Miscellaneous Permits	598,962	111,661	111,661	111,661	0	0.0%
Intergovernmental	24,622,714	20,956,078	21,375,506	21,443,654	487,576	2.3%
Charges for Services	15,940,561	17,492,570	16,170,389	15,650,048	(1,842,522)	(10.5%)
Fines & Forfeitures	911,818	684,585	694,854	836,889	152,304	22.2%
Miscellaneous Revenue	4,392,584	2,670,305	3,361,745	3,409,025	738,720	27.7%
Transfers In From Other Funds	2,172,620	1,882,747	885,198	1,183,198	(699,549)	(37.2%)
Government Services Contribution	34,283,000	15,305,224	16,247,574	0	(15,305,224)	(100.0%)
Fund Balance	0	0	0	0	0	N/A
Total General Fund Revenue	160,540,434	156,419,483	161,652,606	145,148,441	(11,271,042)	(7.2%)

General Fund FY25 Expenditures

Updates:

- Personnel expenses: based on current bargaining agreements which will expire during FY25
- Department budget adjustments based on City Manager recommendations:
 - Communications & Marketing:
 - Returned 1.0 FTE (Executive Assistant Senior)
 - Financial Services:
 - Returned 2.0 FTE (Accountant II and Revenue and Receivables Field Collector)
 - Returned 3.0 FTE but froze funding (Contract Coordinator and two Revenue and Receivables Specialist II)
 - Fire Rescue:
 - Returned 2.0 FTE (CRP Responder I and CRP Responder II)
 - Human Resources:
 - Returned 1.0 FTE (Classification and Compensation Manager)
 - Parks, Recreation and Cultural Affairs:
 - Returned funding for 1.0 FTE (Recreation Supervisor)
 - Returned funding for 25% of aquatics part-time temporary staff (approximately 28 community builders)
 - Returned programming funding for Free Friday and Live & Social, enhanced summer youth programs, Wilhelmina Johnson Center
 - Built in continued operations of Ironwood Golf Course pending final Berry Dunn analysis
 - Police:
 - Returned 20.0 FTE for Police Officers but froze funding
 - Unfroze Assistant Police Chief position
 - Returned funding for overtime and Body Worn cameras
 - Public Works:
 - Returned 5.0 FTE (Construction Crew)
 - Returned 4.0 FTE (Downtown Detail) with funding supplemented by the GCRA
 - Returned and increased funding for utility expenses for streetlights and poles based on proposed rate increases from GRU
 - Risk Management:
 - Added funding for security at City Hall

General Fund FY25 Estimates – June 18, 2024

Department	FY23 Actual	FY24 Adopted	FY24 Amended	FY 25 Proposed	% Change vs. FY24 Budget	\$ Change vs. FY24 Adopted
City Attorney	1,501,709	1,633,410	1,633,410	1,676,569	2.6%	43,159
City Auditor	816,362	909,639	919,264	854,821	(6.0%)	(54,818)
City Clerk	1,654,515	1,293,628	1,395,878	1,225,739	(5.2%)	(67,889)
City Commission	510,668	475,360	475,360	579,098	21.8%	103,738
City Manager's Office	1,639,805	1,664,859	1,664,859	1,561,448	(6.2%)	(103,411)
Communications & Marketing	896,412	1,012,582	1,012,582	1,125,237	11.1%	112,655
Equity & Inclusion	1,187,119	1,545,651	1,545,651	1,447,750	(6.3%)	(97,902)
Financial Services	3,639,314	3,921,907	3,925,872	3,822,171	(2.5%)	(99,736)
Fire Rescue	24,102,335	27,956,134	27,956,134	26,372,819	(5.7%)	(1,583,315)
Housing and Community Devel	376,606	474,153	474,153	460,215	(2.9%)	(13,938)
Human Resources	2,270,668	2,351,593	2,351,593	2,340,383	(0.5%)	(11,210)
Management & Budget	1,489,221	1,289,370	1,331,902	1,023,891	(20.6%)	(265,479)
Non-Departmental	38,712,286	31,692,011	30,647,741	29,346,559	(7.4%)	(2,345,452)
Parks, Recreation and Cultural Affairs	12,214,016	11,802,575	11,816,380	12,052,746	2.1%	250,171
Police	36,315,270	41,301,910	41,397,559	41,950,950	1.6%	649,040
Public Works	14,687,736	17,120,730	18,115,331	16,746,547	(2.2%)	(374,183)
Risk Management	229,462	162,827	162,827	154,000	(5.4%)	(8,827)
Sustainable Development	3,952,272	3,445,996	3,465,083	3,229,605	(6.3%)	(216,392)
Technology	1,573,575	5,009,486	5,009,486	8,085,985	61.4%	3,076,499
Transportation	3,747,092	1,346,501	1,866,494	1,356,206	0.7%	9,705
Wild Spaces Public Places	3,007	9,161	9,161	13,698	49.5%	4,537
Total	151,519,450	156,419,484	157,176,720	155,426,437	(0.6%)	(993,047)
FTEs (All Funds)	1,594.00	1,496.00	1,497.75	1,462.55	(2.2%)	(33.45)

General Fund FY25 Summary

	FY23 Actual*	FY24 Adopted	FY24 Amended	FY25 Estimate (Fiscal Retreat - No GSC)	FY25 Proposed	\$ Change vs. FY24	% Change vs. FY24
Revenue	160,540,434	156,419,483	157,176,716	145,405,032	145,148,441	(11,271,042)	(7.2%)
Expenditures	152,864,078	156,419,483	157,176,716	145,405,032	155,426,437	(993,046)	(0.6%)
Surplus/(Deficit)	7,676,356	0	0	0	(10,277,996)		
				Add GSC Estimate	8,505,224		
				Estimated Surplus/Deficit	(1,772,772)		

Pending

- Government Services Contribution (due June 2024)
 - Franchise Fee option
- Final Property Tax Valuation (July 1)
- State Revenue Sharing (late July/early August)

Levers

- Appendix A
 - Rates updated biannually; next update in FY26
 - Ordinance can be revised for annual increases
- Millage Rate – 6.4297 mills
 - No increase recommended at this time
- ARPA Revenue Replacement Funding
 - Funding availability to be determined as projects are completed in FY24

SLAs/MOUs Update

New SLAs under development for:

- Human Resources: employee and labor relations
- Payroll: payroll processing and timekeeping
- Pension Obligation Bonds: GRU's portion of costs
- Risk Management: benefits, insurance, and retirement management

SLA updates underway for:

- Fleet: vehicle and equipment management including maintenance, procurement and disposal
- Human Resources: general support
- Information Technology
 - Berry Dunn analysis results

Timeline

February

March

April

May

June

July

August

September

February

- OMB prepares preliminary revenue and expenditure estimates and drafts department budget worksheets

March

- FY25 Budget Process Kick Off
- Departments Prepare Budget Submissions
- Fiscal Retreat with the City Commission
- Departments review submissions with OMB

April

- Departments discuss budget submissions with OMB

May 7

- City Commission Budget Workshop
- Charter Offices
 - Administrative Services
- Departments: Communications & Marketing, Financial Services, Human Resources, Management & Budget, Risk, and Technology

May 28

- City Commission Budget Workshop
- Police
 - Fire Rescue
 - Parks, Recreation and Cultural Affairs
 - Public Works

City Commission Meeting

- First Public Hearing for the Fire Assessment

June 18

- City Commission Budget Workshop
- Housing & Community Development
 - Gainesville Community Reinvestment Area
 - Sustainable Development
 - Transportation
 - Non-Departmental

July 1

- Property Appraiser releases Tax Year 2024 Taxable Values

July 18

- City Commission Meeting
- Set Maximum Millage Rate

August 6

- City Commission Meeting (optional)
- Capital Projects
 - Operating and Capital Budget Update

September 12

- First public hearing for FY25 Budget. City Commission:
- Sets Final Fire Assessment
 - Sets Tentative Appendix A
 - Sets Tentative Millage Rate
 - Sets Tentative Financial Operating Plan for City

September 26

- Second public hearing for FY25 Budget. City Commission:
- Sets Final Appendix A
 - Sets Final Millage Rate
 - Sets Final Financial Operating Plan for City

Thank You.

City of **Gainesville**

Fiscal Year 2025 Budget Development

PRESENTED BY: CYNTHIA W. CURRY, CITY MANAGER

Cintya G. Ramos, Executive Chief of Staff

Steven Varvel, Office of Management & Budget Director

JUNE 18, 2024

Updated Department Presentations

Office of the City Attorney

Core Services

- In-House Legal Counsel and Advice
- State and Federal Statutory Expertise and Law Interpretation
- Legal Representation for the City
- Protect and Preserve Legal Rights and Assets of the City

Strategic Connection



“Best in Class” Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$1,535,847			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,186,326	1,252,506	1,252,506	1,296,675	3.5%	1,296,675	3.5%
Fringe Benefits	247,921	275,904	275,904	274,894	(0.4%)	274,894	(0.4%)
Operating	67,462	105,000	105,000	105,000	0.0%	105,000	0.0%
Total General Fund	1,501,709	1,633,410	1,633,410	1,676,569	2.6%	1,676,569	2.6%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	236,282	373,777	373,777	349,518	(6.5%)	349,518	(6.5%)
Fringe Benefits	54,394	78,138	78,138	76,777	(1.7%)	76,777	(1.7%)
Operating	0	76,500	76,500	0	(100.0%)	76,500	0.0%
Total Other Funds	290,676	528,415	528,415	426,295	(19.3%)	502,795	(4.8%)
Total All Funds	1,792,385	2,161,825	2,161,825	2,102,864	(2.7%)	2,179,364	0.8%
Total FTE	15.00	14.0	14.0	14.0	0.0%	0.0	(100.0%)

Program and Service Impacts

- Eliminate a General Fund Transfer to the Miscellaneous Special Revenue Fund that was set-aside as a contingency for complex litigation
- No other budget adjustments made to meet the target budget of \$1,535,847

Office of the City Auditor

Core Services

- Develop and Maintain a Risk-Based Audit Plan
- Support Strengthening of Risk Management Processes
- Provide Independent Audit Assurance and Advisory Services
- Conduct Quality Fraud Investigations

Strategic Connection



Equitable Community



More Sustainable Community



A Great Place to Live & Experience



Resilient Local Economy



"Best in Class" Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$854,821			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	558,933	689,062	689,062	659,091	(4.3%)	688,392	(0.1%)
Fringe Benefits	113,828	145,685	145,685	150,469	3.3%	154,987	6.4%
Operating	143,601	74,892	84,517	45,261	(39.6%)	74,892	0.0%
Total General Fund	816,362	909,639	919,264	854,821	(6.0%)	918,271	0.9%
Total All Funds	816,362	909,639	919,264	854,821	(6.0%)	918,271	0.9%
Total FTE	7.0	6.0	6.0	5.8	(3.3%)	6.0	0.0%

Program and Service Impacts

- Reduce available funds for consultant support for engagements and investigations.
- Reduce FTE for Assistant City Auditor
- Replace current TeamMate cloud software with TeamMate "on-premises" software

Office of the City Clerk

Core Services

- Public Meeting Management and Public Notices
- Records and Elections Management
- Lobbyist Registrations
- Administrative Support to City Commission
- Policy Research

Strategic Connection



“Best in Class” Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$1,225,739			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	865,482	731,817	731,817	626,822	(14.3%)	725,640	(0.8%)
Fringe Benefits	203,035	183,968	183,968	165,685	(9.9%)	185,695	0.9%
Operating	585,999	377,843	480,093	433,232	14.7%	433,232	14.7%
Total General Fund	1,654,515	1,293,628	1,395,878	1,225,739	(5.2%)	1,344,567	3.9%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	296	0	0	0	N/A	0	N/A
Fringe Benefits	38	0	0	0	N/A	0	N/A
Total Other Funds	335	0	0	0	N/A	0	N/A
Total All Funds	1,654,850	1,293,628	1,395,878	1,225,739	(5.2%)	1,344,567	3.9%
Total FTE	12.0	10.0	10.0	9.0	(10.0%)	10.0	0.0%

Program and Service Impacts

- Eliminate Policy Program
- Eliminate vacant Policy Oversight Administrator (1.0 FTE) position

Office of the City Commission

Core Services

- Represent Gainesville Neighbors and Promote Public Participation in Government
- Provide Policy Direction to Charter Officers
- Provide Oversight of City’s Charter Officers
- Support the City’s Strategic Plan
- Perform Statutory Duties

Strategic Connection



Equitable Community



More Sustainable Community



A Great Place to Live & Experience



Resilient Local Economy



“Best in Class” Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$579,098			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	281,171	302,106	302,106	313,788	3.9%	313,788	3.9%
Fringe Benefits	228,144	127,008	127,008	219,065	72.5%	219,065	72.5%
Operating	1,353	46,246	46,246	46,246	0.0%	46,246	0.0%
Total General Fund	510,668	475,360	475,360	579,098	21.8%	579,098	21.8%
Total All Funds	510,668	475,360	475,360	579,098	21.8%	579,098	21.8%
Total FTE	7.0	7.0	7.0	7.0	0.0%	7.0	0.0%

Program and Service Impacts

- Reflects updated FRS contribution rates in fringe benefits

Office of the City Manager

Core Services

- Leadership and Supervision of General Government
- Community Partnership & Engagement
- Neighbor Advocacy
- Legislative Coordination
- Organizational Governance

Strategic Connection



City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$1,561,448			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,250,948	1,142,563	1,142,563	1,099,558	(3.8%)	1,099,558	(3.8%)
Fringe Benefits	277,525	257,094	257,094	241,570	(6.0%)	241,570	(6.0%)
Operating	110,492	261,202	261,202	216,320	(17.2%)	264,702	1.3%
Aid to Private Organizations	840	4,000	4,000	4,000	0.0%	4,000	0.0%
Total General Fund	1,639,805	1,664,859	1,664,859	1,561,448	(6.2%)	1,609,830	(3.3%)
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	81,507	219,724	523,902	250,096	13.8%	250,096	13.8%
Fringe Benefits	15,731	44,477	95,019	46,710	5.0%	46,710	5.0%
Operating	405,035	0	7,421,700	0	N/A	0	N/A
Capital Outlay	0	0	1,000,000	0	N/A	0	N/A
Aid to Private Organizations	4,381,713	0	5,538,694	0	N/A	0	N/A
Total Other Funds	4,883,986	264,201	14,579,315	296,806	12.3%	296,806	12.3%
Total All Funds	6,523,791	1,929,060	16,244,174	1,858,254	(3.7%)	1,906,636	(1.2%)
Total FTE	16.0	10.0	10.0	10.0	0.0%	10.0	0.0%

Program and Service Impacts

- Reduce funding in the Government Affairs and Community Relations division set aside for community event programs

Office of Communications & Marketing

Core Services

- Broadcasting and Video Production
- Public Information and Education
- Media Relations and Crisis Communications
- Website and Social Media Management
- Creative Services for Print and Digital

Strategic Connection



Equitable Community



“Best in Class” Neighbor Services

City Manager Recommendation

- Returned 1.0 FTE (Executive Assistant Senior)

Budget Trends

				Target: \$948,470			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	569,403	614,604	614,604	713,629	16.1%	732,582	19.2%
Fringe Benefits	147,262	173,145	173,145	192,321	11.1%	199,414	15.2%
Operating	179,748	224,833	224,833	219,287	(2.5%)	220,428	(2.0%)
Total General Fund	896,412	1,012,582	1,012,582	1,125,237	11.1%	1,152,424	13.8%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	793	0	0	0	N/A	0	N/A
Fringe Benefits	156	0	0	0	N/A	0	N/A
Operating	78,453	0	120,991	0	N/A	0	N/A
Capital Outlay	0	0	125,140	0	N/A	0	N/A
Total Other Funds	79,401	0	246,131	0	N/A	0	N/A
Total All Funds	975,813	1,012,582	1,258,713	1,125,237	11.1%	1,152,424	13.8%
Total FTE	11.0	9.5	9.5	9.0	(5.3%)	9.5	0.0%

Program and Service Impacts

- Eliminate vacant Event Coordinator (0.5 FTE) position
- Reduce operating expenditures such as training and other expenditures associated with eliminated positions

Office of Equity & Inclusion

Core Services

- Plans, Guides, and Advises Management on Diversity, Equity, Inclusion, and ADA matters.
- Collaborates with Management to Create, Implement and Monitor Programs Designed to Ensure Fair and Equitable Policies and Practices.

Strategic Connection



Equitable Community



Resilient Local Economy



"Best in Class" Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$1,447,750			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	738,474	905,405	905,405	935,780	3.4%	935,780	3.4%
Fringe Benefits	150,543	221,246	221,246	210,795	(4.7%)	210,795	(4.7%)
Operating	295,297	415,000	415,000	297,174	(28.4%)	415,000	0.0%
Aid to Private Organizations	2,805	4,000	4,000	4,000	0.0%	4,000	0.0%
Debt Service	0	0	0	0	N/A	0	N/A
Total General Fund	1,187,119	1,545,651	1,545,651	1,447,750	(6.3%)	1,565,576	1.3%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,518	70,172	70,172	86,594	23.4%	86,594	23.4%
Fringe Benefits	362	18,845	18,845	21,271	12.9%	21,271	12.9%
Total Other Funds	1,880	89,017	89,017	107,864	21.2%	107,864	21.2%
Total All Funds	1,188,999	1,634,668	1,634,668	1,555,614	(4.8%)	1,673,440	2.4%
Total FTE	13.0	12.0	12.0	12.0	0.0%	12.0	0.0%

Program and Service Impacts

- Reduce Journey to Juneteenth programming
- Reduce funding for Contractual services
- Reduce funding for Temporary services

Department of Financial Services

Core Services

- Produce the City's Annual Comprehensive Financial Report
- Monitor the City's Financial Condition and Provide Financial Strategies to Ensure Fiscal Success
- Manage Accounting, Billing and Collections, Contract Management, Debt, Grant, Internal Control, Investment, Payroll, Procurement, Mail, Treasury and Financial Systems Administration Functions

Strategic Connection



"Best in Class" Neighbor Services

City Manager Recommendation

- Returned 2.0 FTE (Accountant II and Revenue and Receivables Field Collector)
- Returned 3.0 FTE but froze funding (Contract Coordinator and two Revenue and Receivables Specialist II)

Budget Trends

				Target: \$3,684,449			
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
General Fund	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	2,357,925	2,660,304	2,660,304	2,599,993	(2.3%)	2,721,877	2.3%
Fringe Benefits	554,888	727,058	727,058	706,079	(2.9%)	746,710	2.7%
Operating	726,501	534,545	538,510	516,099	(3.5%)	516,099	(3.5%)
Total General Fund	3,639,314	3,921,907	3,925,872	3,822,171	(2.5%)	3,984,686	1.6%
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
Other Funds	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	382,545	370,097	370,097	367,409	(0.7%)	367,409	(0.7%)
Fringe Benefits	110,851	94,000	94,000	95,153	1.2%	95,153	1.2%
Operating	163,892	0	0	0	N/A	0	N/A
Depreciation and Amortization	2,024	0	0	0	N/A	0	N/A
Aid to Private Organizations	250,000	250,000	250,000	250,000	0.0%	250,000	0.0%
Total Other Funds	909,313	714,097	714,097	712,563	(0.2%)	712,563	(0.2%)
Total All Funds	4,548,627	4,636,004	4,639,969	4,534,734	(2.2%)	4,697,248	1.3%
Total FTE	45.0	45.0	45.5	45.5	1.1%	45.5	1.1%

Program and Service Impacts

- Freeze vacant positions (3.0 FTE):
 - Contract Coordinator (1.0 FTE)
 - Revenue and Receivables Specialist II (2.0 FTE)
- Reduce operating expenditures for computer and office equipment, travel, training, dues and memberships, materials and supplies

Gainesville Fire Rescue Department

Core Services

- Fire Suppression and Emergency Medical Services
- Fire Prevention, Safety Inspections and Investigations
- Fire and Life Safety Public Education
- Emergency Management Coordination

Strategic Connection



City Manager Recommendation

- Returned 2.0 FTE for Community Resource Paramedicine Program (CRP Responder I and CRP Responder II)

Budget Trends

				Target: \$26,267,399			
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
General Fund	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	16,768,157	19,464,512	19,445,512	18,076,853	(7.1%)	19,515,627	0.3%
Fringe Benefits	3,646,434	4,150,556	4,150,556	4,013,376	(3.3%)	4,056,484	(2.3%)
Operating	3,687,745	4,341,066	4,360,066	4,282,590	(1.3%)	4,282,590	(1.3%)
Total General Fund	24,102,335	27,956,134	27,956,134	26,372,819	(5.7%)	27,854,701	(0.4%)
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
Other Funds	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	30,192	0	454,372	62,250	N/A	62,250	N/A
Fringe Benefits	3,584	0	0	12,750	N/A	12,750	N/A
Operating	701,617	0	1,825,006	100,000	N/A	100,000	N/A
Capital Outlay	211,209	1,467,000	8,355,757	1,865,500	27.2%	1,865,500	27.2%
Depreciation and Amortization	17,516	0	0	0	N/A	0	N/A
Total Other Funds	964,119	1,467,000	10,635,135	2,040,500	39.1%	2,040,500	39.1%
Total All Funds	25,066,454	29,423,134	38,591,269	28,413,319	(3.4%)	29,895,201	1.6%
Total FTE	210.0	210.0	211.0	210.0	0.0%	212.0	1.0%

Program and Service Impacts

- Eliminate positions (2.0 FTE):
 - Community Resource Paramedicine Program Coordinator (1.0 FTE – vacant)
 - Captain (1.0 FTE – filled)
- Add a Firefighter position (1.0 FTE)
- Eliminate Emergency Management operations, staff will be assigned to other roles
- Reduce overtime funding

Department of Human Resources

Core Services

- Recruitment and Hiring
- Classification and Compensation
- Employee and Labor Relations
- Professional Development and Training
- Performance Management

Strategic Connection



“Best in Class” Neighbor Services

City Manager Recommendation

- Returned 1.0 FTE (Classification and Compensation Manager)

Budget Trends

				Target: \$2,210,273			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,542,890	1,671,931	1,671,931	1,612,314	(3.6%)	1,764,198	5.5%
Fringe Benefits	372,289	455,790	455,790	415,967	(8.7%)	461,059	1.2%
Operating	355,489	223,872	223,872	312,102	39.4%	312,102	39.4%
Total General Fund	2,270,668	2,351,593	2,351,593	2,340,383	(0.5%)	2,537,359	7.9%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	864	0	0	0	N/A	0	N/A
Fringe Benefits	224	0	0	0	N/A	0	N/A
Operating	14,224	15,000	16,260	15,000	0.0%	15,000	0.0%
Total Other Funds	15,312	15,000	16,260	15,000	0.0%	15,000	0.0%
Total All Funds	2,285,980	2,366,593	2,367,853	2,355,383	(0.5%)	2,552,359	7.8%
Total FTE	26.0	23.0	23.0	21.0	(8.7%)	23.0	0.0%

Program and Service Impacts

- Eliminate vacant positions (2.0 FTE):
 - Employee and Labor Relations Manager (1.0 FTE)
 - Learning and Organizational Development Specialist (1.0 FTE)
- Includes funding for PowerDMS, a policy management software (\$15,000)

Office of Management & Budget

Core Services

- Plans, Develops and Monitors General Government's Financial and Operating Plan.
- Provides Internal Management Consulting to Maximize Organizational Efficiencies and Project Management Services.
- Facilitates the Development of and Monitors the Progress on the Strategic Plan.

Strategic Connection



"Best in Class" Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$1,153,602			
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
General Fund	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	714,156	643,335	643,335	544,922	(15.3%)	592,105	(8.0%)
Fringe Benefits	156,800	141,740	141,740	135,674	(4.3%)	156,867	10.7%
Operating	618,265	504,295	546,827	343,295	(31.9%)	380,295	(24.6%)
Total General Fund	1,489,221	1,289,370	1,331,902	1,023,891	(20.6%)	1,129,267	(12.4%)
Expenditures by Category -	FY23	FY24	FY24	FY25 Proposed	% Change vs.	FY25 Proposed	% Change vs.
Other Funds	Actual	Adopted	Amended	\$o GSC	FY24 Budget	\$15.3M GSC	FY24 Budget
Salaries & Wages	2,324	62,232	62,231	69,323	11.4%	69,683	12.0%
Fringe Benefits	353	13,844	13,845	15,841	14.4%	15,841	14.4%
Operating	2,231	0	0	0	N/A	0	N/A
Total Other Funds	4,907	76,076	76,077	85,164	11.9%	85,524	12.4%
Total All Funds	1,494,128	1,365,446	1,407,979	1,109,055	(18.8%)	1,214,791	(11.0%)
Total FTE	13.0	8.0	7.0	7.0	(12.5%)	7.0	(12.5%)

Program and Service Impacts

- Reclassify vacant Director of City Centered Design to a Lead Budget Analyst (1.0 FTE)
- Reduce special assignment funding in salaries and wages
- Reduce operating expenditures for professional services
- Re-align funding for PowerDMS policy management software (Human Resources) and eProval Software Maintenance (Gainesville Police Department)

Department of Parks, Recreation and Cultural Affairs

Core Services

- Cultural Facilities & Event Programming
- Parks Operations & Maintenance
- Recreational & Sports Programming
- Evergreen Municipal Cemetery Management
- Golf Course Operations

Strategic Connection



Equitable Community



A Great Place to Live & Experience



"Best in Class" Neighbor Services

City Manager Recommendation

- Returned funding for 1.0 FTE (Recreation Supervisor)
- Returned funding for 25% of aquatics part-time temporary staff (approximately 28 community builders)
- Returned programming funding for Free Friday and Live & Social, enhanced summer youth programs, Wilhelmina Johnson Center
- Built in continued operations of Ironwood Golf Course pending final Berry Dunn analysis

Budget Trends

				Target: \$11,003,631			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	5,669,601	5,701,037	5,797,602	6,024,609	5.7%	6,024,609	5.7%
Fringe Benefits	1,230,716	1,350,355	1,350,355	1,490,831	10.4%	1,490,831	10.4%
Operating	5,149,601	4,751,183	4,668,423	4,537,306	(4.5%)	4,548,732	(4.3%)
Aid to Private Organizations	164,097	0	0	0	N/A	0	N/A
Total General Fund	12,214,016	11,802,575	11,816,380	12,052,746	2.1%	12,064,172	2.1%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	230,105	11,093	11,093	88,279	695.8%	88,279	695.8%
Fringe Benefits	65,086	3,647	3,647	20,420	460.0%	20,420	460.0%
Operating	739,345	561,992	1,685,578	145,650	(74.1%)	145,650	(74.1%)
Capital Outlay	15,948	245,000	500,484	432,000	76.3%	432,000	76.3%
Depreciation and Amortization	35,506	0	0	0	N/A	0	N/A
Aid to Private Organizations	(390)	0	390	0	N/A	0	N/A
Debt Service	18,169	0	0	0	N/A	0	N/A
Total Other Funds	1,103,770	821,732	2,201,193	686,349	(16.5%)	686,349	(16.5%)
Total All Funds	13,317,785.8	12,624,307.0	14,017,573.2	12,739,095.1	0.9%	12,750,521.1	1.0%
Total FTE	117.75	108.75	109.50	109.50	0.7%	109.50	0.7%

Program and Service Impacts

- Reduce PRCA fleet by one vehicle

Gainesville Police Department

Core Services

- Community Policing and Investigations
- Community Support Services
- Crime Prevention
- Enforcement of State Laws and City Ordinances
- Emergency Response and Order Maintenance

Strategic Connection



Equitable Community



A Great Place to Live & Experience



"Best in Class" Neighbor Services

City Manager Recommendation

- Returned 20.0 FTE (Police Officers) but froze funding
- Unfroze Assistant Police Chief position
- Returned funding for overtime and Body Worn cameras

Budget Trends

				Target: \$38,832,353			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	23,561,119	27,237,156	27,237,156	26,789,887	(1.6%)	27,906,987	2.5%
Fringe Benefits	5,565,710	6,554,157	6,554,157	7,333,369	11.9%	7,224,134	10.2%
Operating	7,157,951	7,510,597	7,510,598	7,827,694	4.2%	7,835,912	4.3%
Capital Outlay	30,490	0	93,148	0	N/A	0	N/A
Aid to Private Organizations	0	0	2,500	0	N/A	0	N/A
Total General Fund	36,315,270	41,301,910	41,397,559	41,950,950	1.6%	42,967,033	4.0%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,527,736	555,544	682,308	1,073,770	93.3%	1,073,770	93.3%
Fringe Benefits	300,981	0	0	225,727	N/A	225,727	N/A
Operating	1,982,544	790,848	1,571,505	790,848	0.0%	790,848	0.0%
Capital Outlay	255,829	2,182,500	4,466,239	2,213,500	1.4%	2,213,500	1.4%
Depreciation and Amortization	506,682	0	0	0	N/A	0	N/A
Aid to Private Organizations	5,000	0	0	0	N/A	0	N/A
Total Other Funds	4,578,773	3,528,892	6,720,053	4,303,845	22.0%	4,303,845	22.0%
Total All Funds	40,894,043	44,830,802	48,117,612	46,254,795	3.2%	47,270,878	5.4%
Total FTE	388.25	386.25	386.25	385.25	(0.3%)	386.25	0.0%

Program and Service Impacts

- Eliminate vacant Captain position (1.0 FTE)
- Eliminate set-aside funding for future replacement of armored SWAT vehicle (Bearcat)

Public Works Department

Core Services

- Regulatory Compliance & Maintenance of the Transportation, Stormwater, Solid Waste and Facility Infrastructure Systems
- Solid Waste and Recycling Collection
- Emergency Response
- Traffic Safety & Operations

Strategic Connection



More Sustainable Community



A Great Place to Live & Experience



“Best in Class” Neighbor Services

City Manager Recommendation

- Returned 5.0 FTE (Construction Crew)
- Returned 4.0 FTE (Downtown Detail) with funding supplemented by the GCRA
- Returned and increased funding for utility expenses for streetlights and poles based on proposed rate increases from GRU

Budget Trends

				Target: \$14,963,885			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	4,351,717	5,669,205	5,669,205	5,571,398	(1.7%)	5,727,443	1.0%
Fringe Benefits	1,078,139	1,603,612	1,603,612	1,523,326	(5.0%)	1,509,387	(5.9%)
Operating	9,257,879	9,847,914	10,514,699	9,651,823	(2.0%)	9,840,245	(0.1%)
Capital Outlay	0	0	327,815	0	N/A	0	N/A
Total General Fund	14,687,736	17,120,730	18,115,331	16,746,547	(2.2%)	17,077,075	(0.3%)
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	4,430,528	5,875,452	5,893,030	6,256,197	6.5%	6,223,532	5.9%
Fringe Benefits	1,174,797	1,671,959	1,671,959	1,605,116	(4.0%)	1,546,031	(7.5%)
Operating	14,618,435	17,380,683	30,813,927	20,433,710	17.6%	20,249,467	16.5%
Capital Outlay	11,713,577	1,850,000	12,145,103	1,275,500	(31.1%)	1,275,500	(31.1%)
Depreciation and Amortization	1,928,278	0	0	0	N/A	0	N/A
Amortization - ROU	4,704	0	0	0	N/A	0	N/A
Bad Debt Expense	19,005	0	0	479,121	N/A	479,121	N/A
Debt Service	78,134	130,000	130,000	1,048,013	706.2%	1,048,013	706.2%
Transfers	0	0	0	2,000,000	N/A	2,000,000	N/A
Total Other Funds	33,967,457	26,908,094	50,654,019	33,097,657	23.0%	32,821,664	22.0%
Total All Funds	48,655,193	44,028,825	68,769,350	49,844,204	13.2%	49,898,739	13.3%
Total FTE	201.5	209.5	210.5	209.5	0.0%	209.5	0.0%

Program and Service Impacts

- Eliminate two vacant Custodial Worker positions (2.0 FTE)
- Addition of 1.0 FTE (Technical Support Specialist III)
- Reduction of operational funding

Risk Management Department

Core Services

- Administer the City's Risk Management Policies
- Procure Insurance and Medical Coverages and Review & Respond to All Claims
- Employee Well-Being Clinic and Programs
- Health and Retirement Benefits and Services

Strategic Connection



“Best in Class” Neighbor Services

City Manager Recommendation

- Added funding for enhanced security at City Hall

Budget Trends

				Target: \$152,963			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	13,492	6,110	6,110	0	(100.0%)	0	(100.0%)
Fringe Benefits	3,118	1,717	1,717	0	(100.0%)	0	(100.0%)
Operating	212,852	155,000	155,000	154,000	(0.6%)	154,000	(0.6%)
Total General Fund	229,462	162,827	162,827	154,000	(5.4%)	154,000	(5.4%)
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	1,250,772	1,309,182	1,309,182	1,126,185	(14.0%)	1,126,185	(14.0%)
Fringe Benefits	28,308	278,352	278,352	447,348	60.7%	447,348	60.7%
Operating	40,876,357	35,240,552	36,296,498	36,325,765	3.1%	36,325,765	3.1%
Capital Outlay	0	24,500	24,500	57,500	134.7%	57,500	134.7%
Debt Service	0	0	0	147,617	N/A	147,617	N/A
Total Other Funds	42,155,437	36,852,586	37,908,532	38,104,416	3.4%	38,104,416	3.4%
Total All Funds	42,384,899	37,015,413	38,071,359	38,258,416	3.4%	38,258,416	3.4%
Total FTE	17.5	16.0	16.0	16.0	0.0%	16.0	0.0%

Program and Service Impacts

- Re-align funding for Parking Garage Security (Transportation)

Technology Department

Core Services

- Technical Support for Workday
- Data Conversion, Security, and Integration for Workday
- Customer Inquiries and Troubleshooting Assistance for Workday

Strategic Connection



“Best in Class” Neighbor Services

City Manager Recommendation

- No changes since last presentation.

Budget Trends

				Target: \$1,173,413			
Expenditures by Category - General Fund	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	595,370	936,148	936,148	871,971	(6.9%)	949,804	1.5%
Fringe Benefits	139,669	253,900	253,900	228,461	(10.0%)	251,299	(1.0%)
Operating	838,536	3,819,438	3,819,438	6,985,553	82.9%	6,985,553	82.9%
Total General Fund	1,573,575	5,009,486	5,009,486	8,085,985	61.4%	8,186,656	63.4%
Expenditures by Category - Other Funds	FY23 Actual	FY24 Adopted	FY24 Amended	FY25 Proposed \$o GSC	% Change vs. FY24 Budget	FY25 Proposed \$15.3M GSC	% Change vs. FY24 Budget
Salaries & Wages	97	0	0	0	N/A	0	N/A
Fringe Benefits	23	0	0	0	N/A	0	N/A
Operating	2,002,798	231,062	2,992,259	0	(100.0%)	190,000	(17.8%)
Capital Outlay	0	0	11,500	0	N/A	0	N/A
Total Other Funds	2,002,918	231,062	3,003,759	0	(100.0%)	190,000	(17.8%)
Total All Funds	3,576,493	5,240,548	8,013,245	8,085,985	54.3%	8,376,656	59.8%
Total FTE	10.0	10.0	10.0	9.0	(10.0%)	10.0	0.0%

Program and Service Impacts








- Eliminate vacant Business Systems Analyst (1.0 FTE) position
- Target met by Department; includes funding for increased GRU SLA which was funded at \$2,956,697 in FY24 and is expected to increase to \$5,937,502 in FY25

Thank You.



Technology Strategy Consulting Services Project

Agenda

-  **1** Introductions
-  **2** Background
-  **3** Methodology
-  **4** Key Themes of Assessment
-  **5** Recommendation
-  **6** Benefits, Cost, and Risk Considerations
-  **7** Questions and Discussion



Introductions



Erin Provazek

MBA, PMP®, CGCIO, COBIT 2019, ITIL v3
Project Manager and Subject Matter Expert



Background

- ▲ BerryDunn was engaged by the City of Gainesville to assess the current state of information technology (IT) staffing and asset support for the City's General Government (GG) and evaluate its options for IT support in the future.
- ▲ The City consolidated its GG and Gainesville Regional Utilities (GRU) IT Departments in 2012.
- ▲ At that time, GG and GRU signed a Memorandum of Understanding (MOU), which placed GG's existing IT staff under the management of GRU.
- ▲ The City has historically been the owner/operator of GRU. Under State Bill HB-1645, GRU is now under separate governance from GG, so the City desired in-depth consideration of options for future acquisition of IT support services.
- ▲ GG indicated a belief that there are four options for the future of GG-specific IT support services:
 - A. A new MOU with GRU
 - B. Creation of an in-house IT support services team within GG
 - C. Outsourcing IT support services for GG
 - D. A combination of in-house IT support and outsourced IT support services



Methodology

Discovery

- SWOT Survey: City GG and GRU IT stakeholders completed a Strengths, Weaknesses, Opportunities, and Threats survey.
- Information Request: GRU IT provided GG-specific service and support information as requested by BerryDunn.
- GG Department and GRU IT Fact-Finding Meetings: BerryDunn facilitated fact-finding work sessions with GG and GRU stakeholders to gather specific IT service and support details.
 - Over 30 hours spent gathering information in fact-finding meetings
 - 66 GG and 20 GRU IT staff contributed information in fact-finding meetings

Assessment Areas

- IT Overview and Governance
- Management of Technology for GG, including 10 service-specific objectives
- IT Service Management, or the service-focus of IT management and support
- High-level cost allocation methodology



Key Themes of Assessment

Services and Performance

- City staff identified ongoing GRU-related technology services and support challenges and opportunities for improvement, including:

Transparency in life cycle planning and execution	Communication in many operational areas	Limited participation in GRU-related IT projects
Limited GRU collaboration in GG-related IT projects	GRU focus and flexibility	Business systems and contracts

Organization

- BerryDunn's analysis suggests that the current IT organizational structure might be more than what GG requires.
- The complexity of the existing infrastructure, operating practices, and staffing levels directly impact the costs assessed to GG for IT support, but do not appear to equitably service GG operations.



Recommendation

Create an in - house IT support services team within GG

- ▲ Creation of a dedicated IT support team within GG would be more efficient and cost-effective.
- ▲ While there would be a transition period away from GRU IT services and support, an in-house IT support services team would provide GG staff with greater internal control for City-specific operations and constituent services going forward.
- ▲ GG and GRU would carefully analyze the required IT service offerings and review policies for infrastructure, devices, service management, and other areas to inform the following:
 - Develop the joint scope and timeline for a transition framework to GG operations
 - Develop the formal transition plan to GG IT operations
 - Develop new GG-specific IT structure and staffing needs
 - Refine the staffing and operating cost estimates for the new, dedicated GG IT support team
 - Negotiate with GRU for potential use of GRU IT data center facilities by GG for colocation and disaster recovery and business continuity operations on an ongoing basis
- ▲ A new MOU with GRU outlining clear governance, operations, and performance measurement during the transition period to GG-only operations is needed.



Benefits, Cost, and Risk Considerations

▲ Benefits

- Right-sized IT services: GG can tailor the IT service catalog to match GG's specific needs.
- Custom IT team: GG can build a team with the skills and expertise to directly support GG departments' technology needs.
- Maximized value: Achieve the greatest value from internal IT resources by focusing solely on GG departmental needs using a scaled-down, GG-specific infrastructure.
- Faster transition to autonomous operations: By managing GG-specific services within GG, the City can gain greater control and agility in meeting GG department's needs and objectives.
- Reduced costs: GG IT staffing costs are estimated to be 25% - 40% lower than GRU IT staffing costs assessed to GG by GRU¹.

▲ Cost and Risk Considerations

- Startup costs: Initial costs for starting up a new team will exist but will stabilize following completion of the transition period.
- Long-term expenses: GG can anticipate lower long-term expenses for IT operations overall vs. those associated with GRU IT services as-is currently, based on right-sized service portfolio.
- Service continuity: GG may experience greater risk to service continuity during the transition period due to a lack of infrastructure documentation, aging equipment, implementation of new systems, and the need to establish new business relationships with external services providers, among others.



¹ The percent savings represents a rough estimate of savings, depending on the final GG IT organizational structure and staff positions selected. This savings is only estimated for labor costs, as compared to the labor costs assessed to GG by GRU.

Questions and Discussion

