

# City of Gainesville

*City Hall  
200 East University Avenue  
Gainesville, Florida 32601*



## **Meeting Agenda**

**November 21, 2005**

**10:00 AM**

**City Hall, Room 16**

## **Audit and Finance Committee**

*Mayor Pegeen Hanrahan, Chair  
Mayor-Commissioner Pro Tem Chuck Chestnut, Member*

*Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069 at least two business days in advance.*

**CALL TO ORDER**

**ROLL CALL**

**ADOPTION OF THE AGENDA**

**APPROVAL OF MINUTES**

**050645**

**Audit and Finance Committee Minutes (B)**

**RECOMMENDATION**

*The Audit and Finance Committee approve the minutes of August 30, 2005, as circulated.*

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**DISCUSSION ITEMS**

**050337**

**United Gainesville Community Development Corporation (UGCDC) Loan Update (B)**

*Explanation: On August 30, 2005, the Audit and Finance Committee discussed the City Auditor's report on our Review of the Dissolution of United Gainesville Community Development Corporation. The Committee recommended the City Commission accept the City Auditor's report and instruct the City Auditor to conduct a follow-up review on recommendations made.*

*The Committee also requested additional information regarding the success or failure rate of the UGCDC loan program and the status of the loans assigned to the City as a result of UGCDC's dissolution.*

**RECOMMENDATION**

*The Audit and Finance Committee receive the following UGCDC loan update and discuss the current status of outstanding loans.*

**Legislative History**

8/30/05	Audit and Finance Committee	Recommended for Approval
9/12/05	City Commission	Approved as Recommended (4 - 0 - 3 Absent)

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**050647**

**Fourth Amendment to FY 2005 General Financial and Operating Plan Budget Resolution (B)**

*Explanation: The purpose of this amendment is to accurately reflect and incorporate into the*

City's FY 2005 General Government budget those transactions and activities that were not anticipated during the budget process.

*Fiscal Note:* All of the recommended changes are funded either by increases in revenue budgets, decreases in expenditure budgets, decreases in expenditure budgets, or decreases in the appropriate fund balance.

**RECOMMENDATION**

The Audit and Finance Committee: 1) Review the proposed amendatory budget resolution, and if acceptable; 2) recommend to the City Commission that it accept the fourth amendment to the FY 2005 General Government Financial and Operating Plan budget; and 3) authorize staff to proceed with the resolution adoption procedure.

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**050648**

**Review of General Fund Forecasted Revenues and Other Sources of Funds for the Fiscal Year Ending September 30, 2006 (B)**

*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, 2006 (the forecast).

We reviewed the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2005-2006 Final General Operating and Financial Plan Budget adopted by the City Commission on September 26, 2005. Our objective was to determine 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 \$85,940,405 provide a reasonable basis for the forecast. Our review was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and included procedures we considered necessary in the circumstances to evaluate the assumptions used by management in preparing and presenting the forecast.

**RECOMMENDATION**

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

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**050649**

**Summary Report of Payroll Payoff Procedures for Fiscal Year 2005 (B)**

*Explanation:* In accordance with our Annual Audit Plan, we performed surprise payroll payoff procedures on a test basis during Fiscal Year 2005. Our review was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Our procedures were designed to provide reasonable assurance to the City Commission and management that payroll disbursements were issued to actual employees of the City of

Gainesville for services provided.

*For each selected division, we took possession of the payroll checks and direct deposit slips, verified payment information to the Payroll Register Report and distributed them to the individual payees at their job sites. We required each employee to provide picture identification and sign for receipt of their check or deposit slip. On a test basis, we also reviewed payroll reports for unusual items and computational errors.*

*None of our procedures performed during Fiscal Year 2005 indicate that payroll disbursements were made to other than authorized employees of the City of Gainesville.*

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

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## **050650**

### **Petty Cash and Change Fund Counts for Fiscal Year 2005 (B)**

*Explanation: In accordance with our Annual Audit Plan, we performed surprise counts of petty cash and change funds during Fiscal Year 2005. Our review was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Our procedures were designed to provide reasonable assurance that adequate policies and procedures over the control of petty cash and change funds are in place and observed. Although individual expenditures from petty cash funds are small and normally less than \$50, the volume of transactions may be moderately high. Assuming all petty cash funds are replenished bi-monthly, estimated annual expenditures from these funds are approximately \$55,000.*

*There are 59 active petty cash/change funds maintained in General Government and Gainesville Regional Utilities. Our procedures generally consisted of performing surprise test counts on selected funds and reviewing cash, receipts and other records as necessary to determine whether funds were adequately secured, expended for an appropriate public purpose and properly accounted for. The City Auditor's Office advises management of count results and distributes a brochure offering helpful tips to custodians.*

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

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## **050651**

### **Proposed FY 2006 Annual Audit Plan (B)**

*Explanation: Resolution 970187, City Auditor Internal Responsibilities and Administrative Procedures, Section 4 (b) requires the City Auditor to submit an Annual Audit Plan to the City Commission for approval. The process of preparing the Annual Audit Plan includes obtaining input from City Commissioners and Charter*

*Officers as well as evaluating information gained from previous audits and studies performed by the City Auditor.*

*Each of the requested projects is weighed against other planned or required projects resulting in Exhibit A, which represents a compilation of proposed audits for the City Auditor's work plan for FY 2006. Audits are classified into the following categories:*

- \* Revenue/Cost Containment Audits*
- \* Operational Audits*
- \* Compliance Audits*
- \* Follow-up Audits*
- \* Other Projects*

*A description of all projects is also included for review.*

**RECOMMENDATION**

*The Audit and Finance Committee submit the City Auditor's Proposed FY 2006 Annual Audit Plan to the City Commission for approval by resolution.*

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**MEMBER COMMENT**

**CITIZEN COMMENT**

**NEW BUSINESS**

**NEXT MEETING DATE**

**ADJOURNMENT**