

City of
Gainesville

**Fiscal Year 2026
First Public Hearing**

PRESENTED BY: CYNTHIA W. CURRY, CITY MANAGER

Cintya G. Ramos, Executive Chief of Staff

SEPTEMBER 10, 2025

Fiscal Year 2026 Budget First Public Hearing Order of Budget Agenda Items

- FY 2026 Proposed Budget Presentation
- Set **Final** Fire Assessment via Resolution No. 2025-656
- **First** Reading of Ordinance No. 2025-682 – Appendix A
- Set **Tentative** Millage Rate via Resolution No. 2025-689
- Set **Tentative** Financial Operating Plan via Resolution No. 2025-691

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

August 14

- City Commission Budget Workshop
- All Funds Update

September 10

- 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

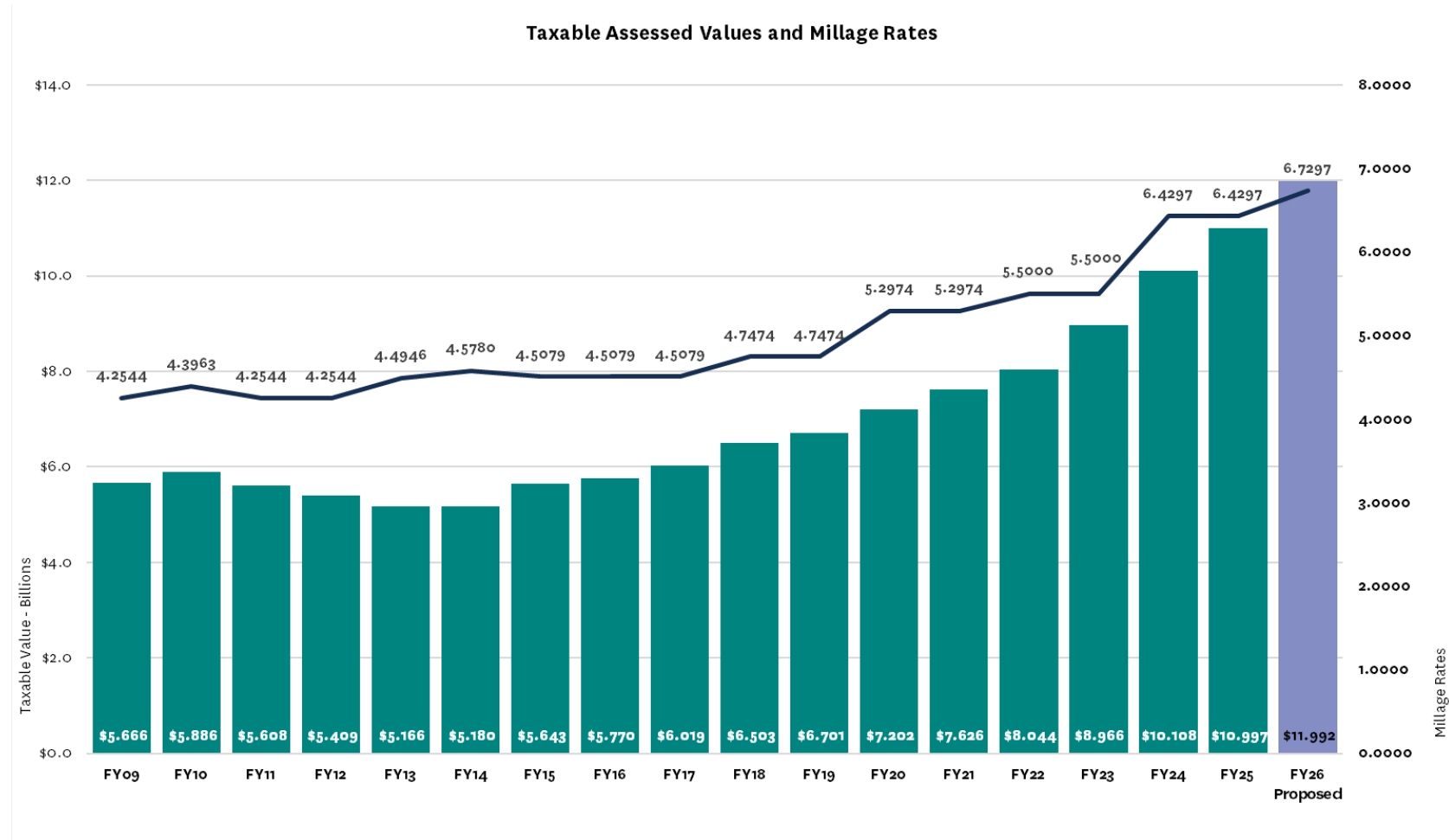
September 24

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

Financial and Operating Plan Overview

Taxable Assessed Values and Millage Rates

- July 1, 2025 Certified Taxable Value is \$11,992,161,336, an increase of 9.1% over last tax year's final taxable value of \$10,996,518,624
- Taxable Assessed Values have increased for the 13th consecutive year
- FY 2026 Millage rate is proposed to increase by 0.3000 mills to 6.7297
- The increase in millage rate is projected to generate \$77.5 million in property tax revenue, an increase of \$9.4 million in property tax revenue compared to FY 2025



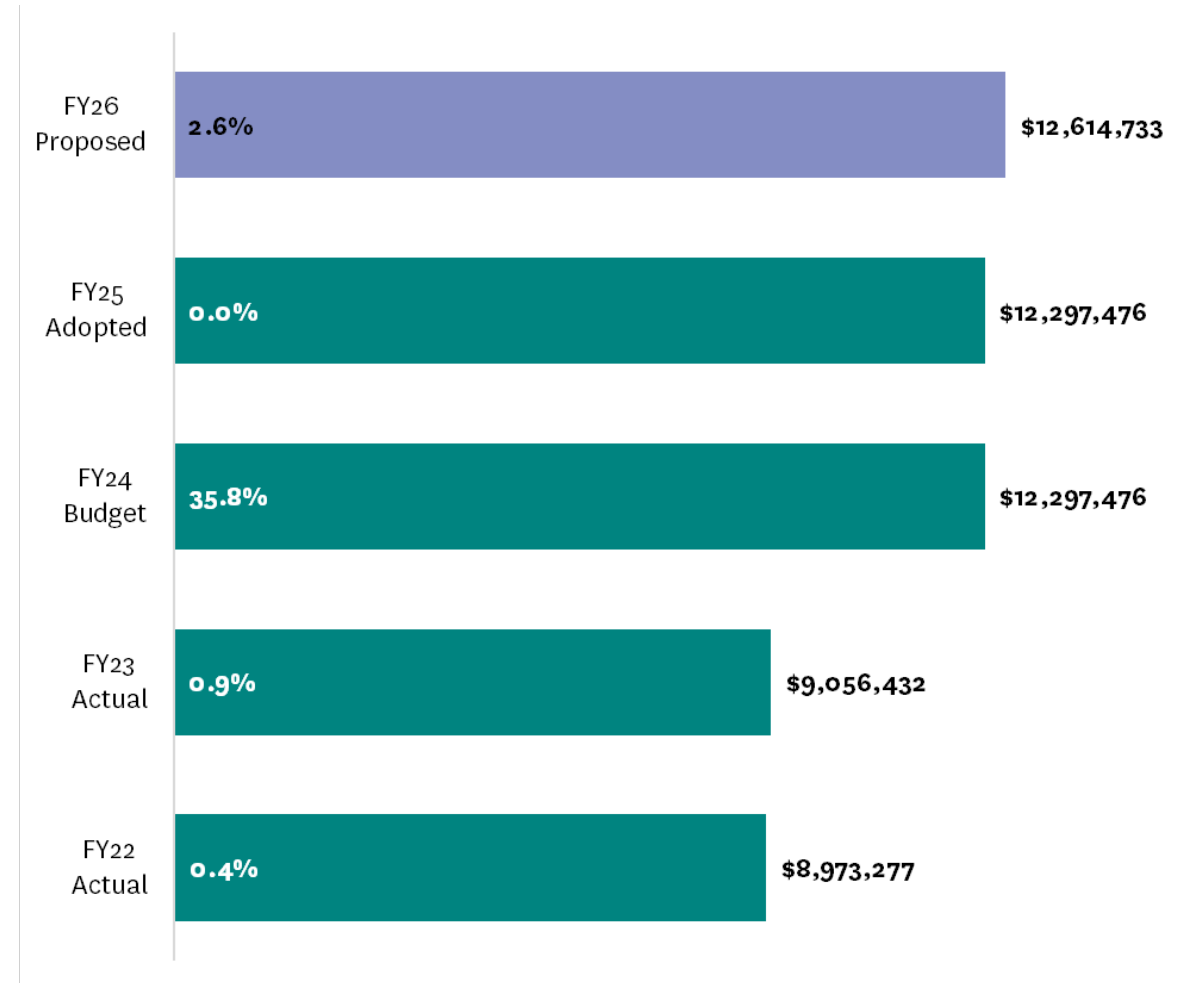
FY 2026 Rolled - Back Rate

- The Rolled-Back Rate provides the same amount of property tax revenue as was levied during the prior year.
- The Rolled-Back Rate for Fiscal Year 2026 is 5.9944 mills.
- The proposed Tentative Millage Rate for Fiscal Year 2026 is 6.7297 mills, 12.27% higher than the rolled-back rate.
- As a result, the City is required to publish a Notice of Proposed Tax Increase in accordance with the State of Florida's Truth in Millage (TRIM) requirements.

Rolled-Back Rate Calculation	
Step 1:	
Current Taxable Value	11,992,161,336
- Net New Taxable Value	197,146,694
Adjusted Current Year Taxable Value	11,795,014,642
Step 2:	
Final Gross Taxable Value from Prior Year	10,996,518,624
× Current Millage	6.4297
Adjusted Prior Year Ad Valorem Proceeds	70,704,316
Step 3:	
Adjusted Prior Year Ad Valorem Proceeds	70,704,316
÷ Adjusted Current Year Taxable Value	11,795,014,642
Rolled-Back Rate	5.9944

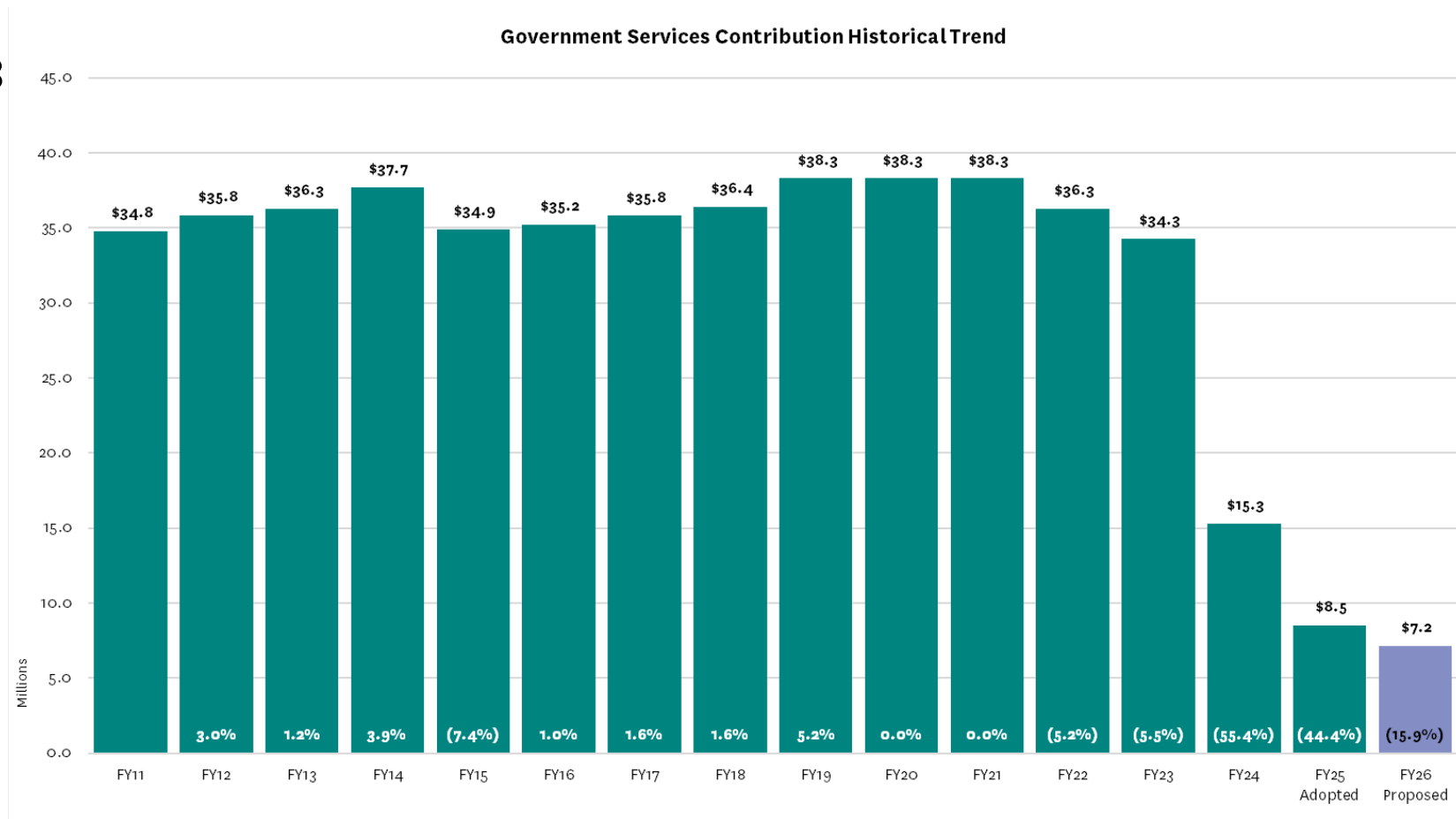
FY 2026 Fire Assessment Estimate

- The Fire Assessment Rate methodology was updated in FY 2024
- Fire Assessment fee was set to recoup 51.68% of the assessable fire budget in FY 2024 and FY 2025
 - Generates an estimated \$12.3 million in revenue
- In FY 2026, the Fire Assessment fee is recommended to recoup 53% of the assessable fire budget in FY 2026 (2.6% increase) - \$317K
 - Generates and estimated \$12.6 million in revenue



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



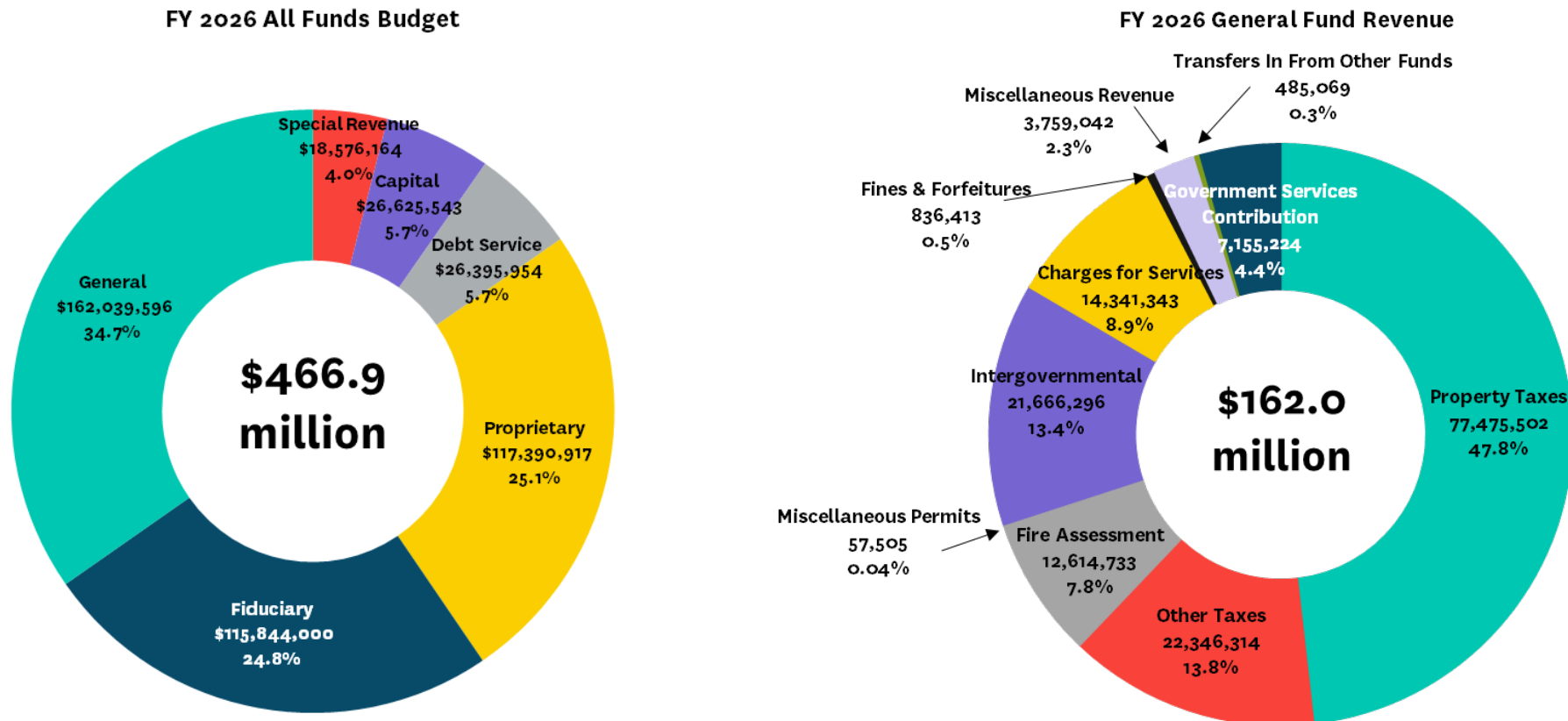
General Fund Structural Revenue Deficit Created by GSC Reductions

- In FY 2024, 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 FY 2025, the City eliminated an additional 36.0 FTEs, froze and unbudgeted 23.0 FTEs, and reduced operating expenditures to balance the budget
- In FY 2026, the City has proposed to eliminate an additional 11.0 FTEs, freeze and Unbudget 30.75 FTEs, reduce operating expenditures, and increase the millage rate by 0.3000 mills to balance the budget
- 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
General Fund Revenue				
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
Adopted vs. Formula-based GSC	N/A	-	(7,421,553)	(10,361,593)
Total Lost General Fund Revenue:	(17,783,146)			

Tentative Budgets (All Funds & General Fund)

- The FY 2026 Proposed Budget for All Funds is \$466,872,174, including balances and transfers and is \$8.0 million or 1.7% higher than the FY 2025 Adopted All Funds Budget of \$458,900,453.
- The FY 2026 Proposed General Fund Budget is \$162,039,596 including balances and transfers and is \$6.7 million or 4.3% higher than the FY 2025 Adopted Budget of \$155,368,126.



Revenue Summary - All Funds

- The FY 2026 Proposed Revenue Budget is \$466.9 million.
- Includes the budgets for the General Fund (\$162.0 million), Special Revenue (\$18.6 million), Debt Service (\$26.4 million), Capital Projects (\$26.6 million), Proprietary (\$117.4 million), and Fiduciary funds (\$115.8 million).

Revenues	General Fund	Special Revenue	Debt Service	Capital Projects	Proprietary	Fiduciary	Total
Taxes	99,821,816	0	0	11,125,586	2,340,045	0	113,287,447
Permits, Fees, Assessments	12,672,238	0	0	0	3,783,398	0	16,455,636
Intergovernmental	21,666,296	6,687,747	0	8,700,000	22,050,487	0	59,104,530
Charges for Services	14,341,343	1,218,200	0	0	76,092,429	27,640,000	119,291,972
Fines & Forfeitures	836,413	0	0	0	0	0	836,413
Miscellaneous Revenue	3,759,042	812,129	0	0	8,593,210	88,204,000	101,368,381
Transfers In From Other Funds	7,640,293	3,955,658	26,395,954	2,475,000	1,412,771	0	41,879,676
Use of Fund Balance	1,302,155	5,902,430	0	4,324,957	3,118,577	0	14,648,118
Total Revenue	162,039,596	18,576,164	26,395,954	26,625,543	117,390,917	115,844,000	466,872,174

Expenditure Summary - All Funds

- The FY 2026 Proposed Expenditure Budget is \$466.9 million
- Includes an addition to fund balance of \$22.0 million
- The top three largest expenses are Non-Departmental (32.5%), Public Works Department (12.3%) and the Police Department (10.6%).

Expenditures	General Fund	Special Revenue	Debt Service	Capital Projects	Proprietary	Fiduciary	Total
City Attorney	1,569,461	100,470	0	0	331,338	10,128	2,011,397
City Auditor	740,849	0	0	0	0	0	740,849
City Clerk	1,301,272	0	0	0	0	0	1,301,272
City Commission	601,195	0	0	0	0	0	601,195
City Manager	1,778,069	24,319	0	870,000	71,929	0	2,744,318
Communications & Marketing	1,080,527	0	0	0	0	0	1,080,527
Equity & Inclusion	1,103,703	0	0	0	0	0	1,103,703
Financial Services	3,021,649	0	0	0	164,839	370,347	3,556,835
Fire Rescue	29,518,613	35,000	0	8,000,000	593,500	0	38,147,113
Gainesville Community Reinvestment Area	0	6,729,527	0	0	60,000	0	6,789,527
Housing & Community Development	531,281	3,096,287	0	0	0	0	3,627,568
Human Resources	2,286,884	40,000	0	0	0	0	2,326,884
Management & Budget	1,044,806	0	0	0	0	0	1,044,806
Non-Departmental	30,013,481	445,069	26,395,954	1,052,936	164,239	93,696,286	151,767,965
Parks, Recreation and Cultural Affairs	12,366,846	226,456	0	72,551	190,000	0	12,855,852
Police	44,916,361	1,182,700	0	790,848	2,539,000	0	49,428,909
Procurement and Contracts Management	883,676	0	0	0	0	0	0
Public Works	15,992,402	6,564,990	0	4,560,000	30,122,520	0	57,239,911
Risk Management	185,200	0	0	0	42,747,215	29,654	42,962,069
Sustainable Development	3,293,808	0	0	0	4,507,060	0	7,800,868
Technology	8,404,948	0	0	353,080	0	0	8,758,028
Transportation	1,393,577	0	0	160,000	35,796,148	0	37,349,725
Wild Spaces Public Places	10,988	0	0	10,766,128	0	0	10,777,116
Total Department	162,039,596	18,444,818	26,395,954	26,625,543	117,287,789	94,106,415	444,900,115
Interfund Transfers	0	0	0	0	0	0	0
Addition to Fund Balance	0	131,346	0	0	103,128	21,737,585	21,972,059
Total Expenditures	162,039,596	18,576,164	26,395,954	26,625,543	117,390,917	115,844,000	466,872,174

Positions Summary - All Funds

- The FY 2026 Proposed authorized position level is 1,465.75 FTEs. The FY 2026 All Funds position level is 1,465.75, 4.0 FTEs lower than the FY 2025 Amended Budget.

Positions by Department	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Proposed	# Change vs. FY25 Adopted	% Change vs. FY25 Adopted
City Attorney	14.00	14.00	14.00	13.00	(1.00)	(7.1%)
City Auditor	6.00	6.00	6.00	6.00	0.00	0.0%
City Clerk	10.00	9.00	9.00	9.00	0.00	0.0%
City Commission	7.00	7.00	7.00	7.00	0.00	0.0%
City Manager	10.00	10.00	10.00	10.00	0.00	0.0%
Communications & Marketing	9.50	9.00	9.00	9.00	0.00	0.0%
Equity & Inclusion	12.00	12.00	12.00	9.00	(3.00)	(25.0%)
Financial Services	35.50	35.50	35.50	32.50	(3.00)	(8.5%)
Fire Rescue	211.00	213.50	213.50	214.50	1.00	0.5%
Gainesville Community Reinvestment Area	9.00	10.00	10.00	10.00	0.00	0.0%
Housing and Community Development	11.00	11.00	11.00	11.00	0.00	0.0%
Human Resources	23.00	21.00	21.00	19.00	(2.00)	(9.5%)
Management & Budget	7.00	6.00	6.00	6.00	0.00	0.0%
Non-Departmental	0.00	0.00	0.00	0.00	0.00	N/A
Parks, Recreation and Cultural Affairs	114.50	114.50	114.50	114.50	0.00	0.0%
Police	386.25	381.75	382.75	381.75	0.00	0.0%
Procurement & Contracts Management	10.00	10.00	10.00	10.00	0.00	0.0%
Public Works	210.50	208.50	208.50	211.50	3.00	1.4%
Risk Management	16.00	17.00	17.00	17.00	0.00	0.0%
Sustainable Development	71.00	70.00	70.00	70.00	0.00	0.0%
Technology	10.00	9.00	16.00	16.00	7.00	77.8%
Transportation	308.50	282.00	282.00	284.00	2.00	0.7%
Wild Spaces Public Places	5.00	5.00	5.00	5.00	0.00	0.0%
Total	1,496.75	1,461.75	1,469.75	1,465.75	4.00	0.3%

Position Changes

- The FY 2026 Proposed Budget:
 - Eliminates 11.0 full-time equivalent (FTE) positions in the General Fund
 - An additional 30.75 FTE are frozen and unbudgeted in the General Fund
 - The eliminated and frozen position changes are a reduction in expenditures of \$3.5 million.
- Once reclassified and new positions are factored in, the net impact of all position changes in FY 2026 is \$3.0 million.
- In addition to:
 - 125.5 FTEs eliminated in FY 2024 across all funds (\$8.3 million)
 - 36.0 FTEs eliminated in FY 2025 across all funds (\$3.6 million)
- Total positions **eliminated** over three fiscal years: 172.5 FTEs

Department	FTE
City Attorney	1.0
Equity & Inclusion	3.0
Financial Services	3.0
Human Resources	2.0
Police	1.0
Transportation	1.0
Total Positions Eliminated	11.0

Department	FTE
Fire Rescue	4.0
Transportation	18.0
Total Positions Reclassified	22.0

Department	FTE
Public Works	3.0
Transportation	3.0
Total Positions Added	6.0

Department	FTE
City Auditor	1.0
Equity & Inclusion	2.0
Financial Services	1.0
Management & Budget	1.0
Parks, Recreation and Cultural Affairs	3.75
Police	12.0
Public Works	6.0
Transportation	4.0
Total Positions Frozen/Unbudgeted	30.75

Revenue Summary – General Fund

- The FY 2026 Proposed General Fund Revenue Budget is \$162.0 million, \$6.7 million or 4.3% higher than the FY 2025 Adopted Budget.
- Property tax revenue is projected at \$77.5 million or 13.8% higher than the FY 2025 Adopted Budget.
 - This is driven by a 9.1% increase in property tax valuation over last tax year which generates an estimated \$5,966,255 in additional property tax revenue.
 - The millage rate increase of 0.3000 mills is estimated to generate an additional \$3,453,742 in property tax revenue.
 - Total increase of \$9.4 million.
- The Government Services Contribution was the second largest revenue source for the General Fund in FY 2023 (22.2% of all revenues) and it now ranks as sixth (4.4%).

Revenues	FY24 Actual	FY25 Adopted	FY25 Amended	FY26 Proposed	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Property Taxes	62,832,569	68,055,505	68,055,505	77,475,502	9,419,997	13.8%
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	21,666,296	(571,812)	(2.6%)
Charges for Services	17,067,379	16,129,097	16,129,097	14,341,343	(1,787,754)	(11.1%)
Fines & Forfeitures	1,096,844	836,889	836,889	836,413	(476)	(0.1%)
Miscellaneous Revenue	6,463,564	3,795,897	3,833,663	3,759,042	(36,855)	(1.0%)
Transfers In From Other Funds	12,015,030	1,183,198	1,193,263	485,069	(698,129)	(59.0%)
Government Services Contribution	15,305,225	8,505,224	8,505,224	7,155,224	(1,350,000)	(15.9%)
Use of Excess Fund Balance	0	0	7,970,435	1,302,155	1,302,155	N/A
Total General Fund Revenue	168,972,703	155,368,126	163,386,392	162,039,596	6,671,470	4.3%

Expenditure Summary - General Fund

- The FY 2026 Proposed General Fund Expenditure Budget is \$162.0 million, \$6.7 million or 4.3% higher than the FY 2025 Adopted Budget.
- It is important to note that of the \$6.7 million increase, \$5.2 million (78.1%) is related to public safety expenditures.
 - Police Department
 - Gainesville Fire Rescue
 - Combined Communications Center
 - Trunked Radio System
 - Code Enforcement

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	1,569,461	(107,108)	(6.4%)
City Auditor	826,017	888,640	888,640	740,849	(147,791)	(16.6%)
City Clerk	1,024,558	1,225,739	1,425,739	1,301,272	75,533	6.2%
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	1,778,069	136,621	8.3%
Communications & Marketing	916,968	1,043,980	1,043,980	1,080,527	36,547	3.5%
Equity & Inclusion	1,327,789	1,447,750	1,529,936	1,103,703	(344,047)	(23.8%)
Financial Services	2,891,136	3,071,629	3,111,629	3,021,649	(49,980)	(1.6%)
Fire Rescue	27,487,467	27,757,792	27,757,792	29,518,613	1,760,821	6.3%
Housing and Community Development	431,120	490,215	521,222	531,281	41,066	8.4%
Human Resources	2,262,067	2,340,383	2,340,383	2,286,884	(53,499)	(2.3%)
Management & Budget	781,177	910,072	973,909	1,044,806	134,734	14.8%
Non-Departmental	38,873,299	29,309,964	33,676,387	30,013,481	703,517	2.4%
Parks, Recreation and Cultural Affairs	11,538,636	11,825,090	11,835,155	12,366,846	541,756	4.6%
Police	39,240,592	41,701,243	41,794,721	44,916,361	3,215,118	7.7%
Procurement and Contracts Management	909,751	745,279	745,279	883,676	138,398	18.6%
Public Works	16,288,837	15,918,893	17,587,327	15,992,402	73,509	0.5%
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	3,293,808	96,414	3.0%
Technology	11,371,110	8,085,985	8,918,254	8,404,948	318,963	3.9%
Transportation	1,438,002	1,345,975	1,857,139	1,393,577	47,602	3.5%
Wild Spaces Public Places	3,500	10,988	10,988	10,988	0	0.0%
Total	164,548,996	155,368,126	163,386,392	162,039,596	6,671,470	4.3%

Summary of General Fund Revenues & Expenses

- Florida Statutes, Chapter 166:
 - This statute authorizes municipalities to levy taxes, issue licenses, and set user fees to raise money necessary to conduct municipal government activities.
 - This chapter also requires that local governments adopt a balanced budget.
- The FY 2026 Proposed Budget meets Florida Statutes, Chapter 166 requirements.

	FY25 Adopted	FY26 Proposed	\$ Change vs. FY25 Adopted	% Change vs. FY25 Adopted
Revenue	155,368,126	162,039,596	6,671,470	4.3%
Expenditures	155,368,126	162,039,596	6,671,470	4.3%
Surplus / (Deficit)	0	0		

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

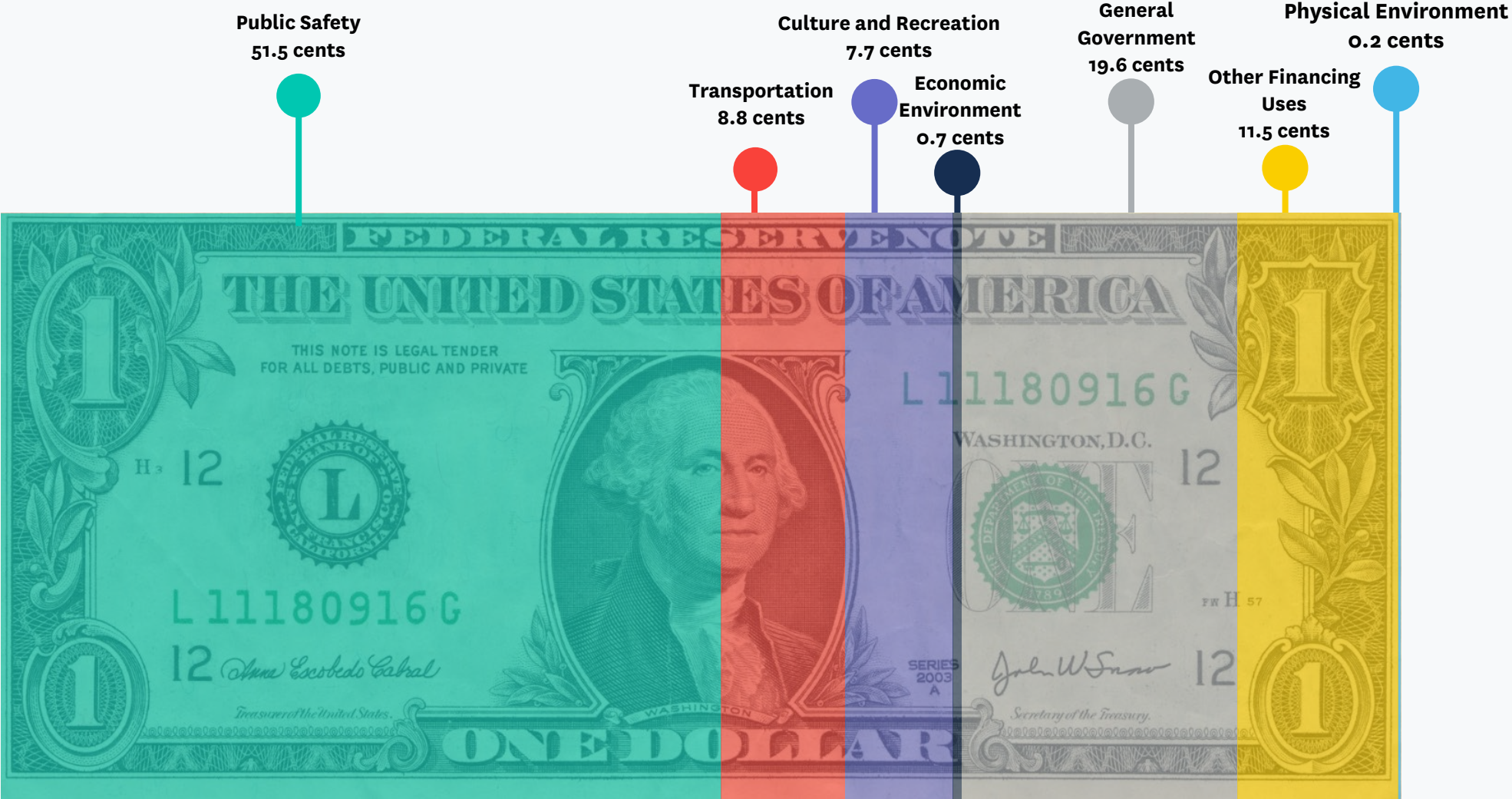
Fiscal Year	Taxable		Unassigned Fund Balance	Emergency Fund Level	Emergency Fund Level Met?	Minimum Fund Balance Requirement	Minimum Fund Balance Requirement		Maximum Fund Balance Requirement	
	Assessed Value (TAV) - July 1, 2025	Expenditures (FY26 Estimate)					Requirement Met?	Requirement Exceeded?	Available to Appropriate	
2026	\$11,992,161,336	\$162,039,596	\$58,503,206	\$1,798,824	Yes	\$27,060,613	Yes	\$40,509,899	Yes	\$17,993,307

Amount over the maximum requirement: \$17,993,307

- 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
- Pending Commission approval: ([Agenda Item #2025-690](#)) for one-time costs for new Technology Department: \$2 million
- Pending Commission approval: ([Agenda Item #2025-690](#)) for one-time costs for radios in Police and Fire: \$965,848
- Pending Commission approval: one-time use to balance the FY 2026 Budget: \$ 1,302,155
- Estimated Remaining available funding to appropriate: \$8,959,395**

General Fund Presented As One Dollar

\$162,039,595



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