

LONG TERM FINANCIAL PLANNING

Tuesday, June 9th 2015

Christopher M. Quinn, MACC, CPA, CFE, CGFO, CGMA
Finance Director

Lina Williams
Budget & Financial Analyst



Find Your Florida

PRESENTATION OVERVIEW

- Background
- Goals & Objectives for Long Term Financial Planning
- Assumptions Used
- Accountability & Transparency
- Deliverables
- Long Term Planning Exercise



Find Your Florida

BACKGROUND

What is Long Term Financial Planning?

The Government Finance Officers Association (GFOA) defines the long term financial planning process as ***“aligning financial capacity with long-term service objectives.”***

Long Term Financial Planning:

- ✓ Uses forecasts
- ✓ Provide insight into the future financial capacity of our organization
- ✓ Establishes the groundwork for strategies to be developed
- ✓ Helps to achieve long-term sustainability
- ✓ Integral part of the Strategic Action Plan (SAP) and the budget process
- ✓ Shows the City’s continued dedication to transparency and financial accountability



GOALS



The Long Term Financial Plan (LTFP) will:

- ✓ Lookout at least 5 years
- ✓ Consider all appropriated funds
- ✓ Be updated as needed to provide direction to the budget process
- ✓ Include:
 - An analysis of our financial environment
 - Revenue & expenditure forecasts
 - Consider our current debt position



Find Your Florida

OBJECTIVES

Long Term Financial Plan (LTFP) Objectives:

- ✓ Continuing to improve the City's financial position
- ✓ Maintaining or improving the service level standards
- ✓ Achieving full cost recovery, when possible, for the provision of services

These objectives enhance the long term financial sustainability of the City and help it to achieve the objectives documented in the Strategic Action Plan.



Find Your Florida

ASSUMPTIONS & CONSIDERATIONS

A financial plan is a set of assumptions about what is projected to occur in the future. There must be a common set of expectations of future events or conditions based on what is known at the time the plan is prepared.

Considerations taken during the financial planning process:

- ✓ Revenue & Expenditure projections
- ✓ Available revenue sources not currently being utilized
- ✓ Anticipated deficits or surpluses
- ✓ Condition of reserves/fund balance
- ✓ Economic growth
- ✓ Historical trends
- ✓ Future rate increases
- ✓ Anticipated operational changes
- ✓ Upcoming legislative action
- ✓ Current state of the disaster reserves
- ✓ Sustainability of current expenditure baseline
- ✓ Long term impact of current decisions being made
- ✓ Bond ratings



ACCOUNTABILITY & TRANSPARENCY

Some examples of ways the City provides accountability and transparency to the public:

- ✓ Annual Financial Audit
- ✓ Annual & Quarterly Progress Reports
 - Ensures budget compliance
 - Holds the departments accountable
 - Promotes long-term consideration during decision making
 - Promotes citywide focus on City Council's goals and objectives as described in the City's Strategic Action Plan



Find Your Florida

DELIVERABLES

The following deliverables, on an annual basis, provide assurance and results to City Council that management has taken the proper steps to ensure transparency and continued commitment to the long term financial stability of the City.

- ✓ Annual Budget Document
- ✓ Citizen Survey
- ✓ Measuring Results Document
- ✓ Annual Progress Report
- ✓ Comprehensive Annual Financial Report (CAFR)
- ✓ 10 Year Infrastructure Funding Plan
- ✓ 5 Year Capital Improvement Plan



DELIVERABLES

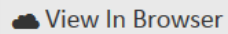
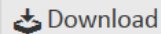
The Long Term Planning policy and other long term planning documents can be found on the City's website.

<http://www.palmcoastgov.com/government/finance/documents>

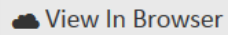
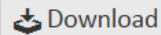
Long Term Planning



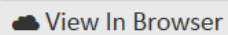
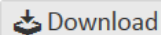
Capital Projects FY 2015 Estimated Timeline [32.41 KB]



Wastewater Management System Facilities Plan [24.94 MB]

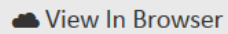
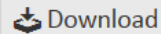


10 Year Infrastructure Plan [1000.50 KB]

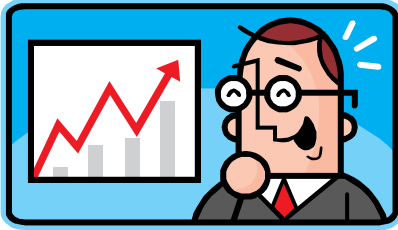


Long Term Financial Planning [575.03 KB]

This document defines the process used for long term financial planning.



Find Your Florida



LONG TERM PLANNING FINANCIAL FORECASTING MODEL



Find Your Florida

WHAT'S NEXT?

June

30th - Property Tax Primer Presentation

July

14th - Budget Workshop - General Fund

21st - Budget Workshop - Adopt Maximum Millage Rate

28th - Budget Workshop - Proprietary Funds

August

11th - Budget Workshop – Special Revenue Funds & Capital Funds

25th - Final Proposed Budget Presentation

September

Public Hearing to tentatively adopt millage rate and budget

Final Public Hearing to adopt final millage and budget



Find Your Florida