

# **Building a Stronger Budget: Best Practices for Florida's Annual Budget Preparation, Adoption, & Performance Tracking**

By

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Aclarian LLC

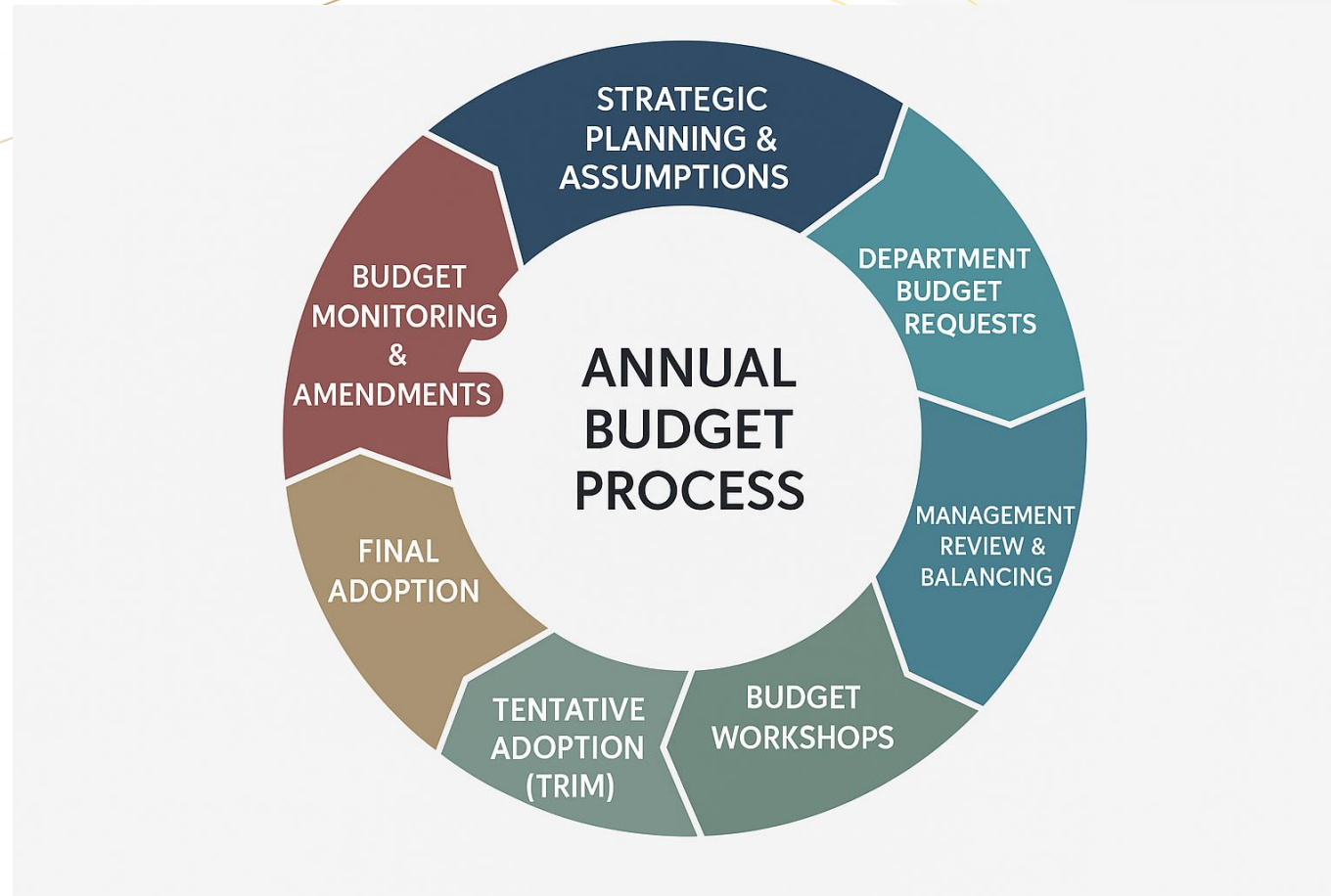
# Agenda

- Walk through the **full annual budget cycle** for Florida local governments
- Highlight **best practices** at each phase, from planning to monitoring
- Discuss **Florida-specific statutory and transparency requirements**
- Share practical tools to improve **clarity, credibility, and decision-making**

# Why the Budget Matters

- Primary **policy document** of the governing body
- Financial expression of **community priorities**
- Legal authorization to spend and levy taxes
- Key tool for:
  - Transparency
  - Public trust
  - Fiscal sustainability

# End-To-End Budget Process



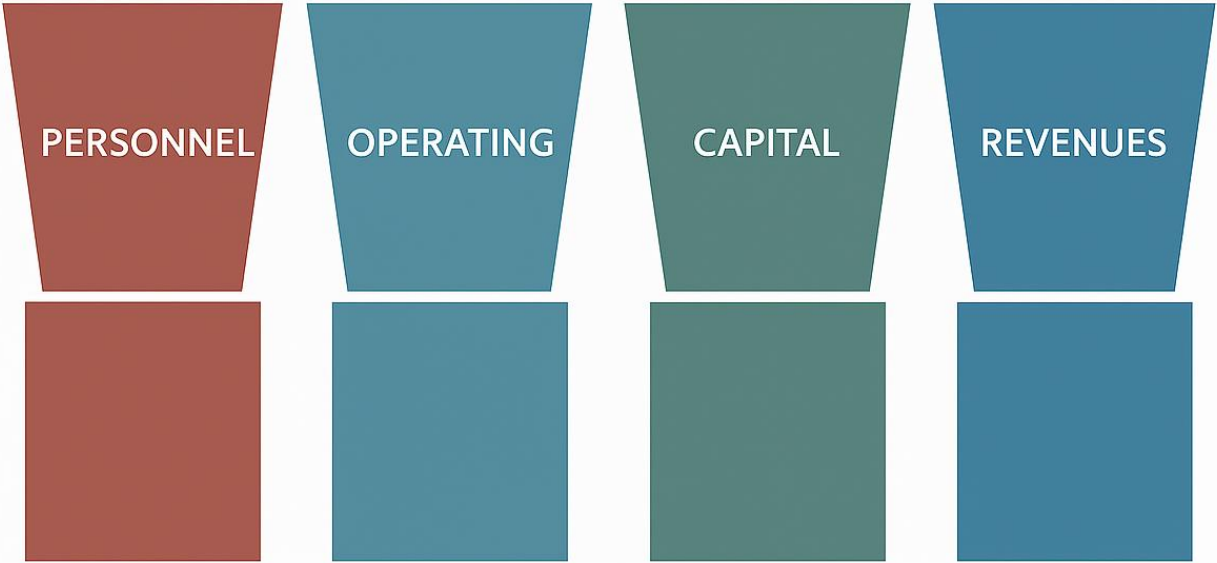
# Budget Preparation Process

- Establish budget calendar and milestones
- Review prior-year performance and trends
- Identify:
  - Revenue assumptions
  - Cost drivers
  - Policy priorities
- Confirm compliance with:
  - Florida Statutes
  - Local charter and ordinances

# Coordinating Input Across the Organization

- Department directors and managers
- Executive leadership / constitutional officers (as applicable)
- Finance, HR, and capital planning staff
- Identify roles:
  - Who proposes?
  - Who reviews?
  - Who decides?
- How are budget requests entered?

# ELEMENTS OF BUDGET PREPARATION



# Personnel Considerations

- COLA and/or merit increases
- Fund and department allocations
- Budgeting for health benefits
- Communication and justification for new or reorganized positions
  
- Post-adoption of budget:
  - Enforcement of position control

# Operating Considerations

## Two Common Approaches to Estimating Operating Expenses

### 1. Line-Item Budgeting

- Review and adjust individual expenditure accounts
- Example: supplies, contracts, utilities, travel
- Focuses on **what is being purchased**

### 2. Baseline (Prior-Year) Estimation

- Start with:
  - Current year adopted budget **or**
  - Estimated current year actuals
- Adjust for known changes
- Focuses on **overall trends and cost drivers**

# Capital Considerations: Goals to Dollars

- Tie budget requests to:
  - Strategic plans
  - Commission priorities
  - Master plans and capital plans
- Require departments to explain:
  - What problem is being addressed?
  - What outcome is expected?
  - What happens if funding is not provided?

# Forecasting Revenues

- Incorporating artificial intelligence into prediction of current year annualized amounts and next year budget amounts
- System predicts and user reviews

EDIT **Reset To Calculated** Export

After AI Suggest AI predictions applied. Click the button again to toggle back. EXPAND GRID

AI analyzed 19 accounts: AI Forecast 1 Estimated 5 Calculated 5 Prior Year 8

Account #	PY 2025 Act...	CY 2026 Bud...	Current YTD ...	Annualize...	CY 2026 Annu...	NY Budget...	NY 2027 Bud...	Comment
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# Calculating Available Reserves

- For FY 2027 Budget Preparation
  - Ending Fund Balance per FY 2025 Audited F/S
    - Plus Estimated Annualized or Actual Revenues
    - Minus Estimated Annualized or Actual Expenses
    - Plus Budgeted Revenues and other Inflows
    - Minus Budgeted Expenses and Other Outflows
  - Ending Budgeted Fund Balance
- Proprietary Fund Analysis

# Florida-Specific Budget Considerations

## Key Statutory and Procedural Requirements

- Balanced budget requirement
- Truth in Millage (TRIM) compliance
- Tentative and final budget hearings
- Public notice and advertisement requirements
- Statutory deadlines and adoption timelines

# Property Appraiser Calendar

## 2025 TAX ROLL / BUDGET / MILLAGE CALENDAR

<u>DATE</u>	<u>ACTIVITY</u>	<u>REFERENCE</u>
June 1	<u>Property Appraiser</u> delivers <u>estimate of taxable value</u> to taxing authorities	200.065(8)
July 1 (Tues)	<u>Property Appraiser</u> delivers <u>certification of taxable value</u> (DR-420) to taxing authorities. (If roll cert date is earlier, <u>July 1</u> will be used to determine time periods and deadlines. Fla. Stat. s. 200.065(12); Fla. Admin. Code r. 12D-17.003(2) & 12D-17.008.)	193.023(1) 200.065(1)
<b>Jul 29 (Tues)</b>	<b><u>Taxing Authorities</u> notify Property Appraiser of proposed millage rate, date/time/place of 1st public budget hearing (<u>return completed DR-420</u>) by 5pm.</b>	200.065(2)(b)
Aug 18 (Mon)	<u>Property Appraiser</u> mails <u>TRIM Notices</u>	200.065(2)(b)
<b>Sept 3 – Sept 18</b>	<u>Taxing Authorities</u> hold <u>1st public hearing</u> to adopt a tentative budget and millage rate (between 65 and 80 days after certification, at least 10 days after TRIM mailing)	200.065(2)(c)
_____	<u>Taxing Authorities</u> <u>advertise</u> intent to adopt a final budget and millage rate and final public hearing schedule (ad to appear within 15 days of adoption of tentative budget). <b>Check ad format/content carefully!</b>	200.065(2)(d) 200.065(3)
_____ – <b>Sept 26 (Fri)</b>	<u>Taxing Authorities</u> hold <u>final public hearing</u> to adopt final budget and millage rate (between 2 & 5 days after ad appears)	200.065(2)(d)
_____	<u>Taxing Authorities</u> forward millage rate to Property Appraiser, Tax Collector, & DOR (within 3 days after adoption of resolution or ordinance)	200.065(4)

# Property Appraiser Calendar, Cont.

<b>Sept 4</b> (Thurs)	Pinellas County BCC budget hearing	200.065(2)
<b>Sept 9</b> (Tues)	School Board budget hearing	200.065(2)
<b>Sept 12</b> (Fri)	Deadline for <u>taxpayers</u> to file a petition with the Value Adjustment Board (within 25 days after TRIM mailing)	194.011(3)(d)
<b>Sept 18</b> (Thurs)	Pinellas County BCC budget hearing (final)	200.065(2)
<b>Sep 29</b> (Mon)	<u>Property Appraiser</u> delivers <u>DR-422</u> to taxing authorities	200.065(6)
<b>Oct 1</b> (Wed)	Value Adjustment Board meets for first certification of tax rolls	193.122(1)
<b>Oct 2</b> (Thurs)	<u>Taxing Authorities return</u> completed <u>DR-422</u> , millage rate is adjusted if an option	200.065(6)
<b>Oct 3</b> (Fri)	<u>Property Appraiser</u> extends roll to Tax Collector	
<b>Mid Oct</b> (TBD)	<u>Value Adjustment Board</u> hearings begin	194.032(1)(a),(c)
_____	<u>Taxing Authorities</u> certify <u>compliance to DOR</u> (not later than 30 days after adoption of ordinance or resolution establishing final budget and millage rate)	200.068
<b>Oct 31</b> (Fri)	<u>Tax Collector</u> mails <u>tax bills</u>	197.322(3)

# Budget Workshop Strategies

- **Effective Governing Body Engagement**
- Purpose of workshops:
  - Education, not adoption
  - Policy discussion and direction
- Best practices:
  - Clear agenda
  - Consistent presentation format
- Focus on key decisions relating to agenda objectives

# Make the Budget Document Understandable

- Operating budgets by fund
- Capital improvement schedules
- Staffing and position summaries
- Debt and reserve information
- Glossary and narrative explanations

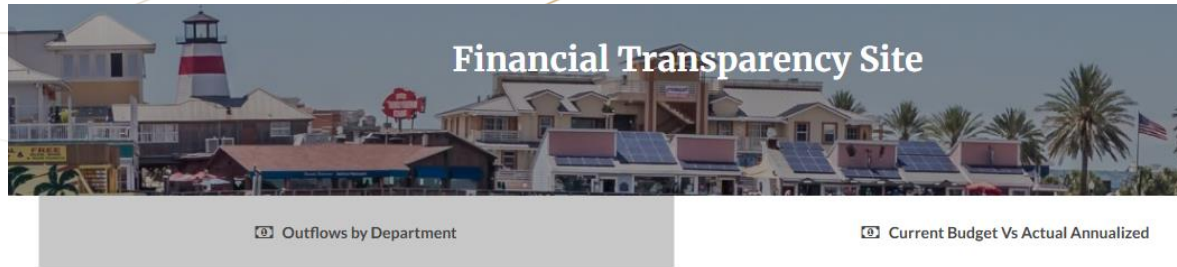


*"I CAN go to lunch with you. I just clutter up my desk with blank paper so the boss thinks I'm busy."*

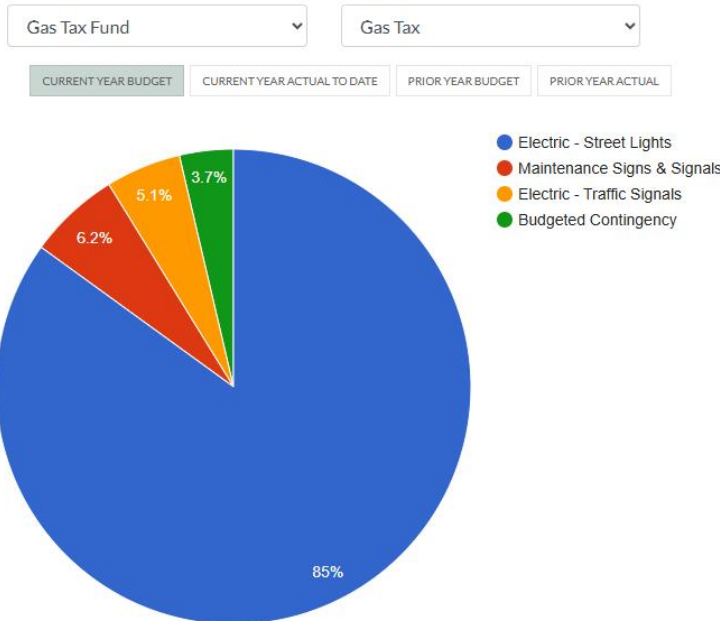
# Tentative and Final Adoption

- Adopt tentative millage and budget
- Conduct required public hearings
- Make final adjustments, if needed
- Adopt final millage and budget resolutions
- Ensure DOR submission documentation is complete and accurate

# Financial Transparency



## Outflows by Department



Providing  
public access  
to financial  
information

# Budget Amendments & Transfers

- Level of budgetary control
  - Fund, Org (Department), Object (Account)
  - When is amendment required versus transfer
  - Financial reporting implications
- Process to completion – initiation, approval, adoption
- Manual controls vs system controls – managing and preventing overspend

# Budget Vs Actual Insights

- PAST
  - Standard reports generated by Finance Department and emailed to relevant stakeholders across the organization
- PRESENT & FUTURE
  - Budget vs actual data visualization on user dashboards
  - User access to reporting with drilldown capability
  - AI generated budget anomaly detection
  - Use of AI Personal Assistant (Claude, Gemini, etc.) to make inquiries and obtain results



## Aclarian AI Assistant

 Assistant

Hi there! How can I help you?

**Andrew Laflin**

How much budget do I have remaining in my department for FY 2026? I'm in Finance Dept.

4/15/26, 9:41 AM

 Assistant

### Budget Remaining for Finance Department in Fiscal Year 2026:

- **Original Budget:** \$766,900.00
- **Revised Budget:** \$766,900.00
- **Actual Year-to-Date Spending:** \$437,137.95 💰
- **Encumbrances (Committed Funds):** \$99,724.60
- **Remaining Budget Available:** \$230,037.45 📊



**ACLARIAN LLC**

# Contact Info

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# THANK YOU

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