

**Review of General Fund Forecasted Revenues
and Other Sources of Funds
for the Fiscal Year Ending September 30, 2014**

November 2013



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

City of
Gainesville

Inter-Office Communication

November 20, 2013

TO: Audit, Finance and Legislative Committee
Mayor Ed Braddy, Chair
Mayor-Commissioner Pro Tem Randy Wells, 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, 2014

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 an audit of General Fund revenue estimates for the fiscal year ending September 30, 2014. The objective of our review was to evaluate the reasonableness of the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2013-2014 Final General Government Financial and Operating Plan Budget adopted by the City Commission on September 19, 2013.

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 the projected Fiscal Year 2013-2014 General Fund Revenues and Other Sources of Funds in the total amount of \$107,101,770, as adopted by the City Commission on September 19, 2013, are reasonable and can be relied upon as part of the Final General Government Financial and Operating Plan Budget. While we have projected some revenue sources at a different level than the approved General Fund budget, we do not believe that the total value of these differences is material in relation to the overall Fiscal Year 2013-2014 General Fund Revenues and Other Sources of Funds. The total estimated difference is approximately \$321,000 or 0.3% 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, 2014 and an accompanying Explanation of Differences. Management continually monitors 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, 2014

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>TAXES</u>				
Real Property, Net	\$22,715,883	\$22,867,000	\$151,117	Note 1
Local Option Gas Tax	776,768	708,000	(68,768)	Note 2
Hazmat Gross Receipts Tax	205,219	205,219	-	
Utility Service Tax-Electric	7,958,770	7,958,770	-	
Utility Service Tax-Water	1,593,017	1,593,017	-	
Utility Service Tax-Gas	684,077	684,077	-	
Utility Service Tax-Misc.	178,067	178,067	-	
Communications Service Tax	4,799,488	4,612,000	(187,488)	Note 2
Business Tax	928,541	854,000	(74,541)	Note 2
Payment in Lieu of Taxes	45,000	45,000	-	
TOTAL TAXES	39,884,830	39,705,150	(179,680)	
<u>LICENSES AND PERMITS</u>				
Home Occupational Permits	26,748	26,748	-	
Miscellaneous Permits	5,583	5,583	-	
Open Burn Permits	217	217	-	
Landlord Licensing Fee	904,295	904,295	-	
Taxi Licenses	10,825	10,825	-	
TOTAL LICENSES AND PERMITS	947,668	947,668	-	
<u>INTERGOVERNMENTAL REVENUES</u>				
State Rev Shrg-Sales Tax	2,005,498	2,005,498	-	
State Rev Shrg-Motor Fuel	736,703	736,703	-	
Mobile Home Licenses	34,360	34,360	-	
Beverage Licenses	105,003	105,003	-	
Half Cent Sales Tax	6,522,064	6,522,064	-	
Firefighters Suppl. Comp	77,413	77,413	-	
FDOT-Traffic Signal	233,645	233,645	-	
FDOT-Streetlight Maint	454,930	454,930	-	
MTPO Contribution	12,487	12,487	-	
Insurance Tax	1,218,069	1,218,069	-	
TOTAL INTERGOVERNMENTAL REVENUES	11,400,172	11,400,172	-	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>CHARGES FOR SERVICES</u>				
Land Development Code	147,939	147,939	-	
Miscellaneous Fees-GPD	20,069	20,069	-	
Document Reproduction	19,148	19,148	-	
Fire Inspection Fees	73,758	73,758	-	
Billable Overtime-GFR	28,784	28,784	-	
Hazmat Recovery Costs	9,136	9,136	-	
Trespass Towing Applic.	28,264	28,264	-	
Towing Application Prg	16,903	16,903	-	
Traffic Signal - County	196,292	196,292	-	
GHA HUD Contract	60,311	60,311	-	
School Resource Officer	189,725	189,725	-	
Cemetery Fees	39,458	39,458	-	
Parking Meter & Smart Crd	129,868	129,868	-	
Neighborhood Parking Dcls	74,125	132,000	57,875	Note 2
Other Street Projects	55,398	55,398	-	
Traffic Engineering Prjts	87,288	87,288	-	
Traffic Review Fees	4,856	4,856	-	
Parking Garage	173,224	173,224	-	
Environmental Review	3,554	3,554	-	
Swimming Pools	264,823	226,000	(38,823)	Note 2
Recreation Centers	100,865	100,865	-	
Recreation Fees	74,910	48,000	(26,910)	Note 2
Rec Memberships & Sports	50,251	50,251	-	
Summer Camp Fees	64,202	64,202	-	
Asst City Attorney-GRU	160,121	160,121	-	
Police Training-SFC	42,912	42,912	-	
Airport Security	335,759	335,759	-	
Airport Fire Station	488,486	488,486	-	
Utility Indirect Services	2,087,428	2,087,428	-	
RTS Indirect Services	1,155,814	1,155,814	-	
CDBG Indirect Services	80,560	80,560	-	
SMU Indirect Services	388,248	388,248	-	
Solid Waste Indirect Srvs	176,155	176,155	-	
HOME Indirect Srvs	7,645	7,645	-	
Golf Course Indirect Srvs	213,485	213,485	-	
Fleet Mgmt Indirect Srvs	369,945	369,945	-	
Gen Insurance Indirect Srvs	206,857	206,857	-	
Health Insurance Ind. Srvs	91,480	91,480	-	
CRA Indirect Services	118,775	118,775	-	
Fl. Bldg Code Enf Ind Srvs	287,389	287,389	-	
General Pension Ind Srvs	101,502	101,502	-	
Police Pension Ind Srvs	26,368	26,368	-	
Fire Pension Indirect Srvs	26,368	26,368	-	
Misc Charges for Srvs	6,064	6,064	-	
TOTAL CHARGES FOR SERVICES	8,284,512	8,276,654	(7,858)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>FINES & FORFEITURES</u>				
Court Fines	428,296	428,296	-	
Municipal Ordinance	15,824	15,824	-	
Code Enf Penalties	63,482	63,482	-	
Parking Fines	467,850	418,000	(49,850)	Note 2
False Alarm Penalties	325,948	325,948	-	
TOTAL FINES AND FORFEITURES	1,301,400	1,251,550	(49,850)	
<u>MISCELLANEOUS REVENUES</u>				
Rebate Gas Tax	37,549	37,549	-	
Football Game Day Svcs	12,000	12,000	-	
Rental Income-Thomas Ctr	170,578	143,000	(27,578)	Note 2
Gain/Loss on Investment	506,291	506,291	-	
Rental of City Property	392,365	392,365	-	
Proceeds from Surplus	9,818	9,818	-	
Other Contributions	39,166	39,166	-	
CRA Loan Interest	124,120	124,120	-	
Other Misc Revenues	232,711	232,711	-	
TOTAL MISCELLANEOUS REVENUES	1,524,598	1,497,020	(27,578)	
<u>TRANSFERS FROM OTHER FUNDS</u>				
School Crossing Guard TF	43,472	43,472	-	
Evergreen Cemetery TF	131,105	131,105	-	
Solid Waste	300,000	300,000	-	
RTS-Direct Services	61,887	61,887	-	
Fire Assessment Fund	5,120,701	5,065,000	(55,701)	Note 2
W/WW Connect Surcharge	423,337	423,337	-	
GRU-Electric	20,196,225	20,196,225	-	
GRU-Water	6,888,768	6,888,768	-	
GRU-Gas Utility	2,254,757	2,254,757	-	
GRU-Wastewater	7,942,304	7,942,304	-	
GRU-Communications	396,034	396,034	-	
TOTAL TRANSFERS	43,758,590	43,702,889	(55,701)	
APPROPRIATION OF FUND BALANCE	\$ 107,101,770	\$ 106,781,103	\$ (320,667)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2014
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, while considering historical 10 year average discounts. 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 2013 data and also considers operational or contractual information obtained from City staff. The City Manager's estimate was prepared using similar procedures applied to earlier projected financial data available.