

# FY22 Budget Message



*Kin Davidson*

*Building a better future together*

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June 29, 2021

## INTRODUCTION

To the Honorable Alachua County Board of County Commissioners:

The presentation of the Tentative Budget and Budget Message is one of my most essential and fundamental duties. It is the beginning of the discussion that will result in the alignment of County staff and the County Commission's Strategic Plan. As mandated by Florida law, I am presenting you a balanced budget.

Being "Better Together" was a recurring theme in my Annual Report. It is clear to me that building and nurturing strong partnerships within our community is a Commission priority, and that priority is reflected in this budget.

The FY22 Tentative Budget Message was prepared against the backdrop of the recently ended and longest running state of emergency in the history of Alachua County. It is a relief to us all that a semblance of normalcy has returned to our workplace. I can't say enough about the work of Alachua County's employees during this unprecedented challenge. With help from our many community partners, the County has led the effort to keep our community safe, informed, and provide necessities to those in need.

As I write this message, the COVID challenges continue but thankfully at a much more manageable level. Our focus now is assisting those who continue to be in financial jeopardy due to COVID and work towards the community's recovery. Building on the enormous CARES ACT effort, we will continue to reach out to those in need of the Emergency Rental Assistance Program and continue refining and implementing the American Rescue Plan (ARP) strategies. ARP dollars will have a substantial impact on our recovery during the current fiscal year, next fiscal year, and beyond.

As our community continues to recover from the pandemic, I recommend lowering the largest tax-generating item in our revenue stream - the General Fund property tax millage rate. I am recommending a reduction from 7.8935 to 7.8662. This marks the fifth consecutive year we have reduced the millage rate. Thanks to our prudent and responsible financial planning over many

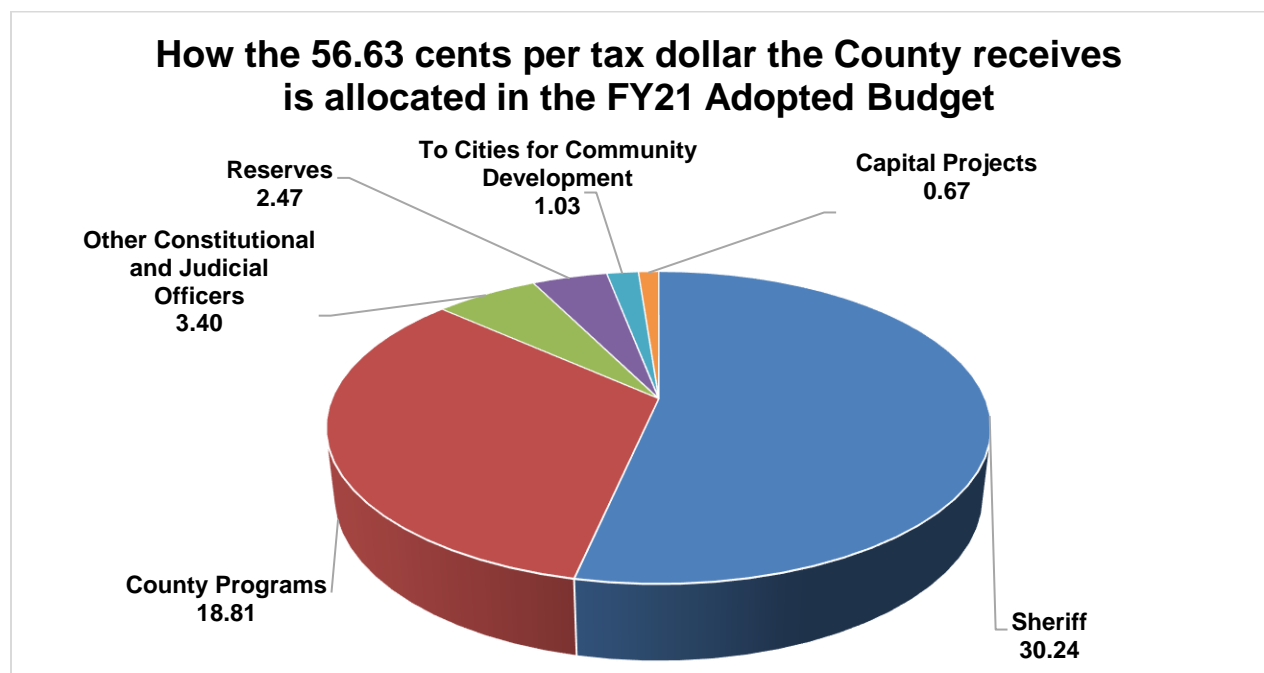


years, we can implement this decision while continuing to provide the same level of programs and services. In addition to lowering the General Fund millage rate, I am also recommending no increases to the MSTU Law Enforcement millage rate, the County's Stormwater Fee, and to the Solid Waste Assessment. After maintaining the County's Fire Assessment at the same rate for two consecutive years following its implementation, I am recommending a modest increase to the Fire Assessment for Tier 1 from \$83.40 to \$90.69 and for Tier 2 from \$7.63 to \$8.31.

Keeping your Strategic Plan at the forefront, County staff has spent an enormous amount of time weighing the available funding and the many competing needs for providing services to our community. As always, I want to thank my department directors, the constitutional officers, and the judiciary for being cognizant of the unique challenges we face when presenting their budgets.

### The Commission's Share of Each Property Tax Dollar

The Commission received 56.63 cents of every property tax dollar in FY21. Of this amount, 18.81 cents are used for County departmental operations and 0.67 cents fund capital projects. The remaining 37.15 cents are distributed as follows: 30.24 cents to the Sheriff; 3.40 cents to other Constitutional and Judicial offices; 1.03 cents to cities for community redevelopment; and 2.47 cents are held in reserves. The following chart illustrates how the Commission allocated its property tax dollars.



## PROPERTY VALUES AND MILLAGE RATES

For the seventh year in a row, Alachua County's property values are rising. The FY22 Tentative Budget anticipates a property value increase of over 6% in the General Fund and the Municipal Service Taxing Unit – Law Enforcement. The Commission will be asked to set the tentative millage rates at their meeting on July 13, 2021.

| <b>FY22 Proposed Millage Rates</b>  |  |  |
|---|--|--|
| <b>Property Tax Revenue Only</b>  | <b>General Fund<br/>(Preliminary<br/>Estimate)</b> | <b>MSTU<br/>Law Enforcement<br/>(Preliminary Estimate)</b> |
| <b>2022 Projected Taxable Value</b>   | <b>17,521,435,750</b>                              | <b>7,203,720,100</b>                                       |
| <b>2021 Final Gross Taxable Value</b>   | <b>15,308,183,328</b>                              | <b>6,377,308,776</b>                                       |
| <b>Current Millage</b>  | <b>7.8935</b>                                      | <b>3.5678</b>  |
| FY22 Projected Revenue  | 131,390,180  | 24,416,361   |
| FY21 Projected Revenue  | 114,793,388  | 21,615,314   |
| Difference  | 16,596,793   | 2,801,047  |
| <b>Simple Majority Cap</b>  | <b>9.8676</b>                                      | <b>3.4777</b>  |
| <b>Millage Change</b>   | <b>1.9741</b>                                      | <b>-0.0901</b>   |
| FY22 Projected Revenue  | 164,249,793  | 23,799,759   |
| FY21 Projected Revenue  | 114,793,388  | 21,615,314   |
| Difference  | 49,456,406   | 2,184,444  |
| <b>Super Majority Cap</b>   | <b>10.0000</b>                                     | <b>3.8255</b>  |
| <b>Millage Change</b>   | <b>2.1065</b>                                      | <b>0.2577</b>  |
| FY22 Projected Revenue  | 166,453,640  | 26,179,940   |
| FY21 Projected Revenue  | 114,793,388  | 21,615,314   |
| Difference  | 51,660,252   | 4,564,626  |
| <b>Current Millage</b>  | <b>7.8935</b>                                      | <b>3.5678</b>  |
| <b>Millage Change</b>   | <b>0.0000</b>                                      | <b>0.0000</b>  |
| FY22 Projected Revenue  | 131,390,180  | 24,416,361   |
| FY21 Projected Revenue  | 114,793,388  | 21,615,314   |
| Difference  | 16,596,793   | 2,801,047  |
| <b>Recommended</b>  | <b>7.8662</b>                                      | <b>3.5678</b>  |
| <b>Millage Change</b>   | <b>-0.0273</b>                                     | <b>0.0000</b>  |
| FY22 Projected Revenue  | 130,935,762  | 24,416,361   |
| FY21 Projected Revenue  | 114,793,388  | 21,615,314   |
| Difference  | 16,142,374   | 2,801,047  |
| Note: Estimated Change in Florida Per Capita Personal Income 1.0443% per the Florida Department of Revenue. |  |  |

# GENERAL FUND

I recommend a reduction in the General Fund millage rate from 7.8935 mills to 7.8662 mills. The General Fund provides resources for the majority of County departments and Constitutional offices. The FY22 General Fund total from property tax revenue is \$129,461,412. The total from all revenue sources is \$202,052,212.

# MUNICIPAL SERVICES TAXING UNIT (MSTU), MUNICIPAL SERVICES BENEFIT UNITS (MSBU) & GAS TAX

All of these funds will pay their appropriate share of the Florida Retirement System (FRS) contributions, health insurance increases, employee compensation increases, and reserves. The budget totals are inclusive of many revenue sources including Ad Valorem Tax, State Sales Tax, Communications Service Tax, and Public Service Tax.

## MSTU Law Enforcement

I am recommending no increase to the MSTU Law Enforcement Fund rate of 3.5678. The FY22 MSTU Law Enforcement total from property tax revenue is \$24,416,361. The total from all revenue sources is \$27,524,906.

## MSBU Fire Protection

Fire Protection will continue to be funded through an MSBU assessment fee for FY22 and requires a modest increase. There will be an increase to the MSBU Fire Assessment for Tier 1 from \$83.40 to \$90.69 and for Tier 2 from \$7.63 to \$8.31. The FY22 MSBU Fire Protection total budget is \$25,901,242.

## MSBU Stormwater

Stormwater issues will also continue to be funded through an MSBU assessment fee for FY22 and require no increase. The FY22 MSBU Stormwater total budget is \$1,951,698.

## MSBU Curbside Collection

I am recommending no increase in the MSBU Curbside Refuse Collection. It is assessed and apportioned among benefited parcels per cart size per dwelling. It is funded through an MSBU assessment. The FY22 MSBU Refuse Collection total budget is \$8,102,136.

## Gas Tax Fund

The Gas Tax total budget is \$12,226,668 . Over the last three decades, and consistent with national trends, the cost of providing transportation system

services has outpaced revenues collected from gas taxes. This trend will continue as cars continue to become more fuel-efficient and residents continue to choose alternative modes of transportation. To offset this Gas Tax funding deficiency, General Fund transfers have been used to maintain a steady level of service. The proposed FY 22 General Fund transfer is \$4.6 million. The Local Option Fuel Taxes (totaling 11 cents) have been extended for ten years and an interlocal agreement has been entered with the City of Gainesville. The County's share of the Gas Tax proceeds from the agreement is 50%. Along with the general fund contribution of \$4.6 million, this is a total of \$12,226,668 to road maintenance and improvement.

## **COUNTY INITIATIVES AND IMPERATIVES**

### **A Living Wage and COLA**

The Commission has expressed its policy of ensuring a living wage for all employees, with a goal to reach \$15.00 per hour. The recommended budget for FY22 realizes this goal with an increase in the Local County Minimum Wage from \$14.50 to \$15.00 an hour. I am recommending this increase for all County, Constitutional, and Judicial employees funded by the County.

In addition to increasing the minimum wage, I recommend providing our non-bargaining employees an across-the-board Cost of Living Adjustment (COLA) increase. This includes an equivalent level of funding for employees of the Constitutional and Judicial Officers as well. I recommend that we set aside a comparable level of funding for bargaining unit employees.

### **Alachua County Agricultural & Equestrian Center**

The Agricultural and Equestrian Center in Newberry is up and running. This project is an extraordinary partnership with the Newberry City Commission and UF/IFAS. We cut the ribbon on the arena, and other improvements continue, including the new Alachua County/UF IFAS Cooperation Extension Building.

### **Addressing the County's Critical Building Needs**

This budget continues to move the County forward in developing a new administration building to consolidate much of the County's downtown operations in a single location and a location for the Court Services Department as part of the County's judicial campus. Additionally, this project offers the County with a unique opportunity to design and construct a facility that recognizes the anticipated "new normal" of operations in a post-

pandemic world while encouraging the economic development of the critical downtown Gainesville area.

### **Residential Rental Unit Permit and Inspection Program**

At Commissioner direction, we are creating the in-house Residential Rental Unit Permit and Inspection Program for the unincorporated area. This will add 4.0 FTE Code Officers and 1.0 FTE Staff Assistant.

### **2.0 FTEs for Permanent Supportive Housing and Rapid Rehousing**

1.0 FTE outreach coordinator and 1.0 FTE housing locator/navigator will serve both the Rapid Rehousing and the Permanent Supportive Housing components. The Alachua County Division of Social Services began implementing the Permanent Supportive Housing and Rapid Rehousing programs based on a three-year budget plan approved by the Board in September 2019 with full implementation in FY22, allowing a staff ratio of 1:23. This item will have no budgetary impact, as the cost will be absorbed in the current budget.

### **1.0 FTE for management, maintenance, and public access needs of the Alachua County Forever Program**

The Office of Land Conservation & Management is requesting 1.0 FTE Environmental Specialist to better meet the management, maintenance, and public access needs of the Alachua County Forever Program and help relieve the staffing capacity deficit. This position will assist with on-the-ground preserve management and maintenance, including contractor oversight, prescribed burning, invasive species control, restoration, public access, infrastructure development, and maintenance and visitor safety. The addition of this FTE is the first of a proposed three-year plan to increase staffing and provide public access to more of our acquisitions.

## **ADDITIONAL BUDGET IMPACTS AND ENHANCEMENTS**

### **ALL COUNTY-FUNDED DEPARTMENTS AND AGENCIES**

- A 1.5% increase in health coverage costs.
- Adjust the Florida Retirement System based on the State of Florida's required contribution.



## **CONSTITUTIONAL OFFICERS**

### **Court Administration**

- Funding for Zoom licenses and H323 connectors. The state of Florida has previously been covering the cost and cannot guarantee continuation past January 2022. Zoom licenses are needed to continue normal operations in a hybrid setting.

### **Clerk of Courts**

- Funding for 1.0 FTE Accountant position to support the transition of Career Source into a county department.

### **Supervisor of Elections**

- Funding to add an early voting site to accommodate population growth.
- Funding for a vote-by-mail system for visually impaired voters.
- Funding associated with possible Census redistricting costs.
- 1.0FTE support staff position to provide executive-level administrative support and clerical support to the Supervisor of Elections.
- On-call staffing cost to return sooner to prepare for the 2022 election cycle.
- The remaining balance of personal service costs for a 0.5 FTE Outreach Assistant was approved in FY 21.
- Funding for equipment includes voting equipment batteries and a maintenance contract for a vote by mail & signature verification equipment.
- Funding for printing and mailing of voter information, including sample ballots, preparedness guides, and advertising to educate voters and election information.

### **Sheriff's Office**

- Funding for phase 2 of the body camera project for law enforcement
- Funding to provide a school resource officer who will be assigned to the new elementary school off Parker Road as well as an additional floating school resource officer position.
- Funding for replacement of 6 motorcycles that have exceeded their useful life

- Funding for ransomware software backup system.

## **BOARD OF COUNTY COMMISSIONERS**

### **Legislative Affairs**

- Funding for an increase of the contract with Smith, Bryant, & Myers to take over the duties of Legislative Affairs for the County.
- Funding for a full-time intern to work in this effort with a focus on policy research assistance to Commissioners.

### **Animal Services**

- Replacement of 12 Panasonic Toughbooks and Havis vehicle mounts.

### **Code Enforcement**

- Funding for a 1.0 FTE Senior Staff Assistant.

### **Community and Administrative Services**

- Funding to replace the criminal courthouse signage for the dedication of the building honoring Judge Stephan P. Mickle Sr.

### **Community Support Services**

- Alachua County Apartments is meant to provide affordable housing to vulnerable Alachua County residents. The county will contract with an organization to manage the complex and case managers will provide supportive services based upon individual needs. Mobilization funds will be provided to the management company to support initial operations and will be reimbursed at the end of the contract.
- The Housing Trust Fund is to provide a continuing, non-lapsing fund source creating and sustaining affordable housing for renters, homeowners, and increase workforce housing.

### **County Attorney Office**

- 1.0 FTE entry-level assistant county attorney to assist in the increasing work load.

## **Court Services**

- Funding for an anticipated increase in Electronic Monitoring/Global Positioning System (EM/GPS) monitoring costs.
- Funding for Monitor Connect Software that will allow probation officers the ability to send client reminders on a 24/7 basis to improve failing to report numbers and better accountability.

## **Facilities Management**

- Funding for the operating and maintenance of the new Alachua County Tax Collector building
- Funding for the operational costs for the UF/IFAS Extension and Auditorium and additional buildings joining the County portfolio.

## **Fire Rescue**

- Funding for 1.0 FTE Transfer Coordinator to handle the increasing amount of non-emergency transfers within, and outside of, Alachua County.
- Funding for needed Tanker-21 replacement.
- Funding for the Reclassification of the current GIS/Data Analyst Manager position to the GIS Coordinator
- Funding for 1.0 FTE Plans Examiner position.

## **Growth Management**

- Funding for fare-free service for seniors 65 and over and youth under 18. As proposed, this would be split between the City, County, and the Children's Trust.
- Funding for increased costs to cover required advertising in the Gainesville Sun.
- Funding for 19 additional Citizenserve software licenses.
- Funding for file digitization.

## **Human Resources**

- Funding for a human capital software system.
- Funding for 1.0 FTE – Enterprise Resource Planning Systems (ERP) Administrator and Funding to reclass a Finance System Administrator to an ERP Systems Manager

## **Information & Telecom Services**

- Funding for Adobe licenses to create ADA compliant information.
- Funding for Cloud Services for the new Azure website.
- Funding for Software assurance licenses for the new Office 365 EA agreement.
- Funding for ongoing system maintenance for the DUO Multifactor Authentication system which provides added security to the Virtual Private Network (VPN).
- Funding for Smarsh mobile phone licenses which provide the ability to archive text messages on County phones due to remote working conditions.
- Funding for 100 zoom pro licenses, 3 webinar licenses, and the Commission Meeting zoom services.
- Funding for ongoing maintenance for the Knowledge Cloud Services which provides document management services.

## **Land Conservation**

- Funding for current land management operating costs to those new County lands property-specific projects. These include projects to secure new lands (fencing, signage, etc.), treat invasive plants, conduct ecological restoration and reforestation, improve infrastructure and construct public use facilities.
- Funding for the replacement of the Conservation Lands program UTV, acquired in 2003. The UTV is used in prescribed burns and other management activities on County preserves.
- Funding for professional services to assist with the development of a Citizen Climate Advisory Committee's Climate Action Plan. This

project will require extensive outreach to the public and collaboration with municipal staff and stakeholders.

### **Parks & Open Space**

- Funding to cover costs related to ongoing utilities and field painting at the Jonesville Soccer Park.
- Operational funding for Cuscowilla to operate the camps, events, and programs.

### **Public Works**

- Funding for 1.0 FTE Capital Projects Coordinator position to assist the Public Works director in managing capital and critical facilities preservation projects.

### **Visitor & Convention Bureau**

- Funding for 1.0 FTE Equestrian Center Maintenance Worker.

## **CONCLUSION**

The FY22 Tentative Budget is now in your hands. This process will culminate in your adoption of the budget on September 28, 2021. Between now and then we will have multiple budget meetings and listen carefully to your discussions and directions.