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City of
Gainesville

FY 2023 BUDGET MEETING

MAY 19, 2022

Agenda

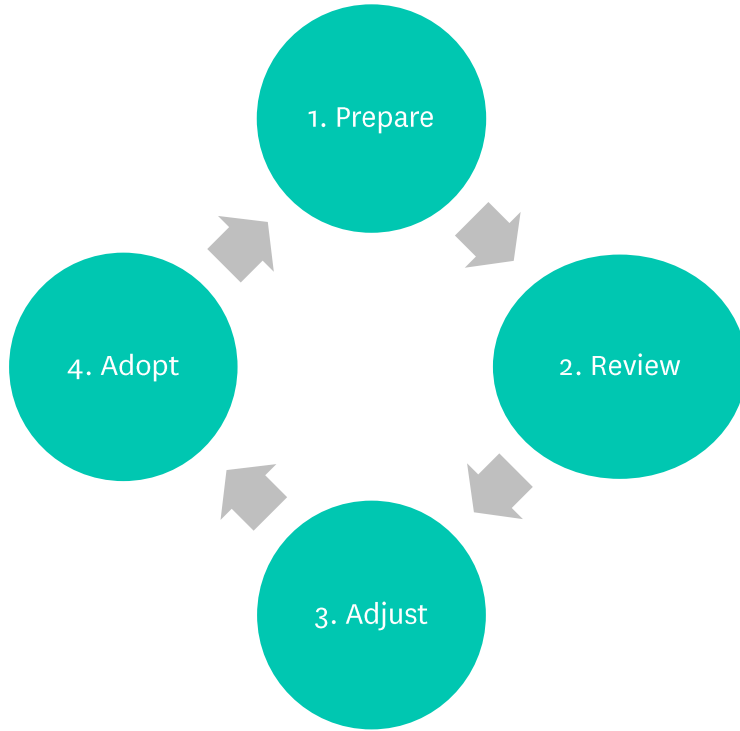
- Budget Cycle and Process
- Review Uncertainties
- Overview of General Fund Revenues & Expenditures
- Possible Levers
- Next Steps and Budget Calendar

Budget Basics, Cycle, and Process

Budget Basics

- A fiscal year is a twelve-month period used for budgeting, forecasting, and reporting. The City's fiscal year is October 1- September 30
- The General Fund is the primary operating fund to pay for basic City services, programs, and the daily operations of the City
- Enterprise funds like Building Code Enforcement, Regional Transit System, Solid Waste Collection and Stormwater Management charge fees for services to the external rate payers
- Internal Service funds like Employee's Health and Accidental Benefits, Fleet Management & Replacement and General Insurance are billed to and reimbursed by departments that use their services

Budget Cycle



Budget Process



General Fund Uncertainties

FY23 General Fund Uncertainties

Still early in the budget process – remaining to be finalized:

- Property Tax Revenue: On June 1, Alachua County Property Appraiser's Office will release preliminary taxable values for the 2022 tax year
- County and Municipality revenue estimates will not be available until July
- Fuel
- Inflation
- Employee Market
- Infrastructure needs
- Commission Increments

FY23 Overview of Revenues & Expenditures

FY23 Revenues & Expenditures Approved Plan

- General Fund Approved Plan started with a surplus of \$1,011,132

GENERAL FUND SUMMARY

	FY2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Approved Plan	\$ Change	% Change
Revenues	137,821,522	145,312,788	145,957,448	644,660	0.4%
Expenditures	137,821,522	144,948,694	144,946,316	(2,378)	0.0%
Projected Surplus / (Deficit)	0	364,094	1,011,132		

General Fund FY23 Approved Plan Baseline

Revenues

Revenue Source	Assumptions	Increase/(decrease)
Property Tax	2.5% increase	\$1,073,473
Local Option Gas Tax	2.0% increase	\$4,759
Utility Tax	3.0% increase	\$467,275
Business Tax	1.0% increase	\$8,978
Fire Assessment	1.0% increase	\$92,928
State Revenue Sharing	2.0% increase	\$92,568
Half Cent Sales Tax	1.0% increase	\$87,098
Other Intergovernmental	1.0% increase	\$31,007
Fee For Services	5.5% increase	\$854,181
Communication Service Tax	2.0% decrease	(\$72,556)
General Fund Transfer	5.5% decrease	(\$2,000,000)

FY23 General Fund Approved Plan Baseline Expenditures

Expenditure	Assumptions	Increase/(decrease)
Salary & Benefits	2.0% Health Insurance 2.5% Salary Adjustments	\$3,727,137
Debt	2.9% increase adjusting to debt schedule	\$392,251
Operations/Capital	8.1% decrease mostly for FY22 one time increments \$2,231,851 Capital \$750,000 Vision Zero \$250,000 Street Light Study \$215,000 Document Management \$100,000 Public Comment Services \$35,720 GPD Server Upgrade \$7,430 Audit Software \$239,932 Safer Grant Transfer	(\$4,121,765)

FY23 Adjusted Revenues & Expenditures Overview

- General Fund Adjusted Baseline deficit (\$369,983)

GENERAL FUND SUMMARY

	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Approved Plan	FY 2023 Adjusted Baseline	\$ Change	% Change
Revenues	137,821,522	145,312,788	145,957,448	145,931,948	(25,500)	0.0%
Expenditures	137,821,522	144,948,694	144,946,316	146,301,931	1,355,615	0.9%
Projected Surplus / (Deficit)		364,094	1,011,132	(369,983)		

General Fund FY23 **Adjusted** Revenue Baseline

Revenue Source	Revised Assumption	Increase/(decrease)
State Revenue Sharing-Sales Tax and Motor Fuel-	FY22 actuals grown at 2%	\$596,349
Half Cent Sales Tax	FY22 actuals grown at 2%	\$625,838
Mobile Home Licenses	FY22 actuals grown at 2%	\$7,138
Transfers	Correct to Debt Schedule	\$19,976
Miscellaneous Revenues	FY22 actuals- rental & interest adjustments	\$149,430
Hazmat Gross Receipts	FY21/22 actuals	(\$39,789)
Utility Tax	FY22 actuals & GRU rate increases	(\$74,577)
Other Charges for Services	FY22 actuals – contract adjustments	(\$507,271)
Indirect Services	Cost Allocation Plan with payroll adjustments	(\$802,589)

FY23 General Fund **Adjusted** Baseline Expenditures

Expenditure	Revised Assumption	Increase/(decrease)
Salary & Benefits	Health Insurance, Pension, Salary Adjustments & New Positions	\$905,306
Operations	Fuel Increased \$381,677, increased operating adjustments \$242,887 and Fleet Fixed & Variable was reduced by (\$230,629)	\$393,935
Debt	Adjusted to debt schedule	\$56,373

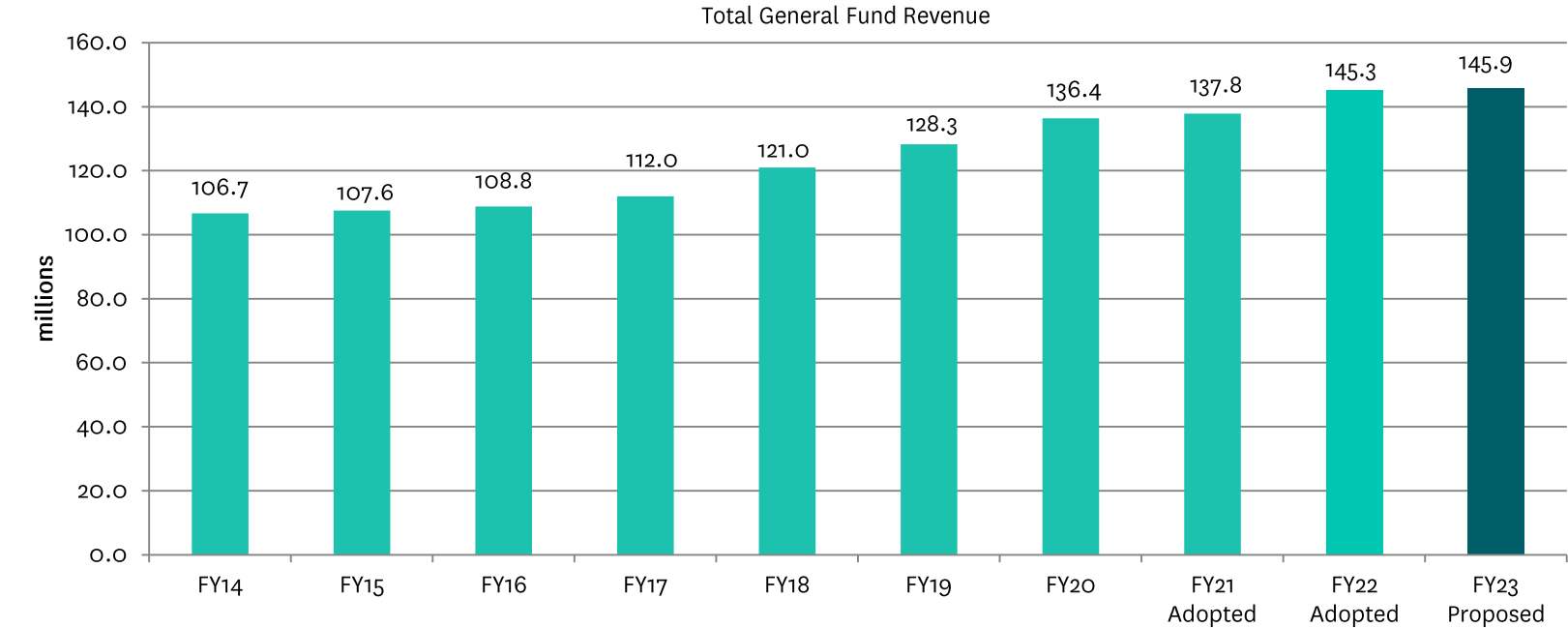
FY23 Revenues

General Fund Revenues by Major Revenue Category

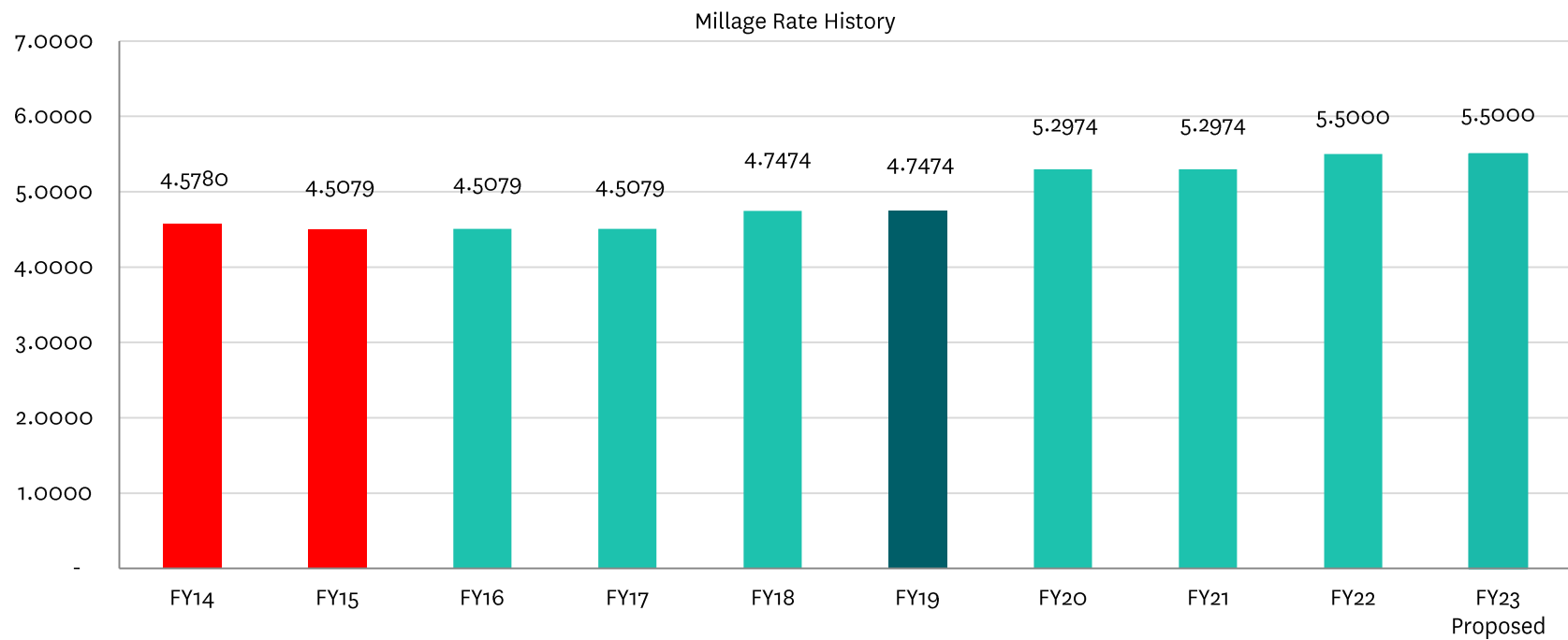
GENERAL FUND

Revenues	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Approved Plan	FY 2023 Adjusted Baseline	\$ Change	% Change
Property Taxes	38,619,660	42,938,957	44,012,431	44,012,431	0	0.0%
Other Taxes	20,282,963	20,122,515	20,530,971	20,416,605	(114,366)	-0.6%
Licenses and Permits	9,159,715	10,868,497	10,964,393	10,716,129	(248,264)	-2.3%
Intergovernmental	13,125,717	16,438,909	16,649,583	16,600,897	(48,686)	-0.3%
Charges For Services	14,236,612	15,671,993	16,526,172	15,369,350	(1,156,822)	-7.0%
Fines and Forfeitures	888,340	903,184	903,184	903,184	0	0.0%
Miscellaneous Revenues	1,293,358	1,202,990	1,202,990	2,725,652	1,522,662	126.6%
Transfers In	1,930,144	882,743	884,725	904,701	19,976	2.3%
General Fund Transfer	38,285,013	36,283,000	34,283,000	34,283,000	0	0.0%
TOTAL REVENUES	137,821,522	145,312,788	145,957,449	145,931,948	(25,501)	0.0%

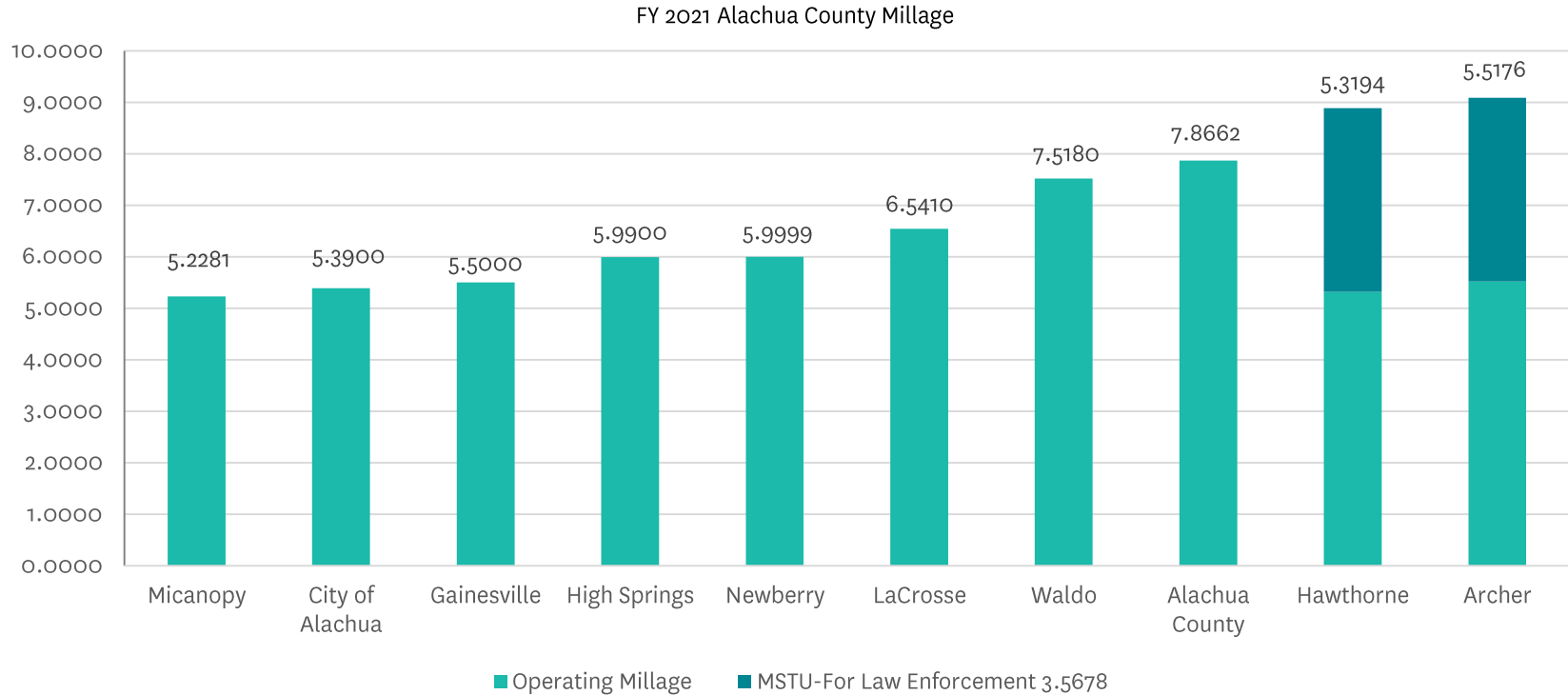
General Fund Revenue



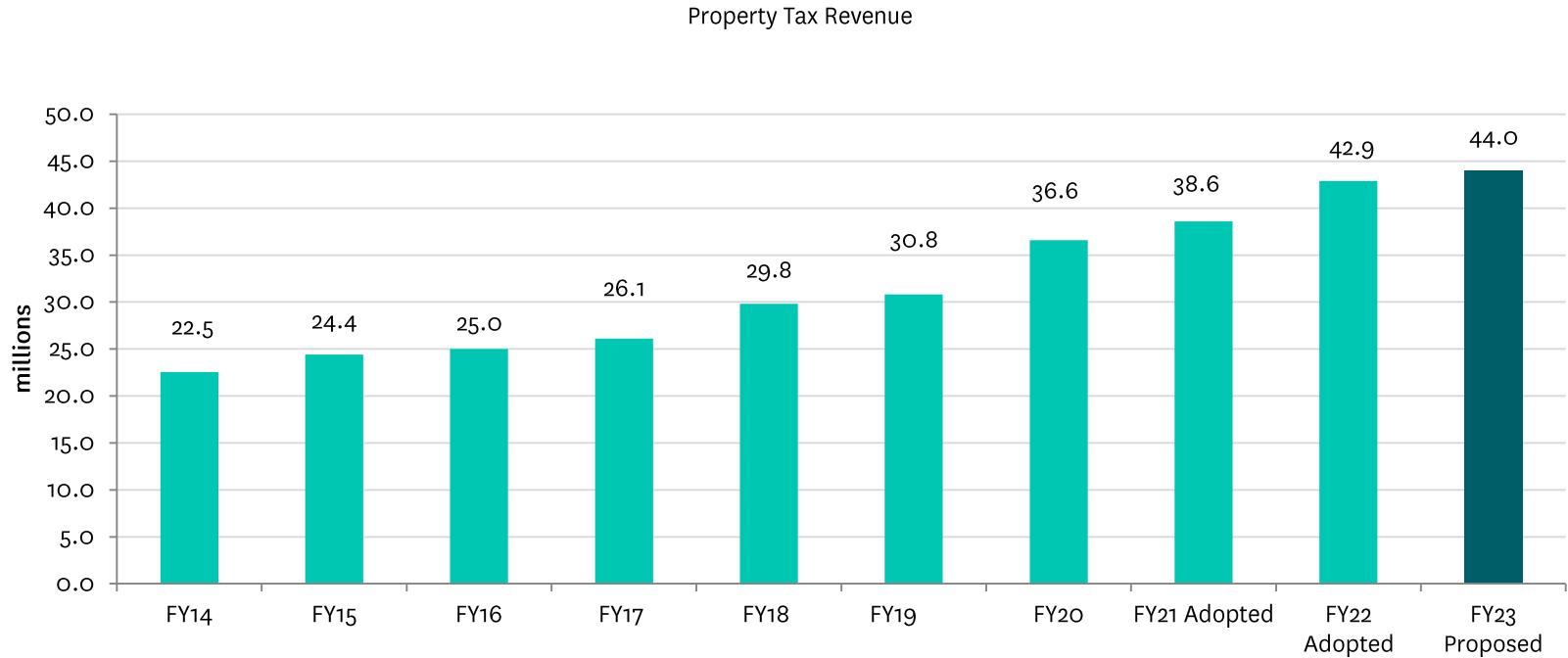
Gainesville Millage Rate History



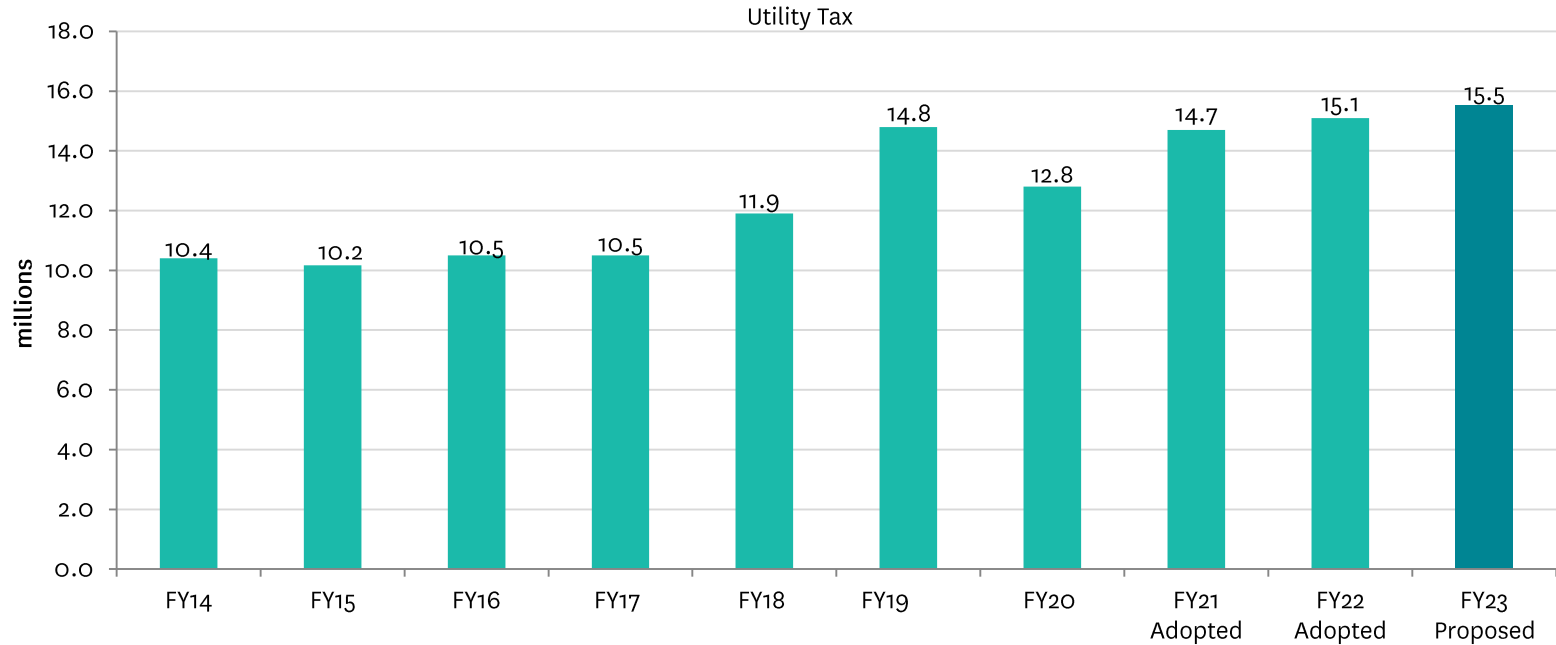
FY 2021 Final Millage for Alachua County



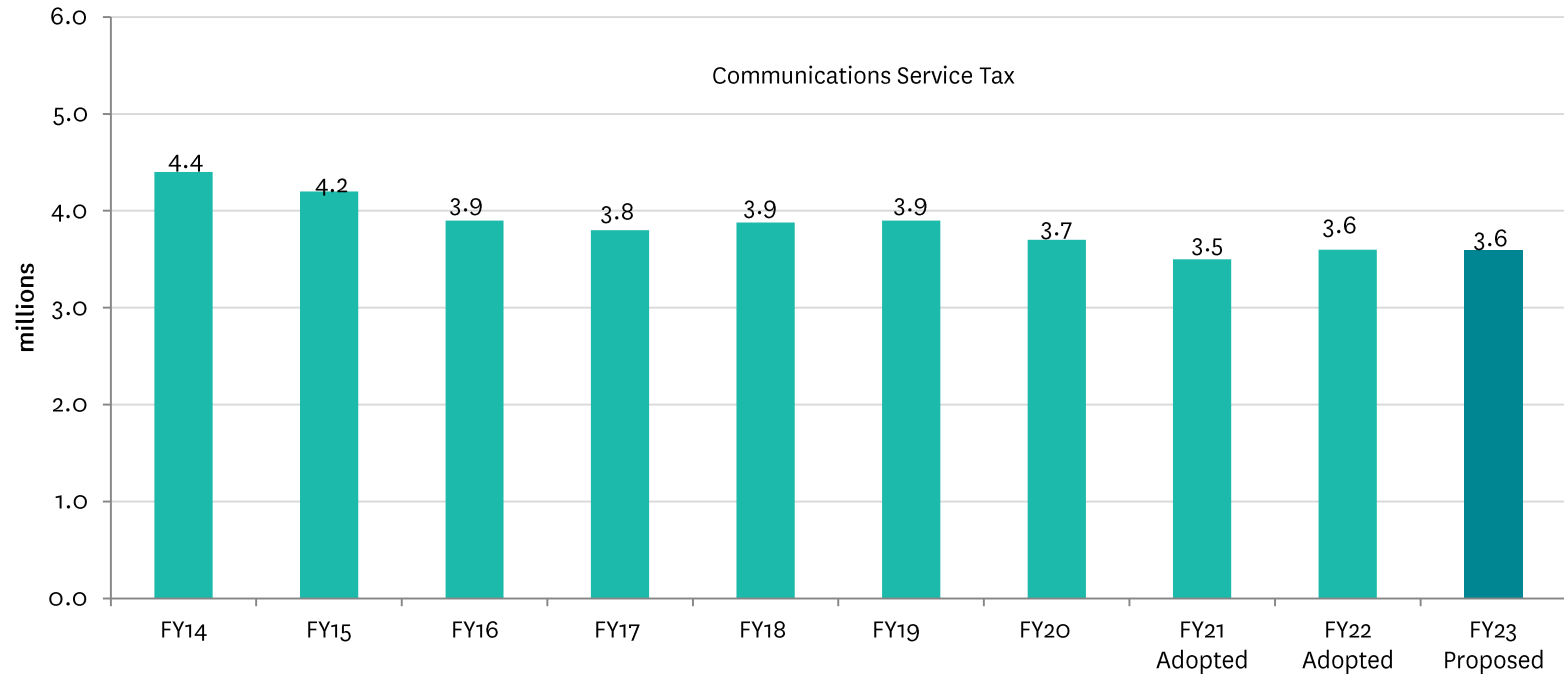
Property Tax Revenue



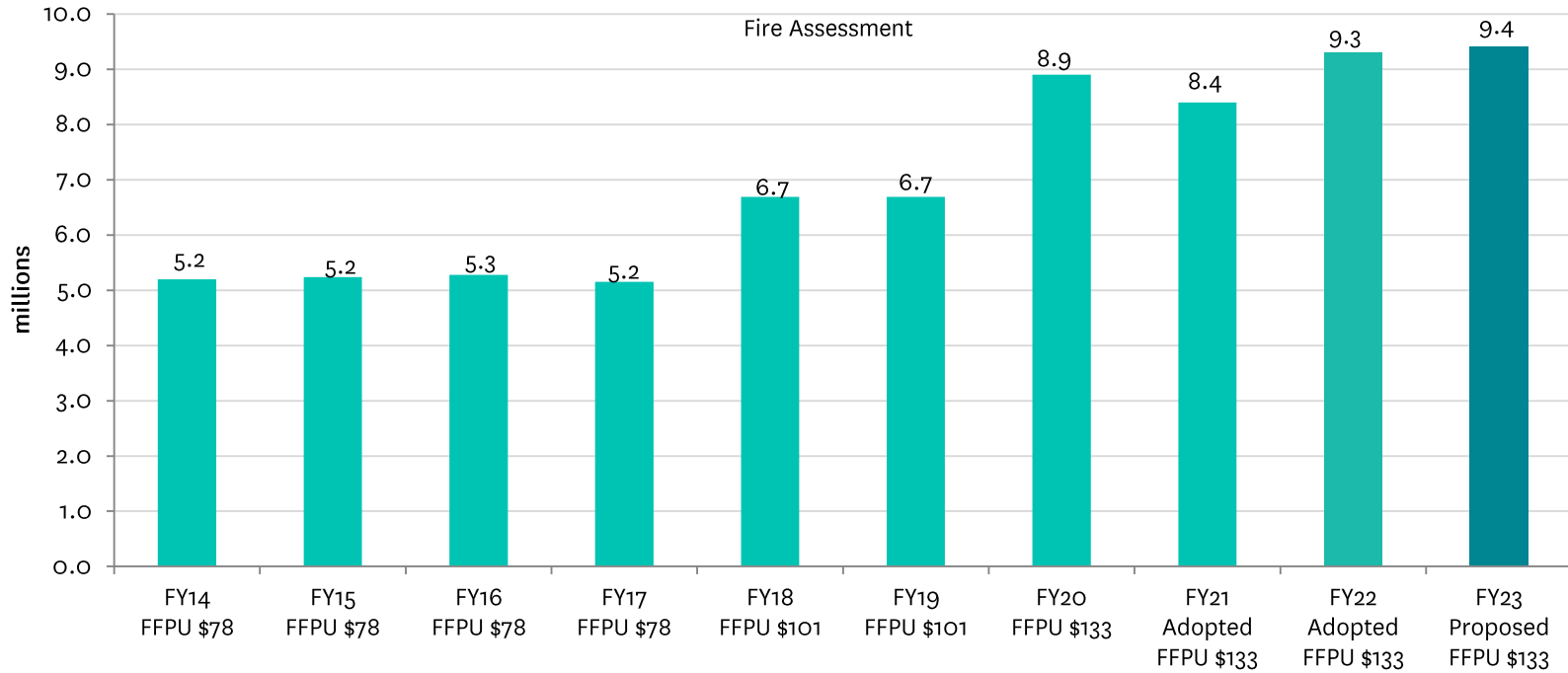
Utility Tax



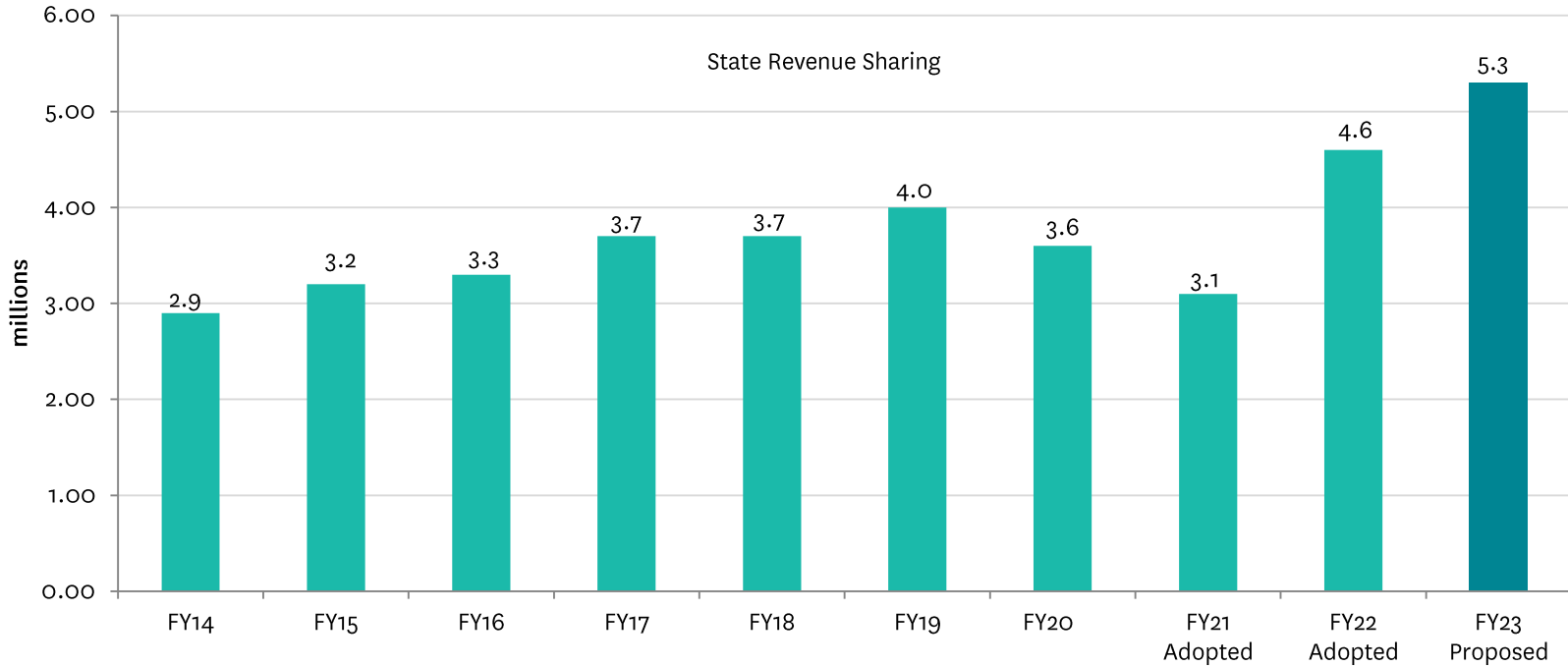
Communications Service Tax



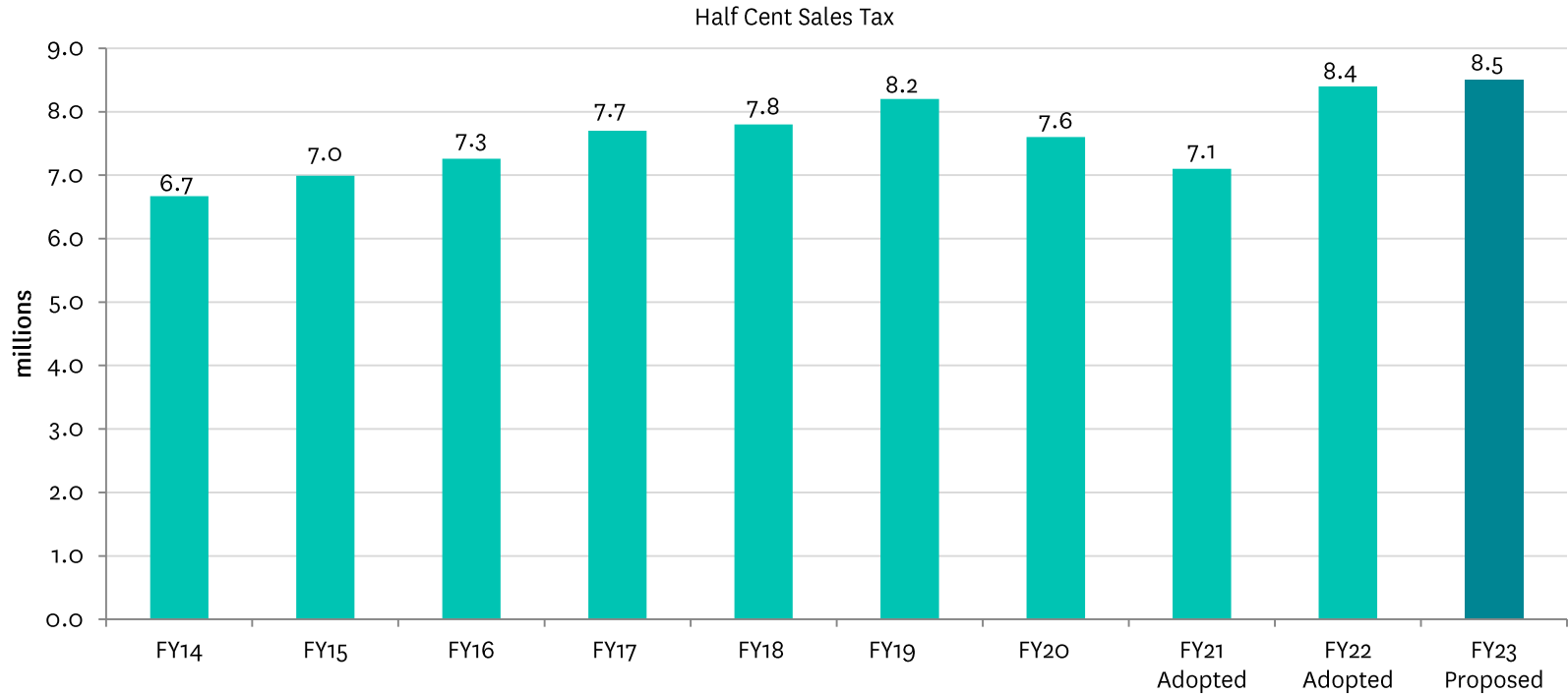
Fire Assessment



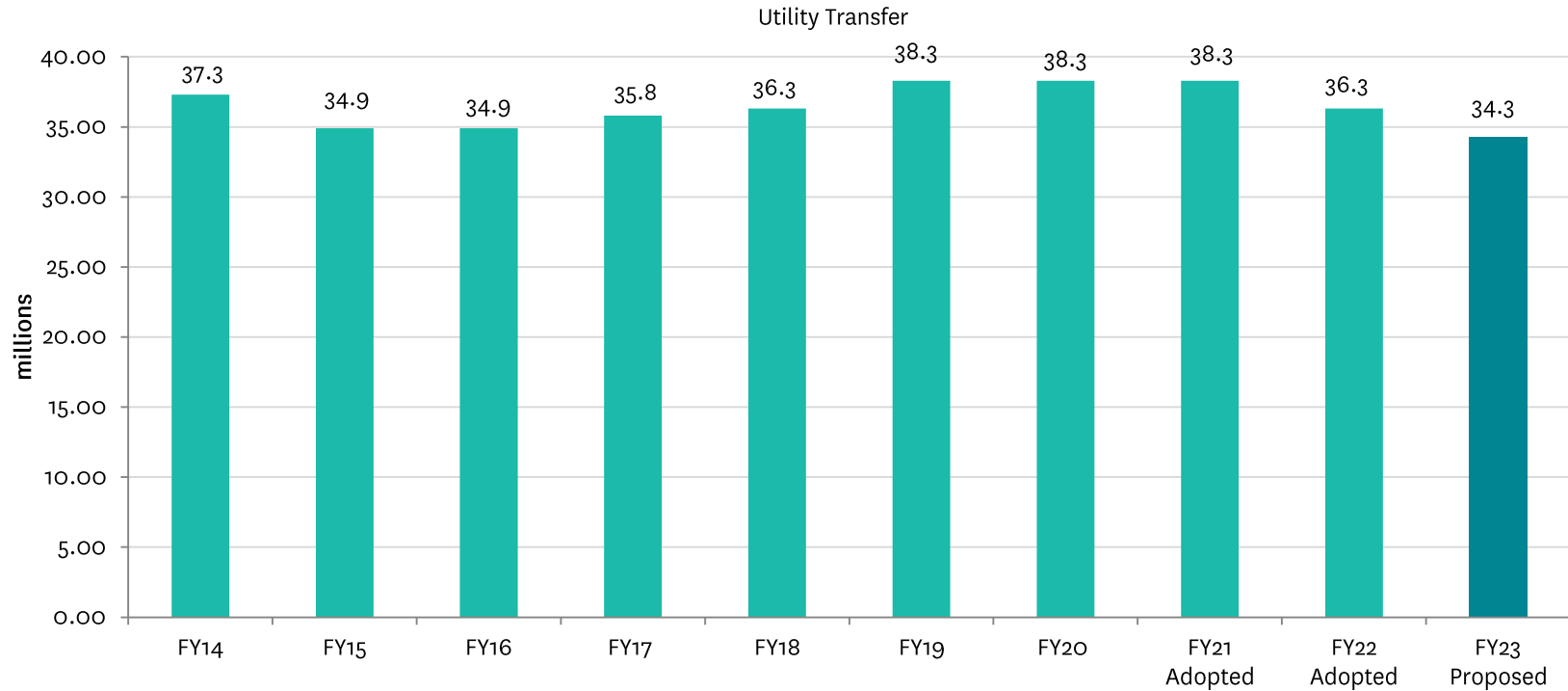
State Revenue Sharing



Half Cent Sales Tax



Utility Transfer



Core Services Expenditure Adjustments

FY23 Core Service Expenditure Adjustments

- General Fund Adjusted deficit (\$1,715,841)

GENERAL FUND SUMMARY

	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Approved Plan	FY 2023 Adjusted Baseline	\$ Change	% Change
Revenues	137,821,522	145,312,788	145,957,448	145,931,948	(25,500)	0.0%
Expenditures	137,821,522	144,948,694	144,946,316	147,647,789	2,701,473	1.9%
Projected Surplus / (Deficit)		364,094	1,011,132	(1,715,841)		

Still reviewing Police Core Services, adjustments are not yet reflected in the above numbers

FY23 Core Service Expenditure Adjustments

Department	Baseline Changes	Recurring or One-time	FY 2023 Request	FTE	
				Full-time	Part-time
City Manager	Tuition Reimbursement	Recurring	\$19,110		
City Manager	Non-Capital Equipment	Recurring	\$3,500		
Communications	Special Events operating	Recurring	\$1,140		
Communications	Special Events FTE (equipment)	One-Time	\$100		
Communications	Sponsorships	Recurring	\$7,000		
Financial Services	Increase in Spend Categories for Daily Operations (2,900 to enhance functionality in Crowe, 1k NCMA dues, 2,500 for contract management training)	Recurring	\$8,900		
Financial Services	New Account Clerk II Position (Accounts Payable)(FTE/Dues Memberships and Publications/Travel - Training and Conferences)	Recurring	\$52,928	1.00	
Financial Services	New Account Clerk II Position (Accounts Payable)(Equipment Non-Capital)	One-time	\$2,500		
Financial Services	New Account Clerk II Position (Billing & Collections)(FTE/Dues Memberships and Publications/Travel - Training and Conferences)	Recurring	\$52,928	1.00	
Financial Services	New Account Clerk II Position (Billing & Collections)(Equipment Non-Capital)	One-time	\$2,500		
Financial Services	New Account Clerk II Position (Payroll)(FTE/Dues Memberships and Publications/Travel - Training and Conferences)	Recurring	\$52,928	1.00	
Financial Services	New Account Clerk II Position (Payroll)(Equipment Non-Capital)	One-time	\$2,500		

FY23 Core Service Expenditure Adjustments

Department	Increment	Recurring or One-time	FY 2023 Request	FTE	
				Full-time	Part-time
Financial Services	New Accountant Senior Position (Accounting)(FTE/Dues Memberships and Publications/Travel - Training and Conferences)	Recurring	\$79,759	1.00	
Financial Services	New Accountant Senior Position (Accounting)(Equipment Non-Capital)	One-time	\$2,500		
Financial Services	New Accountant Senior Position for Grants (Accounting)(FTE/Dues Memberships and Publications/Travel - Training and Conferences)	Recurring	\$79,759	1.00	
Financial Services	New Accountant Senior Position for Grants (Accounting) (Equipment Non-Capital)	One-time	\$2,500		
Financial Services	New Analyst Senior Position (Administration)(FTE/Dues Memberships and Publications/Travel - Training and Conferences)	Recurring	\$79,759	1.00	
Financial Services	New Analyst Senior Position (Administration)(Equipment Non-Capital)	One-time	\$2,500		
Financial Services	Contingencies for Operating (Administration)(Contractual Services)	One-time	\$75,000		
Financial Services	Annual Contract for BizHub/Copier	Recurring	\$1,800		
Financial Services	New Procurement Specialist III Position (Procurement)	Recurring	\$79,859	1.00	

FY23 Core Service Expenditure Adjustments

Department	Increment	Recurring or One-time	FY 2023 Request	FTE	
				Full-time	Part-time
Fire Rescue	Healthcall Service Agreement	Recurring	\$25,640		
Fire Rescue	GRU Ethernet Contract Increase	Recurring	\$18,180		
Fire Rescue	Special Assignment Pay DC Training	Recurring	\$5,037		
Fire Rescue	Special Assignment Pay DC Emergency Management	Recurring	\$5,036		
Parks Recreation & Cultural Affairs	Boulware Springs Facility annual O&M costs (transferring from GRU)	Recurring	\$30,000		
Parks Recreation & Cultural Affairs	Recreation Leader for Sweetwater Wetlands Park	Recurring	\$56,760	1.00	
Parks Recreation & Cultural Affairs	Park Maintenance Worker II for Sweetwater Wetlands Park (equipment)	One-Time	\$16,100		
Parks Recreation & Cultural Affairs	Park Maintenance Worker II for Sweetwater Wetlands Park (FTE & operating)	Recurring	\$44,420	1.00	
Public Works	Transfer of lighting assets from GG (PW) to GRU; (2) GRU public lighting rental rate increase from FY22 to FY23	Recurring	\$735,000		
Strategy, Planning & Innovation	Workday additional implementation costs	One-time	\$110,000		
Strategy, Planning & Innovation	Cost for Florida Lambda Rail Use	Recurring	\$7,000		
Sustainable Development	Rental Housing Inspection Contract	Recurring	-\$687,000		
Sustainable Development	Rental Housing Inspection Program (FTE/Uniforms/Professional Services/Telephone)	Recurring	\$266,911	5.00	
Transportation and Mobility	Request for FTE - Geographic Information Systems Specialist (FTE)	Recurring	\$70,793	1.00	
Transportation and Mobility	Request for FTE - Geographic Information Systems Specialist (Non-Capital Equipment and Materials & Supplies)	One-Time	\$2,000		
Transportation and Mobility	Request for FTE - Program Coordinator for Micromobility (FTE)	Recurring	\$30,511		0.50
		Total	\$1,345,858	15.00	0.50

FY23 Core Service Expenditure Adjustments

Recurring	One-Time
\$1,127,658	\$218,200

FY23 Expenditures

General Fund Expenditures by Major Expense Category

GENERAL FUND

Expenditures by Major Category	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Approved Plan	FY 2023 Adjusted Baseline	\$ Change	% Change
Personnel Services	82,304,989	80,462,741	84,189,878	86,040,617	1,850,739	2.2%
Operating Expenses	44,916,981	48,628,865	46,970,084	47,764,446	794,362	1.7%
Capital Outlay	10,000	1,996,439	0	0	0	N/A
Debt Service	10,323,562	13,394,104	13,786,355	13,842,728	56,373	0.4%
Non-Operating	245,101	466,545	0	0	0	N/A
Transfer to Fund Balance	20,889	364,094	1,011,132	0	(1,011,132)	N/A
TOTAL EXPENDITURES	137,821,522	145,312,788	145,957,448	147,647,789	1,690,343	1.2%

General Fund Expenditures by Department

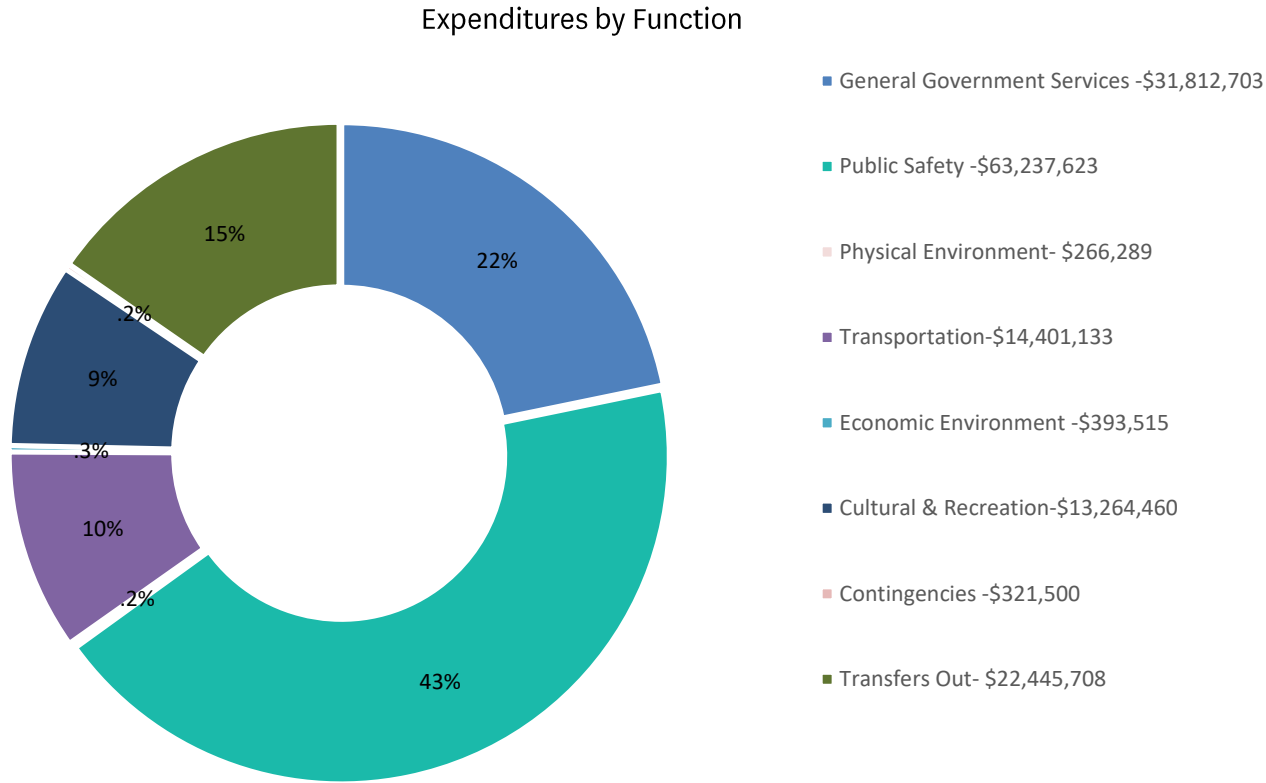
GENERAL FUND						
Expenditures by Department	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Approved Plan	FY 2023 Adjusted Baseline	\$ Change	% Change
Capital Asset Planning & Economic Resilience*	401,782	374,960	384,343	0	(384,343)	-100.0%
City Attorney	1,639,099	1,588,208	1,631,855	1,599,274	(32,581)	-2.0%
City Auditor	929,673	910,212	925,304	932,781	7,477	0.8%
City Clerk	1,437,410	1,409,084	1,433,550	1,520,449	86,899	6.1%
City Commission	470,530	488,608	503,538	475,253	(28,285)	-5.6%
City Manager	1,430,966	1,337,550	1,368,522	1,994,767	626,245	45.8%
Communications Center*	4,046,565	4,320,366	4,449,977	0	(4,449,977)	-100.0%
Communications & Engagement	1,066,439	1,221,660	1,246,632	1,127,547	(119,085)	-9.6%
Equity & Inclusion	1,408,154	1,525,822	1,552,513	1,624,929	72,416	4.7%
Facilities Management*	3,281,309	0	0	0	0	N/A
Financial Services*	3,706,241	3,587,054	3,656,258	4,028,381	372,123	10.2%
Fire Rescue	20,189,011	20,162,544	21,095,112	20,953,055	(142,057)	-0.7%
Housing and Community Development	311,718	473,609	485,002	368,897	(116,105)	-23.9%
Human Resources	2,796,803	2,576,125	2,636,331	2,587,556	(48,775)	-1.9%
Parks, Recreation & Cultural Affairs	13,151,940	13,232,693	13,768,547	13,963,177	194,630	1.4%
Police	36,552,548	36,086,906	36,992,586	37,015,469	22,883	0.1%
Public Works & Facilities Management*	9,848,935	15,708,814	13,741,991	15,569,003	1,827,012	13.3%
Risk Management	7,933	228,562	228,752	228,847	95	0.0%
Strategy, Planning & Innovation*	1,253,888	1,526,837	1,551,604	5,839,010	4,287,406	276.3%
Sustainable Development	3,443,197	4,296,035	4,379,545	4,290,895	(88,650)	-2.0%
Technology & Innovation*	3,427,837	3,424,059	3,374,717	0	(3,374,717)	-100.0%
Transportation & Mobility, RTS, & Fleet	3,551,500	4,325,034	3,621,786	3,792,794	171,008	4.7%
Non-Departmental	23,447,154	26,143,953	25,917,852	29,735,706	3,817,854	14.7%
Transfer to Fund Balance	20,889	364,094	1,011,132	0	(1,011,132)	N/A
TOTAL EXPENDITURES	137,821,522	145,312,788	145,957,448	147,647,789	1,690,343	1.2%

*FY 2022 Reorg

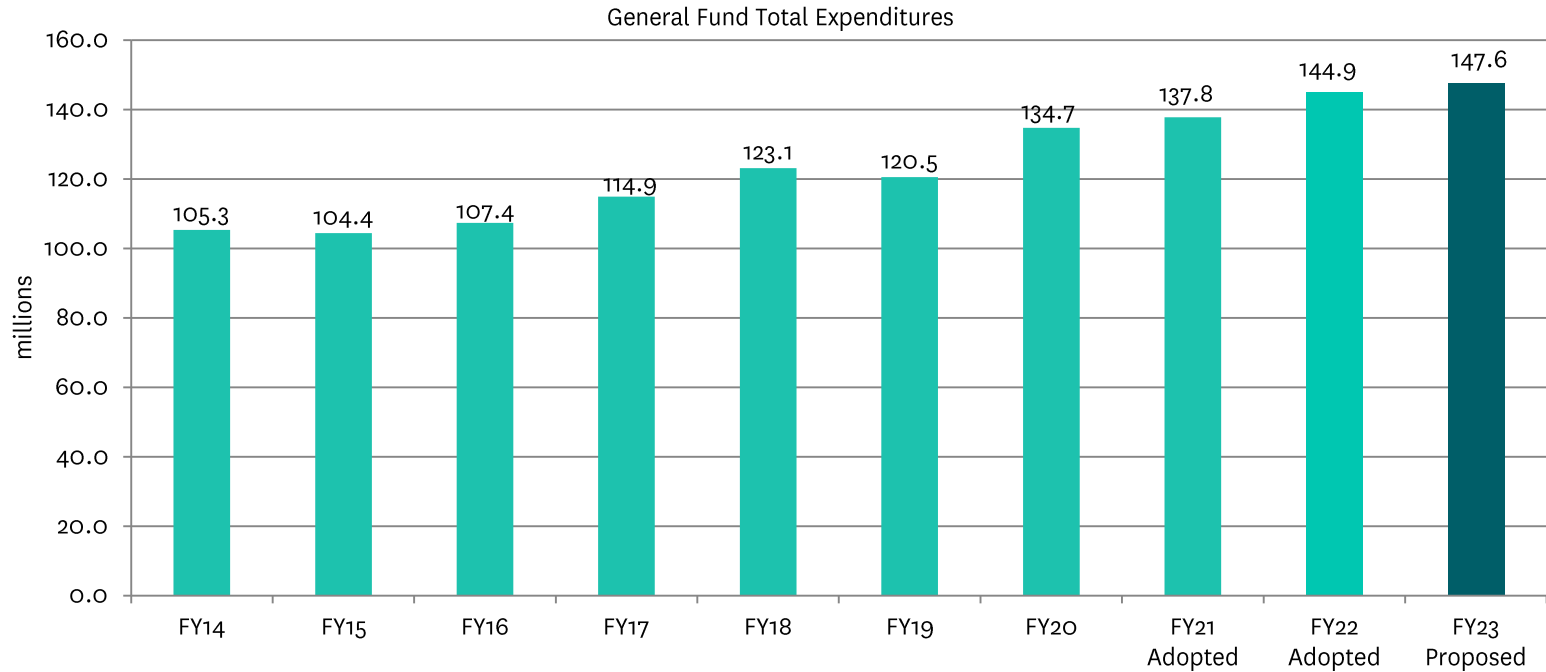
General Fund Expenditures by Function

GENERAL FUND						
Expenditures	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 2023 Proposed	FY 2023 Adjusted Baseline	\$ Change	% Change
General Government Services	24,483,510	27,481,138	25,875,617	33,013,082	7,137,465	27.58%
Public Safety	64,225,555	64,053,992	66,057,970	63,291,516	(2,766,454)	-4.19%
Physical Environment	7,200	7,200	7,200	266,289	259,089	3598.46%
Transportation	14,863,994	16,305,405	15,576,333	14,504,436	(1,071,897)	-6.88%
Economic Environment	808,061	935,637	958,912	393,515	(565,397)	-58.96%
Human Services	15,000	15,000	15,000	0	(15,000)	-100.00%
Cultural & Recreation	13,160,463	13,217,693	13,753,547	13,411,740	(341,807)	-2.49%
Contingencies	454,188	321,500	321,500	321,500	0	0.00%
Transfers Out	19,782,662	22,611,130	22,380,237	22,445,708	65,471	0.29%
Transfer to Fund Balance	20,889	364,094	1,011,132	0	(1,011,132)	-100.00%
TOTAL EXPENDITURES	137,821,522	145,312,788	145,957,448	147,647,789	1,690,343	1.2%

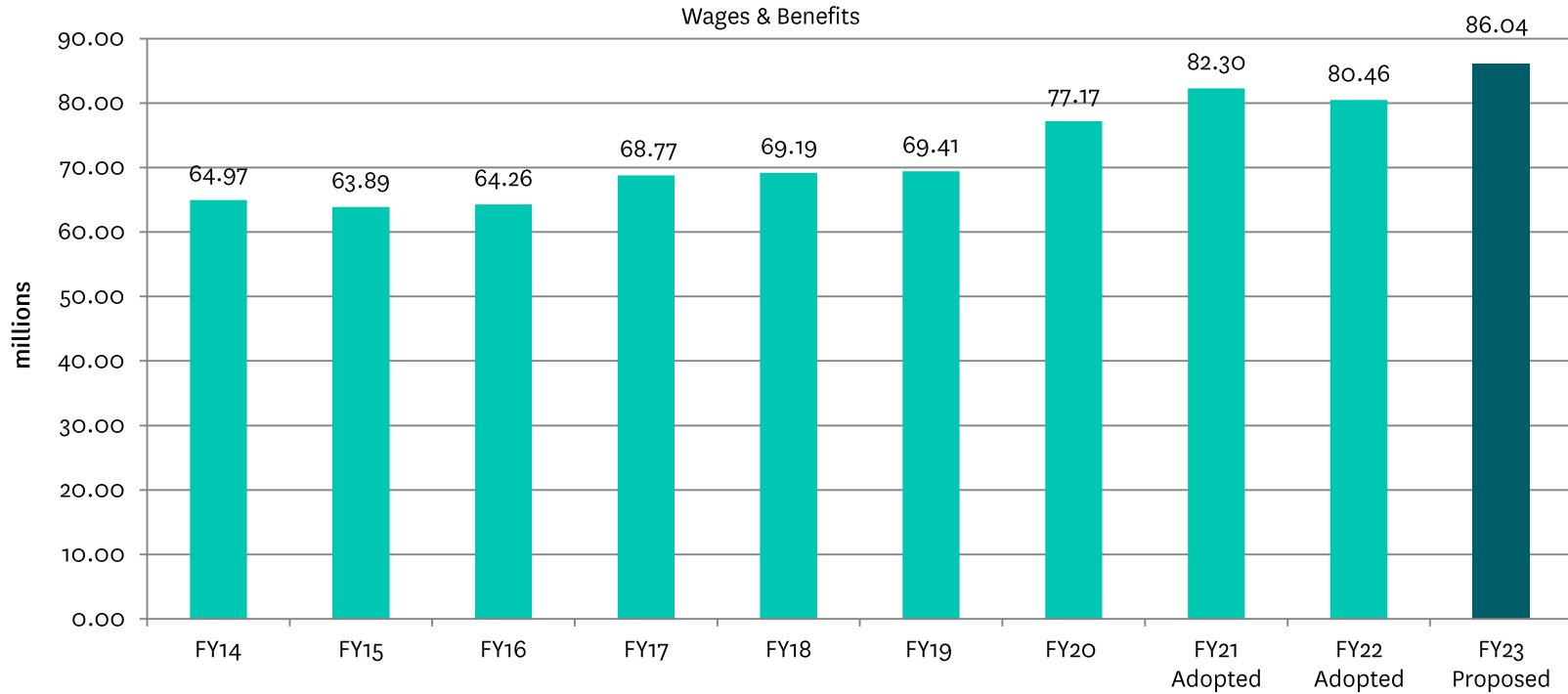
General Fund Expenditures by Function



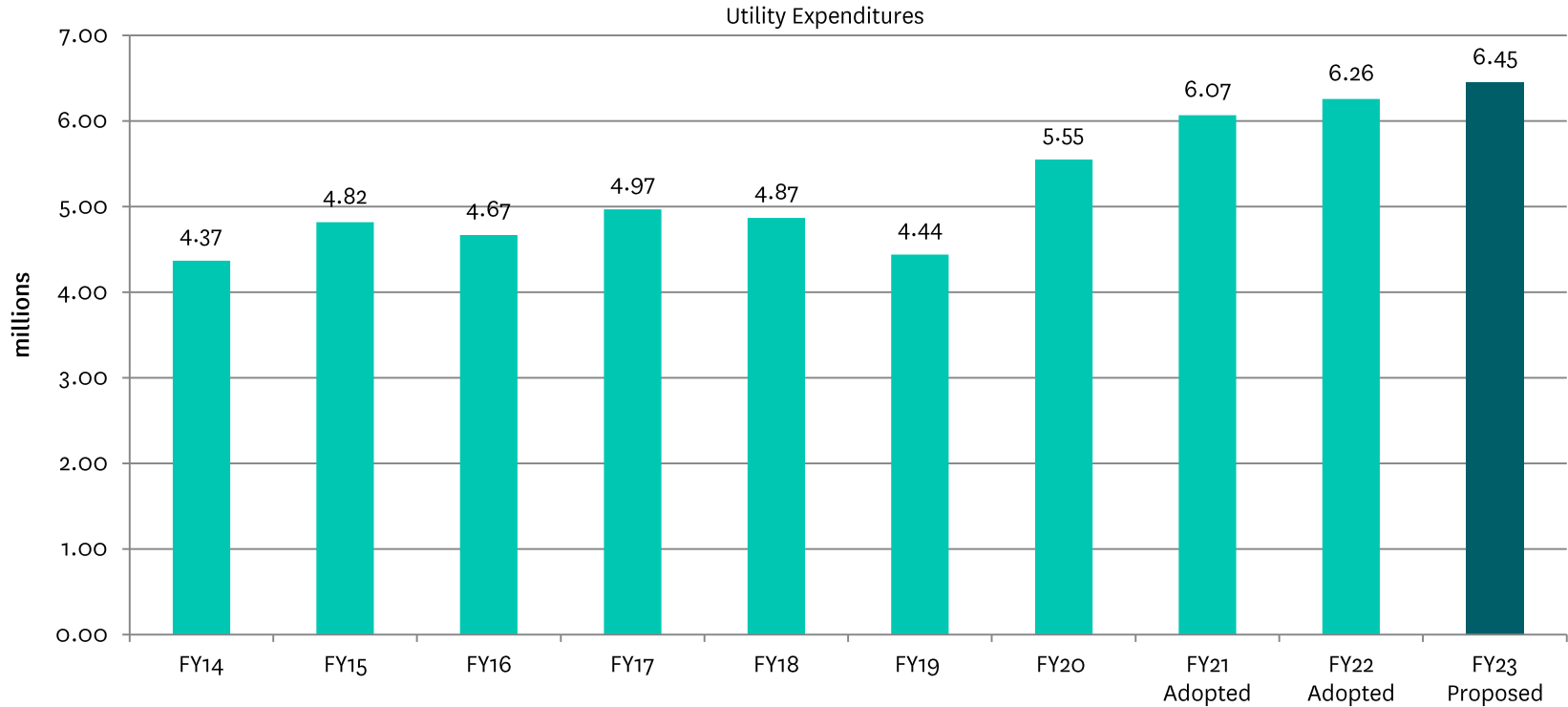
General Fund Total Expenditures



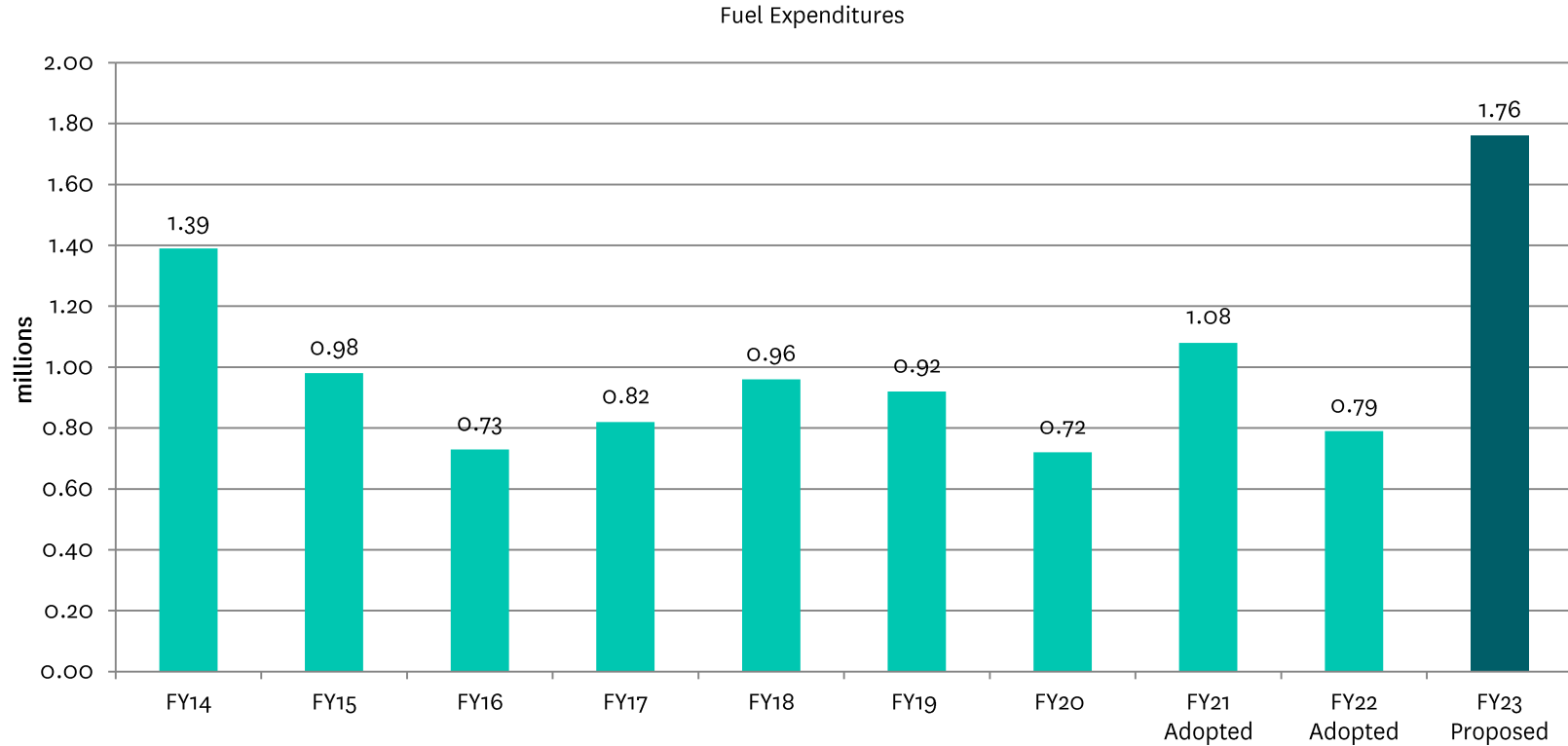
Wages & Benefits



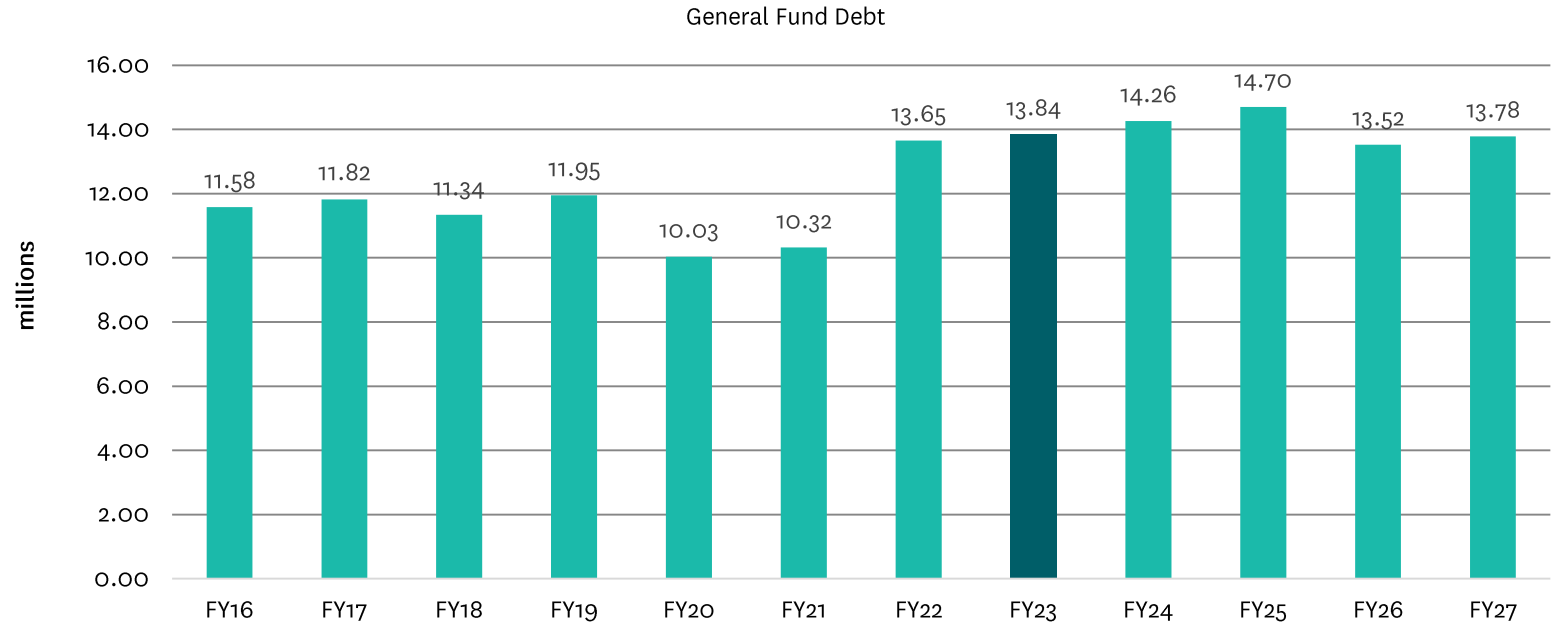
Utilities Expenditures



Fuel Expenditures



General Fund Debt Service



WSPP Step Down Expenditures

WSPP Expenditure Step Down into the General Fund

Project	O&M Expense	PRCA FY23 estimate	PRCA FY24 estimate	PRCA FY25 estimate	PRCA FY26 estimate	PRCA FY27 estimate
H. Spurgeon Cherry Pool - winterization	Winter gear for employees					
H. Spurgeon Cherry Pool - winterization	Winter staffing costs	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
Fred Cone Park - sports field improvements	Field maintenance	\$33,700	\$35,000	\$35,000	\$35,000	\$35,000
Hogtown Creek Headwaters Nature Center	Security system	\$252	\$503	\$503	\$503	\$503
Hogtown Creek Headwaters Nature Center	Nature center employees	\$14,582	\$29,163	\$60,076	\$61,878	\$63,735
Hogtown Creek Headwaters Nature Center	Utility expenses	\$1,500	\$3,000	\$3,000	\$3,000	\$3,000
Hogtown Creek Headwaters Nature Center	Internet connection	\$1,038	\$2,076	\$2,076	\$2,076	\$2,076
Oakview Park	Invasive plant treatment and monitoring	\$750				
Oakview Park	Utilities	\$1,200	\$2,400	\$2,400	\$2,400	\$2,400
Oakview Park	Restroom maintenance	\$1,950	\$3,900	\$3,900	\$3,900	\$3,900
Northside Park	Increase for Rental lights & utilities	\$18,000	\$36,000	\$36,000	\$36,000	\$36,000
Northside Park	Staff for rental equipment 3 .5 positions	\$26,694	\$53,389	\$109,980	\$113,280	\$116,678
Northside Park	Increased grounds maintenance	\$1,272	\$2,600	\$2,600	\$2,600	\$2,600

WSPP Expenditure Step Down into the General Fund

Project	O&M Expense	PRCA FY23 estimate	PRCA FY24 estimate	PRCA FY25 estimate	PRCA FY26 estimate	PRCA FY27 estimate
Springtree Park - parking access	Agreement for access and parking	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Springtree Park - improvements	Additional work due to improvements	\$6,365	\$13,113	\$13,506	\$13,911	\$14,329
Reserve and JJ Finley Parks	Park Maintenance Worker	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598
Reserve Park	Utilities	\$1,500	\$3,000	\$3,000	\$3,000	\$3,000
Clarence R. Kelly Center	Half time Grounds & Events Worker	\$10,516	\$21,032	\$43,326	\$44,626	\$45,965
Clarence R. Kelly Center	Increased utilities	\$2,000	\$4,000	\$8,000	\$8,000	\$8,000
Clarence R. Kelly Center - expanded services	Additional staff to run programs					
Unity Park	Utilities	\$900	\$1,800	\$3,600	\$3,600	\$3,600
Unity Park Restroom - est. completion fall, 2022	Increased util & cleaning		\$1,875	\$3,750	\$7,500	\$7,500
Sweetwater Wetlands Park - Electric vehicles - est. completion spring, 2022	O&M for vehicles and replacement costs, util costs		\$3,250	\$6,500	\$13,000	\$13,000
Albert "Ray" Massey Park - Playground - est. completion spring, 2023	Utilities, cleaning			\$1,875	\$3,750	\$7,500

WSPP Expenditure Step Down into the General Fund

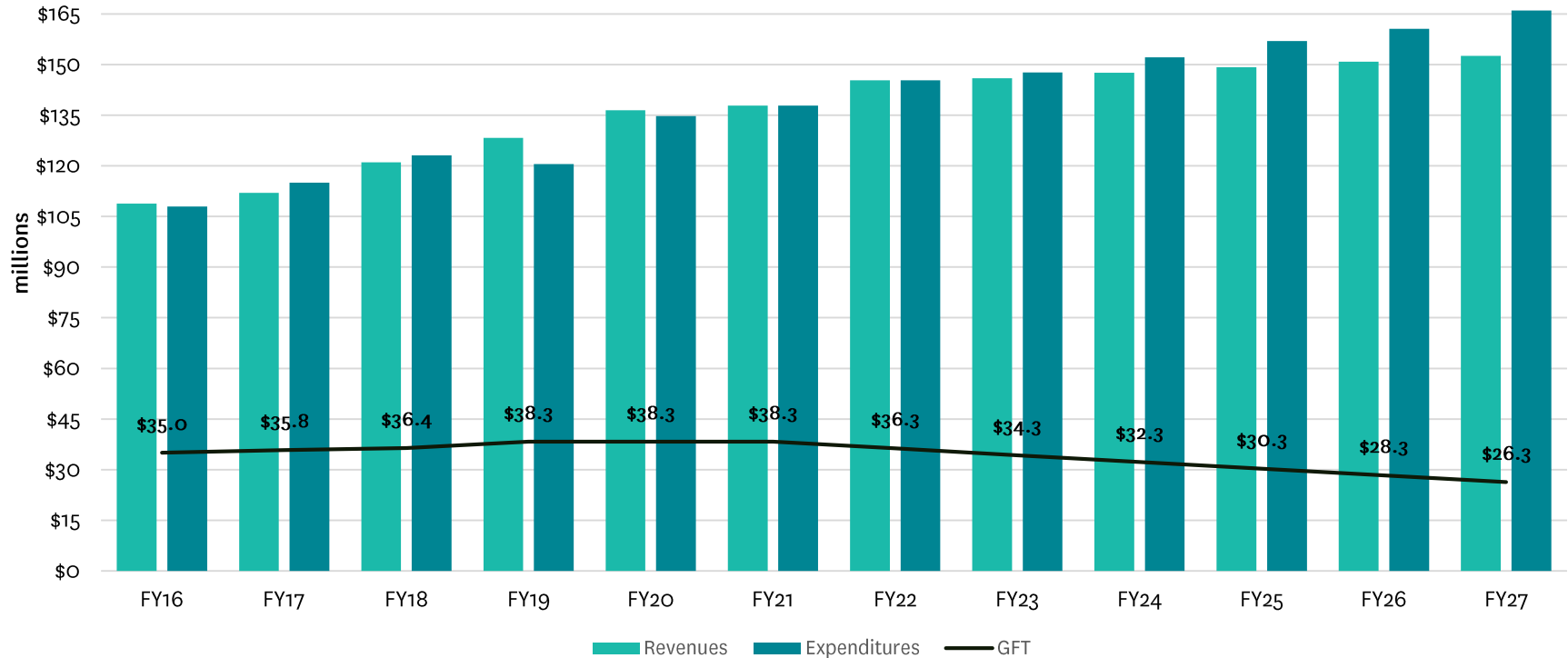
Project	O&M Expense	PRCA FY23 estimate	PRCA FY24 estimate	PRCA FY25 estimate	PRCA FY26 estimate	PRCA FY27 estimate
Forest Park Improvements - est. completion fall, 2023	Turf contractor, utilities			\$30,000	\$60,000	\$120,000
Trail from SE Williston Road to Depot Park - est. completion summer, 2023	Mowing, trash pickup			\$7,500	\$15,000	\$30,000
NE 31st Avenue Trail from NE 15th Street to NE Waldo Road - - est. completion spring, 2023	Mowing, trash pickup			\$7,500	\$15,000	\$30,000
Duval Park - Parking lot, trail and playground - est. completion early 2023	Trash pickup			\$2,500	\$5,000	\$10,000
Boulevard Springs Historic Water Works Improvements - est. completion fall, 2023	Mowing, trash pickup, cleaning, staffing for programming, utilities, supplies, etc.			\$25,000	\$50,000	\$100,000
Thelma A. Boltin Center Improvements - est. completion late 2023	Programming, utilities, cleaning			\$15,000	\$30,000	\$60,000
Festival and Arts Park - est. completion late 2024	Mowing, trash pickup, cleaning, staffing for programming, utilities, supplies, etc.				\$50,000	\$100,000

WSPP Expenditure Step Down into the General Fund

Project	O&M Expense	PRCA FY23 estimate	PRCA FY24 estimate	PRCA FY25 estimate	PRCA FY26 estimate	PRCA FY27 estimate
Morningside Nature Center Improvements - est. completion 2025	Programming, utilities, cleaning				\$25,000	\$50,000
Cofrin Nature Park - Complete Park and Construct New Nature Center - est. completion 2025	Nature Center Employees, utility expenses, cleaning, materials				\$20,000	\$40,000
NE 8th Avenue and Waldo Road - est. completion 2025	Programming, utilities, cleaning				\$50,000	\$100,000
Total		\$271,289	\$369,553	\$584,559	\$840,640	\$1,176,189

Estimate not included in FY2023 Revised Baseline

General Fund Projected Trend in Revenues & Expenditures



FY23 General Fund Uncertainties

Still early in the budget process – remaining to be finalized:

- Property Tax Revenue: On June 1, Alachua County Property Appraiser's Office will release preliminary taxable values for the 2022 tax year
- County and Municipality revenue estimates will not be available until July
- Fuel
- Inflation
- Employee Market
- Infrastructure needs
- Commission Increments

Possible Levers

- ARPA Revenue Loss Replacement
- Fuel Hedging Funds
- Use of Fund Balance
- Reduce Baseline Core Service Increases
- Request Decrements

Next Steps & Budget Calendar

FY 2023 Budget Calendar

July 14 th	Update of Budget Position, Set preliminary Fire Assessment Rate and proposed Tentative Millage Rate by resolution
August 10 th	Continued Discussion of General Government Budget
September 9 th	<ol style="list-style-type: none">1. Adopt ordinances on 1st reading related to Fee or Rate changes (if any)2. Adopt Final Fire Assessment Rate by resolution3. Hold 1st Public Hearing to set tentative Millage Rate4. Adopt the tentative Budgets for fiscal year 2023 by resolution
September 22 nd	<ol style="list-style-type: none">1. Adopt ordinances on 2nd reading related to Fee or rate Changes (if any)2. 2nd Public Hearing to set the final Millage Rate3. Adopt the final Budgets for Fiscal Year 2023 by resolution

Questions?