Board of County Commissioners
Leon County, Florida

9.03

Policy No. 99-3

Title:	Use of Contingency Reserves
Date Adopted:	November 23, 1999
Effective Date:	November 24, 1999
Reference:	N/A
Policy Superseded:	Policy No. 94-11, "Contingency Reserves and Mid-Fiscal Year Funding Requests from Outside Agencies," September 1994

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that:

Policy No. 94-11 "Contingency Reserves and Mid-Fiscal Year Funding Requests for Outside Agencies," adopted by the Board of County Commissioners on September 1994, is hereby repealed and superseded, and a new policy is hereby adopted in its place, to wit:

Use of Contingency Reserves

1. <u>Board Intent</u>

Contingency reserves are established to provide the following:

a. Funding for authorized mid-year increases to adopted levels of service.

b. Funding for unexpected increases in the cost of providing existing levels of service.

c. Temporary and nonrecurring funding for unexpected projects.

d. Funding of a local match for public or private grants.

e. Funding to offset losses in revenue caused by actions of other governmental bodies.

f. Funding to accommodate unexpected program mandates from other governmental bodies.

2. <u>Procedures</u>

a. The general revenue reserves for contingency will be budgeted at an amount not to exceed 10% of projected general operating revenues for the ensuing fiscal year.

b. The County will maintain an annual unappropriated fund balance at a level sufficient to maintain adequate cash flow and to eliminate the need for short-term borrowing. The unappropriated fund balance shall be no less than ten (10) percent of general operating revenues and shall be separate from the reserves for contingency.

c. The County Administrator is authorized to develop forms and procedures to be used by outside agencies or individuals or County agencies in submitting their requests for use of contingency reserves.

d. County agencies, including County departments and Constitutional Officers, requesting additional funding from the Board shall first submit their requests in writing to the County Administrator for full review and evaluation.

e. After evaluation, all requests will be brought to the Board for consideration at a regularly scheduled meeting.

f. Requests for use of reserves for contingency may be approved only by the Board of County Commissioners.

g. The County's budget will be amended at such time the County Commission, by majority vote, authorizes reserves for contingency. All requests to the County Commission for the use of any reserves for contingency shall be accompanied by a "contingency statement" prepared by OMB showing the year-to-date activity on the reserves account as well as the current account balance and the net effect on the account of approving the use of reserves.

2. **Evaluation Criteria**

a. The Board will use the procedures and evaluation criteria set forth in this policy. The evaluation of funding requests shall include, but not be limited to the following:

- consistency with other Board policy;
- the urgency of the request;
- the scope of services to be provided;
- the short-term and long-term fiscal impact of the request;
- a review of alternative methods of funding or providing the services,
- a review for duplication of services with other agencies;
- a review of efforts to secure non-County funding;
- a discussion of why funding was not sought during the normal budget cycle; and
- a review of the impact of not funding or delaying funding to the next fiscal year.

3. **Exceptions**

a. This policy is not intended to limit regular mid-year salary adjustment transfers from the salary adjustment contingency account, which is reviewed separately by the Board of County Commissioners in the month of April of each year.

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