



Budget Workshop

July 27, 2009



Budget Schedule

- July 27 – 9am Continue budget workshop
Set proposed millage rate
Adopt proposed budget
- July 28 – 3pm CDBG & outside agencies
- Sept 03 – 6pm Set tentative millage
Adopt tentative budget
- Sept 17 – 6pm Set final millage
Adopt final budget



Fire Assessment

- Current Status:
 - Enabling ordinance approved in 2008
 - Would need to go through rate setting & approval process
 - Can contract with GSG to calculate assessments using existing or updated data
 - Approval of resolution of intent keeps options open for FY 11



Fire Assessment

- What has changed:
 - Challenge to fund Fire Station 8 operating costs in FY 11 without grant or fire assessment
 - UF discussions to provide services off campus
 - GSG enhanced methodology providing:
 1. tiers by residential property sq. ft.; and
 2. credit for fire suppression systemsAnalysis needed; data must support enhanced methodology
 - Use of separate category for multi-family properties



Joint Aviation Unit

- Transfer 2 officers from Joint Aviation Unit
- Integrate into zones to reduce overtime by \$25,000
- Current MOU – share 50% of costs with Alachua County with 30 day termination
- Could work to set up mutual aid agreement with ASO – will result in incremental costs



Planning

- Senior Planner position provides for experience preferred in Urban Design
 - Will provide training in Urban Design to current staff next fiscal year
- Add Urban Design expertise as requirement for Chief of Current Planning



Ironwood

- NGF Update
 - Survey results
 - Fee increase recommendations
 - Capital improvements
 - Management issues & options
- NGF Report & overall update on Sept. 17



Ironwood

- FY 10 course closure (April 1, 2010 – September 30, 2010)
 - Capital improvements paid from per round surcharge
 - Improved revenues, reduced losses starting in FY 11 (more playable days, more rounds, increased fees)



Ironwood Fiscal Update

		As of June 30	
		<u>FY2008</u>	<u>FY2009</u>
Revenues	\$	610,895	\$ 634,879
Rounds		28,521	29,007



Ironwood Transfer

	FY 09	FY 10	FY11&12	FY 13-19
Traditional Transfer:				
Debt Service	\$ 220,000	\$ 220,000	\$ 220,000	\$ -
Indirect Cost	140,000	140,000	140,000	140,000
Total Traditional Trans	360,000	360,000	360,000	140,000
Incremental Transfer:				
Annual Net Loss	-	450,000	250,000	250,000
Cash Deficit-10 Years	-	300,000	300,000	300,000
Closure for Renovation	-	350,000	-	-
Total Incremental Trans	-	1,100,000	550,000	550,000
Total Transfer	\$ 360,000	\$ 1,460,000	\$ 910,000	\$ 690,000



Downtown Parking Options

- CRA parking study
- Extend parking meter hours
- Charge for parking in City Hall lots Fridays, nights & weekends
- “Park on the Fly” – parking program technology using credit and debit cards
- Eliminate all free parking



Early Separation Incentive



Why Offer Early Separation Incentive

- Participation creates vacancies and the flexibility to restructure operations without layoffs
- Mechanism to align expenditures with revenues
- 70% of current general fund revenues are flat or declining
 - Little to no control over these sources
 - Budget solutions primarily on expenditure side
- 62% of expenditures are in personnel
- Savings generated through the elimination of budgeted positions with cost amortized over 30 years
- When future revenues can support increased service demands, evaluate if additional positions can be funded in the budget



How offered

- Based on business needs
- Department Directors reviewed eligibility list
- Restrictions imposed if participation would impair our ability to continue operations
 - Skills available in the market (including upward mobility)
- 140 individuals eligible



Cost

- Assume 25% participation, average salary \$49,000
- 35 individuals
- Present value of benefit = \$41,000
- Cost = .11% of payroll or \$77,000/year total, \$29,700/year to the general fund
- Longevity savings (covers cost) = \$85,750
- Savings of \$340,000 would require elimination of 7 positions
- Savings of \$1,000,000 would require elimination of 20 positions



Cost

- Assume 10% participation, average salary \$49,000
- 14 individuals
- Present value of benefit = \$41,000
- Cost = .04% of payroll or \$28,000/year total, \$10,800/year to the general fund
- Longevity savings (covers cost) = \$34,300
- Savings of \$340,000 would require elimination of 7 positions
- Eliminating all 14 positions would generate savings of \$686,000



Other Options

- Cash pay-out
- Cost paid from General Fund in year 1
- Requires bargaining
- Successful where positions identified for layoff
- Example:
 - 3 months pay = \$12,250 if retire early
 - 25% participation= 24 individuals (unlikely)
 - Year 1 cost = \$294,000
 - Longevity savings = \$58,800
 - To generate \$340,000 savings and cover cost, 12 positions must be eliminated (same 12 would generate \$634,000 savings in year 2)



Energy Services Contract

- Used ESCO model on GPD with Siemens
- Currently contracting with Siemens for energy efficiency measures, but using internal financing for additional savings:
 - City Hall
 - Old Library
 - Thomas Center



Energy Services Contract – Pilot Program

- Pilot program for LED outdoor lighting:
 - 24 pedestrian level lights in Downtown area
 - Use 18,000 Kwh annually; savings of 7,200 Kwh annually
 - Annual cost savings of \$360 per fixture
- Funded by Energy Efficiency & Conservation Block Grant
- Provide experience for determining expansion in use of outdoor LED lights



Comparative Millage Rates

	FY09 Adopted	FY10 Proposed	Increase/ (Decrease)
Gainesville	4.2544	4.5297	0.2753
Alachua County	7.5708	8.0495	0.4787
Alachua Co-MSTU	3.0068	3.2180	0.2112
Alachua	4.6966	n/a	n/a
Archer	4.5000	n/a	n/a
Hawthorne	5.3194	5.3194	-
High Springs	6.1500	6.1500	-
LaCrosse	2.0272	n/a	n/a
Micanopy	8.0000	n/a	n/a
Newberry	3.9999	n/a	n/a
Waldo	5.8686	5.8686	-



Proposed Millage Rate

	Preliminary Jul-09	Revenue	Incremental Revenue
Taxable property value	5,896,462,408		
Less new construction/annexation	(328,347,449)		
Current adjusted taxable value	5,568,114,959		
Less dedicated increment value	(524,704,539)		
Adjusted taxable value	5,043,410,420		
Prior year ad valorem proceeds	24,106,864		
Less TIF payments	(1,819,039)		
Adjusted prior year ad valorem proceeds	22,287,825		
Divided by adjusted taxable value	5,043,410,420		
= Current rolled back rate	4.4192	25,145,629	937,727
Times Florida Per Capita Income Growth	1.025		
= Majority vote maximum millage rate	4.5297	25,774,384	1,566,482
With 10% increase	1.10		
= Two-thirds vote maximum millage rate	4.9826	28,351,424	4,143,522
FY 2009 Current Millage Rate	4.2544	24,207,902	-



Requested Commission Action

- Set proposed millage rate
- Authorize staff to take appropriate actions to implement new and increased fees
 - Effective October 1, 2009
- Adopt non-binding resolution of intent on Fire Assessment and authorize staff to notify Property Appraiser of intent