

**Fiscal year 2009 Operating Funds Quarterly Monitoring Report - Quarter Ending December 31, 2008 (B)**

..explanation

The City's General Government Budget Policy requires staff to prepare and submit a quarterly Budget compliance report in substantially the same form as the final budget document, for all major operating funds, including the status of General Fund fund balances to the Audit, Finance and Legislative Committee.

..recommendation

The Audit, Finance and Legislative Committee review and recommend that the City Commission receive the quarterly budget monitoring report for the quarter ended December 31, 2008.

**FY 2009  
QUARTERLY MONITORING  
REPORT**

**DECEMBER 31, 2008**



**BUDGET AND FINANCE  
DEPARTMENT**

**B/F 09-001**

## Table of Contents

Executive Summary	1-2
General Fund:	
Schedule of Sources and Uses	3
Schedule of Sources – Budget to Actual	4
Schedule of Uses – Budget to Actual	5
Schedule of Changes in Fund Balance	6
Schedule of Changes in Adopted Budget	7

The current monitoring report format was implemented in FY 2003 in order to provide a more concise overview of operating results and projections in the General Fund. Please keep in mind that these projections are based on first quarter activities and historical trends. As the year progresses, these projections will be updated to reflect the impact of additional financial transactions.

# **Executive Summary**

## **General Fund**

### **Revenues**

Revenues in the General Fund performed within budget parameters during the first quarter of the fiscal year. Total sources came in at 32.1% of the budget compared to 31.2% the previous year. The following paragraphs outline the major changes and differences that have occurred are projected to occur in various revenue sources.

Local option gas tax is coming in under what the pace was last year during this time, 12.5% collection rate compared to 20.5% collection rate. This translates to a year end projection for local option gas tax at about 93% of the FY2009 budget or about \$61,750 under budget.

The state revenue sharing projection has decreased from the original budget of \$2.9 million to about \$2.5 million based on March 18, 2009 state revenue estimates. This trend is one being felt throughout Florida and is directly related to the downturn in the economy. Another major revenue source impacted by the economy is the half-cent sales tax revenue source. In March 2009, state projections reduced this revenue source by about \$898,000 from the original FY2009 budget.

Offsetting some of the decreases outlined above are increases in utility taxes and parking fines. Utility taxes are coming in at a slightly higher pace than last year, 23.7% compared to 18.0%. The current year-end projection is that this revenue source will be around or slightly above budget.

A decision was made during the FY2008 budget year to focus more attention to the parking enforcement program. Two FTEs were transferred from the Police Department to the Public Works Department and other program changes were made to carry out this decision. Due to these changes, FY2009 collections are significantly higher than FY2008 collections. Through the first quarter of FY2009, parking fines have collected over 51.8% of budget compared to 19.6% last December. Year-end projections based on current trends are about \$350,000 over budget.

In total, revenues are projected to come in at 98.4% of the FY2009 amended budget. This equates to the city collecting approximately \$1.55 million less than the budgeted figure.

### **Expenses**

Expenditures are coming in at slightly less than budgeted parameters, with a total of 23.8% being spent in the first quarter of FY2009. The first quarter will not yet show the effects of the hiring freeze and travel freeze instituted by the City Manager in early December. Preliminary estimates have shown that while the hiring freeze will be effective for reducing some spending levels, the savings felt will be less than last fiscal year due to about 50% less positions being vacant at this time than at the same time last fiscal year. Staff have taken a proactive stance regarding FY2009's budget and are completing monthly monitoring reports for each department as an aid to departmental staff. Staff is also meeting with appropriate departmental staff on a regular basis to address any concerns or questions regarding their budgetary needs.

At this time, preliminary year-end expenditure projections are at 99.4% of the FY2009 amended first quarter budget or about \$635,000 less than budget. The expenditure projection and budget include \$729,230 in appropriations from fund balance. Most of the planned use of fund balance is due to appropriation of previously reserved fund balances, including prior year encumbrances. Also, this projection will be revised if additional appropriations from fund balance are approved.

Staff is currently projecting the year-end deficit to be a little over \$1.6 million. This takes into account the decreases in revenues and the current expenditure projections.

City of Gainesville  
General Fund  
Schedule of Sources and Uses  
For the Three Months Ending December 31, 2008

	FY 2008			FY 2009			%
	Prior Year Budget	Actual	%	Current Modified Budget	Actual	%	
<b>SOURCES:</b>							
Taxes	\$40,249,227	\$17,302,385	43.0%	\$42,061,548	\$18,403,332	43.8%	
Licenses and Permits	597,050	269,247	45.1%	675,993	49,669	7.3%	99.8%
Intergovernmental	11,639,074	1,936,912	16.6%	10,855,398	1,663,953	15.3%	103.1%
Charges for Services	7,392,600	1,597,258	21.6%	7,784,343	1,749,166	22.5%	87.3%
Fines & Forfeitures	1,672,777	299,840	17.9%	1,483,694	659,645	44.5%	95.6%
Miscellaneous	1,264,387	188,767	14.9%	1,170,984	225,857	19.3%	125.3%
Transfers In	31,999,963	8,002,517	25.0%	34,084,868	8,758,716	25.7%	86.9%
<b>TOTAL SOURCES</b>	<b>\$94,815,078</b>	<b>\$29,596,925</b>	<b>31.2%</b>	<b>\$98,116,828</b>	<b>\$31,510,338</b>	<b>32.1%</b>	<b>98.4%</b>
<b>USES:</b>							
Personal Services	56,775,741	11,280,114	19.9%	58,643,670	13,523,128	23.1%	99.4%
Operating Capital	22,109,869	3,917,553	17.7%	22,469,534	4,636,012	20.6%	98.8%
Non-Departmental Transfers Out	425,805	47,107	11.1%	305,473	10,511	3.4%	100.2%
	3,614,373	365,286	10.1%	452,498	122,890	27.2%	100.0%
	12,873,623	4,274,176	33.2%	16,974,883	5,281,235	31.1%	100.0%
<b>TOTAL USES</b>	<b>\$ 95,799,411</b>	<b>\$ 19,884,236</b>	<b>20.8%</b>	<b>\$ 98,846,058</b>	<b>\$ 23,573,776</b>	<b>23.8%</b>	<b>99.4%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$ (984,333)</b>	<b>\$ 9,712,689</b>		<b>\$ (729,230)</b>	<b>\$ 7,936,562</b>		

<b>Beginning Fund Balance, October 1</b>	<b>14,448,820</b>
<b>Ending Fund Balance (projected), September 30</b>	<b>\$ 12,806,512</b>

Note: The modified budget includes appropriation from fund balance - see pages 9 and 10.

City of Gainesville  
General Fund  
Schedule of Sources - Budget to Actual  
For the Three Months Ending December 31, 2008

	FY 2008			FY 2009			FY09	
	Prior Year Budget	Prior Year Actual	%	Current Modified Budget	Actual	%	Projected Revenues	%
<b>TAXES:</b>								
Property Taxes, Net	\$23,074,719	\$13,501,173	58.5%	\$23,415,036	\$13,659,530	58.3%	\$23,263,124	99.4%
Hazardous Waste Tax	\$275,137	-	0.0%	\$243,717	-	0.0%	\$243,717	100.0%
Local Option Gas Tax	928,226	190,211	20.5%	664,626	107,635	12.5%	802,877	92.8%
Home Occupational Permits	33,323	10,458	31.4%	27,024	8,642	32.0%	27,024	100.0%
Occupational/Business Tax	914,000	364,570	39.9%	938,397	708,038	75.4%	874,703	93.1%
Payment in Lieu of Taxes-GHA	43,000	-	0.0%	33,000	56,565	171.4%	56,565	171.4%
Utility Taxes	8,238,843	1,484,167	18.0%	9,485,125	2,247,768	23.7%	9,592,231	101.1%
Local Telecommunications Services Tax	5,622,155	1,751,806	31.2%	5,694,880	1,614,955	28.4%	5,763,037	101.4%
Insurance Premium Tax	1,118,824	-	0.0%	1,368,743	-	0.0%	1,368,743	100.0%
<b>TOTAL TAXES</b>	<b>\$40,249,227</b>	<b>\$17,302,385</b>	<b>43.0%</b>	<b>\$42,061,548</b>	<b>\$18,403,332</b>	<b>43.8%</b>	<b>\$41,992,021</b>	<b>99.8%</b>
<b>LICENSES AND PERMITS:</b>								
Landlord Licensing Fees	590,000	284,643	48.2%	661,780	44,804	6.8%	690,560	104.3%
Taxi Licenses	7,050	4,604	65.3%	14,213	4,865	34.2%	6,188	43.5%
<b>TOTAL LICENSES AND PERMITS</b>	<b>597,050</b>	<b>289,247</b>	<b>48.1%</b>	<b>675,993</b>	<b>49,669</b>	<b>7.3%</b>	<b>696,748</b>	<b>103.1%</b>
<b>INTERGOVERNMENTAL:</b>								
State Revenue Sharing	3,530,488	23,391	0.7%	2,942,226	6,253	0.2%	2,473,063	84.1%
Mobile Home Licenses	33,438	9,945	29.7%	33,940	8,206	24.2%	33,940	100.0%
Beverage Licenses	72,143	67,632	93.7%	89,121	70,852	79.5%	86,544	97.1%
Half Cent Sales Tax	7,327,209	1,820,356	24.8%	7,124,356	1,566,806	22.0%	6,226,196	87.4%
Other Intergovernmental Revenue	675,796	15,588	2.3%	665,765	11,837	1.8%	660,887	99.3%
<b>TOTAL INTERGOVERNMENTAL</b>	<b>\$ 11,638,074</b>	<b>\$ 1,936,912</b>	<b>16.6%</b>	<b>\$ 10,855,398</b>	<b>\$ 1,663,953</b>	<b>15.3%</b>	<b>\$ 9,480,640</b>	<b>87.3%</b>
<b>CHARGES FOR SERVICES:</b>								
Airport Security Services	287,201	46,775	16.3%	295,817	71,819	24.3%	287,565	100.6%
Alcohol Licenses	412,477	104,641	25.4%	458,500	114,125	25.0%	456,500	100.0%
SRO Contract	207,066	60,908	29.4%	188,207	45,661	24.3%	182,725	97.1%
Police Training Cost Recovery	42,000	14,026	33.4%	42,000	27,410	65.3%	42,000	100.0%
County Fire Protection	134,488	52,500	39.0%	133,111	0.0%	n/a	66,864	n/a
Fire Inspection Fees	219,596	14,000	6.4%	156,465	12,200	7.8%	43,200	27.6%
Zoning Fees	287,775	42,048	14.6%	292,092	26,630	9.1%	243,396	83.3%
Document Reproduction Fees	122,679	773	0.6%	123,019	6,289	5.1%	127,998	104.4%
Traffic Signals-County	147,951	-	0.0%	147,589	-	0.0%	147,589	100.0%
Traffic Review Fees	20,000	-	0.0%	20,300	3,000	14.8%	20,300	100.0%
Traffic Engineering - Small Cities	28,674	600	2.1%	1,968	29,534	148.3%	29,534	100.0%
Transportation-Parking	181,320	45,059	24.9%	184,040	43,654	23.7%	184,040	100.0%
Parking Garage	315,518	56,921	18.0%	360,571	65,060	18.0%	268,161	74.4%
Neighborhood Parking Decals	34,611	9,110	26.3%	35,130	13,577	38.6%	35,130	100.0%
Recreation Fees	34,000	24,639	72.5%	34,510	28,980	84.0%	30,474	88.3%
Recreation Nature Programs	44,000	5,642	12.8%	44,680	5,011	11.2%	38,265	85.7%
Swimming Pools	97,000	7,939	8.2%	98,455	8,652	8.8%	108,828	110.5%
Recreation Centers/Playgrounds	308,560	24,681	8.0%	345,364	18,507	5.4%	289,559	83.8%
Cultural Affairs Accounts	115,411	30,947	26.8%	117,142	23,413	20.0%	110,041	93.9%
City Attorney Services for GRU	-	-	n/a	157,264	39,316	25.0%	157,264	100.0%
RTS Financial Services	132,750	33,188	25.0%	136,733	34,183	25.0%	136,733	100.0%
Indirect Services	3,996,951	985,455	24.7%	4,196,800	1,056,813	25.2%	4,196,800	100.0%
Other Miscellaneous Charges	222,572	37,406	16.8%	322,151	69,765	21.7%	340,655	105.7%
<b>TOTAL CHARGES FOR SERVICES</b>	<b>\$ 7,392,600</b>	<b>\$ 1,597,258</b>	<b>21.6%</b>	<b>\$ 7,764,343</b>	<b>\$ 1,749,166</b>	<b>22.5%</b>	<b>\$ 7,438,421</b>	<b>95.6%</b>
<b>FINES AND FORFEITURES:</b>								
Court Fines & Forfeitures	893,200	158,426	17.7%	769,355	171,319	22.3%	777,934	101.2%
Code Enforcement Penalties	52,000	60,887	117.1%	57,715	11,923	20.5%	57,715	100.0%
Parking Fines	301,615	59,194	19.6%	262,156	135,757	51.8%	623,891	238.0%
Municipal Ordinance Fines	100,962	21,333	0.0%	79,060	24,116	30.5%	82,821	104.8%
False Alarm Penalties	325,000	-	0.0%	316,406	316,631	100.1%	316,631	100.1%
<b>TOTAL FINES AND FORFEITURES</b>	<b>\$ 1,672,777</b>	<b>\$ 299,840</b>	<b>17.9%</b>	<b>\$ 1,483,694</b>	<b>\$ 659,645</b>	<b>44.5%</b>	<b>\$ 1,866,392</b>	<b>125.3%</b>
<b>MISCELLANEOUS REVENUES:</b>								
Investment Income	520,026	99,579	19.1%	617,134	64,230	10.4%	425,000	68.9%
Rental of City Property	130,560	45,704	35.0%	125,460	15,434	12.3%	125,460	100.0%
Demolition/Lot Clearing/Board & Seal	30,000	26,733	89.1%	38,570	3,908	10.1%	65,226	169.1%
Surplus Equipment/Property Sales	41,616	8,802	21.2%	31,620	2,751	n/a	31,620	100.0%
State Gas Tax Rebate	29,714	5,914	19.9%	30,308	8,396	27.7%	31,210	103.0%
Other Miscellaneous	512,471	2,034	0.4%	327,892	131,138	40.0%	339,524	103.6%
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>\$ 1,264,387</b>	<b>\$ 188,767</b>	<b>14.9%</b>	<b>\$ 1,170,984</b>	<b>\$ 225,857</b>	<b>19.3%</b>	<b>\$ 1,018,040</b>	<b>86.9%</b>
<b>TRANSFERS FROM OTHER FUNDS:</b>								
GRU Transfers	31,567,630	7,925,267	25.1%	33,677,074	8,659,018	25.7%	33,677,074	100.0%
Transfers from Other Funds	432,333	77,250	17.9%	407,794	99,698	24.4%	407,794	100.0%
<b>TOTAL TRANSFERS</b>	<b>\$ 31,999,963</b>	<b>\$ 8,002,517</b>	<b>25.0%</b>	<b>\$ 34,084,868</b>	<b>\$ 8,758,716</b>	<b>25.7%</b>	<b>\$ 34,084,868</b>	<b>100.0%</b>
<b>TOTAL SOURCES</b>	<b>\$ 94,815,078</b>	<b>\$ 29,596,925</b>	<b>31.2%</b>	<b>\$ 98,116,828</b>	<b>\$ 31,510,338</b>	<b>32.1%</b>	<b>\$ 96,569,130</b>	<b>98.4%</b>

City of Gainesville  
General Fund

Schedule of Uses - Budget to Actual  
For the Three Months Ending December 31, 2008

	FY 2008			FY 2009		
	Prior Year Budget	Actual Obligations	%	Current Modified Budget	Actual Obligations	%
Neighborhood Improvement Planning & Development	\$ -	\$ -	n/a	\$ 1,392,413	\$ 294,676	21.2%
Planning	1,677,924	325,986	19.4%	246,347	61,799	25.1%
Housing	25,570	4,712	18.4%	1,513,414	325,998	21.5%
Block Grant Administration	390	-	0.0%	-	-	n/a
Code Enforcement	1,214,440	232,258	19.1%	-	-	n/a
Administrative Services	416,047	78,155	18.8%	430,120	98,712	22.9%
City Commission	260,422	55,816	21.4%	274,492	65,076	23.7%
Clerk of the Commission	695,375	179,677	25.8%	728,330	197,581	27.1%
City Manager	927,705	160,390	17.3%	869,438	183,158	21.1%
City Auditor	467,946	77,394	16.5%	515,298	116,235	22.6%
City Attorney	1,443,364	277,672	19.2%	1,599,477	320,060	20.0%
Computer Services	2,648,157	395,283	14.9%	2,505,626	443,691	17.7%
Budget and Finance	2,823,629	604,977	21.4%	2,929,829	807,886	27.6%
Equal Opportunity	535,047	100,566	18.8%	525,909	113,643	21.6%
Public Works	8,583,526	1,027,753	12.0%	9,692,299	1,649,011	17.0%
Police	28,843,276	5,993,358	20.8%	29,529,118	6,817,057	23.1%
Fire/Rescue	13,380,061	2,840,737	21.2%	13,852,010	3,207,718	23.2%
Combined Communications Center	3,390,210	404,030	11.9%	3,610,840	978,562	27.1%
General Services	2,344,998	354,313	15.1%	2,331,401	460,191	19.7%
Parks, Recreation and Cultural Affairs	7,502,624	1,551,386	20.7%	7,453,616	1,736,078	23.3%
Human Resources	1,512,685	277,560	18.3%	1,418,783	325,923	23.0%
Risk Management	4,727	20	0.0%	5,524	445	8.1%
Communication & Marketing	449,046	99,145	22.1%	407,864	90,717	22.2%
<b>TOTAL DEPARTMENTAL EXPENSES</b>	<b>\$ 79,147,169</b>	<b>\$ 15,041,188</b>	<b>19.0%</b>	<b>\$ 81,832,148</b>	<b>\$ 18,294,217</b>	<b>22.4%</b>
<b>NON-DEPARTMENTAL:</b>						
County Street Lights	988,000	256,881	26.0%	1,122,850	251,406	22.4%
City Commission & Other Contingencies	593,595	16,467	2.8%	493,235	7,275	1.5%
Insurance Premium Tax Contributions	1,118,824	-	0.0%	1,368,743	-	0.0%
Transfers to Other Funds	12,873,623	4,274,176	33.2%	13,027,261	4,946,303	38.0%
Other Non-Departmental	1,078,200	91,938	8.5%	962,794	76,251	7.9%
<b>TOTAL NON-DEPARTMENTAL EXPENSES</b>	<b>\$ 16,652,242</b>	<b>\$ 4,639,462</b>	<b>27.9%</b>	<b>\$ 16,974,883</b>	<b>\$ 5,281,235</b>	<b>31.1%</b>
<b>TOTAL USES</b>	<b>\$ 95,799,410</b>	<b>\$ 19,680,650</b>	<b>20.5%</b>	<b>\$ 98,807,031</b>	<b>\$ 23,575,452</b>	<b>23.9%</b>



Statement of Changes in Fund Balance  
General Fund  
As of December 31, 2008

	<u>10/01/08</u>	<u>Projected Increases</u>	<u>Projected Decreases</u>	<u>Projected 09/30/09</u>
Reserved:				
Encumbrances	\$ 127,611	-	-	\$ 127,611
Inventories	11,404	-	-	11,404
Energy Conservation Project	154,000	-	(154,000)	-
User Fee Study	100,000	-	(100,000)	-
Employee Benefits Survey	100,000	-	(100,000)	-
Waldo Road Corridor Study	35,000	-	(35,000)	-
Day Jet Tax Refund Agreement	17,000	-	(17,000)	-
GPD/PW Fiber Optic Equip-39th Ave	42,710	-	(42,710)	-
GPD Joint Crime Unit Intelligence Center	125,000	-	(125,000)	-
IT Computer Equipment	15,000	-	(15,000)	-
PRCA Reptile & Amphibian Survey	4,596	-	(4,596)	-
General Services Building Improvements	22,000	-	(22,000)	-
Planning & Development Professional Svcs.	43,910	-	(43,910)	-
City Attorney-Class Action Exemption	5,000	-	-	5,000
Planning-Hearing Officers	13,000	-	(13,000)	-
Royal Village Challenge Match	74,550	-	-	74,550
FY2009 Fund Balance Appropriation	314,215	-	(314,215)	-
FY2010 Fund Balance Appropriation	732,778	-	-	732,778
<i>Subtotal</i>	<u>1,937,774</u>	<u>-</u>	<u>(986,431)</u>	<u>951,343</u>
Long-Term Receivables:				
PC Loans	498,080	-	-	498,080
Lifequest	64,289	-	-	64,289
CRA Note-Arlington Square	39,082	-	(2,540)	36,542
CRA Note-Commerce Building	698,812	-	(23,217)	675,595
CRA Note-West Univ Ave. Lofts Project	391,459	-	(16,675)	374,784
CRA Note-5th Avenue	517,441	-	(24,801)	492,640
CRA Note-SW 2nd St Parking Garage	1,173,600	-	-	1,173,600
CRA Note-Eastside District	266,490	-	(10,121)	256,369
CRA Note-SW 2nd Avenue Project	710,639	-	(26,989)	683,650
Golf Carts	42,610	-	(42,610)	-
Other Notes Receivable	13,842	-	(2,885)	10,957
<i>Subtotal - Receivables</i>	<u>4,416,344</u>	<u>-</u>	<u>(149,838)</u>	<u>4,266,506</u>
Undesignated	8,095,412	-	(506,749)	7,588,663
<b>TOTAL FUND BALANCE</b>	<b>\$ 14,449,530</b>	<b>\$ -</b>	<b>\$ (1,643,018)</b>	<b>\$ 12,806,512</b>

Schedule of Changes in Adopted Budget  
 General Fund  
 as of December 31, 2008

	<u>Sources</u>	<u>Uses</u>	<u>Budgeted Use of Fund Balance</u>
<b>Adopted Budget</b>	<b>\$ 97,899,511</b>	<b>\$ 98,213,726</b>	<b>\$ (314,215)</b>
<b>Changes:</b>			
CRA Note Interest Proceeds	119,934	-	
Changes to due reorganization of Community Development Dept.	-	2,158	
Hampton Inn Incentive (T/T Downtown Redevelopment Trust Fund)	-	-	
Deferral of CRA Loan Payments	-	-	
Fire Special Assessment Fee Study-Consultant/Survey	-	-	
Finance Department-Mail Service Equipment Replacement	-	-	
General Fee Study	-	100,000	
Commission Contingency	-	-	
T/T-General Capital Projects Fund (302)	-	42,710	
Planning-Hearing Officers	-	13,000	
T/T-Kennedy Homes Acquisition/Demolition Fund (336)	-	-	
T/T-Misc. Special Revenue Fund (123)	-	-	
T/T-Economic Development Fund (114)	-	-	
Waldo Road Corridor Study	-	35,000	
Adult Use Study	-	19,350	
DRI Consultant	-	19,122	
City Attorney-Class Action Exemption	-	5,000	
IT-Computer Equipment	-	15,000	
PRCA-Reptile & Amphibian Survey	-	4,596	
Joint Crime Analysis Unit's Intelligence Center-technology & furniture	-	125,000	
City Hall Energy Conservation Project	97,383	119,383	
Encumbrance (PO) Rollovers	-	132,013	
<i>Total Changes</i>	<u>217,317</u>	<u>632,332</u>	<u>(415,015)</u>
<b>Current Modified Budget</b>	<b>\$ 98,116,828</b>	<b>\$ 98,846,058</b>	<b>(729,230)</b>

\*see reference page 6

Note: All changes with no offsetting source are funded through the appropriation of fund balance.