

Fund Accounting and Revenue Restrictions

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BUDGET PRESENTATION TIMELINE

JAN - MAR

- Survey Results 3/09
- Review 10 year CIP Plan 3/09
- Annual Financial Audit 3/16
- Annual City Council
SAP evaluation 3/11 -3/31

APR - JUNE

- YTD Budget Results Presentation 4/13
- Fund Accounting & Revenue
Restrictions Presentation 5/11
- Property Tax Presentation 6/08

BUDGET PRESENTATION TIMELINE

JUL - SEPT

- Adopt Maximum Millage Rate 7/20
- Budget Workshop Presentations to City Council
 - General Fund 7/13
 - Proprietary Funds 7/27
 - Internal Services, Capital & All Other Funds 8/10
 - Final Proposed Budget – All Funds 8/24
 - Public Hearings to Adopt Tentative 9/08 and Final 9/22 Millage Rate & Budget

OCT - DEC

- FY21 Year End Close-Out
- End of Year Review with Departments
- Preparation of Budget Book

Fund Accounting

Fund accounting is a system for segregating financial resources to ensure and demonstrate **legal compliance** with **restrictions** or other special purposes.

Defining Terms

A Fund

- Represents its own checkbook
- Subject to its specific regulations
- Segregated based on its purpose; to fulfill specific activities and objectives

Restricted Revenue

- Can only be used for a specific purpose
- Must be accounted for separately and cannot be used for general operations
- Segregated in its own fund/checkbook

City Of Palm Coast Fund Types

Governmental

**Primarily supported
by taxes**

- General fund
- Special revenue funds
- Capital projects funds

Proprietary

**Primarily supported by
user fees**

- Enterprise funds
- Internal services funds

City Of Palm Coast Fund Classifications

Governmental

**Primarily supported
by taxes**

- Administration & Finance
- Public Safety (Fire & FCSO contract)
- Community Development (excluding Building)
- Streets & Parks Maintenance
- Parks & Recreation

Proprietary

**Primarily supported by
user fees**

- Water and Wastewater Utility
- Stormwater Utility
- Building
- Information Technology Enterprise & Operations
- Solid Waste
- Fleet Management
- Facilities Management

Fund Balance

Fund Balance Explained

Definition: Accumulated revenues over expenditures

Use: For emergencies or one time expenditures
Not meant to fund continuing operations

Policies: General, Utility, Stormwater, Solid Waste,
Disaster, Self Insured, and Fleet

Revenue Restrictions



General Fund Unrestricted Revenues



Ad Valorem Tax (Property Tax)

- Main revenue source of the General Fund
- Based on taxable value of property

Communications Services Tax

- 5.22% Applied to telecommunications, video, direct-to-home satellite and related services

Half-Cent Sales Tax



- Portion of the state 6% sales tax collected within Flagler County

State Revenue Sharing

- Portion of State sales and use tax collections & one-cent municipal fuel tax

Special Revenue Fund Restricted Revenues



Streets Improvement Fuel Tax

- Local Option Fuel Tax –
 - 6 cents per gallon purchased in Flagler County
 - Distributed per Inter-local agreement based on road miles
 - Restricted to transportation expenditures

Streets Improvement State Revenue Sharing

- State Revenue Sharing (b)
 - Portion of State sales and use tax collections & one-cent municipal fuel tax

SR 100 CRA

- Tax Increment
- Restricted to development within the CRA

Capital Fund Restricted Revenues



Capital Projects

- Discretionary Sales Surtaxes (Small County Surtax)
 - ½ percent of the 7% sales tax collected in Flagler County
 - Committed for construction & improvement of public facilities
 - Pursuant to an Ordinance enacted by Flagler County
 - Expires 12/31/2032

Impact Fees

- Restricted to growth related projects. Only for projects that are adding new capacity, cannot be used for existing system deficiencies or operations
 - Transportation Impact Fee
 - Water and Wastewater Impact Fee
 - Recreation Impact Fee
 - Fire Impact Fee

Enterprise Fund - Restrictions



Water & Wastewater Utility Fund

- Restricted by bond covenants & City Council
- Used to maintain system & debt service

Stormwater Utility Fund

- Restricted by loan covenants & City Council
- Used to maintain system & debt service

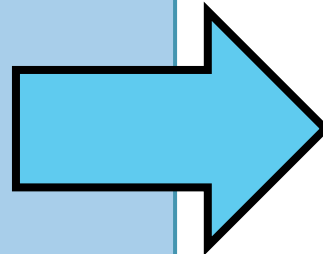
Building Fund

- Applied solely to building and permitting costs

Learn more!

Visit www.palmcoastgov.com and click the link

Access to the FY22 budget calendar, budget worksheets, and previous Council presentations



2022 BUDGET
PREPARATION

Questions

