

City of Gainesville

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



Meeting Agenda

November 28, 2006

2:00 PM

City Hall, Room 16

Audit, Finance and Legislative Committee

Mayor Pegeen Hanrahan, (Chair)

Mayor-Commissioner Pro Tem Craig Lowe, (Vice Chair)

Persons with disabilities who require assistance to participate in this meeting are requested to notify the Office of Equal Opportunity 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****060746.****Audit, Finance and Legislative Committee (AFLC) Minutes (B)****RECOMMENDATION**

The AFLC approve the minutes of October 10, 2006, as circulated.

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DISCUSSION ITEMS**060761.****Review of Performance Measures for Parks and Recreation (B)**

Explanation: In accordance with our Fiscal Year 2006 Annual Audit Plan, we have completed a Review of Performance Measures for Parks and Recreation. This is our first report in a series that will focus on reviewing performance measure in selected departments each year. Our report and the City Manager's response are attached for your review.

We request that the Committee recommend the City Commission accept our report and management's response. Also, in accordance with City Commission Resolution 970187, Section 10, Responsibilities for Follow-up on Audits, we request that the Committee recommend the City Commission instruct the City Auditor to conduct a follow-up review on recommendations made and report the results to the Audit, Finance and Legislative Committee.

RECOMMENDATION

The Audit, Finance and Legislative Committee recommend that the City Commission: 1) Accept the City Auditor's report and the City Manager's response; and 2) instruct the City Auditor to conduct a follow-up review on recommendations made and report the results to the Audit, Finance and Legislative Committee.

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060762.**Review of General Fund Forecasted Revenues and Other Sources of Funds for the Fiscal Year Ending September 30, 2007 (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, 2007 (the forecast).

We reviewed the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2006-2007 Final General Operating and Financial Plan Budget adopted by the City Commission on September 25, 2006. 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 \$92,183,664 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, Finance and Legislative Committee recommend that the City Commission accept the City Auditor's report.

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060757.

Fourth Amendment to FY 2006 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 2006 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, or decreases in the appropriate fund balance.

RECOMMENDATION

The Audit, Finance, and Legislative Committee: 1) Review the proposed amendatory budget resolution, and if acceptable; 2) recommend to the City Commission that it adopt the fourth amendatory budget resolution to the FY2006 General Government Financial and Operating Plan budget.

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060763.

Petty Cash and Change Fund Counts for Fiscal Year 2006 (B)

Explanation: In accordance with our Annual Audit Plan, we performed surprise counts of petty cash and change funds during Fiscal Year 2006. 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 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 \$68,000.

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 the City Commission accept the City Auditor's report.*

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060610.

Review of 2006 Pay Study (B)

Explanation: On October 16, 2006, the City Commission held a workshop to discuss the 2006 Compensation Study for MAPS and CWA jobs. As part of the workshop, the City Auditor's Office presented the audit report on our Review of the 2006 Pay Study, which included several recommendations for improvements in the current and future compensation studies. Since no action could be taken at that meeting, we are requesting that the Audit, Finance and Legislative Committee recommend the City Commission accept our report and management's response. Also, in accordance with City Commission Resolution 970187, Section 10, Responsibilities for Follow-up on Audits, we request that the Committee recommend the City Commission instruct the City Auditor to conduct a follow-up review on recommendations made and report the results to the Audit, Finance and Legislative Committee.

In addition, because of our involvement in auditing the 2006 Pay Study, the positions within the City Auditor's Office were not included in the proposed pay plan distributed to the City Commission on October 16th. However, the City Auditor has discussed and obtained agreement from the Wachovia consultants as to the appropriate slotting of these positions based on their levels of responsibility and required minimum qualifications relative to other City positions. Accordingly, we request the Committee recommend the City Commission approve the placement of these positions. The percentage change for these four positions pay range midpoints averaged 9%, comparable to the 8% average experienced for all MAP positions.

RECOMMENDATION *The Audit, Finance and Legislative Committee recommend that the City Commission: 1) Accept the City Auditor's report and the response from the City Manager and Interim General Manager for Utilities; 2) instruct the City Auditor to conduct a follow-up*

review on recommendations made and report the results to the Audit, Finance and Legislative Committee; and 3) approve the placement of the Executive Assistant, Staff Auditor, Senior Auditor and Assistant City Auditor positions within the City Auditor's Office in salary grades 1, 4, 8 and 10, respectively.

Legislative History

10/16/06 City Commission Discussed

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060764.

Proposed FY 2007 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 2007. 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, Finance and Legislative Committee submit the City Auditor's Proposed FY 2007 Annual Audit Plan to the City Commission for approval by resolution.

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060593.

2007 State Legislative Statement (B)

Explanation: Annually, the City Commission adopts a State Legislative Agenda for presentation to the Alachua County Legislative Delegation. The Legislative Agenda is a compilation of the City's priority needs for the upcoming Legislative Session and provides delegation members with comprehensive information in order for them to focus their efforts on specific legislative priorities and initiatives related to the City.

Staff is suggesting 10 projects and six Tier One Legislative Issues as part of the City's 2007 State Legislative Agenda. These projects and initiatives have been prioritized by the City's State Legislative lobbyist, Doug Bruce, whose comments are included as Attachment A. Staff has chosen to follow the priority recommendations of Doug Bruce and a summary is included as Attachment B. A more detailed description of the City's 2007 State Legislative Agenda, including Tier Two items not prioritized by Doug Bruce, is included as Attachment C.

Fiscal Note: Requesting \$28,928,000 in Federal funds for projects. If funds are not received the City will rely on other sources including local support.

RECOMMENDATION

The Legislative Committee review and approve the proposed 2007 State Legislative Agenda and refer it to the City Commission for approval.

Legislative History

10/10/06 Audit, Finance and Approved as shown above (See Motion)
 Legislative
 Committee

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060747.

2008 Federal Legislative Statement (B)

Explanation: Annually, the City Commission adopts a Federal Legislative Agenda for presentation to the Alachua County Legislative Delegation. The Legislative Agenda is a compilation of the City's priority needs for the upcoming Legislative Session and provides delegation members with comprehensive information in order for them to focus their efforts on specific legislative priorities and initiatives.

Staff is requesting funding for six projects as part of the City's 2008 Federal Legislative Agenda. Projects fall within the following categories: Community Development, Public Transportation Enhancement, Education, Housing Enhancement, and Homeless Housing and Services. Projects have been prioritized and ranked by City staff and summarized in priority order as Attachment A. Federal Legislative priorities are provided in detail as Attachment B.

Fiscal Note: Requesting \$55.6 Million in Federal funds. If funds are not received the City will rely on other sources including local support.

RECOMMENDATION

The Legislative Committee review and approve the proposed 2008 Federal Legislative Statement as proposed by JordanBurt (Attachment A) and refer it to the City Commission for approval.

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MEMBER COMMENT

CITIZEN COMMENT

NEXT MEETING DATE

ADJOURNMENT