

City of Lakeland, Florida

Annual Budget

Fiscal Year 2022

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Budget Overview

Introduction

The FY 2022 Annual Budget was adopted on September 23, 2021. It is the numerical representation of the FY 2021 Strategic and Business Operating Plan. By allocating resources through service prioritization based on strategic alignment with the City of Lakeland Strategies, this budget sets the stage for continued success in the future.

Budget Highlights

The net operating budget for FY 2022 for all fund's totals \$763,380,405. This represents a increase of \$158,357,510 or 26.17% more than the FY 2021 budget. The FY 2022 budget is balanced and responsive to the community needs identified in the Strategic and Business Operating Plan.

Some factors that contributed to the changes in the budget are:

- Eroding levels of revenue in the Federal, State, and Local Grants and Shared Revenues
- Charges for Services, Licenses, and Permits, and All Other Revenues
- Budget development based on citizen needs, a prioritized Strategic Plan, and responsive Target Area Projects

Building the Foundation

The Commission's Annual Retreat held in February 2021 focused on:

- Results of the Lakeland View Community Survey
- Key Issues Facing the Community
- Strategic Plan Target Areas and Initiatives

The Strategic Planning Retreat included information from the Community Survey as well as interview sessions held before the retreat by the Facilitator with each City Commissioner, which resulted in Eight Key Target Areas the City will focus on in the short and long term. During the retreat, the City Commission established Strategic Objectives and Prioritized Initiatives for each Target Area. From these objectives and initiatives, City Staff developed an Action Plan for each Target Area. The Action Plans were presented to the City Commission during the Budget Workshops held in July 2021.

The Strategic Operating Plan links the City's Vision, Mission, and Goals with the Key Target Areas. Additionally, our Performance Management Programs links our Goals to our Services through measurement, allowing us to benchmark against other communities and also proactively approach process improvement.

Financial Forecasting

One of the most effective tools to manage future financial risk is the Financial Forecasting Model. Revenues are projected at conservative levels and compared to estimated cost increases in payroll, operating expenditures, and capital outlay. The purpose of this model is to adequately prepare for future challenges, so it is always conservative in outlook. Using this tool helps keep us focused on long-term solutions, rather than short-term fixes, which could lead to negative financial impacts in future years. It is important to note that the City's budget has always been balanced.

Budget Overview

Budget Format

A municipal budget document should provide sufficient, meaningful, and useful information to the public, elected officials, and City staff. To that end, we have developed a budget document that serves four primary functions:

- Policy Document
- Financial Plan
- Operations Guide
- Communication Device

Together these budget elements define what the City of Lakeland has done, what it plans to do, how it will accomplish its objectives, and measures to confirm achievement.

The budget is a program/performance-based plan that links prescribed organizational goals and objectives with the financial resources necessary to achieve them. Each of the budget Programs represents a product or service of the City. Contained within each Program are objectives and achievements. The program/performance budget is integrated with line item financial information to ensure optimal budget control.

This program/performance budget enables the public and the City Commission to analyze the budget by priorities based on program goals and performance objectives rather than line item costs.

In addition, this format provides information so that the public and the City Commission will have a better understanding of both the allocation of resources (workforce, expenses, and revenues) among programs and the measurable work that each department will accomplish.

Approval Process

During the months of June - August recommended operating and capital improvement program budget documents are prepared and presented to the City Manager, the Budget Review Team, and ultimately to the City Commission for review. The City Commission either approves or makes changes in the recommended budgets and returns to City staff for further study. Public hearings and final adoption of the budget occur in mid-September.

Monitoring Process

The Finance Chief Accountants are authorized to transfer budget amounts within individual departments. Actual expenditures and operating-transfers-out may not exceed the adopted budget at the individual fund level. The City Manager has the authority to transfer budgeted amounts within their respective funds. Appropriations, which are neither expended, encumbered, nor specifically designated to be carried over, lapse at the end of the fiscal year.

Budget Overview

Amending the Budget

If during the fiscal year, it becomes evident that a particular fund is unable to provide the required level of services to the community due to unexpected higher costs of providing the service, the budget may be amended.

The Director of Finance, through the City Manager, submits to the City Commission a budget amendment request. This request contains explanations written by the Director of the department needing additional funds.

The request also includes a proposal for financing the additional expenditures, usually either by appropriating from the fund balance or by submitting evidence of expected surplus current year revenues.

City Commission approval is required for budget amendments that alter the budget or workforce increases in any fund.

How the Budget Is Created

The City Commission begins an annual process of Strategic Planning designed to identify the issues that must be addressed to achieve our Mission and that will persist throughout the Strategic Plan. Strategies and Action Plans are developed in the Strategic Plan to emphasize the values of our customers.

With the Strategies set, the operations of the City are reviewed and redirected to bring the Strategic Plan to life. Specific programs, capital purchases, staffing requirements, and funding levels are developed in response to the needs identified in the Strategic Plan. The Plan is an outgrowth of the Strategies, capturing the City's Vision in a quantifiable form, improving decision-making and resource allocation. The Strategies, combined with the Strategic Plan, form the Strategic Operating/Business Plan. This process creates a direct link between costs, Programs, Activities, and Core Services. We use this model to monitor our performance by developing process maps that link budget items to activities and identify value-added and non-value-added services.

In developing the fiscal year operating budget, departments analyze existing services and potential services, keeping in mind the Strategic Plan Outcomes. The plan identifies added and removed services, which are then quantified in the line item budget. They reflect not only the Strategies as set by the City Commission, but also incorporate feedback from customer surveys and policy initiatives that contribute to the long-term financial health of the City.

Departments set goals to meet the needs identified by the Strategies. To meet these goals, core services within the departments have specific performance measurements. As the culture of continuous improvement and performance management continues to be cultivated in the City of Lakeland, each employee will become more and more involved in understanding what the result should be and how it contributes to the City's Strategic Plan. In this way, the budget becomes a tool for monitoring and improving, rather than just controlling operating performance.

Budget Overview

Program Budgeting

Programs are the driving force behind each Activity's budget, setting the direction of each department. A projected budget based on the previous year's budget, with any new Services appended and any discontinued Services removed, is developed.

From there, Key Success Indicators are developed that relate to the City's Strategic Plan. Goals and Objectives should be realistic and quantifiable, and improvements should support efficiency and effectiveness. Current Goals and Objectives may be used to establish a starting point for the future.

Around April, the Finance Department distributes target budgets to each department for the upcoming fiscal year. These targets are based on projections of current year expenditures as well as prioritized Core and Support Service costs. At the same time, Capital Improvement Program physical inventory worksheets are distributed for department input.

Budget targets are developed and their relationship to achieving the Goals of the Strategic Operating Plan is established. Operating costs are included in this budget target. Department staff members verify all numbers and assumptions made in these categories. Departments also submit all personnel changes such as retirements, projected salary increases, or changes in hours worked.

Operating Expenses

The target budget contains operating expenses based on projections of the current year's expenditures. The actual users of the supplies and services review their practices and habits involving daily expenditures for possible efficiencies or improvements. Departments review the line item account codes for accuracy of description and determine if they reflect the actual types of expenditures.

Lastly, they provide justification for any changes from the target budget with the use of information from current year expenditures or information obtained from other sources, such as trends in next year's contracts, service costs provided by the Purchasing Division, or further explanation of budget impacts.

Capital Expenses

Certain capital funds maintain a ten-year Capital Improvement Plan (CIP) for required capital, R&R, Equipment, and Maintenance needs. Departments evaluate all existing equipment, facilities, and other capital items to determine if the useful life has been exceeded, or will be exceeded, in the coming budget year.

Each fiscal year, those funds that maintain 10-year CIPs are updated for additional project requirements or changes in future capital needs.

Budget Overview

Budget Methodology

The Budget for the City of Lakeland is a performance-based system. This type of budgeting system identifies a level of performance for each type of service (program) and the resources required to operate it, as well as describes the structure of the departments and the programs into which they are divided. The Performance Budget is separated into Programs and Activities, which are broken down into the following components:

Component	Description
Program Description	The statement must identify the purpose for the activities and how they relate to the City's overall Mission.
Core Services	Products or services provided to the public (external customer) as an actual deliverable and not as a supporting service or step in the process. (Applicable to General Fund Operating Departments and Enterprise Funds) • FTE: Number of full-time and part-time employees associated with the completion of the Activity • Personnel Costs: Salary and Benefits • Operational Costs: All costs (other than personnel) attributed with completing the Activity • Debt Service: Acquired debt (if applicable) • Net Cost: Total Activity Cost
Support Services	Resources or assistance in support of a Core Service or deliverables provided to a City of Lakeland operation or internal customer (e.g. technology, equipment, or special resources including administrative, technical, maintenance, financial, legal, or other skilled and professional categories). (Applicable to General Fund Governance Departments and Internal Service Funds) Same table structure as identified above for Core Services.
Performance Measurements	The performance measurements will focus on accomplishments that have or will be attained within the current year. All will be measurable by the performance indicators supplied. Each performance measure will include explicit links showing how Objectives and their indicators are directly related to the Strategies they support. Performance Measurements may be developed: • Operationally • As a specific City-wide Key Success Indicator • Based on Lakeland View Survey Data • Based on an Actionable Item

Figure B-1: Performance Budget Components

Fiscal Year 2022 Strategic Planning and Budget Development Calendar

DATE	ACTION REQUIRED	RESPONSIBILITIES
January 2021	Lakeland View (LKLDVIEW.com) Survey	OMB
Jan 4 – Feb 1	Mid-Year PMFs Submitted to OMB	Depts, OMB
Feb 1 - 8	LKLDVIEW Survey Data Analysis	OMB
Feb 16 & 17	City Commission Strategic Planning Workshop	Commission, Staff
March 2 – 16	Complete ALL FY 2022 Personnel Request Forms (PMFs) and Submit to OMB	Depts, OMB
March 2 – April 17	HR Completes necessary Personnel PMF Review and Documentation. Output provided to OMB.	HR, Depts, OMB
March 12	Internal Services Line Item Budgets Available for Input	Finance, Depts
April 20	City Commission Budget Planning Retreat	CC, Depts
April 23	Line Item and CIPs Available for Entry	Finance, Depts.
May 4	Line Item Budgets Completed/Finance Begins Review	Finance, Depts.
May 11	Complete CIP Forms and notify Finance	Departments
May 12	Begin review of CIP Forms	Finance
May - June	PMF Review Team Meetings	DCM, ACM, OMB, HR, Finance
One week prior mtg. w/ CMO	1. Return Electronic Meeting Deliverables to OMB 2. Budget Development Forms	Departments
June 14 - 24	Department Budget Meetings - Review Proposed Budgets, PMFs & Accomplishments	Depts., CMO, OMB, Finance
June - July	Finalize Budget Development Items: 1. Hyperion System: • Workforce Forms • Central Budget Forms • Performance Budget Forms • CIP Forms 2. Table of Organization (TO) Process (N: Drive)	OMB, Finance, Departments
End of June – Early July	O&M, Workforce, Core Services and TO Reconciliation to approved Budgets	Finance, OMB
July 1	Tax Assessment delivered to the City	Property Appraiser
July 22	Publish notice of Public Hearing on Mayor & City Commission Salary	City Clerk

Figure B-2: Strategic Planning and Budget Development Calendar - Part 1

Budget Calendar

Fiscal Year 2022 Strategic Planning and Budget Development Calendar

DATE	ACTION REQUIRED	RESPONSIBILITIES
July	City Commission Budget Workshop	CC, CMO, Depts., OMB, Finance
July 30	Commission Agenda Study – City Commission to provide City Manager/Finance Director with proposed Maximum Tax Millage, Establish time and dates for Public Hearings	Commission, CMO, Finance
August 2	Deliver to Property Appraiser the proposed Tax Millage Rate, Roll-Back Rate and Public Hearing Schedule	Finance
August 16	Publish TRIM Notice for 1st Public Hearing	Property Appraiser
August 31	Complete all Performance Budget Allocations in Hyperion	Depts., OMB
Sept 2	Provide City Commission FY 2022 Proposed Budget (Line Item & CIP) prior to Budget Hearings	Finance
Sept 9	1st Public Hearing on tentative budget, Proposed Millage Rate, adopt Proposed Millage Rate	City Commission
Sept 19	Publish both the Notice of Proposed Tax Increase/Decrease or Notice of Budget Hearing and adjacent Budget Summary	City Clerk
Sept 23	2nd Public Hearing to adopt final budget and Millage Rate	City Commission
October	Distribute FY 2022 Budget Document	OMB

Figure B-3: Strategic Planning and Budget Development Calendar - Part 2

Budget in Brief

The Budget in Brief document is a summary of the program budgets used by the City of Lakeland to best allocate financial resources to respond to the desires of the citizens and fulfill the goals of the City Commission.

Community Safety: \$ 83,781,536

The Community Safety Program provides police and fire services to the residents of Lakeland through six programs: Community Police, Dispatching, Firefighting, Investigative, Patrol, and Rescue Services.

Cultural and Community Services: \$13,090,649

Lakeland's three libraries, Public Information Services, and the performances and events at the RP Funding Center are operated under this Program.

Economic and Community Development: \$21,052,077

The Economic and Community Development Program is comprised of the Affordable Housing Programs, Building Inspection and Permitting, Code Enforcement, the Community Redevelopment Agency (CRA) Districts, Development Review, and Economic Development.

Non-Departmental: \$1,376

Environmental and Utility Services: \$527,376,654

This Program is made up of the Electric Utility Production, Transmission and Distribution, and Billing activities, as well as Lakes and Stormwater Management, Solid Waste activities, Water Treatment and Distribution, and Wastewater Collection and Treatment.

Parks, Recreation and Properties: \$ 47,645,577

Aquatics, Cemeteries, Cleveland Heights Golf Course, Parks and Recreation, and Facilities Services are the activities that make up the Parks, Recreation, and Properties Program.

Transportation Services: \$ 48,404,173

The Transportation Services Program covers the Leasing and Operations activities at the Lakeland Linder International Airport, Parking Services downtown, and the Construction and Maintenance of all Transportation Facilities.

Legislative Activities: \$ 5,971,256

The support activities for the City Commission, including City Clerk, City Commission operations, and Community Relations are contained in this program.

Support Services: \$ 16,057,107

This Program contains the various support services that facilitate the operations of the other programs, including Facilities Maintenance, Fleet Management, Governance Administration, Information Technology, and Purchasing and Stores.

Adopted FY 2022 Budget: \$763,380,405



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Budget in Brief

Expenditures by Activity

Community Safety	\$83,781,536
Community Police Programs	8,363,406
Dispatching Services	7,113,654
Emergency Preparedness	151,377
Firefighting Services	16,116,316
Investigative Services	12,234,453
Patrol Services	29,350,276
Rescue Services	10,452,054
Economic and Community Development	\$21,052,077
Affordable Housing Programs	756,083
Building Inspection and Permitting	1,451,441
Code Enforcement	1,277,289
CRA Districts	13,220,464
Development Review Services	2,855,561
Economic Development	285,450
Local Business Taxes	(312,741)
Neighborhood Programs	78,812
Planning Services	1,439,718
Environmental and Utility Services	\$526,493,488
Energy Production	235,198,623
Energy Transmission and Distribution	77,487,887
Energy Utility Billing and Customer Service	18,779,139
Lakes and Stormwater Management	44,383,545
Solid Waste - Commercial	5,934,419
Solid Waste - Recycling	3,457,896
Solid Waste - Residential	6,927,318
Water Treatment and Distribution	58,121,302
Wastewater Collection and Treatment	76,203,359
Cultural and Community Services	\$13,090,649
Library Services	3,091,767
Public Information Services	790,268
The RP Funding Center	9,208,614
Parks, Recreation, and Properties	\$47,645,577
Aquatics	1,754,174
Cemeteries	1,649,123
Cleveland Heights Golf Course	5,695,239
Parks	23,191,404
Recreation and Facilities Services	15,355,637

Budget in Brief

Expenditures by Activity

Transportation Services	\$48,404,173
Airport - Leasing Activities	4,393,235
Airport - Operations	22,813,829
Parking Services	2,558,431
Transportation Facilities – Construction	8,242,766
Transportation Facilities – Maintenance	10,395,912
Legislative Activities	\$5,971,256
City Clerk	680,887
City Commission	4,796,489
Community Relations	493,880
Support Services	\$16,057,107
Facilities Maintenance	249,007
Fleet Management	129,429
Governance Administration	15,104,509
Information Technology	565,264
Purchasing and Stores	8,899
Non-Departmental	\$884,542
Total Expenditures	\$763,380,405

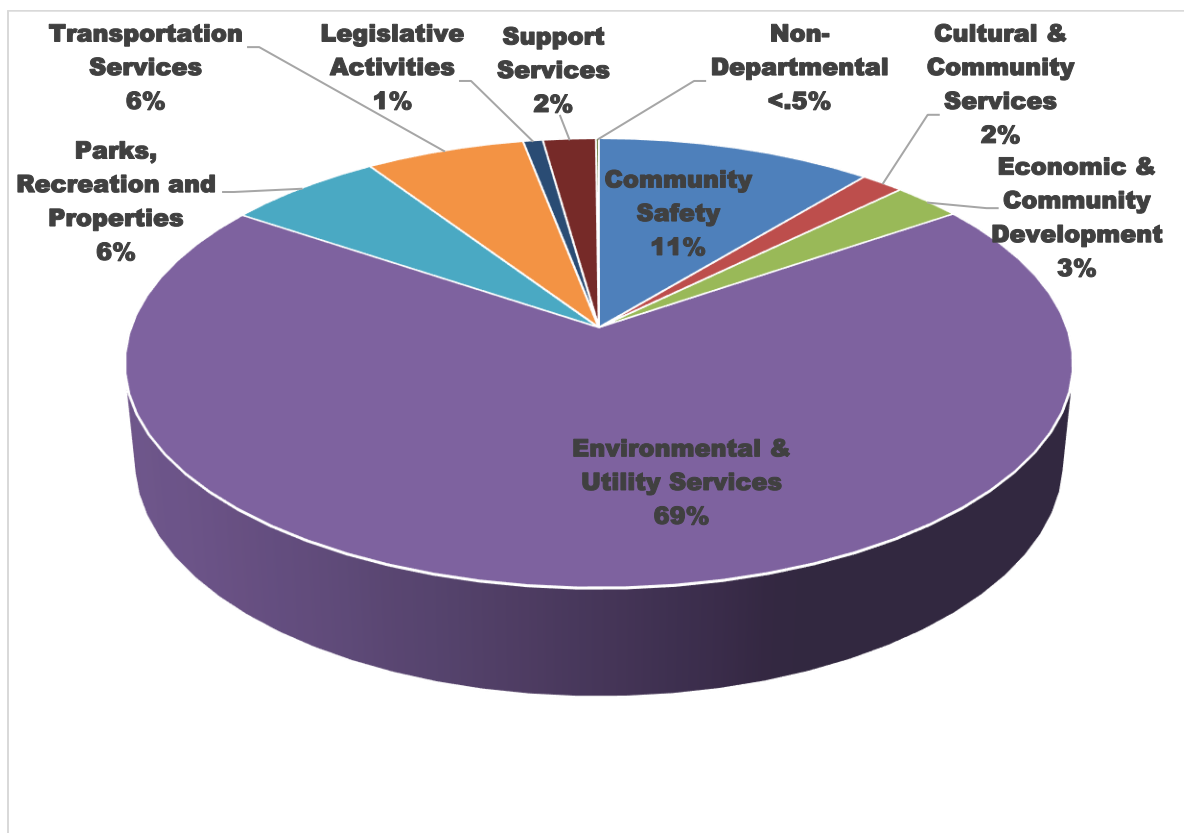


Figure B-4: Expenditures by Activity Pie Chart

Budget in Brief

Revenues by Activity

Community Safety	\$14,769,608
Community Police Programs	3,691,957
Dispatching Services	818,097
Emergency Preparedness	67,331
Firefighting Services	4,385,749
Investigative Services	1,887,388
Patrol Services	2,484,039
Rescue Services	1,435,046
Cultural and Community Services	\$9,581,719
Library Services	2,541,253
Public Information Services	563,574
The RP Funding Center	6,476,892
Economic and Community Development	\$23,431,237
Affordable Housing Programs	2,233,844
Building Inspection and Permitting	2,433,336
Code Enforcement	1,225,489
CRA Districts	10,708,336
Development Review Services	2,976,088
Economic Development	523,735
Local Business Taxes	2,353,714
Neighborhood Programs	523,735
Planning Services	452,960
Environmental and Utility Services	\$574,068,428
Energy Production	240,560,294
Transmission and Distribution	77,620,164
Utility Billing and Customer Service	40,227,793
Lakes and Stormwater Management	52,423,106
Solid Waste - Commercial	11,810,992
Solid Waste - Recycling	2,979,203
Solid Waste - Residential	10,041,984
Water Treatment and Distribution	56,544,161
Wastewater Collection and Treatment	81,860,731
Parks, Recreation, and Properties	\$21,510,526
Aquatics	212,240
Cemeteries	967,907
Cleveland Heights Golf Course	2,066,874
Parks	13,146,531
Recreation and Facilities Services	5,116,974

Budget in Brief

Revenues by Activity

Transportation Services	\$41,230,758
Airport - Leasing Activities	6,992,998
Airport - Operations	17,069,889
Parking Services	1,711,607
Transportation Facilities - Construction	7,775,241
Transportation Facilities - Maintenance	7,681,023
Legislative Activities	\$ 0
City Clerk	0
City Commission	0
Community Relations	0
Support Services	\$181,000
Facilities Maintenance	0
Fleet Management	0
Governance Administration	181,000
Information Technology	0
Purchasing and Stores	0
Non-Departmental	\$78,607,129
General Fund Services	78,498,614
Lakeland Regional Medical Center	108,515
Total Revenues	\$763,380,405

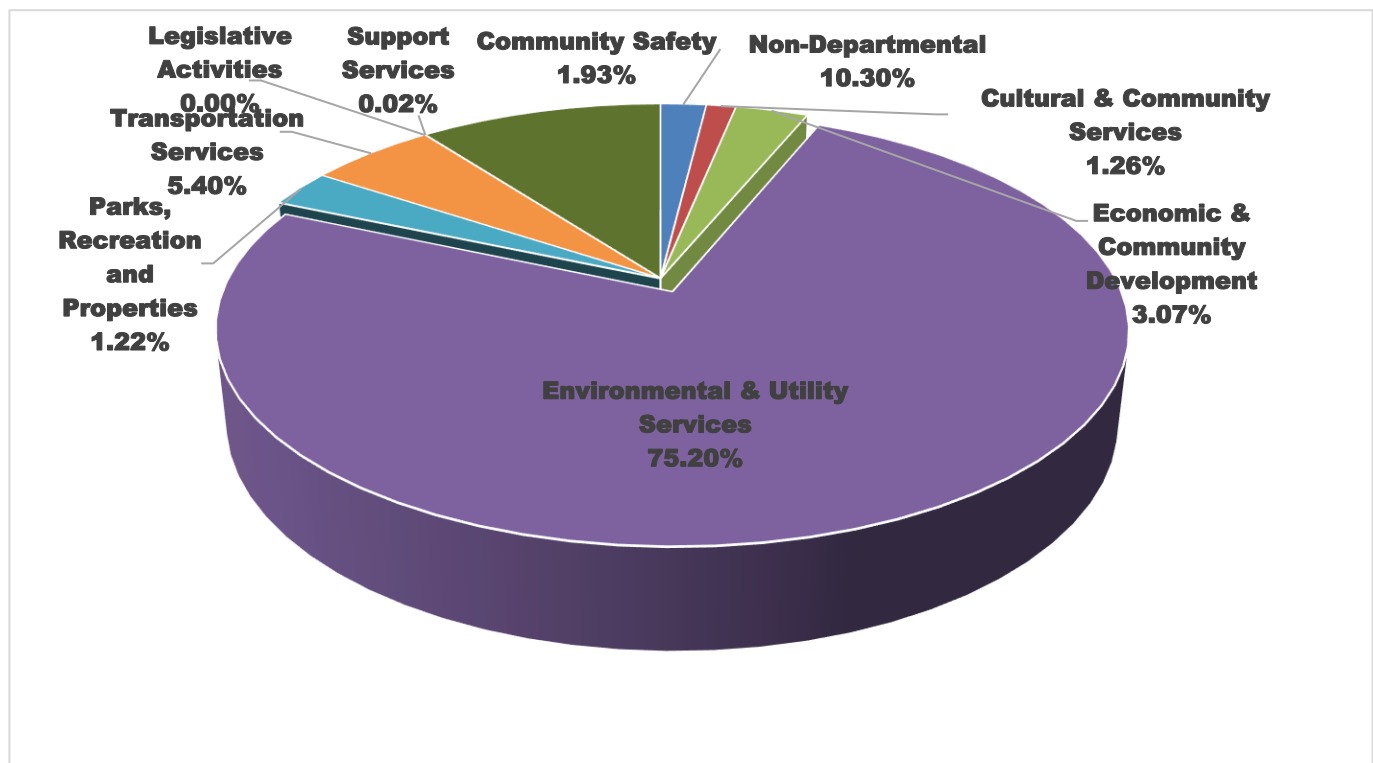


Figure B-5: Revenues by Activity Pie Chart

Budget Summary

Revenue Sources

Sources

Charges for Services
All Other Revenue
Public Service, Communication, and Gasoline Taxes
Intergovernmental
Property Taxes
Licenses and Permits
Prior Year Surplus

Total Revenues

Revenues

\$428,909,443
116,760,246
32,020,196
69,554,613
50,986,566
4,845,921
60,303,420
\$763,380,405

Figure B-6: Revenue Sources List

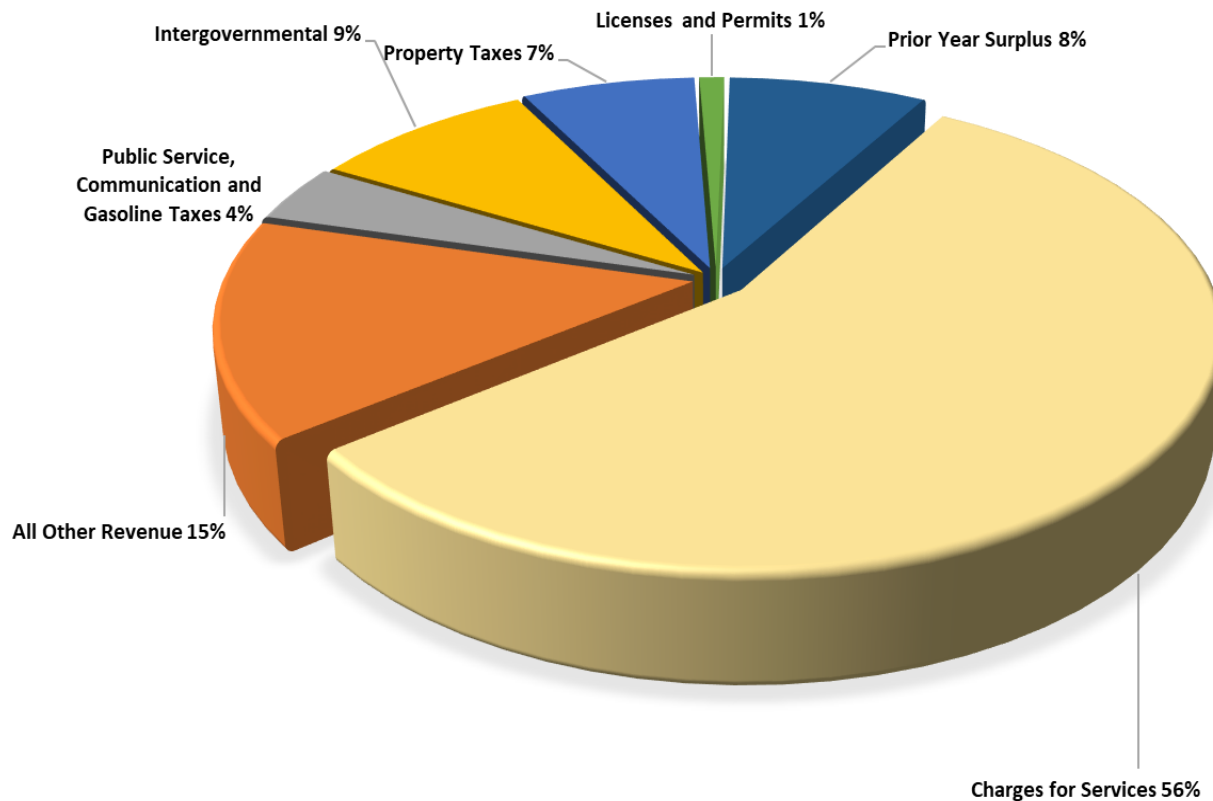


Figure B-7: Revenue Sources Pie Chart

Budget Summary

Expenses by Account

Account	Expenses
Fuel and Purchased Power	\$120,597,789
Personnel	171,388,621
Capital Outlay	251,871,488
Debt Service	72,714,531
All Other Operations and Maintenance	23,689,521
Internal Service Charges	57,708,949
Professional and Contractual	41,189,020
Utilities	13,084,462
Insurance and Fixed Charges	11,136,024
Total Expenditures	<u>\$763,380,405</u>

Figure B-8: Expenses by Account

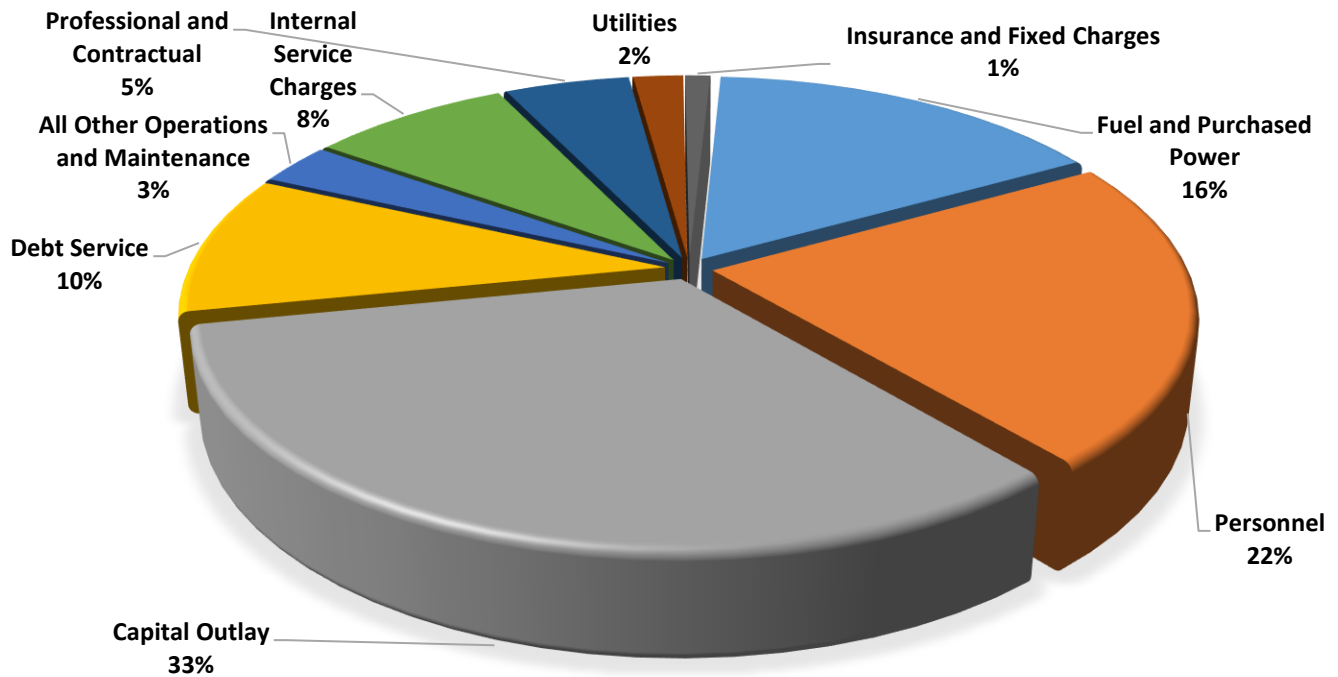


Figure B-9: Expenses by Account Pie Chart

Budget Summary

Summary of All Funds – Revenues

	Proposed Budget	Less Intracity Transactions	Net Budget
Revenues			
General	\$136,473,582	\$49,066,133	\$87,407,449
Transportation	11,557,011	25,000	11,532,011
Stormwater Utility	50,473,331		50,473,331
Public Improvement	39,707,578	14,646,148	25,061,430
Community Redevelopment Agency	9,119,334		9,119,334
Community and Economic Development	1,384,565		1,384,565
Building Inspection Fund	3,574,292		3,574,292
Debt Service	3,494,112		3,494,112
Fleet Management	28,210,317	28,210,317	
Purchasing and Stores	3,008,684	3,008,684	
Facilities Maintenance	7,495,199	7,495,199	
Information Technology	27,304,269	27,304,269	
Wastewater System	65,863,377	10,407,638	55,455,739
Water Utilities	70,392,595	19,886,767	50,505,828
Parking System	1,150,090	37,500	1,112,590
RP Funding Center	9,419,039	3,404,169	6,014,870
Lakeland Linder International Airport	25,775,325	7,128,372	18,646,953
Solid Waste Management	17,965,168		17,965,168
Lakeland Electric Utilities	463,755,924	42,123,191	421,632,733
Total Revenues	\$976,123,792	\$212,743,387	\$763,380,405

Figure B-10: List of Revenues by Funds

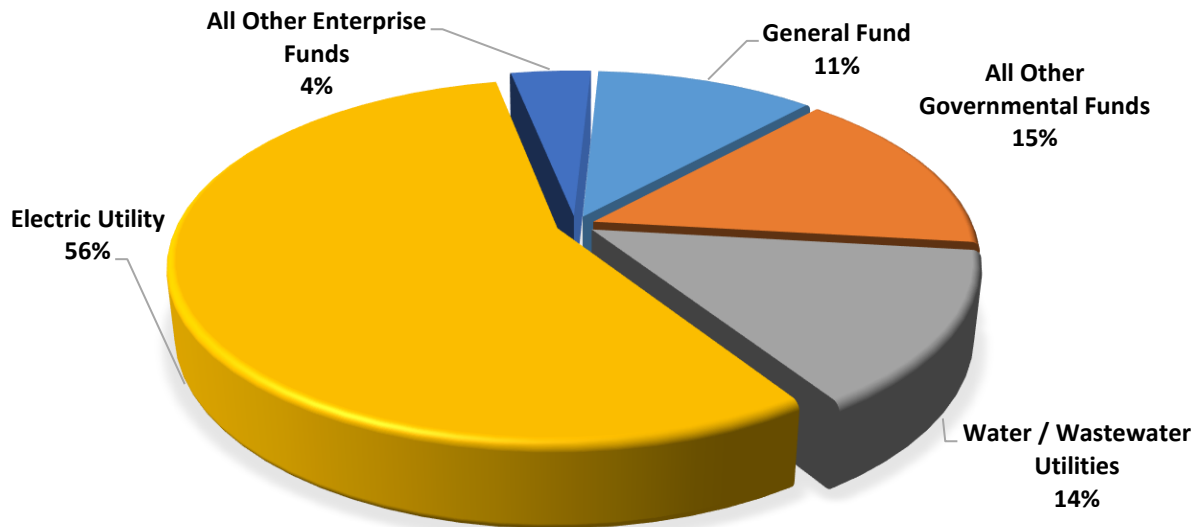


Figure B-11: Revenues by Funds Pie Chart

Budget Summary

Summary of All Funds – Expenditures

	Proposed Budget	Less Intracity Transactions	Net Budget
Expenditures			
General	\$136,473,582	\$2,584,545	\$133,889,037
Transportation	11,557,011	37,500	11,519,511
Stormwater Utility	50,473,331	918	50,472,413
Public Improvement	39,707,578	20,766,150	18,941,428
Community Redevelopment Agency	9,119,334	296,853	8,822,481
Community and Economic Development	1,384,565		1,384,565
Building Inspection Fund	3,574,292		3,574,292
Debt Service	3,494,112		3,494,112
Fleet Management	28,210,317	28,210,317	
Purchasing and Stores	3,008,684	3,008,684	
Facilities Maintenance	7,495,199	7,495,199	
Information Technology	27,304,269	27,304,269	
Wastewater System	65,863,377	15,319,847	50,543,530
Water Utilities	70,392,595	24,805,342	45,587,253
Parking System	1,150,090	90,622	1,059,468
RP Funding Center	9,419,039	5,609	9,413,430
Lakeland Linder International Airport	25,775,325	7,630,514	18,144,811
Solid Waste Management	17,965,168	1,638,833	16,326,335
Lakeland Electric Utilities	463,755,924	73,548,185	390,207,739
Total Revenues	\$976,123,792	\$212,743,387	\$763,380,405

Figure B-12: Expenditures by Funds List

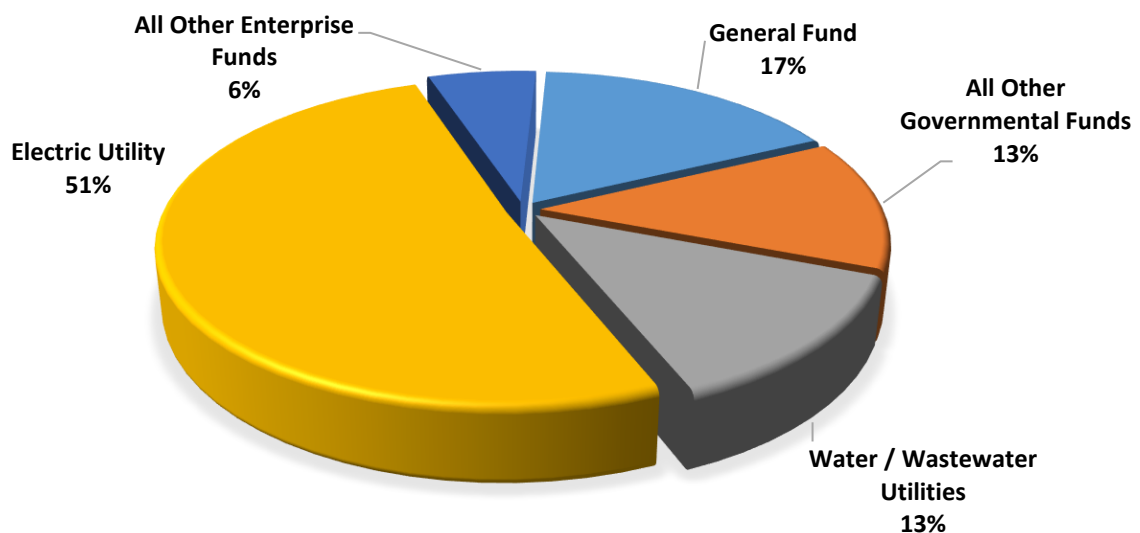


Figure B-13: Expenditures by Funds Pie Chart

Budget Summary

General Governmental Funds* - Revenues

Source	Revenues
Property Taxes	\$42,693,455
Utility Dividend	42,694,611
LRH Lease	14,215,434
Charges for Services	19,353,894
Grants	49,833,613
Gas Taxes	5,883,000
Sales & Utility Taxes	16,446,077
CRA Tax Increment	8,293,111
All Other	43,354,603
Prior Year Reserves	22,435,046
Total Revenues	<u>\$265,202,844</u>

*Non-Enterprise Funds

Figure B-14: General Government Funds Revenues List

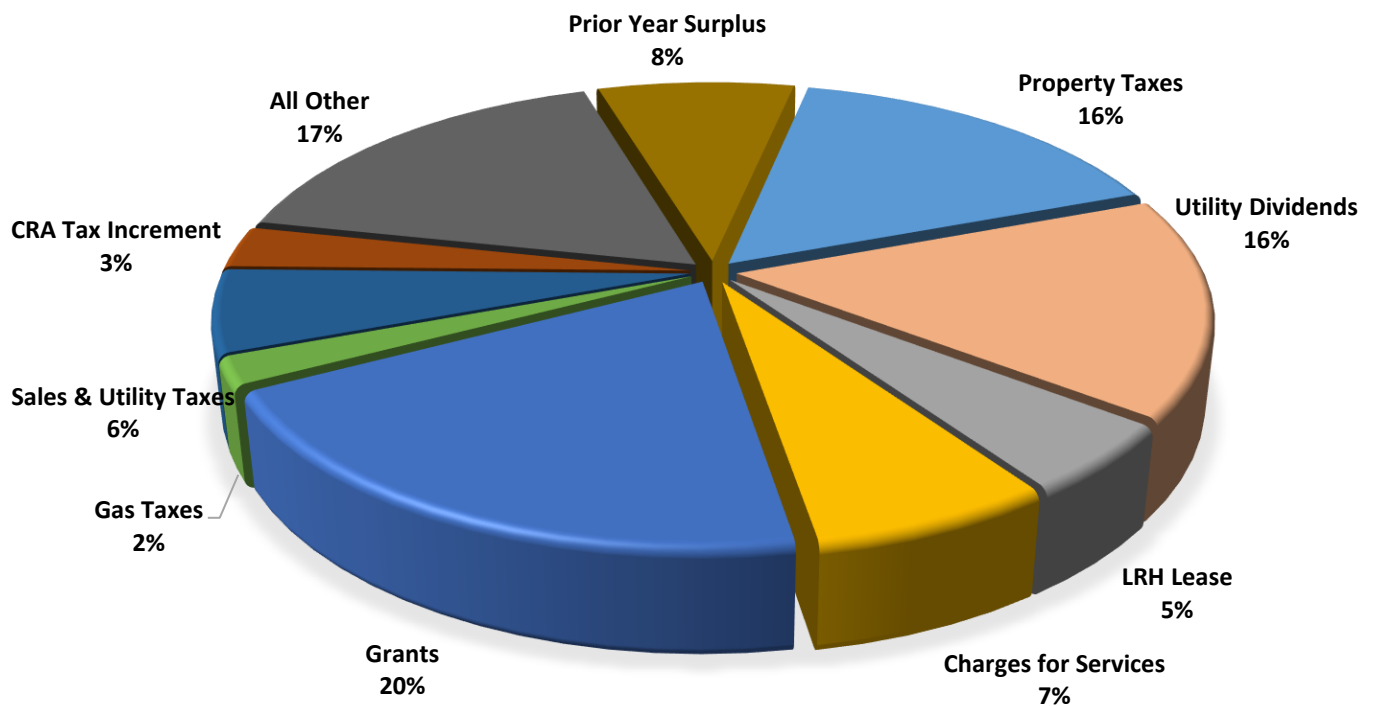


Figure B-15: General Governmental Funds Revenues Pie Chart

Budget Summary

General Governmental Funds* - Expenditures

Department	Expenses
Police	\$47,735,266
Fire	22,653,208
Public Works	7,156,104
Parks and Recreation	35,687,471
Debt Service	16,226,841
Capital Outlay	69,242,751
Community and Economic Development	9,032,162
General Government	7,365,566
Street Lighting	4,362,066
All Other	45,741,409
Total Expenditures	<u>\$265,202,844</u>

*Non-Enterprise Funds

Figure B-16: General Government Funds Expenditures List

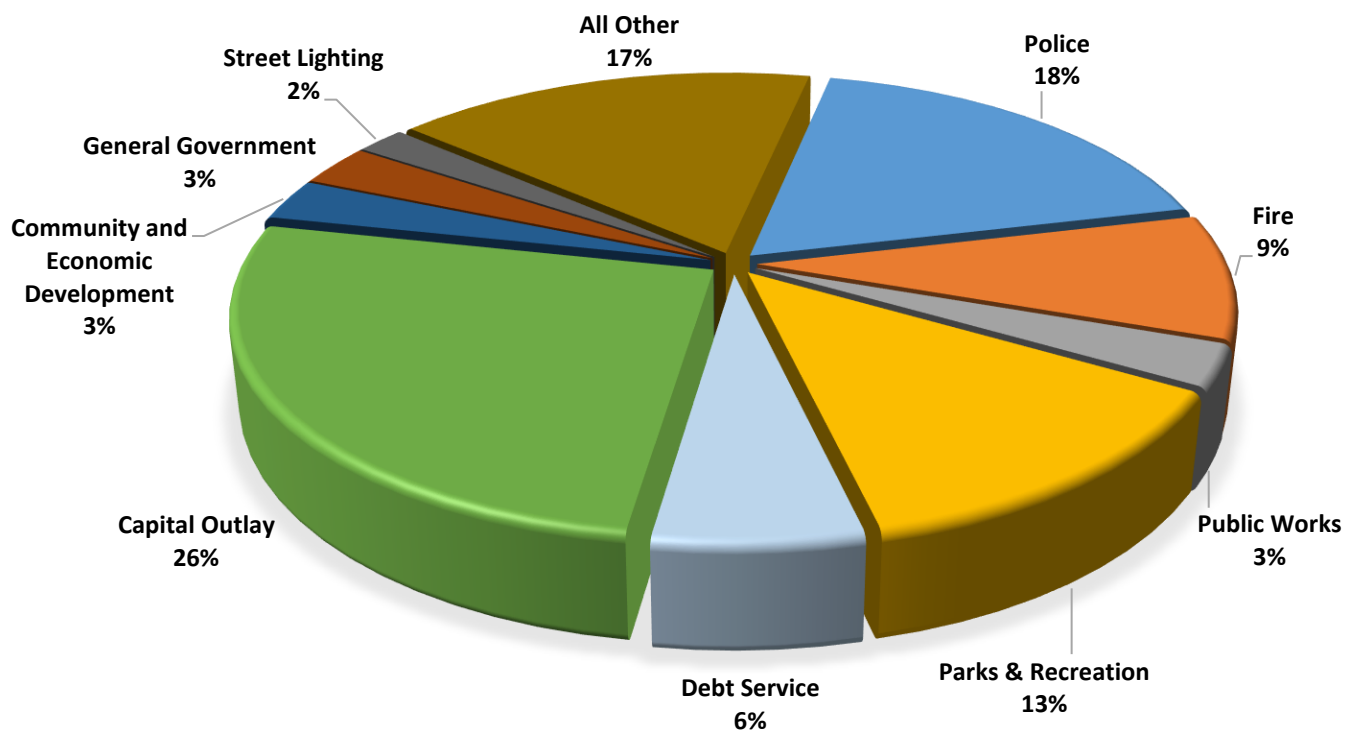


Figure B-17: General Governmental Funds Expenditures Pie Chart

Budget Summary

General Fund - Revenues

Source	Revenues
Property Taxes	\$42,693,455
Utility Dividend	42,694,611
Charges for Services	6,003,118
Grants	1,889,718
Utility Taxes and Franchise Fees	16,446,077
State Shared Revenues	9,691,119
Licenses and Permits	1,639,214
Fines and Forfeits	1,922,750
All Other	10,294,432
Prior Year Reserves	3,199,088
Total Revenues	<u>\$136,473,582</u>

Figure B-18: General Fund Revenues List

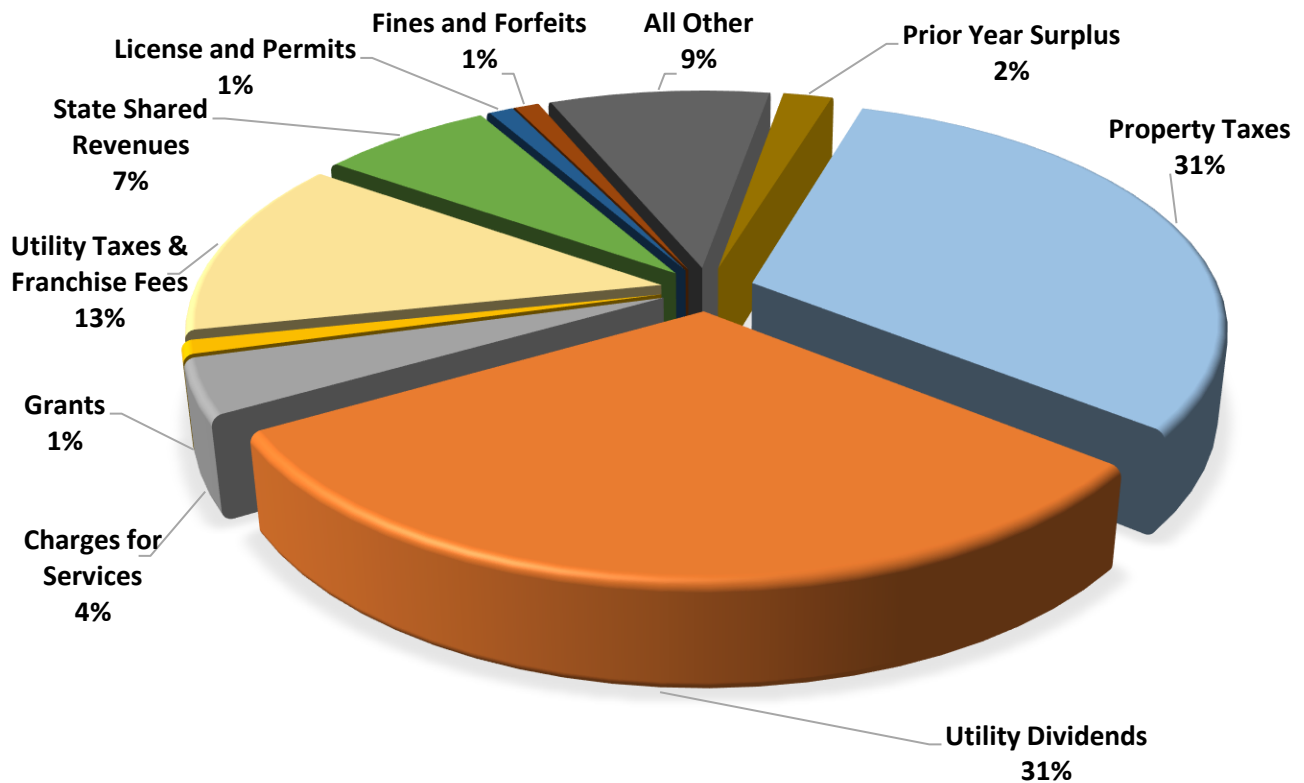


Figure B-19: General Fund Revenues Pie Chart

Budget Summary

General Fund - Expenditures

Department	Expenses
Police	\$47,735,266
Fire	22,653,208
Public Works	7,156,104
Parks and Recreation	27,992,633
Debt Service	124,728
Capital Outlay	1,373,220
Community and Economic Development	4,073,305
General Government	7,365,566
Street Lighting	4,362,066
All Other	13,637,486
Total Revenues	<u>\$136,473,582</u>

Figure B-20: General Fund Expenditures List

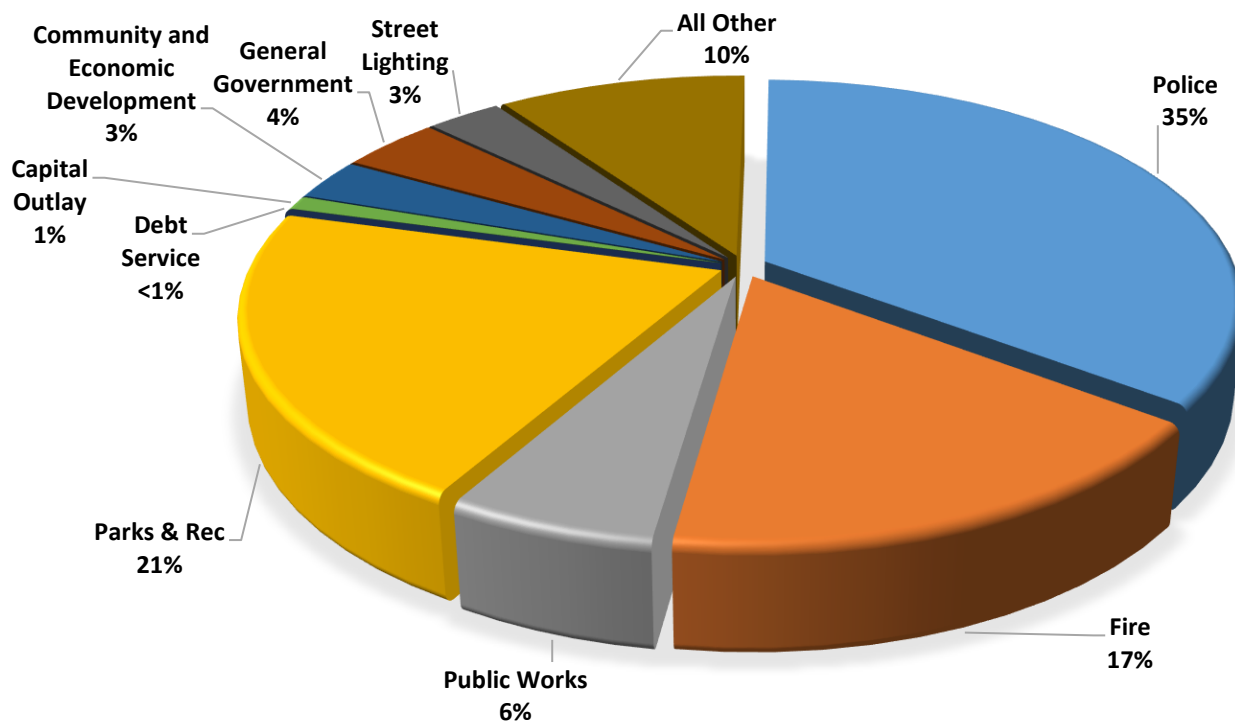


Figure B-21: General Fund Expenditures Pie Chart

Ad Valorem Taxes

Millage Rate

An ad valorem tax is a tax based on the value of real estate or personal property. One mill is the equivalent of \$1 per \$1,000 of value. During Fiscal Year 2020, the millage rate was 5.4644. The rate for Fiscal Year 2022 was lowered to 5.4323.

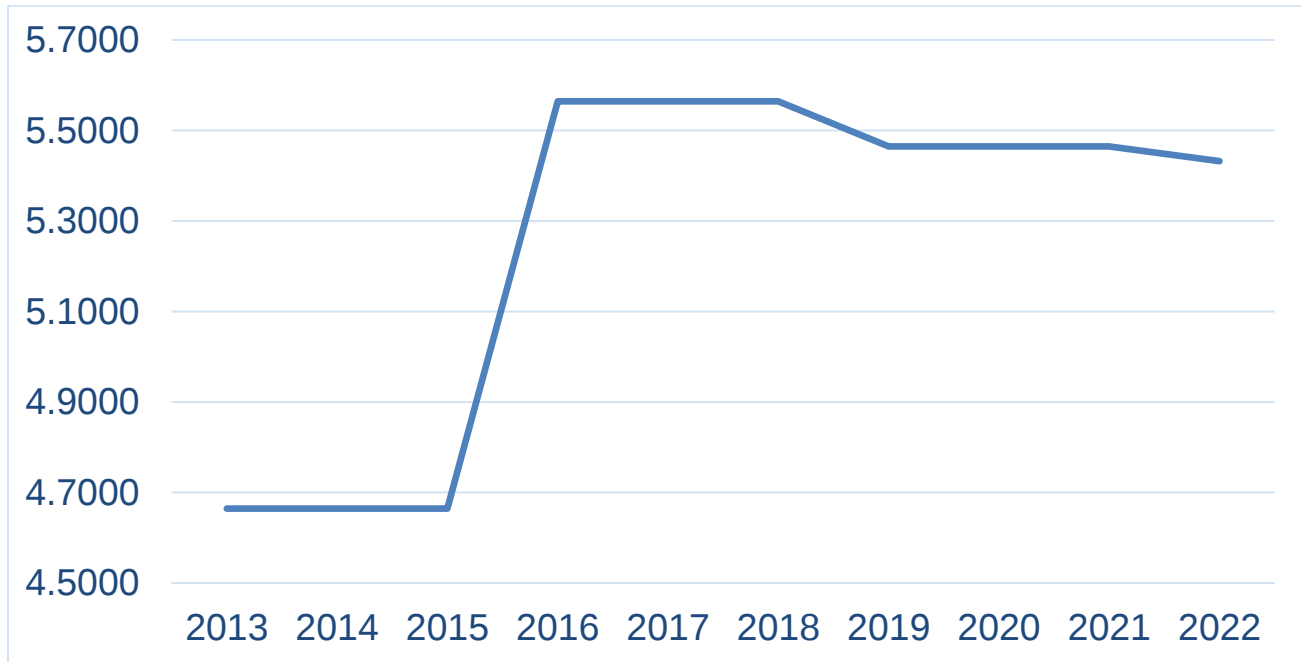


Figure B-22: Historic Millage Rates Graph

Fiscal Year	Millage
2013	4.6644
2014	4.6644
2015	4.6644
2016	5.5644
2017	5.5644
2018	5.5644
2019	5.4644
2020	5.4644
2021	5.4644
2022	5.4323

Figure B-23: List of Millage Rates by Year

Position Changes by Fund and Department

	FY 2020		FY 2021		FY 2022		FY21-22 Net Change	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
City Commission	1	7	1	7	1	7	0	0
City Manager	15	0	15	0	15	0	0	0
Communications	7	0	7	0	7	0	0	0
Legal	6	0	6	0	6	0	0	0
Retirement	4	0	4	0	4	0	0	0
Human Resources	25	1	25	1	25	1	0	0
Internal Audit	2	0	2	0	2	0	0	0
Risk Management	16	0	16	0	16	0	0	0
Finance	44	1	44	1	43	1	-1	0
Community Development	64	8	64	8	64	8	0	0
Fire	178	1	178	1	182	1	4	0
Police	368	14	373	11	373	11	0	0
Public Works	117	0	117	0	117	0	0	0
Parks and Recreation	242	176	242	176	242	173	0	-3
	1089	208	1094	205	1097	202	3	-3
Comm Development/ Housing Program	5	0	5	0	5	0	0	0
Fleet Management	28	0	28	0	28	0	0	0
Purchasing and Stores	16	0	16	0	16	0	0	0
Facilities Maintenance	64	0	64	0	64	0	0	0
Information Technology	80	0	80	0	82	0	2	0
	188	0	188	0	190	0	2	0
RP Funding Center	51	305	51	305	45	305	-6	0
Lakeland Linder International Airport	20	2	20	1	21	1	1	0
Parking System	5	0	5	0	5	0	0	0
Stormwater	12	0	12	0	12	0	0	0
Solid Waste	66	0	66	0	66	0	0	0
Water	133	2	133	2	136	2	3	0
Wastewater	97	2	98	2	99	1	1	-1
Lakeland Electric	531	27	519	27	413	27	-106	0
	915	338	904	337	797	336	-107	-1
Grand Total	2197	546	2191	542	2089	538	-102	-4

Figure B-24: Position Changes by Fund and Department

Historical FT and PT Changes

The graph below represents a historical perspective of the number of positions on the City organizational charts. With changes in population, service areas, and the economy, among other factors, the City adjusts the organizational structure to maintain service levels and remain responsive to the needs of its citizens and customers.

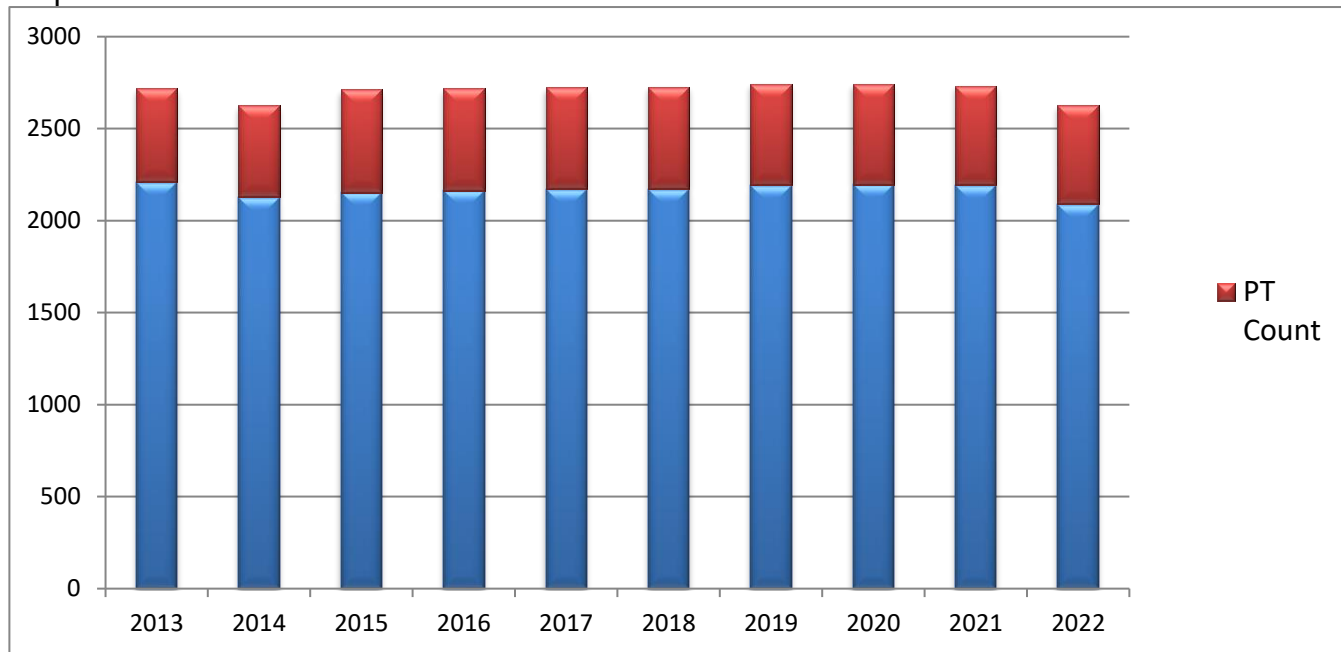


Figure B-25: Historical Full-time and Part-time Position Changes Graph

Position Changes		
Fiscal Year	Full-Time	Part-Time
2013	-5.5	-7
2014	-81.5	-12
2015	24	63
2016	13	-5
2017	9	-5
2018	0	2
2019	19	-2
2020	4	-5
2021	-7	-3
2022	-102	-4

Figure B-26: Full-time and Part-time Position Changes by Year

Residents Per Employee

The number of residents per employee, when considered with other factors, can reflect changes in productivity. Labor is one of the largest expenditures of the operating budget and changes in this indicator can reveal strengths or deficiencies in operations. An upward trend in residents per employee coupled with a consistent level of service can reflect increased productivity.

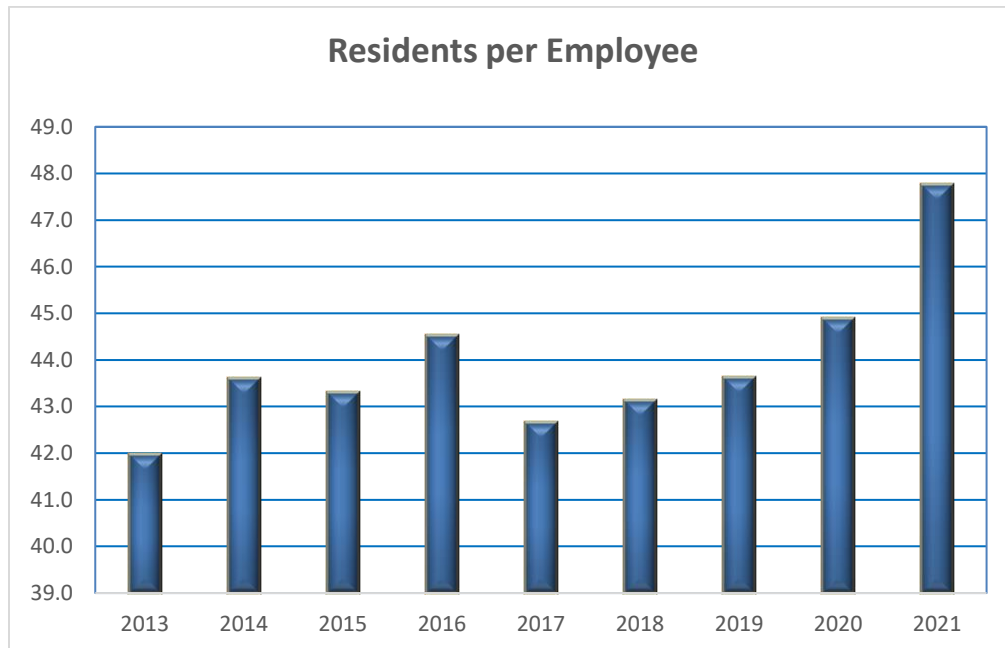


Figure B-27: Residents Per Employee Graph

Year	Lakeland Population*	LE Service Area Population	Lakeland FTE's	Residents per Employee
2013	99,630	262,288	2,374.00	42.0
2014	100,728	264,023	2,310.00	43.6
2015	100,728	271,379	2326.67	43.3
2016	101,517	274,861	2,280.39	44.5
2017	104,185	279,331	2,442.00	42.7
2018	105,586	283,626	2,448.00	43.1
2019	107,552	287,882	2,465.50	43.6
2020	110,494	292,465	2,461.50	44.9
2021	112,641	295,899	2,358.50	47.8

*BEBR estimates, unless a Census year (latest 2010).

Figure B-28: Population, Full-Time Equivalents and Residents per Employee by Year

Budget Overview and Financial Policies

Operating Budget Policies

- The Budget shall be balanced by fund. Balanced by fund is defined as revenues plus Fund Balance being equal to or greater than expenditures. Fund Balance is normally reserved for capital projects/outlay or one-time expenditures and is generally not to be used for operational expenditures.
- The Budget will provide for adequate maintenance of capital plant and equipment and for their orderly replacement.
- The City will maintain a budgetary control system to ensure it adheres to the Budget.
- Appropriation requests will be made by departments (i.e. City Manager, Police, etc.) in the General Fund and by all other funds. These requests are approved by the City Commission.
- Fund balance is the difference between assets and liabilities in a governmental fund. Resources in a fund other than the General Fund are either (1) required to be used for the purpose of the fund or (2) intended by the government to be used for that purpose. The governmental funds account for typically tax-supported activities of a government (as opposed to the proprietary funds, which account for self-financing or business-like activities) and include:
 - The General Fund where a government accounts for everything not reported in another fund.
 - Special Revenue Funds for reporting specific revenue sources that are limited to being used for a particular purpose.
 - Debt Service Funds which account for the repayment of debt.
 - Capital Project Funds that track the accumulation and use of resources for constructing, acquiring, and rehabilitating capital assets, such as buildings and roads.
 - Permanent Funds where a government reports principal amounts that are restricted to being invested to produce income but cannot be spent.
- Unreserved Fund Balance should be approximately 45-60 days of the operating revenues of the General Fund to account for unforeseen items and events that occur during the course of a fiscal year. The Fund Balance will act as a cushion or “budget stabilization fund” for the expenditures financed within that fund.
- The City will protect itself against catastrophic losses through a combination of good risk management, traditional insurance, and, where prudent, actuarially funded self-insurance programs.
- Recovery of the specific costs of municipal services will be allocated to the appropriate users, wherever possible and practical, and shall be accounted for within enterprise funds maintained by the City on a full accrual basis.

Budget Overview and Financial Policies

Operating Budget Policies Continued

- Internal Service Funds shall be self-supporting and shall recover the cost of the services they provide based on a rational allocation of costs to the benefiting City Departments.
- The City will strive to have all Enterprise Funds be self-supporting to the extent practical, including debt service and capital improvements. All costs associated with these operations shall be fully accounted for within the Enterprise Fund and any subsidies required for these operations shall be documented as Interfund Transfers.
- Although not required by State Law, Internal Service Funds (except for the internal loan and self-insurance funds) and Enterprise Funds will be governed by legally adopted annual budgets for cost control and administrative purposes.
- In no case will any fund operate in a manner that results in a continuing annual deficit that could result in a negative unappropriated surplus (defined as current assets excluding inventories less current liabilities including the long-term portion of accrued payroll liabilities).
- Operating budgets are prepared on a modified accrual basis, ensuring that budgeted expenditures within an annual planning period can be financed from available, spendable resources.
- In the Audited Financial Statements, the Government-Wide and Proprietary Funds are reported using the Full Accrual Basis of Accounting.

Revenue Policies

- As much as possible, subject to State Law and voter approval, the City will seek to maintain a diversified and stable mix of revenue sources.
- The City will pursue the collection of revenues levied against the users of public services.
- User fees and charges will be established with consideration of the recovery of the full cost of providing the related service, to the extent practical.
- In preparing the Budget, the City Manager will estimate revenues using a conservative, objective, and analytical process.
- Non-recurring revenues and one-time revenues will not be relied upon to finance the cost of recurring expenditures. Non-recurring revenues and one-time revenues should be used for non-recurring expenditures.
- All grant applications will be prepared with full consideration matching costs and on-going recurring costs to be financed from local revenue sources. All grant applications shall be authorized by the City Commission.

Budget Overview and Financial Policies

Capital Improvement Policies

- The City develops a ten-year Capital Improvement Plan (CIP).
- Capital project budgets will be adopted on a project basis at the inception of the project.
- The City will coordinate the development of the Capital Improvement/Replacement Budget with the development of the Annual Operating Budget. Each capital project is reviewed for its ongoing future impact on the operating budget.
- The City will use the following criteria to evaluate the relative merit of each capital project being considered for funding within its CIP:
 - Projects specifically included in an approved capital asset replacement schedule will receive priority consideration.
 - Capital Projects that will reduce recurring operating costs will receive priority consideration.

Budgeted Funds Relationship by Program

OPERATIONS	Program	Activity	General	RP Funding Center	CRA	Electric Utility	Solid Waste	Stormwater	Parks, Rec. & Properties	Lakeland Linder Intl. Airport
Public Safety \$83.7 Million	Community Safety	Police Services	X	X					X	X
		Firefighting Services	X	X					X	X
Cultural and Community Services \$13.0 Million	Cultural and Community Services	Library Services	X		X					
		Public Information	X	X	X	X	X	X	X	X
		RP Funding Center		X		X	X	X		X
Economic and Community Development \$21.0 Million	Economic and Community Development	Affordable Housing	X		X	X	X	X	X	
		Building Inspection	X	X	X	X			X	
		Code Enforcement	X	X	X	X	X	X	X	
		CRA								
		Development Review	X	X	X				X	X
		Planning Services	X	X	X				X	
Environmental and Utility Service \$527.3 Million	Environmental and Utility Service	Electric Utility				X				
		Lakes and Stormwater						X	X	
		Solid Waste		X	X	X			X	X
		Water		X	X	X			X	X
		Wastewater		X	X	X			X	X
Legislative Activities \$5.9 Million	Legislative Activities	City Clerk	X							
		City Commission	X							
		Community Relations	X							
Parks, Recreation, and Properties \$47.6 Million	Parks, Recreation, and Properties	Aquatics					X		X	
		Cemeteries							X	
		Cleveland Heights Golf Course	X			X	X		X	
		Parks				X	X		X	
		Recreation and Facilities				X	X	X	X	
Support Services \$16.0 Million	Support Services	Facilities Maintenance	X						X	
		Fleet Management	X	X	X	X	X	X	X	X
		Information Technology	X	X	X	X	X	X	X	X
		Purchasing and Store	X	X	X	X	X	X	X	X
		Governance Administration	X							
		Non-Departmental	X							
Transportation Services \$48.4 Million	Transportation	Lakeland Linder Intl. Airport				X	X	X		X
		Parking Services		X		X				X
		Facilities Construction							X	
		Facilities Maintenance							X	

Figure B-29: Budgeted Funds Relationship by Program



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