

Restricted Surplus Implementation Plan

GFOA RESTRICTED SURPLUS RECOMMENDATION
IMPLEMENTATION PLAN

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Restricted Surplus -Implementation Plan

Introduction

Parkland County engaged the Government Finance Officers Association (GFOA) to provide recommendations on existing restricted surplus accounts held by the County. This work was completed and presented to Council on May 16, 2017.

This document provides a prioritized list of all actions required for to fully implement the recommendations provided by the GFOA.

Summary of Action Plan

Action #	Action Description
Action 1	Update restricted surplus policy
Action 2	Update restricted surplus authorization forms
Action 3	Align restricted surpluses with GFOA recommendations
Action 4	Transfer funds between restricted surplus accounts
Action 5	Develop additional finance policies/guidance
Action 6	Develop cash flow forecasting model
Action 7	Develop user fee guidance
Action 8	Implement priority based budgeting
Action 9	Develop asset management strategy
Action 10	Develop plans for unspecified restricted surplus accounts
Action 11	Monitor and update

Action 1 – Update Restricted Surplus Policy

Action Requirements:

- a. Group restricted surplus accounts by type
- b. Provide definition regarding extreme events
- c. Provide detail regarding prohibited use
- d. Include information regarding targets
- e. Distinguish between risk mitigation and asset management restricted surplus
- f. Provide detail on how excess restricted surplus funds should be used
- g. Executive Committee and Council approval

Action 2 – Update Restricted Surplus Authorization Forms

Action Requirements:

- a. Group restricted surplus accounts by type
- b. Distinguish between risk mitigation and asset management restricted surplus
- c. Update target information
- d. Update verbiage to align with GFOA recommendations
- e. Executive Committee and Council approval

Action 3 – Align Restricted Surpluses with GFOA Recommendations

Action Requirements:

- a. Adjust financial reports to align with GFOA recommendations

Action 4 – Transfer Funds Between Restricted Surplus Accounts

Action Requirements:

- a. Itemize transfers required to align with GFOA recommendations
- b. Executive Committee and Council Approval
- c. Prepare financial entries to move funds as approved
- d. Restatement of prior year financial statement comparative information

Action 5 – Develop Additional Financial Procedures or Guidelines

Action Requirements:

- a. Carryforward guidance
- b. Internal financing procedure
- c. Structurally Balanced Budget guidance
- d. Executive Committee and Council approval

Action 6 – Develop Cash Flow Forecasting Model

Action Requirements:

- a. Compile historical information required to feed the model
- b. Create mechanism to update model for budgetary expenditures
- c. Link model to investment worksheets and working capital requirements

Action 7 – Develop User Fee Guidance

Action Requirements:

- a. Establish criteria for setting user fees
- b. Develop guidance
- c. Executive Committee and Council approval

Action 8 – Implement Priority Based Budgeting

Action Requirements:

- a. Organizational wide initiative outlined in the 5-Year Corporate Plan

Action 9 – Develop Asset Management Strategy

Action Requirements:

- a. Develop asset management strategy (corporate)
- b. Develop asset management plan (department)
- c. Implement asset management plan

Action 10 – Develop Plans for Restricted Surplus Accounts for Unspecified Needs

Action Requirements:

- a. Utilize existing studies and engage external consultants, where needed, to forecast future County needs that will be funded by restricted surplus
- b. Utilize information developed in the asset management strategy
- c. Reconcile needs to existing restricted surplus balance
- d. Complete restricted surplus fund transfers, if needed, in accordance with policy

Action 11 – Process for Review and Update

Action Requirements:

- a. Carry out the process for annual review and update of:
 - a. Risks
 - b. Risk tolerance
 - c. Future needs
 - d. Update of any associated policies, procedures, and other guidance

Deliverables, Responsibilities, and Timelines

Deliverables	Responsibility	Timeline
Update restricted surplus policy	Chief Financial Office	Q3 2017
Update restricted surplus authorization forms	Chief Financial Office	Q3 2017
Align restricted surpluses with GFOA recommendations	Chief Financial Office	Q3 2017
Transfer funds between restricted surplus accounts	Chief Financial Office	Q3 2017
Develop additional finance guidance	Chief Financial Office	Q2 2018
Develop cash flow forecasting model	Chief Financial Office	Q4 2018
Develop user fee guidance	Various Departments	Q4 2018
Implement priority based budgeting	Corporate Planning/All Departments	Q4 2019
Develop asset management strategy	Engineering/All Departments	Q4 2022
Develop plans for unspecified restricted surplus accounts	CFO and Applicable Departments	Q2 2023
Monitor and update	CFO, Applicable Departments, and Executive Committee	