

LUCAS COUNTY, OHIO

BOARD OF COMMISSIONERS

NUMBER: 21B

PAGE 1 of 1

TITLE: GENERAL FUND

PERSONNEL

RESOLUTION

RESERVE POLICY

ADMINISTRATIVE X

NO: 15-675

EFFECTIVE

TYPE:

SUPERSEDES:

DATE: August 25, 2015

POLICY X

POLICY # 21A

PROCEDURE X

PROCEDURE #

Lucas County General Fund Reserve Policy

A. Purpose:

The purpose of this policy is to ensure the financial stability and security of the General Fund of Lucas County and to guard against cyclical changes in revenue and expenditures by taking a proactive approach to the financial management of the County.

B. Policy:

The County's General Fund Carryover Balance shall equal or exceed fifteen percent (15%) of the current year's operating expense.

C. Uses

The General Fund Reserve may only be used to stabilize revenues, mitigate a projected deficit in the current operating period, retire outstanding bonds or notes of the County, fund one-time or unanticipated expenditures, and pay judgments or otherwise settle legal disputes and claims.

D. Definitions:

1. General Fund Carryover Balance – The amount of money left in the primary operating fund of the County (the General Fund) at the end of the fiscal year after the revenue has been received and the expenditures have been paid.
2. Estimated Beginning Fund Balance – The estimated unencumbered fund balance for the beginning of the fiscal year. This is calculated at the time the annual budget is prepared.
3. Anticipated Revenues – The amount of revenue Lucas County expects to receive in the upcoming fiscal year to fund annual appropriations.
4. Appropriations – The total amount appropriated for expenditure.

5. Estimated Ending Fund Balance – An amount equal to the Estimated Beginning Fund Balance plus Anticipated Revenues less Appropriations. The estimated ending fund balance is calculated at the time the budget is prepared and presented the Board of Lucas County Commissioners.

E. Scope

This policy applies to the General Fund, which is the primary operating fund for Lucas County.

F. Application

The estimated ending fund balance will be calculated at the time of annual budget preparation. Estimated ending fund balance will be calculated by taking the budget year's projected beginning fund balance, plus anticipated revenues, less appropriations. As necessary, annual appropriations shall be adjusted or additional revenue sources identified to ensure that the estimated ending fund balance complies with the General Fund Carryover Balance established in Section B of this policy.

G. Monitoring

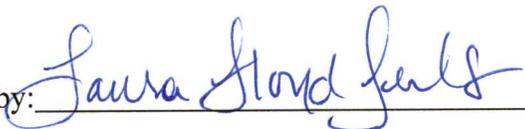
The General Fund Balance will be monitored and reported to the Board of Lucas County Commissioners on a quarterly basis. When appropriate, revised revenue and expenditure projections will be included.

H. Compliance

There may be circumstances where the fund balance falls below the minimum level due to unforeseen emergencies. Corrective action will be taken in the next annual budget to reduce appropriations or increase revenue to bring the fund balance into compliance with this policy.

If during the annual budget discussions the Administration and/or Board of County Commissioners determine that the County cannot meet the requirements of this policy, then they will include in the annual appropriation resolution a concise statement explaining the decision to waive the policy. The statement should include the present financial status of the County, a specified timetable for returning to compliance with the policy, and the reason(s) given for overriding the policy.

This policy shall be reviewed at least once every five (5) years with the Board of County Commissioners to determine if it is consistent with the financial needs of Lucas County.

Approved by: 

Date: 8/24/15