

RESOLUTION 13-_____

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CUTLER BAY, FLORIDA, URGING MEMBERS OF THE FLORIDA LEGISLATURE TO OPPOSE LEGISLATION THAT WOULD MANDATE THE USE OF A UNIFORM CHART OF ACCOUNTS FOR ALL GOVERNMENTAL ENTITIES TO REPORT FINANCIAL INFORMATION.

WHEREAS, in 2011, the Florida Legislature passed and the Governor signed Senate Bill 1292 requiring the chief financial officer to recommend uniform chart of accounts for reporting financial information for all state agencies, local governments, educational entities, and entities of higher education; and

WHEREAS, each entity of the state and local government is different, serves a different purpose and uses a different basis of accounting; and

WHEREAS, the purpose of the Chart of Accounts Project is to develop a uniform chart of accounts to be used by all governmental entities for reporting assets, liabilities, equities, revenues and expenditures; and

WHEREAS, the draft uniform chart of accounts will impact over 2,350 governmental entities; and

WHEREAS, each of the impacted entities are currently accountable to the electorate, citizens and users of their services; and

WHEREAS, Florida governments are required to meet many reporting requirements, both at the state and federal level, including reporting to the Florida Department of Financial Services, Florida Equal Employment Opportunity, Florida Unemployment Compensation, Florida Retirement System, Federal Affordable Care Act, and payroll taxes and W-2 information to the Internal Revenue Service; and

WHEREAS, the monthly reporting may be prepared on a basis of accounting that may differ from the basis of accounting used to prepare the year-end audited financial statements and that the monthly information will not be validated; and

WHEREAS, the new level of detail required at the object level for monthly reporting is far greater than the level of detail reported either in the audited financial statements or in the Annual Financial Report required pursuant to the provisions of Section 218.32(1)(a), Florida Statutes; and

WHEREAS, there will be no attempt to validate any of the data before it is posted for public viewing and this results in a high risk that the data will be inaccurate, invalid or incomplete; and

WHEREAS, the establishment of a uniform chart of accounts without requiring uniformity in other areas such as in the basis of accounting and in the accounting treatment of various transactions in itself will not provide users with any meaningful comparisons between organizations; and

WHEREAS, regardless of the approach taken to implement the provisions of Section 215.89, Florida Statutes, significant resources will be required to achieve the goals of the chief financial officer; and

WHEREAS, the cost of implementing the Uniform Chart of Accounts far exceeds any benefit that taxpayers may accrue; and

WHEREAS, the Town believes that transparency and accountability of the use of public funds to citizens and other stakeholders is paramount, but that it must be done while simultaneously limiting the burden to the entities and preserving the autonomy of each entity of government; and

WHEREAS, the Town further believes that legislation should be enacted that prescribes minimum desired transparency reporting by local governments, leaving it to the local governments to include such information on their web sites, and that such legislation should not impose significant financial burdens on local governments; and

WHEREAS, as such, the Town Council desires to oppose any state legislation that would mandate the use of a Uniform Chart of Accounts for all governmental entities to report financial information; and

WHEREAS, the Town Council finds that the adoption of this Resolution is in the best interest and welfare of the residents of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CUTLER BAY, FLORIDA, AS FOLLOWS:

Section 1. **Recitals.** The above recitals are true and correct and are incorporated herein by this reference.

Section 2. **Opposition to the Legislation.** The Town Council hereby urges members of the Florida Legislature to oppose legislation that would mandate the use of a uniform chart of accounts for all governmental entities to report financial information.

Section 3. Authorization. The Town Manager is hereby authorized to send a copy of this Resolution to the appropriate legislative delegations or other parties representing the interests of the Town.

Section 4. Effective Date. This resolution shall take effect immediately upon adoption.

PASSED and ADOPTED this ___ day of _____, 2013.

Edward P. MacDougall, Mayor

Attest:

Debra E. Eastman, MMC
Town Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY FOR THE
SOLE USE OF THE TOWN OF CUTLER BAY:

WEISS SEROTA HELFMAN PASTORIZA
COLE & BONISKE, P.L.
Town Attorney

Moved By: _____

Seconded By: _____

FINAL VOTE AT ADOPTION:

Mayor Edward P. MacDougall _____

Vice Mayor Ernest N. Sochin _____

Councilmember Peggy R. Bell _____

Councilmember Mary Ann Mixon _____

Councilmember Sue Ellen Loyzelle _____