

Beyond the Numbers:

Creating a Healthy Budget

What Does Florida law require?



- Florida Statute 129 (counties, referenced herein) 166 (municipalities)
 - 129 (1) Budget shall be adopted for each Fiscal Year
 - 129 (2)(c) “The budget must be balanced, so that the total of the estimated receipts available from taxation and other sources, including balances brought forward from prior fiscal years, equals the total of appropriations for expenditures and reserves...” and “the budgeted receipts must include 95 percent of all receipts reasonably anticipated from all sources...”
 - 129 (2)(d) The Budget may include a provision for a reserve not to exceed 10% of total appropriations and a reserve for cash balance not to exceed 20% of appropriations.

Does meeting these requirements alone make a Budget Healthy?

How can we determine health?

Health Exam – What tests do we perform?



Structurally Balanced



Adequate Fund Balance

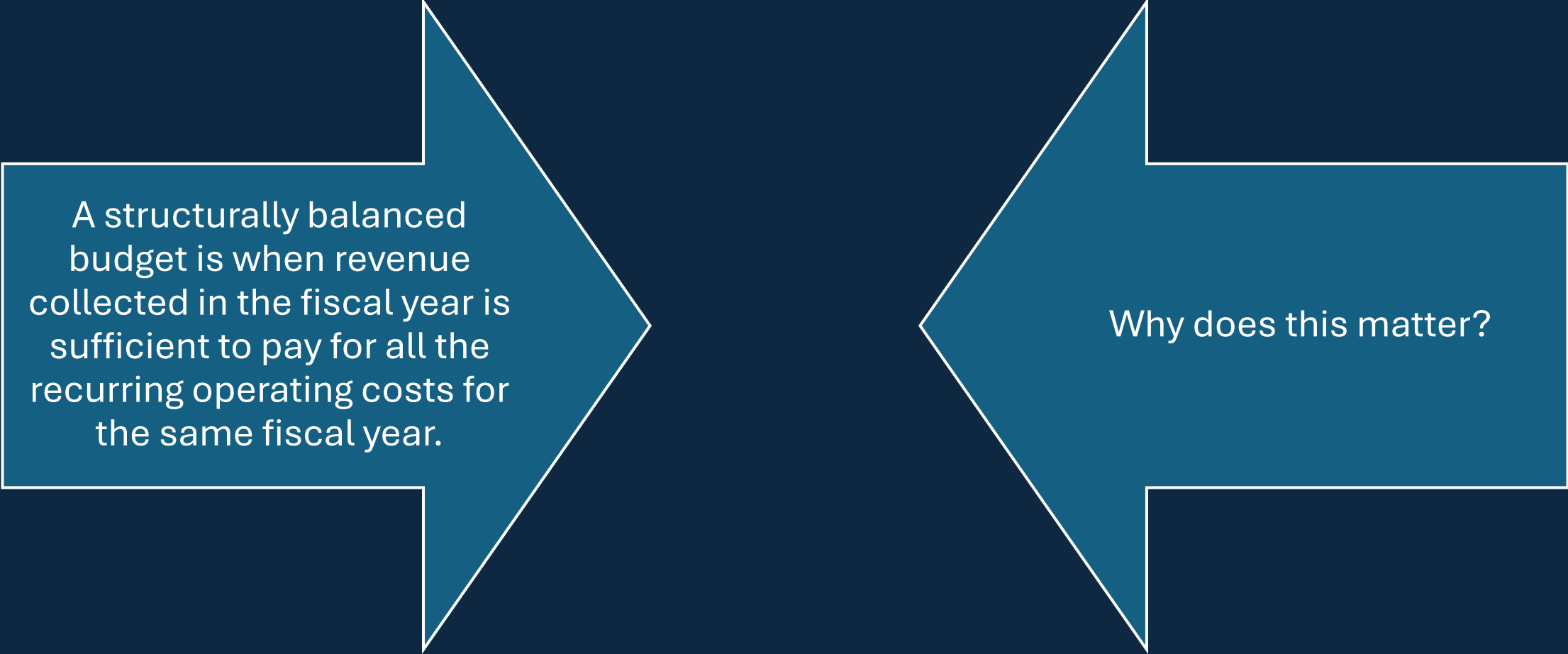


Sustainability



Structurally Balanced Budget

What is a Structurally Balanced Budget?



A structurally balanced budget is when revenue collected in the fiscal year is sufficient to pay for all the recurring operating costs for the same fiscal year.

Why does this matter?

BUDGET DEFICIT



Fund Balance

- Why do we need fund balance?

Fund Balance

- Cash Flow
- Emergencies
- Unrestricted vs restricted



Sustainability

Sustainability



REALISTIC?
REASONABLE?
EXPECTED?



WHAT ARE CHALLENGES
TO SUSTAINABILITY?



WHAT ARE THE CYCLES
THAT IMPACT REVENUES?

Sustainability



WHAT ARE SHORT VS LONG
TERM GROWTH PATTERNS?



WHAT CAN BE
CONTROLLED IN
REVENUES VS.
EXPENDITURES?



CONSTANT MONITORING
OF ACTUAL RECEIPTS.

Conclusion and Questions