

**REVIEW OF GENERAL FUND FORECASTED REVENUES
AND OTHER SOURCES OF FUNDS FOR THE
FISCAL YEAR ENDING SEPTEMBER 30, 2011**

NOVEMBER 2010




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

City of
Gainesville

Inter-Office Communication

November 30, 2010

TO: Audit, Finance and Legislative Committee
Mayor Craig Lowe, Chair
Mayor-Commissioner Pro Tem Jeanna Mastrodicasa, 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, 2011

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, 2011.

We reviewed the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2010-2011 Final General Operating and Financial Plan Budget adopted by the City Commission on September 16, 2010. 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 \$102,791,506 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 2010-2011 General Fund Revenues and Other Sources of Funds in the amount of \$102,791,506. However, we projected some revenue sources at a different level than the approved General Fund budget. The total estimated difference is approximately \$80,901 or 0.1% 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, 2011 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, 2011

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>TAXES</u>				
Real Property, Net	\$ 22,988,042	\$ 23,018,000	\$ 29,958	Note 1
Hazmat Gross Receipts Tax	218,212	218,212	-	
Local Option Gas Tax	798,406	700,000	(98,406)	Note 2
Utility Tax	10,415,919	10,415,919	-	
Property Insurance Premium Tax	1,450,000	1,450,000	-	
Simplified Telecommunications Service Tax	5,619,442	5,167,000	(452,442)	Note 2
TOTAL TAXES	41,490,021	40,969,131	(520,890)	
<u>LICENSES AND PERMITS</u>				
Local Business Tax (Occupational Licenses)	1,008,797	1,008,797	-	
Home Occupational Permits	26,766	26,766	-	
Open Burn Permits	1,000	1,000	-	
Misc Permits	5,006	5,006	-	
Landlord Licensing Fee	742,801	731,000	(11,801)	Note 3
Taxi Licenses	8,963	8,963	-	
TOTAL LICENSES AND PERMITS	1,793,333	1,781,532	(11,801)	
<u>INTERGOVERNMENTAL REVENUE</u>				
State Revenue Sharing (Net)	2,275,095	2,539,000	263,905	Note 2
Mobile Home Licenses	36,207	36,207	-	
Beverage Licenses	92,917	92,917	-	
Half Cent Sales Tax	5,833,121	6,045,000	211,879	Note 2
Firefighters Supplemental Comp	57,916	57,916	-	
State Gas Tax Rebate	39,144	39,144	-	
County and MTPO Contribution to Bike Program	4,165	4,165	-	
Payment in Lieu of Taxes - GHA	58,262	58,262	-	
FDOT Traffic Signal Maintenance	214,830	214,830	-	
FDOT Street Light Maintenance	431,588	431,588	-	
TOTAL INTERGOVERNMENTAL REVENUE	9,043,245	9,519,029	475,784	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2011

	REVENUE FORECAST PER BUDGET ORDINANCE	REVENUE FORECAST PER CITY AUDITOR	DIFFERENCE IN FORECASTS	EXPLANATION OF DIFFERENCES
<u>CHARGES FOR SERVICES</u>				
Airport Fire Services	474,113	474,113	-	
Airport Security Services	319,602	319,602	-	
SFCC Training Contract GPD - Recruitment	42,420	42,420	-	
Miscellaneous Fees - Police	32,798	32,798	-	
GFR- Fire Inspection Fees	101,896	101,896	-	
GFR Billable Overtime	28,570	28,570	-	
Domestic Partnership Registration	200	200	-	
Football Game Day Services	12,000	12,000	-	
Document Reproduction Fees/Background Check	71,326	71,326	-	
Land Development Code Fees	159,592	159,592	-	
Traffic Engineering - Small Cities Projects	33,667	33,667	-	
Traffic Signals - County	200,305	180,000	(20,305)	Note 3
Cemetery Fees	32,899	32,899	-	
Parking - Meters and Permits	226,263	163,000	(63,263)	Note 3
Parking Garage	221,896	276,000	54,104	Note 4
Street Division Cost Recovery	111,055	61,000	(50,055)	Note 3
Recreation - Membership/Youth Sports	23,128	23,128	-	
Swimming Pools	164,982	164,982	-	
Recreation Centers/Playgrounds	320,358	320,358	-	
Cultural Affairs Accounts	162,662	162,662	-	
Utility Indirect Services	1,757,000	1,757,000	-	
RTS Indirect Services	910,911	910,911	-	
CDBG Indirect Services	72,307	72,307	-	
SMUF Indirect Services	317,689	317,689	-	
Solid Waste Indirect Services	138,650	138,650	-	
Ironwood Indirect Services	168,033	168,033	-	
Fleet Indirect Services	330,005	330,005	-	
Building Inspection Indirect Services	246,358	246,358	-	
Gen. Insurance Indirect Services	162,815	162,815	-	
EHAB Indirect Services	74,855	74,855	-	
CRA Indirect Services	93,487	93,487	-	
Special Events Processing Fees	677	677	-	
General Pension Indirect Services	116,262	116,262	-	
Police Pension Indirect Services	21,289	21,289	-	
Fire Pension Indirect Services	14,193	14,193	-	
Development Review Fees	10,000	10,000	-	
Environmental Review Fees	13,714	13,714	-	
Traffic Study Review Fees	9,358	9,358	-	
Assistant City Attorney - GRU share	197,055	197,055	-	
GPD/GHA/HUD Contract	97,801	97,801	-	
GPD- Towing Rotation Application Fees	20,000	20,000	-	
GPD - Trespass Towing Application Fees	25,092	25,092	-	
SRO Contract - School Board	182,725	182,725	-	
TOTAL CHARGES FOR SERVICES	7,720,008	7,640,489	(79,519)	

CITY OF GAINESVILLE, FLORIDA
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FISCAL YEAR ENDING SEPTEMBER 30, 2011

	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	556,500	556,500	-	
Parking Fines	554,312	500,000	(54,312)	Note 3
False Alarm Penalties	220,163	330,000	109,837	Note 3
Municipal Ordinance Fines	84,350	84,350	-	
Code Enforcement Penalties	43,802	43,802	-	
TOTAL FINES AND FORFEITURES	1,459,127	1,514,652	55,525	
<u>MISCELLANEOUS REVENUES</u>				
Interest on Investments	458,855	458,855	-	
Interest on CRA loans	150,001	150,001	-	
Rental of City Property	71,284	71,284	-	
Porter Oaks Mortgages	1,874	1,874	-	
GPD Court Restitution	12,097	12,097	-	
Recreation Nature Programs	2,344	2,344	-	
Demolition/Lot Clearing/Bond & Seal	22,759	22,759	-	
Other Miscellaneous Revenues	51,160	51,160	-	
Sale of Surplus Equipment	39,209	39,209	-	
TOTAL MISCELLANEOUS REVENUES	809,583	809,583	-	
<u>TRANSFERS FROM OTHER FUNDS</u>				
Solid Waste Collection	300,000	300,000	-	
Crossing Guard Trust	21,635	21,635	-	
Cemetery Trust	103,591	103,591	-	
Fire Assessment Special Revenue Fund	4,887,500	4,887,500	-	
Art in Public Places Trust	9,000	9,000	-	
Water/Wastewater Connections Surcharge	365,872	365,872	-	
GRUCOMM	365,543	365,543	-	
Gas Utility	1,861,672	1,861,672	-	
Water	5,983,361	5,983,361	-	
Wastewater	7,005,396	7,005,396	-	
Electric	19,572,619	19,572,619	-	
TOTAL TRANSFERS	40,476,189	40,476,189	-	
TOTAL REVENUES, TRANSFERS AND APPROPRIATION OF FUND BALANCE	\$ 102,791,506	\$ 102,710,605	\$ (80,901)	

CITY OF GAINESVILLE, FLORIDA
GENERAL FUND FORECASTED REVENUES AND OTHER SOURCES OF FUNDS
FISCAL YEAR ENDING SEPTEMBER 30, 2011
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 2010 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 includes parking garage rental income. The City Manager's estimate does not include parking garage rental income in the General Fund Forecasted Revenues and Other Sources of Funds.