

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
City of Gainesville, Florida  
Year Ended September 30, 1996**

**Prepared By  
The Finance Department**

## LISTING OF CITY OFFICIALS

### ELECTED OFFICIALS

Edward L. Jennings, Sr. ....Mayor-Commissioner  
Bruce L. Delaney.....Mayor-Commissioner Pro-Tem  
Sande Calkins .....Commissioner  
Paula M. DeLaney.....Commissioner  
Pegeen Hanrahan .....Commissioner

### APPOINTED OFFICIALS

Wayne Bowers.....City Manager  
Michael L. Kurtz.....General Manager for Utilities  
Marion Radson.....City Attorney  
Kurt M. Lannon.....Clerk of the Commission  
Alan Ash.....City Auditor

### FINANCE PROGRAM STAFF

Brenda M. Law .....Interim Finance Director  
Audrey W. Lewis, CPA.....Revenue Recovery Specialist  
Bailey B. Blanchette.....Accounting Manager  
Kathleen D. Branam .....Property Control Specialist  
Deborah A. Costabile.....Accountant II  
Charles Van Tine, Jr. ....Accountant II  
Lynn Thigpen.....Account Clerk III  
Victoria Moore.....Account Clerk I

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# City of Gainesville

Post Office Box 490

Gainesville, Florida 32602-0490

(352) 334-5010

City Manager

March 24, 1997

**Honorable Mayor, Members of the  
City Commission and Citizens  
of the City of Gainesville, Florida**

**Ladies and Gentlemen:**

It is our pleasure to submit this *Comprehensive Annual Financial Report* for the City of Gainesville, Florida for the fiscal year ended September 30, 1996. The report fulfills the requirements set forth in the *City Code of Ordinances*, Section 2-433; *Florida Statutes*, Chapter 166.241; and the *Rules of the Florida Auditor General*, Chapter 10.550. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, State of Florida, City Code of Ordinances and the Government Finance Officers Association.

The report was prepared by the staff of the Finance Department. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the data as presented are accurate in all material aspects; the information is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs are included.

This *Comprehensive Annual Financial Report* is presented in three major sections. The content of each section is detailed below.

- 1. Introductory Section** As the title indicates, the first section acquaints the reader with the report. It comprises a table of contents, this transmittal letter which includes the City organizational chart and the Certificate of Achievement for Excellence in Financial Reporting awarded to the City of Gainesville by the Government Finance Officers Association.
- 2. Financial Section** This section contains the City's combined financial statements. Together with the notes to the financial statements and the auditors' report, these three elements make up the City's basic financial statements. The statements provide an overview for users who require less detailed information about the City's finances than is contained in the balance of the report. The remainder of the financial section presents combining statements, individual fund statements and schedules focusing on individual funds rather than fund types.



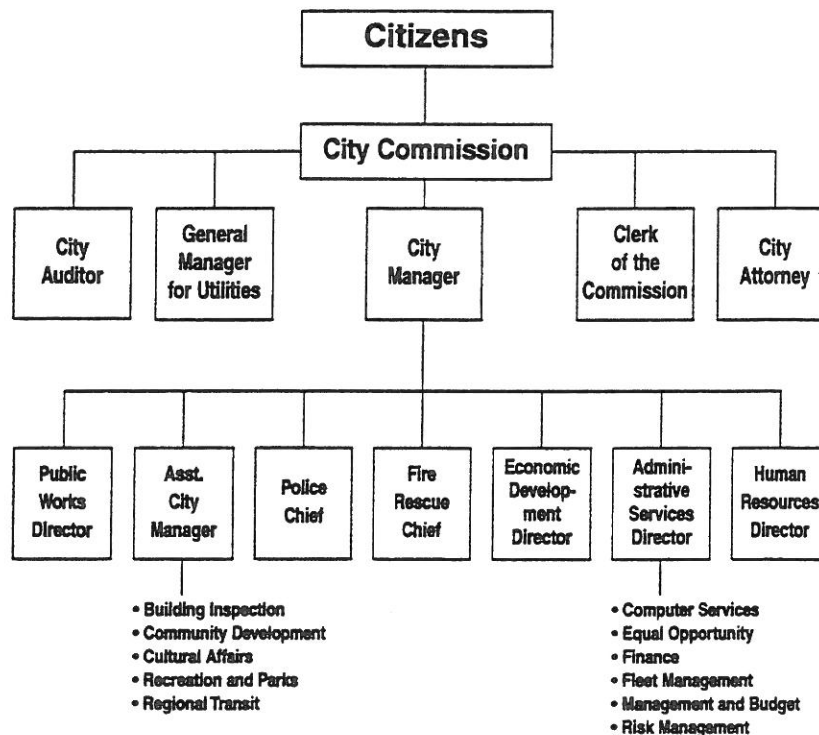
3. **Statistical Section** Although this section contains substantial financial information, these tables differ from financial statements. They present some non-accounting data, cover more than two fiscal years and are designed to reflect social and economic data, financial trends and the fiscal capacity of the City.

## REPORTING ENTITY AND ITS ORGANIZATION

The **City of Gainesville** is the largest city in and county seat of Alachua County, and serves as the cultural, educational and commercial center for the North Central Florida region. Gainesville is located midway between the Gulf of Mexico and the Atlantic Ocean and halfway between Miami and Pensacola. There are approximately 45 square miles of land included within the corporate boundaries of the City. As of September 30, 1996 the population was estimated at 96,000.

The **City** was established in 1854, incorporated in 1869 and has operated under a Commission-Manager form of government since 1927. The City Commission consists of five elected officials who are responsible for enacting the ordinances and resolutions which govern the City. Annually, the Commission elects one of its members as Mayor. The Mayor presides over public meetings and ceremonial events. The Commission appoints the City Manager, General Manager for Utilities, City Auditor, City Attorney and Clerk of the Commission. As chief executive officers, the City Manager and General Manager for Utilities are charged with the enforcement of all ordinances and resolutions passed by the Commission. They accomplish this task through the selection and supervision of an Assistant City Manager, an Administrative Services Director, and Assistant General Managers for Utilities. The current organizational structure is depicted below.

## City of Gainesville Organization Chart



The City of Gainesville provides its constituents with a wide variety of **public services**, listed below:

- **code enforcement**
- **community development**
- **cultural affairs**
- **economic development**
- **electrical power**
- **golf course**
- **mass transit**
- **natural gas distribution**
- **parks and recreation**
- **police and fire protection**
- **refuse collection**
- **stormwater management**
- **street maintenance**
- **traffic engineering and parking**
- **water and wastewater**

**Internal support services** include the following:

- **accounting**
- **accounts payable**
- **billing & collections**
- **City-wide management**
- **computer systems support**
- **debt management**
- **fleet maintenance**
- **human relations**
- **human resources**
- **information systems**
- **investment management**
- **labor relations**
- **mail services**
- **payroll**
- **property control**
- **purchasing**
- **risk management**
- **telecommunications and data transfer**

All moneys required to support the above-stated services are reflected in this report. This report includes all funds and account groups that are controlled by or are dependent on the **City Commission**.

In addition to these activities, the City exercises oversight responsibility for the **Community Redevelopment Agency**. Accordingly, this activity is included in the reporting entity and reflected in this report. **Note 1(A)** in the *Notes to the Financial Statements* lists the specific criteria used for establishing oversight responsibility.

## ECONOMIC CONDITIONS AND OUTLOOK

The future is bright for the **City of Gainesville** and its residents. In 1990, the City began to consciously create a positive business environment, and those efforts are paying off. The strong economic vitality of the area is the result of collaborative efforts that are taking place between local governments, other public organizations and the private sector. The Gainesville real estate market has remained steady even though home sales at the national level have been sluggish. A major indicator of the unprecedented attractiveness of our city is the designation given to our community in September, 1995 by *Money* magazine declaring it the best place to live in America.

The overall financial condition of the **City** continues to improve. The current property tax millage rate, which has been in effect for two years, is the lowest rate in decades. The General Fund balance increased by **\$740 thousand** to **\$7.6 million**, and total fund equity climbed to **\$520 million** from **\$435 million**.

The **City** continues to update its five-year capital improvement plan to adequately forecast long-term needs. A firm commitment to planning, together with enhanced economic development efforts, strong civic leadership and continued annexation measures should result in sufficient revenue growth to sustain the quality of life enjoyed by our residents and propel the area's economy to new heights.

## MAJOR INITIATIVES

### *FOR THE YEAR*

**Economic Development** The **City** began construction of a shell building in its airport industrial park, as part of an effort to attract a major tenant. The City also established an Economic Development Fund supported by occupational license tax revenue, and placed into effect certain tax breaks for economic development in its **Enterprise Zone**. Specific additional projects will be identified for funding as the City pursues its long-term commitment to this priority.

**Public Works** The **City** completed renovations of City Hall and the Old Library Building. These buildings now house most general government functions in a central City Hall complex downtown.

### *FOR THE FUTURE*

**Housing Initiatives** The **City** received a grant to permit development of a subdivision targeted to infill a specific area of the City. The City will build streets, install curbing, guttering, and lighting and perform other infrastructure tasks for this development, as well as oversee the construction of model homes.

**Public Works** The **City** will complete renovation of the Thomas Center, a historic property that serves as office space for the City. This is part of the City's continuing redevelopment and historic preservation efforts. In addition, work has begun on other building projects for Fleet Management and the Regional Transit System.

**Recreation** The **City** will complete a federally funded gymnasium in fiscal 1997. The gymnasium will have wooden floors, a stage area, a kitchen, meeting rooms, and a fitness area.

## **DEPARTMENT FOCUS**

The **Public Works Department** is reorganizing. The revamped Department will be comprised of five divisions: *Engineering, Streets, Building Management, Traffic Engineering* and *Solid Waste*. Previously, both Traffic Engineering and Solid Waste operated as separate departments.

*Building Management* is responsible for maintenance and upkeep of 33 City buildings. This responsibility includes providing mechanical services such as heating and air conditioning maintenance, painting, plumbing and electrical work. *Building Management* was also responsible for moving the hundreds of City employees who changed office locations during 1996 upon the completion of two renovated office buildings.

*Solid Waste* oversees the City's residential and commercial waste hauling activities. *Solid Waste* also supervises the City's very successful residential recycling program and will soon begin oversight of commercial recycling activities inside the City limits.

*Engineering, Streets, and Traffic Engineering* all completed projects during the year. In particular, several large road projects enhanced areas of our City.

## **FINANCIAL INFORMATION**

### **ACCOUNTING AND ADMINISTRATIVE CONTROLS**

**City management** is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Furthermore, management ensures that accounting data is adequate for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. The controls are also intended to provide assurance as to the reliability of financial records for preparing financial statements and accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

In addition to the examination of controls performed by members of the Finance Department, the City's internal auditors continually review and assess the soundness and adequacy of all the accounting and budgetary aspects of the City's financial system. Financial transactions and related data are examined for accuracy, completeness and authorization. Furthermore, data processing applications and systems are analyzed to ensure that necessary controls are in effect.

All internal control evaluations occur within the above framework. We believe the current internal accounting controls existing for the **City of Gainesville** adequately safeguard assets. During the fiscal year, the Accounting Division was adjusting to the departure of two long-time key personnel, and to the installation of a new financial accounting system. In addition, the City installed a human resources payroll system during the fiscal year. As a result, interim financial information suffered. Prior to the end of the fiscal year, however, controls were re-established, and City management believes that internal controls now in place are strong. In addition to these internal controls, annual financial audits are performed by independent certified public accountants.

## BUDGETARY CONTROLS

The City also maintains budgetary controls, the objective of which is to ensure compliance with legal provisions contained in the annual appropriated budget approved by the City Commission. Annual budgets are legally adopted for activities of the *general fund*, *special revenue funds* and *debt service funds*. *Capital projects funds* are appropriated on a project basis. Budgets are controlled at the departmental level and total expenditures may not legally exceed appropriations for each budgeted fund without Commission approval. Encumbrance accounting is utilized in governmental funds in order to reserve the encumbered portion of the appropriation. Encumbrances outstanding at year end are reported as reservations of fund balance and are reappropriated as part of the following year's budget.

## OPERATING FUNDS

The following schedules present a summary of the financial activities of the City's operating funds (defined as *governmental and proprietary funds*) for the fiscal year ended September 30, 1996, including the amount and percentage of increases and decreases in relation to prior year totals. The first schedule represents the combined operating funds' activities, while the second schedule breaks the activities down between governmental and proprietary funds. Included with the schedules is a discussion of some of the reasons for material variances between fiscal year 1996 and fiscal year 1995.

### SOURCES AND USES OF COMBINED OPERATING FUNDS (000's Omitted)

| <u>SOURCES</u>                     | <u>1996</u>              | <u>1995</u>              | <u>Increase<br/>(Decrease)</u> | <u>Percent<br/>Change</u> |
|------------------------------------|--------------------------|--------------------------|--------------------------------|---------------------------|
| Property Taxes                     | \$ 9,335                 | \$ 8,535                 | \$ 800                         | 9.4                       |
| Other Taxes/Licenses               | 12,396                   | 12,198                   | 198                            | 1.6                       |
| Intergovernmental                  | 14,811                   | 10,317                   | 4,494                          | 43.6                      |
| Charges for Services               | 191,891                  | 177,780                  | 14,111                         | 7.9                       |
| Miscellaneous                      | <u>24,321</u>            | <u>25,986</u>            | <u>(1,665)</u>                 | (6.4)                     |
| <b>Total Revenues</b>              | <b>252,754</b>           | <b>234,816</b>           | <b>17,938</b>                  | <b>4.5</b>                |
| Debt Proceeds                      | <u>5,162</u>             | <u>150</u>               | <u>5,012</u>                   | 100+                      |
| <b>TOTAL SOURCES</b>               | <b><u>\$ 257,916</u></b> | <b><u>\$ 234,966</u></b> | <b><u>\$ 22,950</u></b>        | <b>9.8</b>                |
| <br><b>USES</b>                    |                          |                          |                                |                           |
| General Government                 | \$ 22,275                | \$ 23,788                | (\$ 1,513)                     | (6.4)                     |
| Public Safety                      | 27,949                   | 26,414                   | 1,535                          | 5.8                       |
| Transportation                     | 14,506                   | 12,223                   | 2,283                          | 18.7                      |
| Utilities                          | 152,642                  | 144,263                  | 8,379                          | 5.8                       |
| Other                              | <u>21,655</u>            | <u>22,815</u>            | <u>(1,160)</u>                 | (5.1)                     |
| <b>Total Expenditures/Expenses</b> | <b>239,027</b>           | <b>229,503</b>           | <b>9,524</b>                   | <b>4.1</b>                |
| Debt Service                       | 3,676                    | 3,691                    | (15)                           | (0.4)                     |
| Net Transfers                      | -                        | <u>217</u>               | <u>(217)</u>                   | (100+)                    |
| <b>TOTAL USES</b>                  | <b><u>\$ 242,703</u></b> | <b><u>\$ 233,411</u></b> | <b><u>\$ 9,292</u></b>         | <b>4.0</b>                |

## Significant Variances

**Intergovernmental** Revenue increased because of significantly increased grant activity, including the receipt of large one-time grants for special projects. These projects include a road in the airport industrial park; a beautification project; a special purpose grant for the construction of a recreation facility, and a large grant to the *Police Department*.

**Debt Proceeds** Debt proceeds increased because of an additional financing of \$5 million that took place during the current fiscal year.

**Transportation** Expenditures increased because of two special road projects completed during the year as noted above; one project beautified a main road leading into town, and a second project built a road for a tenant in the airport industrial park. In addition, the City contributed, along with Alachua County, to the construction of a road leading to the Gainesville Raceway, which hosts one of the important races on the National Hot Rod Association circuit.

### GOVERNMENTAL FUNDS BY FUND TYPE (000's Omitted)

|  | <u>1996</u>            | <u>1995</u>              | <u>Increase<br/>(Decrease)</u> | <u>Percent<br/>Change</u> |
|--|------------------------|--------------------------|--------------------------------|---------------------------|
| <b><u>SOURCES</u></b>                    |                        |                          |                                |                           |
| General                                  | \$ 52,785              | \$ 52,202                | \$ 583                         | 1.1                       |
| Special Revenue                          | 7,421                  | 5,528                    | 1,893                          | 34.2                      |
| Debt Service                             | 8,429                  | 4,079                    | 4,350                          | 100+                      |
| Capital Projects                         | <u>6,613</u>           | <u>1,894</u>             | <u>4,719</u>                   | 100+                      |
| <b>TOTAL SOURCES</b>                     | <b><u>75,248</u></b>   | <b><u>63,703</u></b>     | <b><u>11,545</u></b>           | <b>18.1</b>               |
| <b><u>USES</u></b>                       |                        |                          |                                |                           |
| General                                  | 52,042                 | 51,779                   | 263                            | 0.5                       |
| Special Revenue                          | 6,788                  | 5,010                    | 1,778                          | 35.5                      |
| Debt Service                             | 8,075                  | 3,797                    | 4,278                          | 100+                      |
| Capital Projects                         | <u>5,984</u>           | <u>9,482</u>             | <u>(3,498)</u>                 | (36.9)                    |
| <b>TOTAL USES</b>                        | <b><u>72,889</u></b>   | <b><u>70,068</u></b>     | <b><u>2,821</u></b>            | <b>4.0</b>                |
| <b>SHORTAGE OF<br/>SOURCES OVER USES</b> | <b><u>\$ 2,359</u></b> | <b><u>\$ (6,365)</u></b> | <b><u>\$ 8,724</u></b>         | <b>100.0+</b>             |

## Significant Variances

**Special Revenue** The majority of the difference is from a change in accounting for occupational license tax revenues; those revenues have been received into the *General Fund* in the past but were received into a *Special Revenue Fund* during FY 96. In addition, grant-funded activity increased in the current year, accounting for increases in both sources and uses of funds.

**Debt Service** The increase in both sources and uses is due to an additional financing of \$5 million that took place during the current fiscal year. The revenue was recognized in the debt service fund and then was transferred into capital projects funds.

**Capital Projects** The increase in sources of revenue is attributable to the financing mentioned above. The decrease in expenditures is a result of the fact that unusually large capital project expenditures were incurred during the preceding year, related to computer equipment and building renovations.

### PROPRIETARY FUNDS

The City accounts for the following funds using proprietary fund accounting practices: *Regional Transit System, Gainesville Regional Utilities, Stormwater Management Utility, Ironwood Golf Course, Solid Waste, General Insurance, Fleet Management and Employees Health and Accident Benefit (EHAB)*. The following table reflects the revenues and expenses experienced during fiscal years 1996 and 1995.

#### PROPRIETARY FUND SOURCES AND USES BY SEGMENT (000's Omitted)

| <u>SOURCES</u>               | <u>1996</u>             | <u>1995</u>            | <u>Increase<br/>(Decrease)</u> | <u>Percent<br/>Change</u> |
|------------------------------|-------------------------|------------------------|--------------------------------|---------------------------|
| Transit                      | \$ 4,991                | \$ 4,947               | \$ 44                          | 0.9                       |
| Utilities                    | 181,996                 | 163,852                | 18,144                         | 11.1                      |
| Stormwater                   | 3,337                   | 3,148                  | 92                             | 2.8                       |
| Ironwood Golf Course         | 1,055                   | 1,142                  | (87)                           | (7.6)                     |
| Solid Waste                  | 5,217                   | 4,934                  | 283                            | 5.7                       |
| General Insurance            | 3,973                   | 4,533                  | (560)                          | (12.4)                    |
| Fleet                        | 5,140                   | 6,084                  | (944)                          | (15.5)                    |
| EHAB                         | 7,109                   | 7,413                  | (304)                          | (4.1)                     |
| <b>TOTAL SOURCES</b>         | <b><u>212,818</u></b>   | <b><u>196,150</u></b>  | <b><u>16,668</u></b>           | <b>8.5</b>                |
| <br><u>USES</u>              |                         |                        |                                |                           |
| Transit                      | 5,949                   | 5,958                  | (9)                            | (0.1)                     |
| Utilities                    | 168,122                 | 155,584                | 12,538                         | 8.1                       |
| Stormwater                   | 3,967                   | 4,226                  | (259)                          | (6.1)                     |
| Ironwood Golf Course         | 1,261                   | 1,217                  | 44                             | 6.1                       |
| Solid Waste                  | 4,926                   | 4,502                  | 424                            | 9.4                       |
| General Insurance            | 3,630                   | 4,521                  | (891)                          | (19.7)                    |
| Fleet                        | 5,567                   | 5,652                  | (85)                           | (1.5)                     |
| EHAB                         | 6,543                   | 6,568                  | (25)                           | (0.4)                     |
| <b>TOTAL USES</b>            | <b><u>199,965</u></b>   | <b><u>188,228</u></b>  | <b><u>11,737</u></b>           | <b>6.2</b>                |
| <br><b>NET GAIN/(LOSS)</b>   | <b><u>\$ 12,853</u></b> | <b><u>\$ 7,922</u></b> | <b><u>\$ 4,931</u></b>         | <b>62.2</b>               |
| <b>Significant Variances</b> |                         |                        |                                |                           |

**Utilities** Sources increased primarily as a result of increased fuel adjustment charges, which were the direct result of higher fuel prices. Utilities sources also increased somewhat due to growth in the system.

**General Insurance** The decrease in sources is attributable to lower expenditures and thus lower premium expense reimbursements than were experienced during fiscal 1995. The decrease in uses is attributable to the fact that expenses were recorded based upon the 1994 actuarial valuation rather than based upon actual experience; the difference was recognized in the actuarial liability account.

**Fleet** Sources decreased for two reasons. First, billable hours were lower in fiscal 1996 because the Fleet Manager studied the preventive maintenance schedule and determined that too much preventive maintenance was being performed. Second, fuel costs had been overcharged in prior years; these overcharges were refunded during the current year and reduced current year revenue.

## FUND BALANCES

**General Fund fund balance** The fund balance of the General Fund at September 30, 1996 was **\$7.5 million**, increased by a **\$743,109** operating surplus in fiscal 1996. Based on fiscal 1996 expenditure levels, this fund balance equates to approximately 7 weeks of expenditures. The surplus occurred because of strict control over expenditures; in particular, general government expenditures were over **\$1 million** below budget.

**Other Governmental Fund balances** Fund balances of governmental funds other than the General Fund increased in fiscal 1996 from by **\$1.8 million** to **\$15.8 million**. The increases occurred in all funds. The majority of the increase resulted from a **\$5 million** financing during the fiscal year.

## ENTERPRISE OPERATIONS

The City's enterprise operations are comprised of the following activities:

- **Gainesville Regional Utilities** - electric, natural gas, water, wastewater and telecommunications services
- **Regional Transit System** - bus service
- **Stormwater Management**
- **Ironwood Golf Course**
- **Solid Waste Management**

### Significant Transfers

Under a formula adopted by the City Commission, the Utility System transferred **\$19,248,327** to the General Fund in fiscal year 1996. See **Note 9** in the *Notes to the Financial Statements* for further details regarding the transfer formula.

## FIDUCIARY FUNDS

In addition to governmental and proprietary funds, the City accounts for several individual trust funds and one agency fund. The following table shows the asset growth experienced during the last fiscal year for City trust funds.



**TRUST FUND ASSETS BY TRUST TYPE**  
(000's Omitted)

|                                    | <u>1996</u>             | <u>1995</u>             | <u>Increase<br/>(Decrease)</u> | <u>Percent<br/>Change</u> |
|------------------------------------|-------------------------|-------------------------|--------------------------------|---------------------------|
| <b>Pension Trusts - book value</b> | \$135,686               | \$125,032               | \$ 10,654                      | 8.5                       |
| <b>Nonexpendable Trusts</b>        | 53                      | 51                      | 2                              | 3.9                       |
| <b>Expendable Trusts</b>           | <u>1,044</u>            | <u>880</u>              | <u>164</u>                     | 18.6                      |
| <b>TOTAL ASSETS</b>                | <u><b>\$136,783</b></u> | <u><b>\$125,963</b></u> | <u><b>\$ 10,820</b></u>        | <b>8.6</b>                |

The *Pension Trust Fund* assets when valued at market totaled **\$157.6** million at September 30, 1996. This represents an **8.3% increase** from the **\$145.6 million** market value of assets at September 30, 1996.

Activity for the City's single agency fund was as follows for fiscal year 1996:

**AGENCY FUND ASSETS**  
(000's Omitted)

|                              | <u>1996</u>     | <u>1994</u>      | <u>Increase<br/>(Decrease)</u> | <u>Percent<br/>Change</u> |
|------------------------------|-----------------|------------------|--------------------------------|---------------------------|
| <b>Deferred Compensation</b> | <b>\$18,692</b> | <b>\$ 15,868</b> | <b>\$ 2,824</b>                | <b>17.8</b>               |

This plan is an *Internal Revenue Code* Section 457 plan that provides employees with retirement benefits on an individual participation basis. The plan is administered by a private corporation. It is open to all employees. The City contributes **6%** of gross salary for certain management and professional employees who choose this plan over other City pension plans. Other employees may participate through the voluntary contribution of pretax dollars.

**PENSION OPERATIONS**

***PENSION TRUST FUND MANAGEMENT***

The City provides three pension plans for its employees:

- (1) **Employees' Pension Plan (Employees' Plan)**
- (2) **Consolidated Police Officer's and Firefighters' Retirement Plan  
(Consolidated Plan)**
- (3) **Defined Contribution Pension Plan**

The *Employees' Plan* and the *Consolidated Plan* are contributory defined benefit plans whose assets are maintained in separate investment pools. Each plan has a separate Board of Trustees. Plan administration and investment management responsibility rests with these Boards. The Consolidated Board employs four investment managers, three of which invest in equity securities and the other in fixed income securities. At September 30, 1996, the book value of *Consolidated Plan* assets was approximately **\$41.6 million**, with a market value of **\$50.1 million**.

The **Employees' Plan** has six investment managers, three of which invest in domestic equity securities, one of which invests in international equity securities, and the two others invest in fixed income securities. At September 30, 1996, the book value of the *Employees' Plan* assets was approximately **\$91 million**, with a market value of **\$104 million**. Investment managers are selected and retained based upon proven investment performance superior to standard indices.

The *Defined Contribution Pension Plan* is qualified under the provisions of Section 401(a) of the Internal Revenue Code. Under the provisions of this Plan, the City contributes an amount equal to 8% (6% prior to January 1, 1996) of the employees' gross pay, and employees must contribute 2.5%. These contributions are submitted to an external retirement corporation which is responsible for management of the investments. At September 30, 1996, the value of the assets approximated **\$3.2 million**.

### ALL FUNDS

The following table combines the assets and liabilities of all funds of the primary government as of September 30 of each year (*000s omitted*).

|   | <u>1996</u>              | <u>1995</u>              |
|---|--------------------------|--------------------------|
| <b>Current and Other Assets</b>               |                          |                          |
| Cash and Investments - <i>at cost</i>         | \$ 389,698               | \$ 315,145               |
| Receivables, net                              | 36,838                   | 28,101                   |
| Inventories, at cost                          | 10,821                   | 12,298                   |
| Deferred and Prepaid Expenses                 | <u>100,662</u>           | <u>57,861</u>            |
|   | <b>538,019</b>           | <b>413,405</b>           |
| <b>Property, Plant and Equipment - Net</b>    | <u><b>571,177</b></u>    | <u><b>568,434</b></u>    |
| <b>TOTAL ASSETS</b>                           | <u><b>1,109,196</b></u>  | <u><b>981,839</b></u>    |
| <b>Less Liabilities and Deferred Credits:</b> |                          |                          |
| Payable and Accrued Liabilities               | 61,739                   | 47,738                   |
| Deferred Credits & Revenues                   | 17,878                   | 17,232                   |
| Bonds and Notes Payable                       | <u>509,551</u>           | <u>453,185</u>           |
| <b>TOTAL LIABILITIES AND CREDITS</b>          | <u><b>589,168</b></u>    | <u><b>518,155</b></u>    |
| <b>TOTAL NET ASSETS</b>                       | <u><b>\$ 520,028</b></u> | <u><b>\$ 434,684</b></u> |

**NOTE** General long-term debt service provided and to be provided in the future are eliminated in the foregoing summaries.

### DEBT ADMINISTRATION

All required principal and interest payments on outstanding debt were remitted timely and in full. The reserve requirements mandated by the bond covenants remain funded at the prescribed levels. As a result, bond ratings reflect that the City's bonds have the characteristic of strong investment quality as shown below, based on ratings by Moody's Investor Service:

|                                  |     |
|----------------------------------|-----|
| General Obligation Bonds         | A1  |
| Public Improvement Revenue Bonds | Aaa |
| Utility System Bonds             | AA  |

The ratio of net bonded to assessed valuation and amount of bonded debt per capita are indicators of the City's debt position. The data for the City of Gainesville in recent years is as follows:

| <u>YEAR</u> | <u>NET DIRECT<br/>AD VALOREM TAX<br/>SUPPORTED DEBT</u> | <u>Ratio of<br/>Net Bonded<br/>Debt to<br/>Assessed<br/>Value</u> | <u>Net Bonded<br/>Debt<br/>Per Capita</u> |
|-------------|---|---|---|
|             |   |   |   |
| 1985        | \$1,210,000   | .12%  | \$ 14.60                                  |
| 1990        | 645,000   | .05%  | 7.61                                      |
| 1995        | -   | -   | -   |
| 1996        | -   | -   | -   |

The above tabulation includes only non self-supporting debt. The complete history since 1986 of the above and the debt service coverage of the self-supporting debt is presented in the statistical section of this report. The following chart recaps the total debt outstanding for the City as of September 30, 1996 and 1995.

**TOTAL DEBT OUTSTANDING**  
*(000's Omitted)*

|  | <u>1996</u>              | <u>1995</u>              | <u>Percent<br/>Change</u> |
|--|--------------------------|--------------------------|---------------------------|
| Guaranteed Entitlement Revenue and Refunding Bonds | \$15,077                 | \$ 15,442                | (2.4)                     |
| Financing Commission Loans                         | 20,280                   | 16,580                   | 22.3                      |
| Promissory Notes                                   | 339                      | 465                      | (27.1)                    |
| Capital Leases                                     | -                        | 15                       | (100+)                    |
| <b>TOTAL GENERAL GOVERNMENT DEBT</b>               | <b><u>35,696</u></b>     | <b><u>32,502</u></b>     | <b>9.8</b>                |
| Utility Commercial Paper Notes                     | 62,165                   | 64,657                   | (3.9)                     |
| Utility Revenue Bonds                              | <u>415,050</u>           | <u>335,565</u>           | 23.7                      |
| <b>TOTAL UTILITY DEBT</b>                          | <b><u>477,215</u></b>    | <b><u>400,222</u></b>    | <b>19.2</b>               |
| <b>TOTAL OUTSTANDING DEBT</b>                      | <b><u>\$ 512,911</u></b> | <b><u>\$ 432,724</u></b> | <b>15.6</b>               |

**NOTE** *This excludes accrued compensated absences and unamortized discounts.*

**CASH MANAGEMENT**

It is the City's intention to earn a competitive yield on its portfolio consistent with its primary function of safeguarding public assets by minimizing credit and market risks. To that end, City investments are guided by an investment ordinance and detailed administrative policy as explained in **Note 1(D)** of the *Notes to the Financial Statements*. In keeping with this policy, approximately 94% of the carrying value of the City's portfolio is held in the category of lowest credit risk as defined by the Governmental Accounting Standards Board. The yield investment rate of the portfolio for fiscal year 1996 was 6.4%.

## RISK MANAGEMENT

The **City**, through its Risk Management Department, administers a City-wide self-insurance program. This function covers responsibility for a loss-control program which includes:

- Analyzing City exposure to any existing or potential risk;
- Examining available options of treating such risks and determining required courses of action;
- Implementing approved safety programs; and
- Participating in and interpreting legislation which deals with insurance issues impacting on the City.

The **City** is self-insured for workers' compensation, auto, general and professional liability. Third-party coverage is maintained for workers' compensation claims in excess of **\$350,000** for general employees and **\$450,000** for police and fire personnel. These activities are reported in the *General Insurance Fund* which is an *Internal Service Fund*.

In addition, the **City** administers its own Group Self-Insurance Health Care Program through its Risk Management Department. The City employs an external claims administrator for an annually contracted amount based upon the number of City employees. Stop-loss insurance is maintained for this program on both an individual (**\$90,000**) and aggregate (**\$6.5 million**) basis.

## OTHER INFORMATION

**Independent Audit** *Florida Statutes* and *City Code of Ordinances* require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed jointly by Davis, Monk & Company and KPMG Peat Marwick.

In addition to meeting the requirements set forth in State statutes and City ordinances, the audit was also designed to meet the federal requirements of the *Single Audit Act of 1984* and related *OMB Circular A-128*. The auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of the report.

**Awards** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Gainesville for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 1995. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Gainesville has received a Certificate of Achievement since 1951. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting it to GFOA.

Additionally, the City received the Government Finance Officers Association's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 1995. The City of Gainesville has received this award consecutively since the fiscal year beginning October 1, 1984. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

The City also received the Government Finance Officers Association's Award for Outstanding Achievement in Popular Annual Reporting for fiscal years 1990, 1992, 1994 and 1995.

### **ACKNOWLEDGMENTS**

This report represents countless hours of preparation. Many individuals are responsible for its completion. The utmost appreciation is extended to the many City employees throughout the organization who daily maintain the financial records upon which this report is based. Special recognition is given to the employees of the Finance Department who worked diligently to ensure the timeliness and accuracy of the report.

Respectfully submitted,



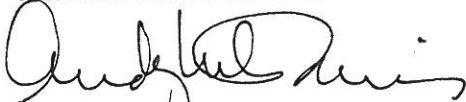
**Wayne Bowers**  
City Manager



**Glenda T. Currie**  
Administrative Services Director



**Brenda M. Law**  
Interim Finance Director



**Audrey W. Lewis, CPA**  
Revenue Recovery Specialist



**Bailey B. Blanchette**  
Accounting Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Gainesville,  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 1995

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Arthur R. Lynch*  
President

*Jeffrey L. Essler*  
Executive Director

CITY OF GAINESVILLE, FLORIDA

INTRODUCTION TO THE FINANCIAL SECTION

The Financial Section "Pyramid"

The financial section may be viewed as a "reporting Pyramid." In accordance with recommendations of the Governmental Accounting Standards Board, the financial statements and schedules are presented only as far down the reporting pyramid--in terms of increasing levels of detail--as necessary to (1) report fairly the financial position and operating results, (2) to demonstrate legal compliance, and (3) to assure adequate disclosure.

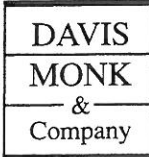
The levels of the pyramid are:

- (1) Combined Statements - Overview: These statements provide a summary overview of the financial position of all funds and account groups and of the operating results by fund types. They also serve as an introduction to the more detailed statements and schedules that follow. Separate columns are used for each fund type and account group.
- (2) Notes to the Financial Statements: These notes form an integral part of the financial statements and contain the "Summary of Significant Accounting Policies" and other notes to the financial statements necessary for adequate disclosure.
- (3) Combining Statements - By Fund Type: Combining statements for all funds of a given type are presented in columnar format. The total columns of these combining statements agree with the amount presented in the Combined Statements - Overview. In some instances, adequate disclosure is achieved at this level; in other cases, these statements "Link" the Combined Statements - Overview and the individual fund statements and schedules.
- (4) Individual Fund and Account Group Statements: These statements present information of the individual funds and account groups where (a) there is only one fund of a specific type, or (b) sufficient detail to assure adequate disclosure is not presented in the combining statements. These statements are also used to present budgetary data.
- (5) Schedules: Data contained in these schedules and statements are not necessary for fair presentation of fund financial position or operating results. These schedules and statements are used (a) to provide details of data summarized in the individual fund and account groups statements; (b) to show compliance with bond indentures which contain requirements that are not in accordance with generally accepted accounting principles; and (c) to present other information considered useful to management.

INDEPENDENT AUDITORS' REPORT

January 29, 1997

Honorable City Commissioners  
City of Gainesville  
Gainesville, Florida



Certified Public Accountants

P.O. Box 13494  
4010 N.W. 25th Place  
Gainesville, Florida 32604  
Telephone (904) 372-6300

~~KPMG~~ Peat Marwick

Certified Public Accountants

Barnett Tower  
1 Progress Plaza, Suite 1600  
St. Petersburg, Florida 33701  
Telephone (813) 822-8521

We have audited the accompanying general purpose financial statements of the City of Gainesville, Florida, as of and for the fiscal year ended September 30, 1996. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Gainesville, Florida, as of September 30, 1996, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Gainesville, Florida. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



Honorable City Commissioners  
City of Gainesville  
Gainesville, Florida

Page Two

In accordance with Government Auditing Standards, we have also issued a report dated January 29, 1997 on our consideration of the City of Gainesville's internal control structure and a report dated January 29, 1997 on its compliance with laws and regulations.

*Davis, Monk & Company*  
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**SEPTEMBER 30, 1996**

|  | <b>GOVERNMENTAL FUND TYPES</b> |                            |                         |                             |
|--|--------------------------------|----------------------------|-------------------------|-----------------------------|
|  | <b>GENERAL</b>                 | <b>SPECIAL<br/>REVENUE</b> | <b>DEBT<br/>SERVICE</b> | <b>CAPITAL<br/>PROJECTS</b> |
| <b>ASSETS AND OTHER DEBITS</b>                     |                                |                            |                         |                             |
| Cash and Cash Equivalents                          | \$ -                           | \$ 610                     | \$ 455,282              | \$ 4,606,586                |
| Equity in Pooled Cash and Investments              | 3,577,929                      | 2,198,282                  | 385,160                 | 5,400,772                   |
| Investments  | -                              | -                          | 2,145,571               | -                           |
| Receivables  | 1,628,094                      | 4,928,206                  | -                       | 481,215                     |
| Due from Other Funds                               | 2,742,098                      | 77,248                     | -                       | -                           |
| Prepaid Expenses                                   | -                              | -                          | -                       | -                           |
| Inventories  | 325,189                        | -                          | -                       | -                           |
| Assets Held for Evidence                           | -                              | 66,520                     | -                       | -                           |
| Restricted Assets:                                 |                                |                            |                         |                             |
| Cash and Investments                               | -                              | -                          | -                       | -                           |
| Advances to Other Funds                            | 98,869                         | -                          | -                       | -                           |
| Fixed Assets                                       | -                              | -                          | -                       | -                           |
| Deferred Charges                                   | -                              | -                          | -                       | -                           |
| Amount Available in Debt Service Funds             | -                              | -                          | -                       | -                           |
| Amount to be Provided                              | -                              | -                          | -                       | -                           |
| <b>TOTAL ASSETS AND OTHER DEBITS</b>               | <b>\$ 8,372,179</b>            | <b>\$ 7,270,866</b>        | <b>\$ 2,986,013</b>     | <b>\$ 10,488,573</b>        |
| <b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>  |                                |                            |                         |                             |
| <b>LIABILITIES</b>                                 |                                |                            |                         |                             |
| Accounts Payable and Accrued Liabilities           | \$ 624,912                     | \$ 238,972                 | \$ 10,291               | \$ 398,070                  |
| Due to Other Funds                                 | 48,055                         | 563,357                    | -                       | 441,061                     |
| Due to Employees                                   | -                              | -                          | -                       | -                           |
| Deferred Revenue                                   | 128,925                        | 4,131,470                  | -                       | 10,789                      |
| Payable from Restricted Assets:                    |                                |                            |                         |                             |
| Utility Deposits                                   | -                              | -                          | -                       | -                           |
| Revenue Bonds Payable                              | -                              | -                          | -                       | -                           |
| Accounts Payable and Accrued Liabilities           | -                              | -                          | -                       | -                           |
| Advances from Other Funds                          | -                              | -                          | -                       | -                           |
| Long-Term Debt                                     | -                              | -                          | -                       | -                           |
| Deferred Credits                                   | -                              | -                          | -                       | -                           |
| <b>TOTAL LIABILITIES</b>                           | <b>801,892</b>                 | <b>4,933,799</b>           | <b>10,291</b>           | <b>849,920</b>              |
| <b>FUND EQUITY AND OTHER CREDITS</b>               |                                |                            |                         |                             |
| Contributed Capital                                | -                              | -                          | -                       | -                           |
| Investment in General Fixed Assets                 | -                              | -                          | -                       | -                           |
| Retained Earnings:                                 |                                |                            |                         |                             |
| Reserved   | -                              | -                          | -                       | -                           |
| Unreserved   | -                              | -                          | -                       | -                           |
| Fund Balances:                                     |                                |                            |                         |                             |
| Reserved   | 5,204,531                      | 624,736                    | 2,316,961               | 1,179,933                   |
| Unreserved:  |                                |                            |                         |                             |
| Designated for Future Use                          | 2,260,235                      | 1,325,725                  | 658,761                 | 8,458,720                   |
| Undesignated                                       | 105,521                        | 386,606                    | -                       | -                           |
| <b>TOTAL EQUITY AND OTHER CREDITS</b>              | <b>7,570,287</b>               | <b>2,337,067</b>           | <b>2,975,722</b>        | <b>9,638,653</b>            |
| <b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b> | <b>\$ 8,372,179</b>            | <b>\$ 7,270,866</b>        | <b>\$ 2,986,013</b>     | <b>\$ 10,488,573</b>        |

The accompanying "Notes to Financial Statements" form an integral part of this statement.

| PROPRIETARY<br>FUND TYPES |                      | FIDUCIARY<br>FUND TYPE | ACCOUNT GROUPS             |                              | TOTALS<br>(MEMORANDUM<br>ONLY) |
|---------------------------|----------------------|------------------------|----------------------------|------------------------------|--------------------------------|
| ENTERPRISE                | INTERNAL<br>SERVICE  | TRUST<br>AND<br>AGENCY | GENERAL<br>FIXED<br>ASSETS | GENERAL<br>LONG-TERM<br>DEBT |                                |
| \$ -                      | \$ 177,751           | \$ 5,441,427           |                            |                              | \$ 10,681,656                  |
| 25,203,460                | 6,213,151            | 683,701                | -                          | -                            | 43,662,455                     |
| -                         | -                    | 149,241,946            | -                          | -                            | 151,387,517                    |
| 23,477,775                | 150,317              | 69,861                 | -                          | -                            | 30,735,468                     |
| 2,708,010                 | 436,733              | 39,329                 | -                          | -                            | 6,003,418                      |
| -                         | 55,706               | -                      | -                          | -                            | 55,706                         |
| 10,040,907                | 454,554              | -                      | -                          | -                            | 10,820,650                     |
| -                         | -                    | -                      | -                          | -                            | 66,520                         |
| 183,966,433               | -                    | -                      | -                          | -                            | 183,966,433                    |
| -                         | -                    | -                      | -                          | -                            | 98,869                         |
| 532,422,782               | 4,264,654            | -                      | 34,489,301                 | -                            | 571,176,737                    |
| 62,765,351                | -                    | -                      | -                          | -                            | 62,765,351                     |
| -                         | -                    | -                      | -                          | 2,975,722                    | 2,975,722                      |
| -                         | -                    | -                      | -                          | 34,799,211                   | 34,799,211                     |
| <b>\$ 840,584,718</b>     | <b>\$ 11,752,866</b> | <b>\$ 155,476,264</b>  | <b>\$ 34,489,301</b>       | <b>\$ 37,774,933</b>         | <b>\$ 1,109,195,713</b>        |

|                       |                      |                       |                      |                      |                         |
|-----------------------|----------------------|-----------------------|----------------------|----------------------|-------------------------|
| \$ 7,548,244          | \$ 7,117,572         | \$ 217                | \$ -                 | \$ -                 | \$ 15,938,278           |
| 4,918,692             | 4,974                | 27,279                | -                    | -                    | 6,003,418               |
| -                     | -                    | 18,690,077            | -                    | -                    | 18,690,077              |
| -                     | -                    | 68,868                | -                    | -                    | 4,340,052               |
| 5,588,077             | -                    | -                     | -                    | -                    | 5,588,077               |
| 20,100,000            | -                    | -                     | -                    | -                    | 20,100,000              |
| 15,420,142            | -                    | -                     | -                    | -                    | 15,420,142              |
| -                     | -                    | 98,869                | -                    | -                    | 98,869                  |
| 451,675,722           | -                    | -                     | -                    | 37,774,933           | 489,450,655             |
| 13,538,437            | -                    | -                     | -                    | -                    | 13,538,437              |
| <b>518,789,314</b>    | <b>7,122,546</b>     | <b>18,885,310</b>     | <b>-</b>             | <b>37,774,933</b>    | <b>589,168,005</b>      |
| 112,213,205           | 4,289,070            | -                     | -                    | -                    | 116,502,275             |
| -                     | -                    | -                     | 34,489,301           | -                    | 34,489,301              |
| 37,567,767            | 604,302              | -                     | -                    | -                    | 38,172,069              |
| 172,014,432           | (263,052)            | -                     | -                    | -                    | 171,751,380             |
| -                     | -                    | 135,738,736           | -                    | -                    | 145,064,897             |
| -                     | -                    | 852,218               | -                    | -                    | 13,555,659              |
| -                     | -                    | -                     | -                    | -                    | 492,127                 |
| <b>321,795,404</b>    | <b>4,630,320</b>     | <b>136,590,954</b>    | <b>34,489,301</b>    | <b>-</b>             | <b>520,027,708</b>      |
| <b>\$ 840,584,718</b> | <b>\$ 11,752,866</b> | <b>\$ 155,476,264</b> | <b>\$ 34,489,301</b> | <b>\$ 37,774,933</b> | <b>\$ 1,109,195,713</b> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>GOVERNMENTAL FUND TYPES</u> |                                  |                               |                                   | <u>FIDUCIARY</u>                                      | <u>TOTALS</u><br><u>(MEMORANDUM</u><br><u>ONLY)</u> |
|--|--------------------------------|----------------------------------|-------------------------------|-----------------------------------|---|---|
|  | <u>GENERAL</u>                 | <u>SPECIAL</u><br><u>REVENUE</u> | <u>DEBT</u><br><u>SERVICE</u> | <u>CAPITAL</u><br><u>PROJECTS</u> | <u>FUND TYPE</u><br><u>EXPENDABLE</u><br><u>TRUST</u> |   |
| <b>REVENUES</b>  |                                |                                  |                               |                                   |   |   |
| Taxes  | \$ 19,373,067                  | \$ -                             | \$ -                          | \$ -                              | \$ 256,805  | \$ 19,629,872                                       |
| Licenses and Permits   | 880,755                        | -                                | -                             | -                                 | -   | 880,755   |
| Intergovernmental  | 6,533,950                      | 4,829,711                        | 898,723                       | 1,035,051                         | -   | 13,297,435  |
| Charges for Services   | 4,231,738                      | 1,015,715                        | -                             | -                                 | 81,432  | 5,328,885   |
| Fines and Forfeitures  | 1,296,521                      | 282,931                          | -                             | -                                 | -   | 1,579,452   |
| Miscellaneous  | 423,223                        | 482,764                          | 245,488                       | 410,700                           | 53,692  | 1,615,867   |
| <b>TOTAL REVENUES</b>  | <b>32,739,254</b>              | <b>6,611,121</b>                 | <b>1,144,211</b>              | <b>1,445,751</b>                  | <b>391,929</b>  | <b>42,332,266</b>                                   |
| <b>EXPENDITURES</b>  |                                |                                  |                               |                                   |   |   |
| Current:   |                                |                                  |                               |                                   |   |   |
| General Government   | 11,853,453                     | 250,978                          | -                             | -                                 | -   | 12,104,431  |
| Public Safety  | 27,232,997                     | 715,673                          | -                             | -                                 | -   | 27,948,670  |
| Physical Environment   | 1,867,361                      | 26,341                           | -                             | -                                 | -   | 1,893,702   |
| Transportation   | 2,841,481                      | 148,477                          | -                             | -                                 | -   | 2,989,958   |
| Economic Environment   | 45,606                         | 4,221,757                        | -                             | -                                 | 136,123   | 4,403,486   |
| Human Services   | -                              | 162,052                          | -                             | -                                 | -   | 162,052   |
| Culture and Recreation   | 3,485,909                      | 545,785                          | -                             | -                                 | 2,145   | 4,033,839   |
| Capital Outlay   | -                              | -                                | -                             | 5,933,863                         | -   | 5,933,863   |
| Debt Service:  |                                |                                  |                               |                                   |   |   |
| Principal  | -                              | 15,186                           | 1,799,792                     | 16,200                            | -   | 1,831,178   |
| Interest and Fiscal Charges  | -                              | 446                              | 1,844,778                     | -                                 | 8,933   | 1,854,157   |
| <b>TOTAL EXPENDITURES</b>  | <b>47,326,807</b>              | <b>6,086,695</b>                 | <b>3,644,570</b>              | <b>5,950,063</b>                  | <b>147,201</b>  | <b>63,155,336</b>                                   |
| <b>EXCESS OF REVENUES OVER</b><br><b>(UNDER) EXPENDITURES</b>                                    | <b>(14,587,553)</b>            | <b>524,426</b>                   | <b>(2,500,359)</b>            | <b>(4,504,312)</b>                | <b>244,728</b>  | <b>(20,823,070)</b>                                 |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                                |                                  |                               |                                   |   |   |
| Debt Proceeds  | -                              | -                                | 4,999,805                     | 162,000                           | -   | 5,161,805   |
| Operating Transfers In   | 20,046,008                     | 810,324                          | 2,285,180                     | 5,004,836                         | 168,177   | 28,314,525  |
| Operating Transfers Out  | (4,715,346)                    | (701,832)                        | (4,428,936)                   | (35,353)                          | (168,869)   | (10,050,336)  |
| <b>TOTAL OTHER FINANCING</b><br><b>SOURCES (USES)</b>  | <b>15,330,662</b>              | <b>108,492</b>                   | <b>2,856,049</b>              | <b>5,131,483</b>                  | <b>(692)</b>  | <b>23,425,994</b>                                   |
| <b>EXCESS OF REVENUES AND</b><br><b>OTHER SOURCES OVER</b><br><b>EXPENDITURES AND OTHER USES</b> | <b>743,109</b>                 | <b>632,918</b>                   | <b>355,690</b>                | <b>627,171</b>                    | <b>244,036</b>  | <b>2,602,924</b>                                    |
| <b>FUND BALANCES, October 1 - Restated</b>   | <b>6,827,178</b>               | <b>1,704,149</b>                 | <b>2,620,032</b>              | <b>9,011,482</b>                  | <b>613,682</b>  | <b>20,776,523</b>                                   |
| <b>FUND BALANCES, September 30</b>   | <b>\$ 7,570,287</b>            | <b>\$ 2,337,067</b>              | <b>\$ 2,975,722</b>           | <b>\$ 9,638,653</b>               | <b>\$ 857,718</b>                                     | <b>\$ 23,379,447</b>                                |

The accompanying "Notes to Financial Statements" form an integral part of this statement.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINED STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUND TYPES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | GENERAL FUND        |                     |                     |                       |   |
|--|---------------------|---------------------|---------------------|-----------------------|---|
|  | ACTUAL              | ENCUMBRANCES        | BUDGETARY<br>BASIS  | BUDGET                | VARIANCE-<br>FAVORABLE<br>(UNFAVORABLE) |
| <b>REVENUES</b>  |                     |                     |                     |                       |   |
| Taxes  | \$ 19,373,067       | \$ -                | \$ 19,373,067       | \$ 18,590,200         | \$ 782,867                              |
| Licenses and Permits   | 880,755             | -                   | 880,755             | 934,732               | (53,977)                                |
| Intergovernmental  | 6,533,950           | -                   | 6,533,950           | 6,553,601             | (19,651)                                |
| Charges for Services   | 4,231,738           | -                   | 4,231,738           | 5,402,895             | (1,171,157)                             |
| Fines and Forfeitures  | 1,296,521           | -                   | 1,296,521           | 1,127,228             | 169,293                                 |
| Miscellaneous  | 423,223             | -                   | 423,223             | 391,569               | 31,654                                  |
| <b>TOTAL REVENUES</b>  | <b>32,739,254</b>   | <b>-</b>            | <b>32,739,254</b>   | <b>33,000,225</b>     | <b>(260,971)</b>                        |
| <b>EXPENDITURES</b>  |                     |                     |                     |                       |   |
| Current:   |                     |                     |                     |                       |   |
| General Government   | 11,853,453          | 303,541             | 12,156,994          | 13,409,158            | 1,252,164                               |
| Public Safety  | 27,232,997          | 44,754              | 27,277,751          | 27,445,442            | 167,691                                 |
| Physical Environment   | 1,867,361           | -                   | 1,867,361           | 2,001,700             | 134,339                                 |
| Transportation   | 2,841,481           | 9,636               | 2,851,117           | 3,091,043             | 239,926                                 |
| Economic Environment   | 45,606              | -                   | 45,606              | 48,895                | 3,289                                   |
| Human Services   | -                   | -                   | -                   | -                     | -                                       |
| Culture and Recreation   | 3,485,909           | 73,118              | 3,559,027           | 3,791,144             | 232,117                                 |
| Debt Service:  |                     |                     |                     |                       |   |
| Principal  | -                   | -                   | -                   | -                     | -                                       |
| Interest and Fiscal Charges  | -                   | -                   | -                   | -                     | -                                       |
| <b>TOTAL EXPENDITURES</b>  | <b>47,326,807</b>   | <b>431,049</b>      | <b>47,757,856</b>   | <b>49,787,382</b>     | <b>2,029,526</b>                        |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                                      | <b>(14,587,553)</b> | <b>(431,049)</b>    | <b>(15,018,602)</b> | <b>(16,787,157)</b>   | <b>1,768,555</b>                        |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                     |                     |                     |                       |   |
| Debt Proceeds  | -                   | -                   | -                   | -                     | -                                       |
| Operating Transfers In   | 20,046,008          | -                   | 20,046,008          | 20,135,423            | (89,415)                                |
| Operating Transfers Out  | (4,715,346)         | -                   | (4,715,346)         | (4,807,490)           | 92,144                                  |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>  | <b>15,330,662</b>   | <b>-</b>            | <b>15,330,662</b>   | <b>15,327,933</b>     | <b>2,729</b>                            |
| <b>EXCESS OF REVENUES AND OTHER SOURCES<br/>OVER (UNDER) EXPENDITURES AND<br/>OTHER USES</b> | <b>\$ 743,109</b>   | <b>\$ (431,049)</b> | <b>\$ 312,060</b>   | <b>\$ (1,459,224)</b> | <b>\$ 1,771,284</b>                     |

The accompanying "Notes to Financial Statements" form an integral part of this statement.

**SPECIAL REVENUE FUNDS**

**DEBT SERVICE FUNDS**

| SPECIAL REVENUE FUNDS |                     |                   |                   |                                  | DEBT SERVICE FUNDS         |                    |                                  |
|-----------------------|---------------------|-------------------|-------------------|----------------------------------|----------------------------|--------------------|----------------------------------|
| ACTUAL                | ENCUMBRANCES        | BUDGETARY BASIS   | BUDGET            | VARIANCE-FAVORABLE (UNFAVORABLE) | ACTUAL AND BUDGETARY BASIS | BUDGET             | VARIANCE-FAVORABLE (UNFAVORABLE) |
| \$ -                  | \$ -                | \$ -              | \$ -              | \$ -                             | \$ -                       | \$ -               | \$ -                             |
| -                     | -                   | -                 | -                 | -                                | -                          | -                  | -                                |
| 4,829,711             | -                   | 4,829,711         | 6,649,486         | (1,819,775)                      | 898,723                    | 898,723            | -                                |
| 1,015,715             | -                   | 1,015,715         | 1,030,466         | (14,751)                         | -                          | -                  | -                                |
| 282,931               | -                   | 282,931           | 221,646           | 61,285                           | -                          | -                  | -                                |
| 482,764               | -                   | 482,764           | 399,316           | 83,448                           | 245,488                    | 227,043            | 18,445                           |
| <b>6,611,121</b>      | <b>-</b>            | <b>6,611,121</b>  | <b>8,300,914</b>  | <b>(1,689,793)</b>               | <b>1,144,211</b>           | <b>1,125,766</b>   | <b>18,445</b>                    |
| 250,978               | -                   | 250,978           | 250,978           | -                                | -                          | -                  | -                                |
| 715,673               | 13,172              | 728,845           | 859,259           | 130,414                          | -                          | -                  | -                                |
| 26,341                | 16,156              | 42,497            | 42,497            | -                                | -                          | -                  | -                                |
| 148,477               | -                   | 148,477           | 148,477           | -                                | -                          | -                  | -                                |
| 4,221,757             | 437,240             | 4,658,997         | 6,184,893         | 1,525,896                        | -                          | -                  | -                                |
| 162,052               | -                   | 162,052           | 162,052           | -                                | -                          | -                  | -                                |
| 545,785               | 18,270              | 564,055           | 623,583           | 59,528                           | -                          | -                  | -                                |
| 15,186                | -                   | 15,186            | 15,186            | -                                | 1,799,792                  | 1,799,943          | 151                              |
| 446                   | -                   | 446               | 446               | -                                | 1,844,778                  | 1,892,009          | 47,231                           |
| <b>6,086,695</b>      | <b>484,838</b>      | <b>6,571,533</b>  | <b>8,287,371</b>  | <b>1,715,838</b>                 | <b>3,644,570</b>           | <b>3,691,952</b>   | <b>47,382</b>                    |
| <b>524,426</b>        | <b>(484,838)</b>    | <b>39,588</b>     | <b>13,543</b>     | <b>26,045</b>                    | <b>(2,500,359)</b>         | <b>(2,566,186)</b> | <b>65,827</b>                    |
| -                     | -                   | -                 | -                 | -                                | 4,999,805                  | 4,990,000          | 9,805                            |
| 810,324               | -                   | 810,324           | 895,468           | (85,144)                         | 2,285,180                  | 2,286,846          | (1,666)                          |
| (701,832)             | -                   | (701,832)         | (699,549)         | (2,283)                          | (4,428,936)                | (4,428,936)        | -                                |
| <b>108,492</b>        | <b>-</b>            | <b>108,492</b>    | <b>195,919</b>    | <b>(87,427)</b>                  | <b>2,856,049</b>           | <b>2,847,910</b>   | <b>8,139</b>                     |
| <b>\$ 632,918</b>     | <b>\$ (484,838)</b> | <b>\$ 148,080</b> | <b>\$ 209,462</b> | <b>\$ (61,382)</b>               | <b>\$ 355,690</b>          | <b>\$ 281,724</b>  | <b>\$ 73,966</b>                 |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN RETAINED EARNINGS/FUND BALANCES**  
**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>PROPRIETARY FUND TYPES</u> |                                   | <u>FIDUCIARY FUND TYPES</u>    |  | <u>TOTALS</u><br><u>(MEMORANDUM</u><br><u>ONLY)</u> |
|---|-------------------------------|-----------------------------------|--------------------------------|--|---|
|   | <u>ENTERPRISE</u>             | <u>INTERNAL</u><br><u>SERVICE</u> | <u>PENSION</u><br><u>TRUST</u> | <u>NON-</u><br><u>EXPENDABLE</u><br><u>TRUST</u> |   |
| <b><u>OPERATING REVENUES</u></b>  |                               |                                   |                                |  |   |
| Sales and Service Charges   | \$ 179,745,072                | \$ 7,541,604                      | \$ -                           | \$ -   | \$ 187,286,676                                      |
| Net Gain on Investments   | -                             | -                                 | 12,898,750                     | -  | 12,898,750  |
| Employer Contributions  | -                             | 5,043,390                         | 3,976,583                      | -  | 9,019,973   |
| Employee Contributions  | -                             | 1,360,823                         | 2,799,673                      | -  | 4,160,496   |
| Retiree Contributions   | -                             | 493,827                           | -                              | -  | 493,827   |
| State Contributions   | -                             | -                                 | 716,587                        | -  | 716,587   |
| Other Operating Revenues  | 2,184,579                     | 1,333                             | -                              | -  | 2,185,912   |
| <b>TOTAL OPERATING REVENUES</b>   | <b>181,929,651</b>            | <b>14,440,977</b>                 | <b>20,391,593</b>              | <b>-</b>   | <b>216,762,221</b>                                  |
| <b><u>OPERATING EXPENSES</u></b>  |                               |                                   |                                |  |   |
| Operations and Maintenance  | 92,598,440                    | 8,526,984                         | -                              | -  | 101,125,424   |
| Administrative and General  | 20,452,604                    | 1,106,974                         | -                              | -  | 21,559,578  |
| Depreciation and Amortization   | 25,027,402                    | 1,057,134                         | -                              | -  | 26,084,536  |
| Benefits Paid and Other Expenses  | -                             | 5,046,010                         | 9,517,232                      | -  | 14,563,242  |
| <b>TOTAL OPERATING EXPENSES</b>   | <b>138,078,446</b>            | <b>15,737,102</b>                 | <b>9,517,232</b>               | <b>-</b>   | <b>163,332,780</b>                                  |
| <b>OPERATING INCOME (LOSS)</b>  | <b>43,851,205</b>             | <b>(1,296,125)</b>                | <b>10,874,361</b>              | <b>-</b>   | <b>53,429,441</b>                                   |
| <b><u>NON OPERATING REVENUES (EXPENSES)</u></b>                                 |                               |                                   |                                |  |   |
| Interest Revenue  | 11,409,712                    | 252,916                           | -                              | 2,790  | 11,665,418  |
| Interest Expense  | (25,877,803)                  | (2,225)                           | -                              | -  | (25,880,028)  |
| Gain (Loss) on Disposal of Fixed Assets   | (259,834)                     | 28,350                            | -                              | -  | (231,484)   |
| Operating Grants  | 1,513,842                     | -                                 | -                              | -  | 1,513,842   |
| Local Option Gas Tax  | 1,477,338                     | -                                 | -                              | -  | 1,477,338   |
| Other   | 20,867                        | -                                 | -                              | -  | 20,867  |
| <b>TOTAL NON OPERATING</b><br><b>REVENUES (EXPENSES)</b>                        | <b>(11,715,878)</b>           | <b>279,041</b>                    | <b>-</b>                       | <b>2,790</b>                                     | <b>(11,434,047)</b>                                 |
| <b>INCOME(LOSS) BEFORE</b><br><b>OPERATING TRANSFERS</b>                        | <b>32,135,327</b>             | <b>(1,017,084)</b>                | <b>10,874,361</b>              | <b>2,790</b>                                     | <b>41,995,394</b>                                   |
| <b><u>OPERATING TRANSFERS</u></b>   |                               |                                   |                                |  |   |
| From Other Funds  | 504,395                       | 1,500,000                         | -                              | -  | 2,004,395   |
| To Other Funds  | (20,268,540)                  | -                                 | -                              | (44)   | (20,268,584)  |
| <b>TOTAL OPERATING TRANSFERS</b>  | <b>(19,764,145)</b>           | <b>1,500,000</b>                  | <b>-</b>                       | <b>(44)</b>                                      | <b>(18,264,189)</b>                                 |
| <b>NET INCOME</b>   | <b>12,371,182</b>             | <b>482,916</b>                    | <b>10,874,361</b>              | <b>2,746</b>                                     | <b>23,731,205</b>                                   |
| <b>DEPRECIATION OF FIXED ASSETS ACQUIRED</b><br><b>BY CAPITAL CONTRIBUTIONS</b> | <b>3,771,093</b>              | <b>-</b>                          | <b>-</b>                       | <b>-</b>   | <b>3,771,093</b>                                    |
| <b>NET INCREASE IN RETAINED EARNINGS/<br/>FUND BALANCES</b>                     | <b>16,142,275</b>             | <b>482,916</b>                    | <b>10,874,361</b>              | <b>2,746</b>                                     | <b>27,502,298</b>                                   |
| <b>RETAINED EARNINGS/FUND BALANCES,</b><br><b>October 1 - Restated</b>          | <b>193,439,924</b>            | <b>(141,666)</b>                  | <b>124,805,836</b>             | <b>50,293</b>                                    | <b>318,154,387</b>                                  |
| <b>RETAINED EARNINGS/FUND BALANCES,</b><br><b>September 30</b>                  | <b>\$ 209,582,199</b>         | <b>\$ 341,250</b>                 | <b>\$ 135,680,197</b>          | <b>\$ 53,039</b>                                 | <b>\$ 345,656,685</b>                               |

The accompanying "Notes to Financial Statements" form an integral part of this statement.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY AND NONEXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>PROPRIETARY FUNDS</u> |                                   | <u>FIDUCIARY</u>  | <u>TOTALS</u><br><u>(MEMORANDUM</u><br><u>ONLY)</u> |
|---|--------------------------|-----------------------------------|---|---|
|   | <u>ENTERPRISE</u>        | <u>INTERNAL</u><br><u>SERVICE</u> | <u>FUND</u><br><u>NON-</u><br><u>EXPENDABLE</u><br><u>TRUST</u> |   |
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>                                      |                          |                                   |   |   |
| Cash Received from Customers  | \$ 178,837,306           | \$ 14,936,560                     | \$ -  | \$ 193,773,866                                      |
| Cash Paid to Suppliers  | (84,829,254)             | (12,458,852)                      | -   | (97,288,106)  |
| Cash Paid to Employees  | (27,298,823)             | (2,212,168)                       | -   | (29,510,991)  |
| Quasi-External Activities   | (4,163,001)              | -                                 | -   | (4,163,001)   |
| Other Operating Receipts  | 2,184,579                | -                                 | -   | 2,184,579   |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>64,730,807</b>        | <b>265,540</b>                    | <b>-</b>  | <b>64,996,347</b>                                   |
| <b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u></b>                           |                          |                                   |   |   |
| Local Option Gas Tax  | 1,345,579                | -                                 | -   | 1,345,579   |
| Operating Grants  | 1,513,842                | -                                 | -   | 1,513,842   |
| Other Receipts  | 20,844                   | -                                 | -   | 20,844  |
| Transfers from Other Funds  | 504,395                  | 1,500,000                         | -   | 2,004,395   |
| Transfers to Other Funds  | (20,268,540)             | -                                 | -   | (20,268,540)  |
| Proceeds from Interfund Borrowings  | 1,710,815                | -                                 | -   | 1,710,815   |
| Repayment of Interfund Borrowings   | (1,710,815)              | -                                 | -   | (1,710,815)   |
| <b>NET CASH PROVIDED BY</b><br><b>NONCAPITAL FINANCING ACTIVITIES</b>                   | <b>(16,883,880)</b>      | <b>1,500,000</b>                  | <b>-</b>  | <b>(15,383,880)</b>                                 |
| <b><u>CASH FLOWS FROM CAPITAL AND RELATED</u></b><br><b><u>FINANCING ACTIVITIES</u></b> |                          |                                   |   |   |
| Local Option Gas Tax  | 103,762                  | -                                 | -   | 103,762   |
| Principal Repayments on Long-term Debt  | (27,532,000)             | -                                 | -   | (27,532,000)  |
| Proceeds from Sale of Fixed Assets  | 747,378                  | 28,350                            | -   | 775,728   |
| Interest Paid on Revenue Bonds  | (22,601,323)             | -                                 | -   | (22,601,323)  |
| Intergovernmental Capital Grants  | 1,236,234                | -                                 | -   | 1,236,234   |
| Transfers for Local Match on Capital Grants   | 29,025                   | -                                 | -   | 29,025  |
| Acquisition and Construction of Fixed Assets  | (35,023,533)             | (1,009,420)                       | -   | (36,032,953)  |
| Proceeds from Bonds Issued  | 79,485,000               | -                                 | -   | 79,485,000  |
| Proceeds from Interfund Borrowings  | 1,924,238                | -                                 | -   | 1,924,238   |
| Repayment of Interfund Borrowings   | (1,924,238)              | -                                 | -   | (1,924,238)   |
| Capitalized Connection Fees   | 3,294,537                | -                                 | -   | 3,294,537   |
| <b>NET CASH PROVIDED BY CAPITAL AND</b><br><b>RELATED FINANCING ACTIVITIES</b>          | <b>(260,920)</b>         | <b>(981,070)</b>                  | <b>-</b>  | <b>(1,241,990)</b>                                  |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>                                      |                          |                                   |   |   |
| Interest Received   | 7,285,314                | 250,691                           | 2,790   | 7,538,795   |
| Purchase of Investments   | (586,456,010)            | (9,893,106)                       | (32,381)  | (596,381,497)                                       |
| Proceeds from Investment Maturities   | 530,752,596              | 10,714,811                        | 46,471  | 541,513,878   |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>  | <b>(48,418,100)</b>      | <b>1,072,396</b>                  | <b>16,880</b>   | <b>(47,328,824)</b>                                 |
| <b>NET INCREASE (DECREASE) IN CASH</b>  | <b>(832,093)</b>         | <b>1,856,866</b>                  | <b>16,880</b>   | <b>1,041,653</b>                                    |
| <b>CASH - OCTOBER 1, 1995</b>   | <b>14,558,294</b>        | <b>744,014</b>                    | <b>3,822</b>  | <b>15,306,130</b>                                   |
| <b>CASH - SEPTEMBER 30, 1996</b>  | <b>\$ 13,726,201</b>     | <b>\$ 2,600,880</b>               | <b>\$ 20,702</b>  | <b>\$ 16,347,783</b>                                |

(continued)



**CITY OF GAINESVILLE, FLORIDA**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY AND NONEXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <b>PROPRIETARY FUNDS</b> |                             | <b>FIDUCIARY<br/>FUND</b>            |  | <b>TOTALS<br/>(MEMORANDUM<br/>ONLY)</b> |
|---|--------------------------|-----------------------------|--------------------------------------|--|---|
|   | <b>ENTERPRISE</b>        | <b>INTERNAL<br/>SERVICE</b> | <b>NON-<br/>EXPENDABLE<br/>TRUST</b> |  |   |
| <b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>      |                          |                             |                                      |  |   |
| <b>OPERATING INCOME (LOSS)</b>  | <b>\$ 43,851,205</b>     | <b>\$ (1,296,125)</b>       | <b>\$ -</b>                          |  | <b>\$ 42,555,080</b>                    |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME<br/>(LOSS) TO NET CASH PROVIDED BY<br/>OPERATING ACTIVITIES:</b> |                          |                             |                                      |  |   |
| Depreciation and Amortization   | 25,027,402               | 1,057,134                   | -                                    |  | 26,084,536                              |
| (Increase)/Decrease in Receivables  | (1,376,024)              | (75,898)                    | -                                    |  | (1,451,922)                             |
| (Increase)/Decrease in Inventories  | 1,306,833                | 49,383                      | -                                    |  | 1,356,216                               |
| (Increase)/Decrease in Due from Other Funds   | 1,142,796                | 571,481                     | -                                    |  | 1,714,277                               |
| Increase/(Decrease) in Accounts Payable and<br>Accrued Liabilities  | 2,144,874                | (45,409)                    | -                                    |  | 2,099,465                               |
| Increase/(Decrease) in Due to Other Funds   | (335,684)                | 4,974                       | -                                    |  | (330,710)                               |
| Increase/(Decrease) in Deferred Credits   | (199,060)                | -                           | -                                    |  | (199,060)                               |
| (Increase)/Decrease in Deferred Debits  | (7,315,282)              | -                           | -                                    |  | (7,315,282)                             |
| Increase/(Decrease) in Utility Deposits   | 483,747                  | -                           | -                                    |  | 483,747                                 |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>\$ 64,730,807</b>     | <b>\$ 265,540</b>           | <b>\$ -</b>                          |  | <b>\$ 64,996,347</b>                    |
| <br>  |                          |                             |                                      |  |   |
| <b><u>RECONCILIATION OF CASH TO<br/>BALANCE SHEET</u></b>   |                          |                             |                                      |  |   |
| Cash  | \$ 13,726,201            | \$ 2,600,880                | \$ 20,702                            |  | \$ 16,347,783                           |
| Unamortized Discount  | (979,952)                | -                           | -                                    |  | (979,952)                               |
| Accrued Interest  | 2,161,909                | -                           | -                                    |  | 2,161,909                               |
| Investments   | 194,261,735              | 3,790,022                   | 32,381                               |  | 198,084,138                             |
| <b>TOTAL CASH, EQUITY IN POOL, AND INVESTMENTS<br/>PER BALANCE SHEET</b>                                      | <b>\$ 209,169,893</b>    | <b>\$ 6,390,902</b>         | <b>\$ 53,083</b>                     |  | <b>\$ 215,613,878</b>                   |
| <br>  |                          |                             |                                      |  |   |
| <b><u>NONCASH CAPITAL, INVESTING AND<br/>FINANCING ACTIVITIES</u></b>   |                          |                             |                                      |  |   |
| Contribution of Fixed Assets (from Other Funds)   | \$ 4,970,320             | \$ 813,536                  | \$ -                                 |  | \$ 5,783,856                            |

The accompanying "Notes to Financial Statements" form an integral part of this statement.

**CITY OF GAINESVILLE, FLORIDA**  
*Index to Notes to Financial Statements*  
 September 30, 1996

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**CITY OF GAINESVILLE, FLORIDA**  
***Index to Notes to Financial Statements***  
September 30, 1996

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**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This Summary of Significant Accounting Policies is presented to assist the reader in interpreting the financial statements. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the City of Gainesville, Florida (City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB) or, where applicable, the Financial Accounting Standards Board (FASB).

**(A) Reporting Entity**

The City is a Florida municipality established by the Laws of Florida, Section 12760, pursuant to the authority provided in Chapter 165, Florida Statutes, and is governed by an elected five member Commission. It provides most of the traditional services to its citizens including police and fire protection, community development and code enforcement, streets, recreation, parks, cultural affairs, and other general government activities. It also operates transit, stormwater, golf course, solid waste, water, wastewater, natural gas distribution, telecommunications and electric utility enterprises. The City does not provide educational, health care, court or detention facilities.

As required by generally accepted accounting principles, the accompanying financial statements present the City as a primary government and its component units, entities for which the City is considered financially accountable. The component units are included in the reporting entity because of the significance of their operational relationship with the primary government. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. The primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

Blended component units, although legally separate entities, are in substance part of the primary government's operations and accordingly, data from these units are combined with the data of the City. Discretely presented component units, on the other hand, would be reported in a separate column in the combined financial statements to emphasize they are legally separate from the City. The City has no discretely presented component units.

**Blended Component Units** - The Downtown Redevelopment Agency (DRA), the Community Redevelopment Agency (CRA) and the Enterprise Zone Neighborhood Agency (EZN) were created by ordinance of the City to carry out community redevelopment within the City of Gainesville under Chapter 163 of the Florida Statutes. The CRA replaced the DRA. The City Commission appoints the boards of these organizations, and all three organizations are blended because they provide services entirely to the City. All these organizations have a September 30 year-end; The DRA and the CRA are reported as Special Revenue Funds, and the activities of the EZN are included in the City's Economic Development Fund, also a Special Revenue Fund. The following entities are not included in the accompanying financial statements:

**Gainesville Housing Authority (GHA)** GHA is a public housing authority created under Section 421.04 of the Florida Statutes. The GHA is considered a related organization (dependent special district) because the City is responsible for appointing a voting majority of GHA's board members. The City is not financially accountable for the GHA.

**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

**Gainesville-Alachua County Regional Airport Authority (GACRAA)** GACRAA is an independent special district created for the purpose of providing airport services for citizens of Gainesville and Alachua County, Florida and surrounding areas. The GACRAA is considered a related organization because the City is responsible for appointing a voting majority of GACRAA's board members. The City is not financially accountable for the GACRAA.

The City did not participate in any joint ventures during fiscal year 1995-96.

**(B) Fund Accounting Basis of Presentation**

The City's financial statements are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Fund accounting is the specialized accounting used by local governments. It arose in response to the special limitations placed on significant amounts of the resources provided to governmental jurisdictions by legal ordinances, grantors, and other resource providers.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements, into seven generic fund types within three broad fund categories plus two Account Groups as follows:

**Governmental Funds** are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary or fiduciary funds) are accounted for through governmental funds. The following are the City's governmental fund types:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds

In these funds, the measurement focus objective is to determine financial flow and availability of financial resources rather than to determine net income. The operating statements present the "available spendable resources" by reporting changes (revenue and expenditures) in those resources. The balance sheets of these funds identify those amounts and their availability for appropriation as fund balance. Fund balance is the remainder when liabilities are deducted from assets.

**Proprietary Funds** are used to account for the City's ongoing activities which are similar to those often found in the private business sector. The measurement focus is on determination of net income and/or capital maintenance. The following are the City's proprietary fund types:

- Enterprise Funds
- Internal Service Funds

The balance sheets of these funds include all assets and liabilities (whether current or noncurrent) associated with their activity. The result of the deduction of total liabilities from total assets, reported as fund equity, represents the economic net worth of those funds. Their reported fund equities are segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in fund equity, including depreciation expense, which is not reported in other fund types or account groups.

**Fiduciary Funds** are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City's fiduciary fund type includes *Trust and Agency Funds*.

**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

The measurement focus of *Expendable Trust Funds* is similar to governmental funds while the measurement focus of *Nonexpendable and Pension Trust Funds* is similar to proprietary funds. *Agency Funds* are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations.

**Account Groups** are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. These account groups are not considered funds, since they are concerned only with the measurement of financial position and are not involved with the measurement of results of operations.

**(C) Basis of Accounting**

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied.

The basis of accounting applied to each fund type follows:

**Governmental fund** revenues and expenditures are recognized on the modified accrual basis. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the fiscal period. Available means collectible in the current period or soon enough thereafter to be used to pay liabilities at the balance sheet date. Measurable refers to the ability to quantify in monetary terms the amount of the revenue and receivable. Transfers are recognized in the accounting period in which the interfund receivable and payable arise. Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt.

**Proprietary fund** revenues and expenses are recognized on the accrual basis. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable.

**Fiduciary fund** revenues and expenses or expenditures are recognized on the basis consistent with the fund's accounting measurement objective. *Nonexpendable Trust and Pension Trust Funds* are accounted for on the accrual basis; *Expendable Trust Funds and Agency Funds* are accounted for on the modified accrual basis.

Revenues are recognized when earned, measurable, and available except for certain governmental fund revenue sources which are not considered susceptible to accrual. Material revenues in the following categories are considered susceptible to accrual because they are both measurable and available to finance expenditures of the current period:

|                                  |                         |
|----------------------------------|-------------------------|
| <i>Ad Valorem Taxes</i>          | <i>Utility Services</i> |
| <i>Franchise Taxes</i>           | <i>Refuse Service</i>   |
| <i>Sales Taxes</i>               | <i>Interest Earned</i>  |
| <i>Intergovernmental Revenue</i> |                         |

*Grant revenues* are considered earned and are accrued simultaneously with the grant expenditure unless such recognition is prohibited by the grant requirements.

**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

The following Governmental Funds' and Expendable Trust Funds' revenues are not considered susceptible to accrual because they are not both measurable and available to finance expenditures of the current period:

|                              |                              |
|------------------------------|------------------------------|
| <i>Fees</i>                  | <i>Licenses and Permits</i>  |
| <i>Miscellaneous Charges</i> | <i>Rents and Concessions</i> |

**(D) Deposits with Financial Institutions and Investments**

In accordance with *GASB Statement No. 3*, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements," the City's investments and deposits are categorized as follows to give an indication of the level of risk assumed by the City.

**Deposits**

- Category 1* Bank balance of deposits that are insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2* Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3* Uncollateralized deposits including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name.

**Investments**

- Category 1* Includes investments that are insured or registered, or securities held by the City or its agents in the City's name, or held by the City's agents in a Depository Trust Company custodial account.
- Category 2* Includes uninsured and unregistered investments held by a counterparty's trust department or agent in the City's name.
- Category 3* Includes uninsured and unregistered investments for which securities are held by a counterparty, its trust department or agent, but not in the City's name. The City has no category three investments.

|                                     | <b>CATEGORY</b>    |          | <b>CARRYING</b>    | <b>MARKET</b>      |
|-------------------------------------|--------------------|----------|--------------------|--------------------|
|                                     | <b>1</b>           | <b>2</b> | <b>AMOUNT</b>      | <b>VALUE</b>       |
| <b><u>PENSION INVESTMENTS</u></b>   |                    |          |                    |                    |
| U.S. Treasury Obligations           | \$17,604,623       | -        | \$17,604,623       | \$17,552,545       |
| Corporate Bonds                     | 16,912,231         | -        | 16,912,231         | 16,776,340         |
| Mortgage Backed Obligations         | 6,639,754          | -        | 6,639,754          | 6,513,872          |
| Common and Preferred Stock          | <u>85,605,866</u>  | -        | <u>85,605,866</u>  | <u>107,885,650</u> |
| <i>Subtotal Pension Investments</i> | <u>126,762,474</u> | -        | <u>126,762,474</u> | <u>148,728,407</u> |
| <b><u>DEPOSITS:</u></b>             |                    |          |                    |                    |
| Cash in Bank                        | 14,939,037         | -        | 14,939,037         | 14,939,037         |
| Cash with Trustees                  | 2,972              | -        | 2,972              | 2,972              |
| Cash with Fiscal Agents             | 177,751            | -        | 177,751            | 177,751            |
| Cash Held by Pension Trustees       | 4,930,689          | -        | 4,930,689          | 4,930,689          |
| Certificates of Deposit             | <u>3,053,000</u>   | -        | <u>3,053,000</u>   | <u>3,053,000</u>   |
| <i>Subtotal Deposits</i>            | <u>23,103,449</u>  | -        | <u>23,103,449</u>  | <u>23,103,449</u>  |

**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

|   | CATEGORY           |                   | CARRYING<br>AMOUNT          | MARKET<br>VALUE             |
|---|--------------------|-------------------|-----------------------------|-----------------------------|
|   | 1                  | 2                 |                             |                             |
| <b><u>OTHER INVESTMENTS</u></b>   |                    |                   |                             |                             |
| Government Securities   | 79,364,702         | -                 | 79,364,702                  | 77,471,994                  |
| Repurchase Agreements   | -                  | 13,576,897        | 13,576,897                  | 13,576,897                  |
| Government Bonds  | 20,298,857         | -                 | 20,298,857                  | 22,240,200                  |
| Corporate Bonds   | 2,745,100          | -                 | 2,745,100                   | 2,736,642                   |
| Corporate Commercial Paper  | <u>101,466,110</u> | -                 | <u>101,466,110</u>          | <u>99,406,693</u>           |
| <i>Subtotal Other Investments</i>   | <u>203,874,769</u> | <u>13,576,897</u> | <u>217,451,666</u>          | <u>215,432,426</u>          |
| Investments - Mutual Funds  |                    |                   | 470,968                     | 564,598                     |
| Investments - IRC Section 457 Deferred Compensation<br>Plan and 401 Defined Contribution Pension Plan |                    |                   | <u>21,909,504</u>           | <u>21,909,504</u>           |
| <b>TOTAL DEPOSITS AND INVESTMENTS</b>   |                    |                   | <b><u>\$389,698,061</u></b> | <b><u>\$409,738,384</u></b> |

The following schedule reconciles the deposit and investment information above to the City's combined balance sheet:

| <b>FUND TYPE</b>          | <b>CASH &amp; CASH<br/>EQUIVALENTS</b> | <b>EQUITY IN<br/>POOLED CASH &amp;<br/>INVESTMENTS</b> | <b>INVESTMENTS</b>          | <b>RESTRICTED<br/>CASH &amp;<br/>INVESTMENTS</b> | <b>TOTAL<br/>DEPOSITS &amp;<br/>INVESTMENTS</b> |
|---------------------------|--|--|-----------------------------|--|---|
| <b>General</b>            | \$ -                                   | \$3,577,929  | \$ -                        | \$ -   | \$3,577,929                                     |
| <b>Special Revenue</b>    | 610                                    | 2,198,282  | -                           | -  | 2,198,892                                       |
| <b>Debt Service</b>       | 455,282                                | 385,160  | 2,145,571                   | -  | 2,986,013                                       |
| <b>Capital Projects</b>   | 4,606,586                              | 5,400,772  | -                           | -  | 10,007,358                                      |
| <b>Enterprise</b>         | -                                      | 25,203,460   | -                           | 183,966,433                                      | 209,169,893                                     |
| <b>Internal Service</b>   | 177,751                                | 6,213,151  | -                           | -  | 6,390,902                                       |
| <b>Trust &amp; Agency</b> | <u>5,441,427</u>                       | <u>683,701</u>   | <u>149,241,946</u>          | -  | <u>155,367,074</u>                              |
|                           | <b><u>\$10,681,656</u></b>             | <b><u>\$43,662,455</u></b>                             | <b><u>\$151,387,517</u></b> | <b><u>\$183,966,433</u></b>                      | <b><u>\$389,698,061</u></b>                     |

In accordance with the AICPA's *Audits of State and Local Governmental Units*, overdrafts which resulted from funds overdrawing their share of the pooled cash account were reported as liabilities of those particular funds by establishing an interfund payable to the General Fund. Following is a reconciliation of these accounts as reported on the balance sheet to their balances before adjustment for overdraft liabilities.

| <b>FUND</b>                                       | <b>POOLED CASH &amp;<br/>INVESTMENTS PER<br/>BALANCE SHEET</b> | <b>ADJUSTMENT<br/>FOR OVERDRAFT<br/>LIABILITIES</b> | <b>BALANCE</b> |
|---|--|---|----------------|
| <b>General</b>                                    | \$3,577,929  | \$911,796   | \$4,489,725    |
| <b>Community Development Block<br/>Grant Fund</b> | -  | <34,944>  | <34,944>       |
| <b>Home Grant Fund</b>                            | -  | <459,194>   | <459,194>      |
| <b>Neighborhood Housing Development<br/>Fund</b>  | -  | <69,161>  | <69,161>       |
| <b>Building Utilization Fund</b>                  | -  | <71,159>  | <71,159>       |
| <b>PICF</b>                                       | -  | <205,938>   | <205,938>      |
| <b>Greenspace/Recreation Acquisition Fund</b>     | -  | <49,874>  | <49,874>       |
| <b>401A Qualified Pension Trust Fund</b>          | -  | <4,454>   | <4,454>        |
| <b>Evergreen Cemetery Trust Fund</b>              | -  | <13,001>  | <13,001>       |
| <b>Art in Public Places Trust Fund</b>            | -  | <1,845>   | <1,845>        |
| <b>Deferred Compensation Agency Fund</b>          | -  | <2,226>   | <2,226>        |



**CITY OF GAINESVILLE, FLORIDA**  
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The City's total deposits and investments are comprised of two major components, each with its own set of legal and contractual provisions as described below.

**Pension Investments**

These funds represent investments administered by the City's Defined Benefit Pension Fund Investment Managers. They comprise \$126,762,474 of the City's total carrying amount of investments, and are exclusive of the \$360,239 in equity in pooled cash and investments held by the City's Pension Funds. These investments are reported at cost. The City maintains separate investment managers for its equity and fixed income portfolios. The managers of these funds are permitted to invest in the following instruments:

*Equity Funds (domestic and international)*

- Common Stocks
- Convertible Preferred Stocks
- Convertible Debentures

*Fixed Income Funds*

- United States Treasury Bonds, Notes and Bills
- United States Government Agency Securities and Instrumentalities of Government sponsored Corporations.
- Corporate bonds with an average weighted quality rating of A-3 as rated by Moody's or A- as rated by Standard & Poor.
- Certificates of Deposit up to FDIC or FSLIC insurance coverage or any amount fully collateralized by United States Government Securities or issued by an institution which is a qualified public depository within the State of Florida.
- Commercial Paper with either a Standard & Poor's quality rating of A-1 or a Moody's quality rating of P-1.
- Repurchase Agreements which are fully collateralized with United States Treasury or Agency securities with maturities of less than 365 days.
- Debentures.
- Zero Coupon Bonds.
- Pass through securities such as FHLMC, GNMA, and FNMA provided they are agency rated.
- Floating rate notes with a quality rating of A or better.
- Bankers Acceptances.

**Other Than Pension Investments**

These funds comprise \$262,935,587 of the City's total carrying amount of deposits and investments. This figure includes \$21,909,504 in City investments in the deferred compensation and defined contribution pension plans and \$470,968 invested in mutual funds.

*Deposits* At year end, the carrying amount of the City's deposits was \$23,103,449. The bank balance was \$24,961,824. The institutions in which the City's monies were deposited were certified as Qualified Public Depositories under the Florida Public Deposits Act. Therefore, the City's total bank balances of deposit are entirely insured by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance. Additionally, under the terms of the Gainesville Regional Utilities bond resolution, the depository is restricted to be a bank, savings and loan association or trust company of the United States or a national banking association, having capital stock, surplus and undivided earnings aggregating at least \$10 million.

**CITY OF GAINESVILLE, FLORIDA**  
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Investments Investments are reported at cost, except for investments in the Deferred Compensation Agency Fund, which is reported at market.

State statutes, City ordinances and Gainesville Regional Utilities bond resolutions authorize the City to invest in the following instruments:

- Any bonds or other obligations which, as to principal and interest, constitute direct obligations of, or are unconditionally guaranteed by, the United States of America;
- Certain bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any state;
- Bonds, debentures, or other evidences of indebtedness issued or guaranteed by an agency or corporation which is created pursuant to an Act of Congress as an agency or instrumentality of the United States of America;
- New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America;
- Direct and general obligations of any state of the United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under the resolution such obligations are rated by a nationally recognized bond rating agency in either of its two highest rating categories;
- Certain certificates of deposit, provided that the aggregate of principal amount of all certificates of deposit issued by any institution do not at any time exceed 10% of the total of the capital, surplus and undivided earnings of such institution unless such certificates of deposit are fully insured (for classification purposes, only non-negotiable certificates of deposit are considered deposits, with negotiable certificates considered as investments);
- Bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by any corporation which are, at the time of purchase, rated by a nationally recognized rating agency in its highest rating category, and by at least one other nationally recognized rating agency in either of its two highest rating categories, for comparable types of debt obligations; and
- Any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association or government bond dealer reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured.

The City has a contractual relationship with a Qualified Public Depository in the State of Florida. Under the terms of the contract, essentially all bank balances are transferred into a sweep account at the close of each business day. The financial institution sells securities to the City in the form of Repurchase Agreements in amounts equal to the bank balance. Each day the institution issues a confirmation to the City for the securities that are sold to the City. Simultaneously, the institution issues safekeeping receipts for the specific securities sold to the City under the terms of the Repurchase Agreement, evidencing clear ownership of the securities by the City. The securities are obligations of the United States Government. The maturities of such securities do not exceed 365 days from the date of the Repurchase Agreement, and the securities have a market value, exclusive of accrued interest, at least equal to 102% of the purchase price. The securities sold to the City in the form of Repurchase Agreements are held by the Federal Reserve in the name of the City.

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Money belonging to the Evergreen Cemetery Trust Fund is invested in accordance with guidelines established by the Evergreen Cemetery Advisory Committee and/or as approved by the City Commission. These guidelines authorize investments in mutual funds including domestic equities, international equities and natural resources as well as in certificates of deposit and in repurchase agreements at the City's contracted rate.

**(E) Receivables**

For the most part, receivables and the related revenues are recognized when determined and billed - either for services rendered, grant entitlements, or reimbursements due, or otherwise measurable and available.

Unbilled utilities service receivables are recorded at year end. They are calculated by prorating cycle billings subsequent to September 30, 1996, according to the number of days applicable to the current fiscal year.

Receivables are reported net of an estimated allowance for uncollectible accounts. At September 30, 1996, the allowance was \$984,000 for Enterprise Funds.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, despite their spending measurement focus. However, special reporting treatments are used to indicate that they are not considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become available and measurable. Noncurrent portions of long-term loans receivable are offset by fund balance reserve accounts.

**(F) Inventories**

The City accounts for its General Fund inventory using the "consumption method"; that is, inventory is budgeted and recorded as items are consumed.

Except for inventories of the General Fund, inventories are stated at the lower of cost or market. Cost is determined using the weighted average method except for fuel in Enterprise Funds, which is determined using the last-in, first-out method. Obsolete and unusable items are reduced to estimated salvage values. Inventory in the General Fund is recorded at cost. Such inventory is written down to a lower market value if the inventory is affected by physical deterioration or obsolescence.

**(G) Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by the fund's measurement focus. Financial statement measurement focus objectives for Governmental Funds, Expendable Trust Funds, and Agency Funds vary significantly from the objectives of the statements for Proprietary Funds, Nonexpendable Trust and Pension Trust Funds as previously set forth in this Note under "Fund Accounting Basis of Presentation."

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

**CITY OF GAINESVILLE, FLORIDA**  
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All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated market value on the date donated. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets are not capitalized. Depreciation expense is not accounted for on general fixed assets, but accumulated depreciation has been provided in the general fixed assets account group.

Fixed assets in the proprietary funds are accounted for primarily the same as general fixed assets except that depreciation expense is a component of current income, and improvements other than buildings are recognized as assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

|   |                |
|---|----------------|
| Buildings and Utility Plant -----       | 20 to 50 years |
| Improvements other than Buildings ----- | 20 to 30 years |
| Equipment -----                         | 5 to 20 years  |

Utility plant in service for the water and wastewater funds and Regional Transit System assets include assets received from contributions. The amount of depreciation expense attributable to contributed capital assets was charged directly to contributed capital and is credited to retained earnings in the Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances.

Depreciation of utility plant is computed using the straight-line method over the estimated service life of the property. Depreciation was equivalent to 2.82% of average depreciable property for 1996.

City-owned resources for supplying electric power and energy requirements include its 1.4079% undivided ownership interest in the Crystal River Unit 3 nuclear power plant operated by Florida Power Corporation. Depreciation expense includes a provision for decommissioning costs related to the jointly-owned nuclear power plant.

The average cost and related accumulated depreciation of proprietary fund assets are removed from the accounts upon disposal or retirement, with any resulting gain or loss recognized as nonoperating income or expense. The average cost of appreciable utility plant retired is eliminated from the plant accounts, and such cost plus removal expense less salvage value is charged to accumulated depreciation.

Interest capitalized in the Enterprise Funds during the 1996 fiscal year totaled \$776,000. This amount is included in construction in progress and reduces interest expense in the Enterprise Funds. It is computed by applying the effective interest rate on the funds borrowed to finance the projects to the monthly balance of projects under construction. The effective interest rate was approximately 4.8% for fiscal year 1996. For assets constructed with governmental fund resources, interest during construction is not capitalized.

**(H) Amortization and Deferred Charges/Credits**

In Enterprise Funds, bond issuance costs are amortized over the life of the bonds. Other miscellaneous deferred debits are amortized over periods from 7 to 30 years. Included in deferred charges is the unamortized balance of \$9,478,000 remaining of the original payment of \$27,375,000 in full settlement in connection with the City's cancellation of a contract for supply of coal to the Deerhaven II generating plant. Deferred amortization expense for this charge was \$2,194,334 for fiscal year 1996.

The cost of nuclear fuel, including estimated disposal cost, is charged to operating expenses. These costs are charged to customers through the fuel adjustment charge. Fuel adjustment revenues are recognized based on actual fuel costs in a preceding period. Amounts charged based on estimated costs are adjusted monthly for any differences between the actual and estimated costs once actual costs are known.

**CITY OF GAINESVILLE, FLORIDA**  
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**(I) Compensated Absences**

The City's policy is to allow limited vesting of employee vacation and sick pay. The limitation of vacation time is governed by the period of employment and is determinable. Unused sick leave may be added to an employee's length of service at the time of retirement for the purpose of computing retirement benefits or, in some cases, received partially in cash upon election at retirement. The resulting liability is not determinable in advance, however.

The City follows generally accepted accounting principles in accounting for accrued compensated absences. A liability for accrued compensated absences of employees of proprietary funds is accrued in such funds. A liability for compensated absences of employees of governmental funds has been accrued. Since this liability will not be liquidated with current resources ("expendable available financial resources"), the liability is reported in the General Long-Term Debt Account Group.

**(J) Risk Management**

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City maintains a General Insurance Fund (an Internal Service Fund) to account for some of its uninsured risk of loss. Under the current program, the City is self-insured for workers' compensation, auto, and general liability. Third-party coverage is currently maintained for workers' compensation claims in excess of \$350,000 for general employees and \$450,000 for police and fire personnel.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs), and are shown at current dollar value.

All funds other than Electric, Gas, Water, Wastewater, and Telecommunications (GRUCom) Enterprise Funds participate in the general insurance program. Risk management/insurance related activities of the Electric, Gas, Water and Wastewater Funds are accounted for within the respective Utility Enterprise Fund. An actuarially computed liability of \$2,846,590 is recorded in the Utility Enterprise Funds as a deferred credit. Changes in the Utility Enterprise Funds' claims liability for the last two years are as follows:

|                | <b>BEGINNING OF<br/>FISCAL YEAR</b> |                 |                 | <b>END OF<br/>FISCAL YEAR</b> |
|----------------|-------------------------------------|-----------------|-----------------|-------------------------------|
|                | <u>LIABILITY</u>                    | <u>INCURRED</u> | <u>PAYMENTS</u> | <u>LIABILITY</u>              |
| <b>1995-96</b> | \$3,105,000                         | \$161,079       | \$419,489       | \$2,846,590                   |
| <b>1994-95</b> | 2,915,000                           | 688,150         | 498,150         | 3,105,000                     |

There is a claims liability of \$5,770,407 included in the General Insurance Fund as the result of actuarial estimates. Changes in the General Insurance Fund's claims liability were:

|                | <b>BEGINNING OF<br/>FISCAL YEAR</b> |                 |                 | <b>END OF<br/>FISCAL YEAR</b> |
|----------------|-------------------------------------|-----------------|-----------------|-------------------------------|
|                | <u>LIABILITY</u>                    | <u>INCURRED</u> | <u>PAYMENTS</u> | <u>LIABILITY</u>              |
| <b>1995-96</b> | \$6,034,122                         | \$2,033,640     | \$2,297,355     | \$5,770,407                   |
| <b>1994-95</b> | 6,109,844                           | 1,631,105       | 1,706,827       | 6,034,122                     |

**CITY OF GAINESVILLE, FLORIDA**  
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The City is also self-insured for its Employee Health and Accident Benefit plan (the Plan). The Plan is accounted for in an Internal Service Fund and is externally administered, for an annually contracted amount which is based upon the volume of claims processed. Contributions for City employees and their dependents are shared by the city and the employee. Administrative fees are paid primarily out of this fund. Stop-loss insurance is maintained for this program: \$90,000 individual and \$6,500,000 aggregate. Changes in claims liability for the last two years are as follows:

|         | <b>BEGINNING OF<br/>FISCAL YEAR</b> |                        |                        | <b>END OF<br/>FISCAL YEAR</b> |
|---------|-------------------------------------|------------------------|------------------------|-------------------------------|
|         | <u><b>LIABILITY</b></u>             | <u><b>INCURRED</b></u> | <u><b>PAYMENTS</b></u> | <u><b>LIABILITY</b></u>       |
| 1995-96 | \$755,863                           | \$3,146,441            | \$3,170,395            | \$731,909                     |
| 1994-95 | 700,192                             | 4,811,824              | 4,756,153              | 755,863                       |

**(K) Combined Statements - Memorandum Totals**

Total columns on the Combined Financial Statements are captioned "Memorandum Only" to indicate that they are presented only for informational purposes and to facilitate financial analysis. However, adjustments to eliminate interfund transactions (see Note 1 (L) below) have not been recorded in arriving at the aggregate memorandum totals. The totals are not intended to present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

**(L) Interfund Transactions**

During the course of normal operations, the City has numerous transactions between funds. Following is a summary of the accounting treatment applied to such interfund transactions:

**Quasi-External Transactions** Transactions that would be treated as revenues, expenditures or expenses if they involved organizations external to the City are similarly treated when involving other City Funds. Examples include utility services; payments to the General Fund for indirect services; stores, printing and office services, and services provided to other funds by Internal Service Funds.

**Reimbursement Transactions** Reimbursements from one fund to another are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

**Residual Equity Transfers** Residual equity transfers are nonrecurring or nonroutine transfers of equity between funds. They are accounted for as equity changes in both the paying and receiving funds.

**Operating Transfers** Operating transfers affect the results of operations in both Governmental and Proprietary Funds. They are reported as "Other Financing Sources Uses" in governmental fund operating statements and as "Operating Transfers" in proprietary fund operating statements. An example is the payment to the General Fund from the Enterprise Funds.

**(M) Property Taxes**

Ad valorem property tax revenue is recognized in compliance with *NCGA Interpretation 3* which indicates recognition as a revenue in the fiscal year for which taxes are levied, measurable and available. Only property taxes collected within 60 days after year end are recognized as revenue. The total millage levy is assessed at *4.9659 mills*. Taxes are levied and collected according to Florida State Statutes under the following calendar:

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|                         |                   |
|-------------------------|-------------------|
| <b>Lien Date</b>        | <b>January 1</b>  |
| <b>Levy Date</b>        | <b>October 1</b>  |
| <b>Due Date</b>         | <b>November 1</b> |
| <b>Delinquency Date</b> | <b>April 1</b>    |

The County Tax Collector bills and collects ad valorem taxes for the City. State Statutes provide for tax discounts for installment prepayments or full payments before certain dates. Installment prepayment dates and discounts of each installment (one-fourth of estimated taxes) are: June 30 - 6%, September 30 - 4.5%, December 31 - 3% and March 31 - 0%. Full payment dates and discounts are: November 30 - 4%, December 31 - 3%, January 31 - 2%, February 28 - 1% and March 31 - 0%. The Tax Collector remits current taxes collected to the City several times a month during the first two months of the collection period. Thereafter remittances are made to the City on a monthly basis.

**(N) Budgetary Accounting and Encumbrances**

Annual budgets are legally adopted for all governmental funds other than Capital Projects Funds, which are appropriated on a project-length basis. Budgets are controlled at the department level throughout the year and total expenditures plus encumbrances may not legally exceed appropriations for each budgeted fund.

Budget amounts reflected in the accompanying financial statements incorporate all budgetary amendments (including supplemental appropriations) to the original budget. Budget amendments are approved by the City Commission during the year, with a final amendatory resolution approved after the end of the fiscal year.

The City Manager can approve budget transfers within and between operating departments and divisions of the same fund. All interfund budget transfers require prior approval of the City Commission, as do transfers from contingency funds exceeding \$25,000. Transfers concerning personnel can be made as long as the total number of permanent positions approved in the budget is not exceeded.

Budget appropriations lapse at year-end. Encumbrances at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls. All governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and contracts (encumbrances) issued for goods or services not received at year-end.

The actual results of operations are presented in accordance with GAAP, and the City does not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred. Encumbrances are presented as reservations of fund balance. It is necessary to include the budgetary encumbrances to reflect actual revenues and expenditures on a budgetary basis consistent with the City's legally adopted budget. The following fiscal year's budget is amended to reappropriate the fund balance reserved for encumbrances.

**(O) Statement of Cash Flows**

For purposes of the Statement of Cash Flows, cash equivalents are defined as all liquid investments with an original maturity of three months or less. Some balance sheet accounts in the Enterprise Funds were reclassified as of September 30, 1995; as a result, the beginning cash balance is different from the balance originally reported at September 30, 1995.

**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
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**(P) Proprietary Activities**

For its proprietary activities, the City applies all applicable GASB pronouncements. Additionally, the City applies pronouncements of the FASB and its predecessor bodies issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**(Q) GASB Statements 25 and 27**

The City has not yet adopted Governmental Accounting Standards Board Statements No. 25 ("Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans") and No. 27 ("Accounting for Pensions by State and Local Governmental Employees"). Both statements will be adopted effective October 1, 1996.

**NOTE 2 - RETIREMENT PLANS**

The City sponsors and administers three single-employer retirement plans, which are accounted for in separate Pension Trust Funds in the fiduciary category herein.

- The Employees' Pension Plan (Employees Plan) is a *contributory defined benefit pension plan* that covers all permanent employees of the City, except certain personnel who elected to participate in the Defined Contribution Plan and who were grandfathered into that plan, and police officers and firefighters who participate in the Consolidated Plan.
- The Consolidated Police Officers' and Firefighters' Retirement Plan (Consolidated Plan) is a *contributory defined benefit pension plan* that covers City sworn police officers and firefighters.
- The Defined Contribution Pension Plan is open to certain City managerial and professional employees.

The City's Pension Benefit Obligation (PBO), which is the actuarial present value of credited projected benefits, is a standardized measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess, on a going-concern basis, the funding status of the Public Employee's Retirement System (PERS) to which contributions are made, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons between employers. This measure is independent of the actuarial funding method (Entry Age Actuarial Cost Method) used to determine the City's contribution requirements.

Under the Entry Age Method, the cost of each participant's projected retirement benefit is funded through a series of annual payments determined as a level percentage of each year's earnings, from age at hire to assumed exit age. This level percentage is known as the normal cost of the plan. The accrued value of normal cost payments due prior to the valuation date is termed the actuarial accrued liability. This amount, minus actuarial value of assets, is known as the unfunded actuarial accrued liability (UAAL). It is the City's intention that its UAAL be amortized over a 15-year period through contributions expressed as a level percentage of each total payroll.

In accordance with City policy, actuarial valuations are performed biennially. The most recent valuation was completed as of October 1, 1996, which was used as the basis for the actuarial estimates as of September 30, 1996.



**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

**(A) Defined Benefit Plans**

**EMPLOYEES' PLAN AND CONSOLIDATED PLAN**

**PENSION BENEFIT OBLIGATION**

|  | <b>EMPLOYEES<br/>PLAN</b> | <b>CONSOLIDATED<br/>PLAN</b> | <b>TOTAL</b>         |
|--|---------------------------|------------------------------|----------------------|
| Retirees & Beneficiaries Currently Receiving Benefits<br>& Terminated Employees not yet Receiving Benefits | \$43,871,150              | \$32,169,648                 | \$76,040,798         |
| Current Employees:   |                           |                              |                      |
| Accumulated Employee Contributions   | 11,337,632                | 4,801,119                    | 16,138,751           |
| Employer Financed Vested   | 24,745,484                | 12,389,885                   | 37,135,369           |
| Employer Financed Non-Vested   | <u>24,207,507</u>         | <u>12,105,707</u>            | <u>36,313,214</u>    |
| <i>Total Pension Benefit Obligation</i>  | <b>\$104,161,773</b>      | <b>\$61,466,359</b>          | <b>\$165,628,132</b> |
| <i>Net Assets Available for Benefits:</i>  |                           |                              |                      |
| at cost  | \$90,887,718              | \$41,579,732                 | \$132,467,450        |
| at market  | <b>\$104,285,824</b>      | <b>\$50,147,577</b>          | <b>\$154,433,401</b> |
| <i>Unfunded Pension Benefit Obligation</i>   |                           |                              |                      |
| at cost  | \$13,274,055              | \$19,886,627                 | \$33,160,682         |
| at market  | <\$124,051>               | \$11,318,782                 | \$11,194,731         |

*ANALYSIS OF FUNDING PROGRESS*

**Employees Plan**

|   | <b><u>FY94</u></b> | <b><u>FY95</u></b> | <b><u>FY96</u></b> |
|---|--------------------|--------------------|--------------------|
| Net Assets Available for Benefits, at cost                          | \$73,050,499       | \$83,569,190       | \$90,887,718       |
| Pension Benefit Obligation  | \$95,516,045       | \$97,842,830       | \$104,161,773      |
| <i>Net Assets Available for Benefits<br/>as a percentage of PBO</i> | 76%                | 85%                | 87%                |
| Unfunded Pension Benefit Obligation, at cost                        | \$22,456,546       | \$14,273,640       | \$13,274,055       |
| Annual Covered Payroll  | \$34,739,152       | \$32,981,017       | \$37,226,476       |
| <i>Unfunded PBO as a percentage of<br/>Annual Covered Payroll</i>   | 65%                | 43%                | 36%                |

**Consolidated Plan**

|   | <b><u>FY94</u></b> | <b><u>FY95</u></b> | <b><u>FY96</u></b> |
|---|--------------------|--------------------|--------------------|
| Net Assets Available for Benefits, at cost                          | \$37,590,349       | \$39,129,748       | \$41,579,732       |
| Pension Benefit Obligation  | \$52,902,356       | \$55,741,374       | \$61,466,359       |
| <i>Net Assets Available for Benefits<br/>as a percentage of PBO</i> | 71%                | 70%                | 68%                |
| Unfunded Pension Benefit Obligation                                 | \$15,312,007       | \$16,611,626       | \$19,886,627       |
| Annual Covered Payroll  | \$12,929,672       | \$15,510,025       | \$15,456,483       |
| <i>Unfunded PBO as a percentage of<br/>Annual Covered Payroll</i>   | 118%               | 107%               | 127%               |

Total City payroll was \$63,064,906, \$61,584,295 and \$59,479,033 for fiscal years 1996, 1995 and 1994 respectively.

**CITY OF GAINESVILLE, FLORIDA**  
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Ten year historical trend information is presented in the City's separately issued pension reports. Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

**PROGRESS ANALYSIS OF FUNDING**

*Three Year Trend Data*

**Employees Plan**

|  | <u>FY94</u>  | <u>FY95</u>  | <u>FY96</u>  |
|--|--------------|--------------|--------------|
| Net Assets Available for Benefits, <i>at cost</i>    |              |              |              |
| In Dollars   | \$73,050,499 | \$83,569,190 | \$90,887,718 |
| <i>As a Percentage of PBO</i>                        | 76%          | 85%          | 87%          |
| Unfunded PBO <i>as percentage of covered payroll</i> | 65%          | 43%          | 36%          |
| Employer Contribution                                | \$1,689,675  | \$1,835,493  | \$1,883,598  |
| <i>As a percentage of covered payroll</i>            | 4.86%        | 5.57%        | 5.06%        |

**Consolidated Plan**

|  | <u>FY94</u>  | <u>FY95</u>  | <u>FY96</u>  |
|--|--------------|--------------|--------------|
| Net Assets Available for Benefits, <i>at cost</i>    |              |              |              |
| In Dollars   | \$37,590,349 | \$39,129,748 | \$41,579,732 |
| <i>As a Percentage of PBO</i>                        | 71%          | 70%          | 68%          |
| Unfunded PBO <i>as percentage of covered payroll</i> | 118%         | 107%         | 127%         |
| Employer Contribution                                | \$1,198,477  | \$1,278,709  | \$1,460,171  |
| <i>As a percentage of covered payroll</i>            | 9.27%        | 8.24%        | 9.45%        |

The contributions noted above were made in accordance with actuarially determined requirements.

**ACTUARIALLY DETERMINED CONTRIBUTION REQUIREMENTS**

*For 1995-96 Plan Year*

|   | <u>Employees<br/>Plan</u> | <u>Consolidated<br/>Plan</u> |
|---|---------------------------|------------------------------|
| <b>Recommended Contributions - Employer</b>     |                           |                              |
| As a percentage of expected FY 96 payroll       | 4.79%                     | 9.33%                        |
| In Dollars                                      | \$1,824,474               | \$1,976,999                  |
| <b>Normal Cost Rate</b>                         |                           |                              |
| As a percentage of expected FY 96 payroll       | 8.29%                     | 8.39%                        |
| In Dollars                                      | \$1,588,854               | \$1,189,034                  |
| <b>UAAL Amortization Rate</b>                   |                           |                              |
| As a percentage of expected FY 96 payroll       | 1.25%                     | 5.56%                        |
| In Dollars                                      | \$240,620                 | \$787,965                    |
| <b>Recommended Contributions - Employees</b>    |                           |                              |
| As a percentage of gross pay                    | 4.75%                     | 5.86%                        |
| <b>Actual Contributions - Employer</b>          |                           |                              |
| As a percentage of current year covered payroll | 5.06%                     | 14.08%                       |
| In Dollars (including state contributions)      | \$1,883,598               | \$2,176,758                  |
| <b>Actual Contributions - Employees</b>         |                           |                              |
| As a percentage of current year covered payroll | 4.74%                     | 5.55%                        |
| In Dollars                                      | \$1,762,898               | \$857,349                    |

Significant actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation.

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Because plan provisions allow for the refunding of non-vested employee contributions upon termination of employment, actual employee contributions may be less than the actuarially determined expected rates.

**ACCOUNTING POLICIES AND PLAN ASSETS**

|   | <b><u>Employees Plan</u></b>      | <b><u>Consolidated Plan</u></b>         |
|---|-----------------------------------|---|
| Authority                                     | <i>City Ordinance</i>             | <i>City Ordinance and State Statute</i> |
| Basis of Accounting                           | <i>Accrual</i>                    | <i>Accrual</i>                          |
| Asset Valuation:                              |                                   |   |
| Reporting                                     | <i>Cost</i>                       | <i>Cost</i>                             |
| Actuarial Valuation                           | <i>Market, Defined by Actuary</i> | <i>Market, Defined by Actuary</i>       |
| Internal Loans                                | <i>None</i>                       | <i>None</i>                             |
| Non Government Investments<br>in excess of 5% | <i>None</i>                       | <i>None</i>                             |

**MEMBERSHIP AND PLAN PROVISIONS**

|  | <b><u>Employees Plan</u></b> | <b><u>Consolidated Plan</u></b> |
|--|------------------------------|---------------------------------|
| <b><u>Members</u></b>                        |                              |                                 |
| <i>Active Participants</i>                   |                              |                                 |
| Fully Vested                                 | 863                          | 176                             |
| Not Vested                                   | 316                          | 204                             |
| <i>Retirees &amp; Beneficiaries</i>          | 409                          | 188                             |
| <i>Disabled</i>                              | -                            | 14                              |
| <i>Terminated Vested and Limited Members</i> | 165                          | 22                              |

**Normal Retirement Benefit**

*City Employees* - At age 65 and 5 years of service or 20 years of service at any age; final average earnings x 2% x credited service.

*Gainesville Gas Employees* - A monthly benefit payable for life starting at Normal Retirement Age equal to: (1) accrued benefit earned under the Gainesville Gas Company Employees' Pension Plan (predecessor plan) as of January 10, 1990, plus (2) 2% x final average earnings x credited service after January 10, 1990, plus (3) 2% of final average earnings for each year of service earned after January 10, 1990 not to exceed service years earned under the accrued benefit formula under the predecessor plan; less (4) for each year of predecessor plan service credited under (3) above, the portion of the accrued benefit determined under (1) above based on such years.

*Consolidated Plan* - At age 55 and 10 years of service or 20 years of service at any age; final average earnings x 2.5% x credited service less social security offset.

**Early Retirement Benefit**

*Employees Plan* - Eligibility at age 55 and 15 years of service. Benefit reduced 5/12% per month for each month retirement precedes age 65.

*Consolidated Plan* - None.

**In Line of Duty Disability Benefits**

*Employees Plan* - None.

*Consolidated Plan* - 2.5% of final average earnings multiplied by service, but not less than 42% of final average earnings.

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**Other Than in Line of Duty Disability Benefits**

*Employees Plan* - None.

*Consolidated Plan* - Minimum 5 years of service; 2.5% of final average earnings multiplied by service but not less than 25% of final average earnings.

**1996 Fiscal Year Obligation to Contribute**

*Employees Plan* - Employer, 4.79%; Employee, 4.75%.

*Consolidated Plan* - Employer, 13.95%; Employee, 5.86%.

**Years to Vest**

*Employees Plan* - 5 years.

*Consolidated Plan* - 10 years.

**ASSUMPTIONS**

**Annual Investment Return**

*Employees and Consolidated Plan* - 9.5% compounded annually; 10% for benefits currently in payment status, net of investment expense.

**Annual Salary Increase**

*Employees Plan and Consolidated Plan*

| <u>Years of Service</u> | <u>Rate</u> |
|-------------------------|-------------|
| 6 and Under             | 7%          |
| 7 - 11                  | 6%          |
| 12 - 16                 | 5%          |
| Over 16                 | 4%          |

**Mortality Rates**

1983 Group Annuity Mortality Table. Probability of death within one year after age shown:

|    | <i>Employees Plan</i> |               | <i>Consolidated Plan</i> |               |
|----|-----------------------|---------------|--------------------------|---------------|
|    | <u>Male</u>           | <u>Female</u> | <u>Male</u>              | <u>Female</u> |
| 25 | 0.05%                 | 0.03%         | 0.05%                    | 0.03%         |
| 35 | 0.09%                 | 0.05%         | 0.09%                    | 0.05%         |
| 45 | 0.22%                 | 0.10%         | 0.22%                    | 0.10%         |
| 55 | 0.61%                 | 0.25%         | 0.61%                    | 0.25%         |
| 65 | 1.56%                 | 0.70%         | 1.56%                    | 0.70%         |

**Termination Rates**

Probability of terminating service for reasons other than death, disability or retirement within one year after attaining age and service shown below.

*Employees Plan*

**Males - Years of Service**

| <u>Age</u> | <u>0-1</u> | <u>1-2</u> | <u>2-3</u> | <u>3-4</u> | <u>4-5</u> | <u>5+</u> |
|------------|------------|------------|------------|------------|------------|-----------|
| Under 30   | 14.0%      | 12.0%      | 8.0%       | 6.0%       | 5.0%       | 4.0%      |
| 30-34      | 14.0%      | 12.0%      | 8.0%       | 6.0%       | 5.0%       | 3.0%      |
| 35-39      | 14.0%      | 12.0%      | 8.0%       | 6.0%       | 5.0%       | 2.5%      |
| 40-64      | 14.0%      | 12.0%      | 8.0%       | 6.0%       | 5.0%       | 2.0%      |
| 65 +       | 14.0%      | 12.0%      | 8.0%       | 6.0%       | 5.0%       | 0.0%      |

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| <u>Age</u> | <u>Females - Years of Service</u> |            |            |            |            |           |
|------------|-----------------------------------|------------|------------|------------|------------|-----------|
|            | <u>0-1</u>                        | <u>1-2</u> | <u>2-3</u> | <u>3-4</u> | <u>4-5</u> | <u>5+</u> |
| Under 30   | 22.0%                             | 16.0%      | 13.0%      | 11.0%      | 10.0%      | 7.0%      |
| 30-34      | 22.0%                             | 16.0%      | 13.0%      | 11.0%      | 10.0%      | 5.0%      |
| 35-39      | 22.0%                             | 16.0%      | 13.0%      | 11.0%      | 10.0%      | 4.0%      |
| 40-64      | 22.0%                             | 16.0%      | 13.0%      | 11.0%      | 10.0%      | 3.0%      |
| 65 +       | 22.0%                             | 16.0%      | 13.0%      | 11.0%      | 10.0%      | 0.0%      |

| <u>Age</u> | <u>Consolidated Plan</u><br><u>Police Officers - Years of Service</u> |            |            |            |            |           |
|------------|---|------------|------------|------------|------------|-----------|
|            | <u>0-1</u>  | <u>1-2</u> | <u>2-3</u> | <u>3-4</u> | <u>4-5</u> | <u>5+</u> |
| Under 30   | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 3.0%      |
| 30-34      | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 2.5%      |
| 35-39      | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 2.0%      |
| 40-44      | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 1.5%      |
| 45-49      | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 1.0%      |
| 50-54      | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 0.5%      |
| 55+        | 15.0%   | 9.0%       | 6.0%       | 4.5%       | 3.0%       | 0.0%      |

| <u>Age</u> | <u>Firefighters - Years of Service</u> |            |            |            |            |           |
|------------|--|------------|------------|------------|------------|-----------|
|            | <u>0-1</u>                             | <u>1-2</u> | <u>2-3</u> | <u>3-4</u> | <u>4-5</u> | <u>5+</u> |
| Under 30   | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 3.0%      |
| 30-34      | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 2.5%      |
| 35-39      | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 2.0%      |
| 40-44      | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 1.5%      |
| 45-49      | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 1.0%      |
| 50-54      | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 0.5%      |
| 55+        | 10.0%                                  | 6.0%       | 5.0%       | 4.0%       | 3.0%       | 0.0%      |

**Early Retirement Rates**

Probability of early retirement within one year after attaining age shown below.

|    | <u>Employees Plan</u> |               | <u>Consolidated Plan</u> |
|----|-----------------------|---------------|--------------------------|
|    | <u>Male</u>           | <u>Female</u> |                          |
| 55 | 03.00%                | 04.00%        | N/A                      |
| 57 | 04.00%                | 06.00%        |                          |
| 60 | 06.00%                | 12.00%        |                          |
| 62 | 35.00%                | 45.00%        |                          |

**Disability Rates**

Probability of disability within one year after attaining age shown below.

|    | <u>Employees Plan</u> | <u>Consolidated Plan</u> |               |
|----|-----------------------|--------------------------|---------------|
|    |                       | <u>Male</u>              | <u>Female</u> |
| 25 |                       | 0.15%                    | 0.15%         |
| 35 | N/A                   | 0.26%                    | 0.26%         |
| 45 |                       | 0.62%                    | 0.62%         |
| 55 |                       | 1.82%                    | 1.82%         |

**Growth Rate of Future Membership Payroll**

Employees and Consolidated Plan - 5%

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**(B) Defined Contribution Pension Plan**

As noted above the Defined Contribution Pension Plan is open to certain City professional and managerial employees. It is no longer available to newly hired professional and managerial employees. The plan is qualified under the provisions of Section 401A of the Internal Revenue Code. At September 30, 1996, there were 168 participants in the Plan with a covered payroll of \$8,437,507.

Under the provisions of the Plan, the City contributes an amount equal to 6% (October 1, 1995 through December 31, 1995); 8% (calendar year 1996); and 10% (effective January 1, 1997). No employee contributions were allowed until January 1, 1996, at which time a mandatory 2.5% employee contribution was required. Effective January 1, 1997, the mandatory employee contribution will increase to 5%. For employees with previous deferred compensation arrangements who did not wish to participate in the plan and make the required mandatory contributions beginning January 1, 1996, the City continued to pay its 6% contribution into the Section 457 Deferred Compensation Plan. Assets of the Defined Contribution Plan are self-directed, and investment results are reported to Employees quarterly. Employees may withdraw these contributions and any interest earned thereon upon reaching the age of fifty-nine and one-half years. Withdrawals prior to this age are subject to a penalty of 10%. The City incurs no actuarial liability related to the sponsorship of this Plan. For fiscal year 1996, actual employer contributions totalled \$632,814 or 7.5% of covered payroll.

**ACCOUNTING POLICIES AND PLAN ASSETS**

|  |                                   |
|--|-----------------------------------|
| <b>Authority</b>                                     | <i>City Commission Resolution</i> |
| <b>Basis of Accounting</b>                           | <i>Accrual</i>                    |
| <b>Asset Valuation - Reporting</b>                   | <i>Cost</i>                       |
| <b>Internal Loans</b>                                | <i>None</i>                       |
| <b>Non Government Investment<br/>in excess of 5%</b> | <i>None</i>                       |

**NOTE 3 - DEFERRED COMPENSATION PLAN**

The Deferred Compensation Plan provides employees with retirement benefits on an individual participation basis. This plan is created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation plan funds are not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of the general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Total contributions for the year ended September 30, 1996, were \$1,501,832 -- employer contributions of \$50,130 and employee contributions of \$1,451,702. Assets of the plan and a corresponding liability to employees are reported in an agency fund. Plan assets are presented at market value.

**CITY OF GAINESVILLE, FLORIDA**  
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**NOTE 4 - LONG-TERM DEBT**

**(A) Changes in Long-Term Debt**

|   | <u>Balances</u><br><u>10/01/95</u> | <u>Additions</u>            | <u>Deletions</u>           | <u>Balances</u><br><u>09/30/96</u> |
|---|------------------------------------|-----------------------------|----------------------------|------------------------------------|
| <i>GENERAL LONG-TERM DEBT</i>                           |                                    |                             |                            |                                    |
| Guaranteed Entitlement Revenue and Refunding Bonds 1994 | \$15,442,220                       | \$ -                        | \$365,000                  | \$15,077,220                       |
| First Florida Financing Commission Loan 1987            | 195,000                            | -                           | 95,000                     | 100,000                            |
| First Florida Financing Commission Loan 1992            | 13,940,000                         | -                           | 690,000                    | 13,250,000                         |
| First Florida Financing Commission Loan 1994            | 2,445,000                          | -                           | 505,000                    | 1,940,000                          |
| First Florida Financing Commission Loan 1996            | -                                  | 4,990,000                   | -                          | 4,990,000                          |
| Promissory Notes  | 465,248                            | 162,000                     | 288,603                    | 338,645                            |
| Capital Lease   | 15,186                             | -                           | 15,186                     | -                                  |
| Compensated Absences                                    | <u>1,984,372</u>                   | <u>94,696</u>               | <u>-</u>                   | <u>2,079,068</u>                   |
| <b>TOTAL GENERAL LONG-TERM DEBT</b>                     | <b><u>34,487,026</u></b>           | <b><u>5,246,696</u></b>     | <b><u>1,958,789</u></b>    | <b><u>37,774,933</u></b>           |
| <i>ENTERPRISE LONG-TERM DEBT</i>                        |                                    |                             |                            |                                    |
| Utility Revenue Bonds                                   | 360,605,000                        | 143,215,000                 | 88,770,000                 | 415,050,000                        |
| Utility Notes   | <u>64,657,000</u>                  | <u>-</u>                    | <u>2,492,000</u>           | <u>62,165,000</u>                  |
|   | 425,262,000                        | 143,215,000                 | 91,262,000                 | 477,215,000                        |
| <i>Less unamortized discount</i>                        | <u>6,563,980</u>                   | <u>-</u>                    | <u>1,124,702</u>           | <u>5,439,278</u>                   |
| <b>TOTAL ENTERPRISE LONG-TERM DEBT</b>                  | <b><u>418,698,020</u></b>          | <b><u>143,215,000</u></b>   | <b><u>90,137,298</u></b>   | <b><u>471,775,722</u></b>          |
| <b>TOTAL LONG-TERM DEBT</b>                             | <b><u>\$453,185,046</u></b>        | <b><u>\$148,461,696</u></b> | <b><u>\$92,096,087</u></b> | <b><u>\$ 509,550,655</u></b>       |

**(B) Long-Term Debt Service Requirements**

The City's long-term debt (exclusive of unamortized discount and compensated absences) is summarized for each issue at September 30, 1996.

|  | <u>Outstanding</u><br><u>Principal</u> | <u>Interest</u><br><u>to Maturity</u> | <u>Total</u><br><u>Debt Service</u> |
|--|--|---------------------------------------|-------------------------------------|
| <b>GENERAL LONG-TERM DEBT</b>                                      |  |                                       |                                     |
| 1994 Guaranteed Entitlement Revenue and Refunding Bonds            | \$15,077,220                           | \$15,636,714                          | \$30,713,934                        |
| 1987 First Florida Governmental Financing Commission Loan Series C | 100,000                                | 7,000                                 | 107,000                             |
| 1992 First Florida Governmental Financing Commission Loan          | 13,250,000                             | 7,754,285                             | 21,004,285                          |
| 1994 First Florida Governmental Financing Commission Loan          | 1,940,000                              | 190,345                               | 2,130,345                           |
| 1996 First Florida Governmental Financing Commission Loan          | 4,990,000                              | 2,222,693                             | 7,212,693                           |
| DRA Promissory Notes   | 192,845                                | 11,197                                | 204,042                             |
| Greenspace Acquisition Promissory Note                             | <u>145,800</u>                         | <u>-</u>                              | <u>145,800</u>                      |
| <b>Subtotal General Long-Term Debt</b>                             | <b><u>35,695,865</u></b>               | <b><u>25,822,234</u></b>              | <b><u>61,518,099</u></b>            |

**CITY OF GAINESVILLE, FLORIDA**  
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| <b>ENTERPRISE LONG-TERM DEBT</b>                | <b>Outstanding<br/>Principal</b> | <b>Interest<br/>to Maturity</b> | <b>Total<br/>Debt Service</b> |
|---|----------------------------------|---------------------------------|-------------------------------|
| 1983 Utilities System Revenue Bonds             | 18,860,000                       | 20,934,631                      | 39,794,631                    |
| 1987 Utilities System Revenue Bonds             | 3,495,000                        | 239,880                         | 3,734,880                     |
| 1992 Utilities System Commercial<br>Paper Notes | 62,165,000                       | (1)                             | (1)                           |
| 1992 Utilities System Revenue Bonds             | 71,190,000                       | 63,196,151                      | 134,386,151                   |
| 1993 Utilities System Revenue Bonds             | 178,290,000                      | 98,694,495                      | 276,984,495                   |
| 1996 Utilities System Revenue Bonds             | <u>143,215,000</u>               | <u>139,171,483</u>              | <u>282,386,483</u>            |
| <b>Subtotal Enterprise Long-Term Debt</b>       | <b><u>477,215,000</u></b>        | <b><u>(1)</u></b>               | <b><u>(1)</u></b>             |
| <b>TOTAL LONG-TERM DEBT</b>                     | <b><u>\$512,910,865</u></b>      | <b><u>(1)</u></b>               | <b><u>(1)</u></b>             |

(1) Not determinable. See description that follows.

**(C) General Long-Term Debt**

**\$15,892,220 Guaranteed Entitlement Revenue and Refunding Bonds, Series 1994** - 3.0-6.1%, final maturity 2024; payable solely from and secured by a lien upon and pledge of monies from the City's Guaranteed Entitlement Funds (Intergovernmental Revenues). Principal and interest are payable as follows:

*Current Interest Paying Bonds* - Principal and interest are payable February 1 and August 1 through August 1, 2006.

*Capital Appreciation Bonds* - Principal is payable August 1 and February 1 beginning August 1, 2018. Interest accrues to principal and is payable upon maturity or prior redemption.

**\$775,000 First Florida Governmental Financing Commission Loan, Series 1987C** - 4.75-7.0%, final maturity 1997; payable solely from non-ad valorem revenues. Principal is payable July 1; interest is payable July 1 and January 1.

**\$15,830,000 First Florida Governmental Financing Commission Loan, Series 1992** - 3.75-6.5%, final maturity 2012; payable solely from non-ad valorem revenues. Principal is payable July 1; interest is payable July 1 and January 1.

**\$2,955,000 First Florida Governmental Financing Commission Loan, Series 1994A** - 3.85-5.8%, final maturity 2010; payable solely from non-ad valorem revenues. Principal is payable July 1; interest is payable July 1 and January 1.

**\$4,990,000 First Florida Governmental Financing Commission Loan, Series 1996** - 3.75% - 5/4%, issued May 1, 1966, final maturity July, 2010; payable solely from non-ad valorem revenues. Principal payable annually on July 1 beginning 1997. Interest payable semi-annually beginning January 1, 1997.

**\$203,037 Promissory Note, of the Downtown Redevelopment Agency** - 7%, final maturity 1999; payable from and secured by a lien upon and pledge of certain Tax Increment Funds acquired pursuant to the provisions of Chapter 163, Florida Statutes. Interest and principal are payable annually on February 1.



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**\$450,000 Promissory Note of the Downtown Redevelopment Agency** - 8.25%, final maturity 1998; payable from future funds from Urban Development Action Grant loan payments. Interest and principal payable monthly.

**\$162,000 Promissory Note of the Greenspace Acquisition Fund** - non-interest bearing, dated October, 1995, maturing 2004; payable in annual installments of \$16,200 from previously unpledged and available non-ad valorem revenues.

**(D) Enterprise Long-Term Debt**

**\$186,000,000 Utilities System Revenue Bonds, Series 1983** - 6.0-10.25%, dated August 1, 1983, final maturity 2014; payable solely from and secured by an irrevocable lien of Gainesville Regional Utilities (Utility) net revenues. Interest is payable on April 1 and October 1. Principal is payable on October 1.

The bonds are subject to redemption at the option of the City at a redemption price of 102% to 100%.

**\$74,867,331 Utilities System Revenue Bonds, Series 1987** - 5.6-8.4%, final maturity 2017. The 1987 bonds maturing on or after October 1, 1998 (other than GAINS Securities) are subject to redemption at the option of the City on or after October 1, 1997, as a whole at any time or in part on interest payment dates, at a redemption price of 102% in 1997 and 101% to 100% thereafter. The 1987 bonds maturing on October 1, 2007 to October 1, 2017 are subject to redemption through mandatory sinking fund installments beginning on October 1, 2003 through October 1, 2017. The GAINS Securities are subject to redemption at the option of the City on or after October 1, 2000, as a whole at any time or in part on October 1, or April 1, at a redemption price of 102% in 2000 or 101% to 100% thereafter.

Under the terms of the Bond Resolution relating to the sale of the Bonds, payment of the principal and interest is secured by an irrevocable lien on the Utility's net revenues (exclusive of any funds which may be established pursuant to the Bond Resolution for decommissioning and certain other specified purposes), including the investments and income, if any, thereof.

The Bond Resolution contains certain restrictions and commitments, including the Utility's covenants to establish and maintain rates and other charges to produce revenues sufficient to pay operation and maintenance expenses, amounts budgeted for deposit into a Rate Stabilization Fund, amounts required for deposit in the Debt Service Funds, and amounts required for deposit into a Utility Plant Improvement Fund.

**\$134,920,000 Utilities System Revenue Bonds, Series 1992** - 6.0-7.5%, final maturity 2022.

The 1992A Bonds maturing on or after October 1, 2003 are subject to redemption at the option of the City on or after October 1, 2002, as a whole at any time or in part on any interest payment date, at a redemption price of 102% in 2002 and 101% to 100% thereafter.

The 1992B Bonds maturing on or after October 1, 2003 through October 1, 2007, inclusive are subject to redemption at the option of the City on or after October 1, 2002, as a whole at any time or in part on any interest payment date, at a redemption price of 102% in 2002 and 101% to 100% thereafter. The 1992B Bonds maturing October 1, 2017 are subject to redemption at the option of the City on or after October 1, 2002, as a whole at any time or in part on any interest payment date, at a redemption price of 100%.

**\$35,180,000 Utilities System Revenue Bonds Series 1993A** - 4.25-5.30%, dated March 1, 1993, final maturity October 1, 2006.

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**\$128,795,000 Utilities System Revenue Bonds Series 1993B** - 4.0-5.50%, dated March 1, 1993, final maturity October 1, 2013.

The 1993 Series A and B Bonds maturing on or after October 1, 2004 are subject to redemption at the option of the City on and after October 1, 2003 as a whole at any time or in part on any interest payment date, at the following redemption prices, plus accrued interest to the date of redemption:

| <b>Redemption Period<br/>(dated inclusive)</b> | <b>Redemption Price</b> |
|--|-------------------------|
| October 1, 2003 to September 30, 2004          | 102%                    |
| October 1, 2004 to September 30, 2005          | 101%                    |
| October 1, 2005 and thereafter                 | 100%                    |

**\$143,215,000 1996 Utilities System Revenue Bonds Series 1996A** - 3.75%-5.75%, final maturity October, 2026.

**\$51,575,000 Subordinated Utilities System Revenue Bonds, 1993 Series** - 3.75-5.25%, final maturity April 1, 1997. The 1993 Series Subordinated Bonds are not subject to redemption prior to maturity.

**\$65,000,000 Commercial Paper Notes, Series B and Series C** - In October, 1992, the City authorized Utilities System Commercial Paper Notes, Series C for the purpose of refinancing Series B Notes as they matured and financing and refinancing the cost of acquisition and construction of its combined utilities system. Liquidity support for the Series C Notes is provided under a Credit Agreement dated as of October 1, 1992, with Bank of America National Trust and Savings Association (Bank of America) and SunBank, National Association and Bank of America as agent. Each Bank's obligation is for \$31,500,000 and is general but not a joint obligation. The obligation of a bank may be substituted by another bank which meets certain credit standards and which is approved by GRU and the Agent. Under the terms of the agreement, GRU may borrow up to \$63,000,000 with same day availability.

Series C Notes of \$2,492,000 were redeemed during 1996. On September 23, 1996, the Gainesville City Commission authorized the increase in Series C Commercial Paper Notes from \$63,000,000 to \$85,000,000 for the purpose of financing a long-term gas supply contract, if needed. As of the date of this report, additional Series C Notes have not been issued.

**(E) Debt Service Requirements by Fiscal Year**

*Debt Service Funds* are used to retire the public improvement revenue and refunding bonds, the financing commission loans, and certain promissory notes. *The General, Special Revenue and Expendable Trust Funds* are also used to retire some general long-term debt.

Aggregate annual debt service requirements (excluding the Commercial Paper Notes) including maturities of principal and payments of current interest are as follows:

**CITY OF GAINESVILLE, FLORIDA**  
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| <u>Fiscal Year(s)</u>  | <u>General</u>             | <u>Enterprise(1)</u>        | <u>Total</u>                |
|------------------------|----------------------------|-----------------------------|-----------------------------|
| 1997                   | \$4,056,166                | \$30,763,602                | \$34,819,768                |
| 1998                   | 3,832,944                  | 30,763,796                  | 34,596,738                  |
| 1999                   | 4,075,436                  | 30,751,014                  | 34,826,450                  |
| 2000                   | 3,168,454                  | 30,309,616                  | 33,478,070                  |
| 2001                   | 2,859,674                  | 30,616,287                  | 33,475,963                  |
| 2002-2006              | 14,310,015                 | 149,048,669                 | 163,358,684                 |
| 2007-2011              | 13,733,085                 | 175,016,290                 | 188,749,375                 |
| 2012-2016              | 6,720,125                  | 143,526,430                 | 150,246,555                 |
| 2017-2021              | 5,477,200                  | 58,384,140                  | 63,861,340                  |
| 2022-2026              | <u>3,285,000</u>           | <u>25,307,309</u>           | <u>28,592,309</u>           |
|                        | <b>61,518,099</b>          | <b>704,487,153</b>          | <b>766,005,252</b>          |
| Less Interest          | <u>25,822,234</u>          | <u>309,537,153</u>          | <u>335,359,387</u>          |
| <b>Total Principal</b> | <b><u>\$35,695,865</u></b> | <b><u>\$394,950,000</u></b> | <b><u>\$430,645,865</u></b> |

(1) Excludes principal of \$62,165,000 and an indeterminable amount of interest related to that principal. See prior description of the Utility System Commercial Paper Notes. Also excluded are bonds payable from restricted assets and interest payable on those bonds.

**NOTE 5 - FIXED ASSETS**

A summary of the major classes of fixed assets by fund and account group follows. The federal government has a reversionary interest in certain property, plant and equipment purchased with federal grant monies.

**(A) Enterprise Funds**

Enterprise Funds' fixed assets are reported net of accumulated depreciation and amortization.

***Utility Funds***

|  |                    |
|--|--------------------|
| Electric production, transmission and distribution | \$477,012,164      |
| Electric plant held for future use                 | 6,029,531          |
| Natural gas distribution                           | 27,500,582         |
| Water treatment, transmission and distribution     | 94,812,981         |
| Wastewater treatment and collection                | 133,834,160        |
| GRUCom distribution and general plant              | 621,713            |
| Construction in progress                           | <u>28,778,593</u>  |
|  | <b>768,589,724</b> |
| <i>Accumulated Depreciation and Amortization</i>   | <u>250,188,787</u> |
| <i>Net Utility Assets</i>                          | <b>518,400,937</b> |

***Regional Transit System Fund***

|   |                   |
|---|-------------------|
| Land                                      | 210,500           |
| Buildings                                 | 1,445,504         |
| Improvements                              | 398,630           |
| Equipment                                 | 10,585,884        |
| Construction in progress                  | <u>192,805</u>    |
|   | <b>12,833,323</b> |
| <i>Accumulated Depreciation</i>           | <u>7,167,975</u>  |
| <i>Net Regional Transit System Assets</i> | <b>5,665,348</b>  |

**CITY OF GAINESVILLE, FLORIDA**  
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|  |                             |
|--|-----------------------------|
| <b><i>Stormwater Management Utility Fund</i></b> |                             |
| Land   | 125,867                     |
| Buildings  | 112,689                     |
| Equipment  | 1,131,933                   |
| Infrastructure                                   | 18,930,998                  |
| Construction in progress                         | <u>46,075</u>               |
|  | <b>20,347,562</b>           |
| <i>Accumulated Depreciation</i>                  | <u><b>13,753,435</b></u>    |
| <i>Net Stormwater Assets</i>                     | <b>6,594,127</b>            |
| <br>   |                             |
| <b><i>Ironwood Golf Course Fund</i></b>          |                             |
| Land   | 520,266                     |
| Buildings  | 193,719                     |
| Improvements                                     | 1,306,343                   |
| Equipment  | <u>123,241</u>              |
|  | <b>2,143,569</b>            |
| <i>Accumulated Depreciation</i>                  | <u><b>539,785</b></u>       |
| <i>Net Ironwood Golf Course Assets</i>           | <b>1,603,784</b>            |
| <br>   |                             |
| <b><i>Solid Waste Enterprise Fund</i></b>        |                             |
| Land   | 100,989                     |
| Improvements                                     | 11,535                      |
| Equipment  | <u>253,170</u>              |
|  | <b>365,694</b>              |
| <i>Accumulated Depreciation</i>                  | <u><b>207,108</b></u>       |
| <i>Net Solid Waste Assets</i>                    | <u><b>158,586</b></u>       |
| <br>   |                             |
| <b>Total Enterprise Fund Fixed Assets, Net</b>   | <u><b>\$532,422,782</b></u> |

**(B) Internal Service Funds**

Internal Service Funds' fixed assets are reported net of accumulated depreciation.

|  |                           |
|--|---------------------------|
| <b><i>General Insurance Fund</i></b>                       |                           |
| Equipment  | <b>\$46,441</b>           |
| <i>Accumulated Depreciation</i>                            | <u><b>19,506</b></u>      |
| <i>Net General Insurance Assets</i>                        | <b>\$26,935</b>           |
| <br>   |                           |
| <b><i>Employees Health &amp; Accident Benefit Fund</i></b> |                           |
| Equipment  | 29,654                    |
| <i>Accumulated Depreciation</i>                            | <u><b>15,036</b></u>      |
| <i>Net Employee Health &amp; Accident Benefit Assets</i>   | <b>14,618</b>             |
| <br>   |                           |
| <b><i>Fleet Management Fund</i></b>                        |                           |
| Equipment  | 9,492,067                 |
| Construction in Progress                                   | <u>40,518</u>             |
|  | <b>9,532,585</b>          |
| <i>Accumulated Depreciation</i>                            | <u><b>5,309,484</b></u>   |
| <i>Net Fleet Management Assets</i>                         | <u><b>4,223,101</b></u>   |
| <br>   |                           |
| <b>Total Internal Service Fund Fixed Assets, Net</b>       | <u><b>\$4,264,654</b></u> |

**CITY OF GAINESVILLE, FLORIDA**  
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**(C) General Fixed Assets**

|  | <u>Balance</u><br><u>10/01/95</u> | <u>Changes</u>            |                           | <u>Balance</u><br><u>09/30/96</u> |
|--|-----------------------------------|---------------------------|---------------------------|-----------------------------------|
|  |                                   | <u>Additions</u>          | <u>Deletions</u>          |                                   |
| Land                                   | \$12,043,079                      | \$223,065                 | \$135,997                 | \$12,130,147                      |
| Buildings                              | 17,280,367                        | 3,875,993                 | 128,470                   | 21,027,890                        |
| Improvements                           | 5,351,690                         | 55,853                    | -                         | 5,407,543                         |
| Equipment                              | 13,151,187                        | 2,607,079                 | 2,014,581                 | 13,743,685                        |
| Construction in Progress               | <u>1,059,484</u>                  | <u>779,782</u>            | <u>915,926</u>            | <u>923,340</u>                    |
|  | <b>48,885,807</b>                 | <b>7,541,772</b>          | <b>3,194,974</b>          | <b>53,232,605</b>                 |
| <i>Accumulated Depreciation</i>        | <u>17,555,941</u>                 | <u>2,184,469</u>          | <u>997,106</u>            | <u>18,743,304</u>                 |
| <b>Total General Fixed Assets, Net</b> | <b><u>\$31,329,866</u></b>        | <b><u>\$5,357,303</u></b> | <b><u>\$2,197,868</u></b> | <b><u>\$34,489,301</u></b>        |

**NOTE 6 - INDIVIDUAL FUND BALANCE DEFICITS**

The following funds had deficit fund balances/retained earnings at September 30, 1996:

**Special Revenue Funds**

*Neighborhood Housing Development Corporation Fund* <69,228>

**Capital Projects Funds**

*Airport Industrial Park Shell Building Fund* <30,602>

**Enterprise Funds**

*Regional Transit System Fund* <789,974>  
*Stormwater Management Fund* <4,055,669>  
*Ironwood Golf Course Fund* <532,186>

**Internal Service Funds**

*General Insurance Fund* <4,048,993>

The deficit in Neighborhood Housing Development Corporation (NHDC) will be recovered in future years either from deductions in payments to the entity or through direct grant drawdowns.

The Airport Industrial Park Shell Building Fund balance will be improved during fiscal 1997 by debt proceeds from a short-term borrowing. After construction, the City plans to sell the building.

The City Commission is considering various alternatives to address the Regional Transit System deficit.

The Stormwater Management Fund deficit is primarily attributable to the fact that stormwater revenues are not established to cover the depreciation expense of the infrastructure in place.

Ironwood Golf Course was in significant need of renovation when it was acquired in 1992. Repairs and enhancements continue, and management anticipates that revenue will increase in the future.

The General Insurance Fund deficit is the result of recognizing an actuarial liability for claims expense.

**CITY OF GAINESVILLE, FLORIDA**  
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**NOTE 7 - INTERFUND BALANCES**

The City has numerous interfund transactions during the year [See Note 1(L)]. All such interfund transactions (with the exception of Utility transactions) are settled through allocations of equity in the City's cash and investment pool. The remaining interfund balances at September 30, 1996, are as follows:

| <u>Fund</u>  | <u>Due From<br/>Other Funds</u> | <u>Due To<br/>Other Funds</u> |
|--|---------------------------------|-------------------------------|
| <b>General Fund</b>  | \$2,742,098                     | \$48,055                      |
| <b>Special Revenue Funds</b>   |                                 |                               |
| <i>Community Development Block Grant Fund</i>                        | -                               | 35,002                        |
| <i>Home Grant Fund</i>   | -                               | 459,194                       |
| <i>Neighborhood Housing Development<br/>        Corporation Fund</i> | -                               | 69,161                        |
| <i>Miscellaneous Gifts and Grants Fund</i>                           | 77,248                          | -                             |
| <b>Capital Project Funds</b>   |                                 |                               |
| <i>General Capital Projects Fund</i>                                 | -                               | 41,353                        |
| <i>Building Utilization Fund</i>                                     | -                               | 71,159                        |
| <i>Greenspace/Recreation Acquisition Fund</i>                        | -                               | 49,874                        |
| <i>Roadway Construction Fund</i>                                     | -                               | 2,737                         |
| <i>Public Improvement Construction Fund</i>                          | -                               | 225,938                       |
| <i>Airport Industrial Park Shell Building</i>                        | -                               | 50,000                        |
| <b>Enterprise Funds</b>  |                                 |                               |
| <i>Electric Fund</i>   | 2,121,354                       | -                             |
| <i>Gas Fund</i>  | -                               | 594,565                       |
| <i>Water Fund</i>  | -                               | 466,396                       |
| <i>Wastewater Fund</i>   | -                               | 1,966,615                     |
| <i>GRUCom Fund</i>   | -                               | 1,867,433                     |
| <i>Regional Transit System Fund</i>                                  | -                               | 74                            |
| <i>Stormwater Management Utility Fund</i>                            | 243,182                         | 14,094                        |
| <i>Solid Waste Fund</i>  | 343,474                         | 9,515                         |
| <b>Internal Service Funds</b>  |                                 |                               |
| <i>General Insurance Fund</i>  | 294,640                         | -                             |
| <i>Employees Health and Accident<br/>        Benefits Fund</i>       | -                               | 4,974                         |
| <i>Fleet Management Fund</i>   | 142,093                         | -                             |
| <b>Fiduciary Funds</b>   |                                 |                               |
| <i>Employees Pension Fund</i>  | -                               | 1,777                         |
| <i>Defined Contribution Pension Fund</i>                             | -                               | 4,454                         |
| <i>Theodore R. Crom Endowment Fund</i>                               | -                               | 44                            |
| <i>Evergreen Cemetery Trust Fund</i>                                 | -                               | 13,001                        |
| <i>Thomas Center Fund</i>  | 3,976                           | -                             |
| <i>Thomas Center Gardens Fund</i>                                    | -                               | 3,932                         |
| <i>Art in Public Places Trust Fund</i>                               | 35,353                          | 1,845                         |
| <i>Deferred Compensation Fund</i>                                    | -                               | 2,226                         |
|  | <u>\$6,003,418</u>              | <u>\$6,003,418</u>            |

**CITY OF GAINESVILLE, FLORIDA**  
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**NOTE 8 -EQUITY RESERVES**

In the accompanying financial statements, use of the term "reserved" is limited to indicating that a portion of reported equity is legally restricted to a specific future use, or not available for appropriation or expenditure. Such reserves are clearly distinguished from designations, since designations represent management's tentative future spending plans and such plans are subject to change and may never be legally authorized or result in actual expenditures.

A brief description and balances of reported reserved equity balances at September 30 follows:

| <u>Fund Type</u>              | <u>RESERVE FOR</u>  |                    |                                   |                         |                             | <u>Other Legal<br/>Restrictions for<br/>a Specific<br/>Future Use</u> |
|-------------------------------|---------------------|--------------------|-----------------------------------|-------------------------|-----------------------------|---|
|                               | <u>Encumbrances</u> | <u>Inventories</u> | <u>Noncurrent<br/>Receivables</u> | <u>Debt<br/>Service</u> | <u>Retirement<br/>Plans</u> |   |
| <i>General Fund</i>           | \$431,049           | \$325,189          | \$439,618                         | -                       | -                           | \$4,008,675   |
| <i>Special Revenue Funds</i>  | 484,838             | -                  | -                                 | -                       | -                           | 139,898   |
| <i>Debt Service Funds</i>     | -                   | -                  | -                                 | 2,316,961               | -                           | -   |
| <i>Capital Projects Funds</i> | 1,179,933           | -                  | -                                 | -                       | -                           | -   |
| <i>Enterprise Funds</i>       | -                   | -                  | -                                 | 37,567,767              | -                           | -   |
| <i>Internal Service Funds</i> | -                   | -                  | -                                 | -                       | -                           | 604,302   |
| <i>Fiduciary Funds</i>        | 5,500               | -                  | -                                 | -                       | 135,680,197                 | 53,039  |
| <b>Total Reserves</b>         | <b>\$2,101,320</b>  | <b>\$325,189</b>   | <b>\$439,618</b>                  | <b>\$39,884,728</b>     | <b>\$135,680,197</b>        | <b>\$4,805,914</b>  |

**NOTE 9- ENTERPRISE FUND (UTILITIES SYSTEM) OPERATING TRANSFERS TO  
GENERAL FUND**

In 1986, the City Commission established a formula to determine the amount of Utility System revenues to be transferred to the General Fund of the City from the Enterprise (Utilities System) Funds. The transfer to the General Fund may be made only to the extent such monies are not necessary to pay debt service on the outstanding bonds and subordinated debt or to make other necessary transfers under the Resolution. The transfer to the General Fund for the year ended September 30, 1996 was \$19,243,942.

**NOTE 10- POST-RETIREMENT BENEFITS**

In addition to providing pension benefits, the City provides certain health care insurance benefits for retired employees. The City also permits retirees to participate in the life insurance program. Most permanent full and part-time employees who are eligible for normal, early retirement, or disability are eligible for these benefits. Individual benefits are the same for all employees, but the cost to the City may vary. Contributions by the City to fund these benefits are neither mandated nor guaranteed. Funds are appropriated annually to fund the actuarially determined costs of the health insurance program and to cover the costs of other programs. The City recognizes the cost of these benefits on a monthly basis by contributing a percentage of active payroll costs. The cost of providing these benefits for the 660 retirees for the fiscal year 1996 was \$1,746,871.

**CITY OF GAINESVILLE, FLORIDA**  
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**NOTE 11 - COMMITMENTS AND CONTINGENCIES**

At September 30, 1996, the City had contractual commitments for various construction projects totalling approximately \$2.8 million.

The Utilities System Enterprise Funds (operating as Gainesville Regional Utilities, or GRU) has been named as a potentially responsible party at two hazardous waste sites under the Comprehensive Environmental Response Compensation and Liability Act. In addition, the System assumed responsibility for the investigation and remediation of environmental impact related to the operation of a former manufactured gas plant which was purchased in 1990. Based upon GRU's analysis of these and other identified environmental contingencies, GRU has accrued a liability of \$5,075,000. Because GRU anticipates recovering the costs of environmental cleanup through future customer rates, a related asset of equal amount has been reflected as a deferred charge in the accompanying balance sheet. GRU management believes that the current provision for such costs is adequate and additional costs, if any, will not have a material adverse effect on the City's financial position.

The City is involved in several pending lawsuits in the normal course of operations. There are also certain pending unasserted claims and assessments relating to environmental cleanup issues. It is the opinion of management and the City Attorney (in-house counsel) that any uninsured claims resulting from such litigation would not be material in relation to the City's financial condition or results of operations.

**NOTE 12 - CONTRIBUTED CAPITAL**

During the year, contributed capital changes by the following amounts:

|  | <u>Enterprise<br/>Funds</u> | <u>Internal<br/>Service Funds</u> |
|--|-----------------------------|-----------------------------------|
| Contributed Capital, October 1             | \$106,396,247               | \$3,475,534                       |
| Current Year Contributions                 | 9,588,051                   | 813,536                           |
| Depreciation of Contributed Capital Assets | <u>&lt;3,771,093&gt;</u>    | -                                 |
| Contributed Capital, September 30          | <u>\$112,213,205</u>        | <u>\$4,289,070</u>                |

**NOTE 13 - SEGMENT INFORMATION - ENTERPRISE FUNDS**

The City maintains the following enterprise funds which account for the operations of utility, transit (bus), golf, stormwater management and solid waste services: *Electric Fund, Gas Fund, Water Fund, Wastewater Fund, GRUCom Fund, Regional Transit System Fund (RTS), Stormwater Management Utility Fund (SMUF), Golf Course Fund, and Solid Waste Fund.* Segment information for the year ended September 30, 1996, is shown below.

|                               | <u>Sub Total</u>          | <u>Electric</u>           | <u>Gas</u>             | <u>Water</u>             | <u>Wastewater</u>        | <u>GRUCom</u> |
|-------------------------------|---------------------------|---------------------------|------------------------|--------------------------|--------------------------|---------------|
| Operating Revenues            | \$170,760,177             | \$130,518,417             | \$15,303,913           | \$10,244,446             | \$13,839,048             | \$854,353     |
| Deprec./Amortization          | 22,688,981                | 16,371,857                | 953,131                | 2,225,656                | 3,128,559                | 9,778         |
| Operating Income(Loss)        | 47,759,856                | 37,781,919                | 3,387,114              | 2,307,495                | 3,503,784                | 779,544       |
| Operating Transfers Out       | <u>&lt;19,243,942&gt;</u> | <u>&lt;13,763,301&gt;</u> | <u>&lt;891,000&gt;</u> | <u>&lt;1,844,618&gt;</u> | <u>&lt;2,745,023&gt;</u> | -             |
| Net Income(Loss)              | 13,873,868                | 14,066,740                | 1,415,147              | <1,107,866>              | <1,280,988>              | 780,835       |
| Current Capital Contributions | 7,897,353                 | -                         | -                      | 3,379,236                | 4,399,262                | 118,915       |
| Property, Plant & Equipment   |                           |                           |                        |                          |                          |               |
| Additions                     | 57,032,400                | 42,186,882                | 1,705,303              | 3,876,770                | 7,230,072                | 2,033,373     |
| Deletions                     | <u>&lt;5,380,101&gt;</u>  | <u>&lt;3,371,608&gt;</u>  | <u>&lt;121,757&gt;</u> | <u>&lt;520,717&gt;</u>   | <u>&lt;1,366,019&gt;</u> | -             |
| Working Capital               | 43,971,341                | 40,721,727                | 614,911                | 1,146,936                | 2,514,733                | <1,026,966>   |
| Total Assets                  | 820,725,334               | 530,705,570               | 37,475,221             | 101,601,113              | 147,895,489              | 3,047,941     |
| Long-Term Debt                | 471,775,722               | 311,369,119               | 27,656,518             | 55,479,762               | 77,270,323               | -             |
| Total Fund Equity             | 302,781,684               | 191,474,567               | 1,990,291              | 43,298,574               | 65,118,502               | 899,750       |



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|                               | <u>Sub Total</u>             | <u>RTS</u>                   | <u>SMUF</u>                | <u>Ironwood<br/>Golf<br/>Course</u> | <u>Solid<br/>Waste</u>     |
|-------------------------------|------------------------------|------------------------------|----------------------------|-------------------------------------|----------------------------|
| Operating Revenues            | \$11,169,474                 | \$2,375,981                  | \$3,290,437                | \$730,647                           | \$4,772,409                |
| Operating Grants              | 1,513,842                    | 1,272,910                    | -                          | -                                   | 240,932                    |
| Deprec./Amortization          | <del>2,338,421</del>         | <del>1,150,211</del>         | <del>1,806,843</del>       | <del>135,934</del>                  | <del>45,433</del>          |
| Operating Income(Loss)        | <del>&lt;3,908,651&gt;</del> | <del>&lt;3,572,948&gt;</del> | <del>&lt;473,173&gt;</del> | <del>&lt;309,248&gt;</del>          | 446,718                    |
| Operating Transfers:          |                              |                              |                            |                                     |                            |
| In                            | 504,395                      | -                            | -                          | 304,395                             | 200,000                    |
| Out                           | <del>&lt;1,024,598&gt;</del> | -                            | <del>&lt;203,263&gt;</del> | <del>&lt;221,335&gt;</del>          | <del>&lt;600,000&gt;</del> |
| Net Income(Loss)              | <del>&lt;1,562,666&gt;</del> | <del>&lt;957,648&gt;</del>   | <del>&lt;638,349&gt;</del> | <del>&lt;286,015&gt;</del>          | 291,326                    |
| Current Capital Contributions | 1,690,698                    | 1,323,513                    | 224,581                    | 142,604                             | -                          |
| Property, Plant & Equipment   |                              |                              |                            |                                     |                            |
| Additions                     | 2,431,213                    | 1,323,513                    | 951,617                    | 142,605                             | 13,478                     |
| Deletions                     | <del>&lt;1,131,850&gt;</del> | <del>&lt;38,771&gt;</del>    | <del>&lt;882,605&gt;</del> | <del>&lt;1,848&gt;</del>            | <del>&lt;208,626&gt;</del> |
| Working Capital               | <del>4,991,875</del>         | <del>1,165,730</del>         | <del>2,725,671</del>       | <del>9,477</del>                    | <del>1,890,997</del>       |
| Total Assets                  | 19,859,384                   | 6,976,838                    | 9,394,284                  | 1,696,909                           | 1,791,353                  |
| Total Fund Equity             | 19,013,720                   | 6,831,078                    | 9,319,798                  | 1,613,261                           | 1,249,583                  |

**NOTE 14 - PRIOR PERIOD ADJUSTMENTS TO FUND EQUITY**

Several prior period adjustments to beginning fund equity were made during the fiscal year. The following schedule reconciles fund equity as reported at September 30, 1995 to beginning fund equity as reported in these financial statements.

**Special Revenue Funds**

|   |                           |
|---|---------------------------|
| <b>Fund Balance - October 1, as originally reported</b> | \$1,556,550               |
| <i>Miscellaneous Gifts and Grants Fund -</i>            |                           |
| Restatement of prior year SHIP revenues                 | <u>147,599</u>            |
| <b>Fund Balance - October 1, restated</b>               | <b><u>\$1,704,149</u></b> |

**Capital Projects Funds**

|  |                           |
|--|---------------------------|
| <b>Fund Balance - October 1, as originally reported</b>                    | \$9,325,565               |
| <i>General Capital Projects Fund -</i>                                     |                           |
| Restatement of prior year Florida Department of<br>Commerce grant revenues | <u>&lt;314,083&gt;</u>    |
| <b>Fund Balance - October 1, restated</b>                                  | <b><u>\$9,011,482</u></b> |

**Enterprise Funds**

|  |                             |
|--|-----------------------------|
| <b>Retained Earnings - October 1, as originally reported</b> | \$193,816,740               |
| <i>Solid Waste Enterprise Fund -</i>                         |                             |
| Restatement of Prior Year Revenue and<br>Expense             | <u>&lt;376,816&gt;</u>      |
| <b>Retained Earnings - October 1, restated</b>               | <b><u>\$193,439,924</u></b> |

**Internal Service Funds**

|  |                                 |
|--|---------------------------------|
| <b>Retained Earnings - October 1, as originally reported</b> | <\$330,417>                     |
| <i>General Insurance Fund -</i>                              |                                 |
| Restatement of prior year actuarial liability                | <u>188,751</u>                  |
| <b>Retained Earnings - October 1, restated</b>               | <b><u>&lt;\$141,666&gt;</u></b> |

**CITY OF GAINESVILLE, FLORIDA**  
**Notes to Financial Statements**  
**September 30, 1996**

**Expendable Trust Fund**

|  |                         |
|--|-------------------------|
| <b>Fund Balance - October 1, as originally reported</b>  | \$741,292               |
| <i>Downtown Redevelopment Tax Increment Fund -</i><br>Recognition of previous year borrowing from the<br><i>General Fund</i> | <u>&lt;127,610&gt;</u>  |
| <b>Fund Balance - October 1, restated</b>  | <b><u>\$613,682</u></b> |

Additionally, during 1996, the City elected to report accumulated depreciation in the General Fixed Assets Account Group. The beginning balance reported in the Account Group has been restated to reflect this change in accounting principle.

# General Fund

- To account for resources, traditionally associated with governments, which are not to be accounted for in another fund

**CITY OF GAINESVILLE, FLORIDA**

**BALANCE SHEET**

**GENERAL FUND**

**SEPTEMBER 30, 1996**

**ASSETS**

|                                       |               |
|---------------------------------------|---------------|
| Equity in Pooled Cash and Investments | \$ 3,577,929  |
| Receivables                           | 1,628,094     |
| Due from Other Funds                  | 2,742,098     |
| Inventories                           | 325,189       |
| Advances to Other Funds               | <u>98,869</u> |

**TOTAL ASSETS** \$ 8,372,179

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

|  |                |
|--|----------------|
| Accounts Payable and Accrued Liabilities | \$ 624,912     |
| Due to Other Funds                       | 48,055         |
| Deferred Revenue                         | <u>128,925</u> |

**TOTAL LIABILITIES** 801,892

**FUND BALANCES**

**Reserved For:**

|                        |                  |
|------------------------|------------------|
| Encumbrances           | 431,049          |
| Inventories            | 325,189          |
| Noncurrent Receivables | 439,618          |
| Legal Restrictions     | <u>4,008,675</u> |
| <b>Total Reserved</b>  | <b>5,204,531</b> |

**Unreserved:**

|                           |                |
|---------------------------|----------------|
| Designated for Future Use | 2,260,235      |
| Undesignated              | <u>105,521</u> |

**TOTAL FUND BALANCES** 7,570,287

**TOTAL LIABILITIES AND FUND BALANCES** \$ 8,372,179

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ACTUAL</u>       | <u>ENCUMBRANCES</u> | <u>BUDGETARY BASIS</u> | <u>BUDGET</u>         | <u>VARIANCE-FAVORABLE (UNFAVORABLE)</u> |
|--|---------------------|---------------------|------------------------|-----------------------|---|
| <b>REVENUES</b>  |                     |                     |                        |                       |   |
| Taxes  | \$ 19,373,067       | \$ -                | \$ 19,373,067          | \$ 18,590,200         | \$ 782,867                              |
| Licenses and Permits   | 880,755             | -                   | 880,755                | 934,732               | (53,977)                                |
| Intergovernmental  | 6,533,950           | -                   | 6,533,950              | 6,553,601             | (19,651)                                |
| Charges for Services   | 4,231,738           | -                   | 4,231,738              | 5,402,895             | (1,171,157)                             |
| Fines and Forfeitures  | 1,296,521           | -                   | 1,296,521              | 1,127,228             | 169,293                                 |
| Miscellaneous  | 423,223             | -                   | 423,223                | 391,569               | 31,654                                  |
| <b>TOTAL REVENUES</b>  | <b>32,739,254</b>   | <b>-</b>            | <b>32,739,254</b>      | <b>33,000,225</b>     | <b>(260,971)</b>                        |
| <b>EXPENDITURES</b>  |                     |                     |                        |                       |   |
| Current:   |                     |                     |                        |                       |   |
| General Government   | 11,853,453          | 303,541             | 12,156,994             | 13,409,158            | 1,252,164                               |
| Public Safety  | 27,232,997          | 44,754              | 27,277,751             | 27,445,442            | 167,691                                 |
| Physical Environment   | 1,867,361           | -                   | 1,867,361              | 2,001,700             | 134,339                                 |
| Transportation   | 2,841,481           | 9,636               | 2,851,117              | 3,091,043             | 239,926                                 |
| Economic Environment   | 45,606              | -                   | 45,606                 | 48,895                | 3,289                                   |
| Culture and Recreation   | 3,485,909           | 73,118              | 3,559,027              | 3,791,144             | 232,117                                 |
| <b>TOTAL EXPENDITURES</b>  | <b>47,326,807</b>   | <b>431,049</b>      | <b>47,757,856</b>      | <b>49,787,382</b>     | <b>2,029,526</b>                        |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>                                  | <b>(14,587,553)</b> | <b>(431,049)</b>    | <b>(15,018,602)</b>    | <b>(16,787,157)</b>   | <b>1,768,555</b>                        |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                     |                     |                        |                       |   |
| Operating Transfers In   | 20,046,008          | -                   | 20,046,008             | 20,135,423            | (89,415)                                |
| Operating Transfers Out  | (4,715,346)         | -                   | (4,715,346)            | (4,807,490)           | 92,144                                  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>  | <b>15,330,662</b>   | <b>-</b>            | <b>15,330,662</b>      | <b>15,327,933</b>     | <b>2,729</b>                            |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b> | <b>\$ 743,109</b>   | <b>\$ (431,049)</b> | <b>\$ 312,060</b>      | <b>\$ (1,459,224)</b> | <b>\$ 1,771,284</b>                     |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|                                      | <u>ACTUAL</u>        | <u>ENCUMBRANCES</u> | <u>BUDGETARY BASIS</u> | <u>BUDGET</u>        | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|--------------------------------------|----------------------|---------------------|------------------------|----------------------|--|
| <b><u>GENERAL GOVERNMENT</u></b>     |                      |                     |                        |                      |  |
| City Commission                      | \$ 132,975           | \$ -                | \$ 132,975             | \$ 142,794           | \$ 9,819                                 |
| Clerk of the Commission              | 374,868              | -                   | 374,868                | 462,523              | 87,655                                   |
| City Manager                         | 477,660              | 2,104               | 479,764                | 471,257              | (8,507)                                  |
| City Auditor                         | 285,687              | -                   | 285,687                | 289,872              | 4,185                                    |
| City Attorney                        | 812,825              | -                   | 812,825                | 915,321              | 102,496                                  |
| Computer Services                    | 888,435              | 141,718             | 1,030,153              | 1,075,725            | 45,572                                   |
| Finance                              | 1,277,060            | 21,535              | 1,298,595              | 1,303,936            | 5,341                                    |
| Equal Opportunity                    | 117,769              | -                   | 117,769                | 195,278              | 77,509                                   |
| Community Development                | 880,305              | -                   | 880,305                | 1,045,501            | 165,196                                  |
| Public Works                         | 1,961,842            | 83,005              | 2,044,847              | 2,363,591            | 318,744                                  |
| Human Resources                      | 781,291              | 17,969              | 799,260                | 973,869              | 174,609                                  |
| Management and Budget                | 418,251              | 2,210               | 420,461                | 437,160              | 16,699                                   |
| Nondepartmental                      | 3,444,485            | 35,000              | 3,479,485              | 3,732,331            | 252,846                                  |
| <b>TOTAL GENERAL GOVERNMENT</b>      | <b>11,853,453</b>    | <b>303,541</b>      | <b>12,156,994</b>      | <b>13,409,158</b>    | <b>1,252,164</b>                         |
| <b><u>PUBLIC SAFETY</u></b>          |                      |                     |                        |                      |  |
| Police Department                    | 17,315,659           | 25,479              | 17,341,138             | 17,317,682           | (23,456)                                 |
| Fire Department                      | 8,002,098            | 19,275              | 8,021,373              | 8,066,417            | 45,044                                   |
| Community Development                | 1,023,865            | -                   | 1,023,865              | 1,058,603            | 34,738                                   |
| Nondepartmental                      | 891,375              | -                   | 891,375                | 1,002,740            | 111,365                                  |
| <b>TOTAL PUBLIC SAFETY</b>           | <b>27,232,997</b>    | <b>44,754</b>       | <b>27,277,751</b>      | <b>27,445,442</b>    | <b>167,691</b>                           |
| <b><u>PHYSICAL ENVIRONMENT</u></b>   |                      |                     |                        |                      |  |
| Recreation and Parks                 | 223,383              | -                   | 223,383                | 243,233              | 19,850                                   |
| Nondepartmental                      | 1,643,978            | -                   | 1,643,978              | 1,758,467            | 114,489                                  |
| <b>TOTAL PHYSICAL ENVIRONMENT</b>    | <b>1,867,361</b>     | <b>-</b>            | <b>1,867,361</b>       | <b>2,001,700</b>     | <b>134,339</b>                           |
| <b><u>TRANSPORTATION</u></b>         |                      |                     |                        |                      |  |
| City Engineering                     | 1,121,722            | -                   | 1,121,722              | 1,160,910            | 39,188                                   |
| Police Department                    | 180,736              | -                   | 180,736                | 177,066              | (3,670)                                  |
| Traffic Engineering                  | 1,297,351            | 9,636               | 1,306,987              | 1,296,992            | (9,995)                                  |
| Nondepartmental                      | 241,672              | -                   | 241,672                | 456,075              | 214,403                                  |
| <b>TOTAL TRANSPORTATION</b>          | <b>2,841,481</b>     | <b>9,636</b>        | <b>2,851,117</b>       | <b>3,091,043</b>     | <b>239,926</b>                           |
| <b><u>ECONOMIC ENVIRONMENT</u></b>   |                      |                     |                        |                      |  |
| Community Development                | 45,606               | -                   | 45,606                 | 48,895               | 3,289                                    |
| <b><u>CULTURE AND RECREATION</u></b> |                      |                     |                        |                      |  |
| Recreation and Parks                 | 2,495,106            | 5,992               | 2,501,098              | 2,562,213            | 61,115                                   |
| Culture and Nature Services          | 738,175              | 2,126               | 740,301                | 881,069              | 140,768                                  |
| Nondepartmental                      | 252,628              | 65,000              | 317,628                | 347,862              | 30,234                                   |
| <b>TOTAL CULTURE AND RECREATION</b>  | <b>3,485,909</b>     | <b>73,118</b>       | <b>3,559,027</b>       | <b>3,791,144</b>     | <b>232,117</b>                           |
| <b>TOTAL EXPENDITURES</b>            | <b>\$ 47,326,807</b> | <b>\$ 431,049</b>   | <b>\$ 47,757,856</b>   | <b>\$ 49,787,382</b> | <b>\$ 2,029,526</b>                      |

## SPECIAL REVENUE FUNDS

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are restricted to expenditures for specific purposes.

The City maintains the following Special Revenue Funds:

**Community Development Block Grant Fund** - to maintain unique accounting requirements for Federal funds being used to refurbish and rehabilitate deteriorated neighborhoods.

**Urban Development Action Grant Fund** - to account for Urban Development Action Grant Funds loaned to a local developer for construction of a downtown parking garage. The loan is to be repaid based on provisions of an agreement.

**Home Grant Fund** - to maintain unique accounting requirements for HOME Investment Partnerships Program Grant funds. This program was created under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990.

**Neighborhood Housing Development Corporation Fund** - to account for the City's funding of the Neighborhood Housing Development Corporation.

**Miscellaneous Gifts and Grants Fund** - to account for several miscellaneous gifts and grants, most of which are of small dollar value in nature, or which are single purpose in nature and require minimal special accounting features.

**Cultural and Nature Projects Fund** - to account for revenues and expenditures associated with various cultural activities provided for the benefit of the citizens of the City. Financing is provided by various charges for services and miscellaneous revenue sources.

**Law Enforcement Contraband Forfeiture Fund** - to account for law enforcement related projects funded by the proceeds from confiscated property forfeited under the provisions of Sections 932.701 through 932.704, Florida Statutes.

**Downtown Redevelopment Agency Fund** - to account for the operations of the Downtown Redevelopment Agency, (a blended component unit) which was created for the purpose of carrying out community redevelopment activities, as authorized by Chapter 163, Florida Statutes.

**Community Redevelopment Agency Fund** - to account for the operation of the Community Redevelopment Agency (a blended component unit). This agency is primarily funded by tax increment revenues which were created for the purpose of carrying out community redevelopment activities (as authorized by Chapter 163, Florida Statutes).

**Street, Sidewalk and Ditch Improvement Fund** - to account for the provision and financing of paving and ditch improvement projects. Financing is provided by assessments levied against property owners in a limited geographical area as improvement projects are approved.

**Economic Development Fund** - to account for occupational license tax revenue and expenditures made to promote economic development.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 1996**

|   | <b>COMMUNITY<br/>DEVELOP-<br/>MENT<br/>BLOCK<br/>GRANT<br/>FUND</b> | <b>URBAN<br/>DEVELOP-<br/>MENT<br/>ACTION<br/>GRANT<br/>FUND</b> | <b>HOME<br/>GRANT<br/>FUND</b> | <b>NEIGHBOR-<br/>HOOD<br/>HOUSING<br/>DEVELOPMENT<br/>CORPORATION<br/>FUND</b> | <b>MISCEL-<br/>LANEOUS<br/>GIFTS AND<br/>GRANTS<br/>FUND</b> |
|---|---|--|--------------------------------|--|--|
| <b><u>ASSETS</u></b>                            |   |  |                                |  |  |
| Cash and Cash Equivalents                       | \$ 50   | \$ -   | \$ -                           | \$ 560   | \$ -   |
| Equity in Pooled Cash and Investments           | -   | 1,657  | -                              | -  | 572,908  |
| Receivables                                     | 1,157,668   | 2,241,483  | 626,131                        | -  | 778,490  |
| Due from Other Funds                            | -   | -  | -                              | -  | 77,248   |
| Assets Held for Evidence                        | -   | -  | -                              | -  | -  |
| <b>TOTAL ASSETS</b>                             | <b>\$ 1,157,718</b>   | <b>\$ 2,243,140</b>  | <b>\$ 626,131</b>              | <b>\$ 560</b>  | <b>\$ 1,428,646</b>  |
| <br><b><u>LIABILITIES AND FUND BALANCES</u></b> |   |  |                                |  |  |
| <b><u>LIABILITIES</u></b>                       |   |  |                                |  |  |
| Accounts Payable and Accrued Liabilities        | \$ 57,023   | \$ -   | \$ 75,601                      | \$ 627   | \$ 39,739  |
| Due to Other Funds                              | 35,002  | -  | 459,194                        | 69,161   | -  |
| Deferred Revenue                                | 950,512   | 2,241,483  | 91,336                         | -  | 375,770  |
| <b>TOTAL LIABILITIES</b>                        | <b>1,042,537</b>  | <b>2,241,483</b>   | <b>626,131</b>                 | <b>69,788</b>  | <b>415,509</b>   |
| <br><b><u>FUND BALANCES</u></b>                 |   |  |                                |  |  |
| Reserved for Encumbrances                       | 287,671   | -  | 19,712                         | 53,246   | 99,863   |
| Reserved for Legal Restrictions                 | -   | -  | -                              | -  | -  |
| Unreserved:                                     |   |  |                                |  |  |
| Designated for Future Use                       | -   | -  | -                              | -  | 913,274  |
| Undesignated                                    | (172,490)   | 1,657  | (19,712)                       | (122,474)  | -  |
| <b>TOTAL FUND BALANCES</b>                      | <b>115,181</b>  | <b>1,657</b>   | <b>-</b>                       | <b>(69,228)</b>  | <b>1,013,137</b>   |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>      | <b>\$ 1,157,718</b>   | <b>\$ 2,243,140</b>  | <b>\$ 626,131</b>              | <b>\$ 560</b>  | <b>\$ 1,428,646</b>  |



| CULTURAL<br>AND<br>NATURE<br>PROJECTS<br>FUND | LAW<br>ENFORCE-<br>MENT<br>CONTRABAND<br>FORFEITURE<br>FUND | DOWNTOWN<br>REDEVELOP-<br>MENT<br>AGENCY<br>FUND | COMMUNITY<br>REDEVELOP-<br>MENT<br>AGENCY<br>FUND | STREET,<br>SIDEWALK<br>AND DITCH<br>IMPROVEMENT<br>FUND | ECONOMIC<br>DEVELOPMENT<br>FUND | TOTALS              |
|---|---|--|---|---|---------------------------------|---------------------|
| \$ -  | \$ -  | \$ -   | \$ -  | \$ -  | \$ -                            | \$ 610              |
| 190,259                                       | 334,601   | -  | 51,251  | 111,902   | 935,704                         | 2,198,282           |
| 345   | 97,883  | -  | -   | 26,077  | 129                             | 4,928,206           |
| -   | -   | -  | -   | -   | -                               | 77,248              |
| -   | 66,520  | -  | -   | -   | -                               | 66,520              |
| <b>\$ 190,604</b>                             | <b>\$ 499,004</b>   | <b>\$ -</b>                                      | <b>\$ 51,251</b>                                  | <b>\$ 137,979</b>                                       | <b>\$ 935,833</b>               | <b>\$ 7,270,866</b> |

|               |               |          |              |               |                |                  |
|---------------|---------------|----------|--------------|---------------|----------------|------------------|
| \$ 43,486     | \$ 17,983     | \$ -     | \$ 3,168     | \$ -          | \$ 1,345       | \$ 238,972       |
| -             | -             | -        | -            | -             | -              | 563,357          |
| -             | 66,520        | -        | -            | 33,325        | 372,524        | 4,131,470        |
| <b>43,486</b> | <b>84,503</b> | <b>-</b> | <b>3,168</b> | <b>33,325</b> | <b>373,869</b> | <b>4,933,799</b> |

|                |                |          |               |                |                |                  |
|----------------|----------------|----------|---------------|----------------|----------------|------------------|
| 9,270          | -              | -        | 14,200        | -              | 876            | 484,838          |
| 1,000          | 138,898        | -        | -             | -              | -              | 139,898          |
| 136,848        | 275,603        | -        | -             | -              | -              | 1,325,725        |
| -              | -              | -        | 33,883        | 104,654        | 561,088        | 386,606          |
| <b>147,118</b> | <b>414,501</b> | <b>-</b> | <b>48,083</b> | <b>104,654</b> | <b>561,964</b> | <b>2,337,067</b> |

|                   |                   |             |                  |                   |                   |                     |
|-------------------|-------------------|-------------|------------------|-------------------|-------------------|---------------------|
| <b>\$ 190,604</b> | <b>\$ 499,004</b> | <b>\$ -</b> | <b>\$ 51,251</b> | <b>\$ 137,979</b> | <b>\$ 935,833</b> | <b>\$ 7,270,866</b> |
|-------------------|-------------------|-------------|------------------|-------------------|-------------------|---------------------|

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | COMMUNITY<br>DEVELOP-<br>MENT<br>BLOCK<br>GRANT<br>FUND | URBAN<br>DEVELOP-<br>MENT<br>ACTION<br>GRANT<br>FUND | HOME<br>GRANT<br>FUND | NEIGHBOR-<br>HOOD<br>HOUSING<br>DEVELOP-<br>MENT<br>CORPORATION<br>FUND | MISCEL-<br>LANEOUS<br>GIFTS AND<br>GRANTS<br>FUND |
|--|---|--|-----------------------|---|---|
| <b>REVENUES</b>  |   |  |                       |   |   |
| Intergovernmental  | \$ 1,516,605  | \$ -   | \$ 745,686            | \$ 591,909  | \$ 1,250,179                                      |
| Charges for Services   | 108,827   | -  | -                     | 45,949  | 617,297   |
| Fines and Forfeitures  | -   | -  | -                     | -   | 41,646  |
| Miscellaneous  | 3,115   | 173,945  | 25,892                | 23,407  | 158,329   |
| <b>TOTAL REVENUES</b>  | <b>1,628,547</b>  | <b>173,945</b>                                       | <b>771,578</b>        | <b>661,265</b>  | <b>2,067,451</b>                                  |
| <b>EXPENDITURES</b>  |   |  |                       |   |   |
| Current:   |   |  |                       |   |   |
| General Government   | -   | -  | -                     | -   | 250,978   |
| Public Safety  | -   | -  | -                     | -   | 497,335   |
| Physical Environment   | -   | -  | -                     | -   | 26,341  |
| Transportation   | -   | -  | -                     | -   | 148,477   |
| Economic Environment   | 1,653,533   | -  | 746,592               | 908,484   | 597,072   |
| Human Services   | -   | -  | -                     | -   | 162,052   |
| Culture and Recreation   | -   | -  | -                     | -   | 338,060   |
| Debt Service:  |   |  |                       |   |   |
| Principal  | -   | -  | -                     | -   | 15,186  |
| Interest and Fiscal Charges  | -   | -  | -                     | -   | 446   |
| <b>TOTAL EXPENDITURES</b>  | <b>1,653,533</b>  | <b>-</b>   | <b>746,592</b>        | <b>908,484</b>  | <b>2,035,947</b>                                  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                                      | <b>(24,986)</b>   | <b>173,945</b>                                       | <b>24,986</b>         | <b>(247,219)</b>  | <b>31,504</b>                                     |
| <b>OTHER FINANCING SOURCES (USES)</b>  |   |  |                       |   |   |
| Operating Transfers In   | 24,986  | -  | -                     | -   | 160,496   |
| Operating Transfers Out  | -   | (173,751)  | (24,986)              | -   | -   |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>  | <b>24,986</b>   | <b>(173,751)</b>                                     | <b>(24,986)</b>       | <b>-</b>  | <b>160,496</b>                                    |
| <b>EXCESS OF REVENUES AND OTHER SOURCES<br/>OVER (UNDER) EXPENDITURES AND<br/>OTHER USES</b> | <b>-</b>  | <b>194</b>   | <b>-</b>              | <b>(247,219)</b>  | <b>192,000</b>                                    |
| <b>FUND BALANCES, October 1 - Restated</b>   | <b>115,181</b>  | <b>1,463</b>   | <b>-</b>              | <b>177,991</b>  | <b>821,137</b>                                    |
| <b>FUND BALANCES, September 30</b>   | <b>\$ 115,181</b>                                       | <b>\$ 1,657</b>                                      | <b>\$ -</b>           | <b>\$ (69,228)</b>  | <b>\$ 1,013,137</b>                               |

| CULTURAL<br>AND<br>NATURE<br>PROJECTS<br>FUND | LAW<br>ENFORCE-<br>MENT<br>CONTRABAND<br>FORFEITURE<br>FUND | DOWNTOWN<br>REDEVELOP-<br>MENT<br>AGENCY<br>FUND | COMMUNITY<br>REDEVELOP-<br>MENT<br>AGENCY<br>FUND | STREET,<br>SIDEWALK<br>AND DITCH<br>IMPROVEMENT<br>FUND | ECONOMIC<br>DEVELOPMENT<br>FUND | TOTALS              |
|---|---|--|---|---|---------------------------------|---------------------|
| \$ -  | \$ -  | \$ -   | \$ -  | \$ -  | \$ 725,332                      | \$ 4,829,711        |
| 243,642                                       | -   | -  | -   | -   | -                               | 1,015,715           |
| -   | 241,285   | -  | -   | -   | -                               | 282,931             |
| 8,483   | 44,214  | -  | 4,249   | 8,138   | 32,992                          | 482,764             |
| <u>252,125</u>                                | <u>285,499</u>  | <u>-</u>   | <u>4,249</u>                                      | <u>8,138</u>  | <u>758,324</u>                  | <u>6,611,121</u>    |
| -   | -   | -  | -   | -   | -                               | 250,978             |
| -   | 218,338   | -  | -   | -   | -                               | 715,673             |
| -   | -   | -  | -   | -   | -                               | 26,341              |
| -   | -   | -  | -   | -   | -                               | 148,477             |
| -   | -   | -  | 64,692  | -   | 251,384                         | 4,221,757           |
| -   | -   | -  | -   | -   | -                               | 162,052             |
| 207,725                                       | -   | -  | -   | -   | -                               | 545,785             |
| -   | -   | -  | -   | -   | -                               | 15,186              |
| -   | -   | -  | -   | -   | -                               | 446                 |
| <u>207,725</u>                                | <u>218,338</u>  | <u>-</u>   | <u>64,692</u>                                     | <u>-</u>  | <u>251,384</u>                  | <u>6,086,695</u>    |
| <u>44,400</u>                                 | <u>67,161</u>   | <u>-</u>   | <u>(60,443)</u>                                   | <u>8,138</u>  | <u>506,940</u>                  | <u>524,426</u>      |
| -   | -   | 16,316   | 108,526   | -   | 500,000                         | 810,324             |
| (21,408)                                      | (36,711)  | -  | -   | -   | (444,976)                       | (701,832)           |
| <u>(21,408)</u>                               | <u>(36,711)</u>   | <u>16,316</u>                                    | <u>108,526</u>                                    | <u>-</u>  | <u>55,024</u>                   | <u>108,492</u>      |
| 22,992  | 30,450  | 16,316   | 48,083  | 8,138   | 561,964                         | 632,918             |
| <u>124,126</u>                                | <u>384,051</u>  | <u>(16,316)</u>                                  | <u>-</u>  | <u>96,516</u>   | <u>-</u>                        | <u>1,704,149</u>    |
| <u>\$ 147,118</u>                             | <u>\$ 414,501</u>   | <u>\$ -</u>                                      | <u>\$ 48,083</u>                                  | <u>\$ 104,654</u>                                       | <u>\$ 561,964</u>               | <u>\$ 2,337,067</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>    | <u>ENCUMBRANCES</u> | <u>BUDGETARY</u><br><u>BASIS</u> | <u>BUDGET</u>    | <u>VARIANCE-</u><br><u>FAVORABLE</u><br><u>(UNFAVORABLE)</u> |
|---|------------------|---------------------|----------------------------------|------------------|--|
| <b><u>REVENUES</u></b>  |                  |                     |                                  |                  |  |
| Intergovernmental   | \$ 1,516,605     | \$ -                | \$ 1,516,605                     | \$ 2,638,953     | \$ (1,122,348)   |
| Charges for Services  | 108,827          | -                   | 108,827                          | 39,488           | 69,339   |
| Miscellaneous   | 3,115            | -                   | 3,115                            | 4,283            | (1,168)  |
| <b>TOTAL REVENUES</b>   | <b>1,628,547</b> | <b>-</b>            | <b>1,628,547</b>                 | <b>2,682,724</b> | <b>(1,054,177)</b>   |
| <b><u>EXPENDITURES</u></b>  |                  |                     |                                  |                  |  |
| Economic Environment  | <u>1,653,533</u> | <u>287,671</u>      | <u>1,941,204</u>                 | <u>2,705,427</u> | <u>764,223</u>   |
| <b>EXCESS OF REVENUES UNDER</b><br><b>EXPENDITURES</b>                                    | <b>(24,986)</b>  | <b>(287,671)</b>    | <b>(312,657)</b>                 | <b>(22,703)</b>  | <b>(289,954)</b>   |
| <b><u>OTHER FINANCING SOURCES</u></b>   |                  |                     |                                  |                  |  |
| Operating Transfers In  | <u>24,986</u>    | <u>-</u>            | <u>24,986</u>                    | <u>22,703</u>    | <u>2,283</u>   |
| <b>EXCESS OF REVENUES AND OTHER</b><br><b>SOURCES OVER (UNDER)</b><br><b>EXPENDITURES</b> | <b>\$ -</b>      | <b>\$ (287,671)</b> | <b>\$ (287,671)</b>              | <b>\$ -</b>      | <b>\$ (287,671)</b>  |

CITY OF GAINESVILLE, FLORIDA  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL  
URBAN DEVELOPMENT ACTION GRANT FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996

|  | <u>ACTUAL</u>  | <u>ENCUMBRANCES</u> | <u>BUDGETARY<br/>BASIS</u> | <u>BUDGET</u>  | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|----------------|---------------------|----------------------------|----------------|--|
| <b><u>REVENUES</u></b>   |                |                     |                            |                |  |
| Miscellaneous:   |                |                     |                            |                |  |
| Principal Payments   | \$ 100,704     | \$ -                | \$ 100,704                 | \$ 100,016     | \$ 688   |
| Interest   | 73,241         | -                   | 73,241                     | 73,929         | (688)  |
| <b>TOTAL REVENUES</b>  | <b>173,945</b> | <b>-</b>            | <b>173,945</b>             | <b>173,945</b> | <b>-</b>   |
| <b><u>EXPENDITURES</u></b>   |                |                     |                            |                |  |
|  | -              | -                   | -                          | -              | -  |
| <b>EXCESS OF REVENUES OVER<br/>EXPENDITURES</b>                    | <b>173,945</b> | <b>-</b>            | <b>173,945</b>             | <b>173,945</b> | <b>-</b>   |
| <b><u>OTHER FINANCING USES</u></b>                                 |                |                     |                            |                |  |
| Operating Transfers Out  | (173,751)      | -                   | (173,751)                  | (173,751)      | -  |
| <b>EXCESS OF REVENUES OVER<br/>EXPENDITURES AND<br/>OTHER USES</b> | <b>\$ 194</b>  | <b>\$ -</b>         | <b>\$ 194</b>              | <b>\$ 194</b>  | <b>\$ -</b>                                      |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**HOME GRANT FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ACTUAL</u>  | <u>ENCUMBRANCES</u> | <u>BUDGETARY BASIS</u> | <u>BUDGET</u>    | <u>VARIANCE-FAVORABLE (UNFAVORABLE)</u> |
|--|----------------|---------------------|------------------------|------------------|---|
| <b>REVENUES</b>  |                |                     |                        |                  |   |
| Intergovernmental  | \$ 745,686     | \$ -                | \$ 745,686             | \$ 1,205,326     | \$ (459,640)                            |
| Charges for Services   | -              | -                   | -                      | 34,750           | (34,750)                                |
| Miscellaneous  | 25,892         | -                   | 25,892                 | 14,759           | 11,133                                  |
| <b>TOTAL REVENUES</b>  | <b>771,578</b> | <b>-</b>            | <b>771,578</b>         | <b>1,254,835</b> | <b>(483,257)</b>                        |
| <b>EXPENDITURES</b>  |                |                     |                        |                  |   |
| Economic Environment   | 746,592        | 19,712              | 766,304                | 1,232,132        | 465,828                                 |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>                | <b>24,986</b>  | <b>(19,712)</b>     | <b>5,274</b>           | <b>22,703</b>    | <b>(17,429)</b>                         |
| <b>OTHER FINANCING USES</b>  |                |                     |                        |                  |   |
| Operating Transfers Out  | (24,986)       | -                   | (24,986)               | (22,703)         | (2,283)                                 |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</b> | <b>\$ -</b>    | <b>\$ (19,712)</b>  | <b>\$ (19,712)</b>     | <b>\$ -</b>      | <b>\$ (19,712)</b>                      |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**NEIGHBORHOOD HOUSING DEVELOPMENT CORPORATION FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ACTUAL</u>    | <u>ENCUMBRANCES</u> | <u>BUDGETARY BASIS</u> | <u>BUDGET</u>    | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|--|------------------|---------------------|------------------------|------------------|--|
| <b><u>REVENUES</u></b>                       |                  |                     |                        |                  |  |
| Intergovernmental                            | \$ 591,909       | \$ -                | \$ 591,909             | \$ 828,966       | \$ (237,057)                             |
| Charges for Services                         | 45,949           | -                   | 45,949                 | 45,000           | 949                                      |
| Miscellaneous:                               |                  |                     |                        |                  |  |
| Principal Payments                           | 15,956           | -                   | 15,956                 | -                | 15,956                                   |
| Interest                                     | 7,451            | -                   | 7,451                  | 20,000           | (12,549)                                 |
| Total Miscellaneous                          | 23,407           | -                   | 23,407                 | 20,000           | 3,407                                    |
| <b>TOTAL REVENUES</b>                        | <b>661,265</b>   | <b>-</b>            | <b>661,265</b>         | <b>893,966</b>   | <b>(232,701)</b>                         |
| <br>   |                  |                     |                        |                  |  |
| <b><u>EXPENDITURES</u></b>                   |                  |                     |                        |                  |  |
| Economic Environment                         | 908,484          | 53,246              | 961,730                | 1,111,688        | 149,958                                  |
| <br>   |                  |                     |                        |                  |  |
| <b>EXCESS OF REVENUES UNDER EXPENDITURES</b> | <b>(247,219)</b> | <b>(53,246)</b>     | <b>(300,465)</b>       | <b>(217,722)</b> | <b>(82,743)</b>                          |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**MISCELLANEOUS GIFTS AND GRANTS FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>     | <u>ENCUMBRANCES</u> | <u>BUDGETARY BASIS</u> | <u>BUDGET</u>    | <u>VARIANCE- FAVORABLE (UNFAVORABLE)</u> |
|---|-------------------|---------------------|------------------------|------------------|--|
| <b>REVENUES</b>   |                   |                     |                        |                  |  |
| Intergovernmental   | \$ 1,250,179      | \$ -                | \$ 1,250,179           | \$ 1,250,179     | \$ -                                     |
| Charges for Services  | 617,297           | -                   | 617,297                | 617,297          | -  |
| Fines and Forfeitures   | 41,646            | -                   | 41,646                 | 41,646           | -  |
| Miscellaneous:  |                   |                     |                        |                  |  |
| Contributions and Donations   | 154,283           | -                   | 154,283                | 154,283          | -  |
| Interest  | 4,046             | -                   | 4,046                  | 4,046            | -  |
| Total Miscellaneous   | 158,329           | -                   | 158,329                | 158,329          | -  |
| <b>TOTAL REVENUES</b>   | <b>2,067,451</b>  | <b>-</b>            | <b>2,067,451</b>       | <b>2,067,451</b> | <b>-</b>                                 |
| <b>EXPENDITURES</b>   |                   |                     |                        |                  |  |
| General Government:   |                   |                     |                        |                  |  |
| Other Projects  | 250,978           | -                   | 250,978                | 250,978          | -  |
| Public Safety:  |                   |                     |                        |                  |  |
| Law Enforcement Education   | 18,869            | -                   | 18,869                 | 18,869           | -  |
| Other Projects  | 478,466           | 13,172              | 491,638                | 491,638          | -  |
| Total Public Safety   | 497,335           | 13,172              | 510,507                | 510,507          | -  |
| Physical Environment:   |                   |                     |                        |                  |  |
| Other Projects  | 26,341            | 16,156              | 42,497                 | 42,497           | -  |
| Transportation:   |                   |                     |                        |                  |  |
| Streets Special Projects  | 133,724           | -                   | 133,724                | 133,724          | -  |
| Other Projects  | 14,753            | -                   | 14,753                 | 14,753           | -  |
| Total Transportation  | 148,477           | -                   | 148,477                | 148,477          | -  |
| Economic Environment:   |                   |                     |                        |                  |  |
| Other Economic Environment  | 597,072           | 61,535              | 658,607                | 658,607          | -  |
| Human Services:   |                   |                     |                        |                  |  |
| Summer Nutrition  | 162,052           | -                   | 162,052                | 162,052          | -  |
| Culture and Recreation:   |                   |                     |                        |                  |  |
| Highway Beautification  | 106,927           | -                   | 106,927                | 106,927          | -  |
| Other Projects  | 231,133           | 9,000               | 240,133                | 240,133          | -  |
| Total Culture and Recreation  | 338,060           | 9,000               | 347,060                | 347,060          | -  |
| Debt Service:   |                   |                     |                        |                  |  |
| Principal   | 15,186            | -                   | 15,186                 | 15,186           | -  |
| Interest and Fiscal Charges   | 446               | -                   | 446                    | 446              | -  |
| Total Debt Service  | 15,632            | -                   | 15,632                 | 15,632           | -  |
| <b>TOTAL EXPENDITURES</b>   | <b>2,035,947</b>  | <b>99,863</b>       | <b>2,135,810</b>       | <b>2,135,810</b> | <b>-</b>                                 |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>                   | <b>31,504</b>     | <b>(99,863)</b>     | <b>(68,359)</b>        | <b>(68,359)</b>  | <b>-</b>                                 |
| <b>OTHER FINANCING SOURCES</b>  |                   |                     |                        |                  |  |
| Operating Transfers In  | 160,496           | -                   | 160,496                | 160,496          | -  |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES</b> | <b>\$ 192,000</b> | <b>\$ (99,863)</b>  | <b>\$ 92,137</b>       | <b>\$ 92,137</b> | <b>\$ -</b>                              |



**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**CULTURAL AND NATURE PROJECTS FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ACTUAL</u>    | <u>ENCUMBRANCES</u> | <u>BUDGETARY<br/>BASIS</u> | <u>BUDGET</u>   | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|------------------|---------------------|----------------------------|-----------------|--|
| <b><u>REVENUES</u></b>   |                  |                     |                            |                 |  |
| Charges for Services:  |                  |                     |                            |                 |  |
| Rents and Fees   | \$ 243,642       | \$ -                | \$ 243,642                 | \$ 293,931      | \$ (50,289)                                      |
| Miscellaneous:   |                  |                     |                            |                 |  |
| Interest   | 8,483            | -                   | 8,483                      | 5,000           | 3,483  |
| <b>TOTAL REVENUES</b>  | <b>252,125</b>   | <b>-</b>            | <b>252,125</b>             | <b>298,931</b>  | <b>(46,806)</b>                                  |
| <br>   |                  |                     |                            |                 |  |
| <b><u>EXPENDITURES</u></b>   |                  |                     |                            |                 |  |
| Culture and Recreation:  |                  |                     |                            |                 |  |
| Visual Arts and Interpretive<br>Program                                    | 27,913           | -                   | 27,913                     | 28,000          | 87   |
| Morningside Nature Center:   |                  |                     |                            |                 |  |
| Special Projects   | 20,570           | -                   | 20,570                     | 23,000          | 2,430  |
| Summer Program   | 17,932           | -                   | 17,932                     | 31,000          | 13,068   |
| Other Projects   | 141,310          | 9,270               | 150,580                    | 194,523         | 43,943   |
| <b>TOTAL EXPENDITURES</b>  | <b>207,725</b>   | <b>9,270</b>        | <b>216,995</b>             | <b>276,523</b>  | <b>59,528</b>                                    |
| <br>   |                  |                     |                            |                 |  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                    | <b>44,400</b>    | <b>(9,270)</b>      | <b>35,130</b>              | <b>22,408</b>   | <b>12,722</b>                                    |
| <br>   |                  |                     |                            |                 |  |
| <b><u>OTHER FINANCING USES</u></b>   |                  |                     |                            |                 |  |
| Operating Transfers Out  | (21,408)         | -                   | (21,408)                   | (21,408)        | -  |
| <br>   |                  |                     |                            |                 |  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES AND<br/>OTHER USES</b> | <b>\$ 22,992</b> | <b>\$ (9,270)</b>   | <b>\$ 13,722</b>           | <b>\$ 1,000</b> | <b>\$ 12,722</b>                                 |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**LAW ENFORCEMENT CONTRABAND FORFEITURE FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ACTUAL</u>    | <u>ENCUMBRANCES</u> | <u>BUDGETARY<br/>BASIS</u> | <u>BUDGET</u>       | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|------------------|---------------------|----------------------------|---------------------|--|
| <b><u>REVENUES</u></b>   |                  |                     |                            |                     |  |
| Fines and Forfeitures:   |                  |                     |                            |                     |  |
| Confiscated Property   | \$ 241,285       | \$ -                | \$ 241,285                 | \$ 180,000          | \$ 61,285  |
| Miscellaneous:   |                  |                     |                            |                     |  |
| Interest   | 41,365           | -                   | 41,365                     | 6,000               | 35,365   |
| Other Miscellaneous  | 2,849            | -                   | 2,849                      | -                   | 2,849  |
| Total Miscellaneous  | 44,214           | -                   | 44,214                     | 6,000               | 38,214   |
| <b>TOTAL REVENUES</b>  | <b>285,499</b>   | <b>-</b>            | <b>285,499</b>             | <b>186,000</b>      | <b>99,499</b>                                    |
| <b><u>EXPENDITURES</u></b>   |                  |                     |                            |                     |  |
| Public Safety:   |                  |                     |                            |                     |  |
| Support Services   | 218,338          | -                   | 218,338                    | 348,752             | 130,414  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                | <b>\$ 67,161</b> | <b>\$ -</b>         | <b>\$ 67,161</b>           | <b>\$ (162,752)</b> | <b>\$ 229,913</b>                                |
| <b><u>OTHER FINANCING USES</u></b>                                     |                  |                     |                            |                     |  |
| Operating Transfers Out  | (36,711)         | -                   | (36,711)                   | (36,711)            | -  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES<br/>OTHER USES</b> | <b>\$ 30,450</b> | <b>\$ -</b>         | <b>\$ 30,450</b>           | <b>\$ (199,463)</b> | <b>\$ 229,913</b>                                |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**DOWNTOWN REDEVELOPMENT AGENCY FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>    | <u>ENCUMBRANCES</u> | <u>BUDGETARY<br/>BASIS</u> | <u>BUDGET</u>    | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|------------------|---------------------|----------------------------|------------------|--|
| <b><u>REVENUES</u></b>  | \$ -             | \$ -                | \$ -                       | \$ -             | \$ -   |
| <b><u>EXPENDITURES</u></b>  | -                | -                   | -                          | -                | -  |
| <b>EXCESS OF REVENUES OVER<br/>EXPENDITURES</b>                       | -                | -                   | -                          | -                | -  |
| <b><u>OTHER FINANCING SOURCES</u></b>                                 |                  |                     |                            |                  |  |
| Operating Transfers In  | <u>16,316</u>    | <u>-</u>            | <u>16,316</u>              | <u>16,316</u>    | <u>-</u>   |
| <b>EXCESS OF REVENUES AND<br/>OTHER SOURCES OVER<br/>EXPENDITURES</b> | <u>\$ 16,316</u> | <u>\$ -</u>         | <u>\$ 16,316</u>           | <u>\$ 16,316</u> | <u>\$ -</u>                                      |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**COMMUNITY REDEVELOPMENT AGENCY FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>           | <u>ENCUMBRANCES</u>       | <u>BUDGETARY<br/>BASIS</u> | <u>BUDGET</u>      | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|-------------------------|---------------------------|----------------------------|--------------------|--|
| <b><u>REVENUES</u></b>  |                         |                           |                            |                    |  |
| Miscellaneous   | \$ 4,249                | \$ -                      | \$ 4,249                   | \$ -               | \$ 4,249   |
| <b><u>EXPENDITURES</u></b>  |                         |                           |                            |                    |  |
| Economic Environment  | <u>64,692</u>           | <u>14,200</u>             | <u>78,892</u>              | <u>195,953</u>     | <u>117,061</u>                                   |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                       | <b>(60,443)</b>         | <b>(14,200)</b>           | <b>(74,643)</b>            | <b>(195,953)</b>   | <b>121,310</b>                                   |
| <b><u>OTHER FINANCING SOURCES</u></b>   |                         |                           |                            |                    |  |
| Operating Transfers In  | <u>108,526</u>          | <u>-</u>                  | <u>108,526</u>             | <u>195,953</u>     | <u>(87,427)</u>                                  |
| <b>EXCESS OF REVENUES AND<br/>OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES</b> | <b><u>\$ 48,083</u></b> | <b><u>\$ (14,200)</u></b> | <b><u>\$ 33,883</u></b>    | <b><u>\$ -</u></b> | <b><u>\$ 33,883</u></b>                          |

CITY OF GAINESVILLE, FLORIDA  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL  
STREET, SIDEWALK AND DITCH IMPROVEMENT FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996

|   | <u>ACTUAL</u>   | <u>ENCUMBRANCES</u> | <u>BUDGETARY</u><br><u>BASIS</u> | <u>BUDGET</u>   | <u>VARIANCE-</u><br><u>FAVORABLE</u><br><u>(UNFAVORABLE)</u> |
|---|-----------------|---------------------|----------------------------------|-----------------|--|
| <b><u>REVENUES</u></b>                          |                 |                     |                                  |                 |  |
| Miscellaneous:                                  |                 |                     |                                  |                 |  |
| Interest  | \$ 8,138        | \$ -                | \$ 8,138                         | \$ 4,500        | \$ 3,638   |
| <br>  |                 |                     |                                  |                 |  |
| <b><u>EXPENDITURES</u></b>                      |                 |                     |                                  |                 |  |
|   | -               | -                   | -                                | -               | -  |
| <br>  |                 |                     |                                  |                 |  |
| <b>EXCESS OF REVENUES<br/>OVER EXPENDITURES</b> | <b>\$ 8,138</b> | <b>\$ -</b>         | <b>\$ 8,138</b>                  | <b>\$ 4,500</b> | <b>\$ 3,638</b>  |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**ECONOMIC DEVELOPMENT FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ACTUAL</u>     | <u>ENCUMBRANCES</u> | <u>BUDGETARY BASIS</u> | <u>BUDGET</u>     | <u>VARIANCE-FAVORABLE (UNFAVORABLE)</u> |
|--|-------------------|---------------------|------------------------|-------------------|---|
| <b>REVENUES</b>  |                   |                     |                        |                   |   |
| Intergovernmental  | \$ 725,332        | \$ -                | \$ 725,332             | \$ 726,062        | \$ (730)                                |
| Miscellaneous  | 32,992            | -                   | 32,992                 | 12,500            | 20,492                                  |
| <b>TOTAL REVENUES</b>  | <b>758,324</b>    | <b>-</b>            | <b>758,324</b>         | <b>738,562</b>    | <b>19,762</b>                           |
| <b>EXPENDITURES</b>  |                   |                     |                        |                   |   |
| Economic Environment   | 251,384           | 876                 | 252,260                | 281,086           | 28,826                                  |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>                                  | <b>506,940</b>    | <b>(876)</b>        | <b>506,064</b>         | <b>457,476</b>    | <b>48,588</b>                           |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                   |                     |                        |                   |   |
| Operating Transfers In   | 500,000           | -                   | 500,000                | 500,000           | -                                       |
| Operating Transfers Out  | (444,976)         | -                   | (444,976)              | (444,976)         | -                                       |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>  | <b>55,024</b>     | <b>-</b>            | <b>55,024</b>          | <b>55,024</b>     | <b>-</b>                                |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b> | <b>\$ 561,964</b> | <b>\$ (876)</b>     | <b>\$ 561,088</b>      | <b>\$ 512,500</b> | <b>\$ 48,588</b>                        |

## DEBT SERVICE FUNDS

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The City maintains the following Debt Service Funds:

**First Florida Governmental Financing Commission (FFGFC) Fund - Series 1987** - to account for funds to maintain a reserve and accumulate the debt service requirements of the 1987 borrowing from the First Florida Governmental Financing Commission.

**First Florida Governmental Financing Commission (FFGFC) Fund - Series 1992** - to account for funds to maintain a reserve and accumulate the debt service requirements of the 1992 borrowing from the First Florida Governmental Financing Commission.

**First Florida Governmental Financing Commission (FFGFC) Fund - Series 1994** - to account for funds to maintain a reserve and accumulate the debt service requirements of the 1994 borrowing from the First Florida Governmental Financing Commission.

**First Florida Governmental Financing Commission (FFGFC) Fund - Series 1996** - to account for funds to maintain a reserve and accumulate the debt service requirements of the 1996 borrowing from the First Florida Governmental Financing Commission.

**Guaranteed Entitlement Revenue and Refunding Bonds 1994 Fund** - to receive and account for funds (Guaranteed Entitlement Funds) to maintain a reserve and accumulate the debt service requirements of the Guaranteed Entitlement Refunding and Revenue Bonds of 1994.

**Sun Bank Promissory Note Fund** - to account for revenues and expenditures to repay a promissory note. The Fund's source of revenue is operating transfers from other funds of the City.

**Downtown Redevelopment Agency Promissory Note Fund** - to account for revenues and expenditures to repay a promissory note of the Downtown Redevelopment Agency. The Fund's source of revenue is money received in repayment of loaned Urban Development Action Grant funds.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**DEBT SERVICE FUNDS**  
**SEPTEMBER 30, 1996**

|  | FFGFC FUNDS       |                     |                   |                   |
|--|-------------------|---------------------|-------------------|-------------------|
|  | SERIES<br>1987    | SERIES<br>1992      | SERIES<br>1994    | SERIES<br>1996    |
| <b>ASSETS</b>                            |                   |                     |                   |                   |
| Cash and Cash Equivalents                | \$ 78,443         | \$ 158,737          | \$ -              | \$ 44,717         |
| Equity in Pooled Cash<br>and Investments | 21,642            | 35,666              | 46,019            | 75,044            |
| Investments                              | -                 | 1,371,793           | 311,434           | 462,344           |
| <b>TOTAL ASSETS</b>                      | <b>\$ 100,085</b> | <b>\$ 1,566,196</b> | <b>\$ 357,453</b> | <b>\$ 582,105</b> |

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

|   |        |        |      |          |
|---|--------|--------|------|----------|
| Accounts Payable and<br>Accrued Liabilities | \$ 305 | \$ 305 | \$ - | \$ 9,681 |
|---|--------|--------|------|----------|

**FUND BALANCES**

|  |                   |                     |                   |                   |
|--|-------------------|---------------------|-------------------|-------------------|
| Reserved for Debt Service                      | 77,500            | 1,445,457           | 295,004           | 499,000           |
| Unreserved:<br>Designated For Future Use       | 22,280            | 120,434             | 62,449            | 73,424            |
| <b>TOTAL FUND BALANCES</b>                     | <b>99,780</b>     | <b>1,565,891</b>    | <b>357,453</b>    | <b>572,424</b>    |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCES</b> | <b>\$ 100,085</b> | <b>\$ 1,566,196</b> | <b>\$ 357,453</b> | <b>\$ 582,105</b> |



| GUARANTEED<br>ENTITLEMENT<br>REVENUE AND<br>REFUNDING<br>BONDS 1994 | SUN<br>BANK<br>PROMISSORY<br>NOTE | DOWNTOWN<br>REDEVELOPMENT<br>AGENCY<br>PROMISSORY<br>NOTE | TOTALS              |
|---|-----------------------------------|---|---------------------|
| \$ 173,385  | \$ -                              | \$ -  | \$ 455,282          |
| 201,976   | -                                 | 4,813   | 385,160             |
| -   | -                                 | -   | 2,145,571           |
| <u>\$ 375,361</u>   | <u>\$ -</u>                       | <u>\$ 4,813</u>   | <u>\$ 2,986,013</u> |

\$ - \$ - \$ - \$ 10,291

|                   |             |                 |                     |
|-------------------|-------------|-----------------|---------------------|
| -                 | -           | -               | 2,316,961           |
| <u>375,361</u>    | <u>-</u>    | <u>4,813</u>    | <u>658,761</u>      |
| <u>375,361</u>    | <u>-</u>    | <u>4,813</u>    | <u>2,975,722</u>    |
| <u>\$ 375,361</u> | <u>\$ -</u> | <u>\$ 4,813</u> | <u>\$ 2,986,013</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**DEBT SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | FFGFC FUNDS      |                     |                   |                   |
|--|------------------|---------------------|-------------------|-------------------|
|  | SERIES<br>1987   | SERIES<br>1992      | SERIES<br>1994    | SERIES<br>1996    |
| <b>REVENUES</b>  |                  |                     |                   |                   |
| Intergovernmental  | \$ -             | \$ -                | \$ -              | \$ -              |
| Miscellaneous  | 6,219            | 92,393              | 33,445            | 83,356            |
| <b>TOTAL REVENUES</b>  | <b>6,219</b>     | <b>92,393</b>       | <b>33,445</b>     | <b>83,356</b>     |
| <b>EXPENDITURES</b>  |                  |                     |                   |                   |
| Debt Service:  |                  |                     |                   |                   |
| Principal  | 95,000           | 690,000             | 505,000           | -                 |
| Interest and Fiscal Charges  | 16,149           | 863,925             | 107,204           | 81,801            |
| <b>TOTAL EXPENDITURES</b>  | <b>111,149</b>   | <b>1,553,925</b>    | <b>612,204</b>    | <b>81,801</b>     |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                                      | <b>(104,930)</b> | <b>(1,461,532)</b>  | <b>(578,759)</b>  | <b>1,555</b>      |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                  |                     |                   |                   |
| Debt Proceeds  | -                | -                   | -                 | 4,999,805         |
| Operating Transfers In   | 108,460          | 1,399,646           | 611,765           | -                 |
| Operating Transfers Out  | -                | -                   | -                 | (4,428,936)       |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>  | <b>108,460</b>   | <b>1,399,646</b>    | <b>611,765</b>    | <b>570,869</b>    |
| <b>EXCESS OF REVENUES AND OTHER<br/>SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>3,530</b>     | <b>(61,886)</b>     | <b>33,006</b>     | <b>572,424</b>    |
| <b>FUND BALANCES, October 1</b>  | <b>96,250</b>    | <b>1,627,777</b>    | <b>324,447</b>    | <b>-</b>          |
| <b>FUND BALANCES, September 30</b>   | <b>\$ 99,780</b> | <b>\$ 1,565,891</b> | <b>\$ 357,453</b> | <b>\$ 572,424</b> |

| <b>GUARANTEED<br/>ENTITLEMENT<br/>REVENUE AND<br/>REFUNDING<br/>BONDS 1994</b> | <b>SUN<br/>BANK<br/>PROMISSORY<br/>NOTE</b> | <b>DOWNTOWN<br/>REDEVELOPMENT<br/>AGENCY<br/>PROMISSORY<br/>NOTE</b> | <b>TOTALS</b>       |
|--|---|--|---------------------|
| \$ 898,723   | \$ -  | \$ -   | \$ 898,723          |
| 30,075   | -   | -  | 245,488             |
| <u>928,798</u>   | <u>-</u>                                    | <u>-</u>   | <u>1,144,211</u>    |
| 365,000  | 10,121                                      | 134,671  | 1,799,792           |
| 753,547  | 103   | 22,049   | 1,844,778           |
| <u>1,118,547</u>   | <u>10,224</u>                               | <u>156,720</u>   | <u>3,644,570</u>    |
| <u>(189,749)</u>   | <u>(10,224)</u>                             | <u>(156,720)</u>   | <u>(2,500,359)</u>  |
| -  | -   | -  | 4,999,805           |
| -  | 8,558                                       | 156,751  | 2,285,180           |
| <u>-</u>   | <u>-</u>                                    | <u>-</u>   | <u>(4,428,936)</u>  |
| <u>-</u>   | <u>8,558</u>                                | <u>156,751</u>   | <u>2,856,049</u>    |
| (189,749)  | (1,666)                                     | 31   | 355,690             |
| 565,110  | 1,666                                       | 4,782  | 2,620,032           |
| <u>\$ 375,361</u>  | <u>\$ -</u>                                 | <u>\$ 4,813</u>  | <u>\$ 2,975,722</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**FFGFC FUND - SERIES 1987**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|------------------|------------------|--|
| <b><u>REVENUES</u></b>  |                  |                  |  |
| Miscellaneous:  |                  |                  |  |
| Interest  | \$ 6,219         | \$ 6,219         | \$ -   |
| <b><u>EXPENDITURES</u></b>  |                  |                  |  |
| Debt Service:   |                  |                  |  |
| Principal   | 95,000           | 95,000           | -  |
| Interest and Fiscal Charges   | 16,149           | 17,228           | 1,079  |
| <b>TOTAL EXPENDITURES</b>   | <b>111,149</b>   | <b>112,228</b>   | <b>1,079</b>                                     |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>               | <b>(104,930)</b> | <b>(106,009)</b> | <b>1,079</b>                                     |
| <b><u>OTHER FINANCING SOURCES</u></b>                                 |                  |                  |  |
| Operating Transfers In  | 108,460          | 108,460          | -  |
| <b>EXCESS OF REVENUES<br/>AND OTHER SOURCES<br/>OVER EXPENDITURES</b> | <b>\$ 3,530</b>  | <b>\$ 2,451</b>  | <b>\$ 1,079</b>                                  |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**FFGFC FUND - SERIES 1992**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>      | <u>BUDGET</u>      | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|--------------------|--------------------|--|
| <b><u>REVENUES</u></b>  |                    |                    |  |
| Miscellaneous:  |                    |                    |  |
| Interest  | \$ 92,393          | \$ 92,393          | \$ -   |
| <br>  |                    |                    |  |
| <b><u>EXPENDITURES</u></b>  |                    |                    |  |
| Debt Service:   |                    |                    |  |
| Principal   | 690,000            | 690,000            | -  |
| Interest and Fiscal Charges   | 863,925            | 873,538            | 9,613  |
| <b>TOTAL EXPENDITURES</b>   | <b>1,553,925</b>   | <b>1,563,538</b>   | <b>9,613</b>                                     |
| <br>  |                    |                    |  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                       | <b>(1,461,532)</b> | <b>(1,471,145)</b> | <b>9,613</b>                                     |
| <br>  |                    |                    |  |
| <b><u>OTHER FINANCING SOURCES</u></b>   |                    |                    |  |
| Operating Transfers In  | 1,399,646          | 1,399,646          | -  |
| <br>  |                    |                    |  |
| <b>EXCESS OF REVENUES<br/>AND OTHER SOURCES<br/>OVER (UNDER) EXPENDITURES</b> | <b>\$ (61,886)</b> | <b>\$ (71,499)</b> | <b>\$ 9,613</b>                                  |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**FFGFC FUND - SERIES 1994**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>    | <u>BUDGET</u>    | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|------------------|------------------|--|
| <b><u>REVENUES</u></b>  |                  |                  |  |
| Miscellaneous:  |                  |                  |  |
| Interest  | \$ 33,445        | \$ 15,000        | \$ 18,445  |
| <b><u>EXPENDITURES</u></b>  |                  |                  |  |
| Debt Service:   |                  |                  |  |
| Principal   | 505,000          | 505,000          | -  |
| Interest and Fiscal Charges   | 107,204          | 108,765          | 1,561  |
| <b>TOTAL EXPENDITURES</b>   | <b>612,204</b>   | <b>613,765</b>   | <b>1,561</b>                                     |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>               | <b>(578,759)</b> | <b>(598,765)</b> | <b>20,006</b>                                    |
| <b><u>OTHER FINANCING SOURCES</u></b>                                 |                  |                  |  |
| Operating Transfers In  | 611,765          | 611,765          | -  |
| <b>EXCESS OF REVENUES<br/>AND OTHER SOURCES<br/>OVER EXPENDITURES</b> | <b>\$ 33,006</b> | <b>\$ 13,000</b> | <b>\$ 20,006</b>                                 |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**FFGFC FUND - SERIES 1996**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>      | <u>BUDGET</u>      | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|--------------------|--------------------|--|
| <b><u>REVENUES</u></b>  |                    |                    |  |
| Miscellaneous:  |                    |                    |  |
| Interest  | \$ 83,356          | \$ 83,356          | \$ -   |
| <br>  |                    |                    |  |
| <b><u>EXPENDITURES</u></b>  |                    |                    |  |
| Debt Service:   |                    |                    |  |
| Interest and Fiscal Charges   | <u>81,801</u>      | <u>110,297</u>     | <u>28,496</u>                                    |
| <br>  |                    |                    |  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>               | <u>1,555</u>       | <u>(26,941)</u>    | <u>28,496</u>                                    |
| <br>  |                    |                    |  |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>                          |                    |                    |  |
| Debt Proceeds   | 4,999,805          | 4,990,000          | 9,805  |
| Operating Transfers Out   | <u>(4,428,936)</u> | <u>(4,428,936)</u> | <u>-</u>   |
| <br>  |                    |                    |  |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>                       | <u>570,869</u>     | <u>561,064</u>     | <u>9,805</u>                                     |
| <br>  |                    |                    |  |
| <b>EXCESS OF REVENUES<br/>AND OTHER SOURCES<br/>OVER EXPENDITURES</b> | <u>\$ 572,424</u>  | <u>\$ 534,123</u>  | <u>\$ 38,301</u>                                 |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**GUARANTEED ENTITLEMENT REVENUE AND REFUNDING BONDS 1994**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>              | <u>BUDGET</u>              | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|----------------------------|----------------------------|--|
| <b><u>REVENUES</u></b>                                  |                            |                            |  |
| Intergovernmental:                                      |                            |                            |  |
| State Revenue Sharing                                   | \$ 898,723                 | \$ 898,723                 | \$ -   |
| Miscellaneous:  |                            |                            |  |
| Interest  | <u>30,075</u>              | <u>30,075</u>              | <u>-</u>   |
| <b>TOTAL REVENUES</b>                                   | <b><u>928,798</u></b>      | <b><u>928,798</u></b>      | <b><u>-</u></b>                                  |
| <b><u>EXPENDITURES</u></b>                              |                            |                            |  |
| Debt Service:   |                            |                            |  |
| Principal   | 365,000                    | 365,000                    | -  |
| Interest and Fiscal Charges                             | <u>753,547</u>             | <u>760,149</u>             | <u>6,602</u>                                     |
| <b>TOTAL EXPENDITURES</b>                               | <b><u>1,118,547</u></b>    | <b><u>1,125,149</u></b>    | <b><u>6,602</u></b>                              |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | <b><u>\$ (189,749)</u></b> | <b><u>\$ (196,351)</u></b> | <b><u>\$ 6,602</u></b>                           |



**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**SUN BANK PROMISSORY NOTE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>         | <u>BUDGET</u>   | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|-----------------------|-----------------|--|
| <b><u>REVENUES</u></b>  | \$ -                  | \$ -            | \$ -   |
| <b><u>EXPENDITURES</u></b>  |                       |                 |  |
| Debt Service:   |                       |                 |  |
| Principal   | 10,121                | 10,121          | -  |
| Interest and Fiscal Charges   | <u>103</u>            | <u>103</u>      | <u>-</u>   |
| <b>TOTAL EXPENDITURES</b>   | <u>10,224</u>         | <u>10,224</u>   | <u>-</u>   |
| <br><b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                       | <br>(10,224)          | <br>(10,224)    | <br>-  |
| <br><b><u>OTHER FINANCING SOURCES</u></b>   |                       |                 |  |
| Operating Transfers In  | <u>8,558</u>          | <u>10,224</u>   | <u>(1,666)</u>                                   |
| <br><b>EXCESS OF REVENUES<br/>AND OTHER SOURCES<br/>OVER (UNDER) EXPENDITURES</b> | <br><u>\$ (1,666)</u> | <br><u>\$ -</u> | <br><u>\$ (1,666)</u>                            |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL**  
**DOWNTOWN REDEVELOPMENT AGENCY PROMISSORY NOTE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ACTUAL</u>       | <u>BUDGET</u>      | <u>VARIANCE-<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|---------------------|--------------------|--|
| <b><u>REVENUES</u></b>  | \$ -                | \$ -               | \$ -   |
| <b><u>EXPENDITURES</u></b>  |                     |                    |  |
| Debt Service:   |                     |                    |  |
| Principal   | 134,671             | 134,822            | 151  |
| Interest and Fiscal Charges   | <u>22,049</u>       | <u>21,929</u>      | <u>(120)</u>                                     |
| <b>TOTAL EXPENDITURES</b>   | <u>156,720</u>      | <u>156,751</u>     | <u>31</u>  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>               | <b>(156,720)</b>    | <b>(156,751)</b>   | <b>31</b>  |
| <b><u>OTHER FINANCING SOURCES</u></b>                                 |                     |                    |  |
| Operating Transfers In  | <u>156,751</u>      | <u>156,751</u>     | <u>-</u>   |
| <b>EXCESS OF REVENUES<br/>AND OTHER SOURCES<br/>OVER EXPENDITURES</b> | <b><u>\$ 31</u></b> | <b><u>\$ -</u></b> | <b><u>\$ 31</u></b>                              |

## CAPITAL PROJECTS FUNDS

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

The City maintains the following Capital Projects Funds:

**General Capital Projects Fund** - to account for costs of various projects which are of relatively small dollar value in nature. Financing is generally provided by operating transfers from other funds of the City and interest earnings.

**Greenspace Acquisition Fund** - to account for the costs of acquiring undeveloped land. Financing is provided by operating transfers from other funds of the City and interest earnings.

**Stormwater Capital Fund** - to account for the costs of various stormwater utility related capital projects financed through First Florida Governmental Financing Commission borrowings (1992) and interest earnings.

**Heavy Equipment Acquisition Fund** - to account for the costs of purchasing heavy equipment financed through First Florida Governmental Financing Commission borrowings (1992) and interest earnings.

**Building Utilization Fund** - to account for the costs of implementing a program to address deferred building maintenance, code non-conformance and building re-use requirements for various City buildings financed through First Florida Governmental Financing Commission borrowings (1992) and interest earnings.

**Greenspace/Recreation Acquisition Fund** - to account for the costs of acquiring greenspace and a golf course financed through First Florida Governmental Financing Commission borrowings (1992) and interest earnings.

**Roadway Construction Fund** - to account for the costs of construction and improvements to the City's roads financed through First Florida Governmental Financing Commission borrowings (1992) and interest earnings.

**Public Improvement Construction Fund** - to account for the costs of various capital projects to be funded with the nonrefunding portion of the Guaranteed Entitlement Revenue and Refunding Bonds - 1994 and interest earnings.

**Information Systems Capital Projects Fund** - to account for the costs of information systems capital projects to be financed with First Florida Governmental Financing Commission borrowings (1994), operating transfers from other funds of the City and interest earnings.

**Airport Industrial Park Shell Building Fund** - to account for the costs of building a speculative building of the airport as part of the City's economic development plan.

**Roadway Construction Fund 96** - to account for the costs of roadway improvements financed through First Florida Governmental Financing Commission borrowings (1996) and interest earnings.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**CAPITAL PROJECTS FUNDS**  
**SEPTEMBER 30, 1996**

|   | <b>GENERAL<br/>CAPITAL<br/>PROJECTS<br/>FUND</b> | <b>GREENSPACE<br/>ACQUISITION<br/>FUND</b> | <b>STORM-<br/>WATER<br/>CAPITAL<br/>FUND</b> | <b>HEAVY<br/>EQUIPMENT<br/>ACQUISITION<br/>FUND</b> | <b>BUILDING<br/>UTILIZATION<br/>FUND</b> |
|---|--|--|--|---|--|
| <b><u>ASSETS</u></b>                        |  |  |  |   |  |
| Cash and Cash Equivalents                   | \$ -   | \$ -                                       | \$ 77,016                                    | \$ 102,000  | \$ 364,003                               |
| Equity in Pooled Cash<br>and Investments    | 503,963  | 44,269                                     | 2,610  | -   | -  |
| Receivables                                 | 481,215  | -  | -  | -   | -  |
| <b>TOTAL ASSETS</b>                         | <b>\$ 985,178</b>                                | <b>\$ 44,269</b>                           | <b>\$ 79,626</b>                             | <b>\$ 102,000</b>                                   | <b>\$ 364,003</b>                        |
| <br>  |  |  |  |   |  |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |  |  |  |   |  |
| <b><u>LIABILITIES</u></b>                   |  |  |  |   |  |
| Accounts Payable and Accrued Liabilities    | \$ 190,861                                       | \$ -                                       | \$ -   | \$ -  | \$ 160,920                               |
| Due to Other Funds                          | 41,353   | -  | -  | -   | 71,159                                   |
| Deferred Revenue                            | 10,789   | -  | -  | -   | -  |
| <b>TOTAL LIABILITIES</b>                    | <b>243,003</b>                                   | <b>-</b>                                   | <b>-</b>                                     | <b>-</b>  | <b>232,079</b>                           |
| <b><u>FUND BALANCES</u></b>                 |  |  |  |   |  |
| Reserved for Encumbrances                   | 982,173  | -  | -  | 64,904  | 62,798                                   |
| Unreserved:<br>Designated for Future Use    | (239,998)  | 44,269                                     | 79,626                                       | 37,096  | 69,126                                   |
| <b>TOTAL FUND BALANCES</b>                  | <b>742,175</b>                                   | <b>44,269</b>                              | <b>79,626</b>                                | <b>102,000</b>                                      | <b>131,924</b>                           |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>  | <b>\$ 985,178</b>                                | <b>\$ 44,269</b>                           | <b>\$ 79,626</b>                             | <b>\$ 102,000</b>                                   | <b>\$ 364,003</b>                        |

| GREENSPACE/<br>RECREATION<br>ACQUISITION<br>FUND | ROADWAY<br>CONSTRUCTION<br>FUND | PUBLIC<br>IMPROVEMENT<br>CONSTRUCTION<br>FUND | INFORMATION<br>SYSTEMS<br>CAPITAL<br>PROJECTS<br>FUND | AIRPORT<br>INDUSTRIAL<br>PARK SHELL<br>BUILDING<br>FUND | ROADWAY<br>CONSTRUCTION<br>FUND 96 | TOTALS               |
|--|---------------------------------|---|---|---|------------------------------------|----------------------|
| \$ 674,184                                       | \$ 139,865                      | \$ 3,249,518                                  | \$ -  | \$ -  | \$ -                               | \$ 4,606,586         |
| -  | -                               | -   | 401,596   | 19,398  | 4,428,936                          | 5,400,772            |
| -  | -                               | -   | -   | -   | -                                  | 481,215              |
| <b>\$ 674,184</b>                                | <b>\$ 139,865</b>               | <b>\$ 3,249,518</b>                           | <b>\$ 401,596</b>                                     | <b>\$ 19,398</b>  | <b>\$ 4,428,936</b>                | <b>\$ 10,488,573</b> |

|                   |                   |                     |                   |                  |                     |                      |
|-------------------|-------------------|---------------------|-------------------|------------------|---------------------|----------------------|
| \$ 9,267          | \$ -              | \$ 36,103           | \$ 919            | \$ -             | \$ -                | \$ 398,070           |
| 49,874            | 2,737             | 225,938             | -                 | 50,000           | -                   | 441,061              |
| -                 | -                 | -                   | -                 | -                | -                   | 10,789               |
| <b>59,141</b>     | <b>2,737</b>      | <b>262,041</b>      | <b>919</b>        | <b>50,000</b>    | <b>-</b>            | <b>849,920</b>       |
| 26,637            | -                 | 41,366              | -                 | 2,055            | -                   | 1,179,933            |
| 588,406           | 137,128           | 2,946,111           | 400,677           | (32,657)         | 4,428,936           | 8,458,720            |
| 615,043           | 137,128           | 2,987,477           | 400,677           | (30,602)         | 4,428,936           | 9,638,653            |
| <b>\$ 674,184</b> | <b>\$ 139,865</b> | <b>\$ 3,249,518</b> | <b>\$ 401,596</b> | <b>\$ 19,398</b> | <b>\$ 4,428,936</b> | <b>\$ 10,488,573</b> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | GENERAL<br>CAPITAL<br>PROJECTS<br>FUND | GREENSPACE<br>ACQUISITION<br>FUND | STORM-<br>WATER<br>CAPITAL<br>FUND | HEAVY<br>EQUIPMENT<br>ACQUISITION<br>FUND | BUILDING<br>UTILIZATION<br>FUND |
|--|--|-----------------------------------|------------------------------------|---|---------------------------------|
| <b>REVENUES</b>  |  |                                   |                                    |   |                                 |
| Intergovernmental  | \$ 1,035,051                           | \$ -                              | \$ -                               | \$ -                                      | \$ -                            |
| Miscellaneous:   |  |                                   |                                    |   |                                 |
| Other  | 8,779                                  | -                                 | -                                  | -   | -                               |
| Interest   | 37,770                                 | 3,071                             | 5,717                              | 12,531                                    | 66,990                          |
| Total Miscellaneous  | 46,549                                 | 3,071                             | 5,717                              | 12,531                                    | 66,990                          |
| <b>TOTAL REVENUES</b>  | <b>1,081,600</b>                       | <b>3,071</b>                      | <b>5,717</b>                       | <b>12,531</b>                             | <b>66,990</b>                   |
| <b>EXPENDITURES</b>  |  |                                   |                                    |   |                                 |
| Capital Outlay:  |  |                                   |                                    |   |                                 |
| General Government   | 27,321                                 | 169,062                           | -                                  | 751,836                                   | 2,225,076                       |
| Public Safety  | -                                      | -                                 | -                                  | -   | 35,435                          |
| Physical Environment   | -                                      | -                                 | 31,054                             | -   | -                               |
| Transportation   | 348,581                                | -                                 | -                                  | -   | -                               |
| Economic Development   | 381,971                                | -                                 | -                                  | -   | -                               |
| Culture and Recreation   | 685,880                                | -                                 | -                                  | -   | -                               |
| Total Capital Outlay   | 1,443,753                              | 169,062                           | 31,054                             | 751,836                                   | 2,260,511                       |
| Debt Service:  |  |                                   |                                    |   |                                 |
| Principal  | -                                      | 16,200                            | -                                  | -   | -                               |
| <b>TOTAL EXPENDITURES</b>  | <b>1,443,753</b>                       | <b>185,262</b>                    | <b>31,054</b>                      | <b>751,836</b>                            | <b>2,260,511</b>                |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                                      | <b>(362,153)</b>                       | <b>(182,191)</b>                  | <b>(25,337)</b>                    | <b>(739,305)</b>                          | <b>(2,193,521)</b>              |
| <b>OTHER FINANCING SOURCES (USES)</b>  |  |                                   |                                    |   |                                 |
| Debt Proceeds  | -                                      | 162,000                           | -                                  | -   | -                               |
| Operating Transfers In   | 575,900                                | -                                 | -                                  | -   | -                               |
| Operating Transfers Out  | (15,353)                               | -                                 | -                                  | -   | -                               |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>  | <b>560,547</b>                         | <b>162,000</b>                    | <b>-</b>                           | <b>-</b>                                  | <b>-</b>                        |
| <b>EXCESS OF REVENUES AND OTHER<br/>SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>198,394</b>                         | <b>(20,191)</b>                   | <b>(25,337)</b>                    | <b>(739,305)</b>                          | <b>(2,193,521)</b>              |
| <b>FUND BALANCES, October 1-As Restated</b>  | <b>543,781</b>                         | <b>64,460</b>                     | <b>104,963</b>                     | <b>841,305</b>                            | <b>2,325,445</b>                |
| <b>FUND BALANCES, September 30</b>   | <b>\$ 742,175</b>                      | <b>\$ 44,269</b>                  | <b>\$ 79,626</b>                   | <b>\$ 102,000</b>                         | <b>\$ 131,924</b>               |

| <u>GREENSPACE/<br/>RECREATION<br/>ACQUISITION<br/>FUND</u> | <u>ROADWAY<br/>CONSTRUCTION<br/>FUND</u> | <u>PUBLIC<br/>IMPROVEMENT<br/>CONSTRUCTION<br/>FUND</u> | <u>INFORMATION<br/>SYSTEMS<br/>CAPITAL<br/>PROJECTS<br/>FUND</u> | <u>AIRPORT<br/>INDUSTRIAL<br/>PARK SHELL<br/>BUILDING<br/>FUND</u> | <u>ROADWAY<br/>CONSTRUCTION<br/>FUND 96</u> | <u>TOTALS</u> |
|--|--|---|--|--|---|---------------|
| \$ -   | \$ -                                     | \$ -  | \$ -   | \$ -   | \$ -  | \$ 1,035,051  |
| -  | -  | -   | -  | -  | -   | 8,779         |
| 42,627   | 8,644                                    | 195,260   | 29,311   | -  | -   | 401,921       |
| 42,627   | 8,644                                    | 195,260   | 29,311   | -  | -   | 410,700       |
| 42,627   | 8,644                                    | 195,260   | 29,311   | -  | -   | 1,445,751     |
| -  | -  | 708,440   | 360,385  | -  | -   | 4,242,120     |
| -  | -  | -   | -  | -  | -   | 35,435        |
| -  | -  | -   | -  | -  | -   | 31,054        |
| -  | 5,787                                    | -   | -  | -  | -   | 354,368       |
| -  | -  | -   | -  | 30,602   | -   | 412,573       |
| 172,433  | -  | -   | -  | -  | -   | 858,313       |
| 172,433  | 5,787                                    | 708,440   | 360,385  | 30,602   | -   | 5,933,863     |
| -  | -  | -   | -  | -  | -   | 16,200        |
| 172,433  | 5,787                                    | 708,440   | 360,385  | 30,602   | -   | 5,950,063     |
| (129,806)  | 2,857                                    | (513,180)   | (331,074)  | (30,602)   | -   | (4,504,312)   |
| -  | -  | -   | -  | -  | -   | 162,000       |
| -  | -  | -   | -  | -  | 4,428,936                                   | 5,004,836     |
| -  | -  | (20,000)  | -  | -  | -   | (35,353)      |
| -  | -  | (20,000)  | -  | -  | 4,428,936                                   | 5,131,483     |
| (129,806)  | 2,857                                    | (533,180)   | (331,074)  | (30,602)   | 4,428,936                                   | 627,171       |
| 744,849  | 134,271                                  | 3,520,657   | 731,751  | -  | -   | 9,011,482     |
| \$ 615,043   | \$ 137,128                               | \$ 2,987,477  | \$ 400,677   | \$ (30,602)  | \$ 4,428,936                                | \$ 9,638,653  |

## ENTERPRISE FUNDS

*Enterprise Funds* are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City maintains the following Enterprise Funds:

**Electric Fund** - to account for the operations of the City's electric utility system.

**Gas Fund** - to account for the operations of the City's natural gas distribution system.

**Water Fund** - to account for the operations of the City's water utility system.

**Wastewater Fund** - to account for the operations of the City's wastewater and sewerage systems.

**GRUCom Fund** - to account for the operations of the City's telecommunications utility system.

**Regional Transit System Fund** - to account for the operations of the City's mass transit system.

**Stormwater Management Utility Fund** - to account for the operations of a program designed to maintain, replace and expand the City's stormwater-related infrastructure.

**Ironwood Golf Course Fund** - to account for the operations of the City owned golf course.

**Solid Waste Fund** - to account for the City's refuse collection program. The actual collections are performed by private contractors (Waste Management, Inc. and Boone Waste Industries).



**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**ENTERPRISE FUNDS**  
**SEPTEMBER 30, 1996**

|   | <u>ELECTRIC<br/>FUND</u>     | <u>GAS<br/>FUND</u>         | <u>WATER<br/>FUND</u>        | <u>WASTEWATER<br/>FUND</u>   |
|---|------------------------------|-----------------------------|------------------------------|------------------------------|
| <b><u>ASSETS</u></b>                          |                              |                             |                              |                              |
| Equity in Pooled Cash and Investments         | \$ 15,396,820                | \$ 343,521                  | \$ 509,440                   | \$ 3,936,932                 |
| Receivables                                   | 19,712,945                   | 1,132,992                   | 704,621                      | 869,336                      |
| Due from Other Funds                          | 2,121,354                    | -                           | -                            | -                            |
| Inventories                                   | 9,152,985                    | 229,813                     | 633,355                      | -                            |
| Restricted Assets:                            |                              |                             |                              |                              |
| Cash and Investments                          | 110,151,331                  | 11,460,562                  | 23,657,525                   | 38,697,015                   |
| Fixed Assets                                  | 329,507,109                  | 16,336,648                  | 71,107,644                   | 99,416,163                   |
| Deferred Charges                              | 44,663,026                   | 7,971,685                   | 4,988,528                    | 4,976,043                    |
| <b>TOTAL ASSETS</b>                           | <b><u>\$ 530,705,570</u></b> | <b><u>\$ 37,475,221</u></b> | <b><u>\$ 101,601,113</u></b> | <b><u>\$ 147,895,489</u></b> |
| <br><b><u>LIABILITIES AND FUND EQUITY</u></b> |                              |                             |                              |                              |
| <b><u>LIABILITIES</u></b>                     |                              |                             |                              |                              |
| Accounts Payable and Accrued Liabilities      | \$ 5,662,377                 | \$ 496,850                  | \$ 234,084                   | \$ 324,920                   |
| Due to Other Funds                            | -                            | 594,565                     | 466,396                      | 1,966,615                    |
| Payable from Restricted Assets:               |                              |                             |                              |                              |
| Utility Deposits                              | 5,588,077                    | -                           | -                            | -                            |
| Revenue Bonds Payable                         | 17,573,718                   | 596,381                     | 817,415                      | 1,112,486                    |
| Accounts Payable and Accrued Liabilities      | 9,886,391                    | 959,812                     | 1,746,210                    | 2,555,003                    |
| Long-Term Debt                                | 293,795,401                  | 27,060,137                  | 54,662,347                   | 76,157,837                   |
| Deferred Credits                              | 6,725,039                    | 5,777,185                   | 376,087                      | 660,126                      |
| <b>TOTAL LIABILITIES</b>                      | <b><u>339,231,003</u></b>    | <b><u>35,484,930</u></b>    | <b><u>58,302,539</u></b>     | <b><u>82,776,987</u></b>     |
| <br><b><u>FUND EQUITY</u></b>                 |                              |                             |                              |                              |
| Contributed Capital                           | -                            | -                           | 32,441,560                   | 56,074,364                   |
| Retained Earnings:                            |                              |                             |                              |                              |
| Reserved for Debt Service                     | 27,045,219                   | 2,229,549                   | 3,599,392                    | 4,693,607                    |
| Unreserved                                    | 164,429,348                  | (239,258)                   | 7,257,622                    | 4,350,531                    |
| <b>TOTAL FUND EQUITY</b>                      | <b><u>191,474,567</u></b>    | <b><u>1,990,291</u></b>     | <b><u>43,298,574</u></b>     | <b><u>65,118,502</u></b>     |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b>      | <b><u>\$ 530,705,570</u></b> | <b><u>\$ 37,475,221</u></b> | <b><u>\$ 101,601,113</u></b> | <b><u>\$ 147,895,489</u></b> |

| <u>GRUCOM<br/>FUND</u> | <u>REGIONAL<br/>TRANSIT<br/>SYSTEM<br/>FUND</u> | <u>STORMWATER<br/>MANAGEMENT<br/>UTILITY<br/>FUND</u> | <u>IRONWOOD<br/>GOLF<br/>COURSE<br/>FUND</u> | <u>SOLID<br/>WASTE<br/>FUND</u> | <u>TOTALS</u>         |
|------------------------|---|---|--|---------------------------------|-----------------------|
| \$ 844,878             | \$ 736,563                                      | \$ 2,389,742  | \$ 67,021                                    | \$ 978,543                      | \$ 25,203,460         |
| 3,621                  | 574,927   | 167,233   | 1,350  | 310,750                         | 23,477,775            |
| -                      | -   | 243,182   | -  | 343,474                         | 2,708,010             |
| -                      | -   | -   | 24,754                                       | -                               | 10,040,907            |
| -                      | -   | -   | -  | -                               | 183,966,433           |
| 2,033,373              | 5,665,348                                       | 6,594,127   | 1,603,784                                    | 158,586                         | 532,422,782           |
| 166,069                | -   | -   | -  | -                               | 62,765,351            |
| <b>\$ 3,047,941</b>    | <b>\$ 6,976,838</b>                             | <b>\$ 9,394,284</b>                                   | <b>\$ 1,696,909</b>                          | <b>\$ 1,791,353</b>             | <b>\$ 840,584,718</b> |

|                     |                     |                     |                     |                     |                       |
|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| \$ 8,032            | \$ 145,686          | \$ 60,392           | \$ 83,648           | \$ 532,255          | \$ 7,548,244          |
| 1,867,433           | 74                  | 14,094              | -                   | 9,515               | 4,918,692             |
| -                   | -                   | -                   | -                   | -                   | 5,588,077             |
| -                   | -                   | -                   | -                   | -                   | 20,100,000            |
| 272,726             | -                   | -                   | -                   | -                   | 15,420,142            |
| -                   | -                   | -                   | -                   | -                   | 451,675,722           |
| -                   | -                   | -                   | -                   | -                   | 13,538,437            |
| <b>2,148,191</b>    | <b>145,760</b>      | <b>74,486</b>       | <b>83,648</b>       | <b>541,770</b>      | <b>518,789,314</b>    |
| 118,915             | 7,621,052           | 13,375,467          | 2,145,447           | 436,400             | 112,213,205           |
| -                   | -                   | -                   | -                   | -                   | 37,567,767            |
| 780,835             | (789,974)           | (4,055,669)         | (532,186)           | 813,183             | 172,014,432           |
| <b>899,750</b>      | <b>6,831,078</b>    | <b>9,319,798</b>    | <b>1,613,261</b>    | <b>1,249,583</b>    | <b>321,795,404</b>    |
| <b>\$ 3,047,941</b> | <b>\$ 6,976,838</b> | <b>\$ 9,394,284</b> | <b>\$ 1,696,909</b> | <b>\$ 1,791,353</b> | <b>\$ 840,584,718</b> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <b>ELECTRIC<br/>FUND</b> | <b>GAS<br/>FUND</b> | <b>WATER<br/>FUND</b> | <b>WASTEWATER<br/>FUND</b> |
|---|--------------------------|---------------------|-----------------------|----------------------------|
| <b><u>OPERATING REVENUES</u></b>  |                          |                     |                       |                            |
| Sales and Service Charges   | \$ 128,402,775           | \$ 15,238,782       | \$ 10,240,394         | \$ 13,839,294              |
| Other Operating Revenues  | 2,115,642                | 65,131              | 4,052                 | (246)                      |
| <b>TOTAL OPERATING REVENUES</b>   | <b>130,518,417</b>       | <b>15,303,913</b>   | <b>10,244,446</b>     | <b>13,839,048</b>          |
| <b><u>OPERATING EXPENSES</u></b>  |                          |                     |                       |                            |
| Operations and Maintenance  | 64,557,369               | 8,893,297           | 3,556,204             | 4,885,952                  |
| Administrative and General  | 11,807,272               | 2,070,371           | 2,155,091             | 2,320,753                  |
| Depreciation and Amortization   | 16,371,857               | 953,131             | 2,225,656             | 3,128,559                  |
| <b>TOTAL OPERATING EXPENSES</b>   | <b>92,736,498</b>        | <b>11,916,799</b>   | <b>7,936,951</b>      | <b>10,335,264</b>          |
| <b>OPERATING INCOME (LOSS)</b>  | <b>37,781,919</b>        | <b>3,387,114</b>    | <b>2,307,495</b>      | <b>3,503,784</b>           |
| <b><u>NON OPERATING REVENUES (EXPENSES)</u></b>                           |                          |                     |                       |                            |
| Interest Revenue  | 7,453,688                | 536,884             | 1,279,856             | 1,964,038                  |
| Interest Expense  | (17,405,566)             | (1,617,851)         | (2,850,599)           | (4,003,787)                |
| Gain (Loss) on Disposal of Fixed Assets                                   | -                        | -                   | -                     | -                          |
| Operating Grants  | -                        | -                   | -                     | -                          |
| Local Option Gas Tax  | -                        | -                   | -                     | -                          |
| Other Revenue (Expense)   | -                        | -                   | -                     | -                          |
| <b>TOTAL NON OPERATING REVENUES (EXPENSES)</b>                            | <b>(9,951,878)</b>       | <b>(1,080,967)</b>  | <b>(1,570,743)</b>    | <b>(2,039,749)</b>         |
| <b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>                           | <b>27,830,041</b>        | <b>2,306,147</b>    | <b>736,752</b>        | <b>1,464,035</b>           |
| <b><u>OPERATING TRANSFERS</u></b>   |                          |                     |                       |                            |
| From Other Funds  | -                        | -                   | -                     | -                          |
| To Other Funds  | (13,763,301)             | (891,000)           | (1,844,618)           | (2,745,023)                |
| <b>TOTAL OPERATING TRANSFERS</b>  | <b>(13,763,301)</b>      | <b>(891,000)</b>    | <b>(1,844,618)</b>    | <b>(2,745,023)</b>         |
| <b>NET INCOME (LOSS)</b>  | <b>14,066,740</b>        | <b>1,415,147</b>    | <b>(1,107,866)</b>    | <b>(1,280,988)</b>         |
| <b>DEPRECIATION OF FIXED ASSETS ACQUIRED<br/>BY CAPITAL CONTRIBUTIONS</b> | <b>-</b>                 | <b>-</b>            | <b>885,858</b>        | <b>1,843,225</b>           |
| <b>RETAINED EARNINGS,<br/>October 1 - Restated</b>                        | <b>177,406,101</b>       | <b>623,140</b>      | <b>11,036,791</b>     | <b>8,477,862</b>           |
| <b>RESIDUAL EQUITY TRANSERS</b>   | <b>1,726</b>             | <b>(47,996)</b>     | <b>42,231</b>         | <b>4,039</b>               |
| <b>RETAINED EARNINGS,<br/>September 30</b>                                | <b>\$ 191,474,567</b>    | <b>\$ 1,990,291</b> | <b>\$ 10,857,014</b>  | <b>\$ 9,044,138</b>        |

| GRUCOM<br>FUND    | REGIONAL<br>TRANSIT<br>SYSTEM<br>FUND | STORMWATER<br>MANAGEMENT<br>UTILITY<br>FUND | IRONWOOD<br>GOLF<br>COURSE<br>FUND | SOLID<br>WASTE<br>FUND | TOTALS                |
|-------------------|---------------------------------------|---|------------------------------------|------------------------|-----------------------|
| \$ 854,353        | \$ 2,375,981                          | \$ 3,290,437                                | \$ 730,647                         | \$ 4,772,409           | \$ 179,745,072        |
| -                 | -                                     | -   | -                                  | -                      | 2,184,579             |
| <u>854,353</u>    | <u>2,375,981</u>                      | <u>3,290,437</u>                            | <u>730,647</u>                     | <u>4,772,409</u>       | <u>181,929,651</u>    |
| 49,470            | 3,587,334                             | 2,178,953                                   | 609,603                            | 4,280,258              | 92,598,440            |
| 15,561            | 1,211,384                             | 577,814                                     | 294,358                            | -                      | 20,452,604            |
| 9,778             | 1,150,211                             | 1,006,843                                   | 135,934                            | 45,433                 | 25,027,402            |
| <u>74,809</u>     | <u>5,948,929</u>                      | <u>3,763,610</u>                            | <u>1,039,895</u>                   | <u>4,325,691</u>       | <u>138,078,446</u>    |
| <u>779,544</u>    | <u>(3,572,948)</u>                    | <u>(473,173)</u>                            | <u>(309,248)</u>                   | <u>446,718</u>         | <u>43,851,205</u>     |
| 1,291             | 10,434                                | 119,152                                     | 2,548                              | 41,821                 | 11,409,712            |
| -                 | -                                     | -   | -                                  | -                      | (25,877,803)          |
| -                 | (141,730)                             | (73,065)                                    | (46)                               | (44,993)               | (259,834)             |
| -                 | 1,272,910                             | -   | -                                  | 240,932                | 1,513,842             |
| -                 | 1,477,338                             | -   | -                                  | -                      | 1,477,338             |
| -                 | (3,652)                               | -   | 17,671                             | 6,848                  | 20,867                |
| <u>1,291</u>      | <u>2,615,300</u>                      | <u>46,087</u>                               | <u>20,173</u>                      | <u>244,608</u>         | <u>(11,715,878)</u>   |
| <u>780,835</u>    | <u>(957,648)</u>                      | <u>(427,086)</u>                            | <u>(289,075)</u>                   | <u>691,326</u>         | <u>32,135,327</u>     |
| -                 | -                                     | -   | 304,395                            | 200,000                | 504,395               |
| -                 | -                                     | (203,263)                                   | (221,335)                          | (600,000)              | (20,268,540)          |
| -                 | -                                     | (203,263)                                   | 83,060                             | (400,000)              | (19,764,145)          |
| 780,835           | (957,648)                             | (630,349)                                   | (206,015)                          | 291,326                | 12,371,182            |
| -                 | 1,042,010                             | -   | -                                  | -                      | 3,771,093             |
| -                 | (874,336)                             | (3,425,320)                                 | (326,171)                          | 521,857                | 193,439,924           |
| -                 | -                                     | -   | -                                  | -                      | -                     |
| <u>\$ 780,835</u> | <u>\$ (789,974)</u>                   | <u>\$ (4,055,669)</u>                       | <u>\$ (532,186)</u>                | <u>\$ 813,183</u>      | <u>\$ 209,582,199</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>ELECTRIC<br/>FUND</u>   | <u>GAS<br/>FUND</u>       | <u>WATER<br/>FUND</u>     | <u>WASTEWATER<br/>FUND</u> |
|--|----------------------------|---------------------------|---------------------------|----------------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>                         |                            |                           |                           |                            |
| Cash Received from Customers   | \$ 127,608,966             | \$ 14,979,879             | \$ 10,355,818             | \$ 14,021,988              |
| Cash Paid to Suppliers   | (58,851,773)               | (10,617,103)              | (4,037,267)               | (3,453,812)                |
| Cash Paid to Employees   | (15,147,031)               | (1,847,178)               | (2,174,399)               | (3,489,557)                |
| Quasi-external Activities  | (2,773,922)                | (255,432)                 | (549,076)                 | (584,571)                  |
| Other Operating Receipts   | 2,115,642                  | 65,131                    | 4,052                     | (246)                      |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                           | <b><u>52,951,882</u></b>   | <b><u>2,325,297</u></b>   | <b><u>3,599,128</u></b>   | <b><u>6,493,802</u></b>    |
| <b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u></b>              |                            |                           |                           |                            |
| Local Option Gas Tax   | -                          | -                         | -                         | -                          |
| Operating Grants   | -                          | -                         | -                         | -                          |
| Other Receipts/payments  | -                          | -                         | -                         | -                          |
| Transfers from Other Funds   | -                          | -                         | -                         | -                          |
| Transfers to Other Funds   | (13,763,301)               | (891,000)                 | (1,844,618)               | (2,745,023)                |
| Proceeds from Interfund Borrowings   | -                          | -                         | -                         | 1,641,449                  |
| Repayment of Interfund Borrowings  | (1,503,792)                | (1,812)                   | (205,291)                 | -                          |
| <b>NET CASH PROVIDED BY<br/>NONCAPITAL FINANCING ACITIVITES</b>            | <b><u>(15,267,093)</u></b> | <b><u>(892,812)</u></b>   | <b><u>(2,049,909)</u></b> | <b><u>(1,103,574)</u></b>  |
| <b><u>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</u></b> |                            |                           |                           |                            |
| Local Option Gas Tax   | -                          | -                         | -                         | -                          |
| Principal Repayments on Long-Term Debt                                     | (26,369,232)               | (399,885)                 | (240,886)                 | (521,997)                  |
| Proceeds from Sale of Fixed Assets   | 644,926                    | 9,051                     | 16,882                    | 68,244                     |
| Interest Paid on Revenue Bonds   | (15,484,438)               | (1,370,994)               | (2,339,582)               | (3,406,309)                |
| Intergovernmental Capital Grants   | -                          | -                         | -                         | -                          |
| Transfers for Local Match on Capital Grants                                | -                          | -                         | -                         | -                          |
| Acquisition and Construction of Fixed Assets                               | (22,139,098)               | (1,765,085)               | (3,718,380)               | (4,112,788)                |
| Proceeds from Bonds Issued   | 47,314,705                 | 6,526,313                 | 8,778,179                 | 16,865,803                 |
| Proceeds from Interfund Borrowings   | -                          | -                         | -                         | -                          |
| Repayment of Interfund Borrowings  | (1,924,238)                | -                         | -                         | -                          |
| Capitalized Connection Fees  | -                          | -                         | 1,369,655                 | 1,924,882                  |
| <b>NET CASH PROVIDED BY CAPITAL AND<br/>RELATED FINANCING ACTIVITIES</b>   | <b><u>(17,957,375)</u></b> | <b><u>2,999,400</u></b>   | <b><u>3,865,868</u></b>   | <b><u>10,817,835</u></b>   |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>                         |                            |                           |                           |                            |
| Interest Received  | 4,069,841                  | 407,902                   | 1,028,069                 | 1,605,547                  |
| Purchase of Investments  | (490,374,746)              | (13,473,451)              | (32,130,400)              | (43,009,633)               |
| Proceeds from Investment Maturities  | 464,285,723                | 7,479,598                 | 24,740,975                | 27,342,210                 |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>                           | <b><u>(22,019,182)</u></b> | <b><u>(5,585,951)</u></b> | <b><u>(6,361,356)</u></b> | <b><u>(14,061,876)</u></b> |
| <b>NET INCREASE (DECREASE) IN CASH</b>                                     | <b>(2,291,768)</b>         | <b>(1,154,066)</b>        | <b>(946,269)</b>          | <b>2,146,187</b>           |
| <b>CASH - OCTOBER 1, 1995</b>  | <b><u>10,166,487</u></b>   | <b><u>1,608,638</u></b>   | <b><u>946,269</u></b>     | <b><u>1,605,874</u></b>    |
| <b>CASH - SEPTEMBER 30, 1996</b>   | <b><u>\$ 7,874,719</u></b> | <b><u>\$ 454,572</u></b>  | <b><u>\$ -</u></b>        | <b><u>\$ 3,752,061</u></b> |

(continued)

| <u>GRUCOM<br/>FUND</u> | <u>REGIONAL<br/>TRANSIT<br/>SYSTEM<br/>FUND</u> | <u>STORMWATER<br/>MANAGEMENT<br/>UTILITY<br/>FUND</u> | <u>IRONWOOD<br/>GOLF<br/>COURSE<br/>FUND</u> | <u>SOLID<br/>WASTE<br/>FUND</u> | <u>TOTALS</u>        |
|------------------------|---|---|--|---------------------------------|----------------------|
| \$ 850,732             | \$ 2,260,790                                    | \$ 3,264,335  | \$ 729,473                                   | \$ 4,765,325                    | \$ 178,837,306       |
| -                      | (2,086,383)                                     | (1,159,779)   | (716,675)                                    | (3,906,462)                     | (84,829,254)         |
| (76,591)               | (2,522,537)                                     | (1,575,632)   | (130,715)                                    | (335,183)                       | (27,298,823)         |
| -                      | -   | -   | -  | -                               | (4,163,001)          |
| -                      | -   | -   | -  | -                               | 2,184,579            |
| <u>774,141</u>         | <u>(2,348,130)</u>                              | <u>528,924</u>  | <u>(117,917)</u>                             | <u>523,680</u>                  | <u>64,730,807</u>    |
| -                      | 1,345,579                                       | -   | -  | -                               | 1,345,579            |
| -                      | 1,272,910                                       | -   | -  | 240,932                         | 1,513,842            |
| -                      | (3,652)   | -   | 17,671                                       | 6,825                           | 20,844               |
| -                      | -   | -   | 304,395                                      | 200,000                         | 504,395              |
| -                      | -   | (203,263)   | (221,335)                                    | (600,000)                       | (20,268,540)         |
| 69,446                 | -   | -   | -  | -                               | 1,710,895            |
| -                      | -   | -   | -  | -                               | (1,710,895)          |
| <u>69,446</u>          | <u>2,614,837</u>                                | <u>(203,263)</u>                                      | <u>100,731</u>                               | <u>(152,243)</u>                | <u>(16,883,880)</u>  |
| -                      | 103,762   | -   | -  | -                               | 103,762              |
| -                      | -   | -   | -  | -                               | (27,532,000)         |
| -                      | 3,158   | 5,094   | -  | 23                              | 747,378              |
| -                      | -   | -   | -  | -                               | (22,601,323)         |
| -                      | 1,236,234                                       | -   | -  | -                               | 1,236,234            |
| -                      | 29,025  | -   | -  | -                               | 29,025               |
| (1,924,238)            | (1,324,447)                                     | (26,019)  | -  | (13,478)                        | (35,023,533)         |
| -                      | -   | -   | -  | -                               | 79,485,000           |
| 1,924,238              | -   | -   | -  | -                               | 1,924,238            |
| -                      | -   | -   | -  | -                               | (1,924,238)          |
| -                      | -   | -   | -  | -                               | 3,294,537            |
| <u>-</u>               | <u>47,732</u>                                   | <u>(20,925)</u>                                       | <u>-</u>                                     | <u>(13,455)</u>                 | <u>(260,920)</u>     |
| -                      | 10,434  | 119,152   | 2,548  | 41,821                          | 7,285,314            |
| (826,255)              | (1,172,462)                                     | (3,805,041)   | (105,594)                                    | (1,558,428)                     | (586,456,010)        |
| -                      | 1,103,906                                       | 4,163,747   | 140,164                                      | 1,496,273                       | 530,752,596          |
| <u>(826,255)</u>       | <u>(58,122)</u>                                 | <u>477,858</u>  | <u>37,118</u>                                | <u>(20,334)</u>                 | <u>(48,418,100)</u>  |
| 17,332                 | 256,317   | 782,594   | 19,932                                       | 337,648                         | (832,093)            |
| -                      | 31,431  | 149,405   | 6,206  | 43,984                          | 14,558,294           |
| <u>\$ 17,332</u>       | <u>\$ 287,748</u>                               | <u>\$ 931,999</u>                                     | <u>\$ 26,138</u>                             | <u>\$ 381,632</u>               | <u>\$ 13,726,201</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <u>ELECTRIC<br/>FUND</u> | <u>GAS<br/>FUND</u> | <u>WATER<br/>FUND</u> | <u>WASTEWATER<br/>FUND</u> |
|---|--------------------------|---------------------|-----------------------|----------------------------|
| <b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>      |                          |                     |                       |                            |
| <b>OPERATING INCOME (LOSS)</b>  | <b>\$ 37,781,919</b>     | <b>\$ 3,387,114</b> | <b>\$ 2,307,495</b>   | <b>\$ 3,503,784</b>        |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME<br/>(LOSS) TO NET CASH PROVIDED BY<br/>OPERATING ACTIVITIES:</b> |                          |                     |                       |                            |
| Depreciation and Amortization   | 16,371,857               | 953,131             | 2,225,656             | 3,128,559                  |
| (Increase)/Decrease in Receivables  | (1,277,556)              | (279,508)           | 135,867               | 182,856                    |
| (Increase)/Decrease in Inventories  | 886,114                  | 15,572              | 264,165               | -                          |
| (Increase)/Decrease in Due from Other Funds   | 1,155,494                | -                   | -                     | -                          |
| Increase/(Decrease) in Accounts Payable and<br>Accrued Liabilities  | 1,502,256                | 28,460              | (82,458)              | 269,524                    |
| Increase/(Decrease) in Due to Other Funds   | -                        | (8,437)             | (28,650)              | (188,856)                  |
| Increase/(Decrease) in Deferred Credits   | 50,506                   | (74,116)            | (163,075)             | (12,096)                   |
| (Increase)/Decrease in Deferred Debits  | (4,002,455)              | (1,696,919)         | (1,059,872)           | (389,969)                  |
| Increase/(Decrease) in Utility Deposits   | 483,747                  | -                   | -                     | -                          |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>\$ 52,951,882</b>     | <b>\$ 2,325,297</b> | <b>\$ 3,599,128</b>   | <b>\$ 6,493,802</b>        |

|   |                       |                      |                      |                      |
|---|-----------------------|----------------------|----------------------|----------------------|
| <b><u>RECONCILIATION OF CASH TO<br/>BALANCE SHEET</u></b>               |                       |                      |                      |                      |
| Cash  | \$ 7,874,719          | \$ 454,572           | \$ -                 | \$ 3,752,061         |
| Unamortized Discount  | (595,483)             | (90,752)             | (126,970)            | (164,293)            |
| Accrued Interest  | 1,655,479             | 54,906               | 165,165              | 286,359              |
| Investments   | 116,613,436           | 11,385,357           | 24,128,770           | 38,759,820           |
| <b>TOTAL CASH, EQUITY IN POOL AND INVESTMENTS<br/>PER BALANCE SHEET</b> | <b>\$ 125,548,151</b> | <b>\$ 11,804,083</b> | <b>\$ 24,166,965</b> | <b>\$ 42,633,947</b> |

|   |      |      |              |              |
|---|------|------|--------------|--------------|
| <b><u>NONCASH CAPITAL, INVESTING AND<br/>FINANCING ACTIVITIES</u></b> |      |      |              |              |
| Contribution of Fixed Assets  | \$ - | \$ - | \$ 2,009,701 | \$ 2,474,520 |

| <u>GRUCOM</u><br><u>FUND</u> | <u>REGIONAL</u><br><u>TRANSIT</u><br><u>SYSTEM</u><br><u>FUND</u> | <u>STORMWATER</u><br><u>MANAGEMENT</u><br><u>UTILITY</u><br><u>FUND</u> | <u>IRONWOOD</u><br><u>GOLF</u><br><u>COURSE</u><br><u>FUND</u> | <u>SOLID</u><br><u>WASTE</u><br><u>FUND</u> | <u>TOTALS</u>        |
|------------------------------|---|---|--|---|----------------------|
| \$ 779,544                   | \$ (3,572,948)  | \$ (473,173)  | \$ (309,248)   | \$ 446,718                                  | \$ 43,851,205        |
| 9,778                        | 1,150,211   | 1,006,843   | 135,934  | 45,433                                      | 25,027,402           |
| (3,621)                      | (115,191)   | (2,539)   | (1,174)  | (15,158)                                    | (1,376,024)          |
| -                            | 149,308   | -   | (8,326)  | -   | 1,306,833            |
| -                            | -   | (23,563)  | -  | 10,865                                      | 1,142,796            |
| 280,758                      | 44,798  | 7,262   | 64,897   | 29,377                                      | 2,144,874            |
| (126,251)                    | (4,308)   | 14,094  | -  | 6,724                                       | (335,684)            |
| -                            | -   | -   | -  | (279)                                       | (199,060)            |
| (166,067)                    | -   | -   | -  | -   | (7,315,282)          |
| -                            | -   | -   | -  | -   | 483,747              |
| <b>\$ 774,141</b>            | <b>\$ (2,348,130)</b>   | <b>\$ 528,924</b>   | <b>\$ (117,917)</b>  | <b>\$ 523,680</b>                           | <b>\$ 64,730,807</b> |

|                   |                   |                     |                  |                   |                       |
|-------------------|-------------------|---------------------|------------------|-------------------|-----------------------|
| \$ 17,332         | \$ 287,748        | \$ 931,999          | \$ 26,138        | \$ 381,632        | \$ 13,726,201         |
| (2,454)           | -                 | -                   | -                | -                 | (979,952)             |
| -                 | -                 | -                   | -                | -                 | 2,161,909             |
| 830,000           | 448,815           | 1,457,743           | 40,883           | 596,911           | 194,261,735           |
| <b>\$ 844,878</b> | <b>\$ 736,563</b> | <b>\$ 2,389,742</b> | <b>\$ 67,021</b> | <b>\$ 978,543</b> | <b>\$ 209,169,893</b> |

|                   |             |                   |                   |             |                     |
|-------------------|-------------|-------------------|-------------------|-------------|---------------------|
| <b>\$ 118,914</b> | <b>\$ -</b> | <b>\$ 224,581</b> | <b>\$ 142,604</b> | <b>\$ -</b> | <b>\$ 4,970,320</b> |
|-------------------|-------------|-------------------|-------------------|-------------|---------------------|



## INTERNAL SERVICE FUNDS

*Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

The City maintains the following Internal Service Funds:

**General Insurance Fund** - to account for costs associated with administering a self-insurance plan for worker's compensation, automobile, and general liability benefits. The plan is externally administered.

**Employees Health and Accident Benefits Fund** - to account for costs associated with administering a self-insurance plan for employees' health and accident claims. The plan is externally administered for an annually contracted amount which is based upon volume of claims.

**Fleet Management Fund** - to account for the costs of operating a maintenance facility for vehicles used by various City departments.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 1996**

|   | <b>GENERAL<br/>INSURANCE<br/>FUND</b> | <b>EMPLOYEES<br/>HEALTH AND<br/>ACCIDENT<br/>BENEFITS<br/>FUND</b> | <b>FLEET<br/>MANAGEMENT<br/>FUND</b> | <b>TOTALS</b>        |
|---|---------------------------------------|--|--------------------------------------|----------------------|
| <b><u>ASSETS</u></b>                      |                                       |  |                                      |                      |
| Cash and Cash Equivalents                 | \$ 60,000                             | \$ 117,751   | \$ -                                 | \$ 177,751           |
| Equity in Pooled Cash and Investments     | 1,346,764                             | 4,524,847  | 341,540                              | 6,213,151            |
| Receivables                               | 107,890                               | -  | 42,427                               | 150,317              |
| Due from Other Funds                      | 294,640                               | -  | 142,093                              | 436,733              |
| Prepaid Expenses                          | 55,706                                | -  | -                                    | 55,706               |
| Inventories                               | -                                     | -  | 454,554                              | 454,554              |
| Fixed Assets                              | 26,935                                | 14,618   | 4,223,101                            | 4,264,654            |
|   | <hr/>                                 | <hr/>  | <hr/>                                | <hr/>                |
| <b>TOTAL ASSETS</b>                       | <b>\$ 1,891,935</b>                   | <b>\$ 4,657,216</b>  | <b>\$ 5,203,715</b>                  | <b>\$ 11,752,866</b> |
| <br>                                      |                                       |  |                                      |                      |
| <b><u>LIABILITIES AND FUND EQUITY</u></b> |                                       |  |                                      |                      |
| <b><u>LIABILITIES</u></b>                 |                                       |  |                                      |                      |
| Accounts Payable and Accrued Liabilities  | 5,925,339                             | 972,806  | 219,427                              | 7,117,572            |
| Due to Other Funds                        | -                                     | 4,974  | -                                    | 4,974                |
|   | <hr/>                                 | <hr/>  | <hr/>                                | <hr/>                |
| <b>TOTAL LIABILITIES</b>                  | <b>5,925,339</b>                      | <b>977,780</b>   | <b>219,427</b>                       | <b>7,122,546</b>     |
| <br>                                      |                                       |  |                                      |                      |
| <b><u>FUND EQUITY</u></b>                 |                                       |  |                                      |                      |
| Contributed Capital                       | 15,589                                | 319,791  | 3,953,690                            | 4,289,070            |
| Retained Earnings:                        |                                       |  |                                      |                      |
| Reserved                                  | 134,902                               | -  | 469,400                              | 604,302              |
| Unreserved                                | (4,183,895)                           | 3,359,645  | 561,198                              | (263,052)            |
|   | <hr/>                                 | <hr/>  | <hr/>                                | <hr/>                |
| <b>TOTAL FUND EQUITY</b>                  | <b>(4,033,404)</b>                    | <b>3,679,436</b>   | <b>4,984,288</b>                     | <b>4,630,320</b>     |
|   | <hr/>                                 | <hr/>  | <hr/>                                | <hr/>                |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b>  | <b>\$ 1,891,935</b>                   | <b>\$ 4,657,216</b>  | <b>\$ 5,203,715</b>                  | <b>\$ 11,752,866</b> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <b>GENERAL<br/>INSURANCE<br/>FUND</b> | <b>EMPLOYEES<br/>HEALTH AND<br/>ACCIDENT<br/>BENEFITS<br/>FUND</b> | <b>FLEET<br/>MANAGEMENT<br/>FUND</b> | <b>TOTALS</b>             |
|---|---------------------------------------|--|--------------------------------------|---------------------------|
| <b><u>OPERATING REVENUES</u></b>                |                                       |  |                                      |                           |
| Sales and Service Charges                       | \$ 3,241,594                          | \$ -   | \$ 4,300,010                         | \$ 7,541,604              |
| Employer Contributions                          | -                                     | 5,043,390  | -                                    | 5,043,390                 |
| Employee Contributions                          | -                                     | 1,360,823  | -                                    | 1,360,823                 |
| Retiree Contributions                           | -                                     | 493,827  | -                                    | 493,827                   |
| Other Operating Revenues                        | 1,333                                 | -  | -                                    | 1,333                     |
| <b>TOTAL OPERATING REVENUES</b>                 | <b><u>3,242,927</u></b>               | <b><u>6,898,040</u></b>  | <b><u>4,300,010</u></b>              | <b><u>14,440,977</u></b>  |
| <b><u>OPERATING EXPENSES</u></b>                |                                       |  |                                      |                           |
| Operations and Maintenance                      | 3,230,325                             | 1,276,198  | 4,020,461                            | 8,526,984                 |
| Administrative and General                      | 392,721                               | 214,990  | 499,263                              | 1,106,974                 |
| Depreciation and Amortization                   | 4,389                                 | 5,795  | 1,046,950                            | 1,057,134                 |
| Benefits Paid and Other Expenses                | -                                     | 5,046,010  | -                                    | 5,046,010                 |
| <b>TOTAL OPERATING EXPENSES</b>                 | <b><u>3,627,435</u></b>               | <b><u>6,542,993</u></b>  | <b><u>5,566,674</u></b>              | <b><u>15,737,102</u></b>  |
| <b>OPERATING INCOME (LOSS)</b>                  | <b><u>(384,508)</u></b>               | <b><u>355,047</u></b>  | <b><u>(1,266,664)</u></b>            | <b><u>(1,296,125)</u></b> |
| <b><u>NON OPERATING REVENUES (EXPENSES)</u></b> |                                       |  |                                      |                           |
| Interest Revenue                                | 30,077                                | 211,092  | 11,747                               | 252,916                   |
| Interest Expense                                | (2,225)                               | -  | -                                    | (2,225)                   |
| Gain on Disposal of Fixed Assets                | -                                     | -  | 28,350                               | 28,350                    |
| <b>TOTAL NON OPERATING REVENUES (EXPENSES)</b>  | <b><u>27,852</u></b>                  | <b><u>211,092</u></b>  | <b><u>40,097</u></b>                 | <b><u>279,041</u></b>     |
| <b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b> | <b><u>(356,656)</u></b>               | <b><u>566,139</u></b>  | <b><u>(1,226,567)</u></b>            | <b><u>(1,017,084)</u></b> |
| <b><u>OPERATING TRANSFERS</u></b>               |                                       |  |                                      |                           |
| From Other Funds                                | 700,000                               | -  | 800,000                              | 1,500,000                 |
| <b>NET INCOME</b>                               | <b><u>343,344</u></b>                 | <b><u>566,139</u></b>  | <b><u>(426,567)</u></b>              | <b><u>482,916</u></b>     |
| <b>RETAINED EARNINGS, October 1 - Restated</b>  | <b><u>(4,392,337)</u></b>             | <b><u>2,793,506</u></b>  | <b><u>1,457,165</u></b>              | <b><u>(141,666)</u></b>   |
| <b>RETAINED EARNINGS, September 30</b>          | <b><u>\$ (4,048,993)</u></b>          | <b><u>\$ 3,359,645</u></b>   | <b><u>\$ 1,030,598</u></b>           | <b><u>\$ 341,250</u></b>  |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | <u>GENERAL<br/>INSURANCE<br/>FUND</u> | <u>EMPLOYEES<br/>HEALTH AND<br/>ACCIDENT<br/>BENEFITS<br/>FUND</u> | <u>FLEET<br/>MANAGEMENT<br/>FUND</u> | <u>TOTALS</u>       |
|--|---------------------------------------|--|--------------------------------------|---------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>                         |                                       |  |                                      |                     |
| Cash Received from Customers   | \$ 3,464,077                          | \$ 6,916,655   | \$ 4,555,828                         | \$ 14,936,560       |
| Cash Paid to Suppliers   | (3,477,859)                           | (6,375,035)  | (2,605,958)                          | (12,458,852)        |
| Cash Paid to Employees   | (327,531)                             | (65,866)   | (1,818,771)                          | (2,212,168)         |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                           | <b>(341,313)</b>                      | <b>475,754</b>   | <b>131,099</b>                       | <b>265,540</b>      |
| <b><u>CASH FLOWS FROM NONCAPITAL<br/>FINANCING ACTIVITIES</u></b>          |                                       |  |                                      |                     |
| Transfers from Other Funds   | 700,000                               | -  | 800,000                              | 1,500,000           |
| <b><u>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</u></b> |                                       |  |                                      |                     |
| Proceeds from Sale of Fixed Assets   | -                                     | -  | 28,350                               | 28,350              |
| Acquisition and Construction of Fixed Assets                               | (13,738)                              | (3,993)  | (991,689)                            | (1,009,420)         |
| <b>NET CASH PROVIDED BY CAPITAL AND<br/>RELATED FINANCING ACTIVITIES</b>   | <b>(13,738)</b>                       | <b>(3,993)</b>   | <b>(963,339)</b>                     | <b>(981,070)</b>    |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>                         |                                       |  |                                      |                     |
| Interest Received  | 27,852                                | 211,092  | 11,747                               | 250,691             |
| Purchase of Investments  | (2,144,659)                           | (7,205,910)  | (542,537)                            | (9,893,106)         |
| Proceeds from Investment Maturities  | 2,090,045                             | 7,956,050  | 668,716                              | 10,714,811          |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>                           | <b>(26,762)</b>                       | <b>961,232</b>   | <b>137,926</b>                       | <b>1,072,396</b>    |
| <b>NET INCREASE IN CASH</b>  | <b>318,187</b>                        | <b>1,432,993</b>   | <b>105,686</b>                       | <b>1,856,866</b>    |
| <b>CASH - OCTOBER 1</b>  | <b>267,051</b>                        | <b>449,448</b>   | <b>27,515</b>                        | <b>744,014</b>      |
| <b>CASH - SEPTEMBER 30</b>   | <b>\$ 585,238</b>                     | <b>\$ 1,882,441</b>  | <b>\$ 133,201</b>                    | <b>\$ 2,600,880</b> |

(continued)

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|   | <b>GENERAL<br/>INSURANCE<br/>FUND</b> | <b>EMPLOYEES<br/>HEALTH AND<br/>ACCIDENT<br/>BENEFITS<br/>FUND</b> | <b>FLEET<br/>MANAGEMENT<br/>FUND</b> | <b>TOTALS</b>         |
|---|---------------------------------------|--|--------------------------------------|-----------------------|
| <b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>      |                                       |  |                                      |                       |
| <b>OPERATING INCOME (LOSS)</b>  | <b>\$ (384,508)</b>                   | <b>\$ 355,047</b>  | <b>\$ (1,266,664)</b>                | <b>\$ (1,296,125)</b> |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME<br/>(LOSS) TO NET CASH PROVIDED BY<br/>OPERATING ACTIVITIES:</b> |                                       |  |                                      |                       |
| Depreciation and Amortization   | 4,389                                 | 5,795  | 1,046,950                            | 1,057,134             |
| (Increase)/Decrease in Receivables  | (72,450)                              | 15,866   | (19,314)                             | (75,898)              |
| (Increase)/Decrease in Inventories  | -                                     | -  | 49,383                               | 49,383                |
| (Increase)/Decrease in Due from Other Funds   | 293,600                               | 2,749  | 275,132                              | 571,481               |
| Increase/(Decrease) in Accounts Payable and<br>Accrued Liabilities  | (182,344)                             | 91,323   | 45,612                               | (45,409)              |
| Increase/(Decrease) in Due to Other Funds   | -                                     | 4,974  | -                                    | 4,974                 |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>\$ (341,313)</b>                   | <b>\$ 475,754</b>  | <b>\$ 131,099</b>                    | <b>\$ 265,540</b>     |
| <br><b>RECONCILIATION OF CASH TO<br/>BALANCE SHEET</b>  |                                       |  |                                      |                       |
| Cash  | \$ 585,238                            | \$ 1,882,441   | \$ 133,201                           | \$ 2,600,880          |
| Investments   | 821,526                               | 2,760,157  | 208,339                              | 3,790,022             |
| <b>TOTAL CASH AND EQUITY IN POOL<br/>PER BALANCE SHEET</b>  | <b>\$ 1,406,764</b>                   | <b>\$ 4,642,598</b>  | <b>\$ 341,540</b>                    | <b>\$ 6,390,902</b>   |
| <br><b><u>NONCASH CAPITAL, INVESTING AND<br/>FINANCING ACTIVITIES</u></b>                                     |                                       |  |                                      |                       |
| Contribution of Fixed Assets  | \$ 402                                | \$ -   | \$ 813,134                           | \$ 813,536            |

## **FIDUCIARY FUNDS**

### **Pension Trust Funds**

*Pension Trust Funds* are used to account for public employee retirement systems.

The City maintains the following Pension Trust Funds:

**Employees Pension Fund** - to account for the accumulation of resources to be used for pension payments to participants of the City's Employees Pension Plan.

**Police Officers and Firefighters Consolidated Retirement Fund** - to account for the accumulation of resources to be used for pension payments to participants of the City's Consolidated Police Officers and Firefighters Retirement Plan.

**Defined Contribution Pension Fund** - to account for resources to provide employees with defined contribution benefits through a plan adopted under the provisions of Internal Revenue Code Section 401A. The International City Management Association Retirement Corporation acts as agent for the City in administering the plan.

### **Nonexpendable Trust Funds**

*Nonexpendable Trust Funds* are those whose principal must be preserved intact.

The City maintains the following Nonexpendable Trust Funds:

**Theodore R. Crom Endowment Fund** - to account for the principal portion of an endowment provided to the City with the stipulation that the principal be preserved intact.

**Emily Ring Garden Fund** - to account for donated funds and interest earned on such funds. The interest is to be used for the maintenance and administration of the Emily Ring Wildflower Garden.

### **Expendable Trust Funds**

*Expendable Trust Funds* are those whose principal and income may be expended in the course of their designated operations.

The City maintains the following Expendable Trust Funds:

**Evergreen Cemetery Trust Fund** - to account for revenues which will be used to finance perpetual care for certain City cemetery grave sites. Interest income and income from lot sales and perpetual care contracts provide the financing sources.

**Thomas Center Fund** - to account for donated funds, and interest earned on such funds, which are to be used for certain specific projects involving the Thomas Center.

(continued)

**Fifth Avenue Tax Increment Fund** - to account for certain property tax increments, and interest earned on such funds, which are to be used for specific projects involving downtown redevelopment.

**Downtown Redevelopment Tax Increment Fund** - to account for certain property tax increments, and interest earned on such funds, which are to be used for specific projects involving downtown redevelopment.

**College Park Tax Increment Fund** - to account for certain property tax increments and interest earned on such funds, which are to be used for specific projects involving redevelopment of the College Park neighborhood.

**Cable Television Security Trust Fund** - to account for franchisee security deposits which accrue interest and may be used for unpaid fees, taxes, damages or costs incurred in the event of default by the franchisee.

**Thomas Center Gardens Fund** - to accumulate funds to be used for certain specific projects involving beautification of the Thomas Center grounds.

**Art in Public Places Trust Fund** - to account for the use of funds to purchase art for the newly renovated City building, and to accumulate funds to provide art that is accessible to the public.

**School Crossing Guard Trust Fund** - to account for the surcharge imposed on parking fines to fund the School Crossing Guard Program.

#### **Agency Funds**

*Agency Funds* are those for which the governmental unit acts solely as custodian of assets on behalf of others.

The city maintains the following Agency Fund:

**Deferred Compensation Fund** - to account for resources to provide employees with deferred compensation benefits through a plan adopted under the provisions of Internal Revenue Code Section 457. The International City Management Association Retirement Corporation acts as agent for the City in administering the plan.

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 1996**

|   | <b>PENSION TRUST FUNDS</b> |                      |                     |
|---|----------------------------|----------------------|---------------------|
|   | <b>POLICE OFFICERS</b>     |                      |                     |
|   | <b>AND</b>                 |                      |                     |
|   | <b>EMPLOYEES</b>           | <b>FIREFIGHTERS</b>  | <b>DEFINED</b>      |
|   | <b>PENSION</b>             | <b>CONSOLIDATED</b>  | <b>CONTRIBUTION</b> |
|   | <b>FUND</b>                | <b>RETIREMENT</b>    | <b>PENSION</b>      |
|   | <b>FUND</b>                | <b>FUND</b>          | <b>FUND</b>         |
| <b><u>ASSETS</u></b>                        |                            |                      |                     |
| Cash and Cash Equivalents                   | \$ 4,502,279               | \$ 843,727           | \$ -                |
| Equity in Pooled Cash and Investments       | 33,288                     | 326,951              | -                   |
| Investments                                 | 86,353,414                 | 40,409,060           | 3,217,201           |
| Receivables                                 | 525                        | -                    | -                   |
| Due from Other Funds                        | -                          | -                    | -                   |
|   | -                          | -                    | -                   |
| <b>TOTAL ASSETS</b>                         | <b>\$ 90,889,506</b>       | <b>\$ 41,579,738</b> | <b>\$ 3,217,201</b> |
| <br>  |                            |                      |                     |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                            |                      |                     |
| <b><u>LIABILITIES</u></b>                   |                            |                      |                     |
| Accounts Payable and Accrued Liabilities    | \$ 11                      | \$ 6                 | \$ -                |
| Due to Other Funds                          | 1,777                      | -                    | 4,454               |
| Due to Employees                            | -                          | -                    | -                   |
| Deferred Revenue                            | -                          | -                    | -                   |
| Advances from Other Funds                   | -                          | -                    | -                   |
|   | -                          | -                    | -                   |
| <b>TOTAL LIABILITIES</b>                    | <b>1,788</b>               | <b>6</b>             | <b>4,454</b>        |
| <br>  |                            |                      |                     |
| <b><u>FUND BALANCES</u></b>                 |                            |                      |                     |
| Reserved for Retirement Plans               | 90,887,718                 | 41,579,732           | 3,212,747           |
| Reserved for Encumbrances                   | -                          | -                    | -                   |
| Reserved for Legal Restrictions             | -                          | -                    | -                   |
| Unreserved:                                 |                            |                      |                     |
| Designated for Future Use                   | -                          | -                    | -                   |
|   | -                          | -                    | -                   |
| <b>TOTAL FUND BALANCES</b>                  | <b>90,887,718</b>          | <b>41,579,732</b>    | <b>3,212,747</b>    |
| <br>  |                            |                      |                     |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>  | <b>\$ 90,889,506</b>       | <b>\$ 41,579,738</b> | <b>\$ 3,217,201</b> |



**NONEXPENDABLE TRUST FUNDS**

**EXPENDABLE TRUST FUNDS**

| <u>THEODORE<br/>R. CROM<br/>ENDOWMENT<br/>FUND</u> | <u>EMILY RING<br/>GARDEN<br/>FUND</u> | <u>EVERGREEN<br/>CEMETERY<br/>TRUST<br/>FUND</u> | <u>THOMAS<br/>CENTER<br/>FUND</u> | <u>FIFTH<br/>AVENUE TAX<br/>INCREMENT<br/>FUND</u> | <u>DOWNTOWN<br/>REDEVELOP-<br/>MENT TAX<br/>INCREMENT<br/>FUND</u> | <u>COLLEGE<br/>PARK TAX<br/>INCREMENT<br/>FUND</u> | <u>CABLE<br/>TELEVISION<br/>SECURITY<br/>TRUST<br/>FUND</u> |
|--|---------------------------------------|--|-----------------------------------|--|--|--|---|
| \$ -   | \$ -                                  | \$ 95,421  | \$ -                              | \$ -   | \$ -   | \$ -   | \$ -  |
| 7,875  | 45,208                                | -  | 37,668                            | 75,092   | 55,009   | 36,338   | -   |
| -  | -                                     | 569,968  | -                                 | -  | -  | -  | -   |
| -  | -                                     | 1,895  | -                                 | 66,973   | -  | -  | -   |
| -  | -                                     | -  | 3,976                             | -  | -  | -  | -   |
| <b>\$ 7,875</b>                                    | <b>\$ 45,208</b>                      | <b>\$ 667,284</b>                                | <b>\$ 41,644</b>                  | <b>\$ 142,065</b>                                  | <b>\$ 55,009</b>   | <b>\$ 36,338</b>                                   | <b>\$ -</b>   |

|                 |                  |                   |                  |                   |                  |                  |             |
|-----------------|------------------|-------------------|------------------|-------------------|------------------|------------------|-------------|
| \$ -            | \$ -             | \$ -              | \$ -             | \$ 200            | \$ -             | \$ -             | \$ -        |
| 44              | -                | 13,001            | -                | -                 | -                | -                | -           |
| -               | -                | -                 | -                | -                 | -                | -                | -           |
| -               | -                | 1,895             | -                | 66,973            | -                | -                | -           |
| -               | -                | -                 | -                | -                 | 98,869           | -                | -           |
| <b>44</b>       | <b>-</b>         | <b>14,896</b>     | <b>-</b>         | <b>67,173</b>     | <b>98,869</b>    | <b>-</b>         | <b>-</b>    |
| -               | -                | -                 | -                | -                 | -                | -                | -           |
| -               | -                | -                 | -                | 5,500             | -                | -                | -           |
| 7,831           | 45,208           | -                 | -                | -                 | -                | -                | -           |
| -               | -                | 652,388           | 41,644           | 69,392            | (43,860)         | 36,338           | -           |
| <b>7,831</b>    | <b>45,208</b>    | <b>652,388</b>    | <b>41,644</b>    | <b>74,892</b>     | <b>(43,860)</b>  | <b>36,338</b>    | <b>-</b>    |
| <b>\$ 7,875</b> | <b>\$ 45,208</b> | <b>\$ 667,284</b> | <b>\$ 41,644</b> | <b>\$ 142,065</b> | <b>\$ 55,009</b> | <b>\$ 36,338</b> | <b>\$ -</b> |

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**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING BALANCE SHEET**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 1996**

|   | <u>EXPENDABLE TRUST FUNDS</u>                 |  |   | <u>AGENCY FUND</u>                        | <u>TOTALS</u>         |
|---|---|--|---|---|-----------------------|
|   | <u>THOMAS<br/>CENTER<br/>GARDENS<br/>FUND</u> | <u>ART IN<br/>PUBLIC<br/>PLACES<br/>TRUST<br/>FUND</u> | <u>SCHOOL<br/>CROSSING<br/>GUARD<br/>TRUST<br/>FUND</u> | <u>DEFERRED<br/>COMPENSATION<br/>FUND</u> |                       |
| <b><u>ASSETS</u></b>                        |   |  |   |   |                       |
| Cash and Cash Equivalents                   | \$ -  | \$ -   | \$ -  | \$ -                                      | \$ 5,441,427          |
| Equity in Pooled Cash and Investments       | 3,932   | -  | 62,340  | -   | 683,701               |
| Investments                                 | -   | -  | -   | 18,692,303                                | 149,241,946           |
| Receivables                                 | -   | -  | 468   | -   | 69,861                |
| Due from Other Funds                        | -   | 35,353   | -   | -   | 39,329                |
| <b>TOTAL ASSETS</b>                         | <b>\$ 3,932</b>                               | <b>\$ 35,353</b>                                       | <b>\$ 62,808</b>  | <b>\$ 18,692,303</b>                      | <b>\$ 155,476,264</b> |
| <br>  |   |  |   |   |                       |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |   |  |   |   |                       |
| <b><u>LIABILITIES</u></b>                   |   |  |   |   |                       |
| Accounts Payable and Accrued Liabilities    | \$ -  | \$ -   | \$ -  | \$ -                                      | \$ 217                |
| Due to Other Funds                          | 3,932   | 1,845  | -   | 2,226                                     | 27,279                |
| Due to Employees                            | -   | -  | -   | 18,690,077                                | 18,690,077            |
| Deferred Revenue                            | -   | -  | -   | -   | 68,868                |
| Advances from Other Funds                   | -   | -  | -   | -   | 98,869                |
| <b>TOTAL LIABILITIES</b>                    | <b>3,932</b>                                  | <b>1,845</b>   | <b>-</b>  | <b>18,692,303</b>                         | <b>18,885,310</b>     |
| <br>  |   |  |   |   |                       |
| <b><u>FUND BALANCES</u></b>                 |   |  |   |   |                       |
| Reserved for Retirement Plans               | -   | -  | -   | -   | 135,680,197           |
| Reserved for Encumbrances                   | -   | -  | -   | -   | 5,500                 |
| Reserved for Legal Restrictions             | -   | -  | -   | -   | 53,039                |
| Unreserved:                                 |   |  |   |   |                       |
| Designated for Future Use                   | -   | 33,508   | 62,808  | -   | 852,218               |
| <b>TOTAL FUND BALANCES</b>                  | <b>-</b>                                      | <b>33,508</b>  | <b>62,808</b>   | <b>-</b>                                  | <b>136,590,954</b>    |
| <br>  |   |  |   |   |                       |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>  | <b>\$ 3,932</b>                               | <b>\$ 35,353</b>                                       | <b>\$ 62,808</b>  | <b>\$ 18,692,303</b>                      | <b>\$ 155,476,264</b> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES**  
**PENSION TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|                                    | POLICE OFFICERS<br>AND<br>FIREFIGHTERS<br>CONSOLIDATED |                      |                     | DEFINED<br>CONTRIBUTION |                       |
|------------------------------------|--|----------------------|---------------------|-------------------------|-----------------------|
|                                    | EMPLOYEES<br>PENSION<br>FUND                           | RETIREMENT<br>FUND   | PENSION<br>FUND     | PENSION<br>FUND         | TOTALS                |
| <b><u>OPERATING REVENUES</u></b>   |  |                      |                     |                         |                       |
| Net Gain on Investments            | \$ 9,276,243   | \$ 3,284,207         | \$ 338,300          | \$                      | \$ 12,898,750         |
| Employer Contributions             | 1,883,598  | 1,460,171            | 632,814             |                         | 3,976,583             |
| Employee Contributions             | 1,762,898  | 857,349              | 179,426             |                         | 2,799,673             |
| State Contributions                | -  | 716,587              | -                   |                         | 716,587               |
| <b>TOTAL OPERATING REVENUES</b>    | <b>12,922,739</b>                                      | <b>6,318,314</b>     | <b>1,150,540</b>    |                         | <b>20,391,593</b>     |
| <b><u>OPERATING EXPENSES</u></b>   |  |                      |                     |                         |                       |
| Benefits Paid and Other Expenses   | 5,604,211  | 3,868,330            | 44,691              |                         | 9,517,232             |
| <b>NET INCOME</b>                  | <b>7,318,528</b>                                       | <b>2,449,984</b>     | <b>1,105,849</b>    |                         | <b>10,874,361</b>     |
| <b>FUND BALANCES, October 1</b>    | <b>83,569,190</b>                                      | <b>39,129,748</b>    | <b>2,106,898</b>    |                         | <b>124,805,836</b>    |
| <b>FUND BALANCES, September 30</b> | <b>\$ 90,887,718</b>                                   | <b>\$ 41,579,732</b> | <b>\$ 3,212,747</b> |                         | <b>\$ 135,680,197</b> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES**  
**NONEXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | THEODORE<br>R. CROM<br>ENDOWMENT<br>FUND | EMILY<br>RING<br>GARDEN<br>FUND | TOTALS    |
|--|--|---------------------------------|-----------|
| <u>OPERATING REVENUES</u>                    | \$ -                                     | \$ -                            | \$ -      |
| <u>OPERATING EXPENSES</u>                    | -  | -                               | -         |
| OPERATING INCOME                             | -  | -                               | -         |
| <u>NON OPERATING REVENUES</u>                |  |                                 |           |
| Interest Revenue                             | 414                                      | 2,376                           | 2,790     |
| <u>INCOME BEFORE OPERATING<br/>TRANSFERS</u> | 414                                      | 2,376                           | 2,790     |
| <u>OPERATING TRANSFERS</u>                   |  |                                 |           |
| To Other Funds                               | (44)                                     | -                               | (44)      |
| NET INCOME                                   | 370                                      | 2,376                           | 2,746     |
| <br>   |  |                                 |           |
| FUND BALANCES, October 1                     | 7,461                                    | 42,832                          | 50,293    |
| FUND BALANCES, September 30                  | \$ 7,831                                 | \$ 45,208                       | \$ 53,039 |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONEXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | THEODORE<br>R. CROM<br>ENDOWMENT<br>FUND | EMILY<br>RING<br>GARDEN<br>FUND | TOTALS           |
|--|--|---------------------------------|------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b> | \$ -                                     | \$ -                            | \$ -             |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b> |  |                                 |                  |
| Interest Received                                  | 414                                      | 2,376                           | 2,790            |
| Purchase of Investments                            | (4,804)                                  | (27,577)                        | (32,381)         |
| Proceeds from Investment Maturities                | <u>6,894</u>                             | <u>39,577</u>                   | <u>46,471</u>    |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>   | <u>2,504</u>                             | <u>14,376</u>                   | <u>16,880</u>    |
| <b>NET INCREASE IN CASH</b>                        | 2,504                                    | 14,376                          | 16,880           |
| <b>CASH - OCTOBER 1</b>                            | <u>567</u>                               | <u>3,255</u>                    | <u>3,822</u>     |
| <b>CASH - SEPTEMBER 30</b>                         | <u>\$ 3,071</u>                          | <u>\$ 17,631</u>                | <u>\$ 20,702</u> |

**RECONCILIATION OF OPERATING INCOME TO  
NET CASH PROVIDED BY OPERATING ACTIVITIES**

|                         |             |             |             |
|-------------------------|-------------|-------------|-------------|
| <b>OPERATING INCOME</b> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
|-------------------------|-------------|-------------|-------------|

**RECONCILIATION OF CASH TO  
BALANCE SHEET**

|   |                 |                  |                  |
|---|-----------------|------------------|------------------|
| Cash  | \$ 3,071        | \$ 17,631        | \$ 20,702        |
| Investments                                       | <u>4,804</u>    | <u>27,577</u>    | <u>32,381</u>    |
| <b>TOTAL EQUITY IN POOL<br/>PER BALANCE SHEET</b> | <u>\$ 7,875</u> | <u>\$ 45,208</u> | <u>\$ 53,083</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**EXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | EVERGREEN<br>CEMETERY<br>TRUST<br>FUND | THOMAS<br>CENTER<br>FUND | FIFTH<br>AVENUE TAX<br>INCREMENT<br>FUND | DOWNTOWN<br>REDEVELOP-<br>MENT TAX<br>INCREMENT<br>FUND |
|--|--|--------------------------|--|---|
| <b>REVENUES</b>  |  |                          |  |   |
| Taxes  | \$ -                                   | \$ -                     | \$ 29,906                                | \$ 184,513  |
| Charges for Services:  |  |                          |  |   |
| Cemetery Fees  | 30,866                                 | -                        | -  | -   |
| Parking Fines  | -                                      | -                        | -  | -   |
| Total Charges for Services   | 30,866                                 | -                        | -  | -   |
| Miscellaneous:   |  |                          |  |   |
| Interest   | 38,602                                 | 1,981                    | 5,810                                    | 1,825   |
| Other  | -                                      | -                        | 2,666                                    | -   |
| Total Miscellaneous  | 38,602                                 | 1,981                    | 8,476                                    | 1,825   |
| <b>TOTAL REVENUES</b>  | <b>69,468</b>                          | <b>1,981</b>             | <b>38,382</b>                            | <b>186,338</b>  |
| <b>EXPENDITURES</b>  |  |                          |  |   |
| Economic Environment   | -                                      | -                        | 35,212                                   | 100,911   |
| Culture and Recreation   | -                                      | -                        | -  | -   |
| Debt Service:  |  |                          |  |   |
| Interest and Fiscal Charges  | -                                      | -                        | -  | 8,933   |
| <b>TOTAL EXPENDITURES</b>  | <b>-</b>                               | <b>-</b>                 | <b>35,212</b>                            | <b>109,844</b>  |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b>                                      | <b>69,468</b>                          | <b>1,981</b>             | <b>3,170</b>                             | <b>76,494</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>  |  |                          |  |   |
| Operating Transfers In   | -                                      | 3,976                    | 15,005                                   | 92,576  |
| Operating Transfers Out  | (38,471)                               | -                        | (11,874)                                 | (85,320)  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>  | <b>(38,471)</b>                        | <b>3,976</b>             | <b>3,131</b>                             | <b>7,256</b>  |
| <b>EXCESS OF REVENUES AND OTHER<br/>SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>30,997</b>                          | <b>5,957</b>             | <b>6,301</b>                             | <b>83,750</b>   |
| <b>FUND BALANCES, October 1-As Restated</b>  | <b>621,391</b>                         | <b>35,687</b>            | <b>68,591</b>                            | <b>(127,610)</b>  |
| <b>FUND BALANCES, September 30</b>   | <b>\$ 652,388</b>                      | <b>\$ 41,644</b>         | <b>\$ 74,892</b>                         | <b>\$ (43,860)</b>                                      |

| COLLEGE<br>PARK TAX<br>INCREMENT<br>FUND | CABLE<br>TELEVISION<br>SECURITY<br>TRUST<br>FUND | THOMAS<br>CENTER<br>GARDENS<br>FUND | ART IN<br>PUBLIC<br>PLACES<br>TRUST<br>FUND | SCHOOL<br>CROSSING<br>GUARD<br>TRUST<br>FUND | TOTALS     |
|--|--|-------------------------------------|---|--|------------|
| \$ 42,386                                | \$ -   | \$ -                                | \$ -  | \$ -   | \$ 256,805 |
| -  | -  | -                                   | -   | -  | 30,866     |
| -  | -  | -                                   | -   | 50,566                                       | 50,566     |
| -  | -  | -                                   | -   | 50,566                                       | 81,432     |
| 333                                      | 515  | 209                                 | -   | 1,751  | 51,026     |
| -  | -  | -                                   | -   | -  | 2,666      |
| 333                                      | 515  | 209                                 | -   | 1,751  | 53,692     |
| 42,719                                   | 515  | 209                                 | -   | 52,317                                       | 391,929    |
| -  | -  | -                                   | -   | -  | 136,123    |
| -  | -  | 300                                 | 1,845                                       | -  | 2,145      |
| -  | -  | -                                   | -   | -  | 8,933      |
| -  | -  | 300                                 | 1,845                                       | -  | 147,201    |
| 42,719                                   | 515  | (91)                                | (1,845)                                     | 52,317                                       | 244,728    |
| 21,267                                   | -  | -                                   | 35,353                                      | -  | 168,177    |
| (27,648)                                 | (1,624)  | (3,932)                             | -   | -  | (168,869)  |
| (6,381)                                  | (1,624)  | (3,932)                             | 35,353                                      | -  | (692)      |
| 36,338                                   | (1,109)  | (4,023)                             | 33,508                                      | 52,317                                       | 244,036    |
| -  | 1,109  | 4,023                               | -   | 10,491                                       | 613,682    |
| \$ 36,338                                | \$ -   | \$ -                                | \$ 33,508                                   | \$ 62,808                                    | \$ 857,718 |

**CITY OF GAINESVILLE, FLORIDA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND (DEFERRED COMPENSATION FUND)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|                           | BALANCE<br>OCTOBER 1<br>1995 | ADDITIONS                  | DEDUCTIONS                 | BALANCE<br>SEPTEMBER 30<br>1996 |
|---------------------------|------------------------------|----------------------------|----------------------------|---------------------------------|
| <b><u>ASSETS</u></b>      |                              |                            |                            |                                 |
| Cash and Cash Equivalents | \$ 50,392                    | \$ 1,926,350               | \$ 1,976,742               | \$ -                            |
| Investments               | <u>15,818,065</u>            | <u>2,874,238</u>           | <u>-</u>                   | <u>18,692,303</u>               |
| <b>TOTAL ASSETS</b>       | <b><u>\$ 15,868,457</u></b>  | <b><u>\$ 4,800,588</u></b> | <b><u>\$ 1,976,742</u></b> | <b><u>\$ 18,692,303</u></b>     |
| <br>                      |                              |                            |                            |                                 |
| <b><u>LIABILITIES</u></b> |                              |                            |                            |                                 |
| Due to Other Funds        | \$ -                         | \$ 2,226                   | \$ -                       | \$ 2,226                        |
| Due to Employees          | <u>15,868,457</u>            | <u>4,798,362</u>           | <u>1,976,742</u>           | <u>18,690,077</u>               |
| <b>TOTAL LIABILITIES</b>  | <b><u>\$ 15,868,457</u></b>  | <b><u>\$ 4,800,588</u></b> | <b><u>\$ 1,976,742</u></b> | <b><u>\$ 18,692,303</u></b>     |



**GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for fixed assets not used in proprietary fund operations or accounted for in Trust Funds.

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**SEPTEMBER 30, 1996**

**GENERAL FIXED ASSETS**

|                          |                     |
|--------------------------|---------------------|
| Land                     | \$ 12,130,147       |
| Buildings                | 21,027,890          |
| Improvements             | 5,407,543           |
| Equipment                | 13,743,685          |
| Construction in Progress | <u>923,340</u>      |
|                          | 53,232,605          |
| Accumulated Depreciation | <u>(18,743,304)</u> |

**GENERAL FIXED ASSETS, NET**

**\$ 34,489,301**

**INVESTMENT IN GENERAL FIXED ASSETS**

|                               |                     |
|-------------------------------|---------------------|
| General Obligation Bonds      | \$ 3,417,135        |
| Revenue Certificates/Notes    | 9,785,744           |
| General Fund                  | 14,384,491          |
| Gifts and Miscellaneous       | 4,223,665           |
| County Grants                 | 17,595              |
| State Grants                  | 1,132,622           |
| Federal Grants                | 3,517,785           |
| Federal Revenue Sharing Funds | 2,852,021           |
| Promissory Notes              | 13,511,202          |
| Lease/Purchases               | 387,524             |
| Stormwater Fees               | <u>2,821</u>        |
|                               | 53,232,605          |
| Accumulated Depreciation      | <u>(18,743,304)</u> |

**INVESTMENT IN GENERAL FIXED ASSETS**

**\$ 34,489,301**

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**SEPTEMBER 30, 1996**

| <u>FUNCTION/ACTIVITY</u>                                     | <u>TOTAL</u>         | <u>LAND</u>          | <u>BUILDINGS</u>     | <u>IMPROVEMENTS</u> | <u>EQUIPMENT</u>     |
|--|----------------------|----------------------|----------------------|---------------------|----------------------|
| <b><u>GENERAL GOVERNMENT</u></b>                             |                      |                      |                      |                     |                      |
| City Commission  | \$ 9,546             | \$ -                 | \$ -                 | \$ -                | \$ 9,546             |
| Clerk of the Commission                                      | 257,788              | -                    | -                    | -                   | 257,788              |
| City Manager   | 45,491               | -                    | -                    | -                   | 45,491               |
| City Auditor   | 27,385               | -                    | -                    | -                   | 27,385               |
| City Attorney  | 121,150              | -                    | -                    | -                   | 121,150              |
| Computer Services  | 2,126,937            | -                    | -                    | -                   | 2,126,937            |
| Finance  | 1,729,913            | -                    | 82,452               | 7,344               | 1,640,117            |
| Equal Opportunity  | 28,058               | -                    | -                    | -                   | 28,058               |
| Community Development  | 1,330,029            | 552,926              | 408,338              | 3,293               | 365,472              |
| Human Resources  | 136,149              | -                    | -                    | -                   | 136,149              |
| Management and Budget  | 45,303               | -                    | -                    | -                   | 45,303               |
| Risk Management  | 2,378                | -                    | -                    | -                   | 2,378                |
| Surplus Items  | 114,728              | -                    | -                    | -                   | 114,728              |
| <b>TOTAL GENERAL GOVERNMENT</b>                              | <b>5,974,855</b>     | <b>552,926</b>       | <b>490,790</b>       | <b>10,637</b>       | <b>4,920,502</b>     |
| <b><u>PUBLIC SAFETY</u></b>                                  |                      |                      |                      |                     |                      |
| Police Department  | 8,154,659            | 352,366              | 4,074,898            | 310,801             | 3,416,594            |
| Fire Department  | 4,388,809            | 215,993              | 1,391,389            | 38,347              | 2,743,080            |
| <b>TOTAL PUBLIC SAFETY</b>                                   | <b>12,543,468</b>    | <b>568,359</b>       | <b>5,466,287</b>     | <b>349,148</b>      | <b>6,159,674</b>     |
| <b><u>PHYSICAL ENVIRONMENT</u></b>                           |                      |                      |                      |                     |                      |
| Real Property  | 2,878,461            | 2,878,461            | -                    | -                   | -                    |
| <b><u>TRANSPORTATION</u></b>                                 |                      |                      |                      |                     |                      |
| Public Works   | 13,516,826           | 846,178              | 10,811,732           | 167,896             | 1,691,020            |
| Traffic Engineering  | 1,892,056            | 1,288,901            | 99,907               | 206,348             | 296,900              |
| Fleet Management   | 322,824              | -                    | 81,302               | 204,656             | 36,866               |
| <b>TOTAL TRANSPORTATION</b>                                  | <b>15,731,706</b>    | <b>2,135,079</b>     | <b>10,992,941</b>    | <b>578,900</b>      | <b>2,024,786</b>     |
| <b><u>ECONOMIC ENVIRONMENT</u></b>                           |                      |                      |                      |                     |                      |
| Block Grant Management                                       | 23,632               | -                    | -                    | -                   | 23,632               |
| <b><u>CULTURE AND RECREATION</u></b>                         |                      |                      |                      |                     |                      |
| Cultural Affairs   | 7,088,331            | 2,768,263            | 2,737,578            | 1,373,591           | 208,899              |
| Recreation   | 8,068,812            | 3,227,059            | 1,340,294            | 3,095,267           | 406,192              |
| <b>TOTAL CULTURE AND RECREATION</b>                          | <b>15,157,143</b>    | <b>5,995,322</b>     | <b>4,077,872</b>     | <b>4,468,858</b>    | <b>615,091</b>       |
| <b>TOTAL GENERAL FIXED ASSETS<br/>ALLOCATED TO FUNCTIONS</b> | <b>52,309,265</b>    | <b>\$ 12,130,147</b> | <b>\$ 21,027,890</b> | <b>\$ 5,407,543</b> | <b>\$ 13,743,685</b> |
| <b>CONSTRUCTION IN PROGRESS</b>                              | <b>923,340</b>       |                      |                      |                     |                      |
|  | <b>53,232,605</b>    |                      |                      |                     |                      |
| <b>ACCUMULATED DEPRECIATION</b>                              | <b>(18,743,304)</b>  |                      |                      |                     |                      |
| <b>GENERAL FIXED ASSETS, NET</b>                             | <b>\$ 34,489,301</b> |                      |                      |                     |                      |

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**

|  | GENERAL<br>FIXED<br>ASSETS<br>OCTOBER 1,<br>1995 | ADDITIONS           | DEDUCTIONS          | GENERAL<br>FIXED<br>ASSETS<br>SEPTEMBER 30,<br>1996 |
|--|--|---------------------|---------------------|---|
| <b><u>GENERAL GOVERNMENT</u></b>       |  |                     |                     |   |
| Downtown Redevelopment Agency          | \$ 16,330  | \$ -                | \$ 16,330           | \$ -  |
| City Commission                        | 10,319   | -                   | 773                 | 9,546   |
| Clerk of the Commission                | 264,705  | 351                 | 7,268               | 257,788   |
| City Manager                           | 60,716   | 4,094               | 19,319              | 45,491  |
| City Auditor                           | 24,608   | 2,777               | -                   | 27,385  |
| City Attorney                          | 96,236   | 38,979              | 14,065              | 121,150   |
| Computer Services                      | 2,551,574  | 136,993             | 561,630             | 2,126,937   |
| Finance                                | 1,630,827  | 243,315             | 144,229             | 1,729,913   |
| Equal Opportunity                      | 33,810   | -                   | 5,752               | 28,058  |
| Community Development                  | 1,430,287  | 197,290             | 297,548             | 1,330,029   |
| Human Resources                        | 110,590  | 28,968              | 3,409               | 136,149   |
| Management and Budget                  | 49,884   | 148                 | 4,729               | 45,303  |
| Risk Management                        | 4,729  | -                   | 2,351               | 2,378   |
| Surplus Items                          | 82,452   | 374,805             | 342,529             | 114,728   |
| <b>TOTAL GENERAL GOVERNMENT</b>        | <b>6,367,067</b>                                 | <b>1,027,720</b>    | <b>1,419,932</b>    | <b>5,974,855</b>                                    |
| <b><u>PUBLIC SAFETY</u></b>            |  |                     |                     |   |
| Police Department                      | 7,511,359  | 1,347,848           | 704,548             | 8,154,659   |
| Fire Department                        | 4,169,095  | 307,483             | 87,769              | 4,388,809   |
| <b>TOTAL PUBLIC SAFETY</b>             | <b>11,680,454</b>                                | <b>1,655,331</b>    | <b>792,317</b>      | <b>12,543,468</b>                                   |
| <b><u>PHYSICAL ENVIRONMENT</u></b>     |  |                     |                     |   |
| Real Property                          | 2,845,161  | 33,300              | -                   | 2,878,461   |
| <b><u>TRANSPORTATION</u></b>           |  |                     |                     |   |
| Public Works                           | 9,990,695  | 3,553,041           | 26,910              | 13,516,826  |
| Traffic Engineering                    | 1,888,437  | 14,214              | 10,595              | 1,892,056   |
| Fleet Management                       | 319,154  | 3,670               | -                   | 322,824   |
| <b>TOTAL TRANSPORTATION</b>            | <b>12,198,286</b>                                | <b>3,570,925</b>    | <b>37,505</b>       | <b>15,731,706</b>                                   |
| <b><u>ECONOMIC ENVIRONMENT</u></b>     |  |                     |                     |   |
| Block Grant Management                 | 23,632   | -                   | -                   | 23,632  |
| <b><u>CULTURE AND RECREATION</u></b>   |  |                     |                     |   |
| Cultural Affairs                       | 6,835,890  | 267,523             | 15,082              | 7,088,331   |
| Recreation                             | 7,875,833  | 207,191             | 14,212              | 8,068,812   |
| <b>TOTAL CULTURE AND RECREATION</b>    | <b>14,711,723</b>                                | <b>474,714</b>      | <b>29,294</b>       | <b>15,157,143</b>                                   |
| <b><u>CONSTRUCTION IN PROGRESS</u></b> |  |                     |                     |   |
|  | 1,059,484  | 779,782             | 915,926             | 923,340   |
|  | 48,885,807                                       | 7,541,772           | 3,194,974           | 53,232,605  |
| <b>ACCUMULATED DEPRECIATION</b>        | <b>(17,555,941)</b>                              | <b>(2,184,469)</b>  | <b>(997,106)</b>    | <b>(18,743,304)</b>                                 |
| <b>GENERAL FIXED ASSETS, NET</b>       | <b>\$ 31,329,866</b>                             | <b>\$ 5,357,303</b> | <b>\$ 2,197,868</b> | <b>\$ 34,489,301</b>                                |

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for long-term liabilities expected to be financed from governmental funds.

**CITY OF GAINESVILLE, FLORIDA**  
**SCHEDULE OF GENERAL LONG-TERM DEBT**  
**GENERAL LONG-TERM DEBT ACCOUNT GROUP**  
**SEPTEMBER 30, 1996**

**AMOUNT AVAILABLE IN DEBT SERVICE FUNDS**

|                                  |                         |
|----------------------------------|-------------------------|
| Public Improvement Revenue Bonds | \$ 2,970,909            |
| Promissory Notes                 | 4,813                   |
| <b>Total</b>                     | <b><u>2,975,722</u></b> |

**AMOUNT TO BE PROVIDED**

|                                  |                          |
|----------------------------------|--------------------------|
| Public Improvement Revenue Bonds | \$ 32,386,311            |
| Promissory Notes                 | 333,832                  |
| Accrued Compensated Absences     | 2,079,068                |
| <b>Total</b>                     | <b><u>34,799,211</u></b> |

**TOTAL** **\$ 37,774,933**

**GENERAL LONG - TERM DEBT PAYABLE**

|                                  |                             |
|----------------------------------|-----------------------------|
| Public Improvement Revenue Bonds | \$ 35,357,220               |
| Promissory Notes                 | 338,645                     |
| Accrued Compensated Absences     | 2,079,068                   |
| <b>TOTAL</b>                     | <b><u>\$ 37,774,933</u></b> |

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**HISTORY OF GENERAL FUND SOURCES USES OF FUNDS**  
**(in dollars)**

**Sources (Revenues & Transfers)**

| FY | REAL      | OTHER      | LICENSES  | FEDERAL | STATE     | COUNTY  | UTILITY       | FINES     | CHARGES      | OTHER                | TOTAL      |
|----|-----------|------------|-----------|---------|-----------|---------|---------------|-----------|--------------|----------------------|------------|
|    | PROPERTY  | TAXES      | & PERMITS |         |           |         | CONTRIBUTIONS |           | FOR SERVICES | REVENUES & TRANSFERS |            |
|    |           | (1)        |           |         |           |         |               |           | (2)          |                      |            |
| 87 | 6,432,787 | 565,823    | 1,061,785 | 13,933  | 5,584,764 | 492,954 | 9,380,808     | 688,906   | 8,927,046    | 5,582,970            | 38,731,776 |
| 88 | 6,794,815 | 646,016    | 1,045,617 | -       | 5,225,105 | -       | 10,381,916    | 828,974   | 9,072,156    | 6,690,379            | 40,684,978 |
| 89 | 6,935,889 | 652,568    | 919,030   | -       | 5,514,393 | -       | 13,029,871    | 1,049,727 | 9,984,150    | 7,038,479            | 45,124,107 |
| 90 | 7,096,945 | 546,001    | 898,217   | -       | 5,451,508 | -       | 15,154,322    | 800,265   | 10,075,719   | 6,866,803            | 46,889,780 |
| 91 | 7,165,638 | 484,993    | 975,080   | 273,756 | 5,081,011 | 7,793   | 19,665,645    | 776,014   | 10,857,371   | 6,962,991            | 52,250,292 |
| 92 | 7,225,786 | 534,986    | 1,080,912 | 224,787 | 5,237,271 | 32,059  | 18,147,629    | 852,104   | 10,015,642   | 6,894,983            | 50,246,159 |
| 93 | 8,500,943 | 7,288,104  | 1,411,160 | 124,571 | 5,408,540 | 29,326  | 18,427,264    | 921,381   | 3,795,112    | 2,047,204            | 47,953,605 |
| 94 | 8,598,987 | 7,936,911  | 1,440,638 | 144,213 | 5,496,820 | 40,286  | 18,829,265    | 1,051,622 | 4,330,577    | 1,608,705            | 49,478,024 |
| 95 | 8,482,949 | 9,305,593  | 1,409,738 | 31,272  | 5,879,041 | 35,106  | 19,248,327    | 1,171,824 | 4,725,347    | 1,912,974            | 52,202,171 |
| 96 | 9,335,018 | 10,038,049 | 880,755   | -       | 6,381,350 | 97,000  | 19,243,942    | 1,296,521 | 4,231,738    | 1,280,889            | 52,785,262 |

Note:

- (1) Prior to FY93, Utility Taxes were reported under Other Revenues & Transfers
- (2) Refuse Collections beginning in FY93 are reported under the Solid Waste Enterprise Fund.

**Uses (Expenditures & Transfers)**

| FY | GENERAL    | PUBLIC     | PHYSICAL    | TRANSPOR- | ECONOMIC    | HUMAN    | CULTURE &  | MISCELLANEOUS | TOTAL      |
|----|------------|------------|-------------|-----------|-------------|----------|------------|---------------|------------|
|    | GOVERNMENT | SAFETY     | ENVIRONMENT | TATION    | ENVIRONMENT | SERVICES | RECREATION | & TRANSFERS   |            |
|    |            |            | (1)         |           |             |          |            |               |            |
| 87 | 9,117,786  | 16,824,110 | 5,554,930   | 4,262,425 | -           | 107,089  | 1,330,785  | 762,489       | 37,959,614 |
| 88 | 8,697,895  | 19,103,803 | 5,675,865   | 4,951,447 | -           | -        | 1,505,030  | 1,909,148     | 41,843,188 |
| 89 | 9,414,404  | 20,672,156 | 6,450,368   | 5,267,606 | -           | 56,178   | 1,673,899  | 2,536,216     | 46,070,827 |
| 90 | 8,171,394  | 21,743,409 | 6,615,679   | 4,444,774 | 94,074      | 231,518  | 1,929,397  | 3,930,247     | 47,160,492 |
| 91 | 10,791,426 | 22,465,698 | 6,836,389   | 5,003,003 | 103,569     | 78,883   | 1,894,762  | 1,631,235     | 48,804,965 |
| 92 | 10,778,951 | 22,881,948 | 7,079,995   | 5,136,212 | 82,225      | -        | 1,872,135  | 1,772,676     | 49,604,142 |
| 93 | 11,772,939 | 24,966,501 | 1,269,514   | 4,859,158 | 114,395     | -        | 1,930,719  | 2,294,297     | 47,207,523 |
| 94 | 11,906,761 | 25,265,471 | 1,271,665   | 5,201,337 | 80,802      | -        | 2,074,450  | 3,987,570     | 49,788,056 |
| 95 | 12,446,076 | 25,916,996 | 1,348,855   | 5,517,433 | 143,328     | -        | 2,112,094  | 4,293,999     | 51,778,781 |
| 96 | 11,853,453 | 27,232,997 | 1,867,361   | 2,841,481 | 45,606      | -        | 3,485,909  | 4,715,346     | 52,042,153 |

Note:

- (1) Beginning in FY93, expenditures for refuse collection are reported in the Solid Waste Enterprise Fund.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**PER CAPITA GENERAL FUND REVENUES AND EXPENDITURES**  
**HISTORICAL AND CONSTANT DOLLAR AMOUNTS**

**PER CAPITA REVENUES**

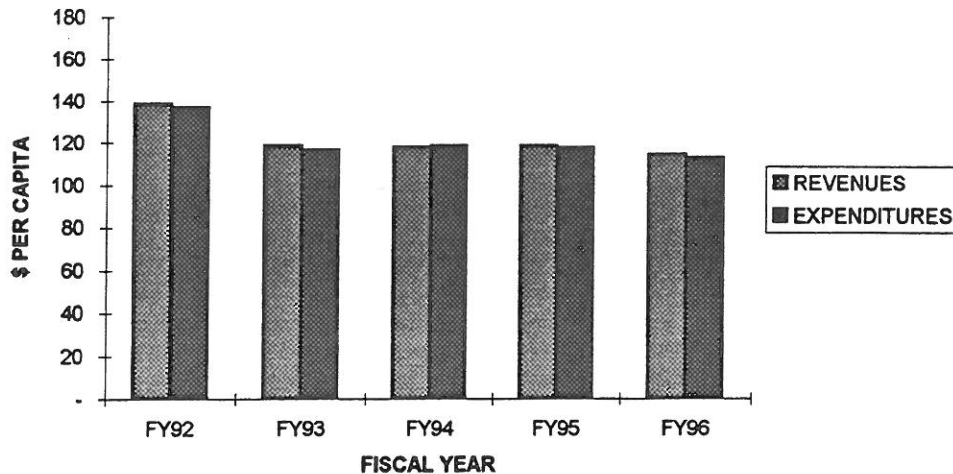
|                             | <u>1992</u> | <u>1993</u> | <u>1994</u> | <u>1995</u> | <u>1996</u> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| Historical Dollars          | \$ 587.08   | \$ 515.12   | \$ 526.54   | \$ 543.48   | \$ 540.32   |
| % Change Over Previous Year | -5.01%      | -12.26%     | 2.22%       | 3.22%       | -0.58%      |
| Constant Dollars*           | \$ 138.72   | \$ 118.50   | \$ 117.66   | \$ 118.40   | \$ 114.31   |
| % Change Over Previous Year | -7.64%      | -14.58%     | -0.71%      | 0.63%       | -3.45%      |

**PER CAPITA EXPENDITURES**

|                             |           |           |           |           |           |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| Historical Dollars          | \$ 579.58 | \$ 507.11 | \$ 529.83 | \$ 539.08 | \$ 532.71 |
| % Change Over Previous Year | 0.40%     | -12.50%   | 4.48%     | 1.75%     | -1.18%    |
| Constant Dollars*           | \$ 136.96 | \$ 116.66 | \$ 118.40 | \$ 117.45 | \$ 112.70 |
| % Change Over Previous Year | -2.37%    | -14.82%   | 1.49%     | -0.80%    | -4.04%    |

\* Constant Dollars were derived by using the Consumer Price Index base year 1967 = 100.

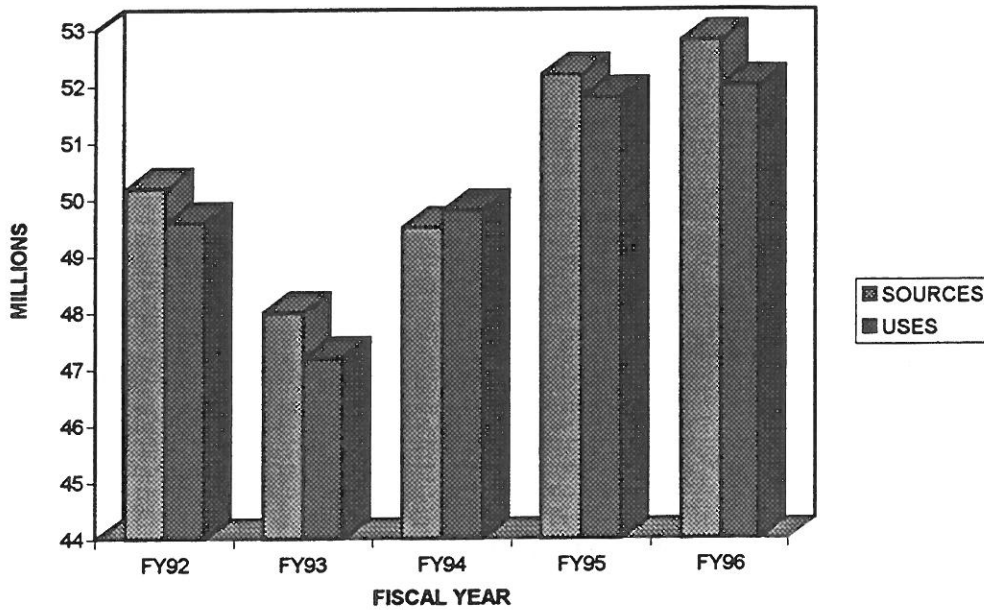
**CONSTANT REVENUES VS EXPENDITURES**





**CITY OF GAINESVILLE, FLORIDA**  
**FY 96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**RATIO OF GENERAL FUND SURPLUS (DEFICIT) TO TOTAL REVENUES**

**GENERAL FUND OPERATIONS**



Ratio of Revenues Less Expenditures to Total Revenues

| <u>1992</u> | <u>1993</u> | <u>1994</u> | <u>1995</u> | <u>1996</u> |
|-------------|-------------|-------------|-------------|-------------|
| 0.01        | 0.02        | -0.01       | 0.01        | 0.01        |

A positive ratio indicates a surplus for the year while a negative ratio indicates a deficit for the year. This ratio is one of the primary indicators of the underlying causes of the City's financial position as it directly affects the expendable fund balances.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**HISTORY OF LOCAL AD VALOREM TAX RATES AND TAX LEVIES**

| TAX<br>ROLL<br>YEAR | CITY<br>FISCAL<br>YEAR | NET TAXABLE VALUE<br>FOR LOCAL LEVIES | TAX RATES (MILLS)     |                       | LOCAL PROPERTY TAX LEVIES |                       |                       |
|---------------------|------------------------|---------------------------------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------------|
|                     |                        |                                       | BONDS AND<br>INTEREST | GENERAL<br>GOVERNMENT | BONDS AND<br>INTEREST     | GENERAL<br>GOVERNMENT | TOTAL TAXES<br>LEVIED |
| (1)                 | (2)                    | (3)                                   | (4 & 6)               | (4)                   |                           |                       | (5)                   |
| 1987                | 1987-88                | 1,256,295,392                         | 0.1460                | 5.5850                | 183,415                   | 7,016,235             | 7,199,650             |
| 1988                | 1988-89                | 1,281,612,508                         | 0.1460                | 5.5850                | 187,111                   | 7,157,645             | 7,344,756             |
| 1989                | 1989-90                | 1,307,412,913                         | 0.1460                | 5.5850                | 190,876                   | 7,301,643             | 7,492,519             |
| 1990                | 1990-91                | 1,349,653,947                         | 0.1460                | 5.5850                | 197,043                   | 7,537,572             | 7,734,615             |
| 1991                | 1991-92                | 1,345,552,130                         | 0.1460                | 5.5850                | 196,444                   | 7,514,675             | 7,711,119             |
| 1992                | 1992-93                | 1,591,052,836                         | 0.1064                | 5.5700                | 169,581                   | 8,877,517             | 9,047,098             |
| 1993                | 1993-94                | 1,650,314,370                         | 0.0764                | 5.3995                | 126,343                   | 8,928,623             | 9,054,966             |
| 1994                | 1994-95                | 1,778,820,898                         | 0.0332                | 4.9659                | 59,191                    | 8,853,191             | 8,912,382             |
| 1995                | 1995-96                | 1,947,684,276                         | -                     | 4.9659                | -                         | 9,672,006             | 9,672,006             |
| 1996                | 1996-97                | 2,031,119,313                         | -                     | 4.9416                | -                         | 10,036,976            | 10,036,976            |

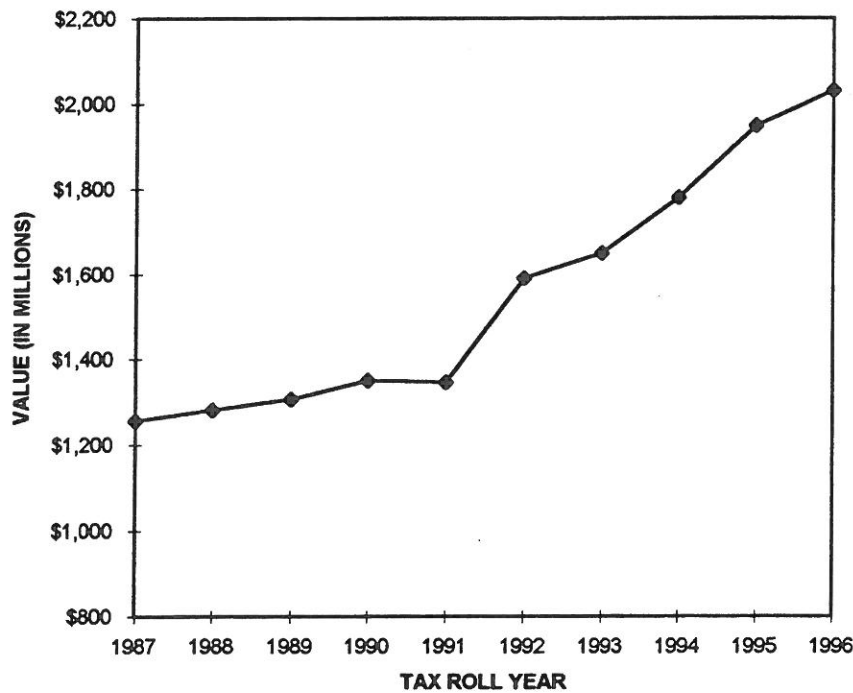
Notes:

- (1) Tax roll year as of January 1st.
- (2) Fiscal year October 1st through September 30th.
- (3) Sum of real and personal property value.
- (4) (a) Tax rates are set by the City Commission effective October 1st.  
 (b) Chapter 200.181, Florida Statutes, allows unrestricted ad valorem tax rate levies for debt service for general obligation bonds approved by citizen referendum and imposes a 10 mill limitation on ad valorem tax rates levied for general government operations.
- (5) See page 107 for history of collections.
- (6) The City's General Obligation Bonds Series 1974 were paid in full in Fiscal Year 1995.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**HISTORY OF PROPERTY VALUES AND PROPERTY ASSESSMENTS**

| <u>TAX ROLL YEAR</u> | <u>JUST VALUE OF ALL PROPERTY</u> | <u>TOTAL EXEMPT PROPERTY</u> | <u>NET TAXABLE VALUE</u> |
|----------------------|-----------------------------------|------------------------------|--------------------------|
| 1987                 | 3,129,236,432                     | 1,872,941,040                | 1,256,295,392            |
| 1988                 | 3,197,462,153                     | 1,915,948,645                | 1,281,513,508            |
| 1989                 | 3,226,221,373                     | 1,918,808,460                | 1,307,412,913            |
| 1990                 | 3,554,109,702                     | 2,204,455,755                | 1,349,653,947            |
| 1991                 | 3,593,123,165                     | 2,247,571,035                | 1,345,552,130            |
| 1992                 | 4,315,089,461                     | 2,724,036,625                | 1,591,052,836            |
| 1993                 | 4,442,627,905                     | 2,792,313,535                | 1,650,314,370            |
| 1994                 | 4,658,565,413                     | 2,879,744,515                | 1,778,820,898            |
| 1995                 | 4,987,069,832                     | 3,039,385,556                | 1,947,684,276            |
| 1996                 | 5,407,243,370                     | 3,376,124,057                | 2,031,119,313            |

**NET TAXABLE VALUE**



**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**HISTORY OF LOCAL AD VALOREM TAX COLLECTIONS**

| <u>CITY FISCAL YEAR</u> | <u>TOTAL PROPERTY TAXES LEVIED</u> | <u>ADJUSTMENTS &amp; PENALTIES AFTER LEVY</u>            | <u>TAXES CERTIFIED FOR COLLECTION</u> | <u>CURRENT TAXES COLLECTED</u> | <u>COLLECTIONS AS A PERCENT OF CERTIFIED</u> | <u>DELINQUENT TAXES COLLECTED</u> | <u>TOTAL PROPERTY TAXES COLLECTED</u> |
|-------------------------|------------------------------------|--|---------------------------------------|--------------------------------|--|-----------------------------------|---------------------------------------|
|                         | (1)                                | (2)  | (3)                                   | (4)                            |  |                                   | (5)                                   |
| 1986-87                 | 6,833,485                          | (57,884)   | 6,812,171                             | 6,749,651                      | 99.1%  | 42,524                            | 6,792,175                             |
| 1987-88                 | 7,199,656                          | (52,118)   | 7,186,123                             | 7,115,019                      | 99.0%  | 55,162                            | 7,170,181                             |
| 1988-89                 | 7,344,756                          | (16,328)   | 7,341,306                             | 7,281,752                      | 99.2%  | 51,402                            | 7,333,154                             |
| 1989-90                 | 7,492,519                          | (12,462)   | 7,480,057                             | 7,406,046                      | 99.0%  | 51,796                            | 7,457,842                             |
| 1990-91                 | 7,734,615                          | (79,881)   | 7,654,734                             | 7,590,542                      | 99.2%  | 49,105                            | 7,639,647                             |
| 1991-92                 | 7,711,119                          | (9,023)  | 7,702,096                             | 7,577,174                      | 98.4%  | 43,913                            | 7,621,087                             |
| 1992-93                 | 9,047,098                          | (19,807)   | 9,027,291                             | 8,888,653                      | 98.5%  | 63,338                            | 8,951,991                             |
| 1993-94                 | 9,054,962                          | (11,908)   | 9,043,054                             | 8,954,380                      | 99.0%  | 58,509                            | 9,012,889                             |
| 1994-95                 | 8,912,382                          | (17,427)   | 8,894,955                             | 8,774,325                      | 98.6%  | 54,725                            | 8,829,050                             |
| 1995-96                 | 9,672,006                          | (932)  | 9,671,074                             | 9,558,085                      | 98.8%  | 79,630                            | 9,637,715                             |
| 1996-97                 | 10,036,976                         | for information only; collections begin November 1, 1996 |                                       |                                |  |                                   |                                       |

Notes:

- (1) See page 105 for basis of Taxes levied for Operations and Debt retirement.
- (2) Additions, deletions and adjustments to the net taxable value (page 106) may be made by the Board of County Commissioners and by the Board of Review after the City Commission sets the tax levy. Penalties may be imposed by the County Property Appraiser for late filing of information by owners of personal property, and the County Commission may cancel taxes under certain conditions. This column is the net of such actions.
- (3) The County Tax Collector certifies the amount for collection after all adjustments. Tax bills paid in November receive a 4% discount; bills paid in December through March receive 3%, 2%, 1%, or 0%, respectively, and those paid after March 31st are subject to a 3% penalty. The County Tax Collector distributes tax collections at least twice each month in November and December and at least monthly thereafter.
- (4) Collected taxes include the legally credited discounts referred to in Note (3) above; also see page 24. Real property taxes and penalties not paid become subject to sale (by June 1st) as interest-bearing tax sale certificates at public auction. Tax sale certificates not sold at auction are retained in the name of the County; those not redeemed within two years are "foreclosed" and the property is sold at public auction, with any sales proceeds distributed on a pro-rata basis to interested taxing authorities.
- (5) Unpaid personal property taxes become a lien on the personal property assessed, and through Court action the property can be attached and sold at public auction.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**HISTORY OF PROPERTY TAX LEVIES COMPARED WITH COLLECTIONS**

| <u>TAX ROLL YEAR</u> | <u>TOTAL TAX LEVIED</u> | <u>CURRENT TAX COLLECTION</u>                            | <u>OUTSTANDING PERCENT OF LEVY COLLECTED</u> | <u>DELINQUENT TAX COLLECTIONS</u> | <u>TOTAL TAX COLLECTIONS</u> | <u>TOTAL COLLECTED AS A % OF CURRENT LEVY</u> | <u>OUTSTANDING DELINQUENT TAXES</u> | <u>DELINQUENT TAXES AS A % OF CURRENT LEVY</u> |
|----------------------|-------------------------|--|--|-----------------------------------|------------------------------|---|-------------------------------------|--|
| 1985                 | 6,136,996               | 6,089,480  | 99.2%  | 32,229                            | 6,121,709                    | 99.8%   | 47,516                              | 0.77%  |
| 1986                 | 6,833,485               | 6,749,651  | 98.8%  | 42,524                            | 6,792,175                    | 99.4%   | 83,834                              | 1.23%  |
| 1987                 | 7,199,656               | 7,115,019  | 98.8%  | 55,162                            | 7,170,181                    | 99.6%   | 84,637                              | 1.18%  |
| 1988                 | 7,344,456               | 7,281,752  | 99.1%  | 51,402                            | 7,333,154                    | 99.8%   | 77,567                              | 1.06%  |
| 1989                 | 7,492,519               | 7,406,046  | 98.8%  | 51,796                            | 7,457,842                    | 99.5%   | 91,757                              | 1.22%  |
| 1990                 | 7,734,615               | 7,590,542  | 98.1%  | 49,105                            | 7,639,647                    | 98.8%   | 81,096                              | 1.05%  |
| 1991                 | 7,711,119               | 7,577,174  | 98.3%  | 43,913                            | 7,621,087                    | 98.8%   | 65,004                              | 0.84%  |
| 1992                 | 9,047,098               | 8,888,653  | 98.2%  | 63,338                            | 8,951,991                    | 98.9%   | 65,658                              | 0.73%  |
| 1993                 | 9,054,962               | 8,954,380  | 98.9%  | 58,509                            | 9,012,889                    | 99.5%   | 67,884                              | 0.75%  |
| 1994                 | 8,912,382               | 8,774,325  | 98.5%  | 54,725                            | 8,829,050                    | 99.1%   | 88,817                              | 1.00%  |
| 1995                 | 9,672,006               | 9,558,085  | 98.8%  | 79,630                            | 9,637,715                    | 99.6%   | 83,776                              | 0.87%  |
| 1996                 | 10,036,976              | for information only; collections begin November 1, 1996 |  |                                   |                              |   |                                     |  |

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**HISTORY OF PROPERTY TAX RATES AND TAX LEVIES**  
**ALL DIRECT OVERLAPPING GOVERNMENTS APPLICABLE TO THE CITY OF GAINESVILLE**

| <u>TAX ROLL YEAR</u>                             | <u>CITY OF GAINESVILLE</u> | <u>COUNTY OF ALACHUA</u> | <u>ALACHUA COUNTY SCHOOL DISTRICT</u> | <u>ST. JOHNS WATER MGMT DISTRICT</u> | <u>ALACHUA COUNTY LIBRARY DISTRICT</u> | <u>TOTAL ALL DIRECT &amp; OVERLAPPING GOVERNMENTS</u> |
|--|----------------------------|--------------------------|---------------------------------------|--------------------------------------|--|---|
|  |                            | (1)                      |                                       |                                      |  |   |
| <u>Tax Rate (mills) (Including Debt Service)</u> |                            |                          |                                       |                                      |  |   |
| 1986   | 5.7420                     | 8.8000                   | 8.4100                                | 0.3190                               | 0.0000                                 | 23.2710   |
| 1987   | 5.7310                     | 9.3000                   | 8.5870                                | 0.5170                               | 1.5000                                 | 25.6350   |
| 1988   | 5.7310                     | 9.2950                   | 8.8370                                | 0.2810                               | 1.5000                                 | 25.6440   |
| 1989   | 5.7310                     | 9.2950                   | 9.8810                                | 0.3460                               | 1.5000                                 | 26.7530   |
| 1990   | 5.7310                     | 9.2800                   | 11.2370                               | 0.3580                               | 1.5000                                 | 28.1060   |
| 1991   | 5.7310                     | 9.2800                   | 11.4630                               | 0.3580                               | 1.7852                                 | 28.6172   |
| 1992   | 5.6764                     | 9.2800                   | 11.6520                               | 0.3580                               | 1.7898                                 | 28.7562   |
| 1993   | 5.4759                     | 9.2820                   | 11.6080                               | 0.4700                               | 1.8408                                 | 28.6767   |
| 1994   | 4.9991                     | 9.2810                   | 12.1770                               | 0.4820                               | 1.8408                                 | 28.7799   |
| 1995   | 4.9659                     | 9.2810                   | 12.1770                               | 0.4820                               | 1.8408                                 | 28.7467   |
| 1996   | 4.9416                     | 9.2810                   | 12.1770                               | 0.4820                               | 1.8408                                 | 28.7224   |

| <u>Tax Levies (Including Debt Service)</u> |            |            |            |         |           |            |
|--|------------|------------|------------|---------|-----------|------------|
| 1986                                       | 6,833,485  | 10,471,578 | 10,007,389 | 379,645 | -         | 27,692,097 |
| 1987                                       | 7,199,656  | 11,682,208 | 10,786,536 | 649,510 | -         | 30,317,910 |
| 1988                                       | 7,344,759  | 11,910,440 | 11,323,510 | 360,121 | 1,922,068 | 32,860,898 |
| 1989                                       | 7,492,519  | 12,152,726 | 12,919,601 | 452,524 | 1,961,575 | 34,978,945 |
| 1990                                       | 7,734,615  | 12,524,795 | 15,166,073 | 483,176 | 2,429,378 | 38,338,037 |
| 1991                                       | 7,708,221  | 12,480,619 | 15,416,465 | 481,478 | 2,400,898 | 38,487,681 |
| 1992                                       | 9,031,184  | 14,764,585 | 18,538,396 | 569,531 | 2,847,598 | 45,751,294 |
| 1993                                       | 9,036,672  | 15,318,295 | 19,156,865 | 612,263 | 3,037,908 | 47,162,003 |
| 1994                                       | 8,892,506  | 16,477,799 | 21,619,375 | 670,375 | 3,268,218 | 50,928,273 |
| 1995                                       | 9,672,006  | 18,076,558 | 23,717,037 | 733,166 | 3,585,304 | 55,784,071 |
| 1996                                       | 10,036,976 | 18,853,632 | 24,736,549 | 759,916 | 3,739,260 | 58,126,333 |

Note:

(1) Alachua County millage rate includes only operating and debt service; MSTU is not included in these rates.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**SPECIAL ASSESSMENTS FUND**  
**(Street, Sidewalk and Ditch Improvement Fund)**

| <u>FISCAL YEAR</u> | <u>OUTSTANDING ASSESSMENTS AT BEGINNING OF YEAR</u> | <u>CURRENT ASSESSMENTS LEVIED</u> | <u>TOTAL ASSESSMENTS</u> | <u>ASSESSMENTS COLLECTED</u> | <u>PERCENTAGE OF COLLECTIONS TO TOTAL DUE</u> |
|--------------------|---|-----------------------------------|--------------------------|------------------------------|---|
| 1986-87 (1)        | 19,442  | 9,267                             | 28,709                   | 5,440                        | 18.9%   |
| 1987-88            | 23,269  | -                                 | 23,269                   | 4,810                        | 20.7%   |
| 1988-89            | 18,459  | -                                 | 18,459                   | 3,046                        | 16.5%   |
| 1989-90            | 15,413  | -                                 | 15,413                   | 4,949                        | 32.1%   |
| 1990-91            | 10,436  | -                                 | 10,436                   | 2,183                        | 20.9%   |
| 1991-92            | 8,253   | 74,684                            | 82,937                   | 22,778 (2)                   | 27.5%   |
| 1992-93            | 60,159  | -                                 | 60,159                   | 14,603 (3)                   | 24.3%   |
| 1993-94            | 45,556  | -                                 | 45,556                   | 9,096 (4)                    | 20.0%   |
| 1994-95            | 36,460  | -                                 | 36,460                   | 3,135 (5)                    | 8.6%  |
| 1995-96            | 33,325  | -                                 | 33,325                   | 7,249 (6)                    | 21.8%   |

Notes:

- (1) In FY87, Ditch Improvement Assessment was combined with Street and Sidewalk Fund.
- (2) Assessments collected include \$18,749 which was remitted to the Utilities Funds in FY1991-92.
- (3) Assessments collected include \$12,178 which was remitted to the Utilities Funds in FY1992-93.
- (4) Assessments collected include \$8,102 which was remitted to the Utilities Funds in FY1993-94.
- (5) Assessments collected include \$2,329 which was remitted to the Utilities Funds in FY1994-95.
- (6) Assessments collected include \$7,184 which was remitted to the Utilities Funds in FY1995-96.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**LEGAL DEBT MARGIN AND**  
**RATIO OF CITY'S GROSS BONDED DEBT TO TAXABLE VALUE**  
**AND BONDED DEBT PER CAPITA**

Legal Debt Margin

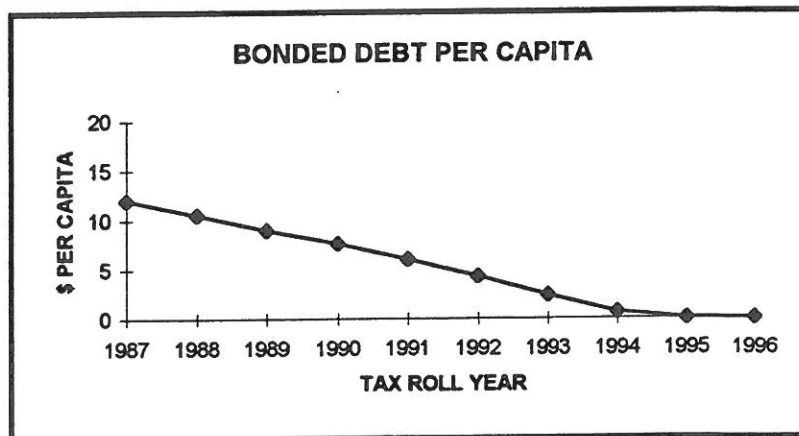
Taxable Value = \$2,031,119,313

Legal Debt Limit = None (1)

| <b>TAX ROLL YEAR</b> | <b>TAXABLE VALUE (JANUARY 1)</b> | <b>BONDED DEBT (SEPTEMBER 30)</b> | <b>BONDED DEBT RATIO</b> | <b>CITY POPULATION (APRIL 1)</b> | <b>BONDED DEBT PER CAPITA</b> |
|----------------------|----------------------------------|-----------------------------------|--------------------------|----------------------------------|-------------------------------|
| 1987                 | 1,256,295,392                    | 1,005,000                         | 0.08%                    | 83,980                           | 11.97                         |
| 1988                 | 1,281,612,508                    | 890,000                           | 0.07%                    | 84,815                           | 10.49                         |
| 1989                 | 1,307,413,913                    | 770,000                           | 0.06%                    | 85,663                           | 8.99                          |
| 1990                 | 1,349,653,947                    | 645,000                           | 0.05%                    | 84,770                           | 7.61                          |
| 1991                 | 1,345,552,130                    | 510,000                           | 0.04%                    | 84,544                           | 6.03                          |
| 1992                 | 1,591,052,836                    | 370,000                           | 0.02%                    | 85,587                           | 4.32                          |
| 1993                 | 1,650,314,370                    | 220,000                           | 0.01%                    | 93,091                           | 2.36                          |
| 1994                 | 1,778,820,898                    | 60,000                            | 0.003%                   | 93,969                           | 0.64                          |
| 1995                 | 1,947,684,276                    | - (2)                             | -                        | 96,051                           | -                             |
| 1996                 | 2,031,119,313                    | -                                 | -                        | 97,693                           | -                             |

Notes:

- (1) Chapter 200.181, Florida Statutes, allows unrestricted ad valorem tax rate levies for debt service requirements for general obligation approved by voter referendum.
- (2) The City's General Obligation Bonds Series 1974 were paid in full in fiscal year 1995.





**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT (5)**

| <u>TAXING AUTHORITY</u> | <u>TAXABLE PROPERTY VALUE (2)</u> | <u>GENERAL OBLIGATION BONDED DEBT (3)</u> | <u>PERCENT OF DEBT APPLICABLE TO CITY</u> | <u>CITY'S SHARE OF DEBT (4)</u> |
|-------------------------|-----------------------------------|---|---|---------------------------------|
| City of Gainesville     | \$ 2,031,119,313                  | \$ -                                      | 100.00%                                   | \$ -                            |
| Alachua County          | 4,467,591,409                     | 15,360,000                                | 45.46%                                    | 6,982,656                       |
| Alachua County Schools  | 4,467,591,409                     | <u>116,742,017</u>                        | <u>45.46%</u>                             | <u>53,070,921</u>               |
|                         |                                   | <u>\$ 132,102,017</u>                     | 45.46%                                    | <u>\$ 60,053,577</u>            |

Notes:

- (1) The above information on bonded debt does not include self supporting and non-self supporting revenue bonds, certificates, and notes as follows (reserves and/or sinking fund balances have not been deducted).
- (2) As of January 1, 1983 homestead property of certain qualified residents is eligible for up to \$25,000 value exemption.
- (3) Reserves and sinking fund balances have not been deducted.
- (4) Chapter 200.181, Florida Statutes, allows unrestricted ad valorem tax rate levies for debt service for general obligation bonds approved by citizen referendum.
- (5) Includes \$15,090,000 in Alachua County Library District serial & term bonds.

| <u>TAXING AUTHORITY</u> | <u>SELF SUPPORTING</u> | <u>NON-SELF SUPPORTING</u> | <u>TOTALS</u>         |
|-------------------------|------------------------|----------------------------|-----------------------|
| Alachua County          | \$ 1,220,000           | \$ 46,485,000              | \$ 47,705,000         |
| Alachua County Schools  | -                      | -                          | -                     |
| City of Gainesville:    |                        |                            |                       |
| Utilities               | 477,215,000            | -                          | 477,215,000           |
| Other than Utilities    | -                      | <u>35,695,865</u>          | <u>35,695,865</u>     |
|                         | <u>\$ 478,435,000</u>  | <u>\$ 82,180,865</u>       | <u>\$ 560,615,865</u> |

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**RATIO OF ANNUAL GENERAL OBLIGATION BONDS DEBT SERVICE EXPENDITURES**  
**TO TOTAL GENERAL FUND SOURCES AND USES (1)**

| <b>FISCAL<br/>YEAR</b> | <b>GENERAL OBLIGATION<br/>DEBT SERVICE EXPENDITURES</b> |                 |              | <b>RATIO OF DEBT SERVICE<br/>EXPENDITURES TO TOTAL<br/>GENERAL FUND</b> |             |
|------------------------|---|-----------------|--------------|---|-------------|
|                        | <b>PRINCIPAL</b>  | <b>INTEREST</b> | <b>TOTAL</b> | <b>SOURCES</b>  | <b>USES</b> |
| 1986-87                | 105,000   | 70,037          | 175,037      | 0.45  | 0.47        |
| 1987-88                | 115,000   | 63,632          | 178,632      | 0.43  | 0.42        |
| 1988-89                | 120,000   | 56,617          | 176,617      | 0.39  | 0.38        |
| 1989-90                | 125,000   | 49,178          | 174,178      | 0.37  | 0.37        |
| 1990-91                | 135,000   | 41,365          | 176,365      | 0.34  | 0.36        |
| 1991-92                | 140,000   | 32,860          | 172,860      | 0.34  | 0.35        |
| 1992-93                | 150,000   | 23,900          | 173,900      | 0.36  | 0.37        |
| 1993-94                | 160,000   | 14,300          | 174,300      | 0.35  | 0.35        |
| 1994-95                | 60,000  | 3,900           | 63,900       | 0.12  | 0.12        |
| 1995-96                | -   | -               | -            | -   | -           |

These ratios measure the amount of principal and interest the City pays each year compared to its total sources and uses of funds. These debt service payments are usually fixed and actually represent a legal claim on the City's resources. As debt service increases, the City's expenditure flexibility is reduced; thus resulting in increased fiscal strain. A ratio below 10% for total debt service is considered good.

Note:

- (1) The historical total sources and uses of General Funds are summarized on page 102. Debt service expenditures are included within those total uses under "General Government".

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**SCHEDULE OF STATE GUARANTEED ENTITLEMENT REVENUE**  
**DEBT SERVICE BOND COVERAGE RATIO**

| <b><u>FISCAL<br/>YEAR</u></b> | <b><u>DEBT SERVICE EXPENDITURES</u></b><br>(Excluding Reserve Requirements) |                        |                     | <b><u>STATE<br/>"GUARANTEED<br/>ENTITLEMENT"<br/>REVENUE</u></b> | <b><u>DEBT<br/>SERVICE<br/>COVERAGE<br/>RATIO</u></b> |
|-------------------------------|---|------------------------|---------------------|--|---|
|                               | <b><u>PRINCIPAL</u></b>   | <b><u>INTEREST</u></b> | <b><u>TOTAL</u></b> |  |   |
| 1986-87                       | 70,000  | 207,120                | 277,120             | 1,100,340  | 3.97  |
| 1987-88                       | 345,000   | 354,062                | 699,062             | 1,100,340  | 1.57  |
| 1988-89                       | 230,000   | 340,272                | 570,272             | 1,100,340  | 1.93  |
| 1989-90                       | 275,000   | 330,107                | 605,107             | 1,100,340  | 1.82  |
| 1990-91                       | 270,000   | 317,532                | 587,532             | 1,100,340  | 1.87  |
| 1991-92                       | 580,000   | 304,533                | 884,533             | 1,100,340  | 1.24  |
| 1992-93                       | 635,000   | 275,614                | 910,614             | 1,100,340  | 1.21  |
| 1993-94 (1)                   | 520,455   | 121,486                | 641,941             | 1,100,340  | 1.71  |
| 1994-95                       | 350,000   | 745,973                | 1,095,973           | 1,100,340  | 1.00  |
| 1995-96                       | 365,000   | 733,721                | 1,098,721           | 1,100,340  | 1.00  |

**Note:**

(1) Figures for FY1993-94 exclude \$8,304,545 paid to defease the Public Improvement Revenue Certificates of 1987. These certificates were defeased by a portion of the proceeds of the Guaranteed Entitlement Revenue and Refunding Bonds of 1994. Total debt service requirements for FY1993-94 reflect principal payments on the Series 1987 debt prior to defeasance and the principal payment of August 1, 1994, for the Series 1994.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**RATIO OF ANNUAL TOTAL DEBT SERVICE EXPENDITURES**  
**TO TOTAL GENERAL FUND SOURCES AND USES (1)**

| <b>FISCAL<br/>YEAR</b> | <b>TOTAL DEBT SERVICE<br/>EXPENDITURES (Excluding Utilities)</b> |                 |              | <b>RATIO OF DEBT SERVICE<br/>EXPENDITURES TO TOTAL<br/>GENERAL FUND</b> |             |
|------------------------|--|-----------------|--------------|---|-------------|
|                        | <b>PRINCIPAL</b>   | <b>INTEREST</b> | <b>TOTAL</b> | <b>SOURCES</b>  | <b>USES</b> |
| 1986-87 (2)            | 375,000  | 1,037,229       | 1,412,229    | 3.64  | 3.79        |
| 1987-88                | 995,000  | 685,324         | 1,680,324    | 4.13  | 4.01        |
| 1988-89                | 1,259,784  | 693,044         | 1,952,828    | 4.33  | 4.24        |
| 1989-90                | 1,511,345  | 616,248         | 2,127,593    | 4.54  | 4.51        |
| 1990-91                | 1,565,856  | 529,529         | 2,095,385    | 4.01  | 4.29        |
| 1991-92                | 1,472,917  | 744,669         | 2,217,586    | 4.41  | 4.47        |
| 1992-93                | 1,470,000  | 1,264,322       | 2,734,322    | 5.70  | 5.79        |
| 1993-94 (3)            | 1,420,818  | 1,123,465       | 2,544,283    | 5.14  | 5.11        |
| 1994-95                | 1,827,968  | 1,790,801       | 3,618,769    | 6.93  | 6.99        |
| 1995-96                | 1,799,792  | 1,730,744       | 3,530,536    | 6.69  | 6.78        |

These ratios measure the amount of principal and interest the City pays each year compared to its total sources and uses of funds. These debt service payments are usually fixed and actually represent a legal claim on the City's resources. As debt service increases, the City's expenditure flexibility is reduced; thus resulting in increased fiscal strain.

A ratio below 10% for total debt service is considered good. As indicated above, the City's ratio remains well below this level.

Notes:

- (1) The historical total sources and uses of General Funds used in the computation of these ratios are summarized on page 102. Debt service expenditures are included within those total uses under "General Government".
- (2) These figures exclude \$8,073,707 paid to defease the Public Improvement Revenue Certificates of 1984.
- (3) Figures for FY1993-94 exclude \$8,304,545 paid to defease the Public Improvement Revenue Certificates of 1987.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**SCHEDULE OF UTILITY REVENUE DEBT SERVICE COVERAGE RATIO**

| <u>FISCAL YEAR</u> | <u>DEBT REQUIREMENTS (1)</u> | <u>NET UTILITY REVENUES (2)</u> | <u>DEBT SERVICE COVERAGE RATIO</u> |
|--------------------|------------------------------|---------------------------------|------------------------------------|
| 1986-87            | 17,939,790                   | 43,957,652                      | 2.45                               |
| 1987-88            | 17,939,790                   | 48,032,374                      | 2.68                               |
| 1988-89            | 24,439,236                   | 55,840,237                      | 2.28                               |
| 1989-90            | 26,556,817                   | 60,279,998                      | 2.27                               |
| 1990-91            | 35,641,221                   | 65,721,781                      | 1.84                               |
| 1991-92            | 33,865,283                   | 64,460,046                      | 1.90                               |
| 1992-93            | 33,679,868                   | 66,026,882                      | 1.96                               |
| 1993-94            | 42,622,279                   | 61,727,973                      | 1.45                               |
| 1994-95            | 47,234,795                   | 67,188,372                      | 1.42                               |
| 1995-96            | 51,396,381                   | 72,107,935                      | 1.40                               |

Notes:

- (1) Excludes capitalized interest.
- (2) Utility net revenues include electric, gas, water and sewer charges to customers. According to Bond Ordinances; i.e. before depreciation and debt service charges, but including certain connection charges and excluding interest earnings on investments from the construction trust fund.

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC DEMOGRAPHIC CHARACTERISTICS**

**CITY GOVERNMENT**

|   |                            |
|---|----------------------------|
| Establishment of Town   | 1854                       |
| Date of Incorporation   | 1869                       |
| Adoption of Present Charter   | 1927                       |
| Form of Government  | Commission-Manager         |
| Fiscal Year Begins  | October 1st                |
| Terms of Office   |                            |
| - Mayor   | One Year (rotates)         |
| - Commissioners   | Three Years (2 Term Limit) |
| Number of Registered Voters   | 53,537                     |
| Number of Voter Turnout in Last City General Election<br>(Includes split City/County Precincts) | 11,042      (20.63%)       |

**LOCATION (1)**

|           |                    |
|-----------|--------------------|
| Area      | 44.50 square miles |
| Latitude  | 82.20' West        |
| Longitude | 29.39' North       |
| Elevation | 185 feet           |

| <u>Distance &amp; Direction to Major Cities:</u> | <u>Highway Miles</u> |       | <u>Average Air Minutes</u> |
|--|----------------------|-------|----------------------------|
| Jacksonville                                     | 70                   | East  | 20                         |
| Tallahassee                                      | 129                  | NW    | 25-30                      |
| Tampa/St. Petersburg                             | 140                  | South | 30                         |
| Orlando  | 109                  | SE    | 30                         |
| Miami  | 335                  | South | 60                         |
| Atlanta  | 342                  | North | 60                         |

**CLIMATE (2)**

|                              |                           |
|------------------------------|---------------------------|
| Average Annual Temperature   | Maximum 77.8 Minimum 58.0 |
| Average Hours of Sunshine    | 2,083                     |
| Average Annual Precipitation | 54.28 Inches              |
| Growing Season               | 255 days                  |

**PUBLIC SAFETY**

|                               |   |
|-------------------------------|---|
| Gainesville Police Department | 240 Sworn Personnel<br>135 Civilian Personnel |
| Gainesville Fire-Rescue       | 142 Sworn Personnel<br>10 Civilian Personnel  |

Sources:   (1) Gainesville Area Chamber of Commerce  
              (2) U.S. Department of Commerce, Local Climatological Data

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC DEMOGRAPHIC CHARACTERISTICS**

**EDUCATION**

**Public Schools: (1)**

|                        |                               |
|------------------------|-------------------------------|
| Elementary Schools     | 23 schools, enrollment 14,418 |
| Middle Schools         | 8 schools, enrollment 6,395   |
| High Schools           | 6 schools, enrollment 7,659   |
| Special Schools        | 7 schools, enrollment 2,473   |
| Teacher Certification  | State requirement             |
| Public School Teachers | 1,893                         |
| Student Membership     | 30,945                        |

**University of Florida:**

|            |      |        |
|------------|------|--------|
| Enrollment | 1987 | 34,060 |
|            | 1988 | 34,021 |
|            | 1989 | 34,022 |
|            | 1990 | 34,000 |
|            | 1991 | 34,814 |
|            | 1992 | 35,108 |
|            | 1993 | 35,978 |
|            | 1994 | 37,678 |
|            | 1995 | 38,730 |
|            | 1996 | 39,137 |

|                 |  |
|-----------------|--|
| Faculty         | 3,720 full-time, 259 part-time   |
| Degrees Offered | > 100 Major Degree Programs<br>Near 100 Undergraduate<br>Near 200 Graduate<br>4 Professional |

**Santa Fe Community College:**

|            |      |  |
|------------|------|--|
| Enrollment | 1987 | 9,210  |
|            | 1988 | 8,723 full & part-time<br>4,183 community education  |
|            | 1989 | 9,917 full & part-time<br>10,326 Community Education |
|            | 1990 | 11,000   |
|            | 1991 | 11,903   |
|            | 1992 | 11,813   |
|            | 1993 | 12,173   |
|            | 1994 | 12,435   |
|            | 1995 | 12,525   |
|            | 1996 | 12,600   |

|                 |   |
|-----------------|---|
| Faculty         | 248 full-time, 379 part-time  |
| Degrees Offered | Associate of Arts<br>Associate of Science<br>Certificate of training<br>Technical Certificate |

(1) Source: School Board of Alachua County

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC DEMOGRAPHIC CHARACTERISTICS**

**TRANSPORTATION**

FY 1995-96 AIR TRAFFIC VOLUME  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT (1)

|              | <u>Enplanements</u> | <u>Deplanements</u> |
|--------------|---------------------|---------------------|
| October 95   | 15,631              | 15,891              |
| November     | 16,657              | 16,778              |
| December     | 16,354              | 15,079              |
| January 96   | 13,517              | 14,200              |
| February     | 13,114              | 13,728              |
| March        | 15,608              | 15,516              |
| April        | 14,716              | 14,856              |
| May          | 14,134              | 13,405              |
| June         | 12,693              | 12,328              |
| July         | 11,020              | 11,423              |
| August       | 11,829              | 13,074              |
| September    | <u>11,900</u>       | <u>11,947</u>       |
| <b>TOTAL</b> | <b>167,173</b>      | <b>168,225</b>      |

MAIN BUS RIDERSHIP (2)  
REGIONAL TRANSIT SYSTEM  
FY1994 - FY1996

|              | <u>FY94</u>      | <u>FY95</u>      | <u>FY96</u>      |
|--------------|------------------|------------------|------------------|
| October 95   | 231,213          | 219,728          | 243,240          |
| November     | 198,306          | 185,716          | 201,053          |
| December     | 142,162          | 129,913          | 113,692          |
| January 96   | 225,888          | 195,252          | 231,068          |
| February     | 215,479          | 210,074          | 236,180          |
| March        | 200,700          | 194,373          | 185,521          |
| April        | 186,968          | 190,200          | 200,298          |
| May          | 116,788          | 119,661          | 108,271          |
| June         | 117,547          | 114,884          | 98,472           |
| July         | 111,611          | 111,625          | 116,124          |
| August       | 106,222          | 142,445          | 130,952          |
| September    | <u>211,271</u>   | <u>233,596</u>   | <u>245,360</u>   |
| <b>TOTAL</b> | <b>2,064,155</b> | <b>2,047,467</b> | <b>2,110,231</b> |

MOTOR FREIGHT SERVICE (3)      30 common carriers, 4 with terminals  
HIGHWAY ROUTES (3)              Interstate 75, U.S. Highways 441, 301, 27, and 41 and Florida 20, 24, 26  
RAIL SERVICE (3)                  Freight Service by CSX Transportation, passenger service by Amtrak  
BUS SERVICE (3)                  Transcontinental & Intercity by Greyhound/Trailways; Intracity by  
Regional Transit System, including minibus service for the handicapped

Sources: (1) Gainesville-Alachua County Regional Airport  
(2) Regional Transit System  
(3) Gainesville Area Chamber of Commerce



**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC DEMOGRAPHIC CHARACTERISTICS**

**GENERAL DEMOGRAPHICS**

| <u>YEAR</u> | <u>POPULATION</u> | <u>BUILDING PERMITS</u> | <u>VALUE OF CONSTRUCTION</u> | <u>BANK DEPOSITS</u> | <u>TELEPHONE SERVICES</u> |
|-------------|-------------------|-------------------------|------------------------------|----------------------|---------------------------|
|             | (1)               | (2)                     | (2)                          | (3)                  | (4 & 5)                   |
| 1987        | 83,980            | 2,371                   | 28,067,706                   | 787,357,966          | 80,470                    |
| 1988        | 84,815            | 2,179                   | 25,795,663                   | 873,740,499          | 84,429                    |
| 1989        | 85,663            | 1,819                   | 21,661,089                   | 948,673,319          | 88,737                    |
| 1990        | 84,770            | 1,518                   | 25,955,555                   | 1,105,415,679        | 92,395                    |
| 1991        | 84,544            | 1,599                   | 22,582,232                   | 1,282,594,910        | 95,768                    |
| 1992        | 85,587            | 1,586                   | 60,276,294                   | 1,308,215,000        | 98,854                    |
| 1993        | 93,091            | 2,029                   | 56,749,240                   | 1,321,601,000        | 103,016                   |
| 1994        | 93,969            | 1,199                   | 52,269,076                   | 1,350,500,000        | 116,907                   |
| 1995        | 96,051            | 1,296                   | 44,415,674                   | 1,380,800,000        | 123,336                   |
| 1996        | 97,693            | 2,352                   | 61,360,847                   | 1,457,800,000        | -                         |

- Sources:
- (1) 1987-89, 1991-1996 University of Florida Bureau of Economic and Business Research; 1990 figure from U.S. Census
  - (2) City of Gainesville Building Inspection Department (excludes University of Florida data)
  - (3) 1987-91 Gainesville Area Chamber of Commerce; 1992-96 Florida Bankers Association, Branch Deposit Report
  - (4) Southern Bell
  - (5) Information is no longer available from local exchange.

**MEDICAL FACILITIES**

|                        |                             |
|------------------------|-----------------------------|
| Hospitals - Acute Care | 4: Total Beds 1746          |
| Nursing Home Care      | 7: Total Beds 959           |
| Doctors                | 1,215 Physicians & Surgeons |
| Dentists               | 195                         |

Source: Gainesville Area Chamber of Commerce and Alachua County Medical Society

**COMMUNICATIONS**

|                     |  |
|---------------------|--|
| Major Newspaper     | Gainesville Sun Circulation:<br>Daily 56,715 |
| Radio Stations      | 5AM, 8FM                                     |
| Television Stations | 3  |

Source: The Council for Economic Outreach

**CITY OWNED PARKING FACILITIES**

|   |     |
|---|-----|
| On street metered spaces                  | 237 |
| Off street metered spaces                 | 149 |
| Permit parking spaces                     | 257 |
| Non-metered spaces, central City district | 80  |
| Handicapped, off street not metered       | 17  |
| Handicapped, central City district        | 5   |
| Reserved, central City district           | 20  |
| Loading, central City district            | 10  |
| Attendant Parking (trial program)         | 38  |

Source: City of Gainesville Traffic Engineering Division

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC DEMOGRAPHIC CHARACTERISTICS**

**EMPLOYMENT**

| <u>Year</u> | <u>Unemployment<br/>Rate</u> |
|-------------|------------------------------|
| 1987        | 3.45                         |
| 1988        | 3.10                         |
| 1989        | 2.99                         |
| 1990        | 3.39                         |
| 1991        | 3.75                         |
| 1992        | 4.90                         |
| 1993        | 4.00                         |
| 1994        | 3.80                         |
| 1995        | 3.60                         |
| 1996        | 2.90                         |

Source: Florida Department of Labor and Employment Security

**Gainesville MSA Total Non-agricultural Employment:**

|                                   |        |
|-----------------------------------|--------|
| Manufacturing                     | 5.50%  |
| Trade                             | 24.40% |
| Services                          | 31.00% |
| Government                        | 38.30% |
| Transportation & Public Utilities | 2.30%  |
| Construction                      | 3.80%  |
| Finance, Insurance & Real Estate  | 4.50%  |

Source: Florida Department of Labor and Employment Security

**Ten Largest Employers:**

| <u>Firm</u>  | <u>Product/Business</u> | <u>Employees</u> |
|--|-------------------------|------------------|
| University of Florida  | Education               | 11,600           |
| Shands Hospitals at the University of Florida<br>(includes all affiliates) | Health Care             | 7,874            |
| School Board of Alachua County   | Education               | 3,963            |
| Florida Department of Health &<br>Rehabilitative Services                  | State Government        | 3,100            |
| City of Gainesville  | Municipal Government    | 1,869            |
| Veterans Affairs Medical Center  | Health Care             | 1,650            |
| Energizer Power Systems  | Manufacturer            | 1,350            |
| Columbia N. Fl. Regional Medical Center                                    | Health Care             | 1,300            |
| Publix Supermarkets  | Grocer                  | 927              |
| Alachua County Administrative Offices                                      | County Government       | 750              |

Source: Gainesville Area Chamber of Commerce

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS**

**EMPLOYMENT**

(continued)

Other Significant Area Employers:

| <u>Firm</u>                                | <u>Product/Business</u>  | <u>Employees</u> |
|--|--------------------------|------------------|
| Santa Fe Community College                 | Education                | 650              |
| Pizza Hut of America, Inc.                 | Restaurant               | 650              |
| Nationwide Insurance                       | Insurance                | 630              |
| United States Post Office                  | Postal Service           | 576              |
| Mental Health Services                     | Health Care              | 490              |
| Bellsouth                                  | Telecommunication        | 460              |
| McDonald's Restaurants                     | Restaurant               | 450              |
| Wal-Mart                                   | Retail Sales             | 410              |
| Environmental Science & Engineering        | Environmental Management | 400              |
| Winn-Dixie Supermarkets                    | Grocer                   | 391              |
| Hunter Marine Corporation                  | Manufacturer             | 350              |
| SunTrust of Gainesville                    | Banking                  | 307              |
| University of Florida Athletic Association | Collegiate Sports        | 280              |
| Sears, Roebuck & Company                   | Retail Sales             | 276              |
| K-Mart                                     | Retail Sales             | 275              |
| The Gainesville Sun                        | Newspaper                | 270              |
| CH2M Hill, Inc.                            | Engineering Consultants  | 250              |
| Civitan Regional Blood System              | Health Care              | 240              |
| J. C. Penney Company                       | Retail Sales             | 225              |
| Florida Farm Bureau                        | Insurance                | 217              |
| Metal Container Corporation                | Manufacturing            | 200              |

Source: Gainesville Area Chamber of Commerce

**PRINCIPAL TAXPAYERS**

(Real Estate & Tangible Taxpayers)

| <u>Owner/Taxpayer</u>             | <u>Business Category</u> | <u>Taxable Value</u>           | <u>% of Total</u>     |
|-----------------------------------|--------------------------|--------------------------------|-----------------------|
| Bellsouth, Inc.                   | Communications           | \$ 62,966,615                  | 3.10%                 |
| Florida Power Corporation         | Utility                  | 41,567,418                     | 2.04%                 |
| Prudential Insurance Company      | Real Estate              | 35,530,050                     | 1.75%                 |
| Columbia/HCA Corporation          | Health Care              | 34,265,490                     | 1.69%                 |
| Metal Container Corporation       | Manufacturing            | 32,045,020                     | 1.58%                 |
| Kriser, Sidney P.                 | Real Estate              | 11,755,400                     | 0.58%                 |
| Industrial Plants, Corporation    | Real Estate              | 9,492,200                      | 0.47%                 |
| P.C.R. Corporation                | Manufacturing            | 8,872,240                      | 0.44%                 |
| Melrose Apartments of Gainesville | Real Estate              | 8,716,290                      | 0.43%                 |
| Gainesville Sun                   | Newspaper                | 7,980,300                      | 0.39%                 |
| All Others                        | -                        | <u>1,777,928,290</u>           | <u>87.53%</u>         |
| <b>TOTAL ALL TAXPAYERS</b>        |                          | <b><u>\$ 2,031,119,313</u></b> | <b><u>100.00%</u></b> |

Source: Alachua County Property Appraiser

**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
**ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS**

**TREND IN SALES OF UTILITY SERVICES (1)**

| Sales by<br>Type of Service     | 1995-96               |                       | 1994-95               |                       | 1993-94               |                       |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                 | NUMBER OF<br>SERVICES | TOTAL<br>REVENUE      | NUMBER OF<br>SERVICES | TOTAL<br>REVENUE      | NUMBER OF<br>SERVICES | TOTAL<br>REVENUE      |
| <b>Electricity:</b>             |                       |                       |                       |                       |                       |                       |
| Residential                     | 63,208                | \$ 41,265,608         | 61,813                | \$ 52,262,423         | 61,314                | \$ 49,211,341         |
| General Service                 | 7,561                 | 31,760,251            | 7,317                 | 41,728,461            | 7,142                 | 39,665,235            |
| Large Power                     | 15                    | 5,347,554             | 13                    | 7,499,920             | 13                    | 7,294,239             |
| Traffic & Street Lights         | 9                     | 1,346,332             | 9                     | 1,480,174             | 9                     | 1,363,518             |
| Rental Lights                   | 2,297                 | 882,635               | 2,246                 | 934,312               | 2,179                 | 892,068               |
| Bulk & Economy Sales            | 21                    | 14,817,236            | 20                    | 14,192,129            | 20                    | 11,205,245            |
| Fuel Adjustment (Revenue)       | -                     | 30,169,661            | -                     | 2,640,641             | -                     | 888,353               |
|                                 | <u>73,111</u>         | <u>\$ 125,589,277</u> | <u>71,418</u>         | <u>\$ 120,738,060</u> | <u>70,677</u>         | <u>\$ 110,519,999</u> |
| <b>Gas:</b>                     |                       |                       |                       |                       |                       |                       |
| Residential                     | 22,920                | \$ 8,192,224          | 22,307                | \$ 5,740,415          | 21,881                | \$ 6,508,452          |
| Interruptible/Commercial        | 1,644                 | 6,819,439             | 1,627                 | 4,913,607             | 1,650                 | 7,043,885             |
| Liquid Propane                  | 151                   | 67,406                | 95                    | 27,669                | 87                    | 51,482                |
|                                 | <u>24,715</u>         | <u>\$ 15,079,069</u>  | <u>24,029</u>         | <u>\$ 10,681,691</u>  | <u>23,618</u>         | <u>\$ 13,603,819</u>  |
| <b>Water:</b>                   |                       |                       |                       |                       |                       |                       |
| General Customers               | 50,388                | \$ 8,012,050          | 48,947                | \$ 7,928,163          | 47,889                | \$ 7,626,314          |
| University of Florida           | 34                    | 528,697               | 32                    | 639,354               | 32                    | 702,180               |
| Fire Hydrants (2)               | 7                     | 902,294               | 7                     | 871,495               | 7                     | 867,303               |
| Electric Plants                 | 3                     | 57,518                | 3                     | 60,519                | 3                     | 57,347                |
|                                 | <u>50,432</u>         | <u>\$ 9,500,559</u>   | <u>48,989</u>         | <u>\$ 9,499,531</u>   | <u>47,931</u>         | <u>\$ 9,253,144</u>   |
| <b>Wastewater Service Fees:</b> |                       |                       |                       |                       |                       |                       |
| Customer Billings               | <u>45,054</u>         | <u>\$ 12,824,558</u>  | <u>43,999</u>         | <u>\$ 12,464,105</u>  | <u>42,962</u>         | <u>\$ 11,954,407</u>  |

Notes:

(1) Sales figures do not include year end adjustments for unbilled receivables.

(2) There are 4,499 hydrants in the system as of September 30, 1996.

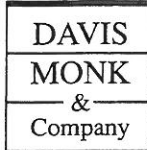
**CITY OF GAINESVILLE, FLORIDA**  
**FY96 COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**STATISTICAL SECTION**  
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**CULTURAL AND RECREATION**

- Art Galleries:** University Gallery, Thomas Center Main and Mezzanine Galleries, Hippodrome Galleries, Hogtown Collector, Grinter Galleries, Focus Gallery, and Santa Fe Gallery
- Dance/Music:** Gainesville Ballet Theatre, Dance Alive!, Danscompany of Gainesville, Inc. and Gainesville Chamber Orchestra
- Museums:** Florida Museum of Natural History, Fred Bear Museum, Samuel P. Harn Museum of Art and Matheson Historical Center
- Theatre:** Hippodrome State Theatre, Gainesville Community Playhouse, Acrosstown Repertory Theatre, The Fable Factory, Inc., Santa Fe Performing Arts Center and the University of Florida Performing Arts Center
- Libraries:** Alachua County Library District Public Library, University of Florida and Santa Fe Community College Libraries
- Art Shows:** Spring Arts Festival, Florida Arts Festival, Downtown Arts Festival and Art Show, Fifth Avenue Arts Festival and Hoggetowne Medieval Faire
- Parks:** 27 Parks and playgrounds
- Other Area Attractions:** Santa Fe Community College Children's Zoo, Kanapaha Botanical Gardens, Bivens Arm Nature Park, Devil's Millhopper State Geological Site, Morningside Nature Center, Paynes Prairie State Park, Alfred A. Ring Park, Boulware Springs Park, Gainesville to Hawthorne Rails to Trails, Gum Root Park, Loblolly Environmental Facility and Hogtown Creek Greenway.
- Sources:** Gainesville Area Chamber of Commerce, City of Gainesville Department of Cultural Affairs and Recreation and Parks Department

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida



Certified Public Accountants

P.O. Box 13494  
4010 N.W. 25th Place  
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Telephone (904) 372-6300

**KPMG** Peat Marwick

Certified Public Accountants

Barnett Tower  
1 Progress Plaza, Suite 1600  
St. Petersburg, Florida 33701  
Telephone (813) 822-8521

We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the fiscal year ended September 30, 1996, and have issued our report thereon dated January 29, 1997.

Our audit was conducted in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act of 1984, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments.

Our audit was also conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of governmental audits performed in the State of Florida. In that regard, we make the following representations:

- The City's 1995-96 annual financial report, which will be filed with the Department of Banking and Finance pursuant to Section 218.32, Florida Statutes, was not prepared at the time our audit was completed. When the annual financial report is prepared, we will review the report and submit a supplement to the management letter pursuant to the Rules of the Auditor General.

- The scope of our audit included a review of the provisions of Section 218.503, Florida Statutes, "Determination of Financial Emergency". Our review did not reveal any conditions indicative of a state of financial emergency as described in that section.
  
- During the current audit we reviewed the status of prior-audit findings. An unresolved prior-audit finding is repeated in our accompanying Report on the Internal Control Structure as required by the Rules of the Auditor General.

Thank you for the cooperation and courtesies extended to us during the course of our audit. We have sincerely enjoyed our association with the City and look forward to a continuing relationship.

Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

*Davis, Monk & Company*  
DAVIS, MONK & COMPANY

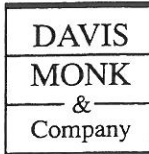
*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP

INDEPENDENT AUDITORS' REPORT ON THE  
INTERNAL CONTROL STRUCTURE

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida

We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997.



Certified Public Accountants

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We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City of Gainesville, Florida, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the internal control structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

**KPMG** Peat Marwick

Certified Public Accountants

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In planning and performing our audit of the general purpose financial statements of the City of Gainesville, Florida, for the year ended September 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.



We noted a matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. This reportable condition and another matter are described on the pages following this report and are made a part hereof.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we consider the reportable condition incorporated herein to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of the City of Gainesville, Florida, for the year ended September 30, 1996.

This report is intended for the information of the audit committee, management, and appropriate audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Davis, Monk & Company*  
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP

REPORTABLE CONDITION RELATING TO GENERAL GOVERNMENT

In connection with our previous audit covering the year ended September 30, 1995, we reported a material weakness in the system of internal control, noting that internal controls were not in place to ensure the reliability of interim financial information. In connection with our current audit covering the year ended September 30, 1996, we again noted a material weakness that existed primarily because certain accounts were not reconciled throughout the year. Additionally, other internal control procedures were not in place to timely detect and correct various accounting errors that had occurred. For example, responsible personnel of the accounting department did not perform adequate periodic reviews and verifications on an ongoing basis to help ensure the integrity of the City's financial data.

Several resulting errors were detected and ultimately corrected during the City's year-end closing procedures and during our audit process. Consequently, the City's externally-issued general purpose financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. However, there were, once again, delays in the City's year-end close-out procedures, including the adoption of budget amendments after the end of the year, and delays in the preparation of the general purpose financial statements.

We recommend that the City implement and maintain internal control-related policies and procedures to ensure a reliable and timely financial reporting process. An effective, comprehensive internal control framework should provide for timely reconciliations of account balances. Also, there should be advance approval of all transactions, and periodic reviews and verifications of accounting information. Timely adjustments, as necessary, should be made to the underlying accounting records. Additionally, policies and procedures should be monitored on an ongoing basis to ensure that they are functioning properly, as designed.

To help facilitate corrective actions, we communicated, to management, additional specific audit findings relative to the condition described above. We will be happy to discuss these specific findings at your convenience.

MATTER RELATING TO GAINESVILLE REGIONAL UTILITIES

Capital projects are not always removed from construction-in-process and placed into plant-in-service in a timely manner, due to the protracted completion of the related paper work from project engineers to accounting. As a result, depreciation expense is potentially not commenced on a project in the period it is placed in service. Accounting should confirm with project engineers the date that each addition was placed in service. Accounting should then determine if an adjustment needs to be made to record depreciation expense for the period between the date the addition was placed in operation and the date that the Accounting department transfers the asset balance from construction-in-process to plant-in-service. This would ensure that the proper amount of depreciation expense and the proper net book value of the asset has been reported.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida



Certified Public Accountants

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We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Gainesville, Florida, is the responsibility of the City's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of non-compliance that are required to be reported herein under government auditing standards.

This report is intended for the information of the audit committee, management, and appropriate audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Davis, Monk & Company*  
DAVIS, MONK & COMPANY

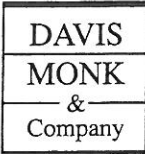
*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP

INDEPENDENT AUDITORS' REPORT ON SCHEDULES OF  
FEDERAL AND STATE OF FLORIDA FINANCIAL ASSISTANCE

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida

We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.



Certified Public Accountants

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We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**KPMG** Peat Marwick

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Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Gainesville, Florida, taken as a whole. The accompanying schedule of federal financial assistance and schedule of State of Florida financial assistance are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. The information in the schedule of federal financial assistance and schedule of State of Florida financial assistance has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Davis, Monk & Company*  
\_\_\_\_\_  
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*  
\_\_\_\_\_  
KPMG PEAT MARWICK LLP

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996**  
**CITY OF GAINESVILLE, FLORIDA**

| <u>FEDERAL GRANTOR/<br/>PROGRAM TITLE</u>                                       | <u>FEDERAL<br/>CFDA<br/>NUMBER</u> | <u>PROGRAM<br/>OR AWARD<br/>AMOUNT</u> | <u>RECEIPTS</u>           | <u>EXPENDITURES</u>       |
|---|------------------------------------|--|---------------------------|---------------------------|
| <b><u>NATIONAL ENDOWMENT FOR THE ARTS</u></b>                                   |                                    |  |                           |                           |
| International Host Organizations  | 45.023                             | \$ 8,000                               | \$ -                      | \$ 8,000                  |
| <b><u>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</u></b>                |                                    |  |                           |                           |
| Block Grant - Entitlement (*)   | 14.218                             | 3,396,000                              | 1,920,661                 | 1,421,252                 |
| Home Investment Partnership Grant (*)   | 14.239                             | 2,628,700                              | 460,178                   | 745,686                   |
| Housing Counseling  | 14.169                             | 39,000                                 | 30,250                    | 17,941                    |
| Supportive Housing  | 14.235                             | 496,542                                | 78,209                    | 78,209                    |
| Cedar Grove Housing Project   | -                                  | 1,000,000                              | -                         | 22,677                    |
| Special Purpose Facility (*)  | -                                  | 1,700,000                              | 194,542                   | 653,080                   |
| <b>Total Department of Housing and Urban Development</b>                        |                                    |  | <b><u>2,683,840</u></b>   | <b><u>2,938,845</u></b>   |
| <b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>                                 |                                    |  |                           |                           |
| Federal Transit Administration -<br>Capital and Operating Assistance (*)        | 20.507                             | 10,194,164                             | <u>1,765,243</u>          | <u>1,740,874</u>          |
| <b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>                                    |                                    |  |                           |                           |
| Passed Through Florida Department of Education:<br>Summer Nutrition Program     | 10.559                             | 151,000                                | <u>71,543</u>             | <u>182,939</u>            |
| <b><u>U.S. DEPARTMENT OF JUSTICE</u></b>  |                                    |  |                           |                           |
| Cops Ahead  | 16.710                             | 438,165                                | 159,982                   | 223,336                   |
| Video Training Tapes for Major<br>Case Investigations                           | 16.580                             | 15,000                                 | -                         | <u>2,738</u>              |
| <b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>   |                                    |  | <b><u>159,982</u></b>     | <b><u>226,074</u></b>     |
| <b><u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u></b>                               |                                    |  |                           |                           |
| Passed Through Florida Department of Community Affairs:<br>Emergency Management | 83.516                             | 50,000                                 | <u>50,000</u>             | <u>8,935</u>              |
| <b>TOTAL FEDERAL ASSISTANCE</b>   |                                    |  | <b><u>\$4,730,608</u></b> | <b><u>\$5,105,667</u></b> |

(\*) Denotes Major Program

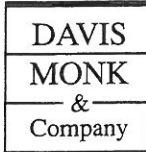
**SCHEDULE OF STATE OF FLORIDA FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996  
CITY OF GAINESVILLE, FLORIDA**

| <u>STATE GRANTOR/<br/>PROGRAM TITLE</u>                          | <u>STATE<br/>CONTRACT<br/>NUMBER</u> | <u>PROGRAM OR<br/>AWARD<br/>AMOUNT</u> | <u>RECEIPTS</u>    | <u>EXPENDITURES</u> |
|--|--------------------------------------|--|--------------------|---------------------|
| <b><u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u></b>             |                                      |  |                    |                     |
| Interlocal Recycling Grant 1996                                  | RE96-01                              | \$154,968                              | \$154,968          | \$154,968           |
| <b><u>DEPARTMENT OF STATE</u></b>                                |                                      |  |                    |                     |
| Local Arts Agency 96   | 96-8015                              | 21,408                                 | 21,408             | 21,408              |
| <b><u>DEPARTMENT OF COMMERCE</u></b>                             |                                      |  |                    |                     |
| Economic Development/Transportation Grant                        | 94/9501A                             | 783,700                                | 56,000             | 359,294             |
| <b><u>DEPARTMENT OF COMMUNITY AFFAIRS</u></b>                    |                                      |  |                    |                     |
| FEMA Grant - State Match   | 93EO2U031102001                      | 506,300                                | 157,547            | -                   |
| <b><u>DEPARTMENT OF HEALTH &amp; REHABILITATIVE SERVICES</u></b> |                                      |  |                    |                     |
| EMS Matching Grant Program                                       | M4109                                | 77,076                                 | 49,992             | 46,992              |
| <b><u>DEPARTMENT OF LEGAL AFFAIRS</u></b>                        |                                      |  |                    |                     |
| Motor Vehicle Theft Grant  | 95-D36                               | 85,302                                 | 26,421             | 34,364              |
| Gainesville Academy #1   | J0016                                | 32,390                                 | -                  | 7,847               |
| Gainesville Academy #2   | 94-262                               | 88,897                                 | 3,727              | 22,567              |
| <b>TOTAL DEPARTMENT OF LEGAL AFFAIRS</b>                         |                                      |  | <u>30,148</u>      | <u>64,778</u>       |
| <b><u>DEPARTMENT OF TRANSPORTATION</u></b>                       |                                      |  |                    |                     |
| Waldo Road Beautification Grant                                  | WP12610072                           | 301,800                                | -                  | 106,927             |
| <b><u>Regional Transit System Improvement Program:</u></b>       |                                      |  |                    |                     |
| Benches, Shelters, Signs   | WPI2810732                           | 7,700                                  | -                  | 3,638               |
| Rehab. Maintenance Facility                                      | WPI2810737                           | 70,000                                 | -                  | 2,612               |
| Transit Vehicles   | WP12810753                           | 108,200                                | 105,002            | 105,002             |
| Buses, Vans, Vehicles, Etc.                                      | WP12810777                           | 63,500                                 | -                  | 54,388              |
| 1996 Operating Assistance  | WP12810796                           | 565,306                                | 565,306            | 565,306             |
| Shop and Garage Equipment  | WP12810827                           | 4,000                                  | 397                | 397                 |
| Radio Message Device System                                      | WP12810828                           | 1,800                                  | 555                | 555                 |
| Urban Capital Needs Study  | WP12810842                           | 25,000                                 | 25,000             | 25,000              |
| Design, Renovate and/or RE Acquisition                           | WP12810853                           | 65,000                                 | 46,770             | 46,770              |
| Design, Renovate, Expand Administrative Offices                  | WP12810854                           | 30,000                                 | 871                | 2,176               |
| Total-Regional Transit System Improvement Program                |                                      |  | <u>743,901</u>     | <u>805,844</u>      |
| <b>TOTAL DEPARTMENT OF TRANSPORTATION</b>                        |                                      |  | <u>743,901</u>     | <u>912,771</u>      |
| <b>TOTAL STATE FINANCIAL ASSISTANCE</b>                          |                                      |  | <u>\$1,213,964</u> | <u>\$1,560,211</u>  |

INDEPENDENT AUDITORS' SINGLE AUDIT REPORT ON THE  
INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida



Certified Public Accountants

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4010 N.W. 25th Place  
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**KPMG** Peat Marwick

Certified Public Accountants

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St. Petersburg, Florida 33701  
Telephone (813) 822-8521

We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997. We have also audited the City of Gainesville's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated January 29, 1997.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the City of Gainesville, Florida, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended September 30, 1996, we considered the City's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the City's general purpose financial statements and on its compliance with requirements applicable to major federal financial assistance programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated January 29, 1997.



The management of the City of Gainesville, Florida, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the internal control structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Applications:

- Billings
- Receivables
- Cash Receipts
- Purchasing
- Accounts Payable
- Cash Disbursements
- Payroll
- Inventory control
- Property and Equipment
- General Ledger

General Requirements:

- Political Activity
- Davis-Bacon Act
- Civil Rights
- Cash Management
- Relocation Assistance and Real Property Acquisition
- Financial Reports
- Allowable Costs/Cost Principles
- Drug-Free Workplace Act
- Administrative Requirements

Specific Requirements:

- Types of Services
- Eligibility
- Matching, Level of Effort, or Earmarking
- Reporting
- Special Requirements
- Claims For Advances and Reimbursements
- Amounts Claimed or Used For Matching

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended September 30, 1996, the City of Gainesville, Florida, expended 89% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls as required by OMB Circular A-128 to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of the City's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted the following matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the City's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

Internal controls were not sufficient to ensure that federal financial reports were always accurately and timely prepared. Consequently, we detected some noncompliance, which is described in the accompanying schedule of findings and questioned costs, relating to federal financial reports.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we do not believe the reportable condition described above is a material weakness.

The Honorable City Commissioners  
City of Gainesville, Florida  
January 29, 1997

Page Four

This report is intended for the information of the audit committee, management, and appropriate audit agencies. However, this report is a matter of public record and its distribution is not limited.

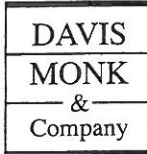
*Davis, Monk & Company*  
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP

INDEPENDENT AUDITORS' SINGLE AUDIT OPINION ON  
COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO  
MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida



Certified Public Accountants

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We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997.

We have also audited the City's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special requirements; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended September 30, 1996. The management of the City of Gainesville, Florida, is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Gainesville, Florida's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

The Honorable City Commissioners  
City of Gainesville, Florida  
January 29, 1997

Page Two

In our opinion, the City of Gainesville, Florida complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special requirements; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended September 30, 1996.

This report is intended for the information of the audit committee, management, and appropriate audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Davis, Monk & Company*

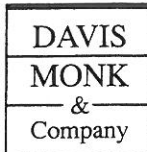
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*

KPMG PEAT MARWICK LLP

INDEPENDENT AUDITORS' SINGLE AUDIT REPORT  
ON COMPLIANCE WITH THE GENERAL REQUIREMENTS  
APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

January 29, 1997



Certified Public Accountants

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The Honorable City Commissioners  
City of Gainesville, Florida

We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997.

We have applied procedures to test the City's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance for the year ended September 30, 1996: political activity; Davis-Bacon Act; civil rights; cash management; relocation assistance and real property acquisition; financial reports; allowable costs/cost principles; Drug-Free Workplace Act; and administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Gainesville, Florida's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Gainesville, Florida, had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying schedule of findings and questioned costs.

The Honorable City Commissioners  
City of Gainesville, Florida  
January 29, 1997

Page Two

This report is intended for the information of the audit committee, management, and appropriate audit agencies. However, this report is a matter of public record and its distribution is not limited.

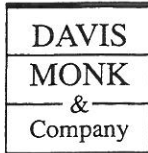
*Davis, Monk & Company*  
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP

INDEPENDENT AUDITORS' SINGLE AUDIT REPORT  
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO NONMAJOR FEDERAL FINANCIAL  
ASSISTANCE PROGRAM TRANSACTIONS

January 29, 1997

The Honorable City Commissioners  
City of Gainesville, Florida



Certified Public Accountants

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We have audited the general purpose financial statements of the City of Gainesville, Florida, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 29, 1997.

In connection with our audit of the general purpose financial statements of the City of Gainesville, Florida, and with our consideration of the City's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments, we selected certain transactions applicable to certain nonmajor financial assistance programs for the year ended September 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Gainesville had not complied, in all material respects, with those requirements.

This report is intended for the information of the audit committee, management, and appropriate audit agencies. However, this report is a matter of public record and its distribution is not limited.

  
DAVIS, MONK & COMPANY

*KPMG Peat Marwick LLP*  
KPMG PEAT MARWICK LLP



SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1996  
CITY OF GAINESVILLE, FLORIDA

| <u>Program</u>                       | <u>Finding/Noncompliance</u>   | <u>Questioned<br/>Costs</u> |
|--------------------------------------|--|-----------------------------|
| Federal Transit<br>Administration    | 1. No "Reports of DBE Awards and Commitments" were filed for the fiscal year.  | \$ --                       |
| Community Development<br>Block Grant | 1. The quarterly Federal Cash Transactions Report (SF 272) for the first quarter reflected amounts from the previous fiscal year as current period disbursements rather than as adjustments of prior periods.  | \$ --                       |
|                                      | 2. Program Income reported on Federal Cash Transaction Reports (SF 272) through June 30, 1996 was understated by \$69,198. As a result, net disbursements were overstated by a corresponding amount. Future federal transactions reports were adjusted for this reporting error.                   | \$ --                       |
|                                      | 3. The City passed through over \$25,000 to a subrecipient, United Gainesville Community Center. The City did not obtain and review the subrecipient's audit report as a means of determining whether the subrecipient expended the assistance in accordance with applicable laws and regulations. | \$ --                       |
| Special Purpose<br>Facility          | 1. Expenditures reported on the Financial Status Report (269A) for the period ended June 30, 1996 were understated by approximately \$57,000.  | \$ --                       |
| Cops Ahead                           | 1. The Financial Status Report for the quarter ended December 31, 1995 was not filed in a timely manner. It was due within 30 days after the end of the calendar quarter.  | \$ --                       |

# City of Gainesville

## Inter-Office Communication

City Manager's Office

Mail Sta. #7

334-5010

TO: Mayor-Commissioner Edward L. Jennings, Sr., Chair and  
Mayor-Commissioner Pro Tem Bruce Delaney, Member  
Audit & Finance Committee

FROM: Wayne Bowers  
City Manager

DATE: March 17, 1997

RE: Management Response to the FY 96 Independent Auditor's Management Letter

The annual audit of the City's financial operations was completed by the firms of KPMG Peat Marwick and Davis, Monk & Company. Included in this examination of financial management and accounting procedures were the following:

- a review of the City's internal control structure
- a review of operations in terms of compliance with legal regulatory requirements;
- a review of the City's administration of federal financial assistance programs.

As you are aware, the audit itself again resulted in an unqualified or "clean" audit opinion letter being affixed to the City's financial statements; however, the external auditors brought certain matters, conditions and findings to our attention. Their comments are organized into five major groups

- Section One - Informational Comments/Nonreportable Conditions
- Section Two - Comments on the Internal Control Structure
- Section Three - Compliance with Legal and Regulatory Requirements
- Section Four - Administration of Federal Financial Assistance Programs
- Section Five - Findings and Questioned Costs - Federal Financial Assistance Programs

◆ **Section One: Informational/Nonreportable Conditions:**

No Auditors' Comments

◆ **Section Two: Comments on the Internal Control Structure:**

Condition #1 (Page 5) Reportable Condition Relating to General Government:

Internal controls were not in place during the year to timely reconcile accounts and timely detect errors; as a result, the year-end closeout procedure was slow due to the necessity of extensive reconciling procedures. This was also a material weakness, which means that the design and operation of internal controls did not reduce the possibility of error to a relatively low level. This condition did not, however, affect the information reported in the City's external financial reports.

***Management's Response to Condition #1:***

During the 1996 fiscal year, the Accounting Division was significantly affected by the departure of two key, long-time employees; the remaining employees, which for the most part were new hires, had not been employed long enough to adequately know all the facets of our very complex accounting system to accomplish the work of the division. Also during that time, the City was one of the first two entities in the United States to implement a new human resources payroll program. The newness and complexity of this human resources payroll system, when integrated into the general ledger for the first time, required enormous staff time to unravel problems that arose in reconciling payroll records to financial records.

We agree that the internal controls in place during the fiscal year were not adequate to ensure appropriate interim financial reporting; however, the Accounting Division staff have received extensive training and have been heavily supervised during the past six months. We believe that they now have an adequate understanding of what procedures must be performed on a monthly and a quarterly basis, and such reconciliations and review are currently being conducted. We believe that the procedures in place at the present time provide good internal control over the quality of the interim financial information in the City's records.

**Comment #2 (Page 6) Matter Relating to Gainesville Regional Utilities:**

Capital projects should be removed from construction in process records and placed into plant in service in a timely manner; depreciation expense should be reviewed to ensure that depreciation begins when the asset is placed in service.

***Management's Response to Comment #2:***

Management agrees with the recommendation and will make every effort to initiate depreciation on completed construction projects within an appropriate period of time. To that end, the Accounting Department will also continue to work with project engineers in coordinating the timely submittal of the necessary paperwork in closing the jobs.

**◆ Section Three: Compliance with Legal and Regulatory Requirements:**

No Auditors' Comments

**◆ Section Four: Administration of Federal Financial Assistance Programs:**

**Comment #1 (Page 13) Reportable Condition:**

Internal controls were not sufficient to ensure that federal financial reports were always accurately and timely prepared. Consequently, we detected some noncompliance, which is described in the accompanying schedule of findings and questioned costs, related to federal financial reports.

*Management's Response to Comment #1:*

The Accounting Division is in the process of devising tickler lists and a master calendar that will assist in controlling the federal financial assistance reporting process. We believe that this will enable us to provide timely financial reporting and to have adequate supervisory review of that reporting.

◆ **Section Five: Findings and Questioned Costs:**

Finding #1 (Page 20) - Federal Transit Administration:

No "Reports of DBE Awards and Commitments" were filed for the fiscal year.

*Management's Response to Finding #1:*

We concur; those reports have now been filed.

Findings #2 and #3 (Page 20) - Community Development Block Grant:

Two reports included incorrect financial information.

*Management's Response to Findings #2 and #3:*

The City now has review procedures in place to ensure that grant reporting accurately reflects the underlying financial records and that those financial records are correct. In addition, when adjustments are made to the financial records subsequent to the date a federal financial report is due, the Accounting Division now files amended financial reports, so that amounts reported will agree with adjusted balances.

Finding #4 (Page 20) - Community Development Block Grant:

The City did not obtain and review audited financial statements of one subrecipient of more than \$25,000.

*Management's Response to Finding #4:*

The Community Development Block Grant office has devised a review form that includes a review of audited financial statements of appropriate subrecipients (those who receive more than \$25,000) and that also includes a review to be performed by the Accounting Division. We believe that this process will ensure that subrecipients' audit reports will be appropriately reviewed.

Findings #5 and #6 (Page 20) Special Purpose Facility Grant and Cops Ahead Grant:

One grant report included incorrect financial information and one was not filed timely.

*Management's Response to Findings #5 and #6:*

As noted above, the Accounting Division now has procedures to assure that financial information reported to the federal government agrees with the accounting records. As also noted above, we are devising a master calendar that will ensure timely grant reporting.

PREPARED BY:

Brenda M. Law  
Brenda M. Law, Interim Finance Director 

SUBMITTED BY:

Wayne Bowers  
Wayne Bowers, City Manager