

CITY

OF

GAINESVILLE



CITY

MANAGER'S

RECOMMENDED

BUDGET

MESSAGE

JULY 5, 2016



To:
**The City of Gainesville
Commission**
and the Citizens of Gainesville

From:

Anthony Lyons, City Manager, City of Gainesville, Florida

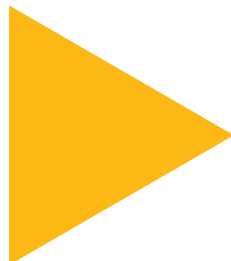
JULY 5, 2016

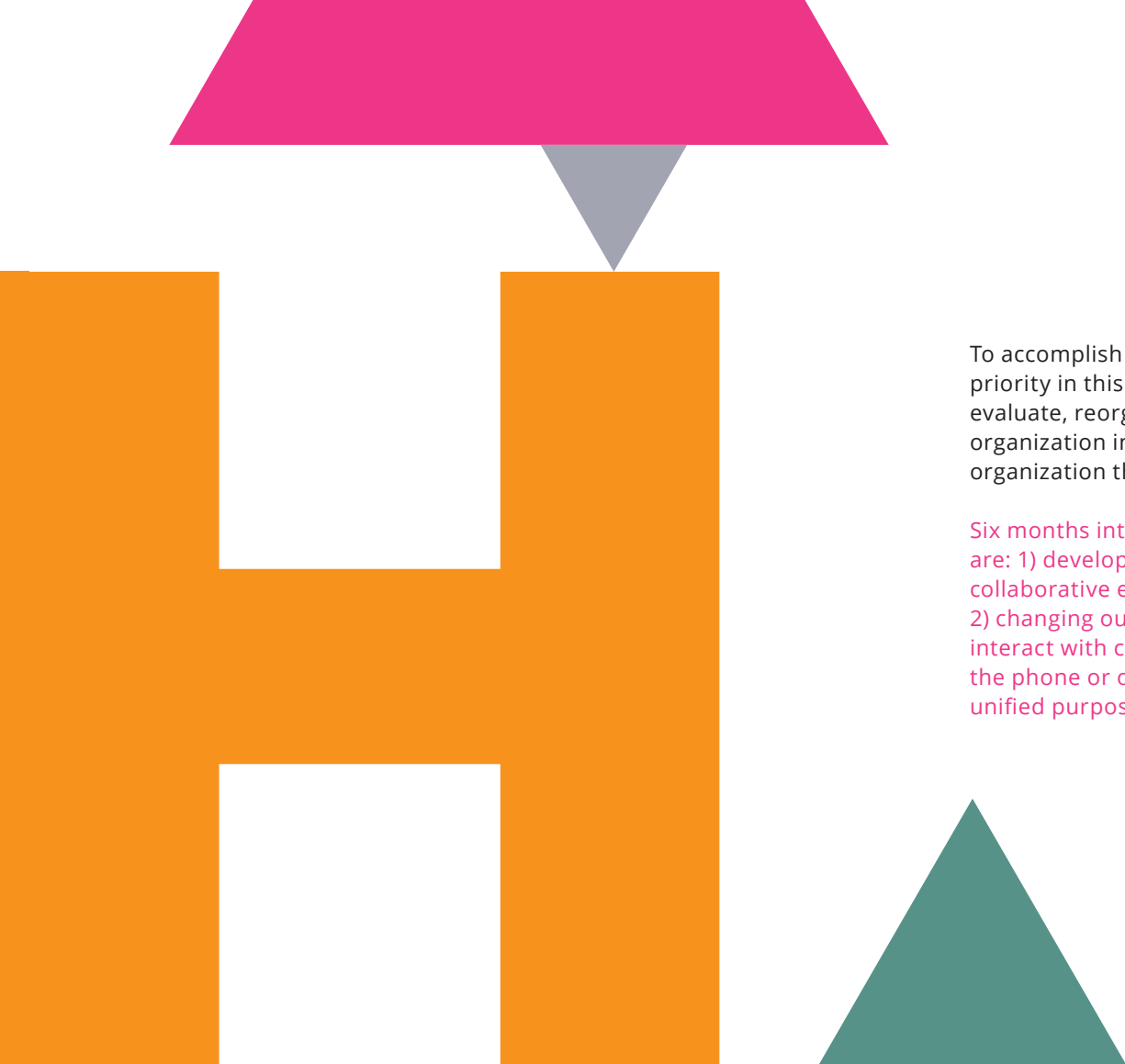
I am pleased to present you with the proposed budget for Fiscal Year 2017. This budget message, my first as your City Manager, is inspired by this community's willingness to embrace progress—and I am committed to moving our city forward to achieve even greater success. To that end, you will find the \$326 million proposed budget includes initiatives that support citywide progress. This is accomplished while holding the millage rate at its current level, without increases to any other fees.

This proposed spending plan makes progress towards a shared vision and represents a collective will to invest in and achieve our ideals. A critical priority is to make the City of Gainesville's workforce reflect the diversity of the community we serve. Diversity should exist across the breadth of our functions and depth of our people. In addition to demographic and socioeconomic diversity, the City workplace should also value diversity of thought, opinion and expertise. Our ability to foster true organizational diversity and equity is key to fulfilling a shared vision.

I am truly grateful for the support that I have received from City employees since becoming City Manager. I wish to thank City employees for their past contributions to the City and express my gratitude to each employee for rising to meet the challenge ahead.

Smart structural change that enables greater capacity to support true "breakthrough" change is needed to position our organization for the future. As structural change occurs, City government and its most valuable asset, its people, can successfully pivot to become tomorrow's world-class example of citizen-centered government.

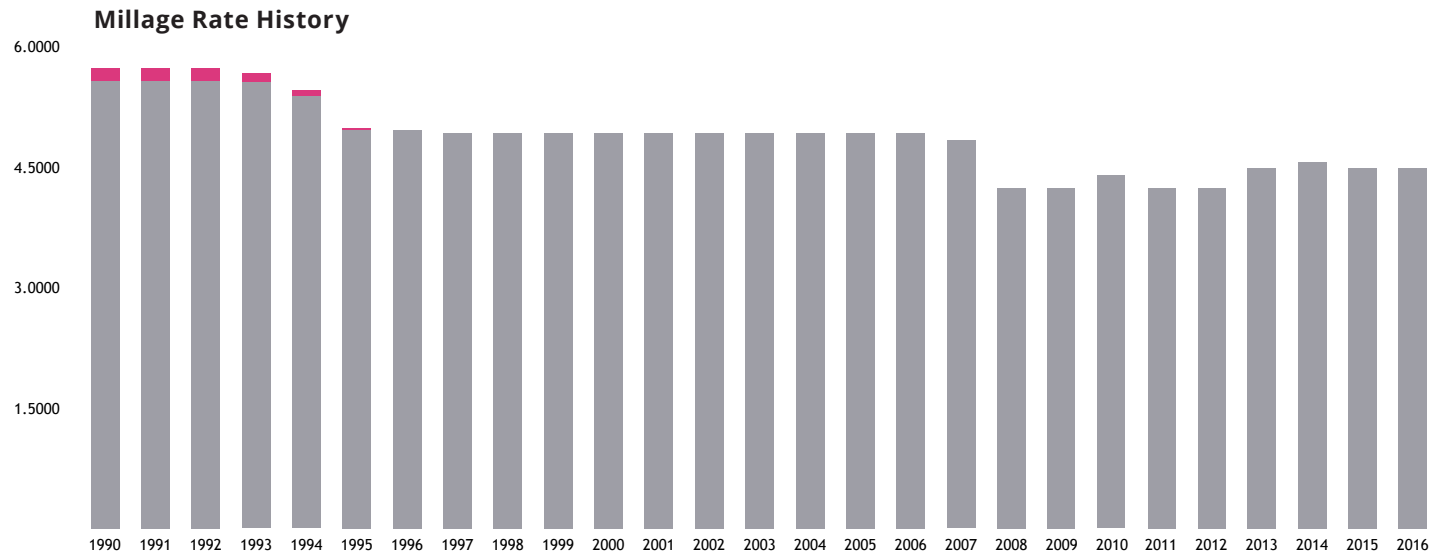




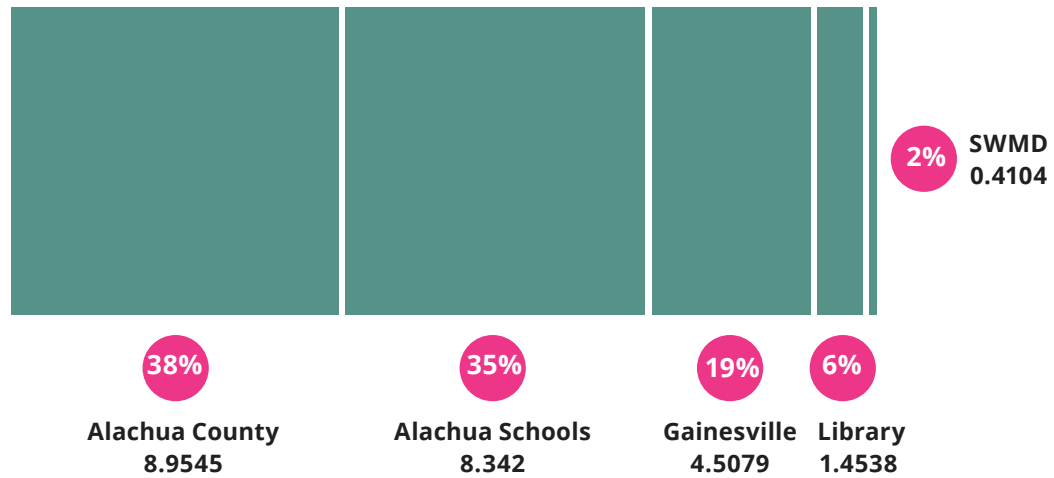
To accomplish this aspiration, we must make “fixing our house” a top priority in this fiscal year. Fixing our house means that we must re-evaluate, reorganize and redistribute assets and resources within our organization in order to adapt to changing needs. The result will be an organization that is able to adapt to the changing needs of our citizens.

Six months into our human-centered design prototyping efforts, we are: 1) developing our talent as an organization and enabling a more collaborative environment by deploying human-centered design teams; 2) changing our organizational front doors so that citizens can intuitively interact with city services whether those interactions are in-person, over the phone or online; and, 3) redesigning our “Get It Done Plan” to align a unified purpose with available resources.

This budget proposes to hold the existing millage rate for FY 17 the same as last year at 4.5079.

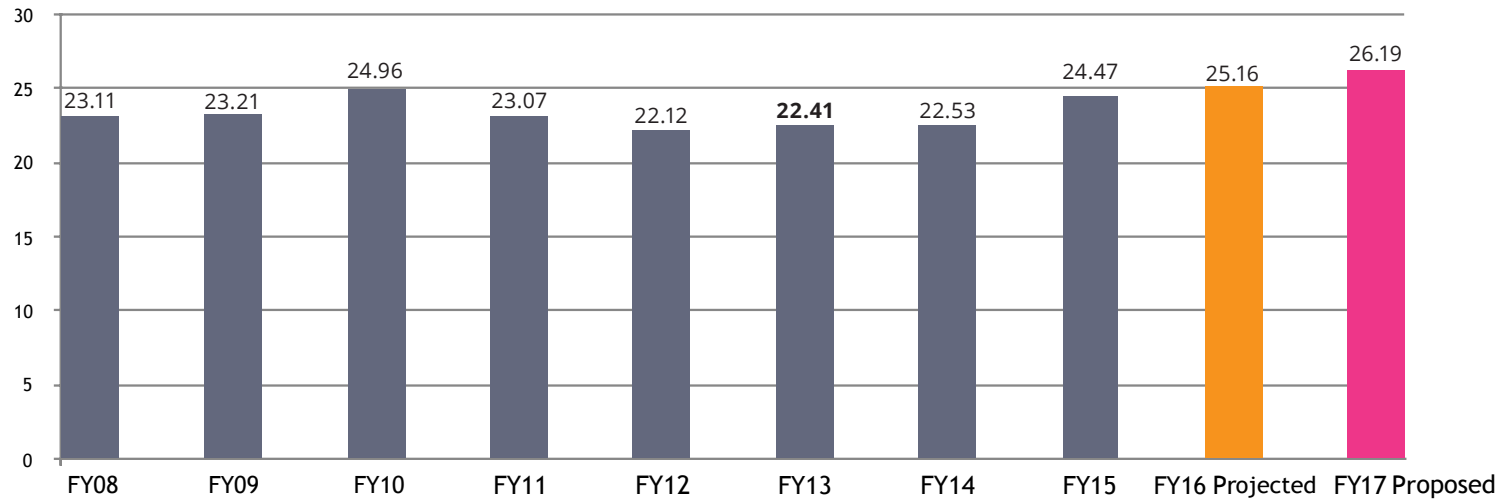


Dollar Allocation

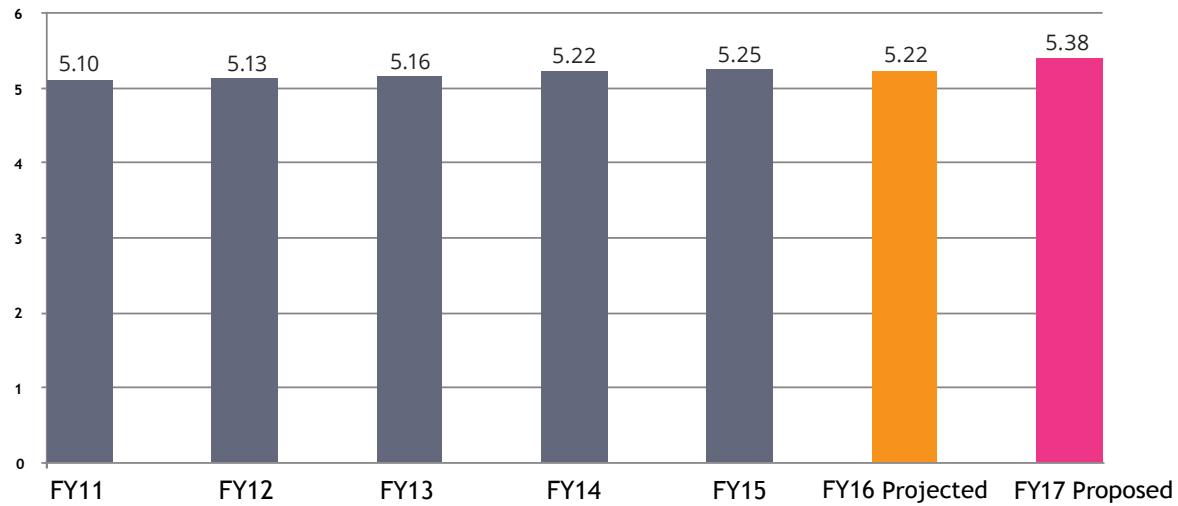


Total revenues are expected to increase by \$3.2 million without any increase to the millage rate, fire assessment rate or other fees or charges.

Property Tax Revenue (millions)

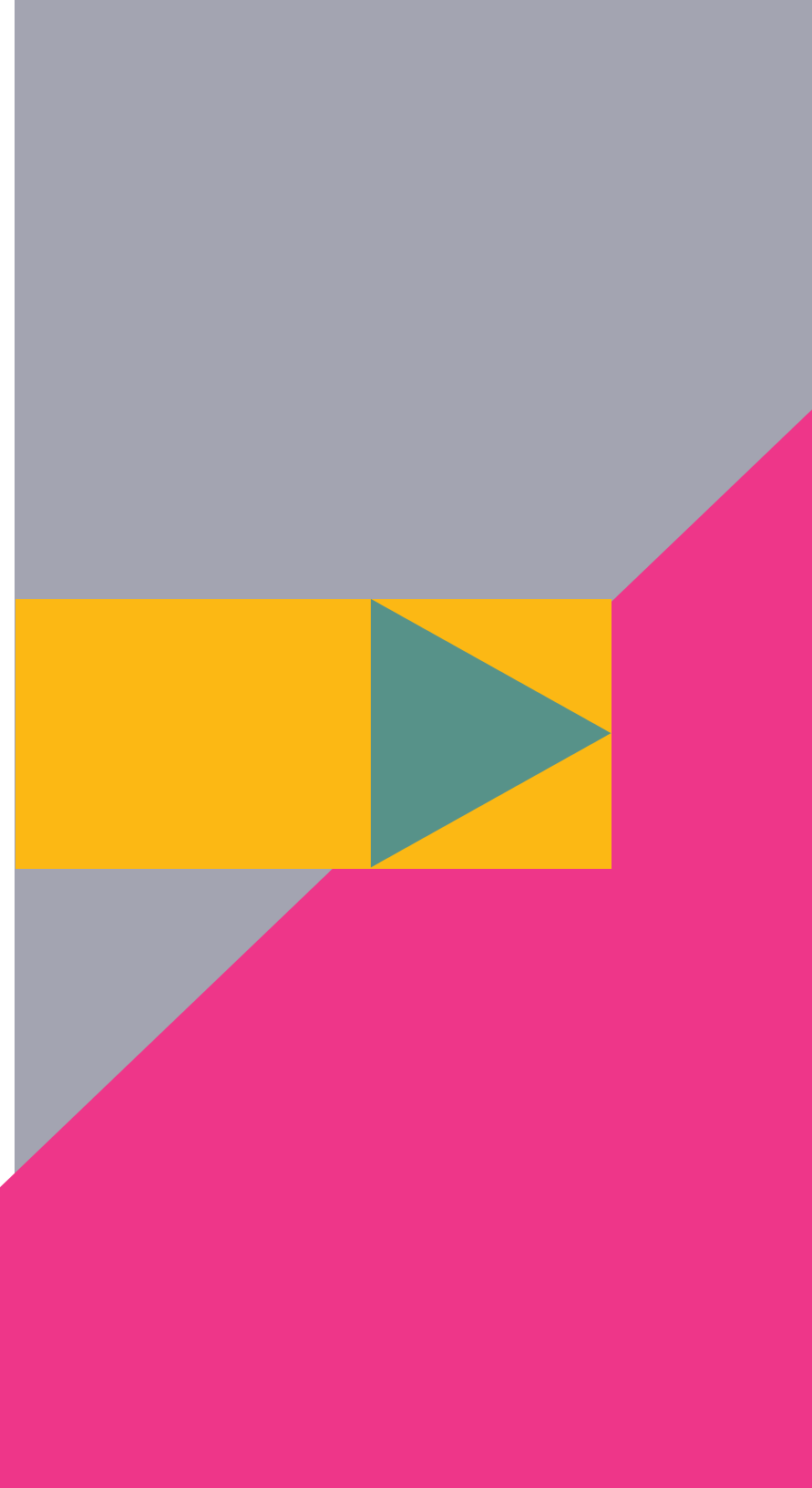


Fire Assessment (millions)



In this transitional year, my proposed budget utilizes revenues from increased property valuations, repurposing available funding and utilizing over \$800,000 of unassigned fund balance for the following additions:

Proposed Increments	
Raises	946,628
Bond Issue Debt Service	648,750
Citizen Cenedered GNV	400,000
Construction Project Manager	85,071
Senior Buyer	71,664
A. Quinn Jones Museum	52,500
Summer Heat Wave	47,000
Remote Streaming	37,158
Bike Share Program	28,000
Program Assistant-Recreation	26,849
Upgrade 30 hour temp Park Worker	15,311
Rec Leader at Morningside	13,161
Smokey Bear Restrooms	9,800
Pine Ridge Summer Camp	5,000
Total Increments	2,386,892
Funded By:	
Baseline Surplus	1,466,932
Proposed Use of Fund Balance	805,688
Community Grant Program	114,272
Total Proposed Funding	2,386,892



Some of the more notable items recommended in the proposed budget include, but are not limited to:

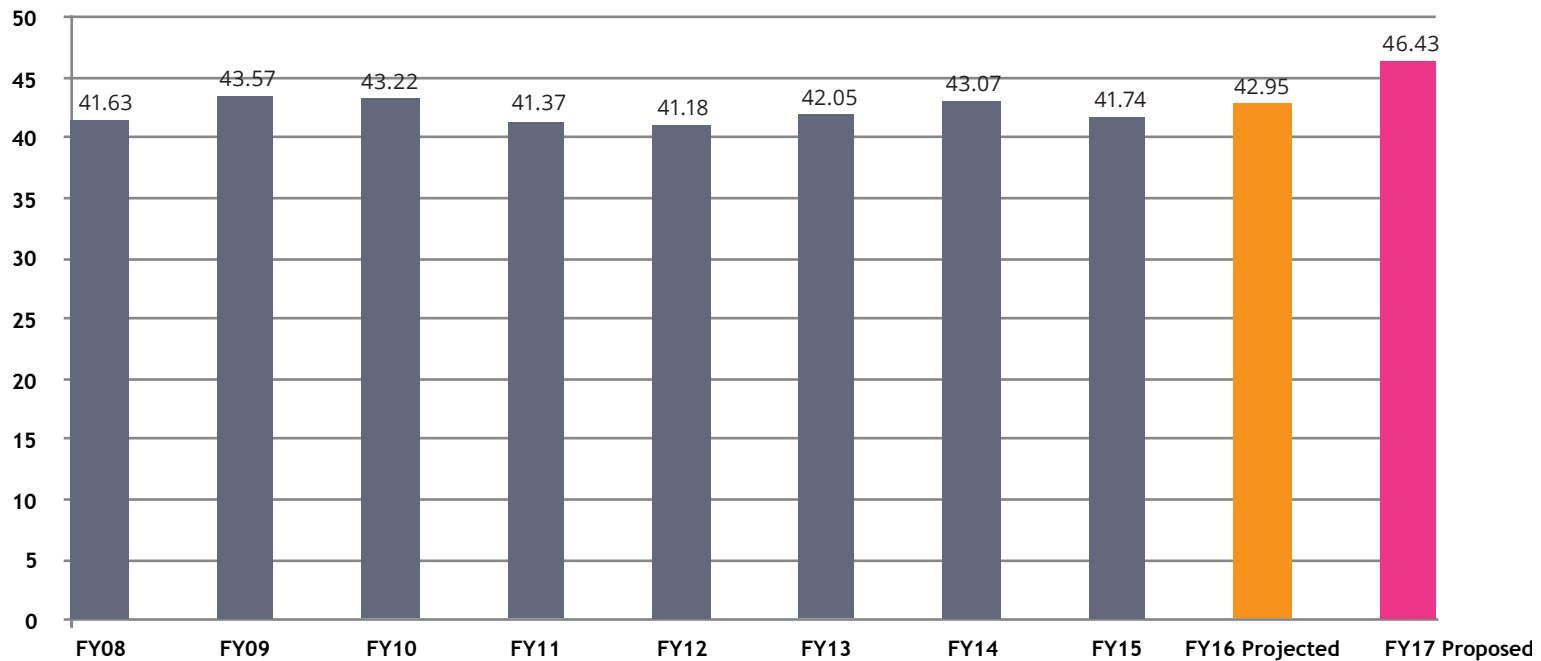
1. \$823,000 to retain police officers and firefighters who were originally hired using federal grant funding. Provision of public safety is a core municipal service that directly relates to one of Gainesville's most attractive attributes, its quality of life. Accordingly, this budget proposes to maintain adequate staffing of our police and fire departments to preserve Gainesville's high quality of life.

2. The proposed budget recommends nearly \$1 million for employee pay raises, after several years of modest and/or no salary increases. As the organization strives to become citizen-centered we must acknowledge and address lagging pay issues to retain our best talent.

3. Our voter approved Wild Spaces, Public Places set-aside for operating costs of related improvements, has been depleted. This budget proposes to address the associated shortfall in Parks, Recreation and Cultural Affairs by adding \$567,000. Gainesville's rich cultural heritage and abundance of nature parks, active parks and recreational activities showcase the importance of recreation to the social fabric of our community.

4. Gainesville is making good progress in achieving national attention for citizen-centered initiatives. Momentum is building as staff continues to work on the implementation of a broad array of initiatives, such as live streaming city meetings and events from any remote location with adequate Internet access. This proposed budget includes \$400,000 for a Director of Citizen Centered Gainesville and an Action Officer who will be a friendly face at the front desk of City Hall along with ongoing program funding for projects.

Direct Salaries and Wages (millions)



This proposed budget also reflects significant, non-recurring recommended investments in a number of areas, including needed investments in public safety and technology infrastructure. I recommend the use of existing capital funding and just under \$1.9 million of unassigned fund balance along with the issuance of a \$9.25 million bond to fund the projects shown below:

- 1) A one-time investment of \$7 million for enhancements to modernize the organization's antiquated technology. This long overdue investment will not fix all internal technology needs, but will begin to upgrade outmoded support software systems such as the City's Enterprise Resource Planning system, which supports purchasing, payroll, human resources and finance operations, among other essential functions. By making appropriate investments in technology we can help position ourselves for greater efficiency in both our core functions and outward facing service delivery while expanding the possibilities for citizen centered transactions and interactions.
- 2) A proposed investment of \$4.5 million to complete construction of the new Fire Station 1 facility. When completed, the new Fire Station 1 will serve to protect a vital part of our City with fire and medical response service well into the future.

Additional detail on the baseline budget and my recommended budget can be found in the "Budget in Brief" document, available online at cityofgainesville.org.

Since being asked to serve as interim City Manager in November 2015, I have devoted considerable time and attention toward working with city commissioners and staff to develop a more collaborative budget process that accomplishes two priorities. The first is that the City budget process has been redesigned for greater and earlier public interaction. The second is an effort to make the budget process more transparent and accessible to the public.

We are addressing the priority of increased transparency and accessibility in the budget process by proactively seeking citizen input regarding budgetary issues. For instance, this year we surveyed more than 500 individuals across the community to better reflect our citizens' interests in the budget process. Collected data reveals that the two areas of greatest concern to survey respondents are quality of life and public safety. In addition during a City telephone town hall, thousands of citizens were called to elicit responses to a broad range of budget issues. I can thus confidently state that this budget has been designed using a more open, deliberative process with input from citizens, employees and city elected officials.

During this budget process, the City continues to take important steps to demonstrate its ability to change traditional ways of doing business to become an iconic citizen-centered government. For example, citizens can now view and interact with the proposed FY 2017 budget online using our new the Open Budget platform available through the City's website at cityofgainesville.org.

Open Budget features both summary and detailed data on City revenues and where those revenues are proposed to be spent. Citizens can customize their experience by looking at Gainesville's budget at a high-level by fund or department, or more narrowly, by program or revenue source. Information can be viewed in a graph or table through a user-friendly web application. Gainesville's Open Budget presents financial information in an easily accessible form based upon the real lives and interests of our citizens.

Transparency in this process is an important part of a larger narrative that speaks to the governance philosophy that guides the choices that we make as a city government. The story we write through this budget can ultimately determine what kind of City we aspire to be and will also explain the why that lies behind those choices.

If we would like to pursue Gainesville's big idea to truly become a citizen-centered government, we must always remain willing to change and improve. It is in that regard that I am pleased to deliver a proposed budget for your consideration that is future-focused and highlights a resolve to redesign City government so that it works for everyone.

Thank you for your consideration of the proposed budget and I look forward to continuing this important work together.

Sincerely,
Anthony Lyons, City Manager
City of Gainesville, Florida