

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
City of Gainesville, Florida
Year Ended September 30, 2000**

**Prepared By
The Finance Department**

LISTING OF CITY OFFICIALS

ELECTED OFFICIALS

Paula M. DeLaney.....Mayor
Pegeen Hanrahan.....Commissioner
John BarrowCommissioner
Warren Nielsen.....Commissioner
Chuck Chestnut.....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

Mark S. Benton.....Finance Director
Becky L. Rountree.....Director, Office of Management & Budget
Daniel Smierciak.....Interim Accounting Manager
Nancy Pollard..... Grant Fiscal Coordinator
Kathy Branam.....Property Control Specialist
Laura Jessee.....Accountant II
Lynn Thigpen.....Account Clerk III
Ronda Carney.....Account Clerk II
Belinda G. Tenney.....Account Clerk II
Lisa Varvel.....Account Clerk I

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CITY OF GAINESVILLE

Office of the City Manager

March 12, 2001

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

Dear Mayor, Commissioners, and Citizens:

It is our pleasure to submit this *Comprehensive Annual Financial Report* for the City of Gainesville, Florida for the fiscal year ended September 30, 2000. 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 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.

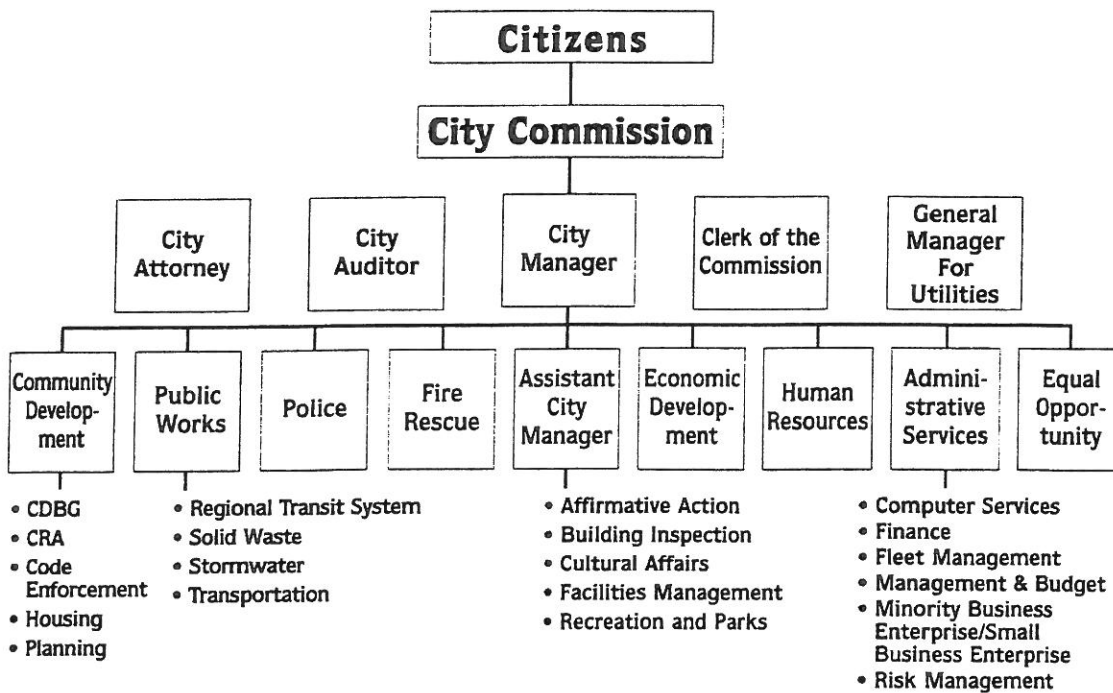
1. **Introductory Section** As the title indicates, the first section acquaints the reader with the report. It comprises a table of contents, this transmittal letter which includes the City organizational chart and the 1999 Certificate of Achievement for Excellence in Financial Reporting awarded to the 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 most populous 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, 2000, the most recent official population estimate was at 102,175.

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. In March of 1998, City voters elected a Mayor for the first time in over 70 years. The elected Mayor serves a three year term and 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 and department heads. The current organizational structure is depicted below.

City of Gainesville Organizational Chart



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

- **building inspections**
- **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**
- **small business development**
- **stormwater management**
- **street maintenance**
- **traffic engineering and parking**
- **water and wastewater**
- **telecommunications and data transfer**

Internal support services include the following:

- **accounting**
- **accounts payable**
- **billing & collections**
- **City-wide management**
- **computer systems support**
- **debt management**
- **equal opportunity**
- **affirmative action**
- **fleet maintenance**
- **facilities maintenance**
- **human resources**
- **information systems**
- **investment management**
- **labor relations**
- **mail services**
- **payroll**
- **property control**
- **purchasing**
- **risk management**

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**.

ECONOMIC CONDITIONS AND OUTLOOK

Based on a number of indicators, the economic outlook for the **City of Gainesville** and its residents continues to be positive. Unemployment is at 1.9%, the lowest rate in over ten years and a significant decline from the 2.7% level of fiscal year 1999. Approximately 2,350 net new jobs were created last year. 830 of these jobs were generated in the private sector, with the balance coming from major governmental employers, including the University of Florida (UF). Enrollment at UF increased from 35,000 in 1990 to 45,600 in 2000.

The City continues to experience a renaissance of its downtown area. The past year has seen the completion of one major project and the initiation of another. Union Street Station has attracted several restaurants and retail stores to its ground level space and will provide office and residential units above and should be fully occupied during 2001. The Downtown area will also experience some significant developments in the near future with the construction of the Commerce Building slated for completion in 2001. The Commerce Building project will provide the new home for the Gainesville Area Chamber of Commerce and 60,000 square feet of office space and approximately 46 condominiums.

Other major construction projects near completion in Gainesville at the end of fiscal year 2000 were the Ironwood Clubhouse at the City owned golf course, the Technology Enterprise Center and the new electric generator at the John R. Kelly Power Plant in downtown Gainesville.

MAJOR INITIATIVES

FOR THE YEAR

Police Department During fiscal year 2000, the Gainesville Police Department (GPD) transitioned into district policing designed to empower district commanders to allocate resources in the most effective and efficient manner possible. The City was divided into Northern and Southern Districts, with the emphasis on preventive measures and immediate response to neighborhood needs. With District Policing, it is GPD's goal to better serve the community by giving district commanders the flexibility of designing strategies tailored to the specific needs of the neighborhoods in their district.

Public Safety In fiscal year 2000, the City and County combined resources and personnel to form one division for public safety communications under the direction of the Alachua County Sheriff Department. Housed in a new state of the art complex, the new communication division will now dispatch emergency calls to both City and County public safety departments.

FOR THE FUTURE

City Commission Goals In January 2001 the City Commission conducted a retreat to develop specific goals for the future of the City of Gainesville. The following goals were identified:

- Upgrading infrastructure
- Identifying funding sources to expand recreation services
- Furthering intergovernmental relations
- Increasing transportation funding and service provision
- Developing stable neighborhoods
- Improving quality of life

Each goal is subject specific and of equal importance. To see details of these goals, log onto the City of Gainesville webpage at www.state.fl.us/gvl/kiosk/on-doc20.html

Transfer from Gainesville Regional Utilities Gainesville Regional Utilities (GRU) and General Government staffs have discussed the need to amend the electric utility transfer formula for several years. Consensus was reached on a formula based on delivered units of power rather than a stated percentage of gross revenue. This formula is designed to better facilitate both GRU's and General Government's need for stability, predictability and acceptance by rating agencies.

DEPARTMENT FOCUS

Economic Development The Economic Development Department functions as an ombudsman for the private sector within the city government system. Through various programs such as the Enterprise Zone, the staff works with private businesses to facilitate their growth, provide information and assist business owners in carrying out objectives that not only benefit the company but the community as well. During fiscal year 2000 construction began on a new facility, a technology business incubator, which is slated for completion in early 2001. The facility is formally called the Technology Enterprise Center of Gainesville/Alachua County (GTEC) and was primarily funded by grants from the US Economic Development Administration totaling \$1,710,000. The City and County governments pledged \$430,000 each for matching grant funds, and the City acquired the necessary land and provided funding for building furnishings and other ancillary costs. The GTEC facility, when complete, will be a 30,000 square foot energy efficient building offering office space and flexible lab and assembly areas to serve the needs of a broad range of technology related start-up businesses. GTEC will offer numerous amenities and services along with a community wide network of organizations providing professional services including management expertise, business planning development and other business related services. The GTEC facility goals are to attract technology based start-up and spin-off companies and assist them in achieving financial success and encouraging them to remain in the Gainesville area to provide high-wage jobs and help diversify the industrial sectors of the area.

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 all 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 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. 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, 2000, 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 2000 and fiscal year 1999.

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

<u>SOURCES</u>	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Property Taxes	\$ 11,868	\$ 11,098	\$ 770	6.9
Other Taxes/Licenses	14,533	13,553	980	7.2
Intergovernmental	17,370	21,775	(4,405)	(20.2)
Charges for Services	226,735	215,086	11,649	5.4
Miscellaneous	<u>4,937</u>	<u>3,355</u>	<u>1,582</u>	47.2
Total Revenues	275,443	264,867	10,576	4.0
Debt Proceeds	<u>0</u>	<u>899</u>	<u>(899)</u>	<u>(100.0)</u>
TOTAL SOURCES	<u>\$ 275,443</u>	<u>\$ 265,766</u>	<u>\$9,677</u>	3.6
 <u>USES</u>				
General Government	\$ 28,725	\$ 25,055	\$ 3,670	14.6
Public Safety	33,604	31,742	1,862	5.9
Transportation	17,231	14,139	3,092	21.9
Utilities	157,213	139,938	17,275	12.3
Other	<u>21,702</u>	<u>20,056</u>	<u>1,646</u>	8.2
Total Expenditures/Expenses	258,475	230,930	27,545	11.9
Debt Service	<u>3,335</u>	<u>4,344</u>	<u>(1,009)</u>	<u>(23.2)</u>
TOTAL USES	<u>\$ 261,810</u>	<u>\$ 235,274</u>	<u>\$ 26,536</u>	11.3

Significant Variances

Sources:

Intergovernmental Intergovernmental revenues decreased due to \$5,750,000 in Campus Development agreement funds received in fiscal year 1999 from the Florida Board of Regents. This agreement was awarded to ensure that adequate infrastructure and services are available for new development as adopted in the University of Florida's comprehensive plan.

Miscellaneous Miscellaneous revenues increased due to a large contribution from the Federal Government Law Enforcement Contraband Fund of approximately \$466,000. In addition, investment income increased nearly \$420,000.

Debt Proceeds The decrease in sources is due to the fact that in fiscal year 1999, the City entered into a loan agreement for the Commerce building project whereas in fiscal year 2000, no additional debt was incurred.

Uses:

General Government The increase in General Government expenditures is a result of an increase of General Insurance and Health Insurance claims of over \$2,000,000 over last fiscal year. Also in fiscal year 2000, the City purchased \$912,000 in communication equipment. The remainder of the variance is increased general government departmental expenditures, mainly personnel cost.

Transportation The increase in transportation expenditures is due to increased spending by the Regional Transit System of \$1,187,000. The increased spending was primarily related to the provision of increased service levels to the University of Florida. Also, \$1,233,000 in additional funds were spent over the last fiscal year for road construction and repaving with NW 38th Street receiving the majority of the work.

Debt Service The decrease in uses is attributed to the fact that in fiscal year 1999, the FFGFC Series 1994 was paid in full with principal and interest payments totaling \$905,000.

GOVERNMENTAL FUNDS BY FUND TYPE
(000's Omitted)

	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
<u>SOURCES</u>				
General	\$ 62,877	\$ 70,590	\$ (7,713)	(10.9)
Special Revenue	7,614	7,760	(146)	(1.9)
Debt Service	3,338	3,818	(480)	(12.6)
Capital Projects	<u>2,663</u>	<u>1,474</u>	<u>1,189</u>	80.7
TOTAL SOURCES	<u>76,492</u>	<u>83,642</u>	<u>(7,150)</u>	<u>(8.6)</u>
<u>USES</u>				
General	62,679	64,272	(1,593)	(2.5)
Special Revenue	6,609	7,490	(881)	(11.8)
Debt Service	3,319	4,327	(1,008)	(23.3)
Capital Projects	<u>5,511</u>	<u>1,582</u>	<u>3,929</u>	248.4
TOTAL USES	<u>78,118</u>	<u>77,671</u>	<u>447</u>	<u>(0.6)</u>
SHORTAGE OF SOURCES OVER USES	<u>\$ (1,626)</u>	<u>\$ 5,971</u>	<u>\$ (7,597)</u>	<u>(127.2)</u>

Significant Variances

Sources:

General The decrease in sources is due to the receipt of two one time funding sources in fiscal year 1999: \$5.8 million in Campus Development funds from the Florida Board of Regents for infrastructure and increased service delivery for new development around the UF campus in fiscal year 1999, and \$5.1 million from GRU for the Deerhaven Plant lease/leaseback transaction.

Debt Service The decrease in sources is attributed to the fact that in fiscal year 1999, the FFGFC Series 1994 was paid in full; consequently, no amounts were transferred to the FFGFC 1994 Fund in fiscal year 2000 as there was no debt payment to be made.

Capital Projects Fund Sources increased due to the General Capital Project Fund (GCPF) receipt of over \$700,000 of intergovernmental funds for the construction of the technology incubator project in fiscal year 2000. Also in fiscal year 2000, the GCPF received \$260,000 from GRU for GRU's contribution to the East Gainesville Sprout Project. Finally, investment income increased nearly \$135,000 over fiscal year 1999.

Uses:

Special Revenue The decrease in uses is a result of higher spending for the COPS Technology Grant of \$500,000 in fiscal year 1999. Additionally approximately \$290,000 less was transferred to Other Funds in fiscal year 2000. The majority of the transfer variance can be found in the transfer from the Economic Development Fund to the Capital Project Fund.

Debt Service The decrease in uses is attributed to the fact that in fiscal year 1999, the FFGFC Series 1994 was paid off resulting in no debt service payment for this debt.

Capital Projects Uses increased significantly in fiscal year 2000 with the purchase of new communication equipment of \$912,000. Additionally, the majority of the construction costs of the new Ironwood clubhouse and the technology incubator building were incurred during fiscal year 2000. And there was greater spending on roadway construction, specifically on NW 38th St where \$1,300,000 additional costs were incurred in fiscal year 2000.

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 generated during fiscal years 2000 and 1999.

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

<u>SOURCES</u>	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Transit	\$ 7,681	\$ 9,510	\$ (1,829)	(19.2)
Utilities	203,180	192,728	10,452	5.4
Stormwater	4,090	3,790	300	7.9
Ironwood Golf Course	1,282	1,195	87	7.3
Solid Waste	5,145	5,059	86	1.7
General Insurance	3,540	5,376	(1,836)	(34.2)
Fleet	5,392	5,773	(381)	(6.6)
EHAB	<u>8,728</u>	<u>8,006</u>	<u>722</u>	9.0
TOTAL SOURCES	<u>239,038</u>	<u>231,437</u>	<u>7,601</u>	3.3
 <u>USES</u>				
Transit	8,665	7,197	1,468	20.4
Utilities	187,405	174,549	12,856	7.4
Stormwater	4,036	4,555	(519)	(11.4)
Ironwood Golf Course	1,400	1,312	88	6.7
Solid Waste	5,313	4,888	425	8.7
General Insurance	4,294	3,334	960	28.8
Fleet	4,472	4,167	305	7.3
EHAB	<u>8,928</u>	<u>7,791</u>	<u>1,137</u>	14.6
TOTAL USES	<u>224,513</u>	<u>207,793</u>	<u>16,720</u>	8.0
NET GAIN/(LOSS)	<u>\$ 14,525</u>	<u>\$ 23,644</u>	<u>\$ (9,119)</u>	(38.6)

Significant Variances

Sources:

Transit Transit sources decreased due mainly to the fact that in fiscal year 1999, RTS received a \$3.5 million transfer from the Campus Development agreement. However, in fiscal year 2000, RTS had an increase of \$772,000 in operating revenue as a result of increased services to the University of Florida. RTS also received \$460,000 more in grant revenue along with an increase from the Local Option Gas Tax of nearly \$255,000.

General Insurance Sources decreased as a result of the fact that Transfers from the General Fund were \$700,000 less in fiscal year 2000. Also, in fiscal year 1999, the General Insurance Fund had \$600,000 more of insurance refunds than in fiscal year 2000.

Uses:

Transit Transit Uses increased significantly in fiscal year 2000 due to increased Administrative Cost for contracted services from CTS which provides minibus services. Maintenance costs increased \$359,000 and the Corridor Development Services began in 2000 adding an additional expense of \$533,000.

Stormwater Stormwater Uses decreased \$519,000 as compared to fiscal year 1999. Details of this decrease include a \$200,000 decrease in Open and Closed Watercourse Maintenance, and a \$200,00 decrease of transfers to other funds. Depreciation expense was \$71,000 less in fiscal year 2000.

General Insurance Uses increased as a result of the fact that the General Insurance Fund experienced higher worker's compensation claims in fiscal year 2000.

EHAB Uses increased in fiscal year 2000 as the City experienced an increase in health benefits claims of nearly \$1,182,000 as compared to fiscal year 1999.

FUND BALANCES

General Fund fund balance The fund balance of the General Fund at September 30, 2000 was **\$15.3 million**, an increase of a **\$0.1 million** due to an operating surplus in fiscal 2000. General government expenditures were approximately **\$6.3 million** below budget. This was due to the fact that departmental expenditures were **\$2.6 million** under budget and that **\$3.1 million** was appropriated for transfer to the Capital Projects Funds but only **\$0.5 million** was transferred.

Other Governmental Fund fund balances Fund balances of governmental funds other than the General Fund decreased in fiscal 2000 by **\$1.8 million** to **\$12.6 million**. The decrease is due to the Capital Project Funds increased activity in the construction of major capital projects such as the Ironwood Clubhouse and the technology incubator building plus the purchase of communication equipment.

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 nearly **\$23.3 million** to the General Fund in fiscal year 2000. 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 change experienced during the last fiscal year for City trust funds.

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

	<u>2000</u>	<u>1999</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Pension Trusts - fair value	\$250,821	\$223,278	\$ 27,543	12.3
Expendable Trusts	<u>2,868</u>	<u>2,196</u>	<u>672</u>	30.6
TOTAL ASSETS	<u>\$253,689</u>	<u>\$225,474</u>	<u>\$ 28,215</u>	12.5

PENSION OPERATIONS

PENSION TRUST FUND MANAGEMENT

The City provides three pension plans for its employees:

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

The *Employees' Plan* and the *Consolidated Plan* are contributory defined benefit plans, qualified under the provisions of the Internal Revenue Code, 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, 2000, the fair value of *Consolidated Plan* assets was approximately **\$81.2 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 two others which invest in fixed income securities. At September 30, 2000, the fair value of the *Employees' Plan* assets was approximately **\$169.6 million**.

Investment managers are selected and retained for both plans 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 10% of the employees' gross pay, and employees contribute 5%. These contributions are submitted to external retirement corporations that are responsible for management of the investments as directed by the employee. At September 30, 2000, the value of the assets approximated **\$11.2 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>2000</u>	<u>1999</u>
Current and Other Assets		
Cash and Investments *	\$ 480,309	\$ 434,828
Receivables, net	56,630	45,522
Inventories, at cost	9,449	18,823
Deferred and Prepaid Expenses	<u>248,297</u>	<u>289,728</u>
	794,685	788,901
Property, Plant and Equipment - Net	<u>666,333</u>	<u>623,950</u>
TOTAL ASSETS	<u>1,461,018</u>	<u>1,412,851</u>
Less Liabilities and Deferred Credits:		
Payable and Accrued Liabilities	71,224	63,946
Deferred Credits & Revenues	233,008	242,405
Bonds and Notes Payable	<u>425,275</u>	<u>419,987</u>
TOTAL LIABILITIES AND CREDITS	<u>729,507</u>	<u>726,338</u>
TOTAL NET ASSETS	<u>\$ 731,511</u>	<u>\$ 686,513</u>

* All investments are stated at fair value in accordance with GASB Statement no. 31.

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:

Public Improvement Revenue Bonds	Aaa (insured)
Utility System Bonds	AA

The ratio of net bonded debt 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 AD VALOREM TAX SUPPORTED DEBT</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1985	\$1,210,000	.12%	\$ 14.60
1990	645,000	.05%	7.61
1995	0	0%	0

The above tabulation includes only non self-supporting debt. The complete history since 1988 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, 2000 and 1999.

TOTAL DEBT OUTSTANDING (000's Omitted)

	<u>2000</u>	<u>1999</u>	<u>Percent Change</u>
Guaranteed Entitlement Revenue and Refunding Bonds	\$13,457	\$ 13,887	(3.1)
Financing Commission Loans	15,605	16,990	(8.2)
Promissory Notes	<u>978</u>	<u>997</u>	(1.9)
TOTAL GENERAL GOVERNMENT DEBT	<u>30,040</u>	<u>31,874</u>	(5.8)
Utility Commercial Paper Notes	75,109	28,508	163.5
Utility Revenue Bonds	<u>341,380</u>	<u>351,570</u>	(2.9)
TOTAL UTILITY DEBT	<u>416,489</u>	<u>380,078</u>	9.6
TOTAL OUTSTANDING DEBT	<u>\$ 446,529</u>	<u>\$ 411,952</u>	8.4

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 96% 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 2000 was 6.0%.

RISK MANAGEMENT

The City, through its Risk Management Department, administers a City-wide 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 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 police and fire personnel. These activities, among other things, 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. The Stop-loss insurance maintained for an individual is at **\$150,000**.

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-133*. 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, 1999. 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 a 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, 1999. 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 was one of the first to receive recognition by the Government Finance Officers Association for its 1990 Popular Report. In addition, the City has received the Award for Outstanding Achievement in Popular Annual Reporting from the Government Finance Officers Association since 1992.

ACKNOWLEDGEMENTS

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,



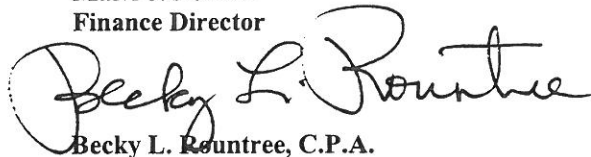
Wayne Bowers
City Manager



Glenda T. Currie
Administrative Services Director



Mark S. Benton
Finance Director



Becky L. Rountree, C.P.A.
Director, Office of Management and Budget



Daniel J. Smierciak
Interim 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, 1999

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.



Anne Spray Kinney
President

Jeffrey L. Esser
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 the 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.

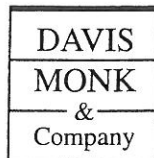
The levels of the pyramid are:

- (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 Statement – 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 statement 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 detail 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

Honorable Mayor and City Commissioners
City of Gainesville, Florida:

We have audited the accompanying general purpose financial statements of the City of Gainesville, Florida (the City), as of and for the fiscal year ended September 30, 2000. 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
& Business Consultants

P.O. Box 13494
4010 N.W. 25th Place
Gainesville, Florida 32604
Telephone (352) 372-6300

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of September 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2000 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

As discussed in Note 14 to the general purpose financial statements, the general purpose financial statements reflect a change in presentation. In conformity with generally accepted accounting principles, the City's defined contribution pension plan, formerly reported in a Pension Trust Fund, is not reported in the accompanying general purpose financial statements.

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 as "supplemental information" are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. 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.



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Telephone (813) 822-8521

Honorable Mayor and City Commissioners
City of Gainesville
Gainesville, Florida

Page Two

The schedules of funding progress are not a required part of the general purpose financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this supplementary information. However, we did not audit the information and express no opinion on it.



DAVIS, MONK & COMPANY
Gainesville, Florida

KPMG LLP

KPMG LLP
St. Petersburg, Florida

December 15, 2000

CITY OF GAINESVILLE, FLORIDA
COMBINED BALANCE SHEET
ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS
SEPTEMBER 30, 2000

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<u>ASSETS AND OTHER DEBITS</u>				
Cash and Cash Equivalents	\$ -	\$ -	\$ 138,606	\$ 911,647
Equity in Pooled Cash and Investments	11,652,880	3,463,165	421,273	6,021,065
Investments	-	-	1,438,877	-
Receivables	3,139,904	3,151,205	-	595,957
Due from Other Funds	2,516,920	-	-	259,108
Prepaid Expenses	-	-	-	-
Inventories	140,782	-	-	-
Assets Held for Evidence	-	84,644	-	-
Restricted Assets:				
Cash and Investments	-	-	-	-
Fixed Assets	-	-	-	-
Deferred Charges	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	-
Amount to be Provided	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	\$ 17,450,486	\$ 6,699,014	\$ 1,998,756	\$ 7,787,777
<u>LIABILITIES, FUND EQUITY AND OTHER CREDITS</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	\$ 1,659,698	\$ 479,791	\$ -	\$ 535,306
Due to Other Funds	-	66,449	-	298,851
Deferred Revenue	471,824	2,532,329	-	-
Payable from Restricted Assets:				
Utility Deposits	-	-	-	-
Revenue Bonds Payable	-	-	-	-
Accounts Payable and Accrued Liabilities	-	-	-	-
Advances from Other Funds	-	-	-	-
Long-Term Debt	-	-	-	-
Deferred Credits	-	-	-	-
TOTAL LIABILITIES	2,131,522	3,078,569	-	834,157
<u>FUND EQUITY AND OTHER CREDITS</u>				
Contributed Capital	-	-	-	-
Investment in General Fixed Assets	-	-	-	-
Retained Earnings:				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Fund Balances:				
Reserved	14,451,177	2,040,938	1,467,380	2,247,224
Unreserved:				
Designated for Future Use	848,842	2,180,513	531,376	5,233,889
Undesignated	18,945	(601,006)	-	(527,493)
TOTAL EQUITY AND OTHER CREDITS	15,318,964	3,620,445	1,998,756	6,953,620
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 17,450,486	\$ 6,699,014	\$ 1,998,756	\$ 7,787,777

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

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNITS GAINESVILLE ENTERPRISE ZONE DEVELOPMENT AGENCY		COMMUNITY REDEVELOP MENT AGENCY
ENTERPRISE	INTERNAL SERVICE	TRUST	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT				
\$ -	\$ 242,795	\$ 5,078,678	\$ -	\$ -	\$ 6,371,726	\$ -	\$ -	
19,075,414	13,104,202	3,212,681	-	-	56,950,680	13,410	55,221	
-	-	245,340,587	-	-	246,779,464	-	-	
32,086,872	474,052	57,496	-	-	39,505,486	-	-	
14,033,294	315,040	-	-	-	17,124,362	-	-	
10,686,909	39,384	-	-	-	10,726,293	-	-	
9,171,861	136,040	-	-	-	9,448,683	-	-	
-	-	-	-	-	84,644	-	-	
170,207,223	-	-	-	-	170,207,223	-	-	
627,728,414	5,750,823	-	32,853,509	-	666,332,746	-	-	
205,134,894	-	-	-	-	205,134,894	-	-	
-	-	-	-	1,998,756	1,998,756	-	-	
-	-	-	-	30,352,978	30,352,978	-	-	
\$ 1,088,124,881	\$ 20,062,336	\$ 253,689,442	\$ 32,853,509	\$ 32,351,734	\$ 1,461,017,935	\$ 13,410	\$ 55,221	

\$ 31,400,998	\$ 4,029,977	\$ 308,535	\$ -	\$ -	\$ 38,414,305	\$ 1,994	\$ 2,966	
16,675,412	6,000	77,650	-	-	17,124,362	-	-	
-	-	57,240	-	-	3,061,393	-	-	
3,931,869	-	-	-	-	3,931,869	-	-	
10,190,000	-	-	-	-	10,190,000	-	-	
11,753,263	-	-	-	-	11,753,263	-	-	
-	-	-	-	-	-	-	-	
382,733,076	-	-	-	32,351,734	415,084,810	-	-	
229,947,300	-	-	-	-	229,947,300	-	-	
686,631,918	4,035,977	443,425	-	32,351,734	729,507,302	1,994	2,966	
128,120,252	4,551,455	-	-	-	132,671,707	-	-	
-	-	-	32,853,509	-	32,853,509	-	-	
37,345,263	3,397,382	-	-	-	40,742,645	-	-	
236,027,448	8,077,522	-	-	-	244,104,970	-	-	
-	-	250,518,156	-	-	270,724,875	-	1,000	
-	-	2,727,861	-	-	11,522,481	-	-	
-	-	-	-	-	(1,109,554)	11,416	51,255	
401,492,963	16,026,359	253,246,017	32,853,509	-	731,510,633	11,416	52,255	
\$ 1,088,124,881	\$ 20,062,336	\$ 253,689,442	\$ 32,853,509	\$ 32,351,734	\$ 1,461,017,935	\$ 13,410	\$ 55,221	

CITY OF GAINESVILLE, FLORIDA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS
AND SIMILAR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GOVERNMENTAL FUND TYPES					FIDUCIARY FUND TYPE EXPENDABLE TRUST	TOTALS PRIMARY GOVERNMENT (MEMORANDUM) ONLY	COMPONENT UNITS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS				GAINESVILLE	COMMUNITY
								ENTERPRISE ZONE DEVELOPMENT AGENCY FUND	REDEVELOP- MENT AGENCY FUND
REVENUES									
Taxes	\$ 22,344,885	\$ -	\$ -	\$ -	\$ 466,978	\$ 22,811,863	\$ -	\$ -	
Licenses and Permits	1,545,920	-	-	-	-	1,545,920	-	-	
Intergovernmental	7,189,464	5,507,661	1,096,004	1,065,706	-	14,858,835	-	-	
Charges for Services	5,580,040	640,521	-	-	72,153	6,292,714	-	-	
Fines and Forfeitures	1,281,314	647,181	-	-	-	1,928,495	-	-	
Miscellaneous	1,194,859	524,610	171,807	825,627	281,349	2,998,252	1,381	8,919	
TOTAL REVENUES	39,136,482	7,319,973	1,267,811	1,891,333	820,480	50,436,079	1,381	8,919	
EXPENDITURES									
Current:									
General Government	14,877,772	250,650	-	-	-	15,128,422	-	-	
Public Safety	31,747,993	1,855,877	-	-	-	33,603,870	-	-	
Physical Environment	1,804,708	54,331	-	-	-	1,859,039	-	-	
Transportation	6,114,608	609,810	-	-	-	6,724,418	-	-	
Economic Environment	235,498	3,168,508	-	-	258,142	3,662,148	7,500	174,502	
Human Services	-	70,675	-	-	-	70,675	-	-	
Culture and Recreation	3,262,815	483,016	-	-	11,216	3,757,047	-	-	
Capital Outlay	-	-	-	5,475,124	-	5,475,124	-	-	
Debt Service:									
Principal	-	-	1,817,097	16,200	-	1,833,297	-	-	
Interest and Fiscal Charges	-	-	1,501,677	-	-	1,501,677	-	-	
TOTAL EXPENDITURES	58,043,394	6,492,867	3,318,774	5,491,324	269,358	73,615,717	7,500	174,502	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(18,906,912)	827,106	(2,050,963)	(3,599,991)	551,122	(23,179,638)	(6,119)	(165,583)	
OTHER FINANCING SOURCES (USES)									
Operating Transfers In	23,740,902	294,075	2,070,577	771,314	272,727	27,149,595	-	-	
Operating Transfers Out	(4,634,621)	(116,510)	-	(20,000)	(90,205)	(4,861,336)	-	-	
Operating Transfer from Primary Government	-	-	-	-	-	-	-	152,903	
Operating Transfer to Primary Government	-	-	-	-	-	-	-	(65,076)	
Operating Transfer from Component Unit	-	-	-	-	65,076	65,076	-	-	
Operating Transfer to Component Unit	-	-	-	-	(152,903)	(152,903)	-	-	
TOTAL OTHER FINANCING SOURCES (USES)	19,106,281	177,565	2,070,577	751,314	94,695	22,200,432	-	87,827	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	199,369	1,004,671	19,614	(2,848,677)	645,817	(979,206)	(6,119)	(77,756)	
FUND BALANCES, October 1 - Restated	15,119,595	2,615,774	1,979,142	9,802,297	2,126,904	31,643,712	17,535	130,011	
FUND BALANCES, September 30	\$ 15,318,964	\$ 3,620,445	\$ 1,998,756	\$ 6,953,620	\$ 2,772,721	\$ 30,664,506	\$ 11,416	\$ 52,255	

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, 2000

	GENERAL FUND				
	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	\$ 22,344,885	\$ -	\$ 22,344,885	\$ 22,199,946	\$ 144,939
Licenses and Permits	1,545,920	-	1,545,920	1,633,039	(87,119)
Intergovernmental	7,189,464	-	7,189,464	7,374,020	(184,556)
Charges for Services	5,580,040	-	5,580,040	5,719,228	(139,188)
Fines and Forfeitures	1,281,314	-	1,281,314	1,359,205	(77,891)
Miscellaneous	1,194,859	-	1,194,859	1,133,705	61,154
TOTAL REVENUES	39,136,482	-	39,136,482	39,419,143	(282,661)
EXPENDITURES					
Current:					
General Government	14,877,772	361,245	15,239,017	17,292,565	2,053,548
Public Safety	31,747,993	160,910	31,908,903	32,346,025	437,122
Physical Environment	1,804,708	29,820	1,834,528	1,925,490	90,962
Transportation	6,114,608	27,658	6,142,266	6,211,056	68,790
Economic Environment	235,498	1,965	237,463	321,372	83,909
Human Services	-	-	-	-	-
Culture and Recreation	3,262,815	30,663	3,293,478	3,498,356	204,878
Debt Service:					
Principal	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	58,043,394	612,261	58,655,655	61,594,864	2,939,209
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(18,906,912)	(612,261)	(19,519,173)	(22,175,721)	2,656,548
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	23,740,902	-	23,740,902	23,686,505	54,397
Operating Transfers Out	(4,634,621)	-	(4,634,621)	(7,371,053)	2,736,432
TOTAL OTHER FINANCING SOURCES (USES)	19,106,281	-	19,106,281	16,315,452	2,790,829
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 199,369	\$ (612,261)	\$ (412,892)	\$ (5,860,269)	\$ 5,447,377

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)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
5,507,661	-	5,507,661	7,145,286	(1,637,625)	1,096,004	1,096,004	-
640,521	-	640,521	645,736	(5,215)	-	-	-
647,181	-	647,181	647,179	2	-	-	-
524,610	-	524,610	516,254	8,356	171,807	186,000	(14,193)
<u>7,319,973</u>	<u>-</u>	<u>7,319,973</u>	<u>8,954,455</u>	<u>(1,634,482)</u>	<u>1,267,811</u>	<u>1,282,004</u>	<u>(14,193)</u>
250,650	-	250,650	250,650	-	-	-	-
1,855,877	132,870	1,988,747	1,988,747	-	-	-	-
54,331	12,620	66,951	66,951	-	-	-	-
609,810	3,780	613,590	613,590	-	-	-	-
3,168,508	1,344,334	4,512,842	5,146,261	633,419	-	-	-
70,675	-	70,675	70,675	-	-	-	-
483,016	41,946	524,962	598,991	74,029	-	-	-
-	-	-	-	-	1,817,097	1,817,097	-
-	-	-	-	-	1,501,677	1,511,087	9,410
<u>6,492,867</u>	<u>1,535,550</u>	<u>8,028,417</u>	<u>8,735,865</u>	<u>707,448</u>	<u>3,318,774</u>	<u>3,328,184</u>	<u>9,410</u>
<u>827,106</u>	<u>(1,535,550)</u>	<u>(708,444)</u>	<u>218,590</u>	<u>(927,034)</u>	<u>(2,050,963)</u>	<u>(2,046,180)</u>	<u>(4,783)</u>
294,075	-	294,075	294,075	-	2,070,577	2,070,578	(1)
(116,510)	-	(116,510)	(116,510)	-	-	-	-
<u>177,565</u>	<u>-</u>	<u>177,565</u>	<u>177,565</u>	<u>-</u>	<u>2,070,577</u>	<u>2,070,578</u>	<u>(1)</u>
<u>\$ 1,004,671</u>	<u>\$ (1,535,550)</u>	<u>\$ (530,879)</u>	<u>\$ 396,155</u>	<u>\$ (927,034)</u>	<u>\$ 19,614</u>	<u>\$ 24,398</u>	<u>\$ (4,784)</u>

CITY OF GAINESVILLE, FLORIDA
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
<u>OPERATING REVENUES</u>			
Sales and Service Charges	\$ 199,784,991	\$ 6,651,369	\$ 206,436,360
Employer Contributions	-	5,865,081	5,865,081
Employee Contributions	-	1,662,999	1,662,999
Retiree Contributions	-	686,191	686,191
Other Operating Revenues	<u>5,650,390</u>	<u>140,969</u>	<u>5,791,359</u>
TOTAL OPERATING REVENUES	<u>205,435,381</u>	<u>15,006,609</u>	<u>220,441,990</u>
<u>OPERATING EXPENSES</u>			
Operations and Maintenance	109,316,704	7,386,713	116,703,417
Administrative and General	20,957,463	1,571,665	22,529,128
Depreciation and Amortization	27,979,352	1,253,844	29,233,196
Benefits Paid and Other Expenses	-	7,415,771	7,415,771
TOTAL OPERATING EXPENSES	<u>158,253,519</u>	<u>17,627,993</u>	<u>175,881,512</u>
OPERATING INCOME (LOSS)	<u>47,181,862</u>	<u>(2,621,384)</u>	<u>44,560,478</u>
<u>NON OPERATING REVENUES (EXPENSES)</u>			
Interest Revenue	11,023,068	859,866	11,882,934
Interest Expense	(24,097,214)	-	(24,097,214)
Gain(Loss) on Disposal of Fixed Assets	(111,907)	13,389	(98,518)
Operating Grants	2,511,021	-	2,511,021
Local Option Gas Tax	2,042,765	-	2,042,765
Other	<u>10,180</u>	<u>-</u>	<u>10,180</u>
TOTAL NON OPERATING REVENUES (EXPENSES)	<u>(8,622,087)</u>	<u>873,255</u>	<u>(7,748,832)</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	<u>38,559,775</u>	<u>(1,748,129)</u>	<u>36,811,646</u>
<u>OPERATING TRANSFERS</u>			
From Other Funds	354,390	1,752,365	2,106,755
To Other Funds	<u>(24,356,014)</u>	<u>(39,000)</u>	<u>(24,395,014)</u>
TOTAL OPERATING TRANSFERS	<u>(24,001,624)</u>	<u>1,713,365</u>	<u>(22,288,259)</u>
NET INCOME (LOSS)	14,558,151	(34,764)	14,523,387
DEPRECIATION OF FIXED ASSETS ACQUIRED BY CAPITAL CONTRIBUTIONS	<u>743,433</u>	<u>-</u>	<u>743,433</u>
NET INCREASE (DECREASE) IN RETAINED EARNINGS	15,301,584	(34,764)	15,266,820
RETAINED EARNINGS, October 1	<u>258,071,127</u>	<u>11,509,668</u>	<u>269,580,795</u>
RETAINED EARNINGS, September 30	<u>\$ 273,372,711</u>	<u>\$ 11,474,904</u>	<u>\$ 284,847,615</u>

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2000

	EMPLOYEES PENSION FUND	POLICE OFFICERS AND FIREFIGHTERS CONSOLIDATED RETIREMENT FUND	TOTALS (MEMORANDUM ONLY)
ADDITIONS:			
Contributions:			
Employer Contributions	\$ 2,341,981	\$ 2,121,647	\$ 4,463,628
Employee Contributions	2,304,466	1,187,557	3,492,023
State Contributions	-	820,238	820,238
Total Contributions	4,646,447	4,129,442	8,775,889
Investment Income			
Net Appreciation in Fair Value of Investments	26,142,149	9,127,899	35,270,048
Dividends & Interest	3,841,717	2,549,800	6,391,517
Broker Refunds	11,132	8,915	20,047
Total Investment Income	29,994,998	11,686,614	41,681,612
Less Investment Expense	981,183	452,000	1,433,183
Net Investment Income	29,013,815	11,234,614	40,248,429
TOTAL ADDITIONS	33,660,262	15,364,056	49,024,318
DEDUCTIONS:			
Benefit Payments	7,118,606	5,461,398	12,580,004
Refunds of Contributions	126,890	178,446	305,336
Administrative Expenses	254,397	143,960	398,357
TOTAL DEDUCTIONS	7,499,893	5,783,804	13,283,697
NET INCREASE	26,160,369	9,580,252	35,740,621
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, October 1	143,272,669	71,460,006	214,732,675
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, September 30	\$ 169,433,038	\$ 81,040,258	\$ 250,473,296

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

CITY OF GAINESVILLE, FLORIDA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Received from Customers	\$ 192,666,797	\$ 15,352,102	\$ 208,018,899
Cash Paid to Suppliers	(84,085,693)	(14,925,088)	(99,010,781)
Cash Paid to Employees	(30,917,412)	(1,743,321)	(32,660,733)
Quasi-External Activities	(4,072,137)	-	(4,072,137)
Other Operating Receipts	3,865,135	-	3,865,135
	<u>77,456,690</u>	<u>(1,316,307)</u>	<u>76,140,383</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Local Option Gas Tax	2,037,637	-	2,037,637
Operating Grants	2,511,021	-	2,511,021
Other Receipts	10,180	-	10,180
Transfers from Other Funds	354,390	1,752,365	2,106,755
Transfers to Other Funds	(24,356,014)	(39,000)	(24,395,014)
	<u>(19,442,786)</u>	<u>1,713,365</u>	<u>(17,729,421)</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES			
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Local Option Gas Tax	5,128	-	5,128
Principal Repayments on Long-term Debt	(12,845,001)	-	(12,845,001)
Proceeds from Sale of Fixed Assets	42,780	86,376	129,156
Interest Paid on Revenue Bonds	(24,051,001)	-	(24,051,001)
Intergovernmental Capital Grants	971,006	-	971,006
Transfers for Local Match on Capital Grants	21,750	-	21,750
Acquisition and Construction of Fixed Assets	(67,109,352)	(2,100,279)	(69,209,631)
Proceeds from Bonds Issued	49,281,000	-	49,281,000
Capitalized Connection Fees	3,708,594	-	3,708,594
	<u>(49,975,096)</u>	<u>(2,013,903)</u>	<u>(51,988,999)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES			
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest Received	7,132,517	859,865	7,992,382
Purchase of Investments	(514,244,201)	(11,239,506)	(525,483,707)
Proceeds from Investment Maturities	498,871,781	11,876,959	510,748,740
	<u>(8,239,903)</u>	<u>1,497,318</u>	<u>(6,742,585)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES			
NET DECREASE IN CASH	(201,095)	(119,527)	(320,622)
CASH - OCTOBER 1, 1999	<u>7,482,710</u>	<u>2,227,018</u>	<u>9,709,728</u>
CASH - SEPTEMBER 30, 2000	<u>\$ 7,281,615</u>	<u>\$ 2,107,491</u>	<u>\$ 9,389,106</u>

(continued)

CITY OF GAINESVILLE, FLORIDA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>			
OPERATING INCOME	\$ 47,181,862	\$ (2,621,384)	\$ 44,560,478
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Depreciation and Amortization	27,979,352	1,253,844	29,233,196
Rental Income Deerhaven Leaseback	(1,774,203)	-	(1,774,203)
(Increase)/Decrease in Receivables	(6,494,278)	275,049	(6,219,229)
(Increase)/Decrease in Inventories	9,291,062	61,565	9,352,627
(Increase)/Decrease in Due from Other Funds	(38,236)	70,443	32,207
(Increase)/Decrease in Prepaid Expenses	(2,283,800)	2,846	(2,280,954)
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	3,158,797	(358,670)	2,800,127
Increase/(Decrease) in Due to Other Funds	93,322	-	93,322
Increase/(Decrease) in Deferred Credits	2,879,396	-	2,879,396
(Increase)/Decrease in Deferred Debits	(1,857,240)	-	(1,857,240)
Increase/(Decrease) in Utility Deposits	(679,344)	-	(679,344)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 77,456,690	\$ (1,316,307)	\$ 76,140,383
<u>RECONCILIATION OF CASH TO BALANCE SHEET</u>			
Cash	\$ 7,281,615	\$ 2,107,491	\$ 9,389,106
Unamortized Discount	5,837,573	-	5,837,573
Accrued Interest	1,751,969	-	1,751,969
Investments	174,411,480	11,239,506	185,650,986
TOTAL CASH, EQUITY IN POOL, AND INVESTMENTS PER BALANCE SHEET	\$ 189,282,637	\$ 13,346,997	\$ 202,629,634
<u>NONCASH CAPITAL, INVESTING AND FINANCING ACTIVITIES</u>			
Contribution of Fixed Assets	\$ 1,210,969	\$ -	\$ 1,210,969

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, 2000

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CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

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). Gainesville Regional Utilities (GRU) has adopted the uniform system of accounts prescribed by the Federal Energy Regulatory Commission (FERC) and the National Association of Regulatory Utility Commissioners (NARUC).

(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 would be combined with the data of the City. The City has no blended component units. Each discretely presented component unit, on the other hand, is presented in a separate column in the combined financial statements to emphasize it is legally separate from the City.

Discretely Presented Component Units - The Community Redevelopment Agency (CRA) and the Gainesville Enterprise Zone Development Agency (GEZDA) 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 City Commission appoints the boards of these organizations and approves their budgets. These organizations have a September 30 year-end and are presented as governmental fund types. Separate financial statements of the individual component units are not available.

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, 2000

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 1999-2000.

(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 Funds*.

The measurement focus of *Expendable Trust Funds* is similar to governmental funds while the measurement focus of *Pension Trust Funds* is similar to proprietary funds.

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

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. Measurable refers to the ability to quantify in monetary terms the amount of the revenue and receivable. Available means collectible in the current period or soon enough thereafter to be used to pay liabilities at the balance sheet date. 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. *Pension Trust Funds* are accounted for on the accrual basis; *Expendable Trust 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 Service</i>	<i>Intergovernmental Revenue</i>
<i>Sales & Franchise Taxes</i>	<i>Refuse Service</i>	<i>Interest Earned</i>

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

Interest and Investment Income Earnings are recognized when earned and allocated monthly based on each funds' equity in the pool.

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.

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

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.
- 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.

	TOTAL	
	CATEGORY @ FAIR VALUE	
	1	2
<u>DEFINED BENEFIT</u>		
<u>PENSION INVESTMENTS</u>		
U.S. Treasury Obligations	\$18,194,881	-
Corporate Bonds	48,710,098	-
Government Bonds	6,683,114	-
Mortgage Backed Obligations	4,606,527	-
Common and Preferred Stock	<u>165,932,555</u>	<u>-</u>
<i>Subtotal Defined Benefit</i>		
<i>Pension Investments</i>	<u>244,127,175</u>	<u>-</u>
<u>DEPOSITS</u>		
Cash in Bank	4,330,580	-
Cash with Fiscal Agents	17,276	-
Cash Held by Pension Trustees	4,969,207	-
Certificates of Deposit	<u>5,305,000</u>	<u>-</u>
<i>Subtotal Deposits</i>	<u>14,622,063</u>	<u>-</u>
<u>OTHER INVESTMENTS</u>		
Government Securities	79,654,487	-
Repurchase Agreements	-	15,266,592
Government Bonds	39,243,514	-
Corporate Bonds	10,946,355	-
Mortgage Backed Securities	1,355,350	-
Corporate Commercial Paper	<u>74,047,776</u>	<u>-</u>
<i>Subtotal Other Investments</i>	<u>205,247,482</u>	<u>15,266,592</u>
Investments - Mutual Funds		<u>1,114,412</u>
TOTAL DEPOSITS AND INVESTMENTS		<u>\$480,377,724</u>

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
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The above deposits and investments include those held by the Component Units as follows:

	<u>GEZDA</u>	<u>CRA</u>
Certificates of Deposit	\$1,406	\$5,788
Repurchase Agreements	4,045	16,657
Government Bonds	4,700	19,354
Corporate Bonds	2,900	11,943
Mortgage Backed Securities	<u>359</u>	<u>1,479</u>
TOTAL	<u>\$13,410</u>	<u>\$55,221</u>

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

<u>FUND TYPE</u>	<u>CASH & CASH EQUIVALENTS</u>	<u>EQUITY IN POOLED CASH & INVESTMENTS</u>	<u>INVESTMENTS</u>	<u>RESTRICTED CASH & INVESTMENTS</u>	<u>TOTAL DEPOSITS & INVESTMENTS</u>
General	\$ -	\$11,652,880	\$ -	\$ -	\$11,652,880
Special Revenue	-	3,463,165	-	-	3,463,165
Debt Service	138,606	421,273	1,438,877	-	1,998,756
Capital Projects	911,647	6,021,065	-	-	6,932,712
Enterprise	-	19,075,414	-	170,207,223	189,282,637
Internal Service	242,795	13,104,202	-	-	13,346,997
Trust	<u>5,078,678</u>	<u>3,212,681</u>	<u>245,340,587</u>	-	<u>253,631,946</u>
Total Primary					
Government	6,371,726	56,950,680	246,779,464	170,207,223	480,309,093
Component Units:					
GEZDA	-	13,410	-	-	13,410
CRA	-	<u>55,221</u>	-	-	<u>55,221</u>
GRAND TOTAL	<u>\$6,371,726</u>	<u>\$57,019,311</u>	<u>\$246,779,464</u>	<u>\$170,207,223</u>	<u>\$480,377,724</u>

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.

<u>FUND</u>	<u>POOLED CASH & INVESTMENTS PER BALANCE SHEET</u>	<u>ADJUSTMENT FOR OVERDRAFT LIABILITIES</u>	<u>BALANCE</u>
General	\$11,652,880	\$142,833	\$11,795,713
Community Development Block			
Grant Fund	-	<65,183>	<65,183>
Evergreen Cemetery Fund	-	<26,437>	<26,437>
Police Officers & Firefighters			
Consolidated Retirement Fund	-	<51,213>	<51,213>

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.

CITY OF GAINESVILLE, FLORIDA
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Defined Benefit Pension Investments

These funds represent investments administered by the City's Defined Benefit Pension Fund Investment Managers. They comprise \$244,127,175 of the City's total fair value of investments, and are exclusive of the \$1,725,157 in equity in pooled cash and investments held by the City's Pension Funds and \$4,969,207 held in cash by the Trustees. These investments are reported at fair value. 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 Defined Benefit Pension Investments

These funds comprise \$236,250,549 of the City's total fair value of deposits and investments. This figure includes \$1,114,412 invested in mutual funds.

Deposits At year end, the carrying value of the City's deposits, excluding cash held by Pension Trustees, was \$9,652,856. The bank balance was \$19,652,555. 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 on 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.

Investments As previously indicated, investments of the defined benefit pension plans are reported at fair value. The City's other investments are also reported at fair value in accordance with Governmental Accounting Standards Board Statement #31. Fair value is based on market values.

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

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
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- 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 custodial bank in its trust department in the name of the City.

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 funds as well as in certificates of deposit and in repurchase agreements at the City's contracted rate.

CITY OF GAINESVILLE, FLORIDA
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(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, 2000, 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, 2000, the allowance was \$145,000 for the General Fund and \$691,400 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 and Expendable Trust Funds vary significantly from the objectives of the statements for Proprietary Funds 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.

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.

CITY OF GAINESVILLE, FLORIDA
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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 3.17% of average depreciable property for 2000.

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 cost of nuclear fuel, including estimated disposal cost, is charged to operating expenses.

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 2000 fiscal year totaled \$195,000. 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 5.4% for fiscal year 2000. For assets constructed with governmental fund resources, interest during construction is not capitalized.

(H) Amortization and Deferred Charges/Credits

GRU prepares its financial statements in accordance with Statement of Financial Accounting Standard No. 71, and records various regulatory assets and liabilities. These assets and liabilities are being amortized over the period in which they will be recovered in future rates. Deferred charges include environmental costs of \$7,250,000 (see Note 11), deferred acquisition costs of \$3,275,000 and deferred fuel charges of \$4,404,500. Fuel revenue is recognized based on actual costs. Deferred fuel charges represent actual fuel costs in excess of amounts charged to customers.

Deferred charges and deferred credits include \$194,146,000 and \$226,377,000 respectively, relating to GRU's lease/leaseback transaction (see Note 15). In Enterprise Funds, GRU's \$3,190,000 of unamortized bond issuance costs are being amortized over the remaining life of the bonds.

(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.

CITY OF GAINESVILLE, FLORIDA
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(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 \$350,000 for police and fire personnel. Settlements have not exceeded insurance coverage for each of the last three years.

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, Wastewater, and GRUCom Funds are accounted for within the respective Utility Enterprise Fund. An actuarially computed liability of \$3,152,309 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:

	BEGINNING OF FISCAL YEAR <u>LIABILITY</u>	<u>INCURRED</u>	<u>PAYMENTS</u>	END OF FISCAL YEAR <u>LIABILITY</u>
1999-2000	\$3,152,309	\$498,964	\$498,964	\$3,152,309
1998-99	3,268,059	466,001	581,751	3,152,309

There is a claims liability of \$3,074,453 included in the General Insurance Fund as the result of actuarial estimates. Changes in the General Insurance Fund's claims liability were:

	BEGINNING OF FISCAL YEAR <u>LIABILITY</u>	<u>INCURRED</u>	<u>PAYMENTS</u>	END OF FISCAL YEAR <u>LIABILITY</u>
1999-2000	\$3,316,679	\$2,342,755	\$ 2,584,981	\$3,074,453
1998-99	3,739,000	1,308,378	1,730,699	3,316,679

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 at \$150,000 per individual. Settlements have not exceeded insurance coverage for each of the last three years. Changes in claims liability for the last two years are as follows:

	BEGINNING OF FISCAL YEAR <u>LIABILITY</u>	<u>INCURRED</u>	<u>PAYMENTS</u>	END OF FISCAL YEAR <u>LIABILITY</u>
1999-2000	\$700,192	\$7,044,634	\$7,044,634	\$700,192
1998-99	700,192	5,862,679	5,862,679	700,192

CITY OF GAINESVILLE, FLORIDA
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(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, 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.

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 **4.9416 mills**. Taxes are levied and collected according to Florida State Statutes under the following calendar:

Lien Date	January 1
Levy Date	October 1
Due Date	November 1
Delinquency Date	April 1

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.

CITY OF GAINESVILLE, FLORIDA
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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 ordinance 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.

(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) Impending Change in Accounting Principle

Statement No. 34 of the Governmental Accounting Standards Board is not yet required to be implemented and the City of Gainesville, Florida has not yet elected to adopt the standard early. The future implementation of this standard will require the restatement of the financial statements because of the retroactive application of the new standard.

NOTE 2 - RETIREMENT PLANS

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

- The Employees' Pension Plan (Employees Plan)
- The Consolidated Police Officers' and Firefighters' Retirement Plan (Consolidated Plan)

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

(A) Defined Benefit Plans

Employees' Plan:

Plan Description. The 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 Employees' Plan provides retirement, disability, and death benefits to plan members and beneficiaries. This plan and any amendments were adopted through a City Ordinance by the Commission of the City of Gainesville. The City of Gainesville issues a publicly available financial report that includes financial statements and required supplementary information for the Employees' Plan. That report may be obtained by writing to City of Gainesville, Finance Department, P.O. Box 490, Gainesville, Florida 32602 or by calling (352)334-5054.

Funding Policy. The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission. Plan members are required to contribute 4.62% of their annual covered salary. The City is required to contribute at an actuarially determined rate; the current rate is 3.5% of covered payroll for retirement and death benefits and 1.13% of covered payroll for disability benefits.

Annual Pension Cost and Net Pension Obligation. The City's annual pension cost and net pension obligation to the Employees' Plan for the current year were as follows:

Annual required contribution	\$2,341,981
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual Pension Cost	<u>\$2,341,981</u>
Contributions Made	<u>2,341,981</u>
Increase (Decrease) in net pension obligation	-
Net Pension Obligation, beginning of year	-
Net Pension Obligation, end of year	<u><u>\$ -</u></u>

The annual required contribution for the current year was determined as part of the October 1, 1998 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 9.5% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4% to 7% per year. Both (a) and (b) included an inflation component of 4%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at September 30, 2000 was 15 years.

Three-year Trend Information

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
9/30/98	\$1,878,877	100.0%	\$ -
9/30/99	2,185,643	100.0%	-
9/30/00	2,341,981	100.0%	-

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Consolidated Plan:

Plan Description. The Consolidated Plan is a contributory defined benefit pension plan that covers City sworn police officers and firefighters. The Consolidated Plan provides retirement, disability, and death benefits to plan members and beneficiaries. This plan and any amendments were adopted through a City Ordinance by the Commission of the City of Gainesville in accordance with State Statute. The City of Gainesville issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to City of Gainesville, Finance Department, P.O. Box 490, Gainesville, Florida 32602 or by calling (352)334-5054.

Funding Policy. The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with applicable State Statute. Plan members are required to contribute 7.50% of their annual covered salary. The City is required to contribute at an actuarially determined rate; the current rate is 13.54% of covered payroll. In addition, State contributions, which totaled \$820,238, are also made to the plan on behalf of the City.

Annual Pension Cost and Net Pension Obligation. The City's annual pension cost and net pension obligation to the Consolidated Plan for the current year were as follows:

Annual required contribution	\$2,941,885
Interest on net pension obligation	-
Adjustment to annual required contribution	-
<i>Annual Pension Cost</i>	<u>\$2,941,885</u>
Contributions Made	2,941,885
Increase (Decrease) in net pension obligation	-
Net Pension Obligation, beginning of year	-
<i>Net Pension Obligation, end of year</i>	<u><u>\$ -</u></u>

The annual required contribution for the current year was determined as part of the October 1, 1999 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 9.0% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4% to 7% per year. Both (a) and (b) included an inflation component of 4%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at September 30, 2000 was 23 years.

Three-year Trend Information

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
9/30/98	\$2,441,339	100.0%	\$ -
9/30/99	2,263,855	100.0%	-
9/30/00	2,941,885	100.0%	-

CITY OF GAINESVILLE, FLORIDA
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(B) Defined Contribution Pension Plan

Plan Description. As noted above, the Defined Contribution Pension Plan is open to certain City professional and managerial employees. It is no longer available to all newly hired professional and managerial employees. The plan is qualified under the provisions of Section 401A of the Internal Revenue Code. Assets of the Defined Contribution Plan are self-directed, and investment results are reported to employees quarterly. The City does not have fiduciary accountability for the Defined Contribution Pension Plan and, accordingly, the Plan is not reported in the accompanying financial statements.

NOTE 3 - DEFERRED COMPENSATION PLAN

The City of Gainesville offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The City has complied with the requirements of subsection (g) of IRC Section 457 and, accordingly, all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 4 - LONG-TERM DEBT

(A) Changes in Long-Term Debt

	Balances			Balances
	<u>10/01/99</u>	<u>Additions</u>	<u>Deletions</u>	<u>09/30/00</u>
<i>GENERAL LONG-TERM DEBT</i>				
Guaranteed Entitlement Revenue and Refunding Bonds 1994	\$13,887,220	\$ -	\$430,000	\$13,457,220
First Florida Financing Commission Loan 1992	2,060,000	-	845,000	1,215,000
First Florida Financing Commission Loan 1996	4,195,000	-	300,000	3,895,000
First Florida Financing Commission Loan 1998	10,735,000	-	240,000	10,495,000
Promissory Notes	996,601	-	18,297	978,304
Compensated Absences	<u>2,419,776</u>	-	<u>108,566</u>	<u>2,311,210</u>
TOTAL GENERAL LONG-TERM DEBT	<u>34,293,597</u>	<u>-</u>	<u>1,941,863</u>	<u>32,351,734</u>
<i>ENTERPRISE LONG-TERM DEBT</i>				
Utility Revenue Bonds	351,570,000	-	10,190,000	341,380,000
Utility Notes	<u>28,508,000</u>	<u>49,281,000</u>	<u>2,680,000</u>	<u>75,109,000</u>
	380,078,000	49,281,000	12,870,000	416,489,000
<i>Less unamortized loss of refinancings</i>	31,432,074	-	1,929,464	29,502,610
<i>Less unamortized discount</i>	<u>4,549,991</u>	<u>-</u>	<u>296,677</u>	<u>4,253,314</u>
TOTAL ENTERPRISE LONG-TERM DEBT	<u>344,095,935</u>	<u>49,281,000</u>	<u>10,643,859</u>	<u>382,733,076</u>
TOTAL LONG-TERM DEBT	<u>\$378,389,532</u>	<u>\$ 49,281,000</u>	<u>\$12,585,722</u>	<u>\$ 415,084,810</u>

Note: Enterprise Fund Long-Term Debt does not include the current portion of the debt.

CITY OF GAINESVILLE, FLORIDA
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(B) Long-Term Debt Service Requirements

The City's long-term debt (exclusive of unamortized loss on refinancings and discounts, and compensated absences) is summarized for each issue at September 30, 2000.

	<u>Outstanding Principal</u>	<u>Interest to Maturity</u>	<u>Total Debt Service</u>
GENERAL LONG-TERM DEBT			
1994 Guaranteed Entitlement Revenue and Refunding Bonds	\$13,457,220	\$12,863,418	\$26,320,638
1992 First Florida Governmental Financing Commission Loan	1,215,000	111,650	1,326,650
1996 First Florida Governmental Financing Commission Loan	3,895,000	1,247,155	5,142,155
1998 First Florida Governmental Financing Commission Loan	10,495,000	3,573,765	14,068,765
Commerce Building Promissory Note	839,400	566,362	1,405,762
Arlington Square Promissory Note	57,904	23,301	81,205
Greenspace Acquisition Promissory Note	<u>81,000</u>	<u>-</u>	<u>81,000</u>
<i>Subtotal General Long-Term Debt</i>	<u>30,040,524</u>	<u>18,385,651</u>	<u>48,426,175</u>
ENTERPRISE LONG-TERM DEBT			
1983 Utilities System Revenue Bonds Utilities System Taxable Commercial Paper Notes – Series D	4,675,000	3,927,000	8,602,000
	12,081,000	(1)	(1)
1992 Utilities System Revenue Bonds	64,945,000	43,616,006	108,561,006
1993 Utilities System Revenue Bonds	135,670,000	61,490,210	197,160,210
1996 Utilities System Revenue Bonds	136,090,000	105,385,500	241,475,500
Utilities System Commercial Paper Notes-Series C	<u>63,028,000</u>	<u>(1)</u>	<u>(1)</u>
<i>Subtotal Enterprise Long-Term Debt</i>	<u>416,489,000</u>	<u>(1)</u>	<u>(1)</u>
TOTAL LONG-TERM DEBT	<u>\$446,529,524</u>	<u>(1)</u>	<u>(1)</u>

(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.

\$15,830,000 First Florida Governmental Financing Commission Loan, Series 1992 - 3.75-7.0%, final maturity 2012; payable solely from non-ad valorem revenues. Principal is payable July 1; interest is payable July 1 and January 1.

CITY OF GAINESVILLE, FLORIDA
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\$4,990,000 First Florida Governmental Financing Commission Loan, Series 1996 - 3.75% - 6.0%, issued May 1, 1996, 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.

\$10,955,000 First Florida Governmental Financing Commission Loan, Series 1998 - 3.60% - 4.30%, issued April 1, 1998, final maturity July, 2012, payable solely from non-ad valorem revenues. Principal payable annually on July 1, beginning 1999. Interest payable semi-annually beginning January 1, 1999.

\$839,400 Promissory Note of the Downtown Tax Increment Fund - 6.00% interest, dated September 1999, maturing 2015; first annual installment of \$40,000 beginning in 2002, second annual installment of \$82,500 in 2003 and annual installments of \$112,500 beginning in 2004 until paid in full in 2015. The loan will be repaid from tax increment proceeds from the redeveloped parcels used for the Commerce Building Project.

\$60,000 Promissory Note of the Downtown Tax Increment Fund - 6.50% interest, dated September 1999, maturing 2008; payable in annual installments of \$10,150 from tax increment proceeds from the redevelopment of parcels used for the Arlington Square project.

\$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%, 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 100%.

\$134,920,000 Utilities System Revenue Bonds, Series 1992 - 6.0-7.5%, dated March 1, 1992, final maturity 2022.

The 1992A Bonds are not subject to redemption at the option of the City.

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.

\$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:

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

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
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\$143,215,000 1996 Utilities System Revenue Bonds Series 1996A – 4.0%-5.75%, dated February 1, 1996, final maturity October, 2026.

The 1996A Series A Bonds maturing on or after October 1, 2010 are subject to redemption at the option of the City on or after October 1, 2006 as a whole or in part at anytime, at the following redemption prices, plus accrued interest to the date of the redemption.

<u>Redemption Period</u> <u>(dated inclusive)</u>	<u>Redemption Price</u>
October 1, 2006 to September 30, 2007	102%
October 1, 2007 to September 30, 2008	101%
October 1, 2008 and thereafter	100%

\$85,000,000 Commercial Paper Notes, Series C Notes (tax-exempt)- These may continue to be issued to refinance maturing Series C Notes or provide for other costs. Liquidity support for the Series C notes is provided under a long-term credit agreement dated as of March 1, 2000 with Bayerische Landesbank Gironzentrale. The obligation of the bank may be substituted by another bank which meets certain credit standards and which is approved by GRU and the agent. Under terms of the agreement, GRU may borrow up to \$85,000,000 with same day availability ending on the termination date, as defined in the agreement. Series C Notes of \$37,200,000 were issued in May 2000. Series C Notes of \$2,680,000 and \$45,521,000 were redeemed during fiscal 2000 and 1999, respectively. Proceeds from GRU's lease/leaseback transaction, along with other funds on hand were used to redeem the Series C Notes in 1999. GRU issued \$16,500,000 of Series C Notes in 1999 to finance future electric construction projects.

\$25,000,000 Commercial Paper Notes, Series D (taxable) - In June 2000, a Utilities System Commercial Paper Note Program, Series D (taxable) was established in a principal amount not to exceed \$25,000,000. Liquidity support for the Series D Notes is provided under a long-term credit agreement dated June 1, 2000 with SunTrust Bank. The obligation of the bank may be substituted by another bank which meets certain credit standards and is approved by GRU. Under the terms of the agreement, GRU may borrow up to \$25,000,000 with same day availability ending on the termination date, as defined in the agreement. As of September 30, 2000, \$12,081,000 of Series D Notes were outstanding.

(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. Other funds are also used periodically 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:

<u>Fiscal Year(s)</u>	<u>General</u>	<u>Enterprise(1)</u>	<u>Total</u>
2001	\$3,019,377	\$29,765,187	\$32,784,564
2002	3,058,089	29,762,722	32,820,811
2003	3,098,256	29,769,389	32,867,645
2004	3,128,581	29,192,355	32,320,936
2005	3,133,850	28,036,308	31,170,158
2006-2010	14,721,910	164,159,726	178,881,636
2011-2015	8,407,537	142,980,009	151,387,546
2016-2020	5,478,575	67,313,760	72,792,335
2021-2025	4,380,000	30,869,000	35,249,000
2026	-	3,950,260	3,950,260
	<u>48,426,175</u>	<u>555,798,716</u>	<u>604,224,891</u>
Less Interest	<u>18,385,651</u>	<u>214,418,716</u>	<u>232,804,367</u>
Total Principal	<u>\$30,040,524</u>	<u>\$341,380,000</u>	<u>\$371,420,524</u>

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
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(1) Excludes principal of \$75,109,000 and an indeterminable amount of interest related to that principal. See prior description of the Utility System Commercial Paper Notes.

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	\$523,509,301
Electric plant held for future use	6,053,926
Natural gas distribution	33,861,412
Water treatment, transmission and distribution	113,985,337
Wastewater treatment and collection	151,109,725
GRUCom distribution and general plant	9,274,656
Construction in progress	<u>102,706,991</u>
	940,501,348
<i>Accumulated Depreciation and Amortization</i>	<u>324,626,553</u>
<i>Net Utility Assets</i>	615,874,795

Regional Transit System Fund

Land	210,500
Buildings	2,623,344
Improvements	414,079
Equipment	9,720,993
Construction in progress	<u>112,946</u>
	13,081,862
<i>Accumulated Depreciation</i>	<u>8,012,766</u>
<i>Net Regional Transit System Assets</i>	5,069,096

Stormwater Management Utility Fund

Land	152,181
Buildings	112,689
Equipment	677,679
Infrastructure	20,533,340
Construction in progress	<u>501,173</u>
	21,977,062
<i>Accumulated Depreciation</i>	<u>17,099,610</u>
<i>Net Stormwater Assets</i>	4,877,452

Ironwood Golf Course Fund

Land	520,266
Buildings	693,469
Improvements	1,306,343
Equipment	270,518
Construction in progress	<u>26,228</u>
	2,816,824
<i>Accumulated Depreciation</i>	<u>1,011,086</u>
<i>Net Ironwood Golf Course Assets</i>	1,805,738

CITY OF GAINESVILLE, FLORIDA
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September 30, 2000

<i>Solid Waste Enterprise Fund</i>	
Land	100,989
Improvements	11,535
Equipment	<u>35,493</u>
	148,017
<i>Accumulated Depreciation</i>	<u>46,684</u>
<i>Net Solid Waste Assets</i>	<u>101,333</u>
Total Enterprise Fund Fixed Assets, Net	<u>\$627,728,414</u>

(B) Internal Service Funds

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

<i>General Insurance Fund</i>	
Equipment	\$49,900
<i>Accumulated Depreciation</i>	<u>18,849</u>
<i>Net General Insurance Assets</i>	31,051

<i>Employees Health & Accident Benefit Fund</i>	
Equipment	37,841
<i>Accumulated Depreciation</i>	<u>19,698</u>
<i>Net Employee Health & Accident Benefit Assets</i>	18,143

<i>Fleet Management Fund</i>	
Buildings	195,366
Equipment	<u>13,539,293</u>
	13,734,659
<i>Accumulated Depreciation</i>	<u>8,033,030</u>
<i>Net Fleet Management Assets</i>	<u>5,701,629</u>

Total Internal Service Fund Fixed Assets, Net **\$5,750,823**

(C) General Fixed Assets

	<u>Balance</u> <u>10/01/99</u>	<u>Changes</u>		<u>Balance</u> <u>09/30/00</u>
		<u>Additions</u>	<u>Deletions</u>	
Land	\$12,371,269	\$309,900	\$98,358	\$12,582,811
Buildings	24,656,739	218,327	242,008	24,633,058
Improvements	5,688,524	33,514	243,440	5,478,598
Equipment	15,841,486	2,638,931	4,579,396	13,901,021
Construction in Progress	<u>353,462</u>	<u>1,684,029</u>	<u>29,523</u>	<u>2,007,968</u>
	58,911,480	4,884,701	5,192,725	58,603,456
<i>Accumulated Depreciation</i>	<u>26,299,078</u>	<u>2,786,451</u>	<u>3,335,582</u>	<u>25,749,947</u>
Total General Fixed Assets, Net	<u>\$32,612,402</u>	<u>\$2,098,250</u>	<u>\$1,857,143</u>	<u>\$32,853,509</u>

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

NOTE 6 - INDIVIDUAL FUND DEFICITS

The following funds had deficit fund balances/retained earnings at September 30, 2000:

Capital Projects Funds

Greenspace/Recreation Acquisition Fund <100>

Enterprise Funds

GRUCOM Fund <1,034,196>

Stormwater Management Fund <5,652,299>

Ironwood Golf Course Fund <927,971>

The Greenspace/Recreation Acquisition Fund deficit is due to a project overrun. Funds will be transferred in subsequent years to finish the project and replenish fund balance.

The GRUCOM Fund deficit is a result of the fact that GRUCOM is a relatively new utility system still in its start-up stages. Rates are being set which in conjunction with projected growth in the system should address this deficit in upcoming years.

The Stormwater Management Fund deficit is primarily attributable to the fact that stormwater rates were not structured to cover the depreciation expense of the infrastructure in place. An increase in Stormwater Utility Fees was approved in early FY99 to address this problem. The current fiscal year experienced a net gain after depreciation.

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. Construction of a new clubhouse at the golf course was completed in the fourth quarter of 2000. Management feels this will have a positive effect on revenues.

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, 2000, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$2,516,920	\$ -
Special Revenue Funds		
<i>Community Development Block Grant Fund</i>	-	65,183
<i>Miscellaneous Gifts and Grants Fund</i>	-	1,266
Capital Projects Funds		
<i>General Capital Projects Fund</i>	259,108	3,182
<i>Roadway Construction Fund 96</i>	-	14,712
<i>Communications Equipment Project Fund 98</i>	-	280,957
Enterprise Funds		
<i>Electric Fund</i>	13,338,878	-
<i>Gas Fund</i>	-	3,618,073
<i>Water Fund</i>	-	4,159,783
<i>Wastewater Fund</i>	-	3,096,818
<i>GRUCom Fund</i>	-	5,707,054
<i>Regional Transit System Fund</i>	-	169
<i>Stormwater Management Utility Fund</i>	320,844	55,392
<i>Solid Waste Fund</i>	373,572	38,123

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

Internal Service Funds

<i>General Insurance Fund</i>	73,454	-
<i>Fleet Management Fund</i>	241,586	6,000

Fiduciary Funds

<i>Police Officers and Firefighters Consolidated Retirement Fund</i>	-	51,213
<i>Evergreen Cemetery Fund</i>	-	26,437
	<u>\$17,124,362</u>	<u>\$17,124,362</u>

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:

Fund Type	Encumbrances	Inventories	Noncurrent Receivable	Debt Service	Legal Employees Pension Benefits	Restrictions for a Specific Future Use	TOTAL
<i>General Fund</i>	\$612,261	\$140,782	\$1,493,745	-	-	\$12,204,389	\$14,451,177
<i>Special Revenue Funds</i>	1,535,550	-	-	-	-	505,388	2,040,938
<i>Debt Service Funds</i>	-	-	-	1,467,380	-	-	1,467,380
<i>Capital Projects Funds</i>	2,116,224	-	-	-	-	131,000	2,247,224
<i>Enterprise Funds</i>	-	-	-	37,261,135	-	84,128	37,345,263
<i>Internal Service Funds</i>	-	-	-	-	-	3,397,382	3,397,382
<i>Fiduciary Funds</i>	44,860	-	-	-	250,473,296	-	250,518,156
<i>Component Units</i>	-	-	-	-	-	1,000	1,000
Total Reserves	<u>\$4,308,895</u>	<u>\$140,782</u>	<u>\$1,493,745</u>	<u>\$38,728,515</u>	<u>\$250,473,296</u>	<u>\$16,323,287</u>	<u>\$311,468,520</u>

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, 2000 was \$23.3 million.

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 605 retirees for the fiscal year 2000 was \$2,395,523.

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

NOTE 11 - COMMITMENTS AND CONTINGENCIES

At September 30, 2000, the City had contractual commitments for various construction projects totaling approximately \$2,247,224.

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 \$7,250,000. 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 Funds</u>	<u>Internal Service Funds</u>
Contributed Capital, October 1	\$124,802,535	\$4,551,455
Current Year Contributions	4,061,150	-
Depreciation of Contributed Capital Assets	<743,433>	-
Contributed Capital, September 30	<u>\$128,120,252</u>	<u>\$4,551,455</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, 2000, is shown below.

	<u>Sub Total</u>	<u>Electric</u>	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>GRUCom</u>
Operating Revenues	\$192,714,860	\$146,285,643	\$15,180,230	\$12,360,821	\$15,582,850	\$3,305,316
Deprec./Amortization	26,106,388	20,114,575	1,267,848	1,824,769	1,943,032	956,164
Operating Income(Loss)	52,747,763	40,714,238	2,282,400	3,902,583	5,372,122	476,420
Operating Transfers:						
In	-	-	-	-	-	-
Out	<23,340,246>	<15,421,919>	<1,057,879>	<2,821,027>	<3,815,021>	<224,400>
Net Income(Loss)	15,775,251	17,618,290	142,066	<622,503>	<734,203>	<628,399>
Current Capital Contributions	2,334,986	-	-	1,571,448	885,304	<121,766>
Property, Plant & Equipment						
Additions	68,077,604	46,387,689	2,354,512	5,904,956	5,815,643	7,614,804
Deletions	-	-	-	-	-	-
Working Capital	26,351,755	32,171,313	<541,385>	<1,854,996>	<1,080,091>	<2,343,086>
Total Assets	1,064,309,920	745,289,154	41,754,472	105,366,123	147,455,767	24,444,404
Long-Term Debt	382,733,076	217,713,115	28,807,484	48,272,762	69,058,715	18,881,000
Total Fund Equity	379,013,159	256,689,928	2,424,004	49,881,326	70,281,491	<263,590>

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Notes to Financial Statements
September 30, 2000

	<u>Sub Total</u>	<u>RTS</u>	<u>SMUF</u>	<u>Ironwood Golf Course</u>	<u>Solid Waste</u>	<u>GRAND TOTAL</u>
Operating Revenues	\$12,720,521	\$2,973,918	\$3,863,856	\$954,700	\$4,928,047	\$205,435,381
Operating Grants	2,511,021	2,443,250	-	-	67,771	2,511,021
Local Option Gas Tax	2,042,765	2,042,765	-	-	-	2,042,765
Deprec./Amortization	1,872,964	813,841	900,420	153,527	5,176	27,979,352
Operating Income(Loss)	<5,565,901>	<5,612,195>	45,113	<223,507>	224,688	47,181,862
Operating Transfers:						
In	354,390	31,665	-	320,836	1,889	354,390
Out	<1,015,768>	-	<197,362>	<218,406>	<600,000>	<24,356,014>
Net Income(Loss)	<1,217,100>	<984,001>	53,339	<118,268>	<168,170>	14,558,151
Current Capital Contributions	1,210,968	-	600,212	610,756	-	3,545,954
Property, Plant & Equipment						
Additions	2,668,683	579,169	1,478,758	610,756	-	70,746,287
Deletions	<715,831>	<56,552>	<517,491>	<118,713>	<23,075>	<715,831>
Working Capital	10,626,185	4,212,791	4,260,020	142,508	2,010,866	36,977,940
Total Assets	23,814,961	9,715,804	9,323,774	1,987,686	2,787,697	1,088,124,881
Long-Term Debt	-	-	-	-	-	382,733,076
Total Fund Equity	22,479,804	9,281,887	9,137,472	1,948,246	2,112,199	401,492,963

NOTE 14 - RESTATEMENTS OF FUND EQUITY

Prior period adjustments to beginning fund equity were made to correct errors not involving accounting principles. The following schedule reconciles fund equity as reported at September 30, 1999 to beginning fund equity as reported in these financial statements.

General Fund

Fund Balance - October 1, as originally reported	\$15,176,455
Prior Period Adjustment for payroll expense	<56,860>
Fund Balance - October 1, restated	\$15,119,595

Special Revenue Funds

Fund Balance - October 1, as originally reported	\$2,628,486
<i>Miscellaneous Gifts & Grants Fund</i>	
Prior period Adjustment of grant receivable	<12,712>
Fund Balance - October 1, restated	\$2,615,774

In conformity with generally accepted accounting principles, the financial statements reflect a change in presentation of the City's Defined Contribution Pension plan, which was previously reported as an Pension Trust Fund and had net assets of \$8,520,295 at September 30, 1999. The City does not have fiduciary accountability for the Plan and, accordingly, the Plan is not reported in the accompanying financial statements.

NOTE 15 - LEASE/LEASEBACK TRANSACTION

On December 10, 1998, GRU entered into a lease/leaseback transaction for all of the Deerhaven Unit 1 and a substantial portion of the Deerhaven Unit 2 generating facilities. Under the terms of the transaction, GRU entered into a 38-year lease and simultaneously a 20-year leaseback. At the end of the leaseback period term, GRU has the option to buy out the remainder of the lease for a fixed purchase option amount. GRU continues to own, operate, maintain and staff the facilities.

The proceeds received by GRU from this transaction were approximately \$249 million. From these proceeds, GRU deposited \$142 million as a payment undertaking agreement and a second deposit of \$72 million in the form of a collateralized Guaranteed Investment Contract (GIC) both with an AAA rated insurance company. The deposit instruments will mature in amounts sufficient to meet the annual payment obligations under the leaseback including the end of term fixed purchase option if elected by GRU.

CITY OF GAINESVILLE, FLORIDA
Notes to Financial Statements
September 30, 2000

The net benefit of this transaction, after payment of transaction expenses, was approximately \$35 million and resulted in a deferred gain, which will be amortized as income on a straight-line basis over the leaseback period of 20 years. Of the \$35 million, \$5.1 million was transferred to the City of Gainesville's General Fund with the remainder being used, along with other funds on hand, to pay off approximately \$43 million of tax-exempt commercial paper.

GRU accounted for the lease/leaseback transaction as an operating lease in 2000. Amortization of the net benefit was \$1,774,000 and \$1,479,000 in fiscal 2000 and 1999, respectively, and reported as a component of other operating revenue.

NOTE 16 – INVESTMENT IN THE ENERGY AUTHORITY

In May 2000, GRU became an equity member of The Energy Authority ("TEA"), a power marketing joint venture. As of September 30, 2000 this joint venture was comprised of six municipal utilities across the nation. GRU's ownership interest was 7.14 percent and it accounted for this investment using equity accounting. To become a member, GRU paid an initial capital contribution of \$1 million and a membership fee of \$867,360. The membership fee is to be amortized over 24 months. Included in deferred charges at September 30, 2000 is the unamortized balance of \$686,660. GRU has reflected the capital contribution as an investment on the balance sheet. As of September 30, 2000, GRU's investment in TEA was \$972,273.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF FUNDING PROGRESS
EMPLOYEES' PENSION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll (b-a)/c
09/30/00	\$160,784,000	\$164,266,000	\$3,482,000	97.88%	\$48,268,257	7.21%
09/30/99	\$138,755,649	\$131,380,332	(\$7,375,317)	105.61%	\$48,075,476	(15.34%)
09/30/98	\$123,414,860	\$123,174,407	(\$240,453)	100.20%	\$41,214,524	(0.58%)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF FUNDING PROGRESS
CONSOLIDATED PENSION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll (b-a)/c
10/01/99	\$72,733,066	\$93,705,531	\$20,972,465	77.62%	\$16,821,405	124.68%
10/01/97	\$59,716,347	\$69,789,068	\$10,072,721	85.57%	\$16,151,495	62.36%
10/01/96	\$46,403,969	\$66,624,928	\$20,220,959	69.65%	\$16,229,307	124.60%

THE CITY OF GAINESVILLE, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2000

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	<u>EMPLOYEES'</u> <u>PLAN</u>	<u>CONSOLIDATED</u> <u>PLAN</u>																				
<i>Valuation Date</i>	9/30/00(updated)	10/1/99																				
<i>Actuarial Cost Method</i>	Entry Age Normal	Entry Age Normal																				
<i>Amortization Method</i>	Level percent - 15 years open	Level percent - open																				
<i>Remaining Amortization Period</i>	15 years	23 years																				
<i>Asset Valuation Method</i>	5-year Smoothed Market	5-year Smoothed Market																				
<i>Actuarial Assumptions:</i>																						
Investment Rate of Return *	9.5% per annum	9.0% per annum																				
Salary Increase Rate*	<table border="0" style="display: inline-table; vertical-align: top;"> <thead> <tr> <th style="text-align: left;"><u>Years of Service</u></th> <th style="text-align: left;"><u>Rate</u></th> </tr> </thead> <tbody> <tr> <td>6 and under</td> <td>7%</td> </tr> <tr> <td>7-11</td> <td>6</td> </tr> <tr> <td>12-16</td> <td>5</td> </tr> <tr> <td>Over 16</td> <td>4</td> </tr> </tbody> </table>	<u>Years of Service</u>	<u>Rate</u>	6 and under	7%	7-11	6	12-16	5	Over 16	4	<table border="0" style="display: inline-table; vertical-align: top;"> <thead> <tr> <th style="text-align: left;"><u>Age Range</u></th> <th style="text-align: left;"><u>Rate</u></th> </tr> </thead> <tbody> <tr> <td>less than 30</td> <td>7%</td> </tr> <tr> <td>30-35</td> <td>6</td> </tr> <tr> <td>35-40</td> <td>5</td> </tr> <tr> <td>40 and older</td> <td>4</td> </tr> </tbody> </table>	<u>Age Range</u>	<u>Rate</u>	less than 30	7%	30-35	6	35-40	5	40 and older	4
<u>Years of Service</u>	<u>Rate</u>																					
6 and under	7%																					
7-11	6																					
12-16	5																					
Over 16	4																					
<u>Age Range</u>	<u>Rate</u>																					
less than 30	7%																					
30-35	6																					
35-40	5																					
40 and older	4																					
Post-Retirement Benefit Increase	2%	None																				

* Includes inflation of 4% for each plan.

CITY OF GAINESVILLE, FLORIDA
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2000

ASSETS

Equity in Pooled Cash and Investments	\$ 11,652,880
Receivables	3,139,904
Due from Other Funds	2,516,920
Inventories	<u>140,782</u>

TOTAL ASSETS **\$ 17,450,486**

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 1,659,698
Deferred Revenue	<u>471,824</u>

TOTAL LIABILITIES **2,131,522**

FUND BALANCES

Reserved For:

Encumbrances	612,261
Inventories	140,782
Noncurrent Receivables	1,493,745
Legal Restrictions	<u>12,204,389</u>

Total Reserved **14,451,177**

Unreserved:

Designated for Future Use	848,842
Undesignated	<u>18,945</u>

TOTAL FUND BALANCES **15,318,964**

TOTAL LIABILITIES AND FUND BALANCES **\$ 17,450,486**

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	\$ 22,344,885	\$ -	\$ 22,344,885	\$ 22,199,946	\$ 144,939
Licenses and Permits	1,545,920	-	1,545,920	1,633,039	(87,119)
Intergovernmental	7,189,464	-	7,189,464	7,374,020	(184,556)
Charges for Services	5,580,040	-	5,580,040	5,719,228	(139,188)
Fines and Forfeitures	1,281,314	-	1,281,314	1,359,205	(77,891)
Miscellaneous	1,194,859	-	1,194,859	1,133,705	61,154
TOTAL REVENUES	39,136,482	-	39,136,482	39,419,143	(282,661)
EXPENDITURES					
Current:					
General Government	14,877,772	361,245	15,239,017	17,292,565	2,053,548
Public Safety	31,747,993	160,910	31,908,903	32,346,025	437,122
Physical Environment	1,804,708	29,820	1,834,528	1,925,490	90,962
Transportation	6,114,608	27,658	6,142,266	6,211,056	68,790
Economic Environment	235,498	1,965	237,463	321,372	83,909
Culture and Recreation	3,262,815	30,663	3,293,478	3,498,356	204,878
TOTAL EXPENDITURES	58,043,394	612,261	58,655,655	61,594,864	2,939,209
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(18,906,912)	(612,261)	(19,519,173)	(22,175,721)	2,656,548
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	23,740,902	-	23,740,902	23,686,505	54,397
Operating Transfers Out	(4,634,621)	-	(4,634,621)	(7,371,053)	2,736,432
TOTAL OTHER FINANCING SOURCES (USES)	19,106,281	-	19,106,281	16,315,452	2,790,829
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 199,369	\$ (612,261)	\$ (412,892)	\$ (5,860,269)	\$ 5,447,377

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
GENERAL GOVERNMENT					
Administrative Services	\$ 159,074	\$ 6,697	\$ 165,771	\$ 171,668	\$ 5,897
City Commission	176,522	-	176,522	183,110	6,588
Clerk of the Commission	497,689	11,436	509,125	583,831	74,706
City Manager	424,466	-	424,466	446,641	22,175
City Auditor	344,424	-	344,424	351,484	7,060
City Attorney	958,424	32,323	990,747	1,014,300	23,553
Computer Services	1,990,489	47,584	2,038,073	2,105,776	67,703
Finance	1,980,375	26,513	2,006,888	2,193,675	186,787
Equal Opportunity	217,555	540	218,095	233,229	15,134
Community Development	1,338,045	159,666	1,497,711	1,601,723	104,012
Facilities Management	1,800,840	50,667	1,851,507	2,086,898	235,391
Human Resources	1,137,414	21,294	1,158,708	1,368,026	209,318
Management and Budget	321,160	425	321,585	434,380	112,795
Nondepartmental	3,531,295	4,100	3,535,395	4,517,824	982,429
TOTAL GENERAL GOVERNMENT	14,877,772	361,245	15,239,017	17,292,565	2,053,548
PUBLIC SAFETY					
Police Department	20,328,918	83,112	20,412,030	20,616,509	204,479
Fire Department	9,673,152	37,038	9,710,190	9,867,279	157,089
Building Inspections	818,545	2,534	821,079	856,783	35,704
Community Development	525,899	38,226	564,125	596,454	32,329
Nondepartmental	401,479	-	401,479	409,000	7,521
TOTAL PUBLIC SAFETY	31,747,993	160,910	31,908,903	32,346,025	437,122
PHYSICAL ENVIRONMENT					
Recreation and Parks	1,804,708	29,820	1,834,528	1,925,490	90,962
TRANSPORTATION					
Fire Department	425,441	-	425,441	449,850	24,409
Police Department	237,478	-	237,478	250,066	12,588
Public Works	4,937,618	27,658	4,965,276	5,066,140	100,864
Nondepartmental	514,071	-	514,071	445,000	(69,071)
TOTAL TRANSPORTATION	6,114,608	27,658	6,142,266	6,211,056	68,790
ECONOMIC ENVIRONMENT					
Community Development	39,764	-	39,764	116,556	76,792
Economic Development	170,734	1,965	172,699	179,816	7,117
Nondepartmental	25,000	-	25,000	25,000	-
TOTAL ECONOMIC ENVIRONMENT	235,498	1,965	237,463	321,372	83,909
CULTURE AND RECREATION					
Recreation and Parks	2,203,224	25,895	2,229,119	2,368,099	138,980
Culture and Nature Services	1,059,591	4,768	1,064,359	1,130,257	65,898
TOTAL CULTURE AND RECREATION	3,262,815	30,663	3,293,478	3,498,356	204,878
TOTAL EXPENDITURES	\$ 58,043,394	\$ 612,261	\$ 58,655,655	\$ 61,594,864	\$ 2,939,209

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.

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.

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

Federal Law Enforcement Contraband Forfeiture Fund - to account for law enforcement related projects funded by the proceeds from federal confiscated property forfeited under the provisions of Sections 932.701 through 932.704, 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 revenue and expenditures made to promote economic development.

Transportation Concurrency Exception Area Fund - to account for revenue and expenditures made in connection with transportation improvements made in conjunction with new developments

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2000**

	COMMUNITY DEVELOP- MENT BLOCK GRANT FUND	URBAN DEVELOP- MENT ACTION GRANT FUND	HOME GRANT FUND	MISCEL- LANEOUS GIFTS AND GRANTS FUND	CULTURAL AND NATURE PROJECTS FUND
ASSETS					
Equity in Pooled Cash and Investments	\$ -	\$ 356,703	\$ 1,451	\$ 1,970,496	\$ 263,672
Receivables	383,965	1,790,751	521,166	439,105	412
Assets Held for Evidence	-	-	-	-	-
TOTAL ASSETS	\$ 383,965	\$ 2,147,454	\$ 522,617	\$ 2,409,601	\$ 264,084
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 80,993	\$ -	\$ 147,848	\$ 187,426	\$ 56,225
Due to Other Funds	65,183	-	-	1,266	-
Deferred Revenue	63,643	1,790,751	362,807	214,678	-
TOTAL LIABILITIES	209,819	1,790,751	510,655	403,370	56,225
FUND BALANCES					
Reserved for Encumbrances	443,650	-	585,317	504,318	-
Reserved for Legal Restrictions	17,832	-	486,556	-	1,000
Unreserved:					
Designated for Future Use	-	-	-	1,501,913	206,859
Undesignated	(287,336)	356,703	(1,059,911)	-	-
TOTAL FUND BALANCES	174,146	356,703	11,962	2,006,231	207,859
TOTAL LIABILITIES AND FUND BALANCES	\$ 383,965	\$ 2,147,454	\$ 522,617	\$ 2,409,601	\$ 264,084

STATE LAW ENFORCE- MENT CONTRABAND FORFEITURE FUND	FEDERAL LAW ENFORCE- MENT CONTRABAND FORFEITURE FUND	STREET, SIDEWALK AND DITCH IMPROVEMENT FUND	ECONOMIC DEVELOPMENT FUND	TRANSPORTATION CONCURRENCY EXCEPTION AREA FUND	TOTALS
\$ 25,345	\$ 452,934	\$ 138,376	\$ 251,162	\$ 3,026	\$ 3,463,165
-	-	15,806	-	-	3,151,205
84,644	-	-	-	-	84,644
\$ 109,989	\$ 452,934	\$ 154,182	\$ 251,162	\$ 3,026	\$ 6,699,014

\$ 240	\$ 7,059	\$ -	\$ -	\$ -	\$ 479,791
-	-	-	-	-	66,449
84,644	-	15,806	-	-	2,532,329
84,884	7,059	15,806	-	-	3,078,569
160	2,105	-	-	-	1,535,550
-	-	-	-	-	505,388
24,945	443,770	-	-	3,026	2,180,513
-	-	138,376	251,162	-	(601,006)
25,105	445,875	138,376	251,162	3,026	3,620,445
\$ 109,989	\$ 452,934	\$ 154,182	\$ 251,162	\$ 3,026	\$ 6,699,014

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	COMMUNITY DEVELOP- MENT BLOCK GRANT FUND	URBAN DEVELOP- MENT ACTION GRANT FUND	HOME GRANT FUND	MISCEL- LANEOUS GIFTS AND GRANTS FUND	CULTURAL AND NATURE PROJECTS FUND	STATE LAW ENFORCE- MENT CONTRABAND FORFEITURE FUND
REVENUES						
Intergovernmental	\$ 1,334,142	\$ -	\$ 804,504	\$ 3,369,015	\$ -	\$ -
Charges for Services	8,476	-	24,757	417,832	186,432	-
Fines and Forfeitures	-	-	-	49,360	-	30,101
Miscellaneous	3,181	173,945	15,866	261,563	12,837	3,093
TOTAL REVENUES	1,345,799	173,945	845,127	4,097,770	199,269	33,194
EXPENDITURES						
Current:						
General Government	-	-	-	250,650	-	-
Public Safety	-	-	-	1,728,429	-	33,626
Physical Environment	-	-	-	54,331	-	-
Transportation	-	-	-	609,810	-	-
Economic Environment	1,346,642	-	845,127	854,473	-	-
Human Services	-	-	-	70,675	-	-
Culture and Recreation	-	-	-	322,175	160,841	-
TOTAL EXPENDITURES	1,346,642	-	845,127	3,890,543	160,841	33,626
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(843)	173,945	-	207,227	38,428	(432)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	217,904	-	-
Operating Transfers Out	-	(17,000)	-	-	-	(6,539)
TOTAL OTHER FINANCING SOURCES (USES)	-	(17,000)	-	217,904	-	(6,539)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(843)	156,945	-	425,131	38,428	(6,971)
FUND BALANCES, October 1 , As Restated	174,989	199,758	11,962	1,581,100	169,431	32,076
FUND BALANCES, September 30	\$ 174,146	\$ 356,703	\$ 11,962	\$ 2,006,231	\$ 207,859	\$ 25,105

FEDERAL LAW ENFORCE- MENT CONTRABAND FORFEITURE FUND	STREET, SIDEWALK AND DITCH IMPROVEMENT FUND	ECONOMIC DEVELOPMENT FUND	TRANSPORTATION CONCURRENCY EXCEPTION AREA FUND	TOTALS
\$ -	\$ -	\$ -	\$ -	\$ 5,507,661
-	-	-	3,024	640,521
567,720	-	-	-	647,181
22,250	12,402	19,471	2	524,610
<u>589,970</u>	<u>12,402</u>	<u>19,471</u>	<u>3,026</u>	<u>7,319,973</u>
-	-	-	-	250,650
93,822	-	-	-	1,855,877
-	-	-	-	54,331
-	-	-	-	609,810
-	-	122,266	-	3,168,508
-	-	-	-	70,675
-	-	-	-	483,016
<u>93,822</u>	<u>-</u>	<u>122,266</u>	<u>-</u>	<u>6,492,867</u>
<u>496,148</u>	<u>12,402</u>	<u>(102,795)</u>	<u>3,026</u>	<u>827,106</u>
-	-	76,171	-	294,075
(92,971)	-	-	-	(116,510)
<u>(92,971)</u>	<u>-</u>	<u>76,171</u>	<u>-</u>	<u>177,565</u>
403,177	12,402	(26,624)	3,026	1,004,671
<u>42,698</u>	<u>125,974</u>	<u>277,786</u>	<u>-</u>	<u>2,615,774</u>
<u>\$ 445,875</u>	<u>\$ 138,376</u>	<u>\$ 251,162</u>	<u>\$ 3,026</u>	<u>\$ 3,620,445</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, 2000

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Intergovernmental	\$ 1,334,142	\$ -	\$ 1,334,142	\$ 2,295,862	\$ (961,720)
Charges for Services	8,476	-	8,476	7,473	1,003
Miscellaneous	3,181	-	3,181	6,103	(2,922)
TOTAL REVENUES	1,345,799	-	1,345,799	2,309,438	(963,639)
EXPENDITURES					
Economic Environment	1,346,642	443,650	1,790,292	2,309,438	519,146
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (843)	\$ (443,650)	\$ (444,493)	\$ -	\$ (444,493)

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
URBAN DEVELOPMENT ACTION GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Miscellaneous:					
Principal Payments	\$ 115,523	\$ -	\$ 115,523	\$ 114,742	\$ 781
Investment Income	58,422	-	58,422	59,203	(781)
TOTAL REVENUES	173,945	-	173,945	173,945	-
EXPENDITURES					
	-	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	173,945	-	173,945	173,945	-
OTHER FINANCING USES					
Operating Transfers Out	(17,000)	-	(17,000)	(17,000)	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES	\$ 156,945	\$ -	\$ 156,945	\$ 156,945	\$ -

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
HOME GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Intergovernmental	\$ 804,504	\$ -	\$ 804,504	\$ 1,480,409	\$ (675,905)
Charges for Services	24,757	-	24,757	25,907	(1,150)
Miscellaneous	15,866	-	15,866	21,308	(5,442)
TOTAL REVENUES	845,127	-	845,127	1,527,624	(682,497)
EXPENDITURES					
Economic Environment	845,127	585,317	1,430,444	1,527,624	97,180
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ -	\$ (585,317)	\$ (585,317)	\$ -	\$ (585,317)

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS GIFTS AND GRANTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Intergovernmental	\$ 3,369,015	\$ -	\$ 3,369,015	\$ 3,369,015	\$ -
Charges for Services	417,832	-	417,832	417,832	-
Fines and Forfeitures	49,360	-	49,360	49,360	-
Miscellaneous:					
Contributions and Donations	212,381	-	212,381	212,381	-
Investment Income	24,823	-	24,823	24,823	-
Other	24,359	-	24,359	24,359	-
Total Miscellaneous	261,563	-	261,563	261,563	-
TOTAL REVENUES	4,097,770	-	4,097,770	4,097,770	-
EXPENDITURES					
General Government:					
Other Projects	250,650	-	250,650	250,650	-
Public Safety:					
Law Enforcement Education	32,987	11,036	44,023	44,023	-
Other Projects	1,695,442	119,569	1,815,011	1,815,011	-
Total Public Safety	1,728,429	130,605	1,859,034	1,859,034	-
Physical Environment:					
Other Projects	54,331	12,620	66,951	66,951	-
Transportation:					
Streets Special Projects	197,678	-	197,678	197,678	-
Other Projects	412,132	3,780	415,912	415,912	-
Total Transportation	609,810	3,780	613,590	613,590	-
Economic Environment:					
Other Economic Environment	854,473	315,367	1,169,840	1,169,840	-
Human Services:					
Summer Nutrition	70,675	-	70,675	70,675	-
Culture and Recreation:					
Highway Beautification	11,703	-	11,703	11,703	-
Other Projects	310,472	41,946	352,418	352,418	-
Total Culture and Recreation	322,175	41,946	364,121	364,121	-
TOTAL EXPENDITURES	3,890,543	504,318	4,394,861	4,394,861	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	207,227	(504,318)	(297,091)	(297,091)	-
OTHER FINANCING SOURCES					
Operating Transfers In	217,904	-	217,904	217,904	-
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	\$ 425,131	\$ (504,318)	\$ (79,187)	\$ (79,187)	\$ -

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CULTURAL AND NATURE PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Charges for Services:					
Rents and Fees	\$ 186,432	\$ -	\$ 186,432	\$ 191,500	\$ (5,068)
Miscellaneous:					
Investment Income	<u>12,837</u>	<u>-</u>	<u>12,837</u>	<u>6,000</u>	<u>6,837</u>
TOTAL REVENUES	199,269	-	199,269	197,500	1,769
EXPENDITURES					
Culture and Recreation:					
Other Projects	<u>160,841</u>	<u>-</u>	<u>160,841</u>	<u>234,870</u>	<u>74,029</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 38,428</u>	<u>\$ -</u>	<u>\$ 38,428</u>	<u>\$ (37,370)</u>	<u>\$ 75,798</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STATE LAW ENFORCEMENT CONTRABAND FORFEITURE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Fines and Forfeitures:					
Confiscated Property	\$ 30,101	\$ -	\$ 30,101	\$ 30,101	\$ -
Miscellaneous:					
Investment Income	1,644	-	1,644	2,055	(411)
Other Miscellaneous	1,449	-	1,449	1,449	-
Total Miscellaneous	3,093	-	3,093	3,504	(411)
TOTAL REVENUES	33,194	-	33,194	33,605	(411)
EXPENDITURES					
Public Safety:					
Support Services	33,626	160	33,786	33,786	-
EXCESS OF REVENUES (UNDER) EXPENDITURES	(432)	(160)	(592)	(181)	(411)
OTHER FINANCING USES					
Operating Transfers Out	(6,539)	-	(6,539)	(6,539)	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES OTHER USES	\$ (6,971)	\$ (160)	\$ (7,131)	\$ (6,720)	\$ (411)

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FEDERAL LAW ENFORCEMENT CONTRABAND FORFEITURE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Fines and Forfeitures:					
Confiscated Property	\$ 567,720	\$ -	\$ 567,720	\$ 567,718	\$ 2
Miscellaneous:					
Investment Income	22,250	-	22,250	26,331	(4,081)
Other Miscellaneous	-	-	-	-	-
Total Miscellaneous	<u>22,250</u>	<u>-</u>	<u>22,250</u>	<u>26,331</u>	<u>(4,081)</u>
TOTAL REVENUES	589,970	-	589,970	594,049	(4,079)
EXPENDITURES					
Public Safety:					
Support Services	<u>93,822</u>	<u>2,105</u>	<u>95,927</u>	<u>95,927</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	496,148	(2,105)	494,043	498,122	(4,079)
OTHER FINANCING USES					
Operating Transfers Out	<u>(92,971)</u>	<u>-</u>	<u>(92,971)</u>	<u>(92,971)</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 403,177	\$ (2,105)	\$ 401,072	\$ 405,151	\$ (4,079)

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, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Miscellaneous:					
Investment Income	\$ 8,483	\$ -	\$ 8,483	\$ 6,000	\$ 2,483
Other	3,919	-	3,919	-	3,919
TOTAL REVENUES	12,402	-	12,402	6,000	6,402
EXPENDITURES					
	-	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	\$ 12,402	\$ -	\$ 12,402	\$ 6,000	\$ 6,402

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>					
Miscellaneous:					
Investment Income	19,471	-	19,471	11,500	7,971
<u>EXPENDITURES</u>					
Economic Environment	<u>122,266</u>	<u>-</u>	<u>122,266</u>	<u>139,359</u>	<u>17,093</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(102,795)	-	(102,795)	(127,859)	25,064
<u>OTHER FINANCING SOURCES</u>					
Operating Transfers In	<u>76,171</u>	<u>-</u>	<u>76,171</u>	<u>76,171</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	\$ (26,624)	\$ -	\$ (26,624)	\$ (51,688)	\$ 25,064

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TRANSPORTATION CONCURRENCY EXCEPTION AREA FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES					
Charges for Services:					
Rents and Fees	\$ 3,024	\$ -	\$ 3,024	\$ 3,024	\$ -
Miscellaneous:					
Investment Income	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>
TOTAL REVENUES	3,026	-	3,026	3,024	2
EXPENDITURES					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ 3,026	\$ -	\$ 3,026	\$ 3,024	\$ 2

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 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 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.

First Florida Governmental Financing Commission (FFGFC) Fund - Series 1998 - to account for funds to maintain a reserve and accumulate the debt service requirements of the 1998 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.

CRA Promissory Notes – to account for funds to accumulate debt service requirements of the Community Redevelopment Agency promissory notes from the General Fund.

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
SEPTEMBER 30, 2000

	FFGFC FUNDS			GUARANTEED ENTITLEMENT REVENUE AND REFUNDING BONDS 1994	CRA PROMISSORY NOTES	TOTALS
	SERIES 1992	SERIES 1996	SERIES 1998			
ASSETS						
Cash and Cash Equivalents	\$ 75,610	\$ 48,417	\$ -	\$ 14,579	\$ -	\$ 138,606
Equity in Pooled Cash and Investments	148,648	97,356	39,724	135,545	-	421,273
Investments	955,752	483,125	-	-	-	1,438,877
TOTAL ASSETS	\$ 1,180,010	\$ 628,898	\$ 39,724	\$ 150,124	\$ -	\$ 1,998,756
 LIABILITIES AND FUND BALANCES						
LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES						
Reserved for Debt Service	968,380	499,000	-	-	-	1,467,380
Unreserved: Designated For Future Use	211,630	129,898	39,724	150,124	-	531,376
TOTAL FUND BALANCES	1,180,010	628,898	39,724	150,124	-	1,998,756
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,180,010	\$ 628,898	\$ 39,724	\$ 150,124	\$ -	\$ 1,998,756

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	FFGFC FUNDS			GUARANTEED ENTITLEMENT REVENUE AND REFUNDING BONDS 1994	CRA PROMISSORY NOTES	TOTALS
	SERIES 1992	SERIES 1996	SERIES 1998			
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,096,004	\$ -	\$ 1,096,004
Miscellaneous	90,729	43,617	9,126	28,335	-	171,807
TOTAL REVENUES	90,729	43,617	9,126	1,124,339	-	1,267,811
EXPENDITURES						
Debt Service:						
Principal	845,000	300,000	240,000	430,000	2,097	1,817,097
Interest and Fiscal Charges	128,037	217,115	482,468	666,004	8,053	1,501,677
TOTAL EXPENDITURES	973,037	517,115	722,468	1,096,004	10,150	3,318,774
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(882,308)	(473,498)	(713,342)	28,335	(10,150)	(2,050,963)
OTHER FINANCING SOURCES						
Operating Transfers In	821,380	513,703	725,344	-	10,150	2,070,577
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(60,928)	40,205	12,002	28,335	-	19,614
FUND BALANCES, October 1	1,240,938	588,693	27,722	121,789	-	1,979,142
FUND BALANCES, September 30	\$ 1,180,010	\$ 628,898	\$ 39,724	\$ 150,124	\$ -	\$ 1,998,756

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FFGFC FUND - SERIES 1992
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES			
Miscellaneous:			
Investment Income	<u>\$ 90,729</u>	<u>\$ 150,000</u>	<u>\$ (59,271)</u>
EXPENDITURES			
Debt Service:			
Principal	845,000	845,000	-
Interest and Fiscal Charges	<u>128,037</u>	<u>128,380</u>	<u>343</u>
TOTAL EXPENDITURES	<u>973,037</u>	<u>973,380</u>	<u>343</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(882,308)	(823,380)	(58,928)
OTHER FINANCING SOURCES			
Operating Transfers In	<u>821,380</u>	<u>821,380</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES UNDER EXPENDITURES	<u>\$ (60,928)</u>	<u>\$ (2,000)</u>	<u>\$ (58,928)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FFGFC FUND - SERIES 1996
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ACTUAL	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES			
Miscellaneous:			
Investment Income	\$ 43,617	\$ 32,000	\$ 11,617
EXPENDITURES			
Debt Service:			
Principal	300,000	300,000	-
Interest and Fiscal Charges	217,115	221,305	4,190
TOTAL EXPENDITURES	517,115	521,305	4,190
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(473,498)	(489,305)	15,807
OTHER FINANCING SOURCES			
Operating Transfers In	513,703	513,703	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ 40,205	\$ 24,398	\$ 15,807

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FFGFC FUND - SERIES 1998
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Miscellaneous:			
Investment Income	\$ 9,126	\$ -	\$ 9,126
EXPENDITURES			
Debt Service:			
Principal	240,000	240,000	-
Interest and Fiscal Charges	<u>482,468</u>	<u>485,345</u>	<u>2,877</u>
TOTAL EXPENDITURES	<u>722,468</u>	<u>725,345</u>	<u>2,877</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(713,342)	(725,345)	12,003
OTHER FINANCING SOURCES			
Operating Transfers In	<u>725,344</u>	<u>725,345</u>	<u>(1)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ 12,002</u>	<u>\$ -</u>	<u>\$ 12,002</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, 2000

	ACTUAL	BUDGET	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES			
Intergovernmental:			
State Revenue Sharing	\$ 1,096,004	\$ 1,096,004	\$ -
Miscellaneous:			
Investment Income	<u>28,335</u>	<u>4,000</u>	<u>24,335</u>
TOTAL REVENUES	<u>1,124,339</u>	<u>1,100,004</u>	<u>24,335</u>
EXPENDITURES			
Debt Service:			
Principal	430,000	430,000	-
Interest and Fiscal Charges	<u>666,004</u>	<u>668,004</u>	<u>2,000</u>
TOTAL EXPENDITURES	<u>1,096,004</u>	<u>1,098,004</u>	<u>2,000</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 28,335</u>	<u>\$ 2,000</u>	<u>\$ 26,335</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CRA PROMISSORY NOTES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Miscellaneous:			
Investment Income	\$ -	\$ -	\$ -
EXPENDITURES			
Debt Service:			
Principal	2,097	2,097	-
Interest and Fiscal Charges	<u>8,053</u>	<u>8,053</u>	<u>-</u>
TOTAL EXPENDITURES	<u>10,150</u>	<u>10,150</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,150)	(10,150)	-
OTHER FINANCING SOURCES			
Operating Transfers In	<u>10,150</u>	<u>10,150</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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.

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.

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.

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

Communications Equipment Project Fund 98 - to account for the costs of purchasing communications equipment financed through First Florida Governmental Financing Commission 1998 and interest earnings.

Capital Acquisitions from Debt Refunding 98 - to account for the costs of miscellaneous capital projects financed through the release of reserves as a result of debt refunding in 1998.

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2000

	GENERAL CAPITAL PROJECTS FUND	GREENSPACE ACQUISITION FUND	GREENSPACE/ RECREATION ACQUISITION FUND	PUBLIC IMPROVEMENT CONSTRUCTION FUND
ASSETS				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 911,647
Equity in Pooled Cash and Investments	438,707	96,986	24,042	114,148
Receivables	595,957	-	-	-
Due From Other Funds	259,108	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 1,293,772	\$ 96,986	\$ 24,042	\$ 1,025,795
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 238,564	\$ -	\$ 24,142	\$ 42,292
Due to Other Funds	3,182	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	241,746	-	24,142	42,292
	<hr/>	<hr/>	<hr/>	<hr/>

FUND BALANCES

Reserved for Encumbrances	1,501,118	-	28,301	4,215
Reserved for Legal Restrictions	-	81,000	50,000	-
Unreserved:				
Designated for Future Use		15,986		979,288
Undesignated	(449,092)	-	(78,401)	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	1,052,026	96,986	(100)	983,503
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,293,772	\$ 96,986	\$ 24,042	\$ 1,025,795
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

INFORMATION SYSTEMS CAPITAL PROJECTS FUND	ROADWAY CONSTRUCTION FUND 96	COMMUNICATIONS EQUIPMENT PROJECT FUND 98	CAPITAL ACQUISITIONS FROM DEBT REFUNDING 98	TOTALS
\$ -	\$ -	\$ -	\$ -	\$ 911,647
38,278	4,569,308	508,316	231,280	6,021,065
-	-	-	-	595,957
-	-	-	-	259,108
\$ 38,278	\$ 4,569,308	\$ 508,316	\$ 231,280	\$ 7,787,777

\$ -	\$ 222,113	\$ -	\$ 8,195	\$ 535,306
-	14,712	280,957	-	298,851
-	236,825	280,957	8,195	834,157
11,010	556,383	-	15,197	2,116,224
-	-	-	-	131,000
27,268	3,776,100	227,359	207,888	5,233,889
-	-	-	-	(527,493)
38,278	4,332,483	227,359	223,085	6,953,620
\$ 38,278	\$ 4,569,308	\$ 508,316	\$ 231,280	\$ 7,787,777

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GENERAL CAPITAL PROJECTS FUND	GREENSPACE ACQUISITION FUND	GREENSPACE/ RECREATION ACQUISITION FUND	PUBLIC IMPROVEMENT CONSTRUCTION FUND	INFORMATION SYSTEMS CAPITAL PROJECTS FUND
REVENUES					
Intergovernmental	\$ 1,065,706	\$ -	\$ -	\$ -	\$ -
Miscellaneous:					
Other	278,858	-	-	-	-
Investment Income	55,187	5,781	10,403	76,115	8,773
TOTAL REVENUES	<u>1,399,751</u>	<u>5,781</u>	<u>10,403</u>	<u>76,115</u>	<u>8,773</u>
EXPENDITURES					
Capital Outlay:					
General Government	26,109	-	-	-	166,674
Physical Environment	57,869	-	-	-	-
Transportation	432,355	-	-	565,690	-
Economic Development	1,149,453	-	-	-	-
Culture and Recreation	356,622	-	352,326	125,000	-
Total Capital Outlay	2,022,408	-	352,326	690,690	166,674
Debt Service:					
Principal	-	16,200	-	-	-
TOTAL EXPENDITURES	<u>2,022,408</u>	<u>16,200</u>	<u>352,326</u>	<u>690,690</u>	<u>166,674</u>
EXCESS OF REVENUES UNDER EXPENDITURES	<u>(622,657)</u>	<u>(10,419)</u>	<u>(341,923)</u>	<u>(614,575)</u>	<u>(157,901)</u>
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	766,314	-	5,000	-	-
Operating Transfers Out	(15,000)	-	-	(5,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>751,314</u>	<u>-</u>	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>128,657</u>	<u>(10,419)</u>	<u>(336,923)</u>	<u>(619,575)</u>	<u>(157,901)</u>
FUND BALANCES, October 1	<u>923,369</u>	<u>107,405</u>	<u>336,823</u>	<u>1,603,078</u>	<u>196,179</u>
FUND BALANCES, September 30	<u>\$ 1,052,026</u>	<u>\$ 96,986</u>	<u>\$ (100)</u>	<u>\$ 983,503</u>	<u>\$ 38,278</u>

ROADWAY CONSTRUCTION FUND 96	COMMUNICATIONS EQUIPMENT PROJECT FUND 98	CAPITAL ACQUISITIONS FROM DEBT REFUNDING 98	TOTALS
\$ -	\$ -	\$ -	\$ 1,065,706
-	-	-	278,858
<u>295,668</u>	<u>66,647</u>	<u>28,195</u>	<u>546,769</u>
<u>295,668</u>	<u>66,647</u>	<u>28,195</u>	<u>1,891,333</u>
-	911,680	-	1,104,463
-	-	-	57,869
1,023,235	-	150	2,021,430
-	-	221,083	1,370,536
-	-	86,878	920,826
<u>1,023,235</u>	<u>911,680</u>	<u>308,111</u>	<u>5,475,124</u>
-	-	-	16,200
<u>1,023,235</u>	<u>911,680</u>	<u>308,111</u>	<u>5,491,324</u>
<u>(727,567)</u>	<u>(845,033)</u>	<u>(279,916)</u>	<u>(3,599,991)</u>
-	-	-	771,314
-	-	-	(20,000)
-	-	-	751,314
(727,567)	(845,033)	(279,916)	(2,848,677)
<u>5,060,050</u>	<u>1,072,392</u>	<u>503,001</u>	<u>9,802,297</u>
<u>\$ 4,332,483</u>	<u>\$ 227,359</u>	<u>\$ 223,085</u>	<u>\$ 6,953,620</u>

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, 2000

	ELECTRIC FUND	GAS FUND	WATER FUND	WASTEWATER FUND
ASSETS				
Equity in Pooled Cash and Investments	\$ 1,660,011	\$ 2,286,244	\$ 1,345,544	\$ 1,514,101
Receivables	27,329,607	1,352,932	661,989	899,287
Due from Other Funds	13,338,878	-	-	-
Prepaid Expenses	10,686,909	-	-	-
Inventories	7,679,057	244,965	539,339	9
Restricted Assets:				
Cash and Investments	100,138,183	11,527,421	19,598,262	35,456,930
Fixed Assets	386,184,592	20,567,370	82,796,446	109,071,628
Deferred Charges	198,271,917	5,775,540	424,543	513,812
TOTAL ASSETS	\$ 745,289,154	\$ 41,754,472	\$ 105,366,123	\$ 147,455,767
 LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 28,523,149	\$ 807,453	\$ 242,085	\$ 396,670
Due to Other Funds	-	3,618,073	4,159,783	3,096,818
Payable from Restricted Assets:				
Utility Deposits	3,931,869	-	-	-
Revenue Bonds Payable	7,280,573	233,659	1,126,024	1,549,744
Accounts Payable and Accrued Liabilities	7,116,007	770,656	1,383,028	2,579,911
Long-Term Debt	217,713,115	28,807,484	48,272,762	69,058,715
Deferred Credits	224,034,513	5,093,143	301,115	492,418
TOTAL LIABILITIES	488,599,226	39,330,468	55,484,797	77,174,276
 FUND EQUITY				
Contributed Capital	-	-	39,878,229	61,582,221
Retained Earnings:				
Reserved for Debt Service and Other	26,478,502	2,202,622	3,655,395	4,692,614
Unreserved	230,211,426	221,382	6,347,702	4,006,656
TOTAL FUND EQUITY	256,689,928	2,424,004	49,881,326	70,281,491
TOTAL LIABILITIES AND FUND EQUITY	\$ 745,289,154	\$ 41,754,472	\$ 105,366,123	\$ 147,455,767

GRUCOM FUND	REGIONAL TRANSIT SYSTEM FUND	STORMWATER MANAGEMENT UTILITY FUND	IRONWOOD GOLF COURSE FUND	SOLID WASTE FUND	TOTALS
\$ 2,542,189	\$ 3,523,228	\$ 4,023,178	\$ 148,998	\$ 2,031,921	\$ 19,075,414
628,717	829,769	102,300	1,400	280,871	32,086,872
-	-	320,844	-	373,572	14,033,294
-	-	-	-	-	10,686,909
383,230	293,711	-	31,550	-	9,171,861
3,486,427	-	-	-	-	170,207,223
17,254,759	5,069,096	4,877,452	1,805,738	101,333	627,728,414
149,082	-	-	-	-	205,134,894
\$ 24,444,404	\$ 9,715,804	\$ 9,323,774	\$ 1,987,686	\$ 2,787,697	\$ 1,088,124,881

\$ 190,168	\$ 433,748	\$ 130,910	\$ 39,440	\$ 637,375	\$ 31,400,998
5,707,054	169	55,392	-	38,123	16,675,412
-	-	-	-	-	3,931,869
-	-	-	-	-	10,190,000
(96,339)	-	-	-	-	11,753,263
18,881,000	-	-	-	-	382,733,076
26,111	-	-	-	-	229,947,300
24,707,994	433,917	186,302	39,440	675,498	686,631,918
770,606	7,786,808	14,789,771	2,876,217	436,400	128,120,252
232,002	-	84,128	-	-	37,345,263
(1,266,198)	1,495,079	(5,736,427)	(927,971)	1,675,799	236,027,448
(263,590)	9,281,887	9,137,472	1,948,246	2,112,199	401,492,963
\$ 24,444,404	\$ 9,715,804	\$ 9,323,774	\$ 1,987,686	\$ 2,787,697	\$ 1,088,124,881

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ELECTRIC FUND	GAS FUND	WATER FUND	WASTEWATER FUND
<u>OPERATING REVENUES</u>				
Sales and Service Charges	\$ 142,078,330	\$ 15,275,788	\$ 12,356,275	\$ 15,363,519
Other Operating Revenues	4,207,313	(95,558)	4,546	219,331
TOTAL OPERATING REVENUES	<u>146,285,643</u>	<u>15,180,230</u>	<u>12,360,821</u>	<u>15,582,850</u>
<u>OPERATING EXPENSES</u>				
Operations and Maintenance	76,018,863	8,453,278	4,142,400	5,239,109
Administrative and General	9,437,967	3,176,704	2,491,069	3,028,587
Depreciation and Amortization	20,114,575	1,267,848	1,824,769	1,943,032
TOTAL OPERATING EXPENSES	<u>105,571,405</u>	<u>12,897,830</u>	<u>8,458,238</u>	<u>10,210,728</u>
OPERATING INCOME (LOSS)	<u>40,714,238</u>	<u>2,282,400</u>	<u>3,902,583</u>	<u>5,372,122</u>
<u>NON OPERATING REVENUES (EXPENSES)</u>				
Investment Income	6,326,277	659,027	1,289,127	1,909,257
Interest Expense	(14,000,306)	(1,741,482)	(2,993,186)	(4,200,561)
Loss on Disposal of Fixed Assets	-	-	-	-
Operating Grants	-	-	-	-
Local Option Gas Tax	-	-	-	-
Other Revenue	-	-	-	-
TOTAL NON OPERATING REVENUES (EXPENSES)	<u>(7,674,029)</u>	<u>(1,082,455)</u>	<u>(1,704,059)</u>	<u>(2,291,304)</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	<u>33,040,209</u>	<u>1,199,945</u>	<u>2,198,524</u>	<u>3,080,818</u>
<u>OPERATING TRANSFERS</u>				
From Other Funds	-	-	-	-
To Other Funds	(15,421,919)	(1,057,879)	(2,821,027)	(3,815,021)
TOTAL OPERATING TRANSFERS	<u>(15,421,919)</u>	<u>(1,057,879)</u>	<u>(2,821,027)</u>	<u>(3,815,021)</u>
NET INCOME (LOSS)	17,618,290	142,066	(622,503)	(734,203)
DEPRECIATION OF FIXED ASSETS ACQUIRED BY CAPITAL CONTRIBUTIONS	-	-	-	-
RETAINED EARNINGS, October 1	<u>239,071,638</u>	<u>2,281,938</u>	<u>10,625,600</u>	<u>9,433,473</u>
RETAINED EARNINGS, September 30	<u>\$ 256,689,928</u>	<u>\$ 2,424,004</u>	<u>\$ 10,003,097</u>	<u>\$ 8,699,270</u>

GRUCOM FUND	REGIONAL TRANSIT SYSTEM FUND	STORMWATER MANAGEMENT UTILITY FUND	IRONWOOD GOLF COURSE FUND	SOLID WASTE FUND	TOTALS
\$ 2,001,610	\$ 2,962,866	\$ 3,863,856	\$ 954,700	\$ 4,928,047	\$ 199,784,991
<u>1,303,706</u>	<u>11,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,650,390</u>
<u>3,305,316</u>	<u>2,973,918</u>	<u>3,863,856</u>	<u>954,700</u>	<u>4,928,047</u>	<u>205,435,381</u>
1,419,468	5,959,849	2,684,739	700,815	4,698,183	109,316,704
453,264	1,812,423	233,584	323,865	-	20,957,463
956,164	813,841	900,420	153,527	5,176	27,979,352
<u>2,828,896</u>	<u>8,586,113</u>	<u>3,818,743</u>	<u>1,178,207</u>	<u>4,703,359</u>	<u>158,253,519</u>
<u>476,420</u>	<u>(5,612,195)</u>	<u>45,113</u>	<u>(223,507)</u>	<u>224,688</u>	<u>47,181,862</u>
281,260	179,628	224,852	6,359	147,281	11,023,068
(1,161,679)	-	-	-	-	(24,097,214)
-	(78,414)	(20,144)	(3,550)	(9,799)	(111,907)
-	2,443,250	-	-	67,771	2,511,021
-	2,042,765	-	-	-	2,042,765
-	9,300	880	-	-	10,180
<u>(880,419)</u>	<u>4,596,529</u>	<u>205,588</u>	<u>2,809</u>	<u>205,253</u>	<u>(8,622,087)</u>
<u>(403,999)</u>	<u>(1,015,666)</u>	<u>250,701</u>	<u>(220,698)</u>	<u>429,941</u>	<u>38,559,775</u>
-	31,665	-	320,836	1,889	354,390
(224,400)	-	(197,362)	(218,406)	(600,000)	(24,356,014)
<u>(224,400)</u>	<u>31,665</u>	<u>(197,362)</u>	<u>102,430</u>	<u>(598,111)</u>	<u>(24,001,624)</u>
(628,399)	(984,001)	53,339	(118,268)	(168,170)	14,558,151
-	743,433	-	-	-	743,433
<u>(405,797)</u>	<u>1,735,647</u>	<u>(5,705,638)</u>	<u>(809,703)</u>	<u>1,843,969</u>	<u>258,071,127</u>
<u>\$ (1,034,196)</u>	<u>\$ 1,495,079</u>	<u>\$ (5,652,299)</u>	<u>\$ (927,971)</u>	<u>\$ 1,675,799</u>	<u>\$ 273,372,711</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	ELECTRIC FUND	GAS FUND	WATER FUND
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Received from Customers	\$ 135,869,292	\$ 14,941,068	\$ 12,429,488
Cash Paid to Suppliers	(50,009,145)	(9,081,561)	(2,148,437)
Cash Paid to Employees	(15,320,130)	(2,113,927)	(2,759,133)
Quasi-external Activities	(1,988,467)	(418,645)	(589,631)
Other Operating Receipts	2,433,110	(95,558)	4,546
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>70,984,660</u>	<u>3,231,377</u>	<u>6,936,833</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Local Option Gas Tax	-	-	-
Operating Grants	-	-	-
Other Receipts	-	-	-
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(15,421,919)	(1,057,879)	(2,821,027)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACITIVITES	<u>(15,421,919)</u>	<u>(1,057,879)</u>	<u>(2,821,027)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Local Option Gas Tax	-	-	-
Principal Repayments on Long-Term Debt	(9,995,843)	(228,857)	(1,113,458)
Proceeds from Sale of Fixed Assets	34,143	-	-
Interest Paid on Revenue Bonds	(13,920,792)	(1,707,955)	(3,031,932)
Intergovernmental Capital Grants	-	-	120,000
Transfers for Local Match on Capital Grants	-	-	-
Acquisition and Construction of Fixed Assets	(46,387,689)	(2,354,512)	(4,909,143)
Proceeds from Bonds Issued	21,500,000	3,900,000	2,100,000
Capitalized Connection Fees	-	-	1,628,466
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(48,770,181)</u>	<u>(391,324)</u>	<u>(5,206,067)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest Received	4,137,968	376,427	890,266
Purchase of Investments	(337,084,717)	(22,220,995)	(47,363,647)
Proceeds from Investment Maturities	320,529,376	21,838,420	47,563,642
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(12,417,373)</u>	<u>(6,148)</u>	<u>1,090,261</u>
NET INCREASE (DECREASE) IN CASH	(5,624,813)	1,776,026	-
CASH - OCTOBER 1, 1999	<u>5,624,813</u>	<u>364,548</u>	-
CASH - SEPTEMBER 30, 2000	<u>\$ -</u>	<u>\$ 2,140,574</u>	<u>\$ -</u>

(CONTINUED)

WASTEWATER FUND	GRUCOM FUND	REGIONAL TRANSIT SYSTEM FUND	STORMWATER MANAGEMENT UTILITY FUND	IRONWOOD GOLF COURSE FUND	SOLID WASTE FUND	TOTALS
\$ 15,381,255	\$ 1,514,881	\$ 2,882,132	\$ 3,811,787	\$ 954,700	\$ 4,882,194	\$ 192,666,797
(2,537,489)	(9,886,532)	(3,704,361)	(1,422,551)	(834,903)	(4,460,714)	(84,085,693)
(3,885,656)	(660,037)	(4,116,099)	(1,418,346)	(191,421)	(452,663)	(30,917,412)
(976,517)	(98,877)	-	-	-	-	(4,072,137)
219,331	1,303,706	-	-	-	-	3,865,135
<u>8,200,924</u>	<u>(7,826,859)</u>	<u>(4,938,328)</u>	<u>970,890</u>	<u>(71,624)</u>	<u>(31,183)</u>	<u>77,456,690</u>
-	-	2,037,637	-	-	-	2,037,637
-	-	2,443,250	-	-	67,771	2,511,021
-	-	9,300	880	-	-	10,180
-	-	31,665	-	320,836	1,889	354,390
(3,815,021)	(224,400)	-	(197,362)	(218,406)	(600,000)	(24,356,014)
<u>(3,815,021)</u>	<u>(224,400)</u>	<u>4,521,852</u>	<u>(196,482)</u>	<u>102,430</u>	<u>(530,340)</u>	<u>(19,442,786)</u>
-	-	5,128	-	-	-	5,128
(1,506,843)	-	-	-	-	-	(12,845,001)
(348)	-	827	8,158	-	-	42,780
(4,280,515)	(1,109,807)	-	-	-	-	(24,051,001)
-	-	851,006	-	-	-	971,006
-	-	21,750	-	-	-	21,750
(4,840,759)	(7,614,804)	(564,694)	(437,751)	-	-	(67,109,352)
2,900,000	18,881,000	-	-	-	-	49,281,000
2,080,128	-	-	-	-	-	3,708,594
<u>(5,648,337)</u>	<u>10,156,389</u>	<u>314,017</u>	<u>(429,593)</u>	<u>-</u>	<u>-</u>	<u>(49,975,096)</u>
1,295,873	(126,138)	179,629	224,852	6,359	147,281	7,132,517
(69,772,300)	(31,008,978)	(2,460,622)	(2,809,788)	(104,060)	(1,419,094)	(514,244,201)
71,643,886	29,332,241	2,901,925	2,908,202	94,175	2,059,914	498,871,781
<u>3,167,459</u>	<u>(1,802,875)</u>	<u>620,932</u>	<u>323,266</u>	<u>(3,526)</u>	<u>788,101</u>	<u>(8,239,903)</u>
1,905,025	302,255	518,473	668,081	27,280	226,578	(201,095)
-	-	544,133	545,309	17,658	386,249	7,482,710
<u>\$ 1,905,025</u>	<u>\$ 302,255</u>	<u>\$ 1,062,606</u>	<u>\$ 1,213,390</u>	<u>\$ 44,938</u>	<u>\$ 612,827</u>	<u>\$ 7,281,615</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1999

	ELECTRIC FUND	GAS FUND	WATER FUND
OPERATING INCOME (LOSS)	\$ 40,714,238	\$ 2,282,400	\$ 3,902,583
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Depreciation and Amortization	20,114,575	1,267,848	1,824,769
Rental Income Deerhaven Leaseback	(1,774,203)	-	-
(Increase)/Decrease in Receivables	(5,529,696)	(334,720)	73,212
(Increase)/Decrease in Inventories	9,210,796	31,760	43,754
(Increase)/Decrease in Due from Other Funds	5,328,842	456,498	1,844,788
(Increase)/Decrease in Prepaid Expenses	(2,283,800)	-	-
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	5,400,830	(283,527)	(999,236)
Increase/(Decrease) in Due to Other Funds	-	-	-
Increase/(Decrease) in Deferred Credits	2,915,673	(38,539)	(9,773)
(Increase)/Decrease in Deferred Debits	(2,433,251)	(150,343)	256,736
Increase/(Decrease) in Utility Deposits	(679,344)	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 70,984,660	\$ 3,231,377	\$ 6,936,833

**RECONCILIATION OF CASH TO
BALANCE SHEET**

Cash	\$ -	\$ 2,140,574	\$ -
Unamortized Discount	5,263,663	(31,052)	337,376
Accrued Interest	1,002,388	103,098	260,806
Investments	95,532,143	11,601,045	20,345,624
TOTAL CASH, EQUITY IN POOL AND INVESTMENTS PER BALANCE SHEET	\$ 101,798,194	\$ 13,813,665	\$ 20,943,806

**NONCASH CAPITAL, INVESTING AND
FINANCING ACTIVITIES**

Contribution of Fixed Assets	\$ -	\$ -	\$ -
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WASTEWATER FUND	GRUCOM FUND	REGIONAL TRANSIT SYSTEM FUND	STORMWATER MANAGEMENT UTILITY FUND	IRONWOOD GOLF COURSE FUND	SOLID WASTE FUND	TOTALS
\$ 5,372,122	\$ 476,420	\$ (5,612,195)	\$ 45,113	\$ (223,507)	\$ 224,688	\$ 47,181,862
1,943,032	956,164	813,841	900,420	153,527	5,176	27,979,352
-	-	-	-	-	-	(1,774,203)
17,737	(486,729)	(91,787)	(75,083)	-	(67,212)	(6,494,278)
(9)	41,694	(18,573)	-	(18,360)	-	9,291,062
770,932	(8,483,670)	-	23,015	-	21,359	(38,236)
-	-	-	-	-	-	(2,283,800)
(275,221)	(440,060)	(29,421)	22,033	16,716	(253,317)	3,158,797
-	-	(193)	55,392	-	38,123	93,322
12,054	(19)	-	-	-	-	2,879,396
360,277	109,341	-	-	-	-	(1,857,240)
-	-	-	-	-	-	(679,344)
\$ 8,200,924	\$ (7,826,859)	\$ (4,938,328)	\$ 970,890	\$ (71,624)	\$ (31,183)	\$ 77,456,690
\$ 1,905,025	\$ 302,255	\$ 1,062,606	\$ 1,213,390	\$ 44,938	\$ 612,827	\$ 7,281,615
284,474	(16,888)	-	-	-	-	5,837,573
381,790	3,887	-	-	-	-	1,751,969
34,399,742	5,739,362	2,460,622	2,809,788	104,060	1,419,094	174,411,480
\$ 36,971,031	\$ 6,028,616	\$ 3,523,228	\$ 4,023,178	\$ 148,998	\$ 2,031,921	\$ 189,282,637
\$ -	\$ -	\$ -	\$ 600,213	\$ 610,756	\$ -	\$ 1,210,969

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.

Retired Employees Health and Accident Benefits Fund - to account for costs associated with administering a self-insurance plan for retired 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, 2000

	GENERAL INSURANCE FUND	EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	RETIRED EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	FLEET MANAGEMENT FUND	TOTALS
ASSETS					
Cash and Cash Equivalents	\$ 73,135	\$ 169,575	\$ -	\$ 85	\$ 242,795
Equity in Pooled Cash and Investments	3,387,698	2,127,763	4,842,726	2,746,015	13,104,202
Receivables	445,832	1,491	-	26,729	474,052
Due from Other Funds	73,454	-	-	241,586	315,040
Prepaid Expenses	39,384	-	-	-	39,384
Inventories	-	-	-	136,040	136,040
Fixed Assets	31,051	18,143	-	5,701,629	5,750,823
	<u>31,051</u>	<u>18,143</u>	<u>-</u>	<u>5,701,629</u>	<u>5,750,823</u>
TOTAL ASSETS	\$ 4,050,554	\$ 2,316,972	\$ 4,842,726	\$ 8,852,084	\$ 20,062,336
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Accounts Payable and Accrued Liabilities	3,112,849	568,555	168,000	180,573	4,029,977
Due to Other Funds	-	-	-	6,000	6,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>
TOTAL LIABILITIES	3,112,849	568,555	168,000	186,573	4,035,977
FUND EQUITY					
Contributed Capital	19,049	319,791	-	4,212,615	4,551,455
Retained Earnings:					
Reserved	1,788,194	1,072,765	251,237	285,186	3,397,382
Unreserved	(869,538)	355,861	4,423,489	4,167,710	8,077,522
	<u>(869,538)</u>	<u>355,861</u>	<u>4,423,489</u>	<u>4,167,710</u>	<u>8,077,522</u>
TOTAL FUND EQUITY	937,705	1,748,417	4,674,726	8,665,511	16,026,359
TOTAL LIABILITIES AND FUND EQUITY	\$ 4,050,554	\$ 2,316,972	\$ 4,842,726	\$ 8,852,084	\$ 20,062,336

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GENERAL INSURANCE FUND	EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	RETIRED EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	FLEET MANAGEMENT FUND	TOTALS
OPERATING REVENUES					
Sales and Service Charges	\$ 3,185,948	\$ -	\$ -	\$ 3,465,421	\$ 6,651,369
Employer Contributions	-	3,718,198	2,146,883	-	5,865,081
Employee Contributions	-	1,662,999	-	-	1,662,999
Retiree Contributions	-	-	686,191	-	686,191
Other Operating Revenues	133,413	1,800	-	5,756	140,969
TOTAL OPERATING REVENUES	3,319,361	5,382,997	2,833,074	3,471,177	15,006,609
OPERATING EXPENSES					
Operations and Maintenance	3,453,582	1,246,159	8,381	2,678,591	7,386,713
Administrative and General	820,039	126,069	68,779	556,778	1,571,665
Depreciation and Amortization	8,748	8,197	-	1,236,899	1,253,844
Benefits Paid and Other Expenses	-	5,020,248	2,395,523	-	7,415,771
TOTAL OPERATING EXPENSES	4,282,369	6,400,673	2,472,683	4,472,268	17,627,993
OPERATING INCOME (LOSS)	(963,008)	(1,017,676)	360,391	(1,001,091)	(2,621,384)
NON OPERATING REVENUES (EXPENSES)					
Interest Revenue	218,367	177,370	295,804	168,325	859,866
Gain (Loss) on Disposal of Fixed Assets	(11,946)	(15,969)	-	41,304	13,389
TOTAL NON OPERATING REVENUES (EXPENSES)	206,421	161,401	295,804	209,629	873,255
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(756,587)	(856,275)	656,195	(791,462)	(1,748,129)
OPERATING TRANSFERS					
From Other Funds	1,813	39,000	-	1,711,552	1,752,365
To Other Funds	-	-	(39,000)	-	(39,000)
TOTAL OPERATING TRANSFERS	1,813	39,000	(39,000)	1,711,552	1,713,365
NET INCOME (LOSS)	(754,774)	(817,275)	617,195	920,090	(34,764)
RETAINED EARNINGS, October 1	1,673,430	2,245,901	4,057,531	3,532,806	11,509,668
RETAINED EARNINGS, September 30	\$ 918,656	\$ 1,428,626	\$ 4,674,726	\$ 4,452,896	\$ 11,474,904

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GENERAL INSURANCE FUND	EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	RETIRED EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	FLEET MANAGEMENT FUND	TOTALS
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Cash Received from Customers	\$ 3,757,735	\$ 5,385,081	\$ 2,833,074	\$ 3,376,212	\$ 15,352,102
Cash Paid to Suppliers	(4,091,879)	(6,361,247)	(2,493,381)	(1,978,581)	(14,925,088)
Cash Paid to Employees	(418,643)	(55,282)	-	(1,269,396)	(1,743,321)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(752,787)	(1,031,448)	339,693	128,235	(1,316,307)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>					
Transfers from Other Funds	1,813	39,000	-	1,711,552	1,752,365
Transfers to Other Funds	-	-	(39,000)	-	(39,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	1,813	39,000	(39,000)	1,711,552	1,713,365
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>					
Proceeds from Sale of Fixed Assets	82	-	-	86,294	86,376
Acquisition and Construction of Fixed Assets	(22,942)	(2,394)	-	(2,074,943)	(2,100,279)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(22,860)	(2,394)	-	(1,988,649)	(2,013,903)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Interest Received	218,366	177,370	295,804	168,325	859,865
Purchase of Investments	(2,914,367)	(1,934,588)	(4,078,060)	(2,312,491)	(11,239,506)
Proceeds from Investment Maturities	3,382,127	2,622,982	3,575,749	2,296,101	11,876,959
NET CASH USED BY INVESTING ACTIVITIES	686,126	865,764	(206,507)	151,935	1,497,318
NET INCREASE (DECREASE) IN CASH	(87,708)	(129,078)	94,186	3,073	(119,527)
CASH - OCTOBER 1	634,174	491,828	670,480	430,536	2,227,018
CASH - SEPTEMBER 30	\$ 546,466	\$ 362,750	\$ 764,666	\$ 433,609	\$ 2,107,491

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GENERAL INSURANCE FUND	EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	RETIRED EMPLOYEES HEALTH AND ACCIDENT BENEFITS FUND	FLEET MANAGEMENT FUND	TOTALS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$ (963,008)	\$ (1,017,676)	\$ 360,391	\$ (1,001,091)	\$ (2,621,384)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Depreciation and Amortization	8,748	8,197	-	1,236,899	1,253,844
(Increase)/Decrease in Receivables	283,999	2,084	-	(11,034)	275,049
(Increase)/Decrease in Inventories	-	-	-	61,565	61,565
(Increase)/Decrease in Due from Other Funds	154,374	-	-	(83,931)	70,443
(Increase)/Decrease in Prepaid Expenses	2,846	-	-	-	2,846
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	(239,746)	(24,053)	(20,698)	(74,173)	(358,670)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (752,787)	\$ (1,031,448)	\$ 339,693	\$ 128,235	\$ (1,316,307)
 RECONCILIATION OF CASH TO BALANCE SHEET					
Cash	\$ 546,466	\$ 362,750	\$ 764,666	\$ 433,609	\$ 2,107,491
Investments	2,914,367	1,934,588	4,078,060	2,312,491	11,239,506
TOTAL CASH AND EQUITY IN POOL PER BALANCE SHEET	\$ 3,460,833	\$ 2,297,338	\$ 4,842,726	\$ 2,746,100	\$ 13,346,997

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.

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.

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.

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.

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
SEPTEMBER 30, 2000

	PENSION TRUST FUNDS	
		POLICE OFFICERS AND FIREFIGHTERS CONSOLIDATED RETIREMENT FUND
ASSETS	EMPLOYEES PENSION FUND	FUND
Cash and Cash Equivalents	\$ 3,194,818	\$ 1,774,389
Equity in Pooled Cash and Investments	1,725,157	-
Investments	164,720,590	79,406,585
Receivables	-	-
	-	-
TOTAL ASSETS	\$ 169,640,565	\$ 81,180,974
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 207,527	\$ 89,503
Due to Other Funds	-	51,213
Deferred Revenue	-	-
	-	-
TOTAL LIABILITIES	207,527	140,716
FUND BALANCES		
Reserved for Employee Pension Benefits	169,433,038	81,040,258
Reserved for Encumbrances	-	-
Unreserved:		
Designated for Future Use	-	-
	-	-
TOTAL FUND BALANCES	169,433,038	81,040,258
TOTAL LIABILITIES AND FUND BALANCES	\$ 169,640,565	\$ 81,180,974

EXPENDABLE TRUST FUNDS

EVERGREEN CEMETERY TRUST FUND	THOMAS CENTER FUND	FIFTH AVENUE TAX INCREMENT FUND	DOWNTOWN REDEVELOP- MENT TAX INCREMENT FUND	COLLEGE PARK TAX INCREMENT FUND	ART IN PUBLIC PLACES TRUST FUND	SCHOOL CROSSING GUARD TRUST FUND	TOTALS
\$ 109,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,078,678
-	31,022	257,885	487,819	569,490	22,569	118,739	3,212,681
1,213,412	-	-	-	-	-	-	245,340,587
256	-	57,240	-	-	-	-	57,496
\$ 1,323,139	\$ 31,022	\$ 315,125	\$ 487,819	\$ 569,490	\$ 22,569	\$ 118,739	\$ 253,689,442

\$ -	\$ -	\$ 160	\$ 5,262	\$ 6,083	\$ -	\$ -	\$ 308,535
26,437	-	-	-	-	-	-	77,650
-	-	57,240	-	-	-	-	57,240
26,437	-	57,400	5,262	6,083	-	-	443,425

-	-	-	-	-	-	-	250,473,296
-	-	14,000	24,860	-	6,000	-	44,860
1,296,702	31,022	243,725	457,697	563,407	16,569	118,739	2,727,861
1,296,702	31,022	257,725	482,557	563,407	22,569	118,739	253,246,017
\$ 1,323,139	\$ 31,022	\$ 315,125	\$ 487,819	\$ 569,490	\$ 22,569	\$ 118,739	\$ 253,689,442

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF PLAN NET ASSETS
PENSION TRUST FUNDS
SEPTEMBER 30, 2000

	EMPLOYEES PENSION FUND	POLICE OFFICERS AND FIREFIGHTERS CONSOLIDATED RETIREMENT FUND	TOTALS
ASSETS			
Cash and Cash Equivalents	\$ 3,194,818	\$ 1,774,389	\$ 4,969,207
Equity in Pooled Cash and Investments	1,725,157	-	1,725,157
Investments, at fair value	<u>164,720,590</u>	<u>79,406,585</u>	<u>244,127,175</u>
TOTAL ASSETS	169,640,565	81,180,974	250,821,539
LIABILITIES			
Accounts Payable and Accrued Liabilities	207,527	89,503	297,030
Due to Other Funds	<u>-</u>	<u>51,213</u>	<u>51,213</u>
TOTAL LIABILITIES	207,527	140,716	348,243
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 169,433,038</u>	<u>\$ 81,040,258</u>	<u>\$ 250,473,296</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, 2000

	EVERGREEN CEMETERY TRUST FUND	THOMAS CENTER FUND	FIFTH AVENUE TAX INCREMENT FUND	DOWNTOWN REDEVELOP- MENT TAX INCREMENT FUND
REVENUES				
Taxes	\$ -	\$ -	\$ 53,783	\$ 204,013
Charges for Services:				
Cemetery Fees	13,055	-	-	-
Parking Fines	-	-	-	-
Total Charges for Services	13,055	-	-	-
Miscellaneous:				
Investment Income	204,027	1,737	13,451	24,947
Other	-	-	4,179	-
Total Miscellaneous	204,027	1,737	17,630	24,947
TOTAL REVENUES	217,082	1,737	71,413	228,960
EXPENDITURES				
Economic Environment	-	-	42,565	183,146
Culture and Recreation	-	-	-	-
TOTAL EXPENDITURES	-	-	42,565	183,146
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	217,082	1,737	28,848	45,814
OTHER FINANCING SOURCES (USES)				
Operating Transfers In		-	30,374	115,217
Operating Transfers Out	(40,055)	-	-	(10,150)
Operating Transfers from Component Unit			9,933	38,677
Operating Transfers to Component Unit	-	-	(17,565)	(70,736)
TOTAL OTHER FINANCING SOURCES (USES)	(40,055)	-	22,742	73,008
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	177,027	1,737	51,590	118,822
FUND BALANCES, October 1	1,119,675	29,285	206,135	363,735
FUND BALANCES, September 30	\$ 1,296,702	\$ 31,022	\$ 257,725	\$ 482,557

COLLEGE PARK TAX INCREMENT FUND	ART IN PUBLIC PLACES TRUST FUND	SCHOOL CROSSING GUARD TRUST FUND	TOTALS
\$ 209,182	\$ -	\$ -	\$ 466,978
-	-	-	13,055
-	-	59,098	59,098
-	-	59,098	72,153
23,988	977	6,043	275,170
2,000	-	-	6,179
25,988	977	6,043	281,349
235,170	977	65,141	820,480
32,431	-	-	258,142
-	11,216	-	11,216
32,431	11,216	-	269,358
202,739	(10,239)	65,141	551,122
118,136	9,000	-	272,727
-	-	(40,000)	(90,205)
16,466	-	-	65,076
(64,602)	-	-	(152,903)
70,000	9,000	(40,000)	94,695
272,739	(1,239)	25,141	645,817
290,668	23,808	93,598	2,126,904
\$ 563,407	\$ 22,569	\$ 118,739	\$ 2,772,721

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, 2000

GENERAL FIXED ASSETS

Land	\$ 12,582,811
Buildings	24,633,058
Improvements	5,478,598
Equipment	13,901,021
Construction in Progress	<u>2,007,968</u>
	58,603,456
Accumulated Depreciation	<u>(25,749,947)</u>

GENERAL FIXED ASSETS, NET **\$ 32,853,509**

INVESTMENT IN GENERAL FIXED ASSETS

General Obligation Bonds	\$ 3,399,577
Revenue Certificates/Notes	9,671,679
General Fund	14,980,301
Gifts and Miscellaneous	4,411,936
County Grants	11,420
State Grants	1,281,845
Federal Grants	6,607,574
Federal Revenue Sharing Funds	2,851,401
Promissory Notes	15,268,101
Lease/Purchases	115,931
Stormwater Fees	<u>3,691</u>
	58,603,456
Accumulated Depreciation	<u>(25,749,947)</u>

INVESTMENT IN GENERAL FIXED ASSETS **\$ 32,853,509**

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
GENERAL FIXED ASSETS ACCOUNT GROUP
SEPTEMBER 30, 2000

FUNCTION/ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS	EQUIPMENT
GENERAL GOVERNMENT					
Administrative Services	\$ -	\$ -	\$ -	\$ -	\$ -
City Commission	3,938	-	-	-	3,938
Clerk of the Commission	274,721	-	-	-	274,721
City Manager	6,183	-	-	-	6,183
City Auditor	3,652	-	-	-	3,652
City Attorney	89,208	-	-	-	89,208
Computer Services	2,798,186	-	-	-	2,798,186
Finance	1,546,713	-	-	-	1,546,713
Equal Opportunity	2,030	-	-	-	2,030
Community Development	3,366,732	2,774,293	423,138	20,910	148,391
Building Inspections	60,254	-	-	-	60,254
Human Resources	81,072	-	-	-	81,072
Facilities Management	13,563,711	793,305	11,892,173	140,470	737,763
Risk Management	-	-	-	-	-
Management and Budget	26,257	-	-	-	26,257
Surplus Items	214,324	-	-	-	214,324
TOTAL GENERAL GOVERNMENT	22,036,981	3,567,598	12,315,311	161,380	5,992,692
PUBLIC SAFETY					
Police Department	8,628,185	352,366	4,083,479	318,382	3,873,958
Fire Department	4,041,103	215,994	1,437,889	37,819	2,349,401
TOTAL PUBLIC SAFETY	12,669,288	568,360	5,521,368	356,201	6,223,359
TRANSPORTATION					
Public Works	4,095,968	1,829,588	880,787	238,183	1,147,410
Fleet Management	310,037	-	81,301	204,656	24,080
TOTAL TRANSPORTATION	4,406,005	1,829,588	962,088	442,839	1,171,490
ECONOMIC DEVELOPMENT					
Economic Development	199,777	199,777	-	-	-
CULTURE AND RECREATION					
Cultural Affairs	3,902,975	677,537	2,379,809	750,412	95,217
Recreation	13,380,462	5,739,951	3,454,482	3,767,766	418,263
TOTAL CULTURE AND RECREATION	17,283,437	6,417,488	5,834,291	4,518,178	513,480
TOTAL GENERAL FIXED ASSETS ALLOCATED TO FUNCTIONS					
	\$ 56,595,488	\$ 12,582,811	\$ 24,633,058	\$ 5,478,598	\$ 13,901,021
CONSTRUCTION IN PROGRESS	2,007,968				
	58,603,456				
ACCUMULATED DEPRECIATION	(25,749,947)				
GENERAL FIXED ASSETS, NET	\$ 32,853,509				

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, 2000

	GENERAL FIXED ASSETS OCTOBER 1, 1999	ADDITIONS	DEDUCTIONS	GENERAL FIXED ASSETS SEPTEMBER 30, 2000
GENERAL GOVERNMENT				
Administrative Services	\$ 9,470	\$ -	\$ 9,470	\$ -
City Commission	24,054	-	20,116	3,938
Clerk of the Commission	311,030	-	36,309	274,721
City Manager	22,418	-	16,235	6,183
City Auditor	21,390	-	17,738	3,652
City Attorney	134,520	2,313	47,625	89,208
Computer Services	2,715,276	479,195	396,285	2,798,186
Finance	1,683,181	13,079	149,547	1,546,713
Equal Opportunity	13,153	-	11,123	2,030
Community Development	3,271,641	288,836	193,745	3,366,732
Building Inspections	102,163	3,269	45,178	60,254
Human Resources	163,277	-	82,205	81,072
Facilities Management	13,819,813	23,828	279,930	13,563,711
Risk Management	6,537	597	7,134	-
Management and Budget	54,502	-	28,245	26,257
Surplus Items	57,408	541,638	384,722	214,324
TOTAL GENERAL GOVERNMENT	22,409,833	1,352,755	1,725,607	22,036,981
PUBLIC SAFETY				
Police Department	9,360,933	900,715	1,633,463	8,628,185
Fire Department	4,224,884	603,241	787,022	4,041,103
TOTAL PUBLIC SAFETY	13,585,817	1,503,956	2,420,485	12,669,288
TRANSPORTATION				
Public Works	4,194,347	225,757	324,136	4,095,968
Fleet Management	321,859	4,971	16,793	310,037
TOTAL TRANSPORTATION	4,516,206	230,728	340,929	4,406,005
ECONOMIC ENVIRONMENT				
Economic Development	164,313	41,728	6,264	199,777
CULTURE AND RECREATION				
Cultural Affairs	3,942,998	27,351	67,374	3,902,975
Recreation	13,938,851	44,154	602,543	13,380,462
TOTAL CULTURE AND RECREATION	17,881,849	71,505	669,917	17,283,437
CONSTRUCTION IN PROGRESS				
	353,462	1,684,029	29,523	2,007,968
	58,911,480	4,884,701	5,192,725	58,603,456
ACCUMULATED DEPRECIATION	(26,299,078)	(2,786,451)	(3,335,582)	(25,749,947)
GENERAL FIXED ASSETS, NET	\$ 32,612,402	\$ 2,098,250	\$ 1,857,143	\$ 32,853,509

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, 2000

AMOUNT AVAILABLE IN DEBT SERVICE FUNDS

Public Improvement Revenue Bonds	\$ <u>1,998,756</u>
----------------------------------	---------------------

AMOUNT TO BE PROVIDED

Public Improvement Revenue Bonds	\$ 27,063,464
Promissory Notes	978,304
Accrued Compensated Absences	<u>2,311,210</u>

Total	<u>30,352,978</u>
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TOTAL	<u>\$ 32,351,734</u>
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GENERAL LONG - TERM DEBT PAYABLE

Public Improvement Revenue Bonds	\$ 29,062,220
Promissory Notes	978,304
Accrued Compensated Absences	<u>2,311,210</u>

TOTAL	<u>\$ 32,351,734</u>
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CITY OF GAINESVILLE, FLORIDA
FY00 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										
	TAX	(1)	(3)	(4)	(5)		(6)		(2)		
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	\$ 52,250,29
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	50,246,15
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	47,953,60
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	49,478,02
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	52,202,17
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	52,785,26
97	9,758,851	9,944,548	665,974	1,047,167	6,482,615	-	20,158,023	1,163,218	4,660,394	1,775,875	55,656,66
98	10,262,973	10,526,737	1,516,597	45,666	6,448,122	-	21,406,886	1,454,335	5,086,950	1,251,998	58,000,26
99	10,674,658	10,293,832	1,470,963	12,567	12,506,491	165,000	27,495,624	1,170,052	5,540,870	1,259,729	70,589,78
00	11,400,748	10,944,137	1,545,920	12,099	7,012,365	165,000	23,351,288	1,281,314	5,580,040	1,584,473	62,877,38

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.
- (3) Occupational Licenses were recorded in the Economic Development Fund in 96 and 97.
- (4) Federal Aviation Grant received in 97 for Gainesville Airport.
- (5) Contribution from State for Campus Development, University of Florida-\$5,750,000 in 99.
- (6) Transfer from Utility for Leaseback - \$5,138,813 in 99.

Uses (Expenditures & Transfers)

FY	GENERAL	PUBLIC	PHYSICAL	TRANSPOR-	ECONOMIC	HUMAN	CULTURE &	MISC. &	TOTAL
	GOVERNMENT	SAFETY	ENVIRONMENT	TATION	ENVIRONMENT	SERVICES	RECREATION	TRANSFERS	
			(1)						
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
97	12,893,927	27,946,409	1,526,149	5,393,646	16,030	2,638	2,487,619	4,465,868	54,732,286
98	13,551,817	28,690,343	1,680,616	5,632,289	163,483	-	2,651,807	4,293,153	56,663,508
99	13,958,661	29,550,295	1,728,876	5,704,676	199,893	-	3,160,576	9,968,639	64,271,616
00	14,877,772	31,747,993	1,804,708	6,114,608	235,498	-	3,262,815	4,634,621	62,678,015

Note:

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

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
PER CAPITA GENERAL FUND REVENUES AND EXPENDITURES
HISTORICAL AND CONSTANT DOLLAR AMOUNTS

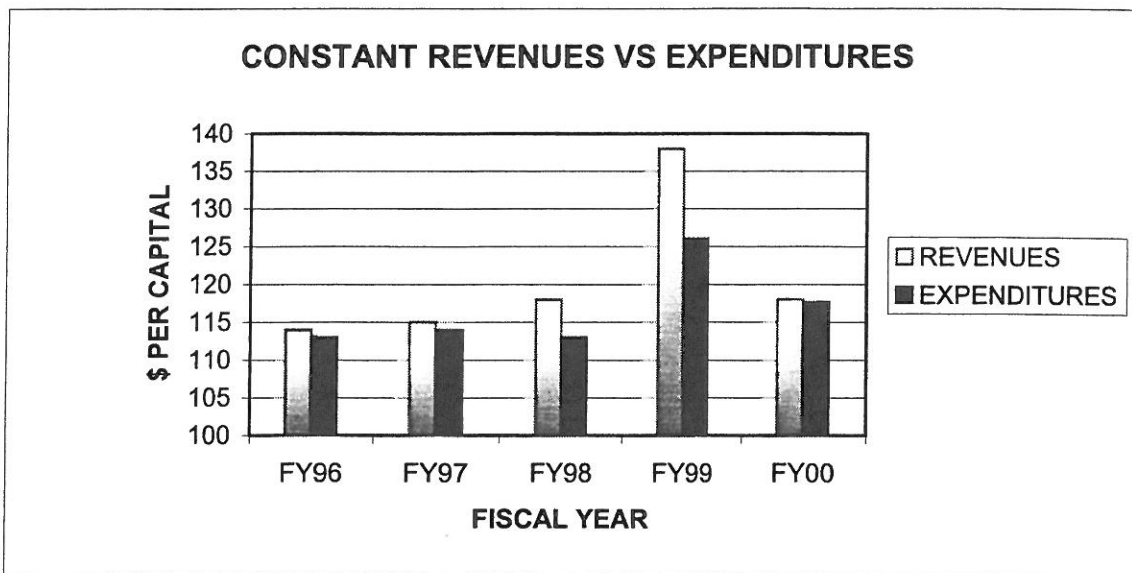
PER CAPITA REVENUES

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Historical Dollars	\$ 540.32	\$ 557.98	\$ 578.18	\$ 696.12	\$ 615.40
% Change Over Previous Year	-0.58%	3.16%	3.49%	20.40%	-13.12%
Constant Dollars*	\$ 114.31	\$ 115.50	\$ 117.95	\$ 138.11	\$ 118.03
% Change Over Previous Year	0.63%	1.03%	3.09%	17.09%	-17.01%

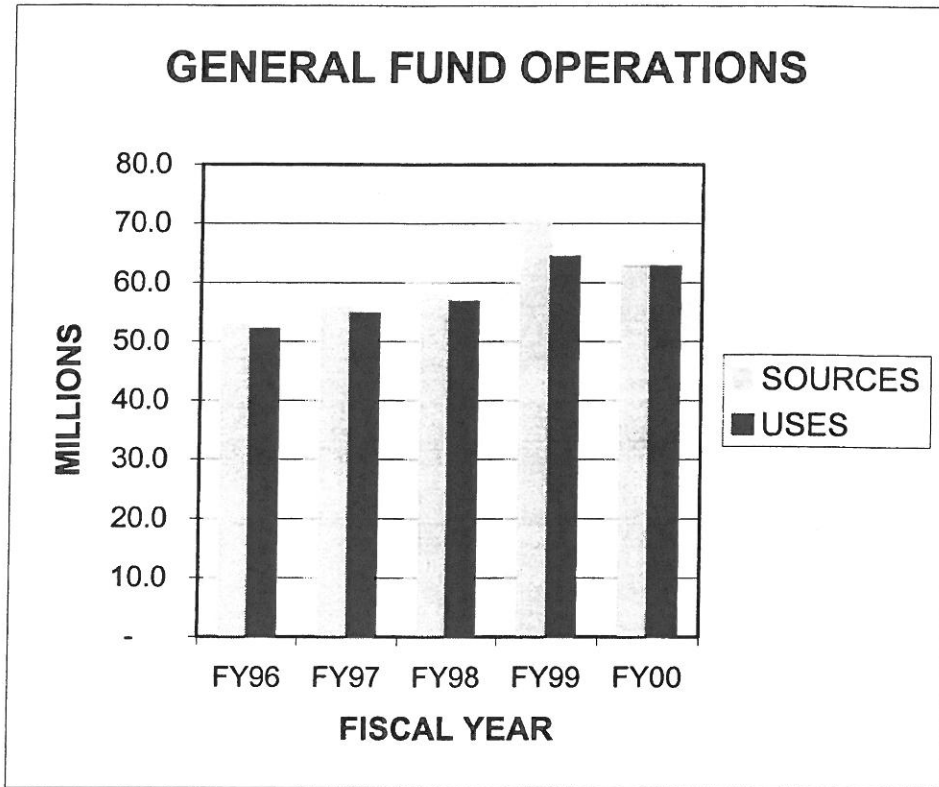
PER CAPITA EXPENDITURES

Historical Dollars	\$ 532.71	\$ 548.72	\$ 564.86	\$ 633.81	\$ 613.44
% Change Over Previous Year	-1.18%	2.92%	2.86%	12.21%	-3.32%
Constant Dollars*	\$ 112.70	\$ 114.31	\$ 112.70	\$ 125.75	\$ 117.66
% Change Over Previous Year	-4.04%	0.77%	2.20%	11.58%	-6.88%

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



CITY OF GAINESVILLE, FLORIDA
FY 00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
RATIO OF GENERAL FUND SURPLUS (DEFICIT) TO TOTAL REVENUES



Ratio of Revenues Less Expenditures to Total Revenues

<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
0.02	0.02	0.02	0.09	0.003

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
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
HISTORY OF LOCAL AD VALOREM TAX RATES AND TAX LEVIES

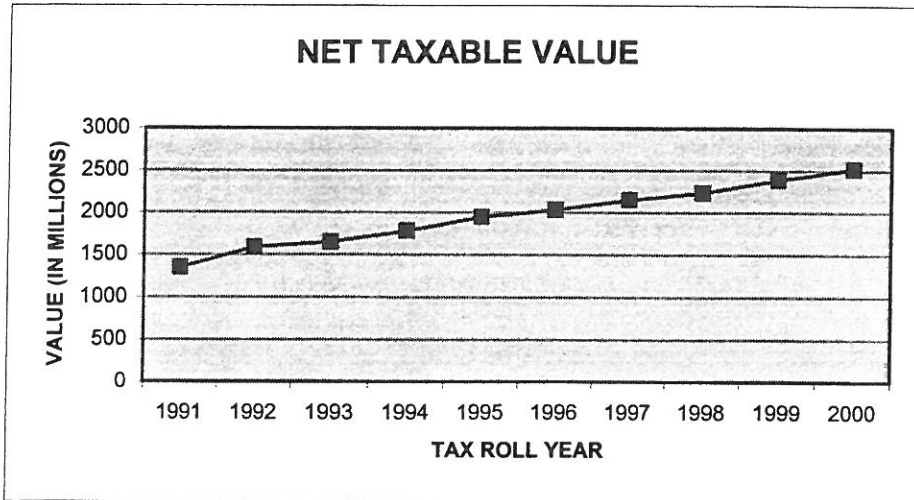
<u>TAX ROLL YEAR</u>	<u>CITY FISCAL YEAR</u>	<u>NET TAXABLE VALUE FOR LOCAL LEVIES</u>	<u>TAX RATES (MILLS)</u>		<u>LOCAL PROPERTY TAX LEVIES</u>		
			<u>BONDS AND INTEREST</u>	<u>GENERAL GOVERNMENT</u>	<u>BONDS AND INTEREST</u>	<u>GENERAL GOVERNMENT</u>	<u>TOTAL TAXES LEVIED</u>
(1)	(2)	(3)	(4 & 6)	(4)			(5)
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
1997	1997-98	2,150,234,789	-	4.9416	-	10,625,320	10,625,320
1998	1998-99	2,235,759,820	-	4.9416	-	11,047,935	11,047,935
1999	1999-00	2,390,448,252	-	4.9416	-	11,821,291	11,821,291
2000	2000-01	2,521,712,589	-	4.9416	-	12,460,972	12,460,972

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 96 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
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
HISTORY OF PROPERTY VALUES AND PROPERTY ASSESSMENTS

TAX ROLL YEAR	JUST VALUE OF ALL PROPERTY	TOTAL EXEMPT PROPERTY	NET TAXABLE VALUE
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
1997	5,813,160,554	3,662,925,765	2,150,234,789
1998	5,906,564,485	3,670,804,665	2,235,759,820
1999	6,117,881,236	3,727,432,984	2,390,448,252
2000	6,221,260,827	3,699,548,238	2,521,712,589



CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
HISTORY OF LOCAL AD VALOREM TAX COLLECTIONS

<u>CITY FISCAL YEAR</u>	<u>TOTAL PROPERTY TAXES LEVIED</u> (1)	<u>ADJUSTMENTS & PENALTIES AFTER LEVY</u> (2)	<u>TAXES CERTIFIED FOR COLLECTION</u> (3)	<u>CURRENT TAXES COLLECTED</u> (4)	<u>COLLECTIONS AS A PERCENT OF CERTIFIED</u>	<u>DELINQUENT TAXES COLLECTED</u>	<u>TOTAL PROPERTY TAXES COLLECTED</u> (5)
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	11,022	10,047,998	9,930,982	98.8%	118,289	10,049,271
1997-98	10,625,320	17,255	10,642,575	10,201,814	96.0%	61,160	10,262,974
1998-99	11,047,935	24,053	11,071,988	10,626,794	96.0%	47,864	10,674,658
1999-00	11,821,291	17,021	11,838,312	11,271,501	95.2%	129,246	11,400,748
2000-01	12,460,972	19,814	12,480,786	for information only; collections begin November 1, 2000			

Notes:

- (1) See page 93 for basis of Taxes levied for Operations and Debt retirement.
- (2) Additions, deletions and adjustments to the net taxable value (page 94) 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
FY00 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>
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	9,930,982	98.9%	118,289	10,049,271	100.1%	96,391	0.96%
1997	10,625,320	10,201,814	96.0%	61,160	10,262,974	96.6%	66,726	0.63%
1998	11,047,935	10,626,794	96.2%	47,864	10,674,658	96.6%	71,624	0.65%
1999	11,821,291	11,271,501	95.3%	129,246	11,400,748	96.4%	71,624	0.61%
2000	12,460,972	for information only; collections begin November 1, 2000						

CITY OF GAINESVILLE, FLORIDA
FY00 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 & OVERLAPPING GOVERNMENTS</u>
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(1)

Tax Rate (mills) (Including Debt Service)

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
1997	4.9416	9.0290	12.1770	0.4820	1.8107	28.4403
1998	4.9416	8.7700	11.8240	0.4820	1.8107	27.8283
1999	4.9416	8.7700	10.9560	0.4820	1.9000	27.0496
2000	4.9416	8.7650	10.8030	0.4720	1.9000	26.8816

Tax Levies (Including Debt Service)

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
1997	10,625,320	19,351,516	26,182,628	794,857	3,893,321	60,847,642
1998	11,047,935	19,607,614	26,435,624	1,077,636	4,048,290	62,217,099
1999	11,821,291	20,964,231	26,189,751	1,152,196	4,541,852	64,669,321
2000	12,460,972	22,102,810	27,242,061	1,190,248	4,791,253	67,787,344

Note:

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

CITY OF GAINESVILLE, FLORIDA
FY00 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>
1990-91	\$ 10,436	\$ -	\$ 10,436	\$ 2,183	20.9%
1991-92	8,253	74,684	82,937	22,778 (1)	27.5%
1992-93	60,159	-	60,159	14,603 (2)	24.3%
1993-94	45,556	-	45,556	9,096 (3)	20.0%
1994-95	36,460	-	36,460	3,135 (4)	8.6%
1995-96	33,325	-	33,325	7,249 (5)	21.8%
1996-97	26,077	-	26,077	2,692 (6)	10.3%
1997-98	23,385	-	23,385	2,500	10.7%
1998-99	20,885	-	20,885	1,159	5.5%
1999-00	19,726	-	19,726	3,919	19.9%

Notes:

- (1) Assessments collected include \$18,749 which was remitted to the Utilities Funds in FY1991-92.
- (2) Assessments collected include \$12,178 which was remitted to the Utilities Funds in FY1992-93.
- (3) Assessments collected include \$8,102 which was remitted to the Utilities Funds in FY1993-94.
- (4) Assessments collected include \$2,329 which was remitted to the Utilities Funds in FY1994-95.
- (5) Assessments collected include \$7,184 which was remitted to the Utilities Funds in FY1995-96.
- (6) Assessments collected include \$2,628 which was remitted to the Utilities Funds in FY1996-97.

CITY OF GAINESVILLE, FLORIDA
FY00 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

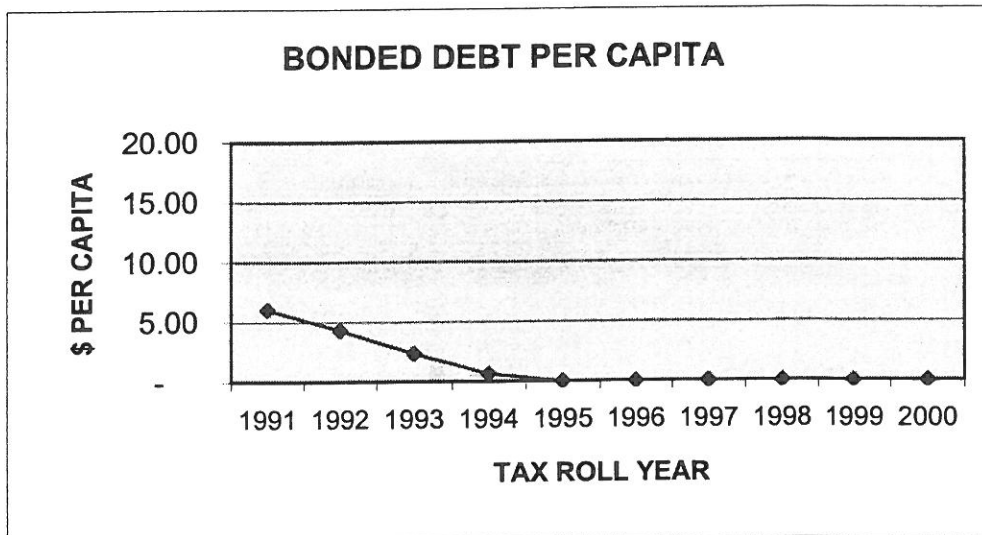
Taxable Value = \$2,390,448,252

Legal Debt Limit = None (1)

<u>TAX ROLL YEAR</u>	<u>TAXABLE VALUE (JANUARY 1)</u>	<u>BONDED DEBT (SEPTEMBER 30)</u>	<u>BONDED DEBT RATIO</u>	<u>CITY POPULATION (APRIL 1)</u>	<u>BONDED DEBT PER CAPITA</u>
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	-
1997	2,150,234,789	-	-	99,746	-
1998	2,235,759,820	-	-	100,315	-
1999	2,390,448,252	-	-	101,405	-
2000	2,521,712,589	-	-	102,174	-

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
FY00 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	\$ 2,521,712,589	\$ -	100.00%	\$ -
Alachua County	6,059,970,352	13,385,000	41.61%	5,569,499
Alachua County Schools	6,059,970,352	<u>85,055,000</u>	41.61%	<u>35,391,386</u>
		<u>\$ 98,440,000</u>	41.61%	<u>\$ 40,960,885</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 voter referendum.
- (5) Includes \$13,160,000 in Alachua County Library District serial and term bonds.

<u>TAXING AUTHORITY</u>	<u>SELF SUPPORTING</u>	<u>NON-SELF SUPPORTING</u>	<u>TOTALS</u>
Alachua County	\$ -	\$ 54,965,000	\$ 54,965,000
Alachua County Schools	-	-	-
City of Gainesville:			
Utilities	416,489,000	-	416,489,000
Other than Utilities	<u>-</u>	<u>30,040,523</u>	<u>30,040,523</u>
	<u>\$ 416,489,000</u>	<u>\$ 85,005,523</u>	<u>\$ 501,494,523</u>

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
RATIO OF ANNUAL GENERAL OBLIGATION BONDS DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND SOURCES AND USES (1)

<u>FISCAL</u> <u>YEAR</u>	GENERAL OBLIGATION DEBT SERVICE EXPENDITURES			RATIO OF DEBT SERVICE EXPENDITURES TO TOTAL GENERAL FUND	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>SOURCES</u>	<u>USES</u>
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	-	-	-	-	-
1996-97	-	-	-	-	-
1997-98	-	-	-	-	-
1998-99	-	-	-	-	-
1999-00	-	-	-	-	-

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 90. Debt service expenditures are included within those total uses under "General Government".

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
SCHEDULE OF STATE GUARANTEED ENTITLEMENT REVENUE
DEBT SERVICE BOND COVERAGE RATIO

FISCAL YEAR	DEBT SERVICE EXPENDITURES (Excluding Reserve Requirements)			STATE "GUARANTEED ENTITLEMENT" REVENUE	DEBT SERVICE COVERAGE RATIO
	PRINCIPAL	INTEREST	TOTAL		
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
1996-97	380,000	719,121	1,099,121	1,100,340	1.00
1997-98	395,000	702,973	1,097,973	1,100,340	1.00
1998-99	415,000	685,198	1,100,198	1,100,340	1.00
1999-00	430,000	666,004	1,096,004	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
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
RATIO OF ANNUAL TOTAL DEBT SERVICE EXPENDITURES
TO TOTAL GENERAL FUND SOURCES AND USES (1)

FISCAL YEAR	TOTAL DEBT SERVICE EXPENDITURES (Excluding Utilities)			RATIO OF DEBT SERVICE EXPENDITURES TO TOTAL GENERAL FUND	
	PRINCIPAL	INTEREST	TOTAL	SOURCES	USES
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 (2)	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
1996-97	2,122,484	1,933,682	4,056,166	7.25	7.41
1997-98 (3)	2,042,770	1,789,423	3,832,193	6.61	6.76
1998-99	2,601,200	1,742,472	4,343,672	6.15	6.76
1999-00	1,833,297	1,501,676	3,334,973	5.30	5.32

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 98. Debt service expenditures are included within those total uses under "General Government".
- (2) Figures for FY1993-94 exclude \$8,304,545 paid to defease the Public Improvement Revenue Certificates of 1987.
- (3) Figures for FY97-98 exclude \$8,910,000 paid to defease the FFGFC series 1982 Bonds.

CITY OF GAINESVILLE, FLORIDA
FY00 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>
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
1996-97	44,196,126	77,547,009	1.75
1997-98	39,470,246	80,273,040	2.03
1998-99	33,891,908	331,155,218 (3)	9.77
1999-00	34,904,989	84,465,494	2.42

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.
- (3) Revenues include revenue of \$249,220,553 from leaseback. The coverage ratio excluding the revenue from the leaseback would be 2.42.

CITY OF GAINESVILLE, FLORIDA
FY00 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	Three Years (two term limit)
- Commissioners	Three Years (two term limit)
Number of Registered Voters	54,068
Number of Voter Turnout in Last City General Election (Includes split City/County Precincts)	12,488 (23%)

LOCATION (1)

Area	48.73 square miles
Latitude	82.20' West
Longitude	29.39' North
Elevation	185 feet

<u>Distance & Direction to Major Cities:</u>	<u>Highway</u> <u>Miles</u>		<u>Average Air</u> <u>Minutes</u>
Jacksonville	70	NE	20
Tallahassee	144	NW	25-30
Tampa/St. Petersburg	128	SW	30
Orlando	109	SE	30
Miami	332	South	60
Atlanta	324	North	60

CLIMATE (1)

Average Annual Temperature	Maximum 82.1 Minimum 56.5
Average Hours of Sunshine	2,803
Average Annual Precipitation	35.25
Growing Season	255 days

PUBLIC SAFETY

Gainesville Police Department	240 Sworn Personnel 94 Civilian Personnel
Gainesville Fire-Rescue	141 Sworn Personnel 7.5 Civilian Personnel

Sources: (1) Gainesville Area Chamber of Commerce

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
ECONOMIC DEMOGRAPHIC CHARACTERISTICS

EDUCATION

Public Schools: (1)

Elementary Schools	24 schools, enrollment 13,461
Middle Schools	8 schools, enrollment 6,675
High Schools	7 schools, enrollment 9,373
Special Schools	6 schools, enrollment 432
Charter Schools	8 schools, enrollment 553
Teacher Certification	State requirement
Public School Teachers	1,962
Student Membership	30,484

University of Florida:

Enrollment	1991	34,814
	1992	35,108
	1993	35,978
	1994	37,678
	1995	38,730
	1996	39,137
	1997	41,040
	1998	42,336
	1999	43,943
	2000	45,573
Faculty	3,584 full-time, 227 part-time	
Degrees Offered	96 Undergraduate	
	197 Graduate	
	5 Professional (Law, Veterinary Medicine, Medicine, Pharmacy, Dentistry)	
	12 Specialist	
	14 Engineer	

Santa Fe Community College:

Enrollment	1991	11,903
	1992	11,813
	1993	12,173
	1994	12,435
	1995	12,525
	1996	12,600
	1997	12,086
	1998	12,519
	1999	12,795
	2000	12,726
Faculty	316 full-time, 558 part-time	
Degrees Offered	Associate of Arts	
	Associate of Science	
	Associate of Applied Science	
	Certificate of Training	
	Technical Certificate	

(1) Source: School Board of Alachua County

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
ECONOMIC DEMOGRAPHIC CHARACTERISTICS

TRANSPORTATION

FY 1999-00 AIR TRAFFIC VOLUME
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT (1)

	<u>Enplanements</u>	<u>Deplanements</u>
October	13,884	13,810
November	13,990	13,895
December	12,600	12,558
January	9,755	10,373
February	12,033	12,088
March	15,790	15,157
April	13,648	13,406
May	12,613	12,266
June	12,424	12,158
July	11,205	11,300
August	11,199	11,965
September	<u>10,406</u>	<u>10,035</u>
TOTAL	149,547	149,011

MAIN BUS RIDERSHIP (2)
REGIONAL TRANSIT SYSTEM
FY1998 - FY2000

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
October	302,772	496,235	558,248
November	207,057	368,468	473,821
December	161,045	258,194	269,268
January	268,191	438,616	442,155
February	287,606	463,478	562,753
March	265,487	410,398	469,525
April	249,839	384,815	449,763
May	141,020	218,466	264,765
June	157,648	226,372	264,005
July	175,957	251,095	275,911
August	243,115	337,106	440,038
September	<u>484,707</u>	<u>556,793</u>	<u>705,838</u>
TOTAL	2,944,444	4,410,036	5,176,090

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
FY00 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)
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	-
1997	99,746	2,141	73,271,432	1,480,144,000	-
1998	100,315	6,732	71,237,896	1,523,035,000	-
1999	101,405	5,928	80,419,905	1,536,350,000	-
2000	102,174	5,654	80,405,644	1,689,808,000	-

- Sources: (1) 1991-1997 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) 1990-91 Gainesville Area Chamber of Commerce; 1992-96 Florida Bankers Association, Branch Deposit Report; 1997-98 Suntrust Banks of Florida Marketing Department
(4) Southern Bell
(5) Information is no longer available from local exchange.

MEDICAL FACILITIES

Hospitals - Acute Care	6: Total Beds 1,865
Nursing Home Care	4
Doctors	2,000 Physicians & Surgeons
Dentists	135

Source: Gainesville Area Chamber of Commerce and Gainesville Council for Economic Outreach

COMMUNICATIONS

Major Newspaper	Gainesville Sun Circulation: Avg. Daily 65,000
Radio Stations	5AM, 8FM
Television Stations	4

Source: Gainesville Area Chamber of Commerce

CITY OWNED PARKING FACILITIES

On street metered spaces	230
Off street metered spaces	110
Permit parking spaces	264
Non-metered spaces, central City district	249
Handicapped, off street not metered	19
Handicapped, central City district	11
Reserved, central City district	290
Loading, central City district	13

Source: City of Gainesville Traffic Engineering Division

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
ECONOMIC DEMOGRAPHIC CHARACTERISTICS

EMPLOYMENT

<u>Year</u>	<u>Unemployment Percentage Rate</u>
1991	3.75%
1992	4.90%
1993	4.00%
1994	3.80%
1995	3.60%
1996	2.90%
1997	2.80%
1998	2.40%
1999	2.70%
2000	1.90%

Source: Florida Department of Labor and Employment Security

Gainesville MSA Total Non-agricultural Employment:

Manufacturing	4.50%
Trade	20.00%
Services	31.60%
Government	33.50%
Transportation & Public Utilities	2.10%
Construction	3.90%
Finance, Insurance & Real Estate	4.40%

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	11,586
Shands Hospital at the University of Florida	Health Care	7,519
School Board of Alachua County	Education	4,000
Florida Department of Children and Families	State Family Services	3,000
Publix Supermarkets	Grocer	1,896
City of Gainesville	Municipal Government	1,840
Santa Fe Community College	Education	1,700
Veterans Affairs Medical Center	Health Care	1,450
North Florida Regional Medical Center	Health Care	1,400
Winn Dixie Supermarkets	Grocer	1,049

Source: Council for Economic Outreach

CITY OF GAINESVILLE, FLORIDA
FY00 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>
Nationwide Insurance Co.	Insurance	1000
Alachua County	Government	725
Moltech Power Systems	Manufacturer	700
U.S. Postal Service	Government	663
AvMed Health Plan	Health Care	544
Meridien Health Care	Health Care	450
Hunter Marine Corp.	Manufacturer	425
Bellsouth Telecommunications, Inc.	Telecommunication	407
Tower Hill Insurance Group	Insurance	390
Gator Dining Services	Food Service	349
Kash-n-Karry	Grocer	316
The Gainesville Sun	Newspaper	300
Florida Farm Bureau	Insurance	283
UF Athletic Association	Inter-Collegiate Athletics	261
Regeneration Technologies, Inc.	Biotechnical R&D & Manufacturing	241
J.C. Penney Company	Retail Sales	240
Archimica, Inc.	Chemicals Supplier	234
CH2M Hill Southeast, Inc	Engineering Consultants	224
Driltech	Manufacturer	220

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 Telecommunications, Inc.	Communications	\$ 70,480,919	2.95%
Oaks Mall Gainesville Ltd Partnership	Retail Sales	43,868,100	1.84%
Florida Power Corporation	Utility	42,279,090	1.77%
HCA Health Services of Florida	Health Care	28,551,000	1.19%
Metal Container Corporation	Manufacturing	20,810,430	0.87%
Archimica, Inc.	Chemicals Supplier	15,211,000	0.64%
Congregate Care Asset III. Ltd.	Congregate Care	12,196,200	0.51%
North Florida Regional Hospital	Health Care	11,717,060	0.49%
Industrial Plants Corporation	Manufacturing	9,203,300	0.39%
Nordstrom Inc.	Distribution/Retail	8,843,700	0.37%
All Others	-	<u>2,258,551,790</u>	<u>88.98%</u>
TOTAL ALL TAXPAYERS		<u>\$ 2,521,712,589</u>	<u>100.00%</u>

Source: Alachua County Property Appraiser

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

TREND IN SALES OF UTILITY SERVICES (1)

Sales by Type of Service	1999-00		1998-99		1997-98	
	NUMBER OF SERVICES	TOTAL REVENUE	NUMBER OF SERVICES	TOTAL REVENUE	NUMBER OF SERVICES	TOTAL REVENUE
Electricity:						
Residential	70,796	\$ 44,288,788	68,096	\$ 43,258,790	73,531	\$ 43,879,594
General Service	8,408	32,562,768	8,134	31,845,327	7,909	31,369,520
Large Power	17	5,357,960	17	5,209,606	15	4,954,021
Traffic & Street Lights	9	1,622,632	9	1,545,680	9	1,487,857
Rental Lights	2,767	1,265,571	2,691	1,203,790	2,622	1,093,771
Bulk & Economy Sales	7	15,391,591	20	16,597,974	20	19,209,266
Fuel Adjustment (Revenue)	-	38,975,261	-	29,918,347	-	29,147,698
	<u>82,004</u>	<u>\$ 139,464,571</u>	<u>78,967</u>	<u>\$ 129,579,514</u>	<u>84,106</u>	<u>\$ 131,141,727</u>
Gas:						
Residential	26,555	\$ 7,956,943	25,680	\$ 5,997,204	25,025	\$ 7,595,412
Interruptible/Commercial	1,611	6,686,254	1,593	4,897,209	1,597	6,546,162
Liquid Propane	146	71,147	106	58,447	122	116,220
	<u>28,312</u>	<u>\$ 14,714,344</u>	<u>27,379</u>	<u>\$ 10,952,860</u>	<u>26,744</u>	<u>\$ 14,257,794</u>
Water:						
General Customers	57,998	\$ 9,700,240	55,568	\$ 9,593,105	53,570	\$ 9,232,399
University of Florida	49	622,596	49	601,453	49	564,578
Fire Hydrants	7	989,702	7	970,460	7	940,376
Electric Plants	3	42,504	3	58,194	3	42,565
	<u>58,057</u>	<u>\$ 11,355,042</u>	<u>55,627</u>	<u>\$ 11,223,212</u>	<u>53,629</u>	<u>\$ 10,779,918</u>
Wastewater Service Fees:						
Customer Billings	<u>51,526</u>	<u>\$ 14,100,390</u>	<u>49,423</u>	<u>\$ 13,906,750</u>	<u>47,752</u>	<u>\$ 13,187,220</u>

Notes:

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

CITY OF GAINESVILLE, FLORIDA
FY00 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

CULTURAL AND RECREATION

- Art Galleries: University Gallery, Thomas Center Main and Mezzanine Galleries, Hippodrome Galleries, Hogtown Collector, Grinter Galleries, Focus Gallery, Santa Fe Gallery, Gainesville Artisans' Guild Gallery, Hippodrome Galleries
- Dance/Music: Gainesville Ballet Theatre, Dance Alive!, Dansecompany of Gainesville, Inc., Floridance Company, University Symphony Orchestra, Gainesville Chamber Orchestra, Gainesville Community Band, Gainesville Friends of Jazz and Blues
- Museums: Florida Museum of Natural History, Fred Bear Museum, Samuel P. Harn Museum of Art, Matheson Historical Center
- Theatre: Hippodrome State Theatre, Gainesville Community Playhouse, Acrosstown Repertory Theatre, The Fable Factory, Inc., Santa Fe Players, University of Florida Center for the Performing Arts, The All Children's Theatre, The Children's Theatre for the Deaf
- Libraries: Alachua County Library District Public Library, University of Florida Library, Santa Fe Community College Library
- Art Shows/Festivals Spring Arts Festival, Spring Garden Festival, Florida Arts Celebration, Downtown Festival and Art Show, Fifth Avenue Arts Festival, 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 Preserve, Alfred A. Ring Park, Boulware Springs Park, Gainesville to Hawthorne Rail Trail, Gum Root Park, Loblolly Environmental Facility and Hogtown Creek Greenway.
- Sources: Gainesville Area Chamber of Commerce, City of Gainesville Department of Cultural Affairs, City of Gainesville Recreation and Parks Department

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Gainesville, Florida:



Certified Public Accountants
& Business Consultants

P.O. Box 13494
4010 N.W. 25th Place
Gainesville, Florida 32604
Telephone (352) 372-6300



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 (the City), as of and for the fiscal year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. Our report on the general purpose financial statements included a paragraph explaining that the general purpose financial statements reflect a change in presentation of the City's defined contribution pension plan. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

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:

- As required by the *Rules of the Auditor General*, we determined that the annual financial report for the City for the fiscal year ended September 30, 2000, was filed with the Department of Banking and Finance pursuant to Section 218.32, Florida Statutes, and is in substantial agreement with our audit report. It should be noted that the annual financial report includes the accounts of the Gainesville Housing Authority, which the State of Florida has characterized as a dependent special district. Pursuant to the provisions of GASB Statement No. 14, the City's general purpose financial statements do not include the Gainesville Housing Authority in the financial reporting entity.
- The scope of our audit included a review of the provisions of Section 218.503(1), 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.
- As required by the *Rules of the Auditor General*, the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. Our audit did not reveal any noncompliance with the provisions of Section 218.415, Florida Statutes.

- The *Rules of the Auditor General* stipulate that auditors should review the status of prior-audit findings. There were no findings reported in the City's audit report for the year ended September 30, 1999.

Chapter 10.600, *Rules of the Auditor General*, and Section 216.349, Florida Statutes, impose audit requirements on recipients of State grants designated as "grants and aids" in the Florida appropriations act. The City received no such funding during the 1999-00 fiscal year and, accordingly, the related audit requirements were not applicable.

This report is intended solely for the information and use of the Audit and Finance Committee, management and appropriate audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

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
Gainesville, Florida

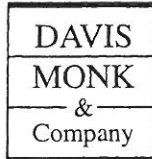
KPMG LLP

KPMG LLP
St. Petersburg, Florida

December 15, 2000

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Commissioners
City of Gainesville, Florida:



Certified Public Accountants
& Business Consultants

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Telephone (813) 822-8521

We have audited the general purpose financial statements of the City of Gainesville, Florida (the City), as of and for the year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. Our report on the general purpose financial statements included a paragraph explaining that the general purpose financial statements reflect a change in presentation of the City's defined contribution pension plan. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 00-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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 over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness. We also noted another matter involving the internal control over financial reporting, which we have described in the accompanying Schedule of Findings and Questioned Costs as item 00-2.

This report is intended solely for the information and use of the Audit and Finance Committee, management and appropriate audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.



DAVIS, MONK & COMPANY
Gainesville, Florida

KPMG LLP

KPMG LLP
St. Petersburg, Florida

December 15, 2000

**SCHEDULE OF STATE OF FLORIDA FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000
CITY OF GAINESVILLE, FLORIDA**

<u>STATE GRANTOR/ PROGRAM TITLE</u>	<u>STATE CONTRACT NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>RECEIPTS</u>	<u>EXPENDITURES</u>
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>				
Interlocal Recycling Grant	RE97-01	\$ 68,066	\$ 68,066	\$ 68,066
<u>DEPARTMENT OF STATE</u>				
Local Arts Agency Grant 99	2K-8012	24,516	24,516	24,516
Local Arts Agency Grant 2000	01-8023	24,218	-	2,572
Historic Preservation Grant for Hippodrome	S0068	30,000	-	398
Total Department of State			24,516	27,486
<u>FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS</u>				
Byrne Subgrant	98-CJ-3S-03-11-02-216	32,120	8,792	24,154
Municipal Comprehensive Grant		50,000	-	49,219
Total Department of Community Affairs			8,792	73,373
<u>FLORIDA DEPARTMENT OF JUVENILE JUSTICE</u>				
Project Turnaround	Q7044	70,000	48,300	41,015
<u>FLORIDA OFFICE OF THE GOVERNOR</u>				
State Grants and Aid Appropriations:				
OTTED-EDTF/Nordstrom	97/9801B	974,906	-	346,133
OTTED-EDTF/Brownfield	OT-98-104	200,000	-	-
Total Florida Office of the Governor			-	346,133
<u>DEPARTMENT OF TRANSPORTATION</u>				
Field Test - Automated Collect/Dissemination of MUCC	AG909	84,000	83,202	13,412
Field Test - Automated Collect/Dissemination of MUCC #2	AI166	50,000	-	41,115
Public Works FDOT passthrough for Bikeways	AG999	17,897	17,549	16,779
<u>Regional Transit System Improvement Program:</u>				
Bus Parts, Equipment and Vehicles	WPI2810795	33,000	3,148	(295)
Computer Scheduling Equipment	WPI2810847	10,000	2,839	2,489
Admin/Terminal Construction/Renovation	WPI2810848	60,000	-	1,376
Design Renov./Expand Admin Offices/Shop Equip.	WPI2810854	30,000	18	7
Commuter Assistance Funding	WPI2810801	70,000	40,906	(20,929)
SW Corridor Assistance Funding	WPI2810791	248,335	37,773	-
Corridor Development Funds-Tower Road	WPI2810830	83,000	70,951	51,721
Corridor Development Assistance-Night Services	WPI2810829	140,000	32,513	33,399
Commuter Assistance Funding FY98/99	WPI2810722	80,000	80,000	80,000
Commuter Assistance Funding FY99/00	FIN404164184	80,000	48,599	82,834
Service Development Agmt (Maintenance Safety)	FIN404634184	25,000	-	-
Service Development Agmt (Increase Ridership)	FIN404635184	25,000	-	5,329
Service Development Agmt (Impr. Customer Svc Safety)	FIN404636184	50,000	-	1,962
Commuter Assistance Funds for Employee Pass	FIN408524184	104,280	33,525	33,525
Service Development Funding for Campus Circulation	FIN408525184	85,085	-	13,986
SDG for Passenger & Bicycle Shelter	WPI2810746	100,000	100,000	100,000
SDG for Route 35	FIN409081184	220,000	-	20,422
Total Regional Transit System Improvement Programs			450,272	405,826
TOTAL DEPARTMENT OF TRANSPORTATION			551,023	477,132
<u>DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES</u>				
Urban & Community Forestry Grant	FDACS #4257	15,000	15,000	-
<u>DEPARTMENT OF HEALTH</u>				
EMS '98 pass-through from County	C9801	48,550	-	45,750
EMS '99 pass-through from County	C9901	24,247	24,247	23,060
Total Department of Health			24,247	68,810
TOTAL STATE FINANCIAL ASSISTANCE			\$ 739,944	\$ 1,102,015



INDEPENDENT AUDITORS' REPORT ON
SCHEDULE OF STATE OF FLORIDA FINANCIAL ASSISTANCE

The Honorable Mayor and City Commissioners
City of Gainesville, Florida

Certified Public Accountants
& Business Consultants

A Partnership Consisting of
Professional Associations

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Website:

www.davismonk.com

We have audited the general purpose financial statements of the City of Gainesville for the year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. Our report included a paragraph explaining that the general purpose financial statements reflect a change in presentation of the City's defined contribution pension plan. These general purpose financial statements are the responsibility of the City of Gainesville'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 the standards applicable to financial audits contained in *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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Gainesville taken as a whole. The accompanying schedule of state of Florida financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule 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.

December 15, 2000
Gainesville, Florida

Members:

CPAmerica International

Florida Institute of
Certified Public Accountants

American Institute of
Certified Public Accountants

Horwath
International

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000
CITY OF GAINESVILLE, FLORIDA**

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Or Award Amount</u>	<u>Expenditures</u>
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>			
Block Grant – Entitlement	14.218	\$ 1,632,000	\$1,334,142
Home Investment Partnership Grant	14.239	2,451,000	804,504
Housing Counseling	14.169	31,785	(6,959)
Supportive Housing	14.235	376,223	98,487
Supportive Housing – VETSPACE	14.235	88,861	35,647
Cedar Grove Housing Project	FL29SPG503	1,000,000	<u>128,213</u>
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			<u>2,394,034</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Federal Transit Administration - Operating and Capital Assistance	20.507	13,769,565	<u>2,000,697</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through Florida Department of Education: Summer Nutrition Program	10.559	239,856	<u>70,589</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Gainesville Regional Juvenile Assessment Center	16.541	125,000	44,646
Comprehensive Juvenile Justice Crime Prevention	16.541	100,000	43,249
Weed & Seed 2	16.595	175,000	23,127
Weed & Seed 3	16.595	175,000	108,763
Weed & Seed 4	16.595	175,000	45,662
DEA Cost Reimbursement Year 3	16.595	100,000	51,168
DEA Cost Reimbursement Year 4	16.595	50,000	11,327
Cops Universal Hiring	16.710	450,000	150,552
Cops Universal Hiring Year 2	16.710	150,000	58,430
Cops More	16.710	58,845	16,565
Cops Technology	16.710	1,000,000	120,586
Cops in School	16.710	349,974	65,684
Local Law Enforcement Block Grant 3	16.592	297,470	297,470
Local Law Enforcement Block Grant 4	16.592	289,496	<u>289,496</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>1,326,725</u>
<u>ENVIRONMENTAL PROTECTION AGENCY</u>			
Brownfield Pilot Cooperative Agreements	66.811	200,000	42,340
Water Quality Program Special Project	66.606	500,000	89
Wetlands Protection State Development	66.461	300,000	<u>6,821</u>
TOTAL ENVIRONMENTAL PROTECTION AGENCY			<u>49,250</u>
<u>U.S. DEPARTMENT OF COMMERCE</u>			
EDA/Incubator Project	11.303	1,440,000	<u>823,377</u>
TOTAL FEDERAL ASSISTANCE			<u>\$6,664,672</u>

See Accompanying Notes to the
Schedule of Expenditures of Federal Awards

**CITY OF GAINESVILLE, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2000**

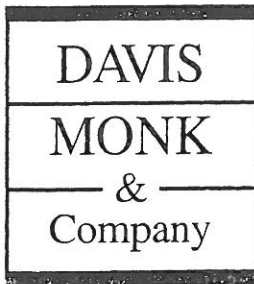
Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Gainesville, Florida and is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

Note 2. Subrecipients

The City of Gainesville, Florida provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grant	14.218	\$492,135
Home Investment Partnership Grant	14.239	\$241,558



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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Mayor and City Commissioners
City of Gainesville, Florida:

Compliance

We have audited the compliance of the City of Gainesville, Florida (the City), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2000. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2000.

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Horwath
International

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over

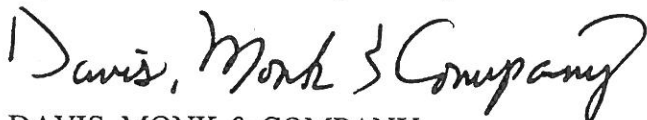
compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the City as of and for the year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. Our report on the general purpose financial statements included a paragraph explaining that the general purpose financial statements reflect a change in presentation of the City's defined contribution pension plan. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. 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.

This report is intended solely for the information and use of the Audit and Finance Committee, management and appropriate audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.



DAVIS, MONK & COMPANY
Gainesville, Florida

December 15, 2000

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

Part I - Summary of Auditors' Results

1. The auditors' report on the general purpose financial statements was unqualified.
2. A reportable condition in internal control over financial reporting was disclosed by the audit. The reportable condition was not a material weakness.
3. No instances of noncompliance considered material to the financial statements were disclosed by the audit.
4. No reportable conditions in internal control over major federal award programs were disclosed by the audit.
5. The auditors' report on compliance for the major federal award programs was unqualified.
6. The audit disclosed no findings required to be reported under Section 510(a) of OMB Circular A-133.

7. The City's major programs were:

<u>Name</u>	<u>CFDA Number</u>
Economic Development – Technical Assistance	11.303
Community Development Block Grant-Entitlement	14.218
Home Investment Partnership Grant	14.239
Local Law Enforcement Block Grant	16.592
Public Safety Partnership and Community Policing Grants	16.710
Federal Transit Administration – Operating and Capital Assistance	20.507

8. A threshold of \$300,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.
9. The City did not qualify as a low-risk auditee as that term is defined in OMB Circular A-133.

(Continued)

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

Part II - Financial Statement Findings

00-1 Cash Reconciliations

During our audit we noted that reconciliations between GRU's cash book and the bank statements were currently maintained; however, reconciliations between the general ledger and the cash book were not completed on a timely basis throughout fiscal year 2000 causing management to dedicate significant resources at the end of the year to resolve the differences. As of year end, the general ledger cash balance was understated by approximately \$360,000. With additional research, it is our understanding management fully intends to correct the appropriate accounts for this noted difference.

To improve the internal control structure by allowing for more timely identification and resolution of reconciliation differences, we recommend that GRU perform reconciliations on a monthly basis.

00-2 MIMS Integration

In September 1999, GRU implemented the Materials Management and Financial Management modules of an integrated software package. The Materials Management software provides a tool to manage the purchasing, inventory and warehousing functions. The Financial Management software provides a tool to manage the accounts receivable, general ledger, accounts payable, capital asset and labor costing accounting processes. Based on audit observations and discussions with management, several of the accounting applications have not fully met management expectations and, in some areas, accounting needs.

As of our fieldwork, the majority of completed capital projects could not be closed and retired capital assets could not be removed from the asset sub-ledger. As a result, management developed manual procedures to properly record amounts such as depreciation expense on capital asset additions. We also noted that the accounts payable and general ledger packages do not allow for proper allocation of balances between the various utility funds and does not have automated processes to create journal entries to record inter-fund transactions. As an alternative management has developed manual processes to query fund account balances, generate reports and journalize the allocation of inter-fund amounts to the appropriate utility fund.

GRU also continues to identify, develop, and configure reports from the MIMS system to assist with the reconciliation of data. The continued need for accounting staff to develop such reports and to familiarize themselves with the reporting processes, combined with the accounts payable and capital issues addressed above, have created

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

Part II - Financial Statement Findings (concluded)

00-2 MIMS Integration (concluded)

- delays in the general ledger account reconciliation process and has led to an increase in the number of post closing adjustments recorded to the financial statements.

We understand that GRU is presently working with the vendor, Mincom, to address capital and fund allocation issues. We recommend that management continue such efforts and ensure sufficient resources are dedicated to implementing solutions. We further recommend that GRU continue its existing efforts to ensure that accounting procedures are adequately documented and provide for timely reconciliation of all account balances.

Part III - Federal Award Findings and Questioned Costs

No matters were reported.



CITY OF GAINESVILLE

Finance Department

In connection with the September 30, 1999, financial statement audit and single audit, our external listed no findings or reportable conditions for the year.

PRIOR AUDIT FINDING – N/A

CURRENT STATUS – N/A:

Accounting Division

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CITY OF GAINESVILLE

Finance Department

In connection with our September 30, 2000 financial statement audit and single audit, our external auditors listed findings as set forth below. We have developed plans for corrective action on each of the findings as follows. These plans will be implemented by the applicable departments within the City and overseen by the City Manager and the General Manager for Utilities. They can be reached at (352)334-5010 and (352)334-3400 respectively.

CURRENT AUDIT FINDING No. 1:

We noted that reconciliations between GRU's cash book and the bank statements were currently maintained; however, reconciliations between general ledger and the cash book were not completed on a timely basis throughout the fiscal year causing management to dedicate significant resources at the end of the year to resolve the differences. As of year end, the general ledger cash balance was understated by approximately \$360,000. With additional research, it is our understanding management fully intends to correct the appropriate accounts for this noted difference.

CORRECTIVE ACTION PLAN:

Management will perform reconciliations on a monthly basis as recommended by the auditors. Prior to the implementation of our current financial software package in September 1999, it was our standard procedure to reconcile key accounts on a monthly basis. However, the implementation process, timed with unanticipated personnel changes, forced us to significantly delay our reconciliation of cash and other standard control accounts.

Staff is now positioned to resume monthly account reconciliations in order to reestablish sound internal control of the accounting function.

CURRENT AUDIT FINDING No. 2:

In September 1999, GRU implemented the Materials Management and Financial Management modules of an integrated software package. The Materials Management software provides a tool to manage the accounts receivable, general ledger, accounts payable, capital asset and labor costing accounting processes. Based on audit observations and discussions with management, several of the accounting applications have not fully met management expectations and, in some areas, accounting needs.

As of our fieldwork, the majority of completed capital projects could not be closed and retired capital assets could not be removed from the asset sub-ledger. As a result, management developed manual procedures to properly record amounts such as depreciation expense on capital asset additions. We also noted that the accounts payable and general ledger packages do not allow for proper allocation of balances between the various utility funds and does not have automated processes to create journal entries to record interfund

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transactions. As an alternative, management has developed manual processes to query fund account balances, generate reports and journalize the allocation of interfund amounts to the appropriate utility fund.

GRU also continues to identify, develop and configure reports from the MIMS system to assist with the reconciliation of data. The continued need for accounting staff to develop such reports and to familiarize themselves with the reporting processes, combined with the accounts payable and capital issues addressed above, have created delays in the general ledger reconciliation process and led to an increase in the number of post closing adjustments recorded to the financial statements.

CORRECTIVE ACTION PLAN:

GRU management is currently working with the vendor, Mincom, concerning the need to continue adaptation to the financial software (MIMS) installed in September 1999. GRU financial and MIMS project team support staff have been in continuous communication with Mincom's Support Services group to enhance MIMS functionally or modify business processes to stabilize financial performance.

Subsequent to the audit's completion, some key issues have been resolved, such as the ability to close capital construction projects into plant asset classifications.

With the continued effort of the MIMS team and financial staff, GRU will continue its efforts to resolve all outstanding issues resulting from this fiscal year's audit.