



M-NCPPC No. 21-23

RESOLUTION

FUND BALANCE POLICY

WHEREAS, The Maryland-National Capital Park and Planning Commission, by virtue of Division II of the Land Use Article of the Annotated Code of Maryland, is authorized and empowered, from time to time, to make and adopt budgetary policies and procedures; and

WHEREAS, The Maryland-National Capital Park and Planning Commission considers the development of fund balance policy goals as an important part of sound fiscal management; and

WHEREAS, The Maryland-National Capital Park and Planning Commission desires to maintain favorable bond ratings and recognizes that establishing fund balance policy goals is encouraged by rating agencies.; and

WHEREAS, from time to time The Maryland-National Capital Park and Planning Commission may make adjustments to its Fund Balance Policy based on actual experience.


NOW, THEREFORE, BE IT RESOLVED, that The Maryland-National Capital Park and Planning Commission does hereby replace previous fund balance policies with the following policy goals:

<u>Fund</u>	<u>Policy</u>
General Fund	3-5% of expenditures
Prince George's Special Revenue Funds	10% of expenditures
Montgomery Special Revenue Funds	15% of expenditures
Montgomery Enterprise Fund	Minimum cash balance equal to 10% of operating expenses plus one year's debt service on all debt excluding that which is related to golf course operations, with a 3 year replenishment period, if necessary.
Prince George's Enterprise Fund	Minimum cash balance equal to 10% of operating expenses with a 3 year replenishment period, if necessary.
Montgomery Risk Management Fund	2% of operating expenditures (General, Enterprise and Capital Projects Funds)
Pr. George's Risk Management Fund	2% of operating expenditures (General, Enterprise and Capital Projects Funds)
Flexible Spending and Leave Funds	100% of Net Assets
Insurance Fund (employee life and health benefits)	10% of fund expenditures

"Wheaton Building Enterprise Fund:

Reserve fund to be established and funded through a maximum annual contribution of \$37,000 from surplus funds attributable to the Commission. This contribution is in addition to any budgeted contribution to the reserve fund. Any remaining budget surplus shall be returned to the department budgets.

Contributions to the reserve fund from other tenants are addressed in the relevant lease agreement."

APPROVED FOR LEGAL SUFFICIENCY:	
	
_____ SIGNATURE	___09/07/2021___ DATE