

City of  
**Gainesville**

**Fiscal Year 2026**  
**Budget Development Workshop**

**PRESENTED BY: CYNTHIA W. CURRY, CITY MANAGER**

**Cintya G. Ramos, Executive Chief of Staff**

**JUNE 12, 2025**

# FY 2026 Budget Development Timeline

February

March

April

May

June

July

August

September

## February

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

## March 27

- FY26 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 8

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

## May 22

- 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 12

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

## July 1

- Property Appraiser releases Tax Year 2025 Taxable Values

## July 17

## City Commission Meeting

- Set Maximum Millage Rate

## September 11

- First public hearing for FY26 Budget. City Commission:
- Sets Final Fire Assessment
  - Sets Tentative Appendix A
  - Sets Tentative Millage Rate
  - Sets Tentative Financial Operating Plan for City

## September 25

- Second public hearing for FY26 Budget. City Commission:
- Sets Final Appendix A
  - Sets Final Millage Rate
  - Sets Final Financial Operating Plan for City

# General Fund FY 2026 Estimates – May 28, 2025

Department	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Proposed	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
City Attorney	1,601,731	1,676,569	1,676,569	1,744,018	67,449	4.0%
City Auditor	826,017	888,640	888,640	850,889	(37,751)	(4.2%)
City Clerk	1,024,558	1,225,739	1,425,739	1,299,173	73,434	6.0%
City Commission	573,159	579,098	579,098	601,195	22,097	3.8%
City Manager	1,439,542	1,641,448	1,641,448	1,722,791	81,343	5.0%
Communications & Marketing	916,968	1,043,980	1,043,980	1,078,542	34,562	3.3%
Equity & Inclusion	1,327,789	1,447,750	1,529,936	1,448,376	626	0.0%
Financial Services	2,891,136	3,071,629	3,111,629	3,216,052	144,422	4.7%
Fire Rescue	27,487,467	27,757,792	27,757,792	29,384,128	1,626,336	5.9%
Human Resources	2,262,067	2,340,383	2,343,600	2,438,139	97,756	4.2%
Management & Budget	781,177	910,072	973,909	1,115,796	205,724	22.6%
Parks, Recreation and Cultural Affairs	11,542,135	11,825,090	11,825,090	12,310,660	485,570	4.1%
Police	39,240,592	41,701,243	41,794,721	46,030,950	4,329,707	10.4%
Procurement & Contracts Management	909,751	745,279	745,279	881,961	136,682	18.3%
Public Works	16,288,837	15,918,893	17,587,327	15,614,638	(304,255)	(1.9%)
Risk Management	271,014	154,000	154,000	185,200	31,200	20.3%
Technology	11,371,110	8,085,985	8,195,845	8,402,019	316,034	3.9%
<b>Total</b>	<b>120,755,051</b>	<b>121,013,590</b>	<b>123,274,601</b>	<b>128,324,526</b>	<b>7,310,936</b>	<b>6.0%</b>

# Department Presentations

# 1 Example Department

## Core Services

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

## 3 Strategic Connection

A Great Place to Live & Experience

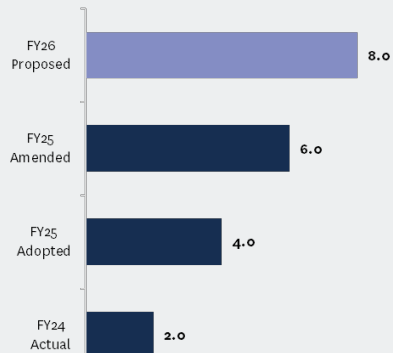
“Best in Class” Neighbor Services

Equitable Community

More Sustainable Community

Resilient Local Economy

## Position Levels



## Budget Trends

Expenditures by Fund	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Proposed	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	5	10	15	20	100.0%	100.0%
Fringe Benefits	10	15	20	25	66.7%	66.7%
Operating	15	20	25	30	50.0%	50.0%
Capital Outlay	20	25	30	35	40.0%	40.0%
<b>Total General Fund</b>	<b>50</b>	<b>70</b>	<b>90</b>	<b>110</b>	<b>57.1%</b>	<b>57.1%</b>
<b>General Fund FTE</b>	<b>1.00</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>2.00</b>	<b>100.0%</b>

Expenditures by Fund	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Proposed	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	15	20	25	30	50.0%	50.0%
Fringe Benefits	20	25	30	35	40.0%	40.0%
Operating	25	30	35	40	33.3%	33.3%
Capital Outlay	30	35	40	45	28.6%	28.6%
<b>Total Other Funds</b>	<b>90</b>	<b>110</b>	<b>130</b>	<b>150</b>	<b>36.4%</b>	<b>36.4%</b>
<b>Total All Funds</b>	<b>140</b>	<b>180</b>	<b>220</b>	<b>260</b>	<b>44.4%</b>	<b>44.4%</b>
<b>Total FTE</b>	<b>2.00</b>	<b>4.0</b>	<b>6.0</b>	<b>8.0</b>	<b>100.0%</b>	<b>100.0%</b>

## Program and Service Impacts

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

# Gainesville Community Reinvestment Area

## Core Services

- Support Small Businesses & Entrepreneurs
- Promote Job Development and Commercial Development
- Incentivize Businesses, Property Owners, and Entrepreneurs
- Celebrating Culture and History in GCRA neighborhoods
- Revitalize Downtown & Neighborhoods

## Strategic Connection



A Great Place to Live & Experience



"Best in Class" Neighbor Services



Equitable Community

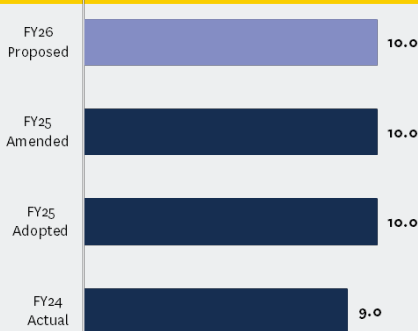


More Sustainable Community



Resilient Local Economy

## Position Levels



## Budget Trends

Expenditures by Category -	FY24	FY25	FY25	FY26	\$ Change vs.	% Change vs.
Other Funds	Actual	Adopted	Amended	Estimate	FY25 Adopted	FY25 Adopted
Salaries & Wages	662,788	912,493	912,493	954,190	41,697	4.6%
Fringe Benefits	217,829	226,747	226,747	250,202	23,455	10.3%
Operating	1,733,384	4,953,544	24,091,261	4,889,214	(64,330)	(1.3%)
Capital Outlay	3,263,985	0	4,907,014	450,000	450,000	N/A
Aid to Private Organizations	704,435	572,337	1,850,292	0	(572,337)	(100.0%)
Debt Service	856	79,740	79,740	77,183	(2,557)	(3.2%)
Transfers	63,922	298,000	0	0	(298,000)	(100.0%)
<b>Total Other Funds</b>	<b>6,647,197</b>	<b>7,042,861</b>	<b>32,067,547</b>	<b>6,620,789</b>	<b>(422,072)</b>	<b>(6.0%)</b>
<b>Total All Funds</b>	<b>6,647,197</b>	<b>7,042,861</b>	<b>32,067,547</b>	<b>6,620,789</b>	<b>(422,072)</b>	<b>(6.0%)</b>
<b>Total FTE</b>	<b>9.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0%</b>

## Program and Service Impacts

- GCRA Projects FY 2025-2029:
  - Cornerstone/GTEC - \$25.9 million
  - 8<sup>th</sup> Avenue & Waldo Road - \$13.7million
  - Downtown - \$12.0 million
  - Heartwood - \$5.7 million
  - FAPS Heritage Trail - \$2.3 million
- In FY26, Block by Block Ambassadors will provide Downtown cleaning and safety services. The GCRA is looking to expand the services they provide to cover all of Downtown.

# Department of Housing & 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

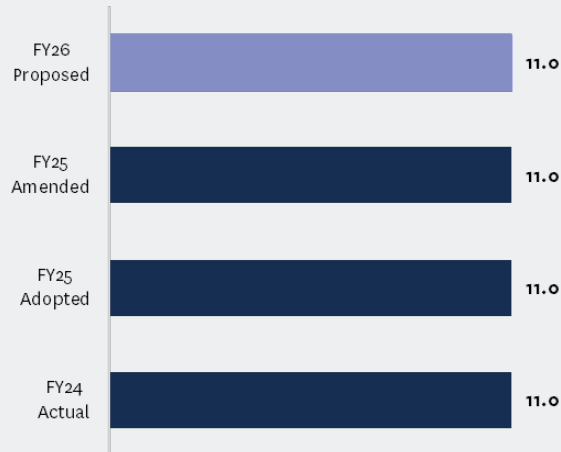


A Great Place to Live & Experience



Equitable Community

## Position Levels



## Budget Trends

Expenditures by Category -	FY24	FY25	FY25	FY26	\$ Change vs.	% Change vs.
General Fund	Actual	Adopted	Amended	Estimate	FY25 Adopted	FY25 Adopted
Salaries & Wages	297,719	331,329	331,329	395,318	63,989	19.3%
Fringe Benefits	95,397	91,741	91,741	97,632	5,891	6.4%
Operating	38,004	67,145	68,152	67,145	0	0.0%
Aid to Private Organizations	0	0	30,000	0	0	N/A
<b>Total General Fund</b>	<b>431,120</b>	<b>490,215</b>	<b>521,222</b>	<b>560,095</b>	<b>69,880</b>	<b>14.3%</b>
<b>General Fund FTE</b>	<b>4.18</b>	<b>3.95</b>	<b>3.95</b>	<b>3.95</b>	<b>0.0</b>	<b>0.0%</b>
Expenditures by Category -	FY24	FY25	FY25	FY26	\$ Change vs.	% Change vs.
Other Funds	Actual	Adopted	Amended	Estimate	FY25 Adopted	FY25 Adopted
Salaries & Wages	404,586	386,810	512,867	420,219	33,409	8.6%
Fringe Benefits	141,494	119,472	128,714	123,707	4,235	3.5%
Operating	3,266,329	2,545,384	6,567,488	2,494,374	(51,010)	(2.0%)
Capital Outlay	0	0	1,000,000	0	0	N/A
Aid to Private Organizations	164,305	10,000	500,000	10,000	0	0.0%
Debt Service	20,051	43,805	43,805	57,711	13,906	31.7%
Other Financing Uses (Transfers)	47,797	0	0	0	0	N/A
<b>Total Other Funds</b>	<b>4,044,561</b>	<b>3,105,471</b>	<b>8,752,874</b>	<b>3,106,011</b>	<b>540</b>	<b>0.0%</b>
<b>Total All Funds</b>	<b>4,475,682</b>	<b>3,595,686</b>	<b>9,274,096</b>	<b>3,666,106</b>	<b>70,420</b>	<b>2.0%</b>
<b>Total FTE</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>0.0</b>	<b>0.0%</b>

## Program and Service Impacts

- Grant funding levels from SHIP, CDBG and HOME have remained steady, however any reductions in this funding could impact services provided

# 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



A Great Place to Live & Experience



“Best in Class” Neighbor Services



Equitable Community

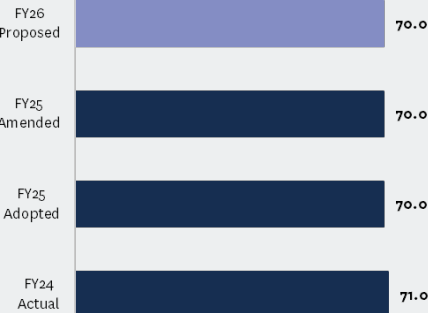


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Resilient Local Economy

## Position Levels



## Budget Trends

Expenditures by Category - General Fund	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	1,978,912	2,161,650	2,161,650	2,208,023	46,373	2.1%
Fringe Benefits	617,808	535,131	535,131	556,176	21,045	3.9%
Operating	396,594	498,777	618,181	489,915	(8,862)	(1.8%)
Aid to Private Organizations	0	1,836	1,836	0	(1,836)	(100.0%)
Debt Service	58,210	0	0	0	0	N/A
<b>Total General Fund</b>	<b>3,051,524</b>	<b>3,197,394</b>	<b>3,316,798</b>	<b>3,254,114</b>	<b>56,720</b>	<b>1.8%</b>
<b>General Fund FTE</b>	<b>33.75</b>	<b>33.25</b>	<b>33.25</b>	<b>33.25</b>	<b>0.0</b>	<b>0.0%</b>
Expenditures by Category - Other Funds	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	2,088,639	2,399,147	2,399,148	2,540,764	141,617	5.9%
Fringe Benefits	705,051	708,209	708,208	741,823	33,614	4.7%
Operating	977,561	1,052,377	1,142,244	1,097,467	45,090	4.3%
Capital Outlay	33,458	30,500	112,010	147,000	116,500	382.0%
Debt Service	0	249,555	249,555	226,561	(22,994)	(9.2%)
Other Financing Uses (Transfers)	188,116	0	0	0	0	N/A
<b>Total Other Funds</b>	<b>3,992,825</b>	<b>4,439,788</b>	<b>4,611,165</b>	<b>4,753,615</b>	<b>313,827</b>	<b>7.1%</b>
<b>Total All Funds</b>	<b>7,044,349</b>	<b>7,637,182</b>	<b>7,927,963</b>	<b>8,007,728</b>	<b>370,546</b>	<b>4.9%</b>
<b>Total FTE</b>	<b>71.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>0.0</b>	<b>0.0%</b>

## Program and Service Impacts

- Maintains FY25 service levels



# Transportation Department

## Core Services

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

## Strategic Connection



A Great Place to Live & Experience



"Best in Class" Neighbor Services



Equitable Community

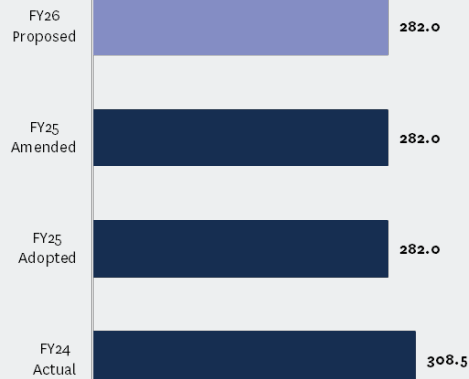


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Resilient Local Economy

## Position Levels



## Budget Trends

Expenditures by Category -	FY24	FY25	FY25	FY26	\$ Change vs.	% Change vs.
General Fund	Actual	Adopted	Amended	Estimate	FY25 Adopted	FY25 Adopted
Salaries & Wages	659,266	619,485	619,485	644,412	24,927	4.0%
Fringe Benefits	215,818	182,731	182,731	191,507	8,776	4.8%
Operating	561,104	543,759	1,054,923	555,725	11,966	2.2%
Debt Service	1,814	0	0	0	0	N/A
<b>Total General Fund</b>	<b>1,438,002</b>	<b>1,345,975</b>	<b>1,857,139</b>	<b>1,391,644</b>	<b>45,669</b>	<b>3.4%</b>
<b>General Fund FTE</b>	<b>11.5</b>	<b>10.6</b>	<b>10.6</b>	<b>10.6</b>	<b>0.0</b>	<b>0.0%</b>
Expenditures by Category -	FY24	FY25	FY25	FY26	\$ Change vs.	% Change vs.
Other Funds	Actual	Adopted	Amended	Estimate	FY25 Adopted	FY25 Adopted
Salaries & Wages	13,280,098	14,005,308	13,969,770	14,151,862	146,554	1.0%
Fringe Benefits	4,460,054	3,721,367	3,756,905	3,581,162	(140,205)	(3.8%)
Operating	20,883,440	17,420,719	20,391,134	15,344,890	(2,075,829)	(11.9%)
Capital Outlay	17,478,805	1,750,000	7,416,511	335,000	(1,415,000)	(80.9%)
Debt Service	0	1,538,367	1,538,367	1,792,741	254,374	16.5%
Other Financing Uses (Transfers)	1,490,255	0	0	0	0	N/A
<b>Total Other Funds</b>	<b>57,592,651</b>	<b>38,435,761</b>	<b>47,072,687</b>	<b>35,205,655</b>	<b>(3,230,106)</b>	<b>(8.4%)</b>
<b>Total All Funds</b>	<b>59,030,653</b>	<b>39,781,736</b>	<b>48,929,826</b>	<b>36,597,298</b>	<b>(3,184,438)</b>	<b>(8.0%)</b>
<b>Total FTE</b>	<b>308.5</b>	<b>282.0</b>	<b>282.0</b>	<b>283.0</b>	<b>1.0</b>	<b>0.4%</b>

## Program and Service Impacts

- Includes additional funding of \$75K for 18 and under/65 and over Fare Free program to leverage a federal grant - \$190K (previously funded at \$115K)
- Maintain funding for employee bus pass program for General Government community builders
- Staff from the City and the University of Florida worked to develop a new service contract; Regional Transit System significantly impacted on both revenue and expenditures

# Regional Transit System

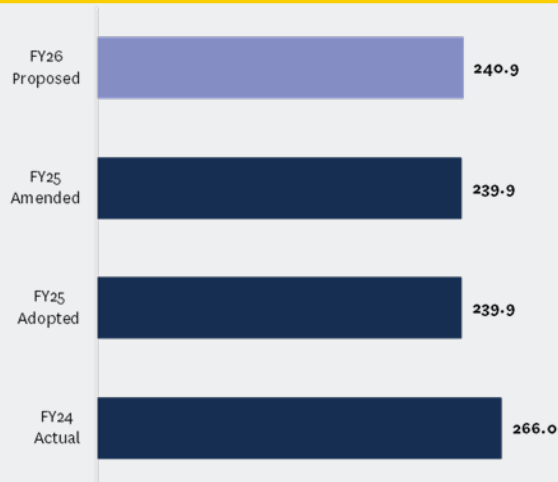
## Proposed Revenue Changes

- Current revenue streams:
  - University of Florida contract - \$9.8 million ( \$2.9 million or 23.0% reduction)
  - Federal grant revenue - \$4.5 million (\$715K or 13.8% reduction)
- **Proposed new revenue streams:**
  - Shelter/Bench Advertising Program - \$300K (requires update to City Ordinance)
  - Lease busses not actively in service - \$270K
  - Rent empty office space - \$50K

## Budget Trends

Expenditures by Category - Other Funds	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	11,544,897	12,065,288	12,097,990	12,174,713	109,425	0.9%
Fringe Benefits	3,892,814	3,306,992	3,274,290	3,078,982	(228,010)	(6.9%)
Operating	14,883,651	12,257,019	11,910,299	9,952,044	(2,304,975)	(18.8%)
Capital Outlay	11,949,550	0	525,233	0	0	N/A
Debt Service	0	1,353,122	1,353,122	1,588,187	235,065	17.4%
Other Financing Uses (Transfers)	1,315,045	0	0	0	0	N/A
<b>Total Other Funds</b>	<b>43,585,957</b>	<b>28,982,421</b>	<b>29,160,934</b>	<b>26,793,927</b>	<b>(2,188,494)</b>	<b>(7.6%)</b>
<b>Total All Funds</b>	<b>43,585,957</b>	<b>28,982,421</b>	<b>29,160,934</b>	<b>26,793,927</b>	<b>(2,188,494)</b>	<b>(7.6%)</b>
<b>Total FTE</b>	<b>266.00</b>	<b>239.85</b>	<b>239.85</b>	<b>240.85</b>	<b>1.0</b>	<b>0.4%</b>

## Position Levels



## Program and Service Impacts

- Insurance premiums increased 41.6% (\$678K) and pension obligation bond payment increased 17.4% (\$235K) – total of \$913K
- Eliminates a vacant Transit Marketing and Communications Supervisor position (1.0 FTE)
- Freezes and unbudgets 10.0 FTE - \$693K
- Reduces overtime expense for RTS Clerks on Saturdays
- ADA Service to be brought in house, net savings - \$500K
  - Helps retain staff; would be implemented by January 2026
  - Addition of a Transit Operations Manager and a Customer Service Support Specialist (2.0 FTEs)
- Bus Service Reductions:
  - University of Florida - 30,879 hours and 12 buses
  - City routes - 18,648 hours and 4 buses (Routes 5, 8, 15, 43)

# Non-Departmental

## FY26 Funding Recommendations

- Maintains funding for GRACE Marketplace - \$2,050,000
  - \$1.7 million from the General Fund
  - \$350K from GCRA Fund
- Maintains funding for all outside agency grants
  - PAPI and SEAS - \$142K
  - Early Learning Coalition - \$65K
  - Special Events Grants in Aid - \$50.3K
  - PRCA Wilhelmina Johnson Center - \$50K
  - Freedom in Motion Program - \$36.2K
- Increases funding for the Combined Communications Center in alignment with FY26 budgeted cost from the County - \$6.5 million (increase of \$382K or 6.2%)
- Increases funding for the Annual Required Contribution for Pension Plans - \$1.8 million
- Increases funding for 18 and under/65 and over Fare Free program by \$75K to leverage a federal grant - \$190K (previously funded at \$115K)
- Includes funding for the Hoggetowne Medieval Faire - \$130K
- Includes funding for the Workplace Stewardship Committee - \$40K
- Includes funding for the Holiday Parade - \$35K

## Budget Trends

Expenditures by Category - General Fund	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	12,098	160,000	0	3,274,912	3,114,912	1,946.8%
Fringe Benefits	2,217,371	25,000	1,471,024	0	(25,000)	(100.0%)
Operating	7,667,738	8,608,641	7,426,547	9,464,468	855,827	9.9%
Bad Debt Expense	0	35,000	35,000	0	(35,000)	(100.0%)
Aid to Private Organizations	162,958	1,794,044	1,794,044	1,994,044	200,000	11.1%
Debt Service	15,893	14,106,691	14,106,691	12,788,386	(1,318,305)	(9.3%)
Other Financing Uses (Transfers)	28,797,240	4,580,588	4,585,588	5,320,588	740,000	16.2%
<b>Total General Fund</b>	<b>38,873,299</b>	<b>29,309,964</b>	<b>29,418,894</b>	<b>32,842,398</b>	<b>3,532,434</b>	<b>12.1%</b>
Expenditures by Category - Other Funds	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	65,479,155	75,510,000	75,510,000	80,000,000	4,490,000	5.9%
Fringe Benefits	1,217,621	0	0	0	0	N/A
Operating	11,050,547	14,046,906	14,771,011	13,677,014	(369,892)	(2.6%)
Capital Outlay	28,730	0	0	0	0	N/A
Aid to Private Organizations	250,000	0	0	0	0	N/A
Debt Service	164,239	27,977,583	27,977,583	27,054,025	(923,558)	(3.3%)
Other Financing Uses (Transfers)	8,903,556	1,346,237	(312,621)	185,069	(1,161,168)	(86.3%)
<b>Total Other Funds</b>	<b>87,093,848</b>	<b>118,880,726</b>	<b>117,945,974</b>	<b>120,916,108</b>	<b>2,035,382</b>	<b>1.7%</b>
<b>Total All Funds</b>	<b>125,967,146</b>	<b>148,190,690</b>	<b>147,364,868</b>	<b>153,758,506</b>	<b>5,567,816</b>	<b>3.8%</b>

# Wild Spaces Public Places Department

## Core Services

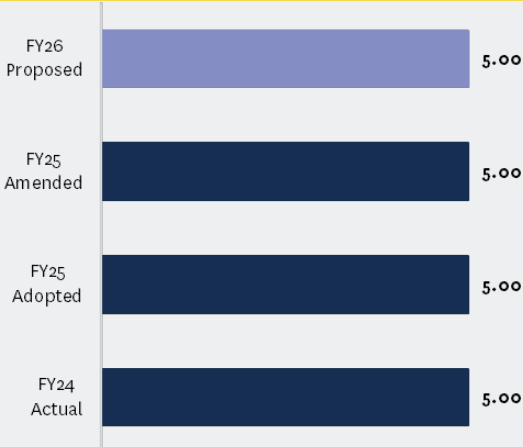
- Implementation of the Wild Spaces Public Places Funded Projects

## Strategic Connection



A Great Place to Live & Experience

## Position Levels



## Budget Trends

Expenditures by Category - General Fund	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Operating	3,500	10,988	10,988	10,988	0	0.0%
<b>Total General Fund</b>	<b>3,500</b>	<b>10,988</b>	<b>10,988</b>	<b>10,988</b>	<b>0</b>	<b>0.0%</b>
<b>General Fund FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>N/A</b>
Expenditures by Category - Other Funds	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Salaries & Wages	627,006	594,124	594,123	614,997	20,873	3.5%
Fringe Benefits	149,894	147,200	147,200	131,251	(15,949)	(10.8%)
Operating	470,512	206,453	1,051,028	438,507	232,054	112.4%
Capital Outlay	6,097,006	9,240,000	28,289,246	9,150,000	(90,000)	(1.0%)
Debt Service	0	38,223	38,223	0	(38,223)	(100.0%)
Other Financing Uses (Transfers)	107,944	0	0	0	0	N/A
<b>Total Other Funds</b>	<b>7,452,362</b>	<b>10,226,000</b>	<b>30,119,820</b>	<b>10,334,755</b>	<b>108,755</b>	<b>1.1%</b>
<b>Total All Funds</b>	<b>7,455,861</b>	<b>10,236,988</b>	<b>30,130,808</b>	<b>10,345,743</b>	<b>108,755</b>	<b>1.1%</b>
<b>Total FTE</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>0.0%</b>

## Program and Service Impacts

- Continue to implement projects approved by the City Commission
- WSPP currently manages 40 of active projects

# General Fund Overview

As of June 12, 2025

# General Fund FY 2026 Revenue

## **Updates:**

- Property Tax Values: original assumption assumed an 6% increase but June 1<sup>st</sup> preliminary estimate grew by 6.3% - revenue increase of \$172,142.07
  - June 1 Estimated Taxable Value: \$11,715,000,000
  - Value of 1 mil: \$11,715,000
- Fire Assessment historical demand methodology in place for FY 2025 recoups 53% of assessable budget - \$12.6 million, and increase of \$317K over FY 2025
- Government Services Contribution:
  - \$8.5 million reduced to \$7,155,224
    - Reduction for county streetlights expenses charged to the City by GRU - \$1.1 million
    - Placeholder reduction for legal fees charged to the City by GRU - \$250K
- Other revenues updated based on more months of actual data available in FY 2025

# General Fund FY 2026 Revenue

- Total revenues projected at \$156.7 million, \$1.3 million or 0.9% higher than FY 2025 Adopted Budget

Revenues	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Property Taxes	62,832,569	68,055,505	68,055,505	72,310,978	4,255,473	6.3%
Other Taxes	21,891,702	22,215,071	22,215,071	22,346,314	131,243	0.6%
Fire Assessment	11,807,694	12,297,476	12,297,476	12,614,733	317,257	2.6%
Miscellaneous Permits	53,946	111,661	111,661	57,505	(54,156)	(48.5%)
Intergovernmental	20,438,750	22,238,108	22,238,108	21,760,226	(477,882)	(2.1%)
Charges for Services	17,067,379	16,129,097	16,129,097	15,251,314	(877,783)	(5.4%)
Fines & Forfeitures	1,096,844	836,889	836,889	836,413	(476)	(0.1%)
Miscellaneous Revenue	6,463,564	3,795,897	3,795,897	3,759,042	(36,855)	(1.0%)
Transfers In From Other Funds	12,015,030	1,183,198	1,183,198	617,977	(565,221)	(47.8%)
Government Services Contribution	15,305,225	8,505,224	8,505,224	7,155,224	(1,350,000)	(15.9%)
Fund Balance	0	0	3,168,516	0	0	N/A
<b>Total General Fund Revenue</b>	<b>168,972,703</b>	<b>155,368,126</b>	<b>158,536,642</b>	<b>156,709,726</b>	<b>1,341,600</b>	<b>0.9%</b>

# General Fund FY 2026 Expenditures

## **Updates:**

- Personnel expenses: based on current bargaining agreements and includes 3% annual merit increases for community builders
- Maintains current program and service levels with minimal inflationary growth
- Includes adjusted Annual Required Contribution for Pension Plans - \$1.8 million
- Funds previously frozen Police Officer positions (20.0 FTEs) - \$1.7 million
- Reinstates funding for Fleet replacement for non-public safety departments - \$1.7 million
- Funds all outside agencies at same levels as FY 2025 - \$2.0 million
- Police and Fire Rescue departments include additional funding for overtime expenditures - \$1.5 million



# General Fund FY 2026 Expenditures

Department	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
City Attorney	1,601,731	1,676,569	1,676,569	1,744,018	67,449	4.0%
City Auditor	826,017	888,640	888,640	850,889	(37,751)	(4.2%)
City Clerk	1,024,558	1,225,739	1,425,739	1,299,173	73,434	6.0%
City Commission	573,159	579,098	579,098	601,195	22,097	3.8%
City Manager's Office	1,439,542	1,641,448	1,641,448	1,772,698	131,250	8.0%
Communications & Marketing	916,968	1,043,980	1,043,980	1,078,542	34,562	3.3%
Equity & Inclusion	1,327,789	1,447,750	1,529,936	1,448,376	626	0.0%
Financial Services	2,891,136	3,071,629	3,111,629	3,216,052	144,422	4.7%
Fire Rescue	27,487,467	27,757,792	27,757,792	29,384,128	1,626,336	5.9%
Housing and Community Development	431,120	490,215	521,222	560,095	69,880	14.3%
Human Resources	2,262,067	2,340,383	2,343,600	2,438,139	97,756	4.2%
Management & Budget	781,177	910,072	973,909	1,115,796	205,724	22.6%
Non-Departmental	38,873,299	29,309,964	29,555,894	32,927,398	3,617,434	12.3%
Parks, Recreation and Cultural Affairs	11,538,636	11,825,090	11,825,090	12,310,660	485,570	4.1%
Police	39,240,592	41,701,243	41,794,721	46,030,950	4,329,707	10.4%
Procurement and Contracts Management	909,751	745,279	745,279	881,961	136,682	18.3%
Public Works	16,288,837	15,918,893	17,587,327	15,614,638	(304,255)	(1.9%)
Risk Management	271,014	154,000	154,000	185,200	31,200	20.3%
Sustainable Development	3,051,524	3,197,394	3,316,798	3,254,114	56,720	1.8%
Technology	11,371,110	8,085,985	8,195,845	8,402,019	316,034	3.9%
Transportation	1,438,002	1,345,975	1,857,139	1,391,644	45,669	3.4%
Wild Spaces Public Places	3,500	10,988	10,988	10,988	0	0.0%
<b>Total</b>	<b>164,548,996</b>	<b>155,368,126</b>	<b>158,536,642</b>	<b>166,518,671</b>	<b>11,150,545</b>	<b>7.2%</b>
<b>FTEs</b>	<b>999.84</b>	<b>986.11</b>	<b>984.71</b>	<b>981.71</b>	<b>(4.40)</b>	<b>(0.4%)</b>

# The Path To Developing the FY 2026 Budget

## Revenue Changes

\$4,255,473	Increase in Property Tax Revenue due to Taxable Value Growth in the City (6.3% based on June 1 <sup>st</sup> Estimate)
\$317,257	Increase in Fire Assessment Revenue (53% of Assessable Value)
\$39,756	Net of Other Revenue Adjustments
(\$877,783)	Reduction in Charges for Services (Right of Way Fees, Legal Services for GRU)
(\$565,221)	Reduction in Local Option Gas Tax Transfer loan repayment
(\$477,882)	Reduction in Intergovernmental Revenue (ARPA Revenue Replacement)
(\$1,350,000)	Reduction in the Government Services Contribution (County Streetlights and HB 1645 litigation)

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**\$1,341,600 Total Revenue Changes**

## Expenditure Changes

\$3,561,476	Increase in Personnel for Salaries and Benefits
\$1,803,888	Increase in the Annual Required Contribution for the Pension Funds in FY 2026
\$1,688,304	Reinstatement of funding for Police Officer Positions (20.0 FTEs)
\$1,646,708	Reinstatement of Fleet Fixed Payments for Non-Public Safety Vehicles
\$1,545,000	Increase in Police and Fire Overtime Expenditures
\$660,824	Increase in Insurance, Fuel, Fleet Parts/Repairs
\$376,263	Increase in Contractual Obligations
\$382,222	Increase in Combined Communications Center Expenditure
(\$514,141)	Reduction in Operating Expenditures

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**\$11,150,545 Total Expenditure Changes**

**Estimated Surplus/(Deficit): (\$9,808,945)**

# General Fund FY 2026 Summary

	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Estimate	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Revenue	168,972,703	155,368,126	158,536,642	156,709,726	1,341,600	0.9%
Expenditures	164,548,996	155,368,126	158,536,642	166,518,671	11,150,545	7.2%
<b>Surplus / (Deficit)</b>	<b>4,423,707</b>	<b>0</b>	<b>0</b>	<b>(9,808,945)</b>		

## Pending

- Indirect Cost Allocation Study
- Final Property Tax Valuation (July 1)
- State Revenue Sharing (late July/early August)

## Levers

- Excess Fund Balance above Maximum General Fund policy requirement for fund balance
- Millage Rate adjustment
  - Currently at 6.4297 mills
- Decrease operating expenditures

# Fund Balance Update – General Fund

- The Audited Unassigned Fund Balance as of the Fiscal Year 2024 Annual Audit (period ended September 30, 2024) is \$58,503,206.

Requirements		
Emergency Fund Level	0.015%	of TAV (per Fund Balance Policy adopted Sept. 2021)
Minimum Fund Balance	16.7%	of following fiscal year's operating expenditures
Maximum Fund Balance	25.0%	of following fiscal year's operating expenditures

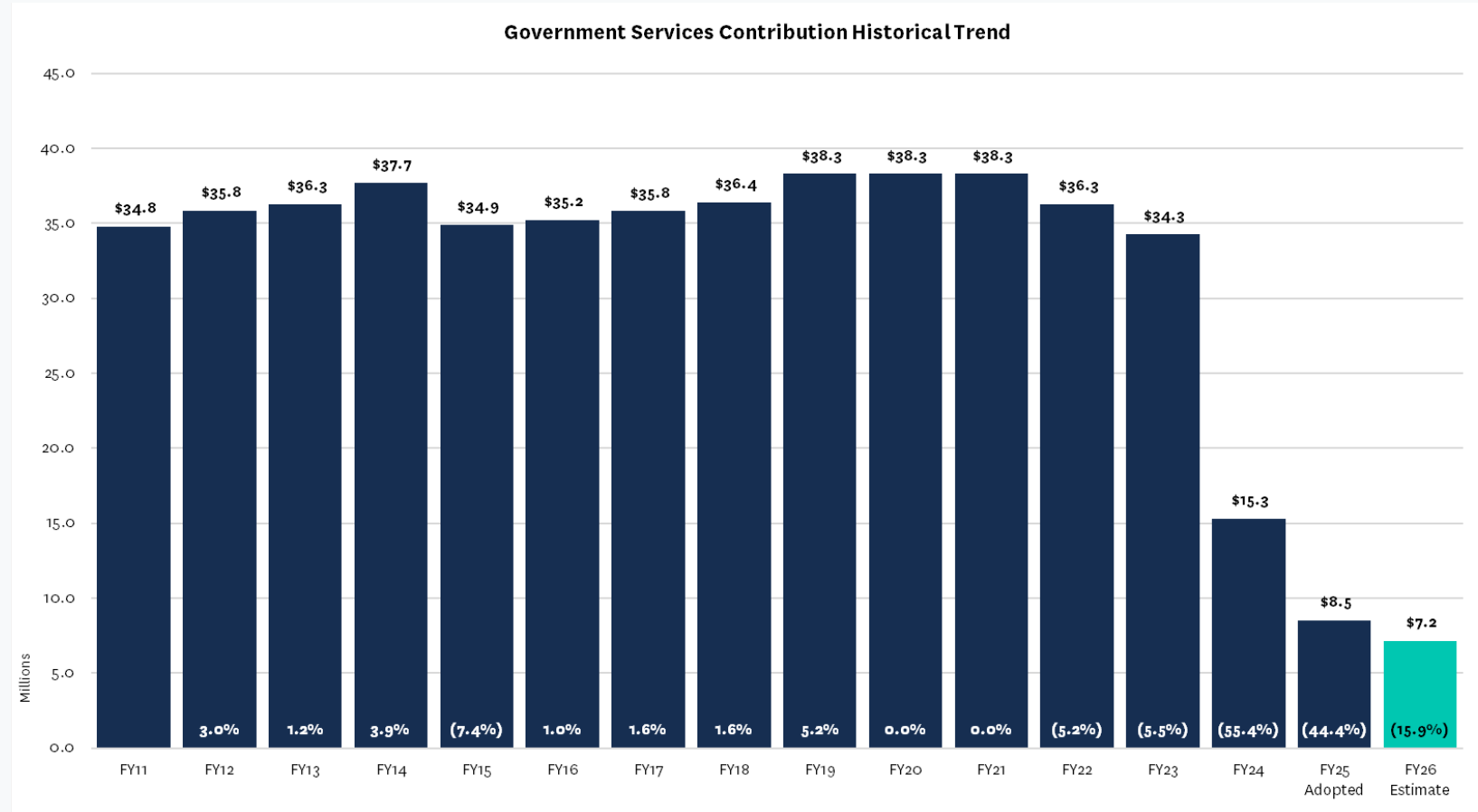
Fiscal Year	Taxable Assessed Value (TAV) - June 1, 2025	Expenditures (FY26 Proposed)	Unassigned Fund Balance	Emergency Fund Level	Emergency Fund Level Met?	Minimum Fund Balance Requirement	Minimum Fund Balance Requirement Met?	Maximum Fund Balance Requirement	Maximum Fund Balance Requirement Exceeded?	Available to Appropriate
2026 (Estimate)	\$11,715,000,000	\$166,518,671	\$58,503,206	\$1,757,250	Yes	\$27,808,618	Yes	\$41,629,668	Yes	\$16,873,538

Amount over the maximum requirement: \$16,873,538

- Funding allocated June 5, 2025 ([Agenda Item #2025-436](#)) for critical life/safety projects: \$4,043,500
- Funding allocated June 5, 2025 ([Agenda Item #2025-466](#)) for Workday Procurement Modules: \$722,410
- Earmark recommendations:
  - \$2.0 million for new Technology Department
  - \$965,848 for radio replacement in Police and Gainesville Fire Rescue
- Estimated Remaining available funding to appropriate: \$9,141,780

# Government Services Contribution

- In FY 2024, the Government Services Contribution (GSC) was reduced from \$34.3 million to \$15.3 million, a reduction of \$19.0 million or 55.4% from prior fiscal year
- For FY 2025, the GRU Authority authorized another \$6.8 million or 44.4% reduction of the GSC, bringing the amount down to \$8,505,224
- Further reductions to the GSC continue (streetlights, litigation costs)
- The GSC is projected at \$7.2 million, \$31.1 million or 81.3% lower than in FY 2019 – the lowest in recent history



# General Fund Structural Revenue Deficit Created by GSC Reductions

- In FY24, the City increased its millage rate by 0.9297 mills (16.9%), eliminated positions (125.5 FTEs) and reduced operating expenditures to balance the budget
- In FY25, the City eliminated an additional 36.0 FTEs, froze and unbudgeted 23.0 FTEs, and reduced operating expenditures to balance the budget
- The FY 2026 budget gap is estimated to be \$9.8 million
- The cumulative estimated revenue loss resulting from GSC reductions by the GRU Authority is \$17.8 million
- With the estimated formula-driven revenue, there would be sufficient funding to address projected FY 2026 expenditures and make critically needed facility maintenance and capital improvements

	FY23 Adopted Budget	FY24 Adopted Budget	FY25 Adopted Budget	FY26 Estimated Budget
<b>General Fund Revenue</b>				
Property Tax	47,492,732	62,878,409	68,055,505	72,310,978
GSC	34,283,000	15,305,224	8,505,224	7,155,224
Other	72,580,954	78,235,850	78,807,397	77,243,524
Total Revenues	154,356,686	156,419,483	155,368,126	156,709,726
Expenditures	154,356,686	156,419,483	155,368,126	166,518,671
Formula-Based GSC Amount	N/A	15,305,224	15,926,777	17,516,817
<b>Adopted vs. Formula-based GSC</b>	<b>N/A</b>	<b>-</b>	<b>(7,421,553)</b>	<b>(10,361,593)</b>
<b>Total Lost General Fund Revenue:</b>	<b>(17,783,146)</b>			

# FY 2026 Balancing Scenarios

## Scenario 1

### Millage increase

- New Millage rate: 7.3019 – increase of 0.8722 mils
  - Generates an estimated \$9,808,945 of property tax revenue
  - Annual incremental impact to Homesteaded Homeowner for home appraised at \$200,000 - \$130.83
  - Annual incremental impact to Non-Homesteaded Homeowner for home appraised at \$200,000 - \$174.44
- May be limited by maximum millage allowed as determined by the Florida Department of Revenue on the July 1<sup>st</sup> Preliminary Valuation

## Scenario 2

### Millage increase (50%) and use of excess fund balance (50%)

- New Millage rate: 6.8658 – increase of 0.4361 mils
  - Generates an estimated \$4,904,473 of property tax revenue
  - Annual incremental impact to Homesteaded Homeowner for home appraised at \$200,000 - \$65.41
  - Annual incremental impact to Non-Homesteaded Homeowner for home appraised at \$200,000 - \$87.22
- Use Excess Fund Balance: \$4,904,473
  - Remaining Excess Fund Balance transferred to Contingency: \$4,237,308

# FY 2026 Balancing Scenarios

**Staff  
Recommendation**

## Scenario 3

### Reduce operating expenditures, use excess fund balance and increase millage rate

- Operating expenditure reductions:
  - Reduce Fleet Fixed Payments to \$2,912,600 (50%)
  - Reduce additional Police and Fire Overtime expenditures to \$722,500 (50%)
- Use Excess Fund Balance: \$550,645
  - Remaining Excess Fund Balance transferred to Contingency: \$8,591,135
- New Millage rate: 6.9297 – increase of 0.5000 mils
  - Generates an estimated \$5,623,200 of property tax revenue
  - Annual incremental impact to Homesteaded Homeowner for home appraised at \$200,000 - \$75.00
  - Annual incremental impact to Non-Homesteaded Homeowner for home appraised at \$200,000 - \$100.00

## Scenario 4

### Reduce operating expenditures and use of excess fund balance

- Operating expenditure reductions:
  - Identify operational expenditure reductions citywide totaling \$3 million
  - Reduce Fleet Fixed Payments to \$2,912,600 (50%)
  - Reduce Outside Agency Funding to \$1 million (50%)
- Use Excess Fund Balance: \$2,874,323
  - Remaining Excess Fund Balance transferred to Contingency: \$6,267,457



# FY 2026 Budget Development Timeline

February

March

April

May

June

July

August

September

## February

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

## March 27

- FY26 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 8

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

## May 22

- 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 12

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

## July 1

- Property Appraiser releases Tax Year 2025 Taxable Values

## July 17

## City Commission Meeting

- Set Maximum Millage Rate

## September 11

- First public hearing for FY26 Budget. City Commission:
- Sets Final Fire Assessment
  - Sets Tentative Appendix A
  - Sets Tentative Millage Rate
  - Sets Tentative Financial Operating Plan for City

## September 25

- Second public hearing for FY26 Budget. City Commission:
- Sets Final Appendix A
  - Sets Final Millage Rate
  - Sets Final Financial Operating Plan for City

# Thank You.