

# Government Financial Series: How Long-Term Financial Planning Helps Save Critical Resources - Part 1



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The webinar will begin at 1:30 p.m. CT.

# Administration



**If you need CPE credit, please participate in all polls throughout the presentation.**

# Administration



**A recording of today's webinar will be emailed for your reference or to share with others.**

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**For best quality, call in by phone instead of using your computer speakers.**

# Administration



**To ask questions during the presentation, use the questions box on the right side of your screen.**

# Administration



**Please provide your feedback at the end of today's presentation.**

# Meet the Speaker

## Benjamin Hart



Provides dual insights of a governmental CFO along with experience of governmental auditing for a public accounting firm

Brings extensive expertise in governmental budgeting, financial and internal controls, public sector leadership and more

Consistently earned the GFOA certificate for Excellence in Financial Reporting with his CAFRs

# Introduction







# Polling Question #1

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# Challenges...

Financial planning for...

1. Job loss
2. Personal property loss
3. Large purchases – house, second home
4. College
5. Financial independence
6. Retirement
7. Legacy



# Challenges...

## Business Perspective

Sustainability

Adaptability to new markets

Changing demands

Growth

Stakeholder wealth

Succession planning (Small business)

# Challenges...

## Local Government Perspective

Economic transition impacts the tax base

Population

Structural adjustments

Tax and expenditure limitations

State/Federal deficits

New or deteriorating capital infrastructure

Source: *Financing the Future*, Shayne C. Kavanagh, 2007

# Learning Objectives

- Learn what a long-term financial plan is and how it works within a governmental entity
- Understand the elements that make up the long-term financial planning process
- Identify the various roles needed to support long-term financial planning
- Recognize the sustainability and other benefits of long-term financial planning

# What is It?



# What is It?



# What is It?





# What is It?



www.dilbert.com  
scott@adame@aol.com



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# What is It?

## The Back Pew - Jeff Larson



**Ps 118:25** The Psalm of the unprepared student.

# What is It?

## Fundamentals

1. Multi-year outlook
2. Not singular in “funds or fund types”
3. Not bookshelf material
4. Dynamic but specific content
5. Visibility and integration



# Polling Question #2

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# Making the Case - Benefits

1. Incorporate financial perspective.
2. Stimulate long-term thinking.
3. “Big-picture” thinking
4. Frame specific issues.
5. Clarify strategic intent.
6. Impose discipline.
7. Communicate to citizens.
8. Demonstrate good management.

Source: *Financing the Future*, Shayne C. Kavanagh

# Incorporate Financial Perspective

1

The Saanich Vision points which way to go, but not how to get there.

2

The Official Community Plan (OCP) provides direction.

3

The Strategic Plan gives the priority, allowing energy to focus on what is most important.

4

The Budget provides the funding for planned activities and ongoing operations.

5

The Annual Progress Report provides a synopsis of the previous year's strategic, financial and operational progress.

# Incorporate Financial Perspective

## Align the Organization for Success Begin with the end in mind



# Incorporate Financial Perspective

## THE PLANNING PROCESS





# Stimulate Long-term Thinking

**NASCAR  
track will  
benefit  
metro  
area**

**Surrounding cities  
hope to see  
racetrack spur  
development**

**Senate gives  
KCK track the  
green light  
Package  
includes tax  
abatement,  
reimbursement  
of homeowners**

# “Big-picture” Thinking



# Frame Specific Issue



# Clarify Strategic Intent



# Impose Discipline



# Communicate to Citizens



# Demonstrate Good Management



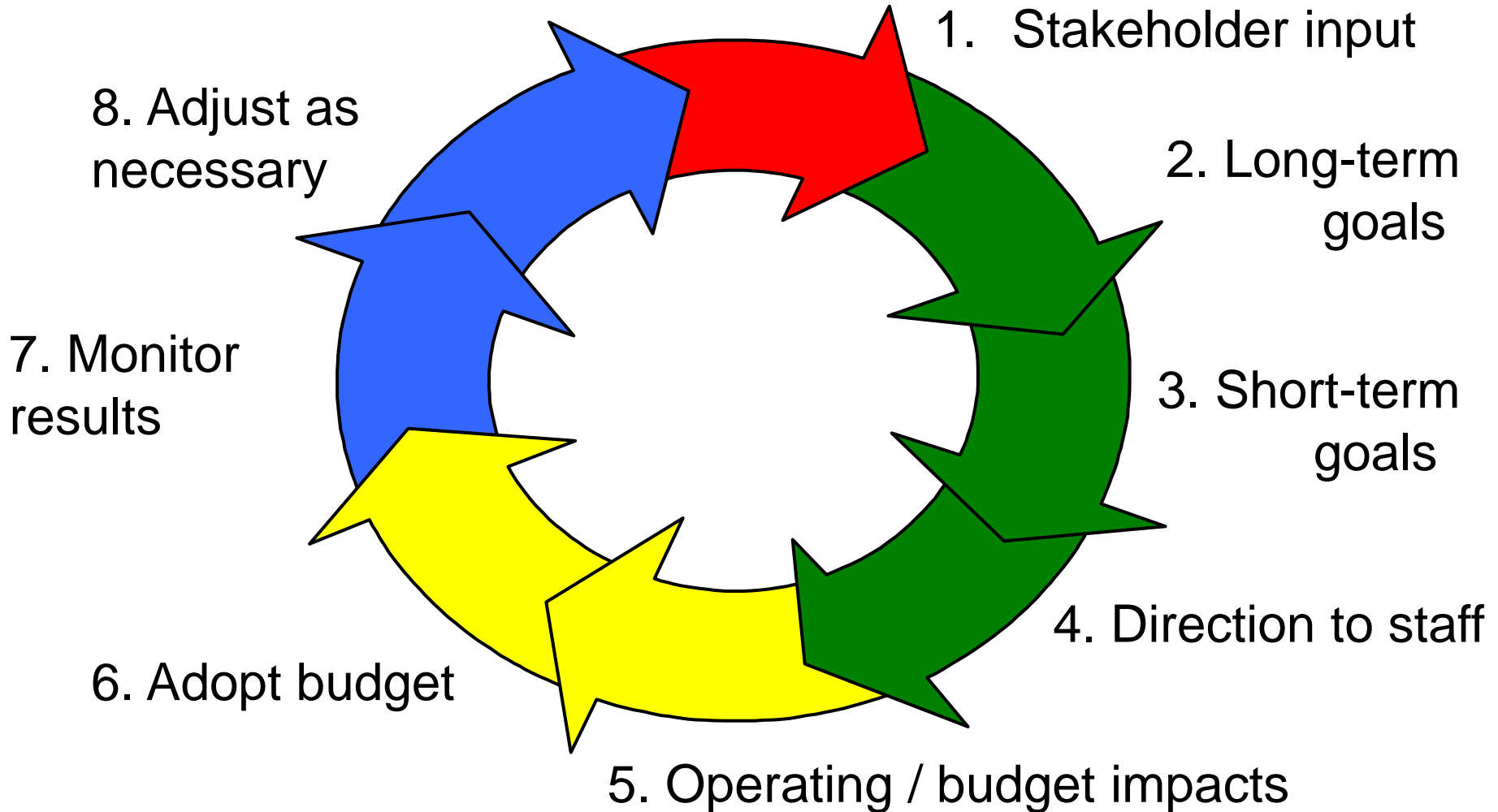


# Polling Question #3

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# What are the Phases?

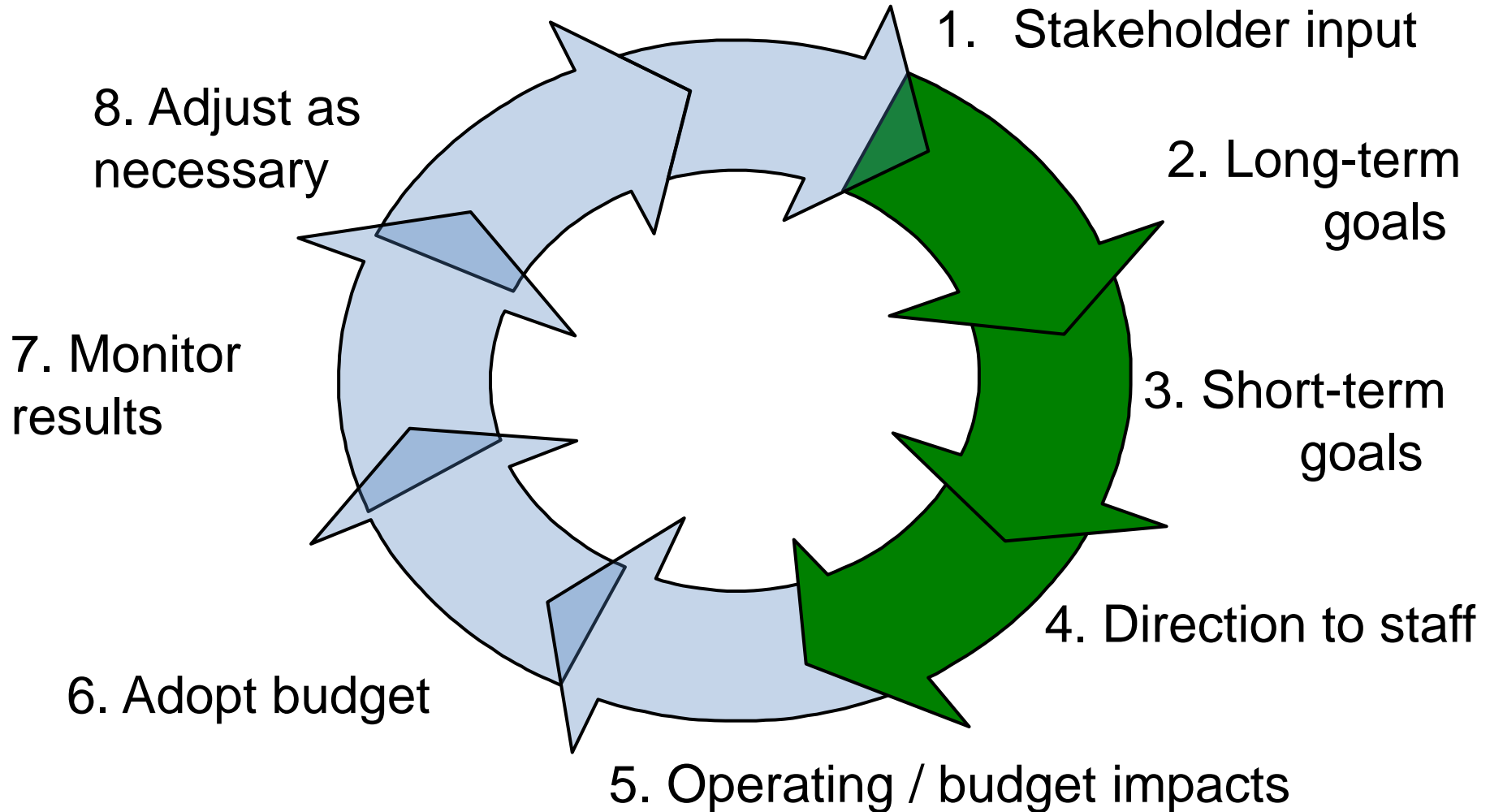


# What are the Phases?

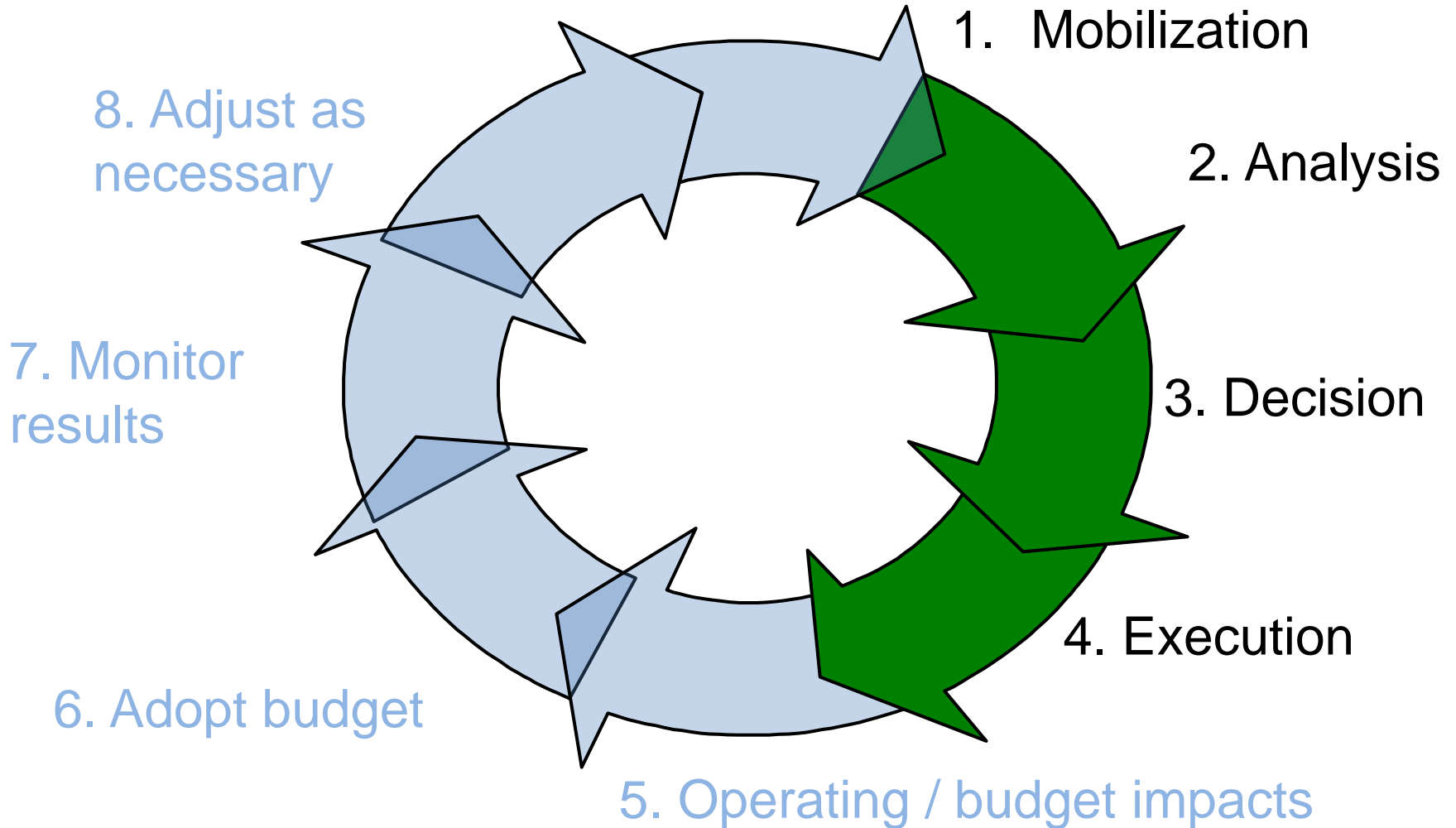
1. Mobilization
2. Analysis
3. Decision
4. Execution

Source: *Financing the Future*, Shayne C. Kavanagh

# What are the Phases?



# What are the Phases?



# What is Your Role?

## From the **budget** perspective

- Preparation      CEO  
                                 CFO/Finance Director
- Adoption      Governing Body
- Execution      CEO  
                                 Finance manager/officer

# What is Your Role?

## From the **planning** perspective

- Mobilization CEO/CFO leads
- Analysis Finance, dept. staff
- Budget Prep. CEO  
Finance mgr. or officer
- Decision Governing body, staff
- Execution CEO
  - Budget adoption Governing body
  - Budget execution Governing body, staff



# Polling Question #4

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# Thank you! Questions?



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