



Date  
November 3, 2022

Time  
9:20 AM – 10:10 AM

Instructor  
Michael G. Battle, MPA, CIA,  
CGAP, CRMA

Location  
Live-Streamed and  
Onsite at Louisiana  
Immersive Technologies  
Enterprise (LITE)

Method of Delivery  
Classroom instruction

Learning Level  
Basic

CPE Hours  
1.0 Hours

CPA Subject Matter  
Accounting and Auditing

Prerequisite  
None

## Fiscal Health: Identifying Problems and Solutions

### Description

During this course, we will identify "red flags" that point toward poor or declining fiscal health in local government entities. In addition, we will provide practical strategies to help you improve and maintain fiscal health. Areas of discussion will include effective governance, budgeting, and financial management.

### Objectives

- Learn how to identify signs of fiscal distress
- Garner practical steps to improve and maintain fiscal health

### Who Will Benefit

- Elected Officials/Appointed Officials and their staff
- Local Government Employees/Local Government Auditors

### About the Instructor

Mike Battle has been with the LLA for more than 26 years. During the first part of his career, he conducted performance audits of state agencies. Mike now serves as a Senior Manager in Advisory Services (AS) where he works to provide fiscal and programmatic advice to locally elected officials and their staffs. Advisory Services focuses on providing assistance to ensure compliance, enhance effectiveness and efficiency, and to move entities towards a more fiscally healthy position. Mike has also served as LLA's Fiscal Notes Coordinator during Legislative Sessions since 1999. Mike has a Master's in Public Administration from LSU and is a Certified Internal Auditor, Certified Government Auditing Professional, and is certified in Risk Management Assurance.

# Fiscal Health: Identifying Problems and Solutions



Presented by:  
Michael G. Battle, MPA, CIA, CGAP, CRMA  
Senior Advisory Services Manager  
November 3, 2022

## Better Information Better Louisiana

Our mission is to foster accountability and transparency in Louisiana government by providing the Legislature and others with audit services, fiscal advice, and other useful information.



## Topics for Discussion

- ✓Tools for Identifying Declining/Poor Fiscal Health
- ✓Characteristics of a Fiscally Unhealthy Government Entity
- ✓Importance of Fiscal Health
- ✓Strategies to Get and Stay Fiscally Healthy
- ✓Contact Information and After Session Questions and Discussion

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**What are some good tools to help us identify declining fiscal health or existing poor fiscal health?**

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## The Audit is a Great Business Tool

- You have to get those audits, reviews, and compilations done and use them. It's the **law**, but more importantly, we must get them done because they are good **management tools**.
- They contain financial statements and other financial information which give us a clear picture of current position and past performance.
- Reading through an audit tells a story, highlights patterns, and gives us a good idea of where we are and where we are headed. (Don't forget Notes to the financial statements!)
- Findings and Recommendations = **Red Flags for Trouble** and **Blue Print for your success**.

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## The Audit is a Great Business Tool

### Top 10 Audit Findings

1. Inadequate internal controls, improper segregation of duties
2. Noncompliance with the Local Government Budget Act
3. Inadequate grant administration
4. Inadequate reconciliations
5. Incomplete or poor accounting records and documentation

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## Top 10 Audit Findings (+1)

6. Late filing of the audit report with the Legislative Auditor
7. Failure to provide financial reports to the governing body
8. Inadequate or lack of written policies and procedures
9. Noncompliance with bond covenants
10. Noncompliance with the Open Meetings Law
11. Failure to file and pay payroll taxes timely

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## The Audit is a Great Business Tool

- Audits contain the conclusions of the auditor and may point out fiscal problems (**Going Concern**).
- Audits, auditors, and the auditing process are not bad things...they are all part of a **business process**.
- When is the last time you “curled up with a good book **audit**” to read?
- Talk with your auditors, there are no “stupid” questions.
- Fixing findings is a team effort (Auditor-Management-Board-LLA).

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## Interim Financial Information is Crucial to Identifying Problems

- Producing **good** financial information on a **regular basis** will help you monitor your current fiscal situation and chart your course for success:
  - ✓ **Balance Sheet:** A balance sheet is a **snapshot** of the assets and liabilities of an entity for a given point in time and it is used on a regular basis to gauge the general financial health of the entity.
  - ✓ **Income Statement (Profit & Loss):** Presents revenue, expenditures, and net income. The best income statements include a comparison of actual and projected revenues and expenditures compared to the budget.
  - ✓ **Accounts Payable** aging reports
  - ✓ **Accounts Receivable** aging schedules



## Interim Financial Information is Crucial to Identifying Problems

### **Some Red Flags to look out for on the Balance Sheet:**

- ✓ Low available cash
- ✓ Negative bank account balances
- ✓ Abnormally high accounts receivable
- ✓ Abnormally high accounts payable
- ✓ Negative numbers (Fund Balance, Net Income)

**We have to ask "Why are these things happening," pinpoint the causes, and work to fix the problems.**

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## Interim Financial Information is Crucial to Identifying Problems

### Some Red Flags to look out for on the Income Statement (P&L):

- ✓ Big Transfers Necessary to Sustain Other Funds (Utility to General Fund)
- ✓ Actual Revenue Falling Below Budgeted Revenue
- ✓ Actual Expenditures Above Budgeted Expenditures
- ✓ Budget and Actual Variances That Don't Seem Reasonable (Errors?)
- ✓ Negative Numbers (Revenues over Expenditures, Fund Balance, Operating Income)

**We have to ask "Why are these things happening," pinpoint the causes, and work to fix the problems.**

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## Cash Flows Tell Us A Lot

- Cash flows help us determine what is actually happening with available cash on a monthly or yearly basis.
- Shows us cash inflows and outflows and when we may need to be concerned about our fiscal health...**are we going to run out of cash?**
- Way too often, we have been helping entities produce cash flows when they are already in trouble.....**be more proactive and cash flow your operations on a regular basis = early detection.**

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**UTILITY FUND Cash flow - monthly forecast (x 12)**

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>Beginning Cash balance</b>		0	0	0	0	0	0	0	0	0	0	0	0
<b>Cash inflows</b>													
Gas sales and services													0
Water sales and services													0
Sewerage services													0
Delinquent charges													0
Commissions, transfers, & reconnections													0
Intergovernmental													0
Interest													0
Other/Miscellaneous													0
<b>Total Cash inflows</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Available Cash balance</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Cash outflows</b>													
<b>Operating Expenses</b>													
Gas department													0
Water department													0
Sewerage department													0
Capital Outlay													0
Debt Service - Principal													0
Debt Service - Interest													0
Other/Miscellaneous													0
<b>Total Operating Expenses</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Other financing sources (uses) of cash</b>													
Transfers in													0
Transfers (out)													0
Payments to Bond Reserve Accounts													0
Payments to Bond Depr & Cont Accounts													0
Loan/debt proceeds													0
Other													0
<b>Total Other financing sources (uses)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Cash outflows</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net increase (decrease) in Cash</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Ending Cash balance</b>	0	0	0	0	0	0	0	0	0	0	0	0	0

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## What does a fiscally unhealthy government look like?

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## Fiscal Administration Law Provides an Answer

- **Financial stability** is defined as a condition in which the political subdivision is capable of meeting its financial obligations in a timely manner as they become due **without**:
  - ✓ substantial disposition of assets outside the ordinary course of business;
  - ✓ substantial layoffs of personnel;
  - ✓ interruption of statutorily- or other legally-required services of the political subdivision;
  - ✓ restructuring of debt;
  - ✓ revision of operations; or
  - ✓ similar actions.

R.S. 39:1351

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## Evidence of Financial Instability

### You've Heard All of These Before:

- Not filing financial reports with the legislative auditor (or filing reports with a disclaimer of opinion), especially for 3 or more consecutive years
- Lots of findings and no plans for resolution...just not fixing the problems
- No budget or non-realistic budget
- Not following budget and not amending the budget

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## Evidence of Financial Instability

- Failing to make a debt service payment
- Failing to pay bills on time, including payroll, pension system payments, taxes, worker's compensation, and insurance premiums
- Mounting Accounts Payable balances
- Vendors stop providing products/services due to non-payment

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## Evidence of Financial Instability

- Not maintaining utility infrastructure, resulting in action by state regulatory agencies (LDH, DEQ, Governor's Office)
- Not collecting money owed to you....mounting Accounts Receivable balances
- Not funding debt reserve, depreciation, or contingency funds in accordance with indenture requirements
- Borrowing from restricted accounts/funds and can't pay back

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## Evidence of Financial Instability

- Negative fund balances or significant declines in net position or fund balances
- Deficit spending
- Current liabilities greatly in excess of current assets
- Poor cashflow, running out of cash (or coming very close)
- Lack of knowledge regarding fiscal condition

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**Now Let's Ask the Advisors Who  
Have Been Out in the Trenches**

**(Over 50 Years of Experience)**

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## Red Flags to Watch Out For

- **Failure to think about the long-term** - a revenue source could be a one-time occurrence; a spike in sales tax revenues may be short-lived; deferred maintenance will need to be taken care of, planning for how to replace that \$1M roof, replacing obsolete hardware and software.
- **Failure to develop goals, then objectives on how to reach them** - need to know where you want to be and need to develop a plan to get there; need to stick to your financial goals even through the tough times (i.e. building a rainy day fund or saving for a capital expenditure to avoid borrowing money, etc.); agency needs a vision of how things can be, then the leaders need to rally around that vision and discuss it frequently.
- **Too much bickering among elected officials and poor communication among agency leaders** - if they're all not on the same page and have to compete for dollars vs. being unified about the financial goals for this year's budget can result in a stand-still, people digging in their heels to "fight" for what they want, which can lead to financial problems.

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## Red Flags continued...

- **Noncompliance with the LGBA** - didn't adopt on time because can't agree; expenditures exceed revenues (dipping into fund balance); didn't amend even though had unfavorable variances.
- **The budget is balanced with one-time money** (like ARPA funds, sale of surplus property, insurance proceeds, etc.); Recurring expenditures are increased (like salary and benefits) without an identified recurring revenue stream to fund them.
- **Governing body not receiving monthly financial reports, so don't know the financial position.** Or, failure of governing body to understand the financial reports or discuss them.
- **Not receiving budget-to-actual figures and not discussing** where you planned on being, where you are, and where you will be.
- **Large variances between budget and actual**, which could indicate that revenues were grossly overstated (and may be unrealistic) and/or expenditures were grossly understated.

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## Red Flags continued...

- Not performing **routine bank reconciliations**.
- **Making poor financial decisions**, like issuing debt to construct a building, but failing to have the revenue to insure, maintain, and operate the building; or granting large raises to staff, then a year or two later having to lay people off because can't sustain the salaries; or buying a fire truck that reaches 10 stories when the tallest building in the district is only 4 stories.
- **Can't pay bills**, paying bills late, and incurring late fees.
- Needing to issue **revenue anticipation notes** regularly.
- **Noncompliance with debt covenants** because can't fund required reserves (sinking, reserve, depreciation, and contingency).

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## Red Flags continued...

- **Not having sufficient reserves to weather economic downturns or unforeseeable expenditures** like recovering from a natural disaster, or to take advantage of opportunities, like adding 20% matching funds to get a federal grant.
- **No cut-off policy or enforcement of cut-off policy** resulting in insufficient revenue to maintain adequate water and sewer systems; maintenance costs peak due to long-term neglect.
- **Too many transfers** among bank accounts and between funds for cash purposes; **General Fund being subsidized** by the Utility Fund or **Utility Fund being subsidized** by the General Fund without considering expenditure decreases and/or revenue increases (e.g., water rates aren't increased due to the politics of the matter) – **ACT 98 of 2021 Regular Session**.
- **Crumbling and poorly maintained** capital and infrastructure assets.

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## Interesting Point

The advice from our Advisors taken from real experiences out in the field agrees with research conducted and advice from the experts.

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## Why is it so important to be concerned with Fiscal Health?

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## What is Fiscal Administration?

Under **Louisiana Revised Statute (R.S.) 39:1351**, the legislative auditor, the attorney general, and the state treasurer, or their designees, shall meet as often as deemed necessary to review the financial stability of political subdivisions (e.g., municipalities) of this state.

The 3 members of the **Fiscal Review Committee**, or **FRC**, may vote to place a political subdivision under Fiscal Administration for a lack of "financial stability."

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## What is Fiscal Administration?

R.S. 39:1351 provides for 3 criteria under which the FRC may seek appointment of a **fiscal administrator**. The FRC need only find that 1 of the 3 criteria is met, but must be unanimous in its determination in order to proceed with seeking appointment of a fiscal administrator if:

- ✓The political subdivision is reasonably certain to fail to make a debt service payment;
- ✓The political subdivision has failed to provide an audit...for three consecutive years (Disclaimer does not count as an audit); or
- ✓The political subdivision is reasonably certain to not have sufficient revenue to pay current expenditures, excluding civil judgments.

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## Entities that have been in Fiscal Administration

1. Glenmora (*Released from Fiscal Administration*)
2. Jonesboro (*Released from Fiscal Administration*)
3. Gibsland (*Released from Fiscal Administration*)
4. Richwood (*Released from Fiscal Administration*)
5. Madison Hospital (*Released from Fiscal Administration*)
6. St. Joseph (*Released from Fiscal Administration*)

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## Entities that have been in Fiscal Administration

7. Jeanerette (*Released from Fiscal Administration*)
8. Clayton (*FRC rescinded due to noted improvements w/new Mayor*)
9. Clarence (**Active**)
10. Bogalusa (*Released from Fiscal Administration*)
11. Sterlington (*Released from Fiscal Administration*)
12. Powhatan (**Active**)

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## Most Importantly...

- You are the **steward** of the people's money, and well-being.
- Yes, how you fiscally manage affects the quality of life for your residents (and attracts business).
- Google Search = *Why is financial management important in municipalities?*
- Financial management is a crucial element of municipal management. **It enables the local government to plan, mobilize, and use financial resources in an efficient and effective manner, as well as fulfill its obligation to be accountable to its citizens.**

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**Are there simple strategies that  
can keep us from going down a  
bad fiscal road?**

**YES!**

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**Can we turn things around and  
become more fiscally healthy  
when we find ourselves on that  
road?**

**YES!**

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## **Tone at the Top**

- "It is amazing what you can accomplish if you do not care who gets the credit." – **Harry Truman**
- "Individual commitment to a group effort -- that is what makes a team work, a company work, a society work, a civilization work." – **Vince Lombardi**
- "The way a team plays as a whole determines its success. You may have the greatest bunch of individual stars in the world, but if they don't play together, the club won't be worth a dime." – **Babe Ruth**

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## Tone at the Top

- "Risk comes from not knowing what you are doing."  
– Warren Buffett
- "Going in to debt usually isn't caused by a lack of money, it's caused by a lack of vision" – Dave Ramsey
- "Management is nothing more than motivating other people." – Lee Iacocca

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## Tone at the Top

**I have provided these quotes because they highlight one of the most important strategies of a fiscally healthy administration:**

**Working as a team to define your vision and mission and working cooperatively to implement mission, goals, and objectives!**

**Teamwork is essential!!!**

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## Tone at the Top



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## Activities that Promote Fiscal Health

- Work **together** to pass a timely, realistic budget
- Budget is developed and adopted annually
- Budget is balanced
- Budget contains requirements as per the law **[R.S. 39:1305 (C)(2)(a)]**
- Use our budget template to help you – <https://lla.la.gov/resources/local-government-reporting/best-practices>
- Budget is realistic and based on sound estimates
- Budget is monitored, discussed, amended and used to drive decisions and plans

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## Activities that Promote Fiscal Health

### What is a Structurally Balanced Budget

- You are required to pass a balanced budget. However, a budget that may fit the statutory definition of a "balanced budget" may not, in fact, be financially sustainable. For example, a budget that is balanced by such standards could include the use of non-recurring resources, such as asset sales or reserves, or a settlement from a lawsuit to fund ongoing expenditures, and thus not be in structural balance.
- A true structurally balanced budget is one that complies with the law while supporting financial sustainability for multiple years into the future.

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## Activities that Promote Fiscal Health

- Fund balance is intended to serve as a measure of the financial resources available in a governmental fund.
- Minimum Fund Balance - GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.  
(Safety in the Utility Fund?)
- Put it in your policies and procedures.

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## Activities that Promote Fiscal Health

- Keep accurate records to allow financial reporting and auditing.
- Information must be reliable, accurate, complete, and easy to access and use.
- Perform timely bank reconciliations to allow the preparation of budget-to-actual information and to catch errors and potential fraud.
- Provide budget-to-actual information to board members for proper oversight of financial operations (**discuss budget status and amend as needed**).

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## Activities that Promote Fiscal Health

### Suggested Financial Information to Present and Discuss at Board Meetings:

- Income Statement (should include a comparison of actual/projected revenues and expenditures compared to the budget)
- Balance Sheet
- Accounts payable and receivable aging schedules
- Analysis of budget variances and recommendations for corrective action
- Cash Flows and formal plans to eliminate deficits!
- Accurate and complete financial information should be prepared each month, presented, and discussed.
- ✓ **Policies & Procedures should set forth docs to discuss and require that discussion occur at all meetings.**

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## Activities that Promote Fiscal Health

- Aggressively attempt to collect outstanding receivables, including enforcement of utility cut-offs and use of payment plans.
- Maintain utility infrastructure by increasing rates to cover the real cost of utility operations, including an allowance for depreciation/replacement cost.
- Have you aggressively explored all funding options for Water & Sewer projects?
- Have you aggressively explored all the available funding out there for other projects?

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## Activities that Promote Fiscal Health

### Louisiana Infrastructure Technical Assistance Corporation (LITACorp)

- Cooperative endeavor of the LMA and the Police Jury Association of Louisiana, now lead by Leslie Durham
- Formulated as a solution to assist local governments in identifying and accessing federal grant money under the Infrastructure Investment and Jobs Act (IIJA)
- Received state funding during the recent legislative session for that very purpose and will use \$20 million for the non-federal match portion of local projects
- Specialists will go out in the field to help local governments and obtain grant funding (coming in 2023)
- Visit LMA's website for lots of good info on available funding.

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## Activities that Promote Fiscal Health

- Do not use excess utility revenues to subsidize governmental fund operations. Consider long-term maintenance and emergency needs – **ACT 98**.
- Do not use restricted funds to pay for general operations.
- Reduce expenses to address declines in tax revenues, including necessary layoffs or outsourcing of operations.
- Use one-time money wisely and don't count on it to cover ongoing budget shortfalls.

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## Activities that Promote Fiscal Health

- Do not spend in excess of budgeted amounts.
- Do not borrow more than you are able to repay.
- Don't live beyond your means!!!
- When faced with the need for revenue increases and/or expenditure decreases, you must put "pencil to paper" and show how all intended fiscal strategies will impact the bottom line!
- Correct findings/deficiencies identified by your auditor; ask for help understanding problems and solutions.

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## Interesting Point

The advice from our Advisors taken from real experiences out in the field agrees with research conducted and advice from the experts.

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## What does the ICMA say?

By asking the right questions in five areas, the manager can begin to obtain answers that help isolate the potential causes of the fiscal issues and then focus on effective treatments.

- ✓ Are we truly spending within our means?
- ✓ Are we maintaining adequate reserves? Are they adequate and appropriate?
- ✓ Do we understand our variances, especially budget versus actual?
- ✓ Are we being transparent about the true cost of doing business?
- ✓ How are we incorporating economic analysis and long-term planning into decision making?

\*International City/County Management Association (ICMA)

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## What does GFOA say?

**Financial Recovery is the process of recognizing, arresting, and reversing a pattern of financial decline.** To recover from fiscal decline, you must:

- ✓ Recognize financial distress exists (or that you are headed there) and convince colleagues of this problem (this is where teamwork is critical)
- ✓ Diagnose the causes
- ✓ Apply fiscal first aid tactics to stabilize decline
- ✓ Develop short-term and long-term recovery plans containing financial strategies and financial planning
- ✓ Institutionalize healthy fiscal plans and practices
- ✓ **May be a good idea to visit [GFOA.org](https://www.gfoa.org) to review guidance on financial recovery and financial first aid**

\*Government Finance Officers Association (GFOA)

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## What does GFOA say?

**Financial Distress can be caused by:**

- ✓ Poor revenue collection
- ✓ Ineffective budgeting techniques
- ✓ Rising expenditures
- ✓ Economic downturns
- ✓ Suboptimal working relationships between boards and staff  
**(TEAM WORK)**
- ✓ Lack of capacity for innovation within the government

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## What does GFOA say?

### Strategies to Recover:

- ✓ Use teams to develop recovery strategies and encourage committed implementation
- ✓ Use the skills of expert residents/citizens
- ✓ Remember, the budget ultimately creates or destroys fiscal balance
- ✓ Identify uses of nonrecurring revenue with reoccurring expenditures and work to control such instances
- ✓ Analyze actual spending vs. budgeted expenditures and understand why variance is occurring (do the same with revenue)

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## What does GFOA say?

### Strategies to Recover:

- ✓ Consider where fees should be increased (water rates not raised in many years)
- ✓ Determine what is owed to the municipality and collect (aggressively and innovatively like using collection agencies)
- ✓ Make sure billing and collection systems are standardized and consistent
- ✓ Get a handle on cash coming in and going out – slow down outflows and speed up inflows (cashflow we talked about)
- ✓ Improve capital project management to reduce costs and overruns
- ✓ Identify essential vs. non-essential programs and consider discontinuing those that are less essential or in less demand

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## What does GFOA say?

### Strategies to Recover:

- ✓ Short-term hiring freeze
- ✓ Improve purchasing by reevaluating relationships with vendors
- ✓ Make sure you have a good understanding of debt payments (and stick to scheduled payments)
- ✓ Pursue debt refinancing or restructuring opportunities (one of the first things a Fiscal Administrator does)
- ✓ Examine leadership and management practices that contribute to financial distress (e.g., unclear lines of accountability, lack of accountability for getting results, staying on budget, staying within a schedule)
- ✓ Have to start "rethinking" revenue – what is happening and what will happen to our property taxes, sales taxes, fees & fines, franchise taxes.....the world is always changing.

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## Success Attracts Success!

- The first step toward becoming a great place to do business is to be a great place to live – *Christopher Wink w/Technically.*
- Cities that can provide businesses with good, concise information about relevant factors – economic performance, wellbeing of the population and where entrepreneurs are located, for example – will be the ones that attract investment – *Grant Thornton International*
- Elect and appoint leaders who put the community first. They should be willing to listen to new ideas and make it easy and comfortable for people to do business there. That means ensuring all guidelines, codes, and zoning rules make sense and are clearly spelled out and enforced. Further, leaders should be easily accessible and available to answer questions to assure that decisions about planning and developing are made quickly and efficiently and in the right order – *Real Trends*

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## What I tell Folks During My Fiscal Administration Talks:

- Got to be a team that replaces the politics with the business of the people.
- When you think about projects to undertake, you must also think about available revenue, current expenditure demands, and what may lay ahead of you.
- Hard decisions must sometimes be made so that what benefits the people is accomplished.
- We can't just go through the motions, we have to focus, think through problems, and stay on top of our fiscal condition.

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## What I tell Folks During My Fiscal Administration Talks:

**If you all work together, cooperate, coordinate, and communicate you all can do what the fiscal administrator will be tasked with carrying out!!!**

**TEAMWORK!!!**

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## Remember Quotes Like These

- "It is amazing what you can accomplish if you do not care who gets the credit." – **Harry Truman**
- "Individual commitment to a group effort – that is what makes a team work, a company work, a society work, a civilization work." – **Vince Lombardi**
- "The way a team plays as a whole determines its success. You may have the greatest bunch of individual stars in the world, but if they don't play together, the club won't be worth a dime." – **Babe Ruth**

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## Financial Management Questions to Ask Yourself

**(On a Regular Basis)**

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- 1. Do we have agreed upon short-term and long term plans for our entity (can we all agree what our folks need from their leaders)?**
- 2. Is our budget based on solid, realistic financial data and has it been passed in compliance with law (timely)?**
- 3. Do we have financial information that we can easily access and rely on?**
- 4. Are we using this information to regularly monitor our fiscal status?**
- 5. Is the information discussed at regular meetings? When we discuss financial information, do we act upon negative variances and trends?**
- 6. When we push for our agenda items, do we also consider our financial status? Do we ask, "can we afford this and what is best for our people?"**

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- 7. Are we consistently looking for ways to generate revenue?**
- 8. Are we regularly reviewing what's owed to us and aggressively collecting what is owed to us? Are we cutting non-payers off?**
- 9. Are we consistently looking for ways to decrease expenditures and increase quality of services (making vendors work for our business)?**
- 10. Are we paying our bills or are they stacking up? If we paid all our bills, what would our financial status look like (cashflow)?**
- 11. Are we putting money away so that we can respond to emergencies and maintenance of critical infrastructure (WATER)?**
- 12. Are we funding bond reserves as required in bond covenants?**
- 13. Are we making progress fixing audit findings?**

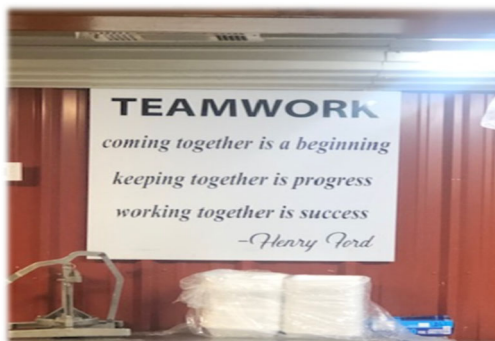
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**14. Is our performance as a team (management – board/council – staff) going to attract businesses and residents who want to locate to, live in, and contribute to the overall success of the municipality/parish?**

***Ask these questions to yourselves on a regular basis.***

***If the answers are no, work together to change them to yes.***



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## Resources

- ✓GFOA.org – Government Finance Officers Association
- ✓ICMA.org – International City/County Management Association
- ✓Theiia.org – The Institute of Internal Auditors
- ✓LMA.org – Louisiana Municipal Association
- ✓LLA.LA.GOV – Louisiana Legislative Auditor's Office (CLGE Section)

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# One More Resource

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## Thank You!!!

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