City Manager's Budget Message

STRONG AND RESILIENT

FY 2027 PROPOSED
$500.8M
All Funds Budget

September 17, 2026

RE: City of Gainesville's Financial and Operating Plan for Fiscal Year 2027 beginning October 1, 2026 through September 30, 2027

Honorable Mayor, Members of the Commission, Neighbors and Community Builders:

In accordance with the City of Gainesville Charter, the Code of Ordinances, and the laws of the State of Florida, it is my pleasure to present the City of Gainesville's Proposed Budget for Fiscal Year (FY) 2027 beginning October 1, 2026.

This is my first budget as City Manager, and I am proud of the work of the Office of Management & Budget with the support of the Office of the City Manager. I am also appreciative of our departments for their ongoing work and for the adaptability and thoughtfulness they brought to their budget preparations.

Ultimately, the main theme of this budget is the continuation of the ongoing alignment of revenues with operational costs. The City continues to navigate changes to the relationship with the Gainesville Regional Utilities Authority and plan for potential impacts should voters approve Amendment 3 (Property Tax Reform) in November.

Despite these facts, the City remains strong and resilient. We completed another clean audit and received reaffirmation of our bond ratings. Multiple major capital projects are ongoing. We have maintained a high quality of service to our neighbors, from our response to critical events, among them an active shooter mass shooting and multiple concurrent wildfires, to ongoing efforts that include the renewed presence of the Gainesville Police Department in Downtown and Midtown, economic development, cultural and arts programming, and the expansion of in-house paratransit service.

The budget at a glance

	FY 2026 ADOPTED	FY 2027 PROPOSED	CHANGE
Taxable value	$11,883,898,077	$12,625,373,917	+6.2%
Millage rate	6.7297 mills	6.7297 mills	no change
Fire assessment	$12,614,733	$20,701,715	+64.1%
General Fund budget	$162,039,596	$174,136,893	+7.5%
All Funds budget	$466,872,174	$500,774,431	+7.3%
Authorized positions	1,465.75 FTEs	1,479.25 FTEs	+13.50

Budget facts

The biggest drivers continue to be wages and benefits, with increases to wages in the public safety areas being the highest percentage growth as a result of collective bargaining agreements. Other drivers are insurance costs, fuel, contractual increases, and the build-out of the City's Technology Department.

Those drivers are concentrated in three departments. The Police Department is up $3,045,490 and Gainesville Fire Rescue is up $2,295,267 over the FY 2026 Adopted Budget, both driven primarily by wage and benefit increases under collective bargaining agreements. The Technology Department grows by $2,696,343, or 32.1%, the largest percentage increase of any department, as we continue to stand up a full service technology function following the separation from Gainesville Regional Utilities. Salaries and wages account for $2,005,354 of that increase.

Revenue side

Growth in the tax roll of 6.2% for FY 2027, to a taxable value of $12,625,373,917, represents an expected decline in roll growth. Our remaining revenue sources, including fees and state revenue sharing, were stable.

Applied to the FY 2027 millage rate of 6.7297 mills, that roll produces projected property tax revenue of $81,566,380. Property taxes are 46.8% of the General Fund and remain our largest single revenue source. Consistent with prior years, only 96% of projected revenue is budgeted.

The Government Services Contribution was once the City's second largest revenue source, at $34.3 million before the transfer formula was rebuilt for FY 2024. Its decline to the current level is the origin of the structural gap this budget continues to close. The Government Services Contribution from GRU remains intact at $7,155,224 and is held flat across the forecast, but uncertainty remains with legal fees, expected increases to streetlight costs, and the absence of agreements for shared services and the contribution itself.

Operational side

The FY 2027 Proposed Budget appropriates $174,136,893 in the General Fund and $500,774,431 across all funds, and it holds service levels. No filled General Fund position is eliminated. Every General Fund elimination in this budget is a transfer to another department or a conversion to a different classification. Funding for outside agencies and for homelessness services is held at the FY 2026 level.

The budget authorizes 1,479.25 FTEs. It removes 21 positions from the authorized count that were already frozen and unfunded in FY 2026, including five sworn Police Officer positions. Because those positions were defunded last year, deleting them carries no FY 2027 fiscal impact. The additions are primarily the Regional Transit System paratransit build-out, and the only genuinely new General Fund position is a Permit Expeditor at 0.33 FTE.

Setting that appropriation against the revenue available to pay for it is what the rest of this message describes.

Balancing

Balancing FY 2027 began at the Fiscal Retreat on March 26, where staff presented an estimated General Fund shortfall of $7.5 million and named the levers available to close it: targeted reductions, efficiencies through mergers or consolidations, the fire assessment, and the millage rate. The table below walks the gap from that retreat to this budget.

MILESTONE	DATE	EFFECT ON THE GAP	ESTIMATED GENERAL FUND GAP
Fiscal Retreat, shortfall presented	March 26		($7,500,000)
Workshop 1, 13 General Government departments	May 5		($7,700,000)
Workshops 2 and 3, all remaining departments, revenue at the June 1 preliminary value of $12.35 billion	May 28, June 2		($12,058,071)
Revenue updates: indirect cost study, parking re-baseline, fines and forfeitures, airport security and traffic signal contracts	June 2 to July 16	$1,669,952	($10,388,119)
Certified taxable value of $12.63 billion, 6.24% above the June 1 preliminary	July 1	$1,779,057	($8,609,062)
Maximum millage set at 6.7297 mills, held flat	July 16	no change	($8,609,062)
Proposed budget, first public hearing	September 10		balanced

State revenue sharing valuations were still pending when the maximum millage was set and were not final until late August.

Each workshop tested the retreat estimate against actual department requests, one department at a time, and the estimate held. The ceilings the Commission set on June 18 were a preliminary maximum fire services assessment at 85% cost recovery, a stormwater assessment of $150.65 per equivalent residential unit, and cart based solid waste rates.

I tasked our departments with developing 10% and 15% decrements to address the projected budget gap. These were outlined by Office of Management & Budget and City Manager's Office staff in a comprehensive budget book detailing operational reductions ranked in order of impact. The decrements were used to develop this year's balancing scenarios and to create a blueprint for future years in the event additional operational reductions are needed.

To balance the budget and address the structural budget gap from the revenue side, the City Commission approved an increase to the fire assessment to capture a larger portion of the assessable fire budget with the non-ad valorem assessment, compared with past years where the General Fund was covering those costs. For FY 2027 the assessment is set at 85% recovery, generating an estimated $20,701,715 in revenue. That is an increase of $8.1 million over the FY 2026 Adopted Budget and the single largest revenue movement in this budget. Emergency medical service beyond first response cannot be funded by an assessment under Florida law and continues to be paid from the General Fund, which is why the assessable fire budget is smaller than Gainesville Fire Rescue's total budget.

The Continuous Improvement Review Committee modeled six balancing packages on June 22, each closing the same gap and each shifting the burden differently. My recommendation was the one that closed the projected gap with no millage increase and no General Fund positions eliminated.

HOW THE GAP IS CLOSED	AMOUNT
Fire assessment at 85% cost recovery	$7,791,996
Department operating reductions	$1,443,179
Vehicle replacement, Fleet Fund excess fund balance	$1,184,800
Millage increase	none
General Fund positions eliminated	0.0 FTEs

The other balancing packages all closed the gap but took different approaches:

- Closing the gap only with a millage adjustment, which would have added 0.8762 mills to the current millage rate of 6.7297 mills.
- Closing the gap only with expenditure reductions, which would have eliminated 69.5 positions, 9.0 of them filled.
- The fire assessment at 70% cost recovery with expenditure reductions and a millage increase of 0.2635 mills, eliminating 5.4 positions, 2.5 of them filled.
- The fire assessment at 70% cost recovery with expenditure reductions and no millage increase, eliminating 18.4 positions, 7.5 of them filled.
- The fire assessment at 85% cost recovery with expenditure reductions and a millage increase of 0.1095 mills, with no positions eliminated.
- The fire assessment at 85% cost recovery with expenditure reductions and no millage increase, eliminating 7.9 positions, 1.0 of them filled.

Holding the millage rate stable at 6.7297 mills was important due to increases on the non-ad valorem side following the GRU Authority's decision to not continue stormwater and solid waste billing, and the increase in the fire assessment, which is charged on that same side of the tax bill.

The fire assessment, continued roll growth, operational reductions of $1,443,179, and the use of fleet fund balance were the primary means to balance the budget. The FY 2027 budget uses no General Fund balance; the FY 2026 Adopted Budget used $1,302,155 as a one-time revenue.

The FY 2027 Proposed Budget for All Funds is $500,774,431, including balances and transfers, and is $33.9 million or 7.3% higher than the FY 2026 Adopted All Funds Budget of $466,872,174. The FY 2027 Proposed General Fund Budget is $174,136,893, including balances and transfers, and is $12.1 million or 7.5% higher than the FY 2026 Adopted Budget of $162,039,596. The FY 2027 Proposed Budget for All Funds authorizes a position level of 1,479.25 FTEs. That is 13.50 FTEs above the FY 2026 Adopted Budget and 16.00 below the FY 2026 Amended Budget, which grew during the year with the establishment of the Technology Department. The reduction against the amended level is the deletion of 21.00 positions that were already frozen and unfunded in FY 2026.

Balancing highlights

- No increase to the millage rate.
- No loss of General Fund positions.
- No reductions to funding of outside agencies or for homelessness.
- No use of General Fund excess fund balance to balance the budget.
- Minimal service level reductions from cuts.
- Maintenance of core services and support for public safety operations.
- A significant increase in funding from the General Fund to support Regional Transit System operations, without the service level cuts that have been made over the past several years.

What neighbors pay

The Gainesville Regional Utilities Authority has discontinued billing for stormwater and solid waste. The City Commission set an initial stormwater assessment of $150.65 per equivalent residential unit and cart based solid waste rates on June 18, 2026, both adopted at the September 10 public hearing. Neighbors will see these services charged directly rather than through the utility bill, and both appear on the non-ad valorem side of the County tax bill.

Transit

The General Fund contribution to Regional Transit System operations increases in FY 2027. That increase allows RTS to hold service at current levels rather than absorb the kind of reductions it has taken in each of the past several years, following the decline in funding under the University of Florida service agreement.

RTS assumed paratransit service in house during FY 2026. Operating the service ourselves held transit positions that would otherwise have been lost to the reduction in University of Florida funding.

Capital projects

Six new facilities funded through the infrastructure surtax program are in design or under construction: the Southwest Public Safety Center ($28.6 million), the Gainesville Police Department Property and Evidence building ($24.1 million), Fire Rescue Station 3 ($16.8 million), the Gainesville Fire Rescue Administration building ($2.9 million), Public Works Hurricane Hardened Operations ($2.1 million) and the Gainesville Fire Rescue Training Facility ($1.7 million).

We broke ground on Fire Rescue Station 3 in July 2026, a replacement station of more than 16,700 square feet near Waldo Road. The Commission approved the final construction package for the Southwest Public Safety Center and Fire Station 9, and the construction agreement for the Property and Evidence building. The Commission also approved the restoration of the Wilhelmina Johnson Center at approximately $1.9 million and a renovation of the Gainesville Training, Entrepreneurship, and Community Center at approximately $5.1 million. Together, the Southwest Public Safety Center, the Property and Evidence building and Fire Rescue Station 3 represent a $69.5 million investment in public safety infrastructure.

Conclusion and outlook

Both rating agencies reviewed the City in May 2026 and held its ratings with a stable outlook. Moody's affirmed the Aa3 issuer rating and Fitch affirmed the AA Issuer Default Rating, and both assigned the same ratings to the Capital Improvement Revenue Bonds, Series 2026, issued in May to fund public safety facilities. The agencies cited the City's reserve levels, its broad revenue base and a growing population.

Two matters outside our control will shape the years that follow. Florida voters decide Amendment 3 (Property Tax Reform) on November 3, 2026; if it passes, a meaningful share of future General Fund property tax revenue is affected beginning in FY 2028. House Bill 1329, effective January 1, 2027, requires an annual operating reduction exercise, and the FY 2028 cycle is the first one it governs.

The City remains in a strong fiscal position but will continue to need to control operational costs to balance future budgets in an increasingly challenging revenue environment. Despite these challenges, City staff at all levels remain committed to serving our residents and adapting to change.

I want to again thank the Office of Management & Budget, our departments, my leadership team, and the Chief Operating Officer and Executive Chief of Staff for their tremendous efforts on this year's budget. Finally, I would like to thank the City Commission for their leadership in setting City budget priorities, pushing the organization to remain focused on service while remaining responsive to budgetary realities, and for supporting the City staff who deliver the high quality service that our residents expect from their city.

In accordance with Florida Statutes, the FY 2027 Proposed Financial and Operating Plan is a balanced budget where projected revenues match budgeted expenditures.

The ***FY 2027 Budget in Brief*** accompanies this message and includes additional budget information such as revenue and expenditure tables, position levels by department, what neighbors pay for the services they receive, and the Recapping and Looking Ahead section.

The FY 2027 Proposed Financial and Operating Plan was initially presented to the City Commission at the first public hearing on September 10, 2026 and is presented again at today's second and final public hearing. I look forward to working with you, our neighbors and our community builders to finalize the Fiscal Year 2027 Final General Government Financial and Operating Plan.

Respectfully,

Andrew W. Persons, AICP
Interim City Manager

Budget in Brief

STRONG AND RESILIENT

FY 2027 PROPOSED

$500.8M

All Funds Budget

A high level summary of the FY 2027 Proposed Budget, including the millage rate analysis, revenue projections, expenditure projections, funded position levels, and their impacts on service and program delivery in the upcoming fiscal year.

TAXABLE VALUE

$12,625,373,917

GROSS TAXABLE VALUE

Tax Year 2026 is the 14th consecutive year of growth in the City's taxable value, though the pace continues to slow. New construction is valued at $97,737,164, about half of last tax year's $197.1 million.

FY 2027	6.2%	$12.63B
FY 2026	8.1%	$11.88B
FY 2025	8.8%	$11.00B
FY 2024	12.7%	$10.11B
FY 2023	11.5%	$8.97B
FY 2022	5.5%	$8.04B

MILLAGE RATE

6.7297

MILLS PER $1,000 OF VALUE

The proposed rate is unchanged from FY 2026, held flat against increases on the non-ad valorem side. Because taxable value grew, that flat rate still raises more revenue; the Rolled-Back Rate is the comparison, not a fiscal year.

FY 2027	0.0%	6.7297
Rolled-Back	+5.42%	6.3839
FY 2026	4.7%	6.7297
FY 2025	0.0%	6.4297
FY 2024	16.9%	6.4297
FY 2023	0.0%	5.5000

FIRE ASSESSMENT

$20,701,715

ASSESSMENT REVENUE BUDGETED

The assessment moves from 53% to 85% recovery of the assessable fire budget. The increase carries a larger share of fire costs on the non-ad valorem assessment, where past years had the General Fund covering them.

FY 2027	64.1%	$20.70M
FY 2026 Adopted	2.6%	$12.61M
FY 2025 Adopted	0.0%	$12.30M
FY 2024 Budget	35.8%	$12.30M
FY 2023 Actual	0.9%	$9.06M
FY 2022 Actual	0.4%	$8.97M

POSITION LEVELS

1,479.25

AUTHORIZED FULL-TIME EQUIVALENTS

The FY 2027 level is 13.50 FTEs above the FY 2026 Adopted Budget and 16.00 below the amended level, which grew with the new Technology Department. The reduction deletes 21.00 positions already frozen and unfunded.

FY 2027	(1.1%)	1,479.25
FY 2026 Amended	2.0%	1,495.25
FY 2026 Adopted	(0.3%)	1,465.75
FY 2025 Amended	0.5%	1,469.75
FY 2025 Adopted	(2.3%)	1,461.75
FY 2024 Adopted	(7.2%)	1,496.00

All Funds Budget

The FY 2027 Proposed Budget for All Funds is $500,774,431, including balances and transfers, and is $33.9 million or 7.3% higher than the FY 2026 Adopted All Funds Budget of $466,872,174. The FY 2027 Proposed Budget includes the budgets for the General Fund ($174.1 million), Special Revenue ($19.6 million), Debt Service ($35.5 million), Capital Projects ($26.0 million), Proprietary ($129.7 million), and Fiduciary funds ($115.8 million).

Revenue Trends: The five largest revenue sources for All Funds are Charges for Services (29.9% of the total budget), Taxes (23.5% of the total budget), Miscellaneous Revenue (20.3% of the total budget), Intergovernmental (9.6% of the total budget), Transfers In From Other Funds (8.3% of the total budget). The Government Services Contribution ($7,155,224) is budgeted in Transfers In From Other Funds in the General Fund.

General Fund	$174,136,893	**34.8%**
Proprietary	$129,660,072	**25.9%**
Fiduciary	$115,844,000	**23.1%**
Debt Service	$35,534,292	**7.1%**
Capital Projects	$26,020,860	**5.2%**
Special Revenue	$19,578,314	**3.9%**
All Funds	**$500,774,431**	**100.0%**

Revenues

Revenues	General Fund	Special Revenue	Debt Service	Capital Projects	Proprietary	Fiduciary	Total
Taxes	103,968,173	0	0	11,125,586	2,340,045	0	117,433,804
Permits, Fees & Assessments	20,759,220	0	0	0	3,783,398	0	24,542,618
Intergovernmental	21,291,099	6,586,113	0	8,700,000	11,559,170	0	48,136,382
Charges for Services	15,329,695	1,241,634	9,936,702	58,792	95,758,828	27,640,000	149,965,651
Fines & Forfeitures	1,329,370	390,000	0	0	0	0	1,719,370
Miscellaneous Revenue	3,819,042	812,129	0	0	8,833,449	88,204,000	101,668,620
Transfers In From Other Funds	7,640,293	3,495,658	25,597,590	2,460,000	2,447,702	0	41,641,243
Use of Fund Balance	0	7,052,780	0	3,676,482	4,937,480	0	15,666,742
Total Revenue	**174,136,893**	**19,578,314**	**35,534,292**	**26,020,860**	**129,660,072**	**115,844,000**	**500,774,431**

Expenditure Trends: The table below provides a high-level overview of FY 2027 expenditures by fund and department. The three largest departments are Non-Departmental (34.6% of the total budget), Public Works (12.2% of the total budget), and Police (10.5% of the total budget). Additional information is provided in the individual Department Overview pages in the Expenditure Outlook section of the Financial and Operating Plan.

Expenditures

Expenditures	General Fund	Special Revenue	Debt Service	Capital Projects	Proprietary	Fiduciary	Total
City Attorney	1,657,631	104,346	0	0	324,597	10,469	2,097,043
City Auditor	809,464	0	0	0	0	0	809,464
City Clerk	1,433,578	0	0	0	0	0	1,433,578
City Commission	687,685	0	0	0	0	0	687,685
City Manager	1,950,244	27,442	0	1,144,247	57,270	0	3,179,203
Communications & Marketing	1,036,203	0	0	0	0	0	1,036,203
Equal Opportunity	1,355,885	0	0	0	0	0	1,355,885
Financial Services	3,033,628	0	0	0	42,013	399,639	3,475,280
Fire Rescue	31,813,880	35,000	0	0	105,000	0	31,953,880
Gainesville Community Reinvestment Area	0	6,421,921	0	0	0	0	6,421,921
Housing & Community Development	571,874	3,133,757	0	42,704	0	0	3,748,335
Human Resources	2,393,685	40,000	0	0	0	0	2,433,685
Management & Budget	1,010,909	0	0	0	0	0	1,010,909
Non-Departmental	31,712,688	185,069	33,754,295	9,660,785	338,572	97,736,602	173,388,011
Parks, Recreation and Cultural Affairs	12,979,288	238,826	0	116,197	458,000	0	13,792,311
Police	47,961,851	1,604,965	0	250,000	2,622,500	0	52,439,316
Procurement & Contracts Management	874,506	0	0	0	120,861	0	995,367
Public Works	16,603,364	7,333,033	0	4,666,313	32,465,300	0	61,068,010
Risk Management	151,200	0	0	0	45,487,845	30,924	45,669,969
Sustainable Development	3,286,516	122,703	0	0	5,066,830	0	8,476,049
Technology	11,101,291	0	0	290,000	0	0	11,391,291

Expenditures	General Fund	Special Revenue	Debt Service	Capital Projects	Proprietary	Fiduciary	Total
Transportation	1,705,736	0	0	160,000	41,758,408	0	43,624,144
Wild Spaces Public Places	5,787	0	0	9,690,614	0	0	9,696,401
Total Department	**174,136,893**	**19,247,062**	**33,754,295**	**26,020,860**	**128,847,196**	**98,177,634**	**480,183,940**
Addition to Fund Balance	0	331,252	1,779,997	0	812,875	17,666,367	20,590,491
Total Expenditures	**174,136,893**	**19,578,314**	**35,534,292**	**26,020,860**	**129,660,071**	**115,844,001**	**500,774,431**

Position Levels

The FY 2027 Proposed All Funds authorized position level is 1,479.25 FTEs. The count moved more than once during FY 2026, so the table below provides a walk through from the FY 2026 Adopted Budget to the FY 2027 proposal rather than comparing against a single point in time.

Authorized Positions	All Funds	General Fund	Other Funds
FY 2026 Adopted Budget	1,465.75	981.91	483.84
Budget amendments during FY 2026	29.50	26.50	3.00
FY 2026 Amended Budget	**1,495.25**	**1,008.41**	**486.84**
Memo · previously frozen positions unfrozen and funded during FY 2026	9.75	8.75	1.00
FY 2027 Proposed changes			
Positions eliminated	(11.50)	(4.50)	(7.00)
Positions added	16.50	4.83	11.67
Frozen and unfunded positions deleted	(21.00)	(18.00)	(3.00)
Positions reallocated between funds	0.00	(3.64)	3.64
Fund reallocation not itemized in the change register	0.00	(0.33)	0.33
Net FY 2027 change	**(16.00)**	**(21.64)**	**5.64**
FY 2027 Proposed Budget	**1,479.25**	**986.77**	**492.48**
FY 2027 Proposed vs FY 2026 Adopted	13.50	4.86	8.64
FY 2027 Proposed vs FY 2026 Amended	(16.00)	(21.64)	5.64

What Changed for FY 2027:

- **11.50 FTEs are eliminated** and **16.50 are added**. Every General Fund elimination is a transfer or a conversion rather than removing a position from the budget. The B.O.L.D. Program Manager position (1.00 FTE), the Intervention Specialist position (1.00 FTE), the Intervention Specialist Senior position (1.00 FTE) and the Staff Specialist position (0.50 FTE, part time) move from Gainesville Fire Rescue to the Police Department, and the Chief Resiliency Officer position (1.00 FTE) in Sustainable Development

converts to a Planner IV position. The only genuinely new General Fund position is a Permit Expeditor position (0.33 FTE). The additions are primarily the Regional Transit System paratransit build-out.

- **21.00 FTEs that were already frozen and unfunded are deleted**, 18.00 in the General Fund and 3.00 in the Regional Transit System. These positions were defunded in FY 2026, so removing them lowers the authorized count and has no FY 2027 fiscal impact. They fall in the City Auditor's Office (1.00), Equal Opportunity (1.00), Financial Services (1.00), Management & Budget (1.00), Parks, Recreation and Cultural Affairs (3.00), the Police Department (5.00, all five sworn **Police Officer** positions), Public Works (6.00) and the Regional Transit System (3.00).
    - **9.75 previously frozen positions were unfrozen** during FY 2026. That did not change the authorized count and is not part of the FY 2027 net.
- **3.64 FTEs are reallocated off the General Fund** onto other funds. The citywide effect is zero.

Fiscal Impact:

Eliminated positions reduce personnel expenditures by $1,168,974, of which $361,659 is in the General Fund. New positions add $984,323, of which $344,274 is in the General Fund. The frozen and unfunded positions being deleted were defunded in FY 2026 and have no FY 2027 fiscal impact. The net effect of all position changes in FY 2027 is a reduction of $184,650, of which $17,385 falls in the General Fund. The General Fund figure is small because its eliminations are transfers and conversions, so the money moves within the fund rather than out of it.

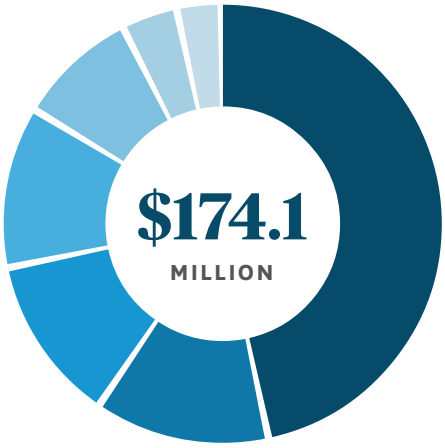
Positions by Department

Positions by Department	FY 2025 Actual	FY 2026 Adopted	FY 2026 Amended	FY 2027 Proposed	# Change vs. FY 2026 Adopted	% Change vs. FY 2026 Adopted
City Attorney	14.00	13.00	13.00	13.00	0.00	0.0%
City Auditor	6.00	6.00	6.00	5.00	(1.00)	(16.7%)
City Clerk	9.00	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	12.00	12.00	2.00	20.0%
Communications & Marketing	9.00	9.00	8.00	8.00	(1.00)	(11.1%)
Equal Opportunity	12.00	9.00	9.00	8.00	(1.00)	(11.1%)
Financial Services	35.50	32.50	32.00	31.00	(1.50)	(4.6%)
Fire Rescue	213.50	214.50	220.50	217.00	2.50	1.2%
Gainesville Community Reinvestment Area	10.00	10.00	10.00	7.00	(3.00)	(30.0%)
Housing and Community Development	11.00	11.00	11.00	11.00	0.00	0.0%
Human Resources	21.00	19.00	19.00	19.00	0.00	0.0%
Management & Budget	6.00	6.00	6.00	5.00	(1.00)	(16.7%)
Non-Departmental	0.00	0.00	0.00	0.00	0.00	0.0%

Positions by Department	FY 2025 Actual	FY 2026 Adopted	FY 2026 Amended	FY 2027 Proposed	# Change vs. FY 2026 Adopted	% Change vs. FY 2026 Adopted
Parks, Recreation and Cultural Affairs	114.50	114.50	114.50	111.50	(3.00)	(2.6%)
Police	382.75	381.75	381.75	380.25	(1.50)	(0.4%)
Procurement & Contracts Management	10.00	10.00	10.00	10.00	0.00	0.0%
Public Works	208.50	211.50	211.50	205.50	(6.00)	(2.8%)
Risk Management	17.00	17.00	17.00	17.00	0.00	0.0%
Sustainable Development	70.00	70.00	71.00	72.00	2.00	2.9%
Technology	16.00	16.00	34.00	34.00	18.00	112.5%
Transportation	282.00	284.00	286.00	290.00	6.00	2.1%
Wild Spaces Public Places	5.00	5.00	7.00	7.00	2.00	40.0%
Total	**1,469.75**	**1,465.75**	**1,495.25**	**1,479.25**	**13.50**	**0.9%**

General Fund Revenues

The FY 2027 Proposed General Fund Budget is $174,136,893, including balances and transfers, and is $12.1 million or 7.5% higher than the FY 2026 Adopted Budget of $162,039,596. No General Fund balance is used to balance the FY 2027 budget.



Property Taxes	$81,566,380	**46.8%**
Other Taxes	$22,401,794	**12.9%**
Intergovernmental	$21,291,099	**12.2%**
Fire Assessment	$20,701,715	**11.9%**
Charges for Services	$15,329,695	**8.8%**
Government Services Contribution	$7,155,224	**4.1%**
All Other Revenue	$5,690,986	**3.3%**
Total General Fund	**$174,136,893**	**100.0%**

Revenues	FY 2025 Actual	FY 2026 Adopted	% of FY 2026	FY 2027 Proposed	% of FY 2027	$ Change vs. FY 2026	% Change vs. FY 2026
Taxes	90,975,335	99,821,816	61.6%	103,968,173	59.7%	4,146,357	4.2%
Intergovernmental	22,863,034	21,666,296	13.4%	21,291,099	12.2%	(375,197)	(1.7%)

Revenues	FY 2025 Actual	FY 2026 Adopted	% of FY 2026	FY 2027 Proposed	% of FY 2027	$ Change vs. FY 2026	% Change vs. FY 2026
Permits, Fees & Assessments	12,137,284	12,672,238	7.8%	20,759,220	11.9%	8,086,982	63.8%
Charges for Services	15,871,880	14,341,343	8.9%	15,329,695	8.8%	988,352	6.9%
Transfers In From Other Funds	10,691,526	7,640,293	4.7%	7,640,293	4.4%	0	0.0%
Miscellaneous Revenue	4,866,190	3,759,042	2.3%	3,819,042	2.2%	60,000	1.6%
Fines & Forfeitures	1,148,953	836,413	0.5%	1,329,370	0.8%	492,957	58.9%
Use of Fund Balance	0	1,302,155	0.8%	0	0.0%	(1,302,155)	(100.0%)
Total General Fund Revenue	**158,554,202**	**162,039,596**	**100.0%**	**174,136,893**	**100.0%**	**12,097,296**	**7.5%**

The following provides a high-level overview of changes in General Fund revenues for FY 2027.

FY 27 VS FY 26	REVENUE CATEGORY	WHAT CHANGED
↑ $8.1 MM	Permits, Fees & Assessments	The increase is the fire services assessment, which moves from 53% to 85% recovery of the assessable fire budget for FY 2027. The assessment now recovers fire protection costs that the General Fund previously absorbed.
↑ $4.1 MM	Taxes	Property tax revenue is projected at $81,566,380 on a taxable value of $12,625,373,917 and a millage rate of 6.7297 mills, unchanged from FY 2026. Only 96% of projected revenue is budgeted. Taxes remain the largest revenue source in the General Fund.
↓ $1.3 MM	Use of Fund Balance	The FY 2027 Proposed Budget uses no General Fund balance. FY 2026 used $1,302,155.
↑ $988.4 K	Charges for Services	Charges for Services revenue is projected at $15,329,695 for FY 2027, $988,352 or 6.9% higher than the FY 2026 Adopted Budget. The movement is Indirect Service Revenue up $989,196, Parking-App down $860,877 (not in FY27 estimate), Parking-Garage Revenues up $444,541 and Parking-On-Street Parking Revenue up $215,000.
↑ $493.0 K	Fines & Forfeitures	Fines & Forfeitures revenue is projected at $1,329,370 for FY 2027, $492,957 or 58.9% higher than the FY 2026 Adopted Budget. The movement is Parking-Citation Revenue up $480,995, False Alarm Penalties up $7,875, Court Fines and Forfeitures up $3,845 and Code Enforcement Penalties up $136.
↓ $375.2 K	Intergovernmental	Intergovernmental revenue is projected at $21,291,099 for FY 2027, $375,197 or 1.7% lower than the FY 2026 Adopted Budget. The movement is Half Cent Sales Tax - Local down $451,385, State Revenue Sharing Sales Tax down $116,264, Insurance Premium

		Tax Distribution Revenue up $97,773 (2 Workday rows merged; one revenue line recoded across years) and FDOT Traffic Signal Maintenance up $84,090.
$60.0 K	Miscellaneous Revenue	Miscellaneous Revenue revenue is projected at $3,819,042 for FY 2027, $60,000 or 1.6% higher than the FY 2026 Adopted Budget. The movement is Rental Revenue - Commercial up $60,000 (new in FY27).

General Fund Expenditures

The following table lists General Fund department budgets, ranked by dollar change against the FY 2026 Adopted Budget.

Expenditures	FY 2026 Adopted	% of FY 2026	FY 2027 Proposed	% of FY 2027	$ Change vs. FY 2026	% Change vs. FY 2026
City Attorney	1,569,461	1.0%	1,657,631	1.0%	88,170	5.6%
City Auditor	740,849	0.5%	809,464	0.5%	68,615	9.3%
City Clerk	1,301,272	0.8%	1,433,578	0.8%	132,306	10.2%
City Commission	601,195	0.4%	687,685	0.4%	86,490	14.4%
City Manager	1,778,069	1.1%	1,950,244	1.1%	172,175	9.7%
Communications & Marketing	1,080,527	0.7%	1,036,203	0.6%	(44,324)	(4.1%)
Equal Opportunity	1,103,703	0.7%	1,355,885	0.8%	252,182	22.8%
Financial Services	3,021,649	1.9%	3,033,628	1.7%	11,979	0.4%
Fire Rescue	29,518,613	18.2%	31,813,880	18.3%	2,295,267	7.8%
Housing and Community Development	531,281	0.3%	571,874	0.3%	40,593	7.6%
Human Resources	2,286,884	1.4%	2,393,685	1.4%	106,801	4.7%
Management & Budget	1,044,806	0.6%	1,010,909	0.6%	(33,897)	(3.2%)
Non-Departmental	30,013,481	18.5%	31,712,688	18.2%	1,699,207	5.7%
Parks, Recreation and Cultural Affairs	12,366,846	7.6%	12,979,288	7.5%	612,442	5.0%
Police	44,916,361	27.7%	47,961,851	27.5%	3,045,490	6.8%
Procurement & Contracts Management	883,676	0.5%	874,506	0.5%	(9,170)	(1.0%)
Public Works	15,992,402	9.9%	16,603,364	9.5%	610,962	3.8%
Risk Management	185,200	0.1%	151,200	0.1%	(34,000)	(18.4%)
Sustainable Development	3,293,808	2.0%	3,286,516	1.9%	(7,292)	(0.2%)

Expenditures	FY 2026 Adopted	% of FY 2026	FY 2027 Proposed	% of FY 2027	$ Change vs. FY 2026	% Change vs. FY 2026
Technology	8,404,948	5.2%	11,101,291	6.4%	2,696,343	32.1%
Transportation	1,393,577	0.9%	1,705,736	1.0%	312,159	22.4%
Wild Spaces Public Places	10,988	0.0%	5,787	0.0%	(5,201)	(47.3%)
Total General Fund	**162,039,596**	**100.0%**	**174,136,893**	**100.0%**	**12,097,296**	**7.5%**

The following provides a high-level overview of changes in General Fund expenditures for FY 2027.

FY 27 VS FY 26	DEPARTMENT	WHAT CHANGED
↑ **$3.0 MM**	Police	The Police FY 2027 Proposed Budget is $47,961,851, 6.8% higher than the FY 2026 Adopted Budget, driven by an increase of $1.1 million in fringe benefits, $1.1 million in operating expenditures and $816,706 in salaries and wages. Personnel growth is driven by wage increases under collective bargaining agreements.
↑ **$2.7 MM**	Technology	The Technology FY 2027 Proposed Budget is $11,101,291, 32.1% higher than the FY 2026 Adopted Budget, driven by an increase of $2.0 million in salaries and wages, $429,938 in fringe benefits and $161,051 in operating expenditures. This is the largest percentage increase of any department. The City continues to stand up a full service technology function following the separation from Gainesville Regional Utilities while simultaneously compensating GRU to sustain existing support levels until IT separation is complete. The FY 2027 budget includes an approved operating reduction of $12,000. The reduction defers the Central Florida CIO membership to FY 2028 and trims office supplies and after-hours meals. The department notes office supplies may not always be available when needed.
↑ **$2.3 MM**	Fire Rescue	The Fire Rescue FY 2027 Proposed Budget is $31,813,880, 7.8% higher than the FY 2026 Adopted Budget, driven by an increase of $969,434 in fringe benefits, $795,848 in operating expenditures and $529,986 in salaries and wages. Personnel growth is driven by wage increases under collective bargaining agreements. The FY 2027 budget includes an approved operating reduction of $78,840. The reduction sunsets the Community-Based Recruiting and Mentorship Program when its administrator retires in April 2027. The program recruits and mentors future firefighters and EMTs and provides scholarships and structured support for candidates who would otherwise face financial barriers. Gainesville Fire Rescue expects fewer qualified applicants without dedicated oversight of recruitment and hiring support.
↑ **$1.7 MM**	Non-Departmental	The Non-Departmental FY 2027 Proposed Budget is $31,712,688, 5.7% higher than the FY 2026 Adopted Budget, driven by an increase of $972,555 in operating expenditures, $559,931 in transfers to other funds and $166,721 in debt service. The FY 2027 budget includes an approved operating reduction of $260,000. The reduction ends a $250,000 transfer to the Hippodrome rental account, which is no longer needed because the donation is recognized in another fund with no change to services, and

		eliminates $10,000 for the Family Unification Program, for which no provider has been identified.
$612.4 K	Parks, Recreation and Cultural Affairs	The Parks, Recreation and Cultural Affairs FY 2027 Proposed Budget is $12,979,288, 5.0% higher than the FY 2026 Adopted Budget, driven by an increase of $424,080 in operating expenditures, $98,894 in salaries and wages and $89,469 in fringe benefits. The FY 2027 budget includes an approved operating reduction of $200,100. The reduction removes $200,000 of unspent GRU utility funds. No direct service impact is anticipated, though the department notes it reduces the ability to replace recreation equipment and building-maintenance equipment that supports facility upkeep.
$611.0 K	Public Works	The Public Works FY 2027 Proposed Budget is $16,603,364, 3.8% higher than the FY 2026 Adopted Budget, driven by an increase of $635,285 in operating expenditures and $104,735 in fringe benefits, offset by a decrease of $129,057 in salaries and wages. The FY 2027 budget includes an approved operating reduction of $447,141. Most of the reduction moves cost out of the General Fund rather than cutting service: $300,000 of road maintenance materials and supplies returns to the Roadway Resurfacing Fund where it was historically funded, and the Tree Crew and its overtime move to the Tree Mitigation Fund. Positions and services continue in each case.
$312.2 K	Transportation	The Transportation FY 2027 Proposed Budget is $1,705,736, 22.4% higher than the FY 2026 Adopted Budget, driven by an increase of $156,555 in operating expenditures, $101,354 in salaries and wages and $54,250 in fringe benefits. The FY 2027 budget includes an approved operating reduction of $80,480. The reduction cuts parking garage security to peak periods, Friday and Saturday from 7:00 p.m. to 3:00 a.m., while maintaining some support for the Gainesville Police Department downtown unit. The department notes this may affect overall safety downtown.
$252.2 K	Equal Opportunity	The Equal Opportunity FY 2027 Proposed Budget is $1,355,885, 22.8% higher than the FY 2026 Adopted Budget, driven by an increase of $167,067 in salaries and wages, $60,966 in fringe benefits and $24,149 in operating expenditures.
$172.2 K	City Manager	The City Manager FY 2027 Proposed Budget is $1,950,244, 9.7% higher than the FY 2026 Adopted Budget, driven by an increase of $124,440 in salaries and wages and $54,702 in fringe benefits, offset by a decrease of $6,967 in operating expenditures. The FY 2027 budget includes an approved operating reduction of $40,460. The reduction closes the Resiliency Office operating budget. The Chief Resiliency Officer is reclassified to a Planner IV and moves to Sustainable Development, decentralizing resilience and adaptability work across departments.
$132.3 K	City Clerk	The City Clerk FY 2027 Proposed Budget is $1,433,578, 10.2% higher than the FY 2026 Adopted Budget, driven by an increase of $89,580 in operating expenditures, $29,130 in salaries and wages and $13,596 in fringe benefits.

↑ $106.8 K	Human Resources	The Human Resources FY 2027 Proposed Budget is $2,393,685, 4.7% higher than the FY 2026 Adopted Budget, driven by an increase of $51,925 in operating expenditures, $35,058 in salaries and wages and $19,818 in fringe benefits. The FY 2027 budget includes an approved operating reduction of $14,364. The reduction downgrades the filled Talent Strategy Manager position to a Learning and Organizational Development Manager. The department flags lower morale for the affected employee, slower response times, and a retention risk that would raise workload for the rest of the team.
↑ $88.2 K	City Attorney	The City Attorney FY 2027 Proposed Budget is $1,657,631, 5.6% higher than the FY 2026 Adopted Budget, driven by an increase of $37,703 in salaries and wages, $26,632 in fringe benefits and $23,835 in operating expenditures.
↑ $86.5 K	City Commission	The City Commission FY 2027 Proposed Budget is $687,685, 14.4% higher than the FY 2026 Adopted Budget, driven by an increase of $50,837 in fringe benefits, $27,337 in operating expenditures and $8,315 in salaries and wages.
↑ $68.6 K	City Auditor	The City Auditor FY 2027 Proposed Budget is $809,464, 9.3% higher than the FY 2026 Adopted Budget, driven by an increase of $43,921 in salaries and wages, $14,685 in operating expenditures and $10,009 in fringe benefits, offset by a decrease of $1 in general fund fte.
↑ $40.6 K	Housing and Community Development	The Housing and Community Development FY 2027 Proposed Budget is $571,874, 7.6% higher than the FY 2026 Adopted Budget, driven by an increase of $17,315 in fringe benefits, $16,662 in salaries and wages and $6,616 in operating expenditures.
↑ $12.0 K	Financial Services	The Financial Services FY 2027 Proposed Budget is $3,033,628, 0.4% higher than the FY 2026 Adopted Budget, driven by an increase of $40,902 in fringe benefits and $24,027 in operating expenditures, offset by a decrease of $52,950 in salaries and wages. The FY 2027 budget includes an approved operating reduction of $64,000. The reduction ends ceremonial supplies and department-funded team-building meals, passes credit card processing fees to the customers who choose that payment method, and brings armored car service in house. Moving cash transport and deposits in house may increase staff workload and introduces security and operational risks to be managed through internal controls.
↓ $5.2 K	Wild Spaces Public Places	The Wild Spaces Public Places FY 2027 Proposed Budget is $5,787, 47.3% lower than the FY 2026 Adopted Budget, driven by a decrease of $5,201 in operating expenditures. The FY 2027 budget includes an approved operating reduction of $5,201. The reduction moves fleet fuel and variable fleet costs out of the General Fund. Service continues unchanged.
↓ $7.3 K	Sustainable Development	The Sustainable Development FY 2027 Proposed Budget is $3,286,516, 0.2% lower than the FY 2026 Adopted Budget, driven by an increase of $35,183 in fringe benefits and $20,110 in operating expenditures, offset by a decrease of $62,585 in salaries and

		wages. The FY 2027 budget includes an approved operating reduction of $136,793. Most of the reduction moves Urban Forestry fleet, communications, dues and travel costs to the Tree Mitigation Fund, so the cost leaves the General Fund rather than the service. The remainder trims office supplies, unused contractual services and dues to actual spending, with no service impact.
$9.2 K	Procurement & Contracts Management	The Procurement & Contracts Management FY 2027 Proposed Budget is $874,506, 1.0% lower than the FY 2026 Adopted Budget, driven by an increase of $14,258 in fringe benefits and $8,169 in salaries and wages, offset by a decrease of $31,597 in operating expenditures.
$33.9 K	Management & Budget	The Management & Budget FY 2027 Proposed Budget is $1,010,909, 3.2% lower than the FY 2026 Adopted Budget, driven by an increase of $30,636 in operating expenditures, offset by a decrease of $60,757 in salaries and wages and $3,776 in fringe benefits. The FY 2027 budget includes an approved operating reduction of $40,000. The reduction removes funding for special assignments, none of which are anticipated in FY 2027. The department notes minimal impact at current staffing, and no capacity to absorb unanticipated special projects.
$34.0 K	Risk Management	The Risk Management FY 2027 Proposed Budget is $151,200, 18.4% lower than the FY 2026 Adopted Budget, driven by a decrease of $34,000 in operating expenditures. The FY 2027 budget includes an approved operating reduction of $16,800. The reduction cuts the security contract by 731 hours, which means less security guard coverage at City Hall.
$44.3 K	Communications & Marketing	The Communications & Marketing FY 2027 Proposed Budget is $1,036,203, 4.1% lower than the FY 2026 Adopted Budget, driven by a decrease of $32,020 in salaries and wages, $7,314 in operating expenditures and $4,990 in fringe benefits. The FY 2027 budget includes an approved operating reduction of $47,000. The reduction transitions early to AI captioning and discontinues funding for Telephone Town Halls. The department notes that AI captioning is cheaper but that accuracy and compliance in a live television environment are at risk, and that the City Commission would lose GNV on the Move as a way to reach neighbors about City initiatives and policy progress.

FY 2027 Program and Service Delivery Impacts

The Government Services Contribution from Gainesville Regional Utilities has fallen $31.1 million, or 81.3%, since FY 2019. The City has spent three fiscal years bringing the cost of its operations into line with the revenue that remains, and the FY 2027 Proposed Budget continues that work.

The FY 2027 Proposed Budget maintains current service levels and changes how some of them are funded.

What Neighbors Pay:

- The **property tax millage rate is held at 6.7297 mills**, unchanged from FY 2026 and the second consecutive year at that millage rate. Holding the rate flat was a deliberate decision, taken in view of what is changing on the non-ad valorem side of the tax bill.
- The **fire services assessment** moves from 53% to 85% recovery of the assessable fire budget, generating $20,701,715 for FY 2027. Fire protection costs that the General Fund previously absorbed are now recovered through the assessment, which appears as a non-ad valorem line on the County tax bill. Emergency medical service beyond first response cannot be funded by an assessment under Florida law and continues to be paid from the General Fund, which is why the assessable fire budget is smaller than Gainesville Fire Rescue's total budget.
- The Gainesville Regional Utilities Authority has **discontinued billing for stormwater and solid waste**. The City Commission set an initial stormwater assessment of $150.65 per equivalent residential unit and cart-based solid waste rates on June 18, 2026, both adopted at the September 10 public hearing. Neighbors will see these services charged directly rather than through the utility bill. The combined effect on the non-ad valorem side of the bill is the reason the millage rate was held flat.

Transit Service:

- The **General Fund contribution to Regional Transit System operations increases** in FY 2027. That increase allows RTS to hold service at current levels rather than absorb the kind of reductions it has taken in each of the past several years, following the decline in funding under the University of Florida service agreement.
- RTS now operates **paratransit service in house**, which it assumed during FY 2026. In-housing the service held transit positions that would otherwise have been lost to the reduction in University of Florida funding.

Service Levels and Operating Reductions:

- Departments identified **$1,443,179 in operating reductions** for FY 2027, drawn from the ranked 10% and 15% decrement exercise every department completed. Because the reductions were selected from the least impactful end of each department's own ranking, service level effects are minimal by design.
- **Funding for outside agencies is not reduced.** The City's Aid to Private Organizations appropriations, which fund community-based nonprofit partners delivering social services, arts and cultural programming, and economic development, are funded at the FY 2026 level.
- **Funding for homelessness services is unchanged** from FY 2026.
- **No General Fund balance is used to balance the budget.**
- **No filled General Fund position is eliminated.** Every General Fund elimination in this budget is a transfer to another department or a conversion to a different classification. Separately, 21.00 positions that were already frozen and unfunded in FY 2026 are removed from the authorized count, including five sworn Police Officer positions. Because those positions were defunded last year, deleting them has no FY 2027 fiscal impact.

Where the Budget Grows:

- **Public safety operations** account for the largest dollar increases in the General Fund, with the Police Department up $3,045,490 and Gainesville Fire Rescue up $2,295,267 over the FY 2026 Adopted Budget. Both are driven primarily by wage and benefit increases under collective bargaining agreements.
- The **Technology Department** grows by $2,696,343, or 32.1%, the largest percentage increase of any department, as the City continues to stand up a full service technology function following the separation from Gainesville Regional Utilities. Salaries and wages account for $2,005,354 of that increase.

Recapping and Looking Ahead

Departments continue to deliver core services and programs to neighbors in FY 2027. Staff monitor departmental budgets through the fiscal year and adjust expenditure levels as conditions require.

As the City rises to meet each new challenge, the work done year to year evolves and improves. In alignment with ongoing efforts to implement improved policies and practices, it is important to share initiatives recently completed or underway in the City of Gainesville.

- The Department of **Financial Services** completed the most recent annual external audit with a **clean opinion**, and the City Commission accepted the FY 2025 Annual Comprehensive Financial Report in March 2026.
- Both rating agencies reviewed the City in May 2026 and **held its ratings with a stable outlook**. Moody's affirmed the Aa3 issuer rating and the outstanding non-ad valorem revenue obligations; Fitch affirmed the AA Issuer Default Rating and non-ad valorem revenue backed obligations. Both assigned the same ratings to the Capital Improvement Revenue Bonds, Series 2026, issued in May to fund public safety facilities. The agencies cited the City's reserve levels, its broad revenue base and a growing population.
- The City responded to **critical events** during the year, among them an active shooter and wildfires, without interruption to core services. The Gainesville Police Department also renewed its presence in Downtown and Midtown.
- The City broke ground on **Gainesville Fire Rescue Station 3** in July 2026, a replacement station of more than 16,700 square feet near Waldo Road. The Commission also approved the final construction package for the **Southwest Public Safety Center and Fire Station 9**, and the construction agreement for the **Gainesville Police Department Property and Evidence building**. All three are funded through the infrastructure surtax program branded Streets, Stations and Strong Foundations.
- The Commission approved the restoration of the **Wilhelmina Johnson Center**, the 1927 building that served as Fire Station No. 2, at approximately $1.9 million. The building will be fully refreshed within its original footprint, with completion expected in early 2027.
- The Commission approved a renovation of the **Gainesville Training, Entrepreneurship, and Community (GTEC) Center** at approximately $5.1 million, converting the incubator into roughly 64 smaller offices with co-working and community rental space. The work is phased so that current tenants stay in place throughout construction.
- The Commission approved approximately $545,000 to renovate and expand the City-owned building at 225 SW 5th Avenue as a **community center for the Porters neighborhood**. The building had been vacant roughly fifteen years.
- The Commission approved construction of **The Streatery**, converting SW 1st Avenue between Main Street and the SW Parking Garage into a pedestrian festival street designed to support downtown events and programming.
- The City and the Gainesville Housing Authority applied jointly for a **HUD Choice Neighborhoods Implementation grant** of up to $26 million focused on the Lake Terrace site, covering housing, neighborhood improvements and supportive services.
- In **affordable housing and homelessness**, the Commission adopted the Local Housing Assistance Plan for FY 2027 through FY 2029, declared City parcels surplus for conveyance to GRACE Marketplace for a continuum of care facility, and expanded the cold-night shelter program to community-based organizations.
- In **parks and conservation**, the Commission accepted a seventeen-acre land donation to be known as the Courtland Alden Collier Preserve, purchased property for urban forest conservation, purchased land for the SW 47th Avenue multiuse trail and a new neighborhood park, and approved restoration of the Bivens Arm Marsh and replacement of its boardwalk system.
- In **transportation**, the Commission adopted an update to the Mobility Plan and its fee schedule, accepted a Federal Highway Administration Safe Streets and Roads for All planning award, awarded engineering services for University Avenue, and entered a

transit service agreement with Santa Fe College.

- In **economic development**, the Commission approved a ground lease and development agreement for the Lot 10 mixed-use development downtown and awarded construction management and professional services for the NE 8th Avenue and Waldo Road redevelopment. City leaders also advanced an economic development framework, supported by an International City/County Management Association grant funding an Economic Development Director.
- The City continued to build a full service **Technology Department** following the separation from Gainesville Regional Utilities.
- Every department completed a ranked **10% and 15% operating reduction exercise**. That work balanced this budget and gives the City a blueprint for future years if further reductions become necessary.
- Remaining **American Rescue Plan Act** projects, primarily housing related, remain on target for completion by December 31, 2026.

Looking ahead, six new facilities funded through the infrastructure surtax program are in design or under construction: the Southwest Public Safety Center ($28.6 million), the Gainesville Police Department Property and Evidence building ($24.1 million), Fire Rescue Station 3 ($16.8 million), the Gainesville Fire Rescue Administration building ($2.9 million), Public Works Hurricane Hardened Operations ($2.1 million) and the Gainesville Fire Rescue Training Facility ($1.7 million). The Gainesville Community Reinvestment Area is also funding a Streatery Improvement Grant program of $500,000, offering up to $50,000 per eligible business, opening in the fall of 2026.

Two matters outside the City's control will shape the years that follow. Florida voters decide **Amendment 3** on November 3, 2026; if it passes, a meaningful share of future General Fund property tax revenue is affected beginning in FY 2028. **House Bill 1329**, effective January 1, 2027, requires an annual operating reduction exercise, and the FY 2028 cycle is the first one it governs. Separately, no agreement is yet in place with the Gainesville Regional Utilities Authority covering shared services or the Government Services Contribution; streetlight costs in the unincorporated area are expected to rise and litigation expense continues.

Controlling the cost of operations remains the central task. The revenue environment is getting harder rather than easier, and the City intends to meet it the same way it has met the last three years.