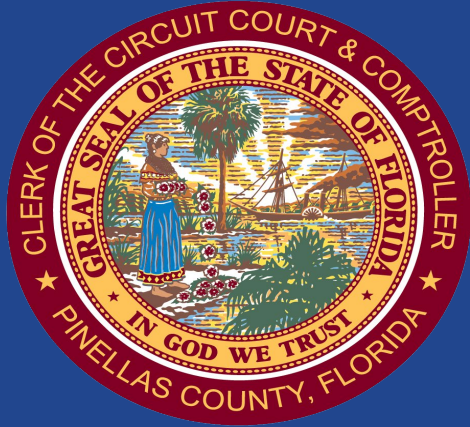


Pinellas County Reserves and Fund Balance

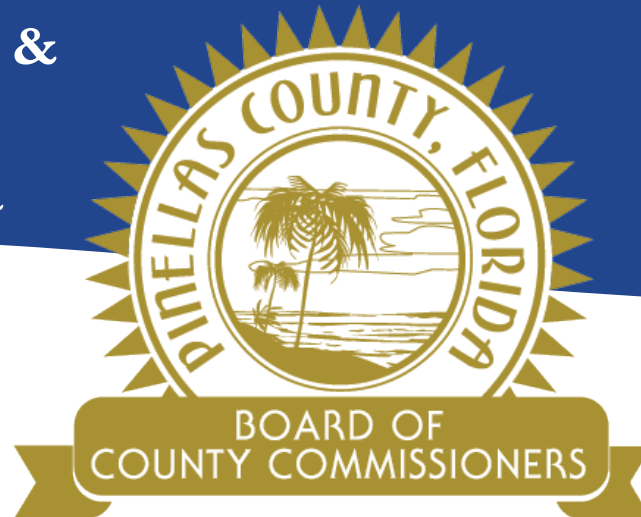


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Clerk of the Circuit Court &
Comptroller

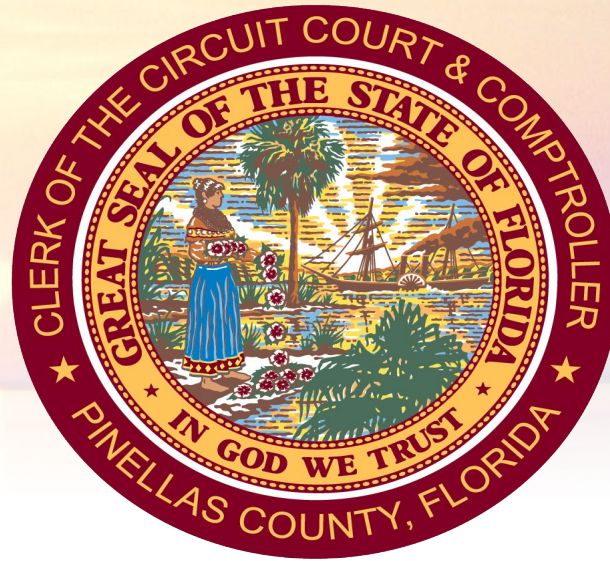
Pinellas County, Florida

April 20, 2023



Our Vision:
To Be the Standard for
Public Service in America

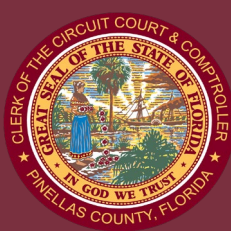
Committed to Customer Service Excellence



Ken Burke, CPA

Clerk of the Circuit Court & Comptroller

Pinellas County, Florida



Fund Balance Discussion Clerk & Comptroller View Based on Audited Financial Statements

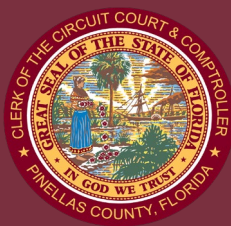
Non-discretionary

- Non-spendable Fund Balance
 - Inventory & Prepays
- Committed Fund Balance
 - None Currently Reported
- Restricted Fund Balance
 - Externally Restricted such as Donations
- Assigned Fund Balance
 1. Subsequent Year Budgeted Use of Reserves
 2. Encumbered Contracts

Discretionary

- Unassigned Fund Balance
 - Amounts not otherwise classified

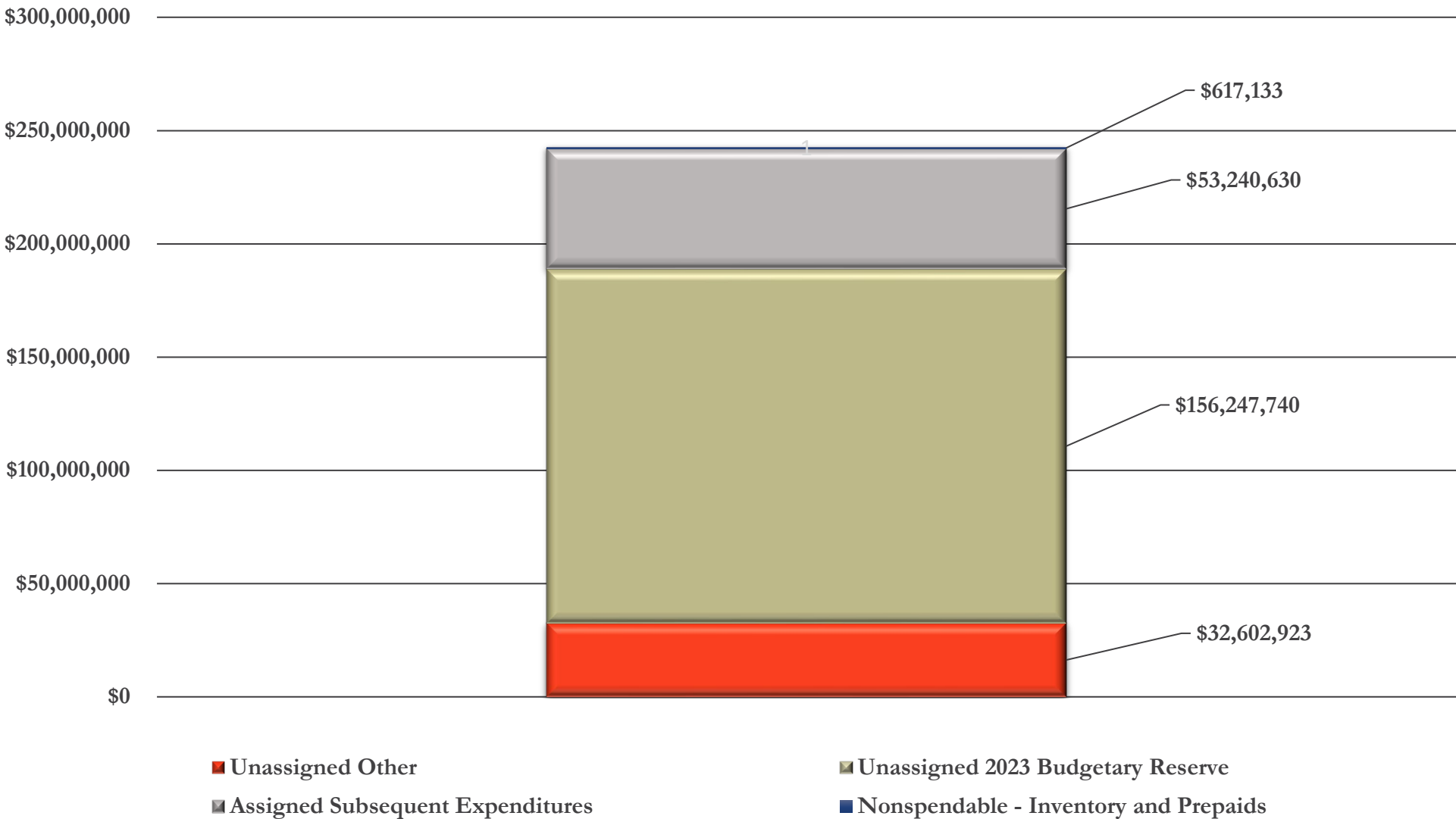


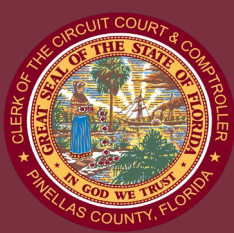


FY 2022 Audited Fund Balance

General Fund ~ \$242,708,426

Clerk & Comptroller View





Fund Balance Discussion

Budgetary View

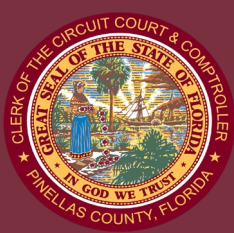
Unassigned Fund Balance



Discretionary
Budgetary Reserve



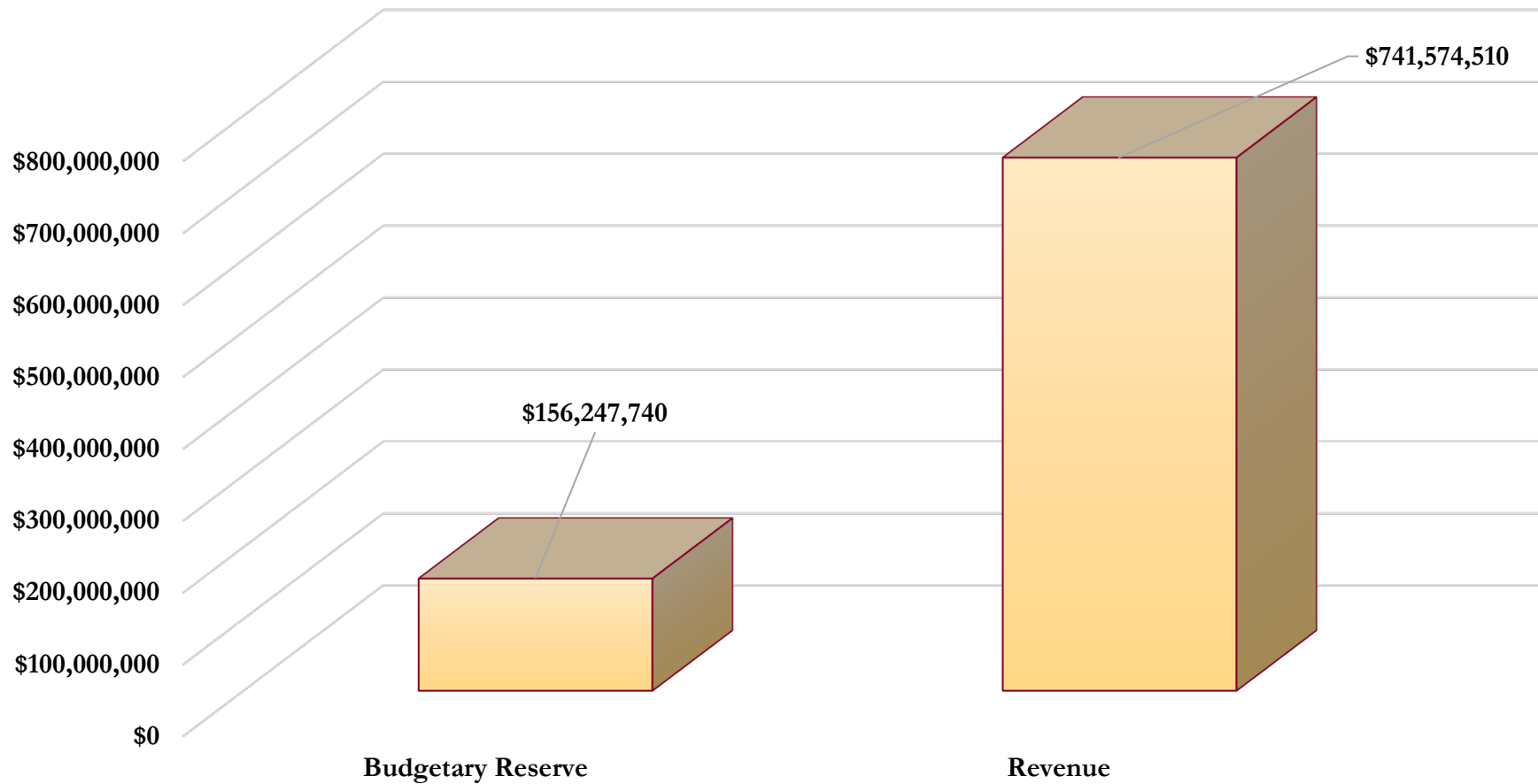
Remainder – Available
to appropriate for any
use

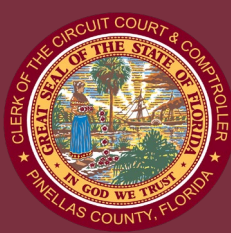


FY 2023 Budgetary Reserves

\$156,247,740
21% of Revenue \$741,574,510
Budgetary View

21% of Budgeted Revenue





~ Next Steps ~
**Consider Updates to the County's
 Financial Reserves Policy
 Clerk & Comptroller View**



Evaluate the reserve categories disclosed in the Pinellas County Budget Policies section of the adopted budget for alignment with GASB Statement #54, *Fund Balance Reporting and Governmental Fund Type Definitions.*

Pinellas County, Florida
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 September 30, 2022

	General	Sheriff's Operations	Capital Projects
ASSETS			
Cash	\$ 57,420,686	\$ 27,978,904	\$ 45,018,840
Investments	169,294,843	19,603	220,503,874
Accounts and notes receivable, net	374,198	1,240,305	-
Leases receivable	478,133	-	-
Accruals receivable	-	-	-
Accrued interest receivable	566,218	-	595,818
Due from other funds	24,685,701	971,544	178,914
Interfund advances	-	23,656,923	-
Due from other governments	14,231,414	2,919,160	63,361,176
Inventory	9,786	1,390,343	-
Prepaid items	607,347	-	370,579
Other assets	-	194,277	-
Total assets	\$ 267,668,326	\$ 58,371,059	\$ 330,029,201
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Vouchers payable	\$ 10,200,100	\$ 6,154,992	\$ 15,301,357
Contracts payable	-	-	3,741,578
Due to other funds	2,300,830	11,898,608	99,731
Interfund advances	-	24,817,099	-
Due to other governments	4,376,497	222,215	25,240,993
Accrued liabilities	5,482,464	10,153,222	-
Deposits and other current liabilities	1,209,426	88,149	-
Unearned revenue	415,779	46,511	403,046
Total liabilities	23,985,096	53,380,796	44,786,645
DEFERRED INFLOWS OF RESOURCES			
Proceeds received in advance of time requirements	-	651,565	-
Lease-related deferred inflows	467,794	-	-
Unavailable revenue - notes receivable	-	-	-
Unavailable revenue - disaster grant	507,010	-	-
Unavailable revenue - other receivables	-	-	-
Total deferred inflows of resources	974,804	651,565	-
FUND BALANCES			
Nonspendable	617,133	1,390,343	370,579
Restricted	-	2,948,355	284,871,977
Committed	-	-	-
Assigned	53,240,630	-	-
Unassigned	188,850,663	-	-
Total fund balances	242,708,426	4,338,698	285,242,556
Total liabilities, deferred inflows of resources and fund balances	\$ 267,668,326	\$ 58,371,059	\$ 330,029,201

FUND BALANCES	
Nonspendable	617,133
Restricted	-
Committed	-
Assigned	53,240,630
Unassigned	188,850,663
Total fund balances	242,708,426
Total liabilities, deferred inflows of resources and fund balances	\$ 267,668,326

The Purpose of Reserves

- **Funds that are set aside to deal with unforeseen events or be ready for long-term capital purchases when necessary**
- **Not accessed during the normal course of the fiscal year**
- **Available when needed**
- **Not expenditures, but are included in the budget**

Reserves Developed

- **Often funded through an accumulation of annual surpluses or unanticipated revenues**
- **Accumulated on purpose**
- **Monitored and managed by OMB and the Clerk of the Circuit Court and Comptroller**

Benefits of Reserves

- **Improved financial stability**
- **Enhanced creditworthiness**
- **Improved planning and decision-making available**
- **Greater flexibility**
- **Management of Risk**

GFOA Recommendation

- **Maintain unrestricted budgetary fund balance in their general fund of no less than two months (which equates to 16.7%) of regular general fund operating revenues**
- **Choice of revenues or expenditures**
- **A government's situation may require a higher minimum level**

Other Florida Counties



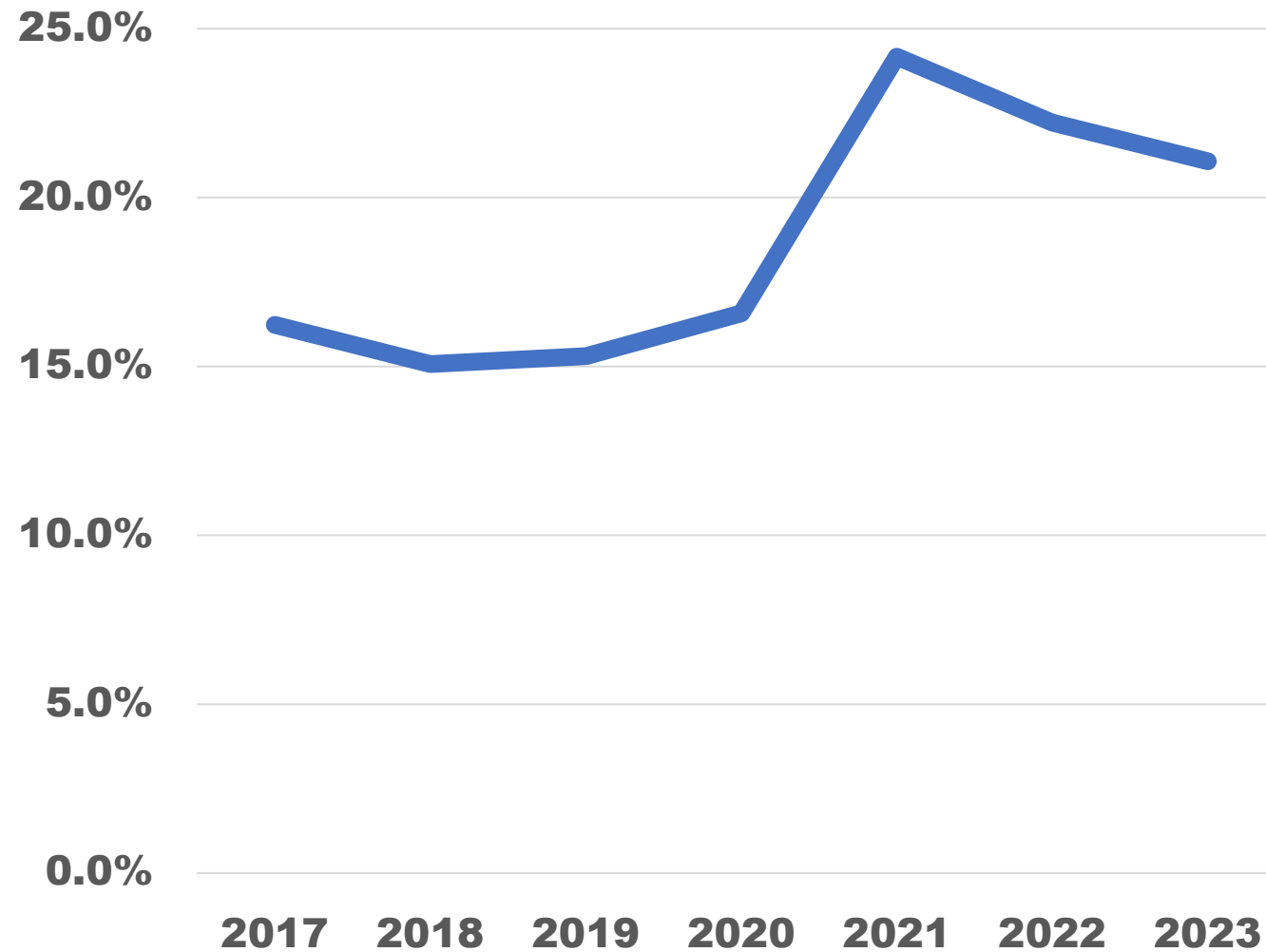
County	Policy	Percent	Notes
Broward			Policy was unavailable at the time of printing
Orange	Informal	7%	7% of revenues for the GF, all other funds 5% with allowances (less than one month)
Palm Beach	Formal	15%-20%	Between 15% and 20% of audited General Fund expenditures and transfers to other funds (slightly less to slightly more than two months)
Polk	Formal	16.7%	Based on the GFOA Standard of 2 months (16.7% of the operating budget)
Pasco	Formal	16.7%	Based on the GFOA Standard for 7 major funds
Sarasota	Formal	20.8%	75 days (2.5 months) (20.8% of operating budget) (reduced from 90 days)
Hillsborough	Formal	20% - 25%	20-25% of expenditures - two general fund accounts (two and a half to three months)
Pinellas	Formal	15%	The General Fund Reserve (Ending Balance) should be budgeted at a level of no less than 15% of total resources (slightly less than 2 months).

Pinellas County – Current Policy

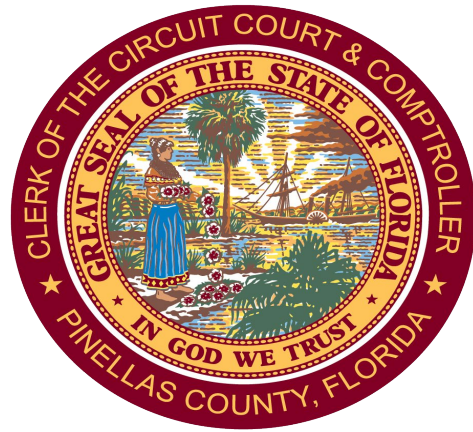


- **In FY11, revised the reserve policy to recognize that the County is a high hazard, coastal county**
- **“The General Fund Reserve (Ending Balance) should be budgeted at a level of no less than 15% of total resources.”**
- **The reserve level in the Pinellas County General Fund in FY23 is \$156.2M or 21.1% of total resources**

Historic General Fund Reserve Percent



- **The General Fund Budgeted Reserve (intended end of year fund balance) should be budgeted at a level of no less than 20.8% of the current year revenues with additional contingency reserves for known future expenditures.**
- **Equivalent of two-and-a-half months of reserves on hand**



Ken Burke, CPA

**Clerk of the Circuit Court &
Comptroller**

Pinellas County, Florida

