

Fund Accounting & Long Term Planning

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Helena P. Alves, CIA, MBA

Finance Director

Lina Williams

Budget Coordinator



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Budget Preparation Timeline

January - March

- First Quarter Review
- Annual Financial Audit
- Presentation of Annual Progress Report
- Survey Results to City Council
- Annual Update of the Strategic Action Plan

April - May

- Review 10 Year Infrastructure Plan
- Departments Begin FY 2019 Budget Preparation
- Second Quarter Review
- Year to Date Budget Results Presentation



Budget Preparation Timeline

May – June

- Fund Accounting & Long Term Planning Presentation
- Property Tax & Other Revenues Presentation

July - August

- General Fund Budget Workshop
- Adopt Maximum Millage Rate (August 4th deadline)
- Third Quarter Review
- Capital Funds Budget Workshop
- Proprietary & Special Revenue 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 2018 Year End Close-out
- End of Year Review with Departments



Fund Accounting



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Fund Accounting

- A fund is a segregated accounting entity (checkbook)
 - Tracks activities according to regulations, restrictions, or limitations.
- Revenue, restricted for a specific purpose, cannot be used for general operations
 - Funds are divided into various types according to legal restrictions or their uses.



Regulatory Authorities

Governmental Accounting Standards Board (GASB)

Exposure Drafts

Statements

Technical Bulletins

Accounting and Financial Reporting Guidance

Federal Government

(IRS, SEC, GAO)

Payroll taxes

Debt issuance

Grant compliance

1099 reporting

Yellow Book

State Government

(Statutes, Department of Revenue, Rules of the Auditor General)

Truth in Millage (TRIM)

Grant compliance

Annual reporting requirements



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Revenue Restrictions

- Must comply with legal and external requirements.
 - **Small County Surtax**
Capital projects
 - **Utility Revenues**
Operation and expansion of utility system
 - **Impact Fees**
Infrastructure capacity improvements related to growth
 - **Grants**
Specific programs/projects



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Fund Types

Governmental

General fund

Special revenue funds

Capital projects funds

Debt service funds

Permanent funds

Proprietary

Enterprise funds

Internal services funds

Fiduciary

Trust funds

Agency funds



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Fund Classifications

Governmental Funds

Primarily supported by taxes

Proprietary Funds

Primarily supported by user fees

Fiduciary Funds

Not the City's money



Fund Classifications

Governmental Funds

General Fund

Capital Projects
Fund

Special Revenue
Funds

Proprietary Funds

Utility Fund

Stormwater Fund

Building Fund

Fiduciary Funds

VFF Pension
Fund



Fund Classifications

Governmental Funds

Administration & Finance

Public Safety (Fire & Police)

Community Development
(excluding Building)

Streets & Parks Maintenance

Parks & Recreation

Proprietary Funds

Utility

Stormwater

Building

Information Technology

Solid Waste

Fleet

Facilities

Fund Balance

Definition

Accumulated
revenues
over
expenditures

Use

For emergencies
or one time
expenditures
(capital project)

Not meant to fund
continuing
operations

Policy

General Fund

Utility Fund

Stormwater Fund

Solid Waste Fund

Disaster Reserve

Self Insured Fund

Fleet Fund

Long Term Financial Planning



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Objectives

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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Objectives

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

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

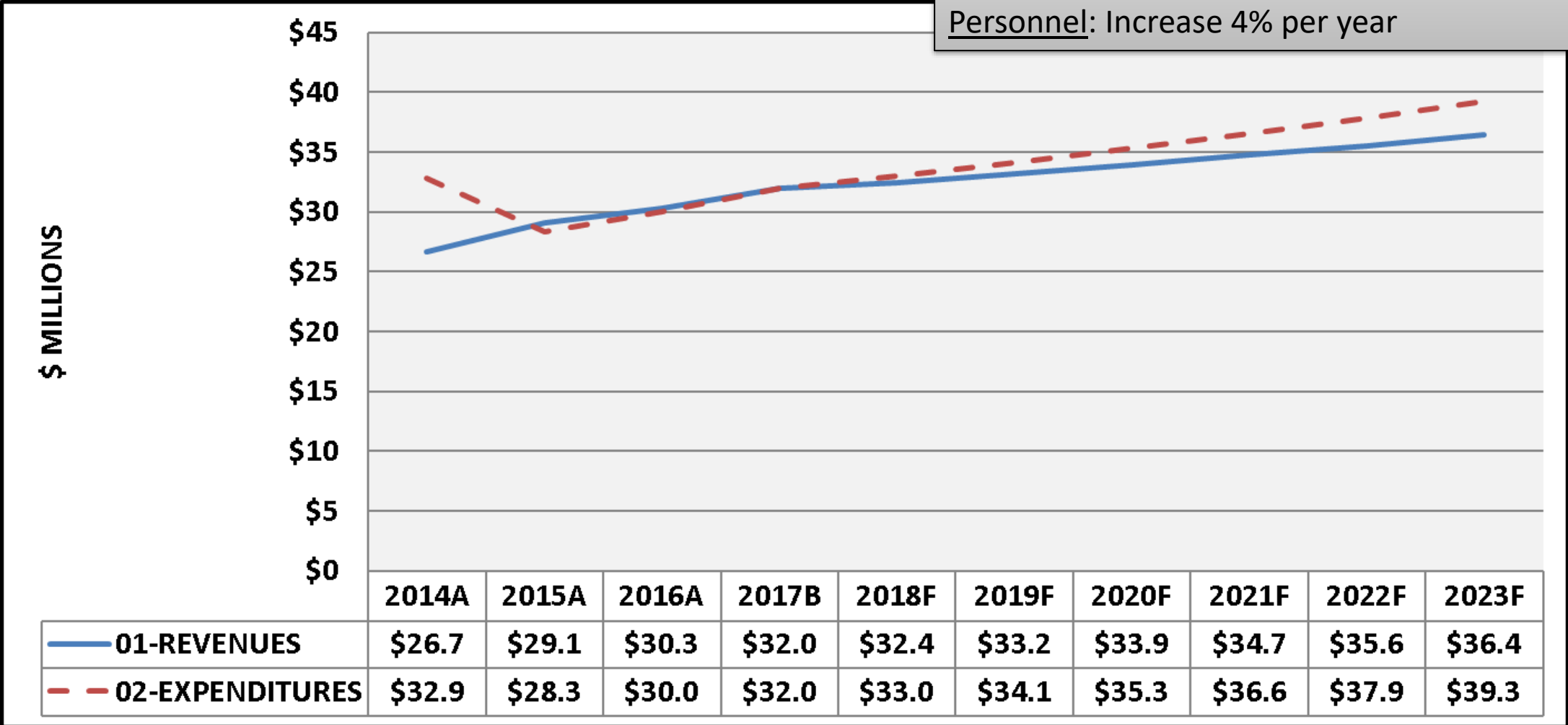
5 Year Capital
Improvement
Plan



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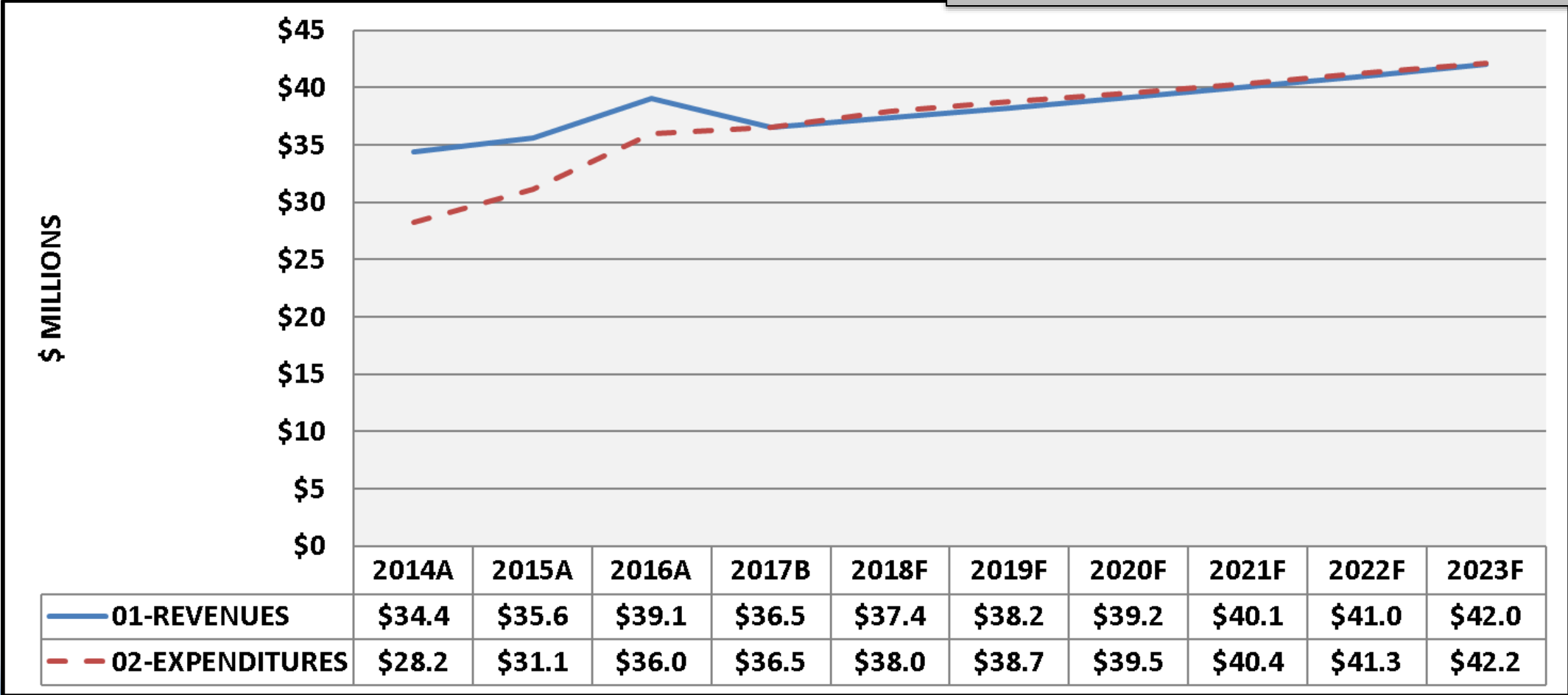
General Fund Forecast

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



Utility Fund Forecast

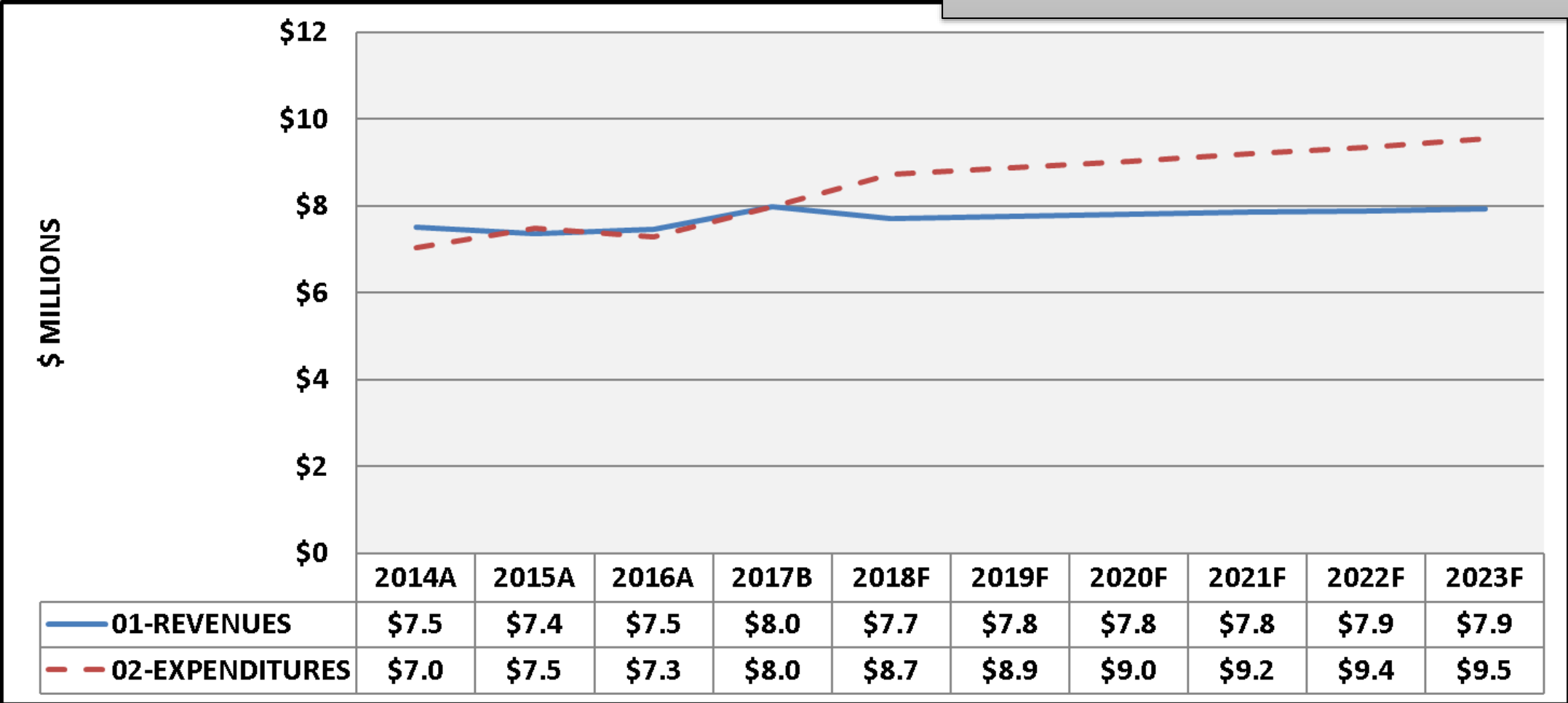
Assumptions:
CPI: 2% increase per year
Personnel: Increase 4% per year
Water & WW Sales: Per Capital Finance Plan



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Stormwater Fund Forecast

Assumptions:
Personnel: Increase 4% per year
Stormwater Fees: Increase 0.5% per year



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Looking Ahead

June 12th

Property Tax & Revenues Presentation

July 10th

Budget Workshop - General Fund

July 17th

Adopt Maximum Millage Rate (August 4th deadline)

July 31st

Budget Workshop – Capital Funds

Aug 14th

Budget Workshop - Proprietary & Special Revenue Funds

August 28th

Final Proposed Budget Presentation

September:

Public Hearing to adopt tentative millage rate and Budget &
Final Public Hearing to adopt final millage and budget



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