

**REVIEW OF GENERAL FUND FORECASTED REVENUES
AND OTHER SOURCES OF FUNDS FOR THE
FISCAL YEAR ENDING SEPTEMBER 30, 2010**

NOVEMBER 2009




**CITY AUDITOR'S OFFICE
CITY OF GAINESVILLE, FLORIDA**

City of
Gainesville

Inter-Office Communication

November 30, 2009

TO: Audit, Finance and Legislative Committee
Mayor Pegeen Hanrahan, Chair
Mayor-Commissioner Pro Tem Scherwin Henry, Member

FROM: 
Brent Godshalk, City Auditor

SUBJECT: Review of General Fund Forecasted Revenues and Other Sources of Funds for the Fiscal Year Ending September 30, 2010

Recommendation

The Audit, Finance and Legislative Committee recommend that the City Commission accept the City Auditor's report.

Explanation

In accordance with Section 12(a), Budget Reviews, of Commission Resolution 970187 and our Annual Audit Plan, we have completed our review of General Fund revenue estimates as presented by the City Manager in the proposed General Government Budget for the fiscal year ending September 30, 2010.

We reviewed the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2009-2010 Final General Operating and Financial Plan Budget adopted by the City Commission on September 17, 2009. Our objective was to assess whether data, methods and assumptions used by the City Manager in preparing projected General Fund Revenues and Other Sources of Funds in the amount of \$99,918,554 provide a reliable and reasonable basis for the forecast.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our conclusion based on our audit objective.

Conclusion

Based on our review, we believe that management's assumptions provide a reliable and reasonable basis for presenting projected Fiscal Year 2009-2010 General Fund Revenues and Other Sources of Funds in the amount of \$99,918,554. However, we projected some revenue sources at a different level than the approved General Fund budget. The total estimated difference is approximately \$440,000 or 0.4% less than budgeted. The differences are reflected in the attached schedule of General Fund Forecasted Revenues and Other Sources of Funds for the Fiscal Year Ending September 30, 2010 and an accompanying Explanation of Differences. Management continues to monitor the City's financial position throughout the fiscal year and makes adjustments as necessary. Monitoring reports are provided to the City Commission through the Audit, Finance and Legislative Committee on a quarterly basis, with any significant changes from budgeted figures discussed in committee.

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2010

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>TAXES</u>				
Real Property, Net	\$ 25,015,326	\$ 24,970,000	\$ (45,326)	Note 1
Hazmat Gross Receipts Tax	247,372	247,372	-	
Local Option Gas Tax	821,994	821,994	-	
Utility Tax	9,696,998	9,696,998	-	
Local Business Tax (Occupational Licenses)	1,032,537	950,000	(82,537)	Note 2
Property Insurance Premium Tax	1,430,336	1,430,336	-	
Simplified Telecommunications Service Tax	5,640,306	5,640,306	-	
TOTAL TAXES	43,884,869	43,757,006	(127,863)	
<u>LICENSES AND PERMITS</u>				
Home Occupational Permits	28,781	28,781	-	
Open Burn Permits	10,000	10,000	-	
Misc Permits	5,000	5,000	-	
Landlord Licensing Fee	735,447	735,447	-	
Taxi Licenses	10,870	10,870	-	
TOTAL LICENSES AND PERMITS	790,098	790,098	-	
<u>INTERGOVERNMENTAL REVENUE</u>				
State Revenue Sharing (Net)	2,343,766	2,280,000	(63,766)	Note 3
Mobile Home Licenses	36,787	36,787	-	
Beverage Licenses	95,597	95,597	-	
Half Cent Sales Tax	6,048,962	5,895,000	(153,962)	Note 3
Firefighters Supplemental Comp	48,644	48,644	-	
Payment in Lieu of Taxes - GHA	56,565	56,565	-	
State Gas Tax Rebate	31,210	31,210	-	
County and MTPO Contribution to Bike Program	7,802	7,802	-	
FDOT Traffic Signal Maintenance	208,573	214,076	5,503	Note 4
FDOT Street Light Maintenance	419,017	419,017	-	
TOTAL INTERGOVERNMENTAL REVENUE	9,296,923	9,084,698	(212,225)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2010

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>CHARGES FOR SERVICES</u>				
Airport Fire Services	479,325	479,325	-	
Airport Security Services	273,003	273,003	-	
SFCC Training Contract GPD - Recruitment	42,000	42,000	-	
Miscellaneous Fees - Police	20,440	20,440	-	
GFR- Fire Inspection Fees	75,337	75,337	-	
Document Reproduction Fees/Background Check	22,413	22,413	-	
Land Development Code Fees	141,016	100,000	(41,016)	Note 2
Traffic Engineering - Small Cities Projects	30,420	30,420	-	
Traffic Signals - County	139,522	180,065	40,543	Note 4
Cemetery Fees	33,708	33,708	-	
Parking - Meters and Permits	215,830	180,000	(35,830)	Note 2
Parking Garage	226,280	226,280	-	
Street Division Cost Recovery	109,955	109,955	-	
Neighborhood Parking Decals	36,887	36,887	-	
Recreation - Membership/Youth Sports	6,623	6,623	-	
Swimming Pools	114,269	114,269	-	
Recreation Centers/Playgrounds	280,299	280,299	-	
Recreation Adult Sports	15,750	15,750	-	
Recreation Nature Programs	20,176	20,176	-	
Cultural Affairs - Thomas Center Rentals	109,887	109,887	-	
Utility Indirect Services	1,673,333	1,673,333	-	
RTS Indirect Services	813,905	813,905	-	
CDBG Indirect Services	136,190	136,190	-	
SMUF Indirect Services	348,454	348,454	-	
Solid Waste Indirect Services	132,048	132,048	-	
Ironwood Indirect Services	160,031	160,031	-	
Fleet Indirect Services	314,290	314,290	-	
Building Inspection Indirect Services	343,979	343,979	-	
Gen. Insurance Indirect Services	155,062	155,062	-	
EHAB Indirect Services	95,795	95,795	-	
CRA Indirect Services	89,035	89,035	-	
Special Events Processing Fees	670	670	-	
General Pension Indirect Services	110,726	110,726	-	
Police Pension Indirect Services	20,275	20,275	-	
Fire Pension Indirect Services	13,517	13,517	-	
Development Review Fees	45,000	45,000	-	
Environmental Review Fees	45,000	45,000	-	
Traffic Study Review Fees	14,700	14,700	-	
Direct Financial Services - RTS	136,733	136,733	-	
GPD/GHA/HUD Contract	40,000	40,000	-	
GPD - Court Restitution	9,272	9,272	-	
GPD- Towing Rotation Application Fees	60,000	60,000	-	
GPD - Trespass Towing Application Fees	15,436	15,436	-	
SRO Contract - School Board	182,725	182,725	-	
TOTAL CHARGES FOR SERVICES	7,349,316	7,313,013	(36,303)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2010

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>FINES AND FORFEITURES</u>				
Court Fines and Forfeitures	829,948	635,000	(194,948)	Note 2
Parking Fines	690,995	690,995	-	
False Alarm Penalties	413,785	413,785	-	
Municipal Ordinance Fines	75,522	75,522	-	
Code Enforcement Penalties	57,923	57,923	-	
TOTAL FINES AND FORFEITURES	2,068,173	1,873,225	(194,948)	
<u>MISCELLANEOUS REVENUES</u>				
Interest on Investments	691,475	691,475	-	
Interest on CRA loans	2,148	2,148	-	
Rental of City Property	103,210	103,210	-	
Demolition/Lot Clearing/Bond & Seal	58,952	58,952	-	
Other Miscellaneous Revenues	124,962	124,962	-	
Sale of Surplus Equipment	35,752	35,752	-	
TOTAL MISCELLANEOUS REVENUES	1,016,499	1,016,499	-	
<u>TRANSFERS FROM OTHER FUNDS</u>				
Solid Waste Collection	300,000	300,000	-	
Transfer from GRU for Utilities Attorney	167,014	167,014	-	
Crossing Guard Trust	20,605	20,605	-	
Cemetery Trust	43,269	43,269	-	
Art in Public Places Trust	9,000	9,000	-	
Water/Wastewater Connections Surcharge	112,673	245,000	132,327	Note 2
GRUCOMM	354,899	354,899	-	
Gas Utility	2,027,032	2,027,032	-	
Water	5,761,416	5,761,416	-	
Wastewater	6,856,865	6,856,865	-	
Electric	19,859,903	19,859,903	-	
TOTAL TRANSFERS	35,512,676	35,645,003	132,327	
TOTAL REVENUES, TRANSFERS AND APPROPRIATION OF FUND BALANCE	\$ 99,918,554	\$ 99,479,542	\$ (439,012)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2010
EXPLANATION OF DIFFERENCES

Notes

- 1) The City Auditor's estimate for this revenue source is based on the certification of final taxable value provided by the Alachua County Property Appraiser's Office, adjusted for historical discounts taken. The City Manager's estimate was prepared using similar procedures applied to earlier projected financial data available.
- 2) The City Auditor's estimate for this revenue source is based on historical growth patterns applied to actual fiscal year 2009 data. The City Manager's estimate was prepared using similar procedures applied to earlier projected financial data available.
- 3) The City Auditor's estimate for this revenue source is based on updated projections from the State Department of Revenue, adjusted for historical results. The City Manager's estimate was prepared using similar procedures applied to earlier projected financial data available.
- 4) The City Auditor's estimate for this revenue source is based on contracts executed with other governmental agencies after budget approval. The City Manager's estimate was prepared using similar procedures applied to earlier projected financial data available.