

A large graphic on the left side of the page, composed of several overlapping triangles in various shades of teal and blue, creating a dynamic, abstract shape.

ILLUSTRATIONS

Illustration 1: Balance Sheet—Current Financial Resources/Modified Accrual

ABC Government
Balance Sheet
Governmental Funds
June 30, 20XX

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 861,272	\$ 8,846,434	\$ 30,571,406	\$ 40,279,112
Taxes receivable	33,339,603	5,176,000	3,781,774	42,297,377
Intergovernmental receivables	662	607	83,736	85,005
Grant receivable	250,992	-	-	250,992
Other receivables	2,056,859	-	1,457,817	3,514,676
Interfund receivables	610,066	-	607,909	1,217,975
Prepaid item	-	-	13,800	13,800
Inventory	23,500	-	-	23,500
Special assessments receivable	-	-	82,351	82,351
Notes receivable*	-	3,424,420	318,356	3,742,776
Total assets	<u>\$ 37,142,954</u>	<u>\$ 17,447,461</u>	<u>\$ 36,917,149</u>	<u>\$ 91,507,564</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 929,666	\$ 493,212	\$ 1,642,560	\$ 3,065,438
Other payables	2,444	-	926	3,370
Accrued payroll	2,966,848	14,733	65,821	3,047,402
Interfund payable	51,606	227,099	15,195	293,900
Tax anticipation note payable	4,400,000	-	-	4,400,000
Total liabilities	<u>8,350,564</u>	<u>735,044</u>	<u>1,724,502</u>	<u>10,810,110</u>
Deferred inflows of resources:				
Taxes receivable levied for the next year	21,625,730	5,176,000	2,153,024	28,954,754
Special assessments receivable that are unavailable	-	-	82,351	82,351
Total deferred inflows of resources	<u>21,625,730</u>	<u>5,176,000</u>	<u>2,235,375</u>	<u>29,037,105</u>
Fund balances:				
Nonspendable	-	3,424,420	332,156	3,756,576
Restricted	-	8,111,997	32,770,989	40,882,986
Assigned for library	685,630	-	-	685,630
Unassigned	6,481,030	-	(145,873)	6,335,157
Total fund balances	<u>7,166,660</u>	<u>11,536,417</u>	<u>32,957,272</u>	<u>51,660,349</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 37,142,954</u>	<u>\$ 17,447,461</u>	<u>\$ 36,917,149</u>	<u>\$ 91,507,564</u>

* Practice regarding reporting of notes receivable from lending activities is inconsistent. This illustration reports those balances as assets.

**Illustration 2: Statement of Revenues, Expenditures, and Changes in Fund Balances—Current
Financial Resources/Modified Accrual**

**ABC Government
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the Year Ended June 30, 20XX**

	<u>General Fund</u>	<u>Special Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Special assessments	-	-	41,500	41,500
Investment earnings	5,829	163,384	19,043	188,256
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Total revenues	<u>106,260,279</u>	<u>5,477,022</u>	<u>19,215,973</u>	<u>130,953,274</u>
EXPENDITURES				
Current:				
General government	13,872,732	6,961,201	2,213,691	23,047,624
Public health and safety	70,005,718	-	590,383	70,596,101
Highway and streets	11,987,845	-	4,715,808	16,703,653
Culture and recreation	3,537,359	335,659	1,808,065	5,681,083
Economic development	496,141	-	3,374,045	3,870,186
Capital outlay	345,187	1,515	1,346,497	1,693,199
Debt service	2,438,996	368,326	9,246,555	12,053,877
Total expenditures	<u>102,683,978</u>	<u>7,666,701</u>	<u>23,295,044</u>	<u>133,645,723</u>
Excess (deficiency) of revenues over expenditures	<u>3,576,301</u>	<u>(2,189,679)</u>	<u>(4,079,071)</u>	<u>(2,692,449)</u>
OTHER FINANCING SOURCES (USES)				
Leases—lessee	233,200	-	-	233,200
Transfers in	500,000	-	10,806,809	11,306,809
Transfers out	<u>(7,836,079)</u>	<u>(6,445)</u>	<u>(2,920,900)</u>	<u>(10,763,424)</u>
Total other financing sources (uses)	<u>(7,102,879)</u>	<u>(6,445)</u>	<u>7,885,909</u>	<u>776,585</u>
Net change in fund balance	(3,526,578)	(2,196,124)	3,806,838	(1,915,864)
Fund balances at beginning of year	10,693,238	13,732,541	29,150,434	53,576,213
Fund balances at end of year	<u>\$ 7,166,660</u>	<u>\$ 11,536,417</u>	<u>\$ 32,957,272</u>	<u>\$ 51,660,349</u>

Illustration 3: Near-Term Financial Resources Balance Sheet

ABC Government
Near-Term Financial Resources Balance Sheet
Governmental Funds
June 30, 20XX

This financial statement presents a short-term view of the governmental fund activities and excludes items of a long-term nature. For a complete portrayal of the financial position of the governmental activities, see the government-wide statement of net position.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
NEAR-TERM ASSETS				
Cash and cash equivalents	\$ 861,272	\$ 8,846,434	\$ 30,571,406	\$ 40,279,112
Taxes receivable	11,713,873	-	1,628,750	13,342,623
Intergovernmental receivables	662	607	83,736	85,005
Grant receivable	250,992	-	-	250,992
Other receivables	2,056,859	-	1,457,817	3,514,676
Interfund receivables	610,066	-	607,909	1,217,975
→ Total near-term assets	<u>\$ 15,493,724</u>	<u>\$ 8,847,041</u>	<u>\$ 34,349,618</u>	<u>\$ 58,690,383</u>

NEAR-TERM LIABILITIES AND NEAR-TERM FINANCIAL RESOURCES FUND BALANCES

Near-term liabilities:				
Accounts payable	\$ 929,666	\$ 493,212	\$ 1,642,560	\$ 3,065,438
Other payables	2,444	-	926	3,370
Accrued payroll	2,966,848	14,733	65,821	3,047,402
Accrued interest	51,874	22,300	559,827	634,001
Interfund payable	51,606	227,099	15,195	293,900
Claims payable	100,000	-	-	100,000
→ Total near-term liabilities	<u>4,102,438</u>	<u>757,344</u>	<u>2,284,329</u>	<u>7,144,111</u>
Near-term financial resources fund balances:				
Restricted	-	8,089,697	32,211,162	40,300,859
Assigned for library	685,630	-	-	685,630
Unassigned	10,705,656	-	(145,873)	10,559,783
→ Total near-term financial resources fund balances	<u>11,391,286</u>	<u>8,089,697</u>	<u>32,065,289</u>	<u>51,546,272</u>
Total near-term liabilities and near-term financial resources fund balances	<u>\$ 15,493,724</u>	<u>\$ 8,847,041</u>	<u>\$ 34,349,618</u>	<u>\$ 58,690,383</u>

RECONCILIATION OF NEAR-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION (see Note X)

Near-term financial resources fund balance of governmental funds	\$ 51,546,272
Amounts reported for governmental activities in the statement of net position are different due to:	
Capital assets used in governmental activities that are not near-term financial resources	187,089,527
Other long-term assets that are not available to pay for near-term outflows of resources	3,862,427
Tax anticipation notes that are not near-term liabilities	(4,400,000)
Postemployment benefit liabilities that are not due in the near term	(42,743,028)
Other long-term liabilities, including bonds payable, that are not due in the near term	(36,396,724)
Internal service fund balance that is allocated to governmental activities in the statement of net position	(16,368)
Net position of governmental activities	<u>\$ 158,942,106</u>

Illustration 4A: Statement of Near-Term Financial Resource Flows—Existing Format

ABC Government
Statement of Near-Term Financial Resource Flows
Governmental Funds
Year Ended June 30, 20XX

This financial statement presents a short-term view of governmental fund resource flows and excludes items of a long-term nature.
For a complete portrayal of the governmental activities flows, see the government-wide statement of activities.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
INFLOWS OF NEAR-TERM FINANCIAL RESOURCES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Investment earnings	5,829	163,384	19,043	188,256
Payments received on notes and special assessments	-	500,000	186,500	686,500
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Total inflows of near-term financial resources	<u>106,260,279</u>	<u>5,977,022</u>	<u>19,360,973</u>	<u>131,598,274</u>
OUTFLOWS OF NEAR-TERM FINANCIAL RESOURCES				
Current:				
General government	13,888,388	6,961,201	2,221,691	23,071,280
Public health and safety	70,081,545	-	590,383	70,671,928
Highway and streets	12,000,830	-	4,715,808	16,716,638
Culture and recreation	3,541,191	335,659	1,808,065	5,684,915
Economic development	496,141	-	3,374,045	3,870,186
Capital outlay	345,187	1,515	1,346,497	1,693,199
Debt service	6,435,656	366,890	9,210,517	16,013,063
Total outflows of near-term financial resources	<u>106,788,938</u>	<u>7,665,265</u>	<u>23,267,006</u>	<u>137,721,209</u>
Excess of inflows over outflows	<u>(528,659)</u>	<u>(1,688,243)</u>	<u>(3,906,033)</u>	<u>(6,122,935)</u>
OTHER FINANCING SOURCES AND USES				
Leases—lessee	233,200	-	-	233,200
Proceeds from the issuance of tax anticipation notes	4,400,000	-	-	4,400,000
Transfers in	500,000	-	10,806,809	11,306,809
Transfers out	(7,836,079)	(6,445)	(2,920,900)	(10,763,424)
Total other financing sources and uses	<u>(2,702,879)</u>	<u>(6,445)</u>	<u>7,885,909</u>	<u>5,176,585</u>
Net change in near-term financial resources fund balances	(3,231,538)	(1,694,688)	3,979,876	(946,350)
Near-term financial resources fund balances at beginning of year	14,622,824	9,784,385	28,085,413	52,492,622
Near-term financial resources fund balances at end of year	<u>\$ 11,391,286</u>	<u>\$ 8,089,697</u>	<u>\$ 32,065,289</u>	<u>\$ 51,546,272</u>
RECONCILIATION OF NET CHANGE IN NEAR-TERM FINANCIAL RESOURCES FUND BALANCE TO CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (see Note X)				
Net change in near-term financial resources fund balance of governmental funds				\$ (946,350)
Amounts reported for governmental activities in the statement of activities are different due to:				
Revenues that do not provide near-term financial resources				(686,500)
Expenses that do not require the use of near-term financial resources				(4,642,130)
Difference between depreciation in the statement of activities and capital outlay outflows above				(3,026,375)
Net change in tax anticipation notes reported as near-term resource inflows above				(400,000)
Principal paid on long-term debt and related items reported as near-term resource outflows above				9,604,926
Internal service fund activities that are allocated to governmental activities in the statement of activities				18,875
Change in net position of governmental activities				<u>\$ (77,554)</u>

Illustration 4B: Statement of Near-Term Financial Resource Flows—Current and Long-Term Activity Format

ABC Government
Statement of Near-Term Financial Resource Flows
Governmental Funds
Year Ended June 30, 20XX

This financial statement presents a short-term view of government fund resource flows and excludes items of a long-term nature.
 For a complete portrayal of the governmental activities flows, see the government-wide statement of activities.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
INFLOWS OF NEAR-TERM FINANCIAL RESOURCES FOR CURRENT ACTIVITIES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Investment earnings	5,829	163,384	19,043	188,256
Payments received on notes and special assessments	-	500,000	186,500	686,500
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Transfers in	500,000	-	155,204	655,204
Total inflows of near-term financial resources for current activities	106,760,279	5,977,022	19,516,177	132,253,478
OUTFLOWS OF NEAR-TERM FINANCIAL RESOURCES FOR CURRENT ACTIVITIES				
General government	13,888,388	6,961,201	2,221,691	23,071,280
Public health and safety	70,081,545	-	590,383	70,671,928
Highway and streets	12,000,830	-	4,715,808	16,716,638
Culture and recreation	3,541,191	335,659	1,808,065	5,684,915
Economic development	496,141	-	3,374,045	3,870,186
Transfers out	155,204	-	500,000	655,204
Total outflows of near-term financial resources for current activities	100,163,299	7,296,860	13,209,992	120,670,151
Net flows of near-term financial resources for current activities	6,596,980	(1,319,838)	6,306,185	11,583,327
NET FLOWS OF NEAR-TERM FINANCIAL RESOURCES FOR LONG-TERM ACTIVITIES				
Leases—lessee	233,200	-	-	233,200
Proceeds from the issuance of tax anticipation notes	4,400,000	-	-	4,400,000
Transfers in	-	-	10,651,605	10,651,605
Capital outlay	(345,187)	(1,515)	(1,346,497)	(1,693,199)
Debt service	(2,435,656)	(366,890)	(9,210,517)	(12,013,063)
Payment on tax anticipation notes	(4,000,000)	-	-	(4,000,000)
Transfers out	(7,680,875)	(6,445)	(2,420,900)	(10,108,220)
Net flows of near-term financial resources for long-term activities	(9,828,518)	(374,850)	(2,326,309)	(12,529,677)
Net change in near-term financial resources fund balances	(3,231,538)	(1,694,688)	3,979,876	(946,350)
Near-term financial resources fund balances at beginning of year	14,622,824	9,784,385	28,085,413	52,492,622
Near-term financial resources fund balances at end of year	\$ 11,391,286	\$ 8,089,697	\$ 32,065,289	\$ 51,546,272

RECONCILIATION OF NET CHANGE IN NEAR-TERM FINANCIAL RESOURCES FUND BALANCE TO CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (see Note X)

Net change in near-term financial resources fund balance of governmental funds	\$ (946,350)
Amounts reported for governmental activities in the statement of activities are different due to:	
Revenues that do not provide near-term financial resources	(686,500)
Expenses that do not require the use of near-term financial resources	(4,642,130)
Difference between depreciation in the statement of activities and capital outlay outflows above	(3,026,375)
Net change in tax anticipation notes reported as near-term resource inflows above	(400,000)
Principal paid on long-term debt and related items reported as near-term resource outflows above	9,604,926
Internal service fund activities that are allocated to governmental activities in the statement of activities	18,875
Change in net position of governmental activities	\$ (77,554)

Illustration 5: Short-Term Financial Resources Balance Sheet

ABC Government
Short-Term Financial Resources Balance Sheet
Governmental Funds
June 30, 20XX

This financial statement presents a short-term view of the governmental fund activities and excludes items of a long-term nature. For a complete portrayal of the financial position of the governmental activities, see the government-wide statement of net position.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
SHORT-TERM ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Short-term assets:				
Cash and cash equivalents	\$ 861,272	\$ 8,846,434	\$ 30,571,406	\$ 40,279,112
Taxes receivable	33,339,603	5,176,000	3,781,774	42,297,377
Intergovernmental receivables	662	607	83,736	85,005
Grant receivable	250,992	-	-	250,992
Other receivables	2,056,859	-	1,457,817	3,514,676
Interfund receivables	610,066	-	607,909	1,217,975
Prepaid item	-	-	13,800	13,800
Inventory	23,500	-	-	23,500
Special assessments receivable	-	-	25,000	25,000
Notes receivable	-	450,000	125,000	575,000
Total short-term assets	<u>37,142,954</u>	<u>14,473,041</u>	<u>36,666,442</u>	<u>88,282,437</u>
Deferred outflows of resources:				
Accumulated decrease in fair value of hedging derivative	155,631	-	-	155,631
Total deferred outflows of resources	<u>155,631</u>	<u>-</u>	<u>-</u>	<u>155,631</u>
Total short-term assets and deferred outflows of resources	<u>\$ 37,298,585</u>	<u>\$ 14,473,041</u>	<u>\$ 36,666,442</u>	<u>\$ 88,438,068</u>
SHORT-TERM LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND SHORT-TERM FINANCIAL RESOURCES FUND BALANCES				
Short-term liabilities:				
Accounts payable	\$ 929,666	\$ 493,212	\$ 1,642,560	\$ 3,065,438
Other payables	2,444	-	926	3,370
Accrued payroll	2,966,848	14,733	65,821	3,047,402
Compensated absences payable	204,566	-	-	204,566
Accrued interest payable	69,165	29,733	746,436	845,334
Interfund payable	51,606	227,099	15,195	293,900
Claims payable	1,950,000	-	-	1,950,000
Derivative instrument-interest rate swap	155,631	-	-	155,631
Tax anticipation note payable	4,400,000	-	-	4,400,000
Leases payable	98,869	42,503	1,067,012	1,208,384
Bonds payable	357,427	153,655	3,857,396	4,368,478
Other postemployment benefits	3,416,452	-	-	3,416,452
Pension benefits	1,116,153	-	-	1,116,153
Total short-term liabilities	<u>15,718,827</u>	<u>960,935</u>	<u>7,395,346</u>	<u>24,075,108</u>
Deferred inflows of resources:				
Taxes receivable levied for the next year	21,625,730	5,176,000	2,153,024	28,954,754
Total deferred inflows of resources	<u>21,625,730</u>	<u>5,176,000</u>	<u>2,153,024</u>	<u>28,954,754</u>
Short-term financial resources fund balances:				
Nonspendable	-	-	13,800	13,800
Restricted	-	8,336,106	26,075,102	34,411,208
Assigned	685,630	-	-	685,630
Unassigned	(731,602)	-	1,029,170	297,568
Total short-term financial resources fund balances	<u>(45,972)</u>	<u>8,336,106</u>	<u>27,118,072</u>	<u>35,408,206</u>
Total short-term liabilities, deferred inflows of resources, and short-term financial resources fund balances	<u>\$ 37,298,585</u>	<u>\$ 14,473,041</u>	<u>\$ 36,666,442</u>	<u>\$ 88,438,068</u>

RECONCILIATION OF SHORT-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION (see Note X)

Short-term financial resources fund balance of governmental funds	\$ 35,408,206
Amounts reported for governmental activities in the statement of net position are different due to:	
Capital assets used in governmental activities that are not short-term financial resources	187,089,527
Other long-term assets that are not available to pay for short-term outflows of resources	3,225,127
Postemployment benefit liabilities that are not due in the subsequent operating cycle	(38,210,423)
Other long-term liabilities, including bonds payable, that are not due in the subsequent operating cycle	(28,553,963)
Internal service fund balance that is allocated to governmental activities in the statement of net position	(16,368)
Net position of governmental activities	<u>\$ 158,942,106</u>

Illustration 6A: Statement of Short-Term Financial Resource Flows—Existing Format

**ABC Government
Statement of Short-Term Financial Resource Flows
Governmental Funds
Year Ended June 30, 20XX**

This financial statement presents a short-term view of the governmental fund activities and excludes items of a long-term nature.
For a complete portrayal of the governmental activities flows, see the government-wide statement of activities.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
INFLOWS OF SHORT-TERM FINANCIAL RESOURCES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Investment earnings	5,829	163,384	19,043	188,256
Special assessments and other inflows related to long-term receivables	-	450,000	150,000	600,000
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Total inflows of short-term financial resources	<u>106,260,279</u>	<u>5,927,022</u>	<u>19,324,473</u>	<u>131,511,774</u>
OUTFLOWS OF SHORT-TERM FINANCIAL RESOURCES				
Current:				
General government	14,104,050	6,961,201	1,984,319	23,049,570
Public health and safety	71,125,997	-	590,383	71,716,380
Highway and streets	12,179,683	-	4,715,808	16,895,491
Culture and recreation	3,593,966	335,659	1,808,065	5,737,690
Economic development	496,141	-	3,374,045	3,870,186
Interest	195,920	84,224	2,114,391	2,394,535
Capital outlay	345,187	1,515	1,346,497	1,693,199
Total outflows of short-term financial resources	<u>102,040,944</u>	<u>7,382,599</u>	<u>15,933,508</u>	<u>125,357,051</u>
Excess (deficiency) of inflows over outflows	4,219,335	(1,455,577)	3,390,965	6,154,723
OTHER FLOWS OF SHORT-TERM FINANCIAL RESOURCES				
Leases—lessee	233,200	-	-	233,200
Transfers in	500,000	-	10,806,809	11,306,809
Outflows related to current portion of long-term debt	(456,296)	(196,158)	(4,924,408)	(5,576,862)
Transfers out	(7,836,079)	(6,445)	(2,920,900)	(10,763,424)
Total other noncurrent inflows (and outflows)	<u>(7,559,175)</u>	<u>(202,603)</u>	<u>2,961,501</u>	<u>(4,800,277)</u>
Net change in short-term financial resources fund balances	(3,339,840)	(1,658,180)	6,352,466	1,354,446
Short-term financial resources fund balances at beginning of year	3,293,868	9,994,286	20,765,606	34,053,760
Short-term financial resources fund balances at end of year	<u>\$ (45,972)</u>	<u>\$ 8,336,106</u>	<u>\$ 27,118,072</u>	<u>\$ 35,408,206</u>
RECONCILIATION OF NET CHANGE IN SHORT-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (see Note X)				
Net change in short-term financial resources fund balance of governmental funds				\$ 1,354,446
Amounts reported for governmental activities in the statement of activities are different due to:				
Revenues that do not provide short-term financial resources				(600,000)
Expenses that do not require the use of short-term financial resources				(3,401,362)
Difference between depreciation in the statement of activities and capital outlay outflows above				(3,026,375)
Recognition of the current portion of long-term debt				5,576,862
Internal service fund activities that are allocated to governmental activities in the statement of activities				18,875
Change in net position of governmental activities				<u>\$ (77,554)</u>

Illustration 6B: Statement of Short-Term Financial Resource Flows—Current and Long-Term Activity Format

**ABC Government
Statement of Short-Term Financial Resource Flows
Governmental Funds
Year Ended June 30, 20XX**

This financial statement presents a short-term view of the governmental fund activities and excludes items of a long-term nature. For a complete portrayal of the governmental activities flows, see the government-wide statement of activities.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
INFLOWS OF SHORT-TERM FINANCIAL RESOURCES FOR CURRENT ACTIVITIES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Investment earnings	5,829	163,384	19,043	188,256
Special assessments and other inflows related to long-term receivables	-	450,000	150,000	600,000
Transfers in	500,000	-	155,204	655,204
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Total inflows of short-term financial resources for current activities	<u>106,760,279</u>	<u>5,927,022</u>	<u>19,479,677</u>	<u>132,166,978</u>
OUTFLOWS OF SHORT-TERM FINANCIAL RESOURCES FOR CURRENT ACTIVITIES				
General government	14,104,050	6,961,201	1,984,319	23,049,570
Public health and safety	71,125,997	-	590,383	71,716,380
Highway and streets	12,179,683	-	4,715,808	16,895,491
Culture and recreation	3,593,966	335,659	1,808,065	5,737,690
Economic development	496,141	-	3,374,045	3,870,186
Transfers out	155,204	-	500,000	655,204
Total outflows of short-term financial resources for current activities	<u>101,655,041</u>	<u>7,296,860</u>	<u>12,972,620</u>	<u>121,924,521</u>
Net flows of short-term financial resources for current activities	<u>5,105,238</u>	<u>(1,369,838)</u>	<u>6,507,057</u>	<u>10,242,457</u>
NET FLOWS OF SHORT-TERM FINANCIAL RESOURCES FOR LONG-TERM ACTIVITIES				
Leases—lessee	233,200	-	-	233,200
Transfers in	-	-	10,651,605	10,651,605
Outflows related to current portion of long-term debt	(456,296)	(196,158)	(4,924,408)	(5,576,862)
Interest	(195,920)	(84,224)	(2,114,391)	(2,394,535)
Capital outlay	(345,187)	(1,515)	(1,346,497)	(1,693,199)
Transfers out	(7,680,875)	(6,445)	(2,420,900)	(10,108,220)
Net flows of short term financial resources for long term activities	<u>(8,445,078)</u>	<u>(288,342)</u>	<u>(154,591)</u>	<u>(8,888,011)</u>
Net change in short-term financial resources fund balances	(3,339,840)	(1,658,180)	6,352,466	1,354,446
Short-term financial resources fund balances at beginning of year	3,293,868	9,994,286	20,765,606	34,053,760
Short-term financial resources fund balances at end of year	<u>\$ (45,972)</u>	<u>\$ 8,336,106</u>	<u>\$ 27,118,072</u>	<u>\$ 35,408,206</u>
RECONCILIATION OF NET CHANGE IN SHORT-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (see Note X)				
Net change in short-term financial resources fund balance of governmental funds				\$ 1,354,446
Amounts reported for governmental activities in the statement of activities are different due to:				
Revenues that do not provide short-term financial resources				(600,000)
Expenses that do not require the use of short-term financial resources				(3,401,362)
Difference between depreciation in the statement of activities and capital outlay outflows above				(3,026,375)
Recognition of the current portion of long-term debt				5,576,862
Internal service fund activities that are allocated to governmental activities in the statement of activities				18,875
Change in net position of governmental activities				<u>\$ (77,554)</u>

Illustration 7: Long-Term Financial Resources Balance Sheet

ABC Government
Long-Term Financial Resources Balance Sheet
 Governmental Funds
 June 30, 20XX

This financial statement presents governmental fund activities resulting from financial resources and excludes nonfinancial resources such as capital assets and long-term debt related to capital assets. For a complete portrayal of the financial position of the governmental activities, see the government-wide statement of net position.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 861,272	\$ 8,846,434	\$ 30,571,406	\$ 40,279,112
Taxes receivable	33,339,603	5,176,000	3,781,774	42,297,377
Intergovernmental receivables	662	607	83,736	85,005
Grant receivable	250,992	-	-	250,992
Other receivables	2,056,859	-	1,457,817	3,514,676
Interfund receivables	610,066	-	607,909	1,217,975
Prepaid item	-	-	13,800	13,800
Inventory	23,500	-	-	23,500
Special assessments receivable	-	-	25,000	25,000
Notes receivable	-	450,000	125,000	575,000
Total current assets	<u>37,142,954</u>	<u>14,473,041</u>	<u>36,666,442</u>	<u>88,282,437</u>
Noncurrent assets:				
Special assessments receivable	-	-	57,351	57,351
Notes receivable	-	2,974,420	193,356	3,167,776
Total noncurrent assets	<u>-</u>	<u>2,974,420</u>	<u>250,707</u>	<u>3,225,127</u>
Total long-term assets	<u>37,142,954</u>	<u>17,447,461</u>	<u>36,917,149</u>	<u>91,507,564</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	41,317	-	-	41,317
Other postemployment benefits	2,129,536	-	-	2,129,536
Total deferred outflows of resources	<u>2,170,853</u>	<u>-</u>	<u>-</u>	<u>2,170,853</u>
Total long-term assets and deferred outflows of resources	<u>\$ 39,313,807</u>	<u>\$ 17,447,461</u>	<u>\$ 36,917,149</u>	<u>\$ 93,678,417</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 929,666	\$ 493,212	\$ 1,642,560	\$ 3,065,438
Other payables	2,444	-	926	3,370
Accrued payroll	2,966,848	14,733	65,821	3,047,402
Compensated absences payable	204,566	-	-	204,566
Accrued interest payable	69,165	29,733	746,436	845,334
Interfund payable	51,606	227,099	15,195	293,900
Claims payable	1,950,000	-	-	1,950,000
Tax anticipation note payable	4,400,000	-	-	4,400,000
Other postemployment benefits	3,416,452	-	-	3,416,452
Total current liabilities	<u>13,990,747</u>	<u>764,777</u>	<u>2,470,938</u>	<u>17,226,462</u>
Noncurrent liabilities:				
Compensated absences payable	4,765,505	-	-	4,765,505
Claims payable	600,000	-	-	600,000
Pension benefits	826,333	-	-	826,333
Other postemployment benefits	39,368,585	-	-	39,368,585
Total noncurrent liabilities	<u>45,560,423</u>	<u>-</u>	<u>-</u>	<u>45,560,423</u>
Total long-term liabilities	<u>59,551,170</u>	<u>764,777</u>	<u>2,470,938</u>	<u>62,786,885</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes receivable levied for the next year	21,625,730	5,176,000	2,153,024	28,954,754
Pensions	24,790	-	-	24,790
Other postemployment benefits	1,277,721	-	-	1,277,721
Total deferred inflows of resources	<u>22,928,241</u>	<u>5,176,000</u>	<u>2,153,024</u>	<u>30,257,265</u>
LONG-TERM FINANCIAL RESOURCES FUND BALANCES				
Nonspendable	-	-	13,800	13,800
Restricted	-	8,111,997	32,770,989	40,882,986
Assigned	685,630	-	-	685,630
Unassigned	(43,851,234)	3,394,687	(491,602)	(40,948,149)
Long-term financial resources fund balances	<u>(43,165,604)</u>	<u>11,506,684</u>	<u>32,293,187</u>	<u>634,267</u>
Long-term financial resources liabilities, deferred inflows of resources, and long-term financial resources fund balances	<u>\$ 39,313,807</u>	<u>\$ 17,447,461</u>	<u>\$ 36,917,149</u>	<u>\$ 93,678,417</u>
RECONCILIATION OF LONG-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION (see Note X)				
Long-term financial resources fund balance of governmental funds				\$ 634,267
Amounts reported for governmental activities in the statement of net position are different due to:				
Capital assets used in governmental activities that are not long-term financial resources				187,089,527
Other long-term liabilities, including bonds payable, that are capital-related				(28,765,320)
Internal service fund balance that are allocated to governmental activities in the statement of net position				(16,368)
Net position of governmental activities				<u>\$ 158,942,106</u>

Illustration 8A: Statement of Long-Term Financial Resource Flows—Existing Format

ABC Government Statement of Long-Term Financial Resource Flows Governmental Funds Year Ended June 30, 20XX

This financial statement presents financial resource flows of governmental funds.
For a complete portrayal of the governmental activities flows, see the government-wide statement of activities.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
INFLOWS OF LONG-TERM FINANCIAL RESOURCES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Investment earnings	5,829	163,384	19,043	188,256
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Total inflows of long-term financial resources	<u>106,260,279</u>	<u>5,477,022</u>	<u>19,174,473</u>	<u>130,911,774</u>
OUTFLOWS OF LONG-TERM FINANCIAL RESOURCES				
Current:				
General government	14,562,624	6,961,201	2,213,691	23,737,516
Public health and safety	73,346,886	-	590,383	73,937,269
Highway and streets	12,156,673	-	4,715,808	16,872,481
Culture and recreation	4,109,503	335,659	1,808,065	6,253,227
Economic development	496,141	-	3,374,045	3,870,186
Debt service-principal on capital-related debt	2,238,624	282,188	7,084,114	9,604,926
Interest	195,920	84,224	2,114,391	2,394,535
Capital outlay	345,187	1,515	1,346,497	1,693,199
Total outflows of long-term financial resources	<u>107,451,558</u>	<u>7,664,787</u>	<u>23,246,994</u>	<u>138,363,339</u>
Excess (deficiency) of inflows over outflows	<u>(1,191,279)</u>	<u>(2,187,765)</u>	<u>(4,072,521)</u>	<u>(7,451,565)</u>
OTHER FINANCING SOURCES AND USES				
Leases—lessee	233,200	-	-	233,200
Transfers in	500,000	-	10,806,809	11,306,809
Transfers out	(7,836,079)	(6,445)	(2,920,900)	(10,763,424)
Total other financing sources and uses	<u>(7,102,879)</u>	<u>(6,445)</u>	<u>7,885,909</u>	<u>776,585</u>
Net change in long-term financial resources fund balances	(8,294,158)	(2,194,210)	3,813,388	(6,674,980)
Long-term financial resources fund balances at beginning of year	(34,871,446)	13,700,894	28,479,799	7,309,247
Long-term financial resources fund balances at end of year	<u>\$ (43,165,604)</u>	<u>\$ 11,506,684</u>	<u>\$ 32,293,187</u>	<u>\$ 634,267</u>
RECONCILIATION OF NET CHANGE IN LONG-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (see Note X)				
Net change in long-term financial resources fund balance of governmental funds				\$ (6,674,980)
Amounts reported for governmental activities in the statement of activities are different due to:				
Difference between depreciation in the statement of activities and capital outlay outflows above				(3,026,375)
Payments on capital debt above are not expenses in the statement of activities				9,604,926
Internal service fund activities that are allocated to governmental activities in the statement of activities				18,875
Change in net position of governmental activities				<u>\$ (77,554)</u>

Illustration 8B: Statement of Long-Term Financial Resource Flows—Current and Long-Term Activity Format

ABC Government
Statement of Long-Term Financial Resource Flows
Governmental Funds
Year Ended June 30, 20XX

This financial statement presents financial resource flows of governmental funds.
For a complete portrayal of the governmental activities flows, see the government-wide statement of activities.

	General Fund	Special Tax Fund	Other Governmental Funds	Total Governmental Funds
INFLOWS OF LONG-TERM FINANCIAL RESOURCES FOR CURRENT ACTIVITIES				
Taxes:				
Property tax	\$ 20,322,167	\$ 5,159,156	\$ 2,015,047	\$ 27,496,370
Sales tax	45,034,789	-	4,430,774	49,465,563
Use tax	3,586,753	-	-	3,586,753
Motor fuel tax	-	-	2,889,647	2,889,647
Other taxes	3,975,895	-	2,698,909	6,674,804
Payments in lieu of taxes	2,721,420	-	-	2,721,420
Licenses and permits	1,303,889	-	-	1,303,889
Fees for services	7,052,692	-	202,273	7,254,965
Franchise fees	1,968,522	-	-	1,968,522
Fines and citations	1,476,364	-	-	1,476,364
Intergovernmental	14,595,019	-	6,292,493	20,887,512
Investment earnings	5,829	163,384	19,043	188,256
Miscellaneous	4,216,940	154,482	626,287	4,997,709
Transfers in	500,000	-	155,204	655,204
Total inflows of long-term financial resources for current activities	<u>106,760,279</u>	<u>5,477,022</u>	<u>19,329,677</u>	<u>131,566,978</u>
OUTFLOWS OF LONG-TERM FINANCIAL RESOURCES FOR CURRENT ACTIVITIES				
General government	14,562,624	6,961,201	2,213,691	23,737,516
Public health and safety	73,346,886	-	590,383	73,937,269
Highway and streets	12,156,673	-	4,715,808	16,872,481
Culture and recreation	4,109,503	335,659	1,808,065	6,253,227
Economic development	496,141	-	3,374,045	3,870,186
Transfers out	155,204	-	500,000	655,204
Interest	195,920	84,224	2,114,391	2,394,535
Total outflows of long-term financial resources for current activities	<u>105,022,951</u>	<u>7,381,084</u>	<u>15,316,383</u>	<u>127,720,418</u>
Net flows of long-term financial resources for current activities	<u>1,737,328</u>	<u>(1,904,062)</u>	<u>4,013,294</u>	<u>3,846,560</u>
NET FLOWS OF LONG-TERM FINANCIAL RESOURCES FOR LONG-TERM ACTIVITIES				
Transfers in	-	-	10,651,605	10,651,605
Leases—lessee	233,200	-	-	233,200
Capital outlay	(345,187)	(1,515)	(1,346,497)	(1,693,199)
Debt service	(2,238,624)	(282,188)	(7,084,114)	(9,604,926)
Transfers out	(7,680,875)	(6,445)	(2,420,900)	(10,108,220)
Net flows of long-term financial resources for long-term activities	<u>(10,031,486)</u>	<u>(290,148)</u>	<u>(199,906)</u>	<u>(10,521,540)</u>
Net change in long-term financial resources fund balances	(8,294,158)	(2,194,210)	3,813,388	(6,674,980)
Long-term financial resources fund balances at beginning of year	(34,871,446)	13,700,894	28,479,799	7,309,247
Long-term financial resources fund balances at end of year	<u>\$ (43,165,604)</u>	<u>\$ 11,506,684</u>	<u>\$ 32,293,187</u>	<u>\$ 634,267</u>
RECONCILIATION OF NET CHANGE IN LONG-TERM FINANCIAL RESOURCES FUND BALANCE OF GOVERNMENTAL FUNDS TO NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (see Note X)				
Net change in long-term financial resources fund balances of governmental funds				\$ (6,674,980)
Amounts reported for governmental activities in the statement of activities are different due to:				
Difference between depreciation in the statement of activities and capital outlay outflows above				(3,026,375)
Payments on capital debt above are not expenses in the statement of activities				9,604,926
Internal service fund activities that are allocated to governmental activities in the statement of activities				18,875
Change in net position of governmental activities				<u>\$ (77,554)</u>

Illustration 9: Governmental Funds Statement of Cash Flows

**ABC Government
Statement of Cash Flows
Governmental Funds
June 30, 20XX**

	<u>General Fund</u>	<u>Special Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and others	\$ 13,338,224	\$ 154,482	\$ 615,251	\$ 14,107,957
Payments to employees	(73,056,349)	(5,469,288)	(9,307,193)	(87,832,830)
Payments to suppliers	(23,083,117)	(2,071,850)	(3,966,033)	(29,121,000)
Payments to claimants	(600,000)	-	-	(600,000)
Payments to other funds	(2,564,791)	-	(974,326)	(3,539,117)
Net cash provided (used) by operating activities	<u>(85,966,033)</u>	<u>(7,386,656)</u>	<u>(13,632,301)</u>	<u>(106,984,990)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes and payments in lieu of taxes received	81,418,903	5,409,226	11,892,516	98,720,645
Intergovernmental taxes received	9,996,146	-	-	9,996,146
Operating grants received	4,469,756	-	5,667,381	10,137,137
Proceeds from tax anticipation note	4,400,000	-	-	4,400,000
Principal paid on tax anticipation note	(4,000,000)	-	-	(4,000,000)
Interest paid on tax anticipation note	(43,577)	-	-	(43,577)
Transfers in	666,486	-	4,078,762	4,745,248
Net cash provided (used) by noncapital financing activities	<u>96,907,714</u>	<u>5,409,226</u>	<u>21,638,659</u>	<u>123,955,599</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital-related notes receivable	-	500,000	145,000	645,000
Proceeds from capital-related special assessments receivable	-	-	41,500	41,500
Principal paid on capital debt	(2,238,624)	(282,188)	(7,084,114)	(9,604,926)
Interest paid on capital debt	(156,795)	(86,138)	(2,162,441)	(2,405,374)
Capital grants received	-	-	699,127	699,127
Purchases of capital assets	(11,987)	(1,515)	(1,346,497)	(1,359,999)
Transfers from other funds for capital debt payments	-	-	10,651,605	10,651,605
Transfers to other funds for capital debt payments	(7,680,875)	(6,445)	(2,420,900)	(10,108,220)
Net cash provided (used) by capital and related financing activities	<u>(10,088,281)</u>	<u>123,714</u>	<u>(1,476,720)</u>	<u>(11,441,287)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	-	475,000	-	475,000
Purchase of investments	-	(450,000)	-	(450,000)
Interest earnings received	5,829	138,384	19,043	163,256
Net cash provided (used) by investing activities	<u>5,829</u>	<u>163,384</u>	<u>19,043</u>	<u>188,256</u>
Net increase (decrease) in cash	859,229	(1,690,332)	6,548,681	5,717,578
Cash beginning of year	2,043	10,536,766	24,022,725	34,561,534
Cash end of year	<u>\$ 861,272</u>	<u>\$ 8,846,434</u>	<u>\$ 30,571,406</u>	<u>\$ 40,279,112</u>
NONCASH CAPITAL AND NONCAPITAL FINANCING ACTIVITIES				
Leases—lessee	\$ 233,200	\$ -	\$ -	\$ 233,200
Recognition of current portion of long-term capital debt*	(456,296)	(196,158)	(4,924,408)	(5,576,862)
Recognition of current portion of long-term receivables*	-	450,000	150,000	600,000
Recognition of change in fair value of effective hedging derivative instrument*	-	-	(155,631)	-

*Applicable only to the short-term approach.

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A large, abstract graphic on the left side of the slide, composed of several overlapping triangles in various shades of teal and blue, creating a dynamic, geometric pattern.

THANK YOU

for the opportunity to present to you today.