

# Long Term Financial Planning

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# Budget Preparation Timeline

## January - March

- First Quarter Review
- Annual Financial Audit
- Revise 10 Year Infrastructure Plan
- Presentation of Annual Progress Report and Citizen Survey Results to City Council

## April

- Second Quarter Review
- Annual Update of the Strategic Action Plan
- Presentation of the Year to Date Budget
- Departments Begin FY 2017 Budget Input



# Budget Preparation Timeline

## May – June (Budget Preparation Series to City Council)

- Fund Accounting Presentation
- Long Term Financial Planning Presentation
- Revenue Source & Property Tax Presentation

## July – August (Budget Workshops)

- General Fund Budget Workshop
- Adopt Maximum Millage Rate
- Proprietary Funds Budget Workshop
- Third Quarter Review
- Special Revenue & Capital Fund Budget Workshop
- Final Proposed Budget Presentation



# Budget Preparation Timeline

## September

- Public Hearing to Tentatively Adopt Millage Rate & Budget
- Public Hearing to Adopt Final Millage Rate & Budget

## October – December

- FY 2016 Year End Close-out
- End of Year Review



# Presentation Overview

- Background
- Goals & Objectives for Long Term Financial Planning
- Assumptions & Considerations
- Deliverables
- Major Fund Forecast



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# Background

Aligns financial capacity with long-term objectives

Insight into the future financial capacity of our organization

Establishes the foundation for strategies to be developed

Helps achieve long-term sustainability

Integral part of Strategic Planning Process

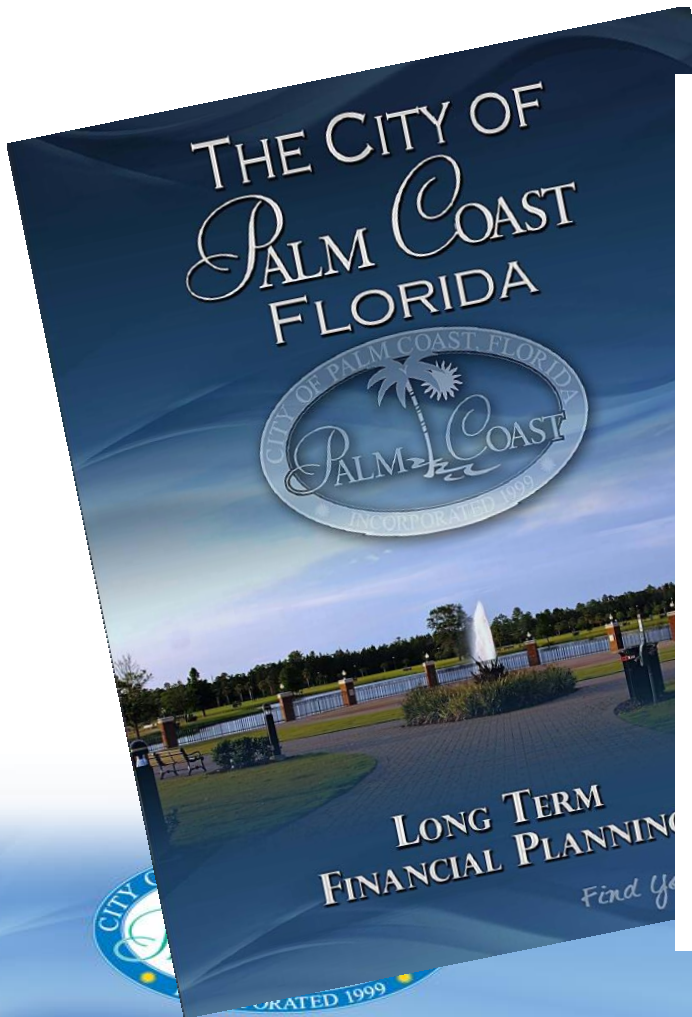
Shows financial accountability



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# Policy

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



## Long Term Planning

- [10 Year Infrastructure Plan \(revised 3/8/2016\) \[92.06 KB\]](#)  
Download View In Browser
- [3/8/2016 - 10 Year Infrastructure Funding Plan Presentation to City Council \[5.07 MB\]](#)  
Download View In Browser
- [Long Term Financial Plan - 2016 \[661.87 KB\]](#)  
Download View In Browser
- [Capital Projects FY 2016 Q1 Estimated Timeline \[83.68 KB\]](#)  
Download View In Browser
- [Long Term Financial Planning Presentation to City Council \[1.17 MB\]](#)  
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- [Wastewater Management System Facilities Plan \[24.94 MB\]](#)  
Download View In Browser
- [Long Term Financial Planning Policy \[575.03 KB\]](#)  
This document defines the process used for long term financial planning.  
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# Objectives of a Long-Term Financial Plan

Lookout at least 5 years

Consider all appropriated funds

Provide direction to the budget process

Include:

- Analysis of financial environment
- Revenue & expenditure forecasts
- Consideration of our current debt position



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# Objectives of a Long-Term Financial Plan

Continue to improve the City's financial position

Maintain or improve service level standards

Achieve full cost recovery, when possible, for the provision of services

Enhance the long term financial sustainability of the City

Help achieve the objectives documented in the SAP



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# Assumptions & Consideration

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



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# Assumptions & Consideration

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



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# Deliverables

Annual  
Budget  
Document &  
Budget at a  
Glance

Measuring  
Results  
Document

Annual &  
Quarterly  
Progress  
Report

Annual  
Financial  
Report  
(CAFR)

10 Year  
Capital  
Funding Plan

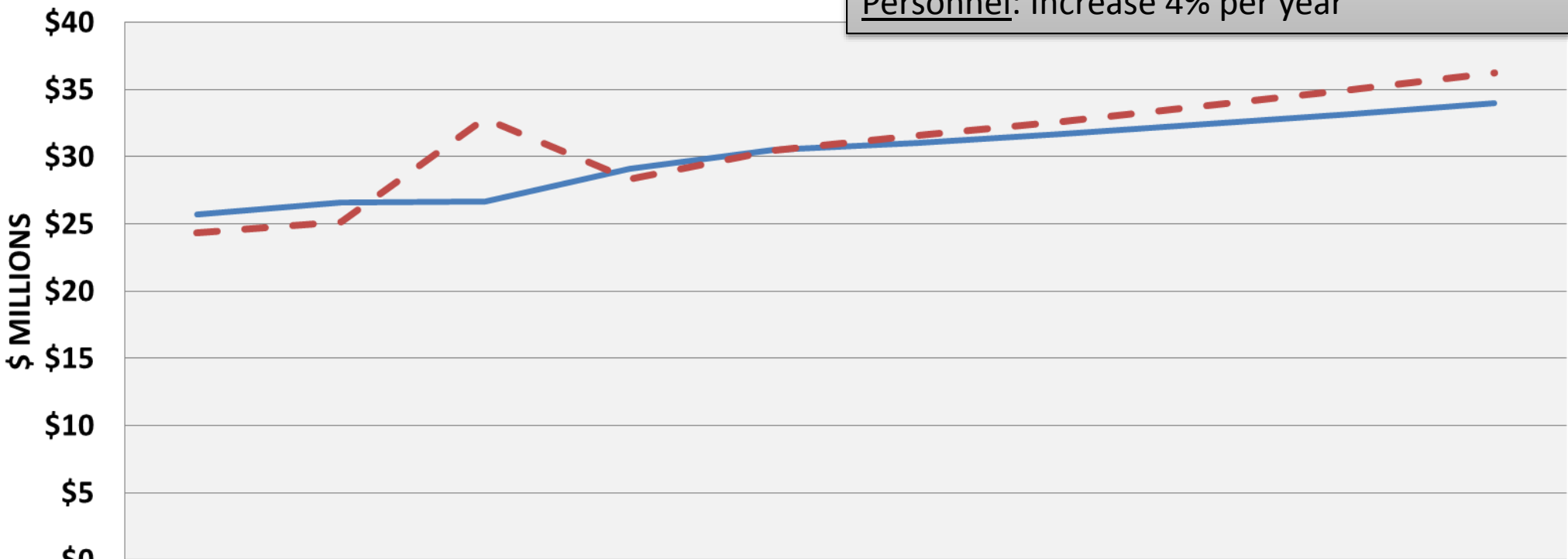
5 Year Capital  
Improvement  
Plan



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# General Fund Forecast

**Assumptions:**  
CPI: 2% increase per year  
Assessed Value: 2.3% increase per year  
Communications Services Tax: Increase by CPI  
Personnel: Increase 4% per year



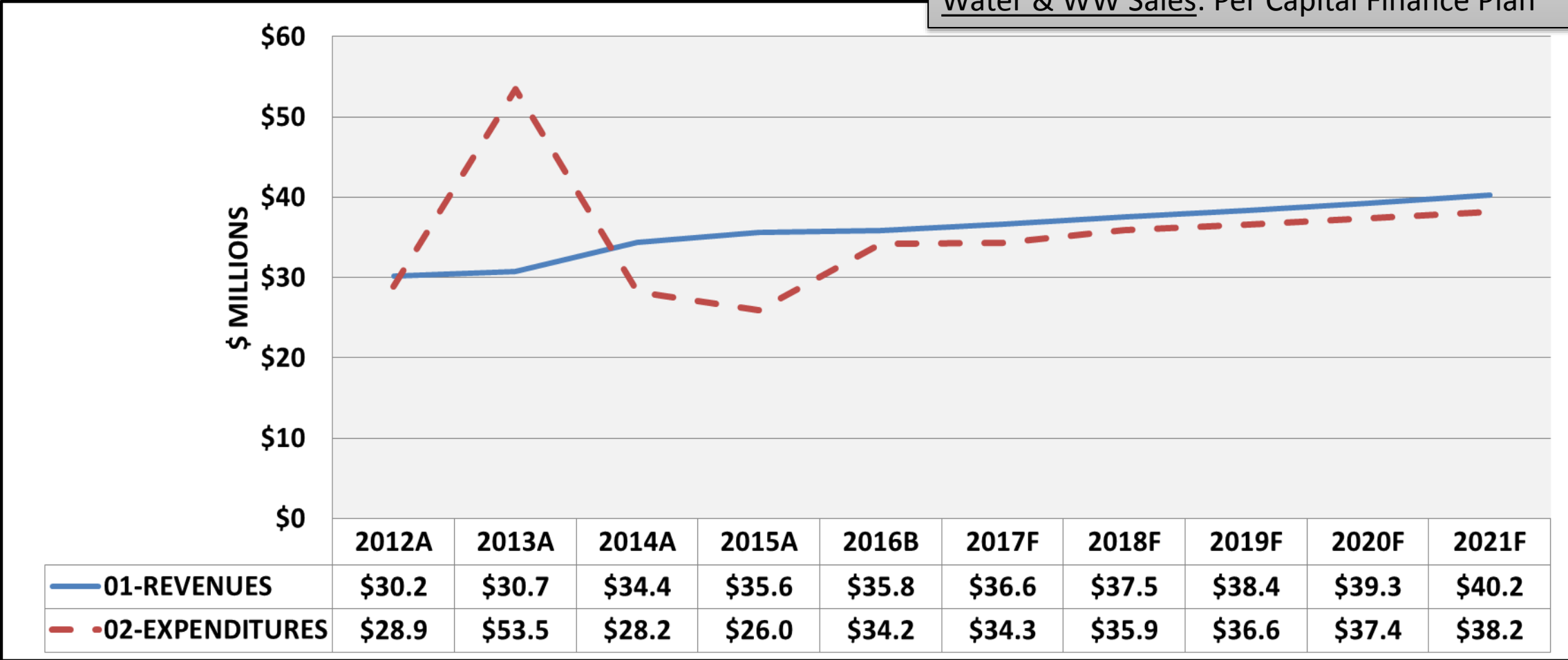
	2012A	2013A	2014A	2015A	2016B	2017F	2018F	2019F	2020F	2021F
— 01-REVENUES	\$25.7	\$26.6	\$26.7	\$29.1	\$30.5	\$31.0	\$31.7	\$32.4	\$33.2	\$34.0
- 02-EXPENDITURES	\$24.3	\$25.1	\$32.9	\$28.3	\$30.5	\$31.6	\$32.6	\$33.8	\$35.0	\$36.2



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# Utility Fund Forecast

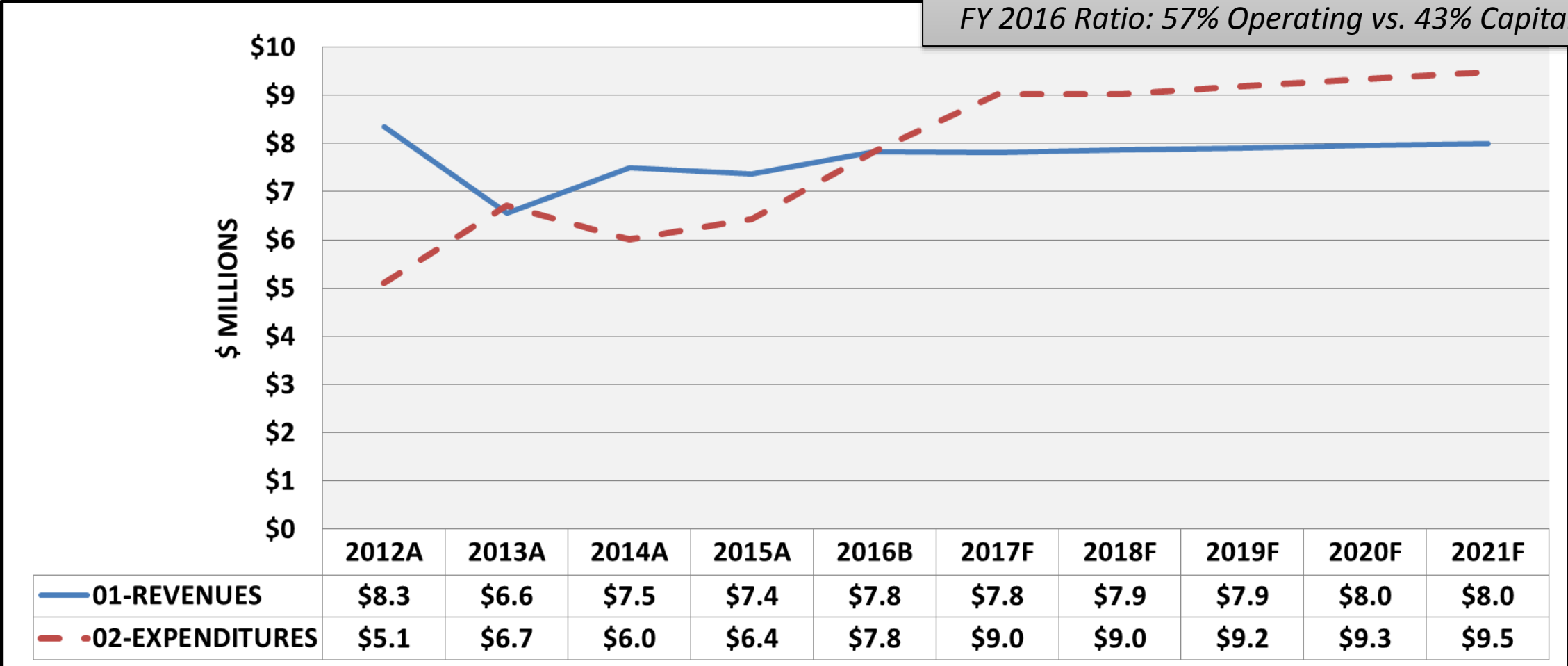
**Assumptions:**  
CPI: 2% increase per year  
Personnel: Increase 4% per year  
Water & WW Sales: Per Capital Finance Plan



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# Stormwater Fund Forecast

**Assumptions:**  
Personnel: Increase 4% per year  
Stormwater Fees: Increase 0.5% per year  
*FY 2016 Ratio: 57% Operating vs. 43% Capital*



# Looking Ahead

## June:

21<sup>st</sup> Revenue Source & Property Tax Presentation

## July:

12<sup>th</sup> - Budget Workshop - General Fund

19<sup>th</sup> - Adopt Maximum Millage Rate

26<sup>th</sup> - Budget Workshop - Proprietary Funds

## August:

9<sup>th</sup> - Budget Workshop – Special Revenue Funds & Capital Funds

23<sup>rd</sup> - Final Proposed Budget Presentation

## September:

Public Hearing to tentatively adopt millage rate and budget

Final Public Hearing to adopt final millage and budget



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