

**REVIEW OF GENERAL FUND FORECASTED REVENUES
AND OTHER SOURCES OF FUNDS FOR THE
FISCAL YEAR ENDING SEPTEMBER 30, 2009**

NOVEMBER 2008



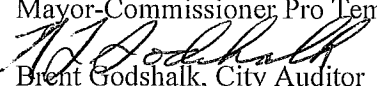
**CITY AUDITOR'S OFFICE
CITY OF GAINESVILLE, FLORIDA**

City of
Gainesville

Inter-Office Communication

November 24, 2008

TO: Audit, Finance and Legislative Committee
Mayor Pegeen Hanrahan, Chair
Mayor-Commissioner Pro Tem Jack Donovan, 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, 2009

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, 2009.

We reviewed the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2008-2009 Final General Operating and Financial Plan Budget adopted by the City Commission on September 18, 2008. 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 \$98,213,726 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 2008-2009 General Fund Revenues and Other Sources of Funds in the amount of \$98,213,726. However, we projected some revenue sources at a different level than the approved General Fund budget. The total estimated difference is approximately \$776,000 or 0.8% 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, 2009 and an accompanying Explanation of Differences. Management should continue to monitor the City's financial position throughout the fiscal year and make adjustments as necessary, especially with continuing concerns regarding the affects of property tax reform and continued economic slow down.

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2009

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>TAXES</u>				
Real Property, Net	\$ 23,415,036	\$ 23,270,000	\$ (145,036)	Note 1
Hazmat Gross Receipts Tax	243,717	243,717	-	
Local Option Gas Tax	864,626	864,626	-	
Utility Tax	9,485,125	9,485,125	-	
Local Business Tax (Occupational Licenses)	939,397	939,397	-	
Property Insurance Premium Tax	1,368,743	1,368,743	-	
Payment in Lieu of Taxes - GHA	33,000	33,000	-	
Simplified Communications Service Tax	5,720,744	5,720,744	-	
TOTAL TAXES	42,070,388	41,925,352	(145,036)	
<u>LICENSES AND PERMITS</u>				
Home Occupational Permits	27,024	27,024	-	
Landlord Licensing Fee	661,780	661,780	-	
Taxi Licenses	14,213	14,213	-	
TOTAL LICENSES AND PERMITS	703,017	703,017	-	
<u>INTERGOVERNMENTAL REVENUE</u>				
State Revenue Sharing (Net)	2,942,226	2,767,000	(175,226)	Note 2
Mobile Home Licenses	33,940	33,940	-	
Beverage Licenses	89,121	89,121	-	
Half Cent Sales Tax	7,124,356	6,990,000	(134,356)	Note 2
Firefighters Supplemental Comp	47,000	47,000	-	
State Gas Tax Rebate	30,308	30,308	-	
County and MTPO Contribution to Bike Program	7,575	7,575	-	
FDOT Traffic Signal Maintenance	204,146	204,146	-	
FDOT Street Light Maintenance	407,034	407,034	-	
TOTAL INTERGOVERNMENTAL REVENUE	10,885,706	10,576,124	(309,582)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2009

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>CHARGES FOR SERVICES</u>				
Airport Fire Services	456,500	456,500	-	
Airport Security Services	295,817	295,817	-	
SFCC Training Contract GPD - Recruitment	42,000	42,000	-	
Miscellaneous Fees - Police	28,297	28,297	-	
GFR- Fire Inspection Fees	156,465	72,000	(84,465)	Note 3
Document Reproduction Fees/Background Check	123,019	5,000	(118,019)	Note 4
Land Development Code Fees	292,092	192,000	(100,092)	Note 3
Traffic Engineering - Small Cities Projects	29,534	29,534	-	
Traffic Signals - County	147,589	194,471	46,882	Note 3
Cemetery Fees	58,558	58,558	-	
Parking - Meters and Permits	184,040	184,040	-	
Parking Garage	360,571	260,000	(100,571)	Note 3
Street Division Cost Recovery	68,000	68,000	-	
Neighborhood Parking Decals	35,130	35,130	-	
Recreation - Membership/Youth Sports	19,285	19,285	-	
Swimming Pools	98,455	98,455	-	
Recreation Centers/Playgrounds	345,364	266,000	(79,364)	Note 3
Recreation Adult Sports	15,225	15,225	-	
Recreation Nature Programs	44,660	44,660	-	
Cultural Affairs - Thomas Center Rentals	117,142	117,142	-	
Utility Indirect Services	1,593,650	1,593,650	-	
RTS Indirect Services	775,148	775,148	-	
CDBG Indirect Services	129,704	129,704	-	
SMUF Indirect Services	331,861	331,861	-	
Solid Waste Indirect Services	125,760	125,760	-	
Ironwood Indirect Services	152,411	152,411	-	
Fleet Indirect Services	299,324	299,324	-	
Building Inspection Indirect Services	327,599	327,599	-	
Gen. Insurance Indirect Services	147,678	147,678	-	
EHAB Indirect Services	91,233	91,233	-	
CRA Indirect Services	84,795	84,795	-	
Special Events Processing Fees	2,000	2,000	-	
General Pension Indirect Services	105,454	105,454	-	
Police Pension Indirect Services	19,310	19,310	-	
Fire Pension Indirect Services	12,873	12,873	-	
Broadcast Services	5,250	5,250	-	
Development Review Fees	45,675	45,675	-	
Environmental Review Fees	45,675	45,675	-	
Traffic Study Review Fees	20,300	20,300	-	
Direct Financial Services - RTS	136,733	136,733	-	
GPD/GHA/HUD Contract	40,000	50,000	10,000	Note 3
GPD - Court Restitution	9,135	9,135	-	
GPD - Trespass Towing Application Fees	19,561	19,561	-	
SRO Contract - School Board	188,207	188,207	-	
TOTAL CHARGES FOR SERVICES	7,627,079	7,201,450	(425,629)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2009

	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	768,355	768,355	-	
Parking Fines	262,158	366,000	103,842	Note 3
False Alarm Penalties	316,406	316,406	-	
Municipal Ordinance Fines	79,060	79,060	-	
Code Enforcement Penalties	57,715	57,715	-	
TOTAL FINES AND FORFEITURES	1,483,694	1,587,536	103,842	
<u>MISCELLANEOUS REVENUES</u>				
Interest on Investments	550,000	550,000	-	
Interest on CRA loans	67,134	67,134	-	
Rental of City Property	125,460	125,460	-	
Porters Oaks Mortgages	4,000	4,000	-	
Demolition/Lot Clearing/Bond & Seal	38,570	38,570	-	
Other Miscellaneous Revenues	106,575	106,575	-	
Sale of Surplus Equipment	31,620	31,620	-	
TOTAL MISCELLANEOUS REVENUES	923,359	923,359	-	
<u>TRANSFERS FROM OTHER FUNDS</u>				
Solid Waste Collection	300,000	300,000	-	
Transfer from GRU for Utilities Attorney	157,264	157,264	-	
Crossing Guard Trust	20,300	20,300	-	
Cemetery Trust	42,630	42,630	-	
Art in Public Places Trust	9,000	9,000	-	
Water/Wastewater Connections Surcharge	223,820	223,820	-	
GRUCOMM	344,562	344,562	-	
Gas Utility	1,804,466	1,804,466	-	
Water	5,232,886	5,232,886	-	
Wastewater	6,171,638	6,171,638	-	
Electric	19,899,702	19,899,702	-	
TOTAL TRANSFERS	34,206,268	34,206,268	-	
APPROPRIATION OF FUND BALANCE	314,215	314,215	-	
TOTAL REVENUES, TRANSFERS AND APPROPRIATION OF FUND BALANCE	\$ 98,213,726	\$ 97,437,321	\$ (776,405)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2009
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 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.
- 3) The City Auditor's estimate for this revenue source is based on historical growth patterns applied to actual fiscal year 2008 data. 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 information supplied by GPD. GPD staff indicated initial estimates were not realistic as a significant number of background checks are generally performed for the Gainesville Housing Authority. GPD staff estimates total document copy fees collected will be no greater than \$5,000.