

## **GFOA Suggested Presentation Outline**

### **1. Introduction to Local Government Financial Management**

- Overview of GFOA's mission, principles, and best practices.
- Importance of transparency, accountability, and clarity in government finance.

### **2. Fundamentals of the Budgeting Process**

- Roles of Council, Finance Commission, and Staff in budgeting.
- Types of budgets (operating, capital improvement, special revenue, enterprise funds).
- Budget calendar and key milestones for California municipalities.
- Legal requirements.

### **3. Understanding Budget Documents**

- Structure of a typical municipal budget document.
- Goals, performance metrics, and strategic alignment with council priorities.
- Incorporating community input and aligning resources with policy goals.
- Practical examples from your town's current budget document.

### **4. Budgeting Best Practices (GFOA Recommendations)**

- Multi-year financial forecasting and scenario planning.
- Structurally balanced budgets.
- Zero-based budgeting vs. incremental budgeting.
- Performance-based budgeting.
- Incorporating economic conditions and external pressures (e.g., pension obligations, unfunded mandates).

### **5. Revenue and Expenditure Management**

- Revenue streams: taxes, fees, state and federal funding sources.
- Expenditure control methods and budgeting for sustainability.
- Reserve policies and fund balance guidelines recommended by GFOA.
- Practical examples using your town's current revenue and expenditure scenarios.

### **6. Capital Improvement Planning and Infrastructure Funding**

- Best practices for capital planning and prioritization.
- Funding sources: impact fees, bonds, state grants, and federal funding.
- Balancing capital needs against ongoing operating budgets.
- Examples drawn from recent capital projects in your town.

### **7. Annual Comprehensive Financial Report (ACFR) Overview**

- Purpose, importance, and key elements of the ACFR.
- Role in transparency, financial accountability, and credit rating.
- Sections of the ACFR:
  - Introductory Section
  - Financial Section (including basic financial statements, management's discussion & analysis)
  - Statistical Section
  - Required supplementary information (e.g., pension and OPEB obligations).

### **8. How to Read and Use the ACFR for Decision Making**

- Key financial indicators and ratios (liquidity, solvency, sustainability).
- Red flags and areas requiring attention.

- Comparative analysis using your town's current ACFR data.
- Utilizing the ACFR to communicate financial conditions to the public and stakeholders.

#### **9. Audits and Internal Controls**

- Importance of independent audits and audit committees.
- Typical audit findings and corrective action plans.
- Strengthening internal controls and fraud prevention.
- GFOA-recommended policies and California-specific regulations.

#### **10. Special Topics in California Local Government Finance**

- Pension funding and CalPERS/OPEB obligations.
- Impact of recent legislative and voter initiatives on local government finance (e.g., Proposition 19 property tax changes, SB 1383 mandates).
- Best practices for risk management and resilience planning (e.g., fiscal impacts of wildfires, earthquakes, pandemics).

#### **11. Emerging Trends and Challenges**

- Economic outlook and implications for local government revenues.
- Navigating inflationary environments and cost increases.
- Innovations in financial transparency and public communication (open data platforms, dashboards).

#### **12. Interactive Q&A and Discussion**

- Address questions from Town Council members and Finance Commission.
- Specific insights or clarifications tailored to your town's documents and fiscal situation.

#### **Recommended Preparation:**

- Share copies of your town's latest budget document and ACFR with GFOA in advance.
- Encourage the GFOA presenter to incorporate relevant examples directly from these documents to enhance relevance.
- Identify particular areas of interest or concern from your Council or Commission to ensure the presentation addresses local priorities.