

Focus Area 1: Strong Fiscal Stewardship

Herndon is a fiscally responsible community.

Goal 1

Maintain strong financial health to ensure advantageous borrowing opportunities as needed.

Objectives

- 1.1 Maintain AAA or equivalent rating with all three credit rating agencies.
- 1.2 Continue Budget and Comprehensive Financial Reporting consistent with GFOA best practices.
- 1.3 Maintain unmodified annual audit opinions.

Strategies

1. Proactively implement new Governmental Accounting Standards Board (GASB) pronouncements timely, and reviewed by Certified Public Accountant (CPA) partner.
2. Calculate and monitor key performance indicators used by rating agencies.
3. Implement and maintain documented set of internal controls.

Success Measures

1. Annual recognition by Government Finance Officers Association (GFOA) for high quality budget and financial reporting programs through receipt of the Distinguished Budget Presentation Award; and Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report (AFCR).
2. Proposed budgets submitted for adoption by statutory deadline, and required reporting, filings, and certifications completed by deadlines.
3. No comments by auditors on year-end reports, with reasonable audit fees and no remediation work.



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Goal 2

Conduct forward-looking and multi-year planning and analysis.

Objectives

- 2.1** Proactively develop, maintain, and update capital and life cycle replacement plans with realistic funding and reserve targets.
- 2.2** Ensure enterprise funds are operating with adequate fee structures and net positions.
- 2.3** Ensure annual budgets align with existing and updated multi-year strategic plans.

Strategies

- 1.** Establish infrastructure capital replacement plans for town buildings, water, sewer, stormwater, roads, and sidewalks.
- 2.** Update Fleet Replacement Program.
- 3.** Develop and update rate models annually with timely submission of proposed rate changes.

Success Measures

- 1.** Improved reliability of town infrastructure and fleet vehicles.
- 2.** Optimize overall life-cycle maintenance costs for town-owned infrastructure.



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Goal 3

Utilize best practices as they relate to fiscal controls and risk management.

Objectives

3.1 Ensure town purchased and procured services are conducted in compliance with State Code.

3.2 Ensure adequate cash handling and other internal controls.

3.3 Ensure town transactions and investments are reviewed and approved per established policies and Council approval per Town Code.

3.4 Ensure the town is properly insured, and risks are routinely identified and mitigated.

3.5 Establish protocols for ensuring grant application process is appropriately administered, and grant fund expenditures are centrally tracked and managed.

Strategies

1. Annual review and maintenance of procurement and purchasing card policies, and contract templates; annual training for town employees.

2. Consistent reporting and review meetings with internal departments on spending and reimbursement status; record final funding by General Fund of Capital Projects.

3. Timely follow-up and collection of intergovernmental receivables.

4. Collaborative grant management process, ensuring town match commitments are adequately funded.

Success Measures

1. Implement procurement software to improve procurement processing and efficiencies.

2. Aging of intergovernmental receivables less than 120 days.

3. Establishment and maintenance of processes and adherence to approval protocols.

