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TO: KENDALL MOORE, CHAIRMAN  
BREVARD COUNTY CHARTER REVIEW COMMISSION

FROM: STOCKTON WHITTEN, ASSISTANT COUNTY MANAGER  
MANAGEMENT AND COMMUNITY SERVICES GROUP

SUBJ: RESPONSE TO FINANCIAL AND BUDGETARY COMMENTS PRESENTED AT THE JULY 1,  
2010 CRC MEETING

DATE: JULY 7, 2010

I have reviewed the minutes of the last Charter Review Commission (CRC) meeting and offer the following comments and information in response to the two issues raised by the County Finance Director. I feel it is important to comment at this time as the professionalism and expertise of County staff have repeatedly been attacked and for months misstatements of facts have been presented to the CRC.

The Finance Director focused on two issues with regards to his support of Proposal 52 – Financial Report by the County Manager. I believe the two items to be the timely receipt of budgetary and financial information by the Board of County Commissioners and the level of cooperation from staff in support of the closing of the fiscal year.

With regards to the first issue, I have attached three quarterly financial reports that were authored after the one presented to the Charter Review Commission on last Thursday. The Finance Director implied that the last time the Board received such information was in 2008. In actuality, all of these reports were forwarded to the Board of County Commissioners with the exception of the February 2010 report which was not forwarded as a result of the transition between Budget Directors.

The February 2010 report has been posted on the County's Intranet since April 16, 2010. Also note that on March 18, 2010, the County Manager presented financial and budgetary information to the Board of County Commissioners at a "Financial Conditions" workshop. Over the past several years, there have been several workshops of this nature updating the Board of County Commissioners on the current and projected financial and budget conditions.

With regards to the second issue, I will advise you that staff has always coordinated with the Finance Department in setting and meeting the requirements for closing out the fiscal year. The attached three memorandums regarding requirements for closing out the fiscal year illustrates the fact that it is a collaborative process. Please note that in each instance the memorandums are signed by the County Finance Director. In fact, it is the Finance

Department that sets most of the timelines associated with closing out the fiscal year. Additionally, an attached memorandum highlights the fact that County Finance participates with other County Departments when training is necessary on these matters.

The following issuance dates are offered as a basis of comparison for those Cities and/or Counties that have the same fiscal year as Brevard County.

City/County	Report Date
City of Melbourne	February 15 <sup>th</sup>
Pinellas County	March 8 <sup>th</sup>
Brevard County	March 18 <sup>th</sup>
Miami-Dade County	March 19 <sup>th</sup>
Polk County	March 19 <sup>th</sup>
Orange County	March 24 <sup>th</sup>
Duval County	March 24 <sup>th</sup>
Broward County	March 26 <sup>th</sup>
City of Cocoa	March 30 <sup>th</sup>

It would be easy to say that if the County Finance Department desired a quicker timeline, they could simply request that in the yearly memorandum advising agencies of the closing requirements. However, I believe the issue is much more complex than simply moving up timelines. The following factors all have some affect on the timing of the financial close.

- The complexity of the organization and the associated fund accounting structure.
- The amount of available staff resources. In the Year End Close audit, County Finance offered this as the reason why many of the suggested recommendations cannot be implemented.
- The extent to which a "soft close" is performed at the end of each accounting period. This question really relates to how timely and accurately revenue and expenditure information is posted in the financial system.
- The amount and extent of Federal and State grant reporting requirements
- The built-in delay in receiving State and/or Federal revenues. Many of the state shared revenues are received two to three months after actual collections.

Thank you for allowing me to provide information that clarifies the extent to which financial and budgetary information is provided to the Board of County Commissioners and staff's role in the fiscal year end close.