

City of Gainesville

City Hall
200 East University Avenue
Gainesville, Florida 32601



Meeting Agenda - Final

September 13, 2021

6:00 PM

City Commission Special Meeting

City Hall Auditorium

City Commission

Mayor Lauren Poe (At Large)
Commissioner Reina Saco (At Large, Seat A)
Mayor-Commissioner Pro Tem Gail Johnson (At Large, Seat B)
Commissioner Desmon Duncan-Walker (District 1)
Commissioner Harvey Ward (District 2)
Commissioner David Arreola (District 3)
Commissioner Adrian Hayes-Santos (District 4)

If you have a disability and need an accommodation in order to participate in this meeting, please contact the Office of Equal Opportunity 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.

CALL TO ORDER**AGENDA STATEMENT**

"The City of Gainesville encourages civility in public discourse and requests that speakers direct their comments to the Chair. Signs, props and posters are not permitted in the meeting room."

ROLL CALL**ADOPTION OF THE AGENDA****ORDINANCES, 1ST READINGS - ROLL CALL REQUIRED**

[201022.](#)

Appendix A - Schedule of Fees, Rates & Charges for Utilities for Fiscal Year 2022 (B)

Ordinance No. 201022

An ordinance of the City of Gainesville, Florida, amending the Code of Ordinances relating to utilities; by amending Appendix A, Schedule of Fees, Rates and Charges to revise fees, rates and charges for electricity, water, sewerage, and standard operational charges; amending Appendix A to make it gender neutral; providing directions to the codifier; providing a severability clause; providing a repealing clause; and providing effective dates.

Explanation: STAFF REPORT

At its May 12, 2021 meeting, the City Commission heard a presentation from GRU staff analyzing the utilities' budget for fiscal year 2022. At this meeting, the General Manager for Utilities made recommendations to revise the electric and sewerage rates and charges as required to meet system revenue requirements for fiscal year 2022. At its June 7, 2021 meeting, the City Commission approved 1) adopting a rate ordinance increasing electric utility rates 7% and wastewater utility rates 5% for fiscal year 2022; 2) adopting a resolution reducing the amount of general fund transfer by \$2 million a year through 2027; 3) adopting a rate ordinance through fiscal year 2027, increasing electric utility rates 3% and wastewater utility rates 5% annually for fiscal years 2023 through 2027. On July 19, 2021, the City Commission adopted a Resolution memorializing the aforesaid increases.

The ordinance implements the changes to Appendix A stated in the July 19, 2021 Resolution. Natural gas rates remain unchanged. Calculation of wastewater based upon a winter maximum has been removed, and an ordinance to the same effect is forthcoming. Stormwater and solid waste

rates are addressed in the ordinance adopting Appendix A for general government.

This ordinance requires two readings. The new and amended fees, rates, and charges for fiscal year 2022 shall be applied to all monthly bills which are for the first time rendered and postmarked after 12:01 AM, October 1, 2021. The new and amended fees, rates, and charges for fiscal year 2023 shall be applicable to all monthly bills which are for the first time rendered and postmarked after 12:01 AM on October 1, 2022. The new and amended fees, rates, and charges for fiscal year 2024 shall be applicable to all monthly bills which are for the first time rendered and postmarked after 12:01 AM on October 1, 2023. The new and amended fees, rates, and charges for fiscal year 2025 shall be applicable to all monthly bills which are for the first time rendered and postmarked after 12:01 AM on October 1, 2024. The new and amended fees, rates, and charges for fiscal year 2026 shall be applicable to all monthly bills which are for the first time rendered and postmarked after 12:01 AM on October 1, 2025. The new and amended fees, rates, and charges for fiscal year 2027 shall be applicable to all monthly bills which are for the first time rendered and postmarked after 12:01 AM on October 1, 2026.

Fiscal Note: Changes to Appendix A reflect the increases embodied in the July 19, 2021 Resolution and rates have been calculated to meet utility system revenue requirements.

RECOMMENDATION

The City Commission adopt the proposed ordinance.

Legislative History

4/15/21 City Commission Approved as Recommended

[201022_WWW_Rate_Analysis_Presentation_20210408](#)

[201022A_draft ordinance_20210913](#)

[210189.](#)

Appendix A - Schedule of Fees, Rates & Charges FY 2022 (B)

Ordinance No. 210189

An ordinance of the City of Gainesville, Florida, amending Appendix A, Schedule of Fees, Rates and Charges of the Code of Ordinances by revising fees, rates and charges for the following: adult performance establishment, escort service and escort licenses; alcoholic beverages; cemetery; controlled vehicular parking area decals/permits; fire/rescue; health and sanitation; home occupation permit; land development code; parks, recreation and cultural affairs; peddlers, solicitors and canvassers; police; registered domestic partnerships; right-of-way (public) obstruction permits; right-of-way (public) use by utilities; secondhand goods; streets, sidewalks and other public places; traffic and motor vehicles; utilities - solid waste and recyclables; utilities -

stormwater management; and vehicles for hire; providing directions to the codifier; providing a severability clause; providing a repealing clause; and providing an effective date.

Explanation: On May 10, 2021, the Budget and Finance staff presented the proposed FY2022 and FY2023 budget to the City Commission. As presented, the proposed FY2022 and FY2023 revenues included a continuation of the policy of 5% scheduled biennial increases of certain Appendix A fees, rates and charges.

This ordinance also deletes the fees for home occupation permits, as the state enacted legislation in 2021 (HB 403, codified in Florida Statute 559.955) that provides local governments may not take any action to license or otherwise regulate a home-based business except as authorized by the statute.

This ordinance requires two readings and will become effective immediately upon approval at second reading. However, the fee increases will become effective on October 1, 2021, except when a facility was booked prior to the effective date of the ordinance, in which case the City will recognize the fees in place at the time the facility was booked.

Fiscal Note: Increased revenues resulting from the proposed Appendix A fees, rates and charges are included in the proposed FY2022 and FY2023 balanced budgets.

RECOMMENDATION

The City Commission adopt the proposed ordinance.

[210189A draft ordinance 20210913](#)

RESOLUTIONS - ROLL CALL REQUIRED

[210205.](#)

Fire Assessment - Annual Rate Resolution (B)

Resolution No. 210205

A resolution of the City of Gainesville, Florida, relating to the provision of fire services, facilities and programs in the City of Gainesville, Florida; imposing Fire Services Special Assessments against assessed properties located within the City for the fiscal year that begins October 1, 2021; providing for exemptions; approving the assessment roll; providing for the estimated fire services assessed cost; approving the rate of assessment; providing for severability; and providing an immediate effective date.

Explanation: On July 12, 2021, the City Commission adopted Resolution 201225 (the "Preliminary Rate Resolution") which set the proposed fire services assessment rate at \$133.00 per Net Factored Fire Protection Unit and provided for notice by mail and publication of the proposed rate and public

hearing on September 13, 2021 at 6:00 pm to set the final rate. In adopting the Annual Rate Resolution, the Commission will set the Fire Services Special Assessment rate for the fiscal year beginning October 1, 2021 through September 30, 2022. The Commission, if desired, may set a final rate lower than \$133.00, but not higher.

Fiscal Note: The Net Factored Fire Protection Unit rate of \$133.00 is estimated to generate \$9,523,538 in General Fund revenue for Fiscal Year 2021-22.

RECOMMENDATION

The City Commission: 1) receive any written objections filed; 2) hear testimony from all interested persons; 3) approve the assessment roll; 4) establish the annual rate for the Fire Services Special Assessment; and 5) adopt the proposed Annual Rate Resolution.

[210205 Annual Rate Resolution 20210913](#)

[210403.](#)

Tentative Millage Rate for Fiscal Year 2021-2022 (B)

Resolution No. 210403

A resolution of the City Commission of the City of Gainesville, Florida; relating to the levy of general municipal purpose Ad Valorem taxes for the 2021-2022 fiscal year beginning October 1, 2021 and ending September 30, 2022; establishing a Tentative Millage Rate; setting a public hearing; providing for the publication of notice; and providing an immediate effective date.

Explanation: The City Commission approved the tentative millage rate at its July 13, 2021 special meeting. The tentative millage rate for Fiscal Year 2021-2022 is 5.5000 mills which is 0.2026 mills higher than the previous fiscal year of 5.2974 mills. The taxable valuation for the City of Gainesville for tax year 2021, for which the proposed FY 2022 budget is based on, is \$8,132,378,247 and represents a 6.6% increase over the tax year 2020 final valuation.

The tentatively adopted total operating millage rate of 5.5000 for Fiscal Year 2022 is 0.3513 mills, or 6.82%, more than the "rolled-back" rate of 5.1487. 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.

Florida Statutes Section 200.065 requires that at the conclusion of the first public hearing on the proposed tax rate and budget, the City Commission proceed in the following specific manner:

1. Adopt a tentative ad valorem millage rate for FY 2022 general operating purposes. This is accomplished by adopting a Resolution which includes

the percentage increase or decrease over the "rolled-back" rate; the required debt service millage rate; and, the date, time, and place of the second public hearing.

2. Adopt a tentative general operating budget for FY 2022, which also includes budgets for General, Special Revenue, Debt Service, Capital, Proprietary and Fiduciary Funds. This is accomplished by adopting a companion Resolution (see accompanying Tentative General Government Financial and Operating Plan for Fiscal Year 2021-2022).

3. Both the millage and budget Resolutions must be adopted again after a second and final public hearing.

The second public hearing to consider the final millage rate for FY 2022 shall be held on Thursday, September 23, 2022 at 6:00 P.M.

Fiscal Note: The FY 2022 Tentative Millage Rate of 5.5000, combined with an increase in property values, will generate an additional \$4.3 million in property tax revenue in FY 2022.

RECOMMENDATION The City Commission adopt the proposed resolution.

[210403 A Resolution - Tentative FY22 Millage - FINAL 20210913](#)

[210403 B 2021-09-13 Budget Presentation - FINAL 20210913](#)

[210397.](#)

Gainesville Regional Utilities Tentative Budget - Fiscal Year 2022 (B)

Explanation: The proposed resolution adopts a tentative budget for the City of Gainesville d/b/a Gainesville Regional Utilities for the fiscal year beginning October 1, 2021 and ending September 30, 2022 to pay for personnel services expenses, operating and maintenance expenses and other expenses, for capital outlay and for debt service requirements. The proposed resolution is submitted for adoption by the City Commission.

Fiscal Note: The proposed resolution adopts a tentative budget for the City of Gainesville d/b/a Gainesville Regional Utilities for the fiscal year beginning October 1, 2021 and ending September 30, 2022 to pay for personnel services expenses, operating and maintenance expenses and other expenses, for capital outlay and for debt service requirements. The proposed resolution is submitted for adoption by the City Commission.

RECOMMENDATION The City Commission adopt the proposed resolution.

[210397 GRU Proposed Budget Resolution FY 2022 20210913](#)

[210397 GRU Budget Pres FY22 20210913](#)

[210404.](#)

Tentative General Government Financial and Operating Plan for Fiscal Year 2021-2022 (B)

Resolution No. 210404

A resolution of the City Commission of the City of Gainesville, Florida; relating to its General Government Financial and Operating Plan Budget for the 2021-2022 fiscal year beginning October 1, 2021 and ending September 30, 2022; adopting the Tentative General Government Financial and Operating Plan; and providing an immediate effective date.

Explanation: As outlined in the companion agenda item #210403 Tentative Millage Rate for Fiscal Year 2021-2022, Florida Statutes Section 200.065 specifies the manner in which budgets are adopted. First, the tentative millage rate for general operating is adopted, then immediately thereafter, the tentative budgets by fund are adopted. The attached Resolution adopting the tentative budgets for the General, Special Revenue, Debt Service, Capital, Proprietary and Fiduciary Funds for FY 2022 is, therefore, presented to you at this time for adoption.

The FY 2022 total Proposed Budget for all funds is \$418,318,151 including balances and transfers. This is \$17.9 million or 4.5% more than the FY 2021 Adopted Budget of \$400,367,511. The FY 2022 General Fund proposed budget is \$145,312,788 including balances and transfers is 5.4% higher than the FY 2021 Adopted Budget of \$137,821,522.

The FY 2022 Proposed Budget appropriates funds for the following investments and programs:

- \$1.9 million for capital and facilities maintenance citywide
- \$750,000 for the Vision Zero strategy, a multi-modal safety project that seeks to eliminate traffic fatalities and severe injuries.
- \$350,000 for a dedicated Youth Services Office
- \$260,000 to enhance support of an Equitable Community by allocating more resources to the Community Paramedicine Program, including 7 new FTEs by FY 2023
- \$250,000 for a street lighting study
- \$215,000 for a new document management system
- \$115,000 for Free RTS Fares for Seniors and Youth
- \$100,000 for street lighting and tree trimming
- \$63,000 for an accountant dedicated to grants management

Additional investments include funding to bring lowest paid community builders up to a living wage by increasing the minimum hourly rate to \$15.00 by January 2022 and provide our community builders with a minimum 2.5% compensation increase, funding for various software systems citywide and technological equipment replacements.

The proposed General Fund budget also reflects the first multi-year reduction in the General Fund Transfer from Gainesville Regional Utilities. The General Fund Transfer for FY 2022 is budgeted at \$36,283,000 and

is forecasted to be reduced by \$2 million every fiscal year through FY 2027. The Fire Assessment Rate is proposed to remain at \$133 per Net Factored Fire Protection Unit. A review of the methodology utilized to allocate fire suppression costs among various properties will be completed during the upcoming fiscal year and will be the basis for the Fire Assessment Rate for FY 2023.

Fiscal Note: The FY 2022 total Proposed Budget for all funds is \$418,318,151 including balances and transfers. The budget is funded through various revenue sources, including a proposed increase in the general operating millage rate to 5.5000.

RECOMMENDATION The City Commission adopt the proposed resolution.

[210404 A Resolution - FY22 Tentative FOP 20210913](#)

[210404 B FY22 Proposed FOP - Resolution Exhibit A 20210913](#)

[210404 C Proposed FY22-23 Budget Book 20210913](#)

BUSINESS DISCUSSION ITEMS

[210401.](#)

General Fund Reserve Policy (B)

Explanation: The Government Finance Officer's Association recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for Generally Accepted Accounting Principles and budgetary purposes. Such a guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period. In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

The proposed General Fund Reserve Policy for the City of Gainesville is consistent with GASB #54 Fund Balance Reporting and Governmental Fund Type Definitions. This Fund Balance Policy provides for a stable financial environment that allows the City to provide quality services to its neighbors in a fiscally responsible manner. It also provides a measure of financial protection against unanticipated events that would adversely affect the financial condition of the City and jeopardize the continuation of necessary public services.

This policy is presented to ensure the City maintains adequate fund balance and reserves to provide the capacity to:

- 1) Provide sufficient cash flow for daily financial needs
- 2) Secure and maintain investment grade bond ratings
- 3) Offset significant economic downturns and revenue shortfalls

4) *Provide funds for unforeseen expenditures related to emergencies*

The City Commission last reviewed the General Fund Reserve Policy on September 24, 2020. Standard best practice recommends an annual review of this policy to ensure the policy reflects up to date financial reserve requirements and guidelines.

The proposed updated Policy corrects a scrivener's error where the Emergency Reserve is calculated as 0.15% of the taxable value of all property in the City on January 1st of that fiscal year. The correct percentage is 0.015% of the taxable value. No other changes to this policy are recommended at this time.

Fiscal Note: It is considered prudent for the City of Gainesville to implement a Fund Balance Policy consistent with GASB #54 Fund Balance Reporting and Governmental Fund Type Definitions. This Fund Balance Policy provides for a stable financial environment that allows the City to provide quality services to its neighbors in a fiscally responsible manner. Per the proposed correction, the Emergency Reserve is calculated as \$1,219,857 for the FY 2022 fiscal year based on the July 1st, 2021 Taxable Assessed Value of \$8,132,378,247.

RECOMMENDATION *The City Commission review and approve the General Fund Reserve Policy.*

[210401 Gainesville Fund Balance Policy 20210913](#)

[210402.](#)

Budget Administration Policy (B)

Explanation: The budget is the primary financial planning tool for the City. It is used to set forth the City's estimates of resources available to fund services and to specify the way in which those resources will be applied. This Policy is intended to provide flexibility, to establish adequate controls through budget monitoring and periodic reporting, and to ensure that the overall distribution of resources achieves the policy direction of the City Commission.

The City Commission last reviewed and approved the Budget Administration Policy on September 24, 2020. Standard best practice recommends an annual review of this policy to ensure the policy reflects up to date budget administration procedures and guidelines.

The proposed Budget Administration Policy has been updated to:

- 1) Define the level at which a budget is adopted: fund, department and project*
- 2) Update the budget authority of the City Manager to require City Commission approval of appropriation adjustments between departments and/or offices, capital projects, and encumbrances carried forward from the prior year and prohibits expenditures until such action has been taken*

- 3) Require that the presentation of the City Manager's proposed budget to the Commission will occur no later than the end of the second week in July, except in the second year of the biennial budget
- 4) Removes other language for procedures no longer in place such as Advisory Board or Committee budget adjustments and references to contingency accounts no longer in place

Strategic connection

Goal 5: "Best in Class" Neighbor Services.

Fiscal Note: Transparency is a core value of governmental budgeting. Developing a transparent budget process will improve the City's credibility and trust within the community.

RECOMMENDATION *The City Commission review and approve the Budget Administration Policy.*

[210402 2.7 Budget Administration Policy 20210913](#)

[210405.](#) **Budget Amendment Policy (B)**

Explanation: The City adopts an annual budget in September for the upcoming fiscal year. The budget is a forecast of future expenditures and must be carefully monitored and adjusted as the fiscal year progresses. This Policy is intended to provide a process for budget amendments needed to achieve the policy direction given by the City Commission.

The City Commission last reviewed and approved the Budget Transfers and Modifications Policy on September 24, 2020. Standard best practice recommends an annual review of this policy to ensure the policy reflects up to date budget administration procedures and guidelines.

The proposed Budget Transfers and Modifications Policy has been renamed to the Budget Amendment Policy and updated to:

- 1) Require City Commission approval for appropriation amendments between departments and/or offices and prohibit expenditures until such action has been taken
- 2) Remove ability for minor reallocation of funds for capital projects and between departments unless otherwise approved by the City Commission

Fiscal Note: Clearly defined guidelines and procedures for budget amendments increases financial transparency as operational decisions are made throughout the fiscal year.

RECOMMENDATION *The City Commission review and approve the Budget Amendment Policy.*

[210405 2.3 Budget Amendment Policy - FINAL 20210913](#)

[210431.](#)

Mayor Lauren Poe - City Manager Severance Agreement (NB)

AGENDA UPDATE - ADDED ITEM

RECOMMENDATION

The City Commission discuss and take action deemed necessary.

[210432.](#)

Mayor Lauren Poe - Termination of the General Manager of Utilities Contract (NB)

AGENDA UPDATE - ADDED ITEM

RECOMMENDATION

The City Commission discuss and take action deemed necessary.

PUBLIC COMMENT

MEMBER COMMENT

ADJOURNMENT