

MOTION:

**April 23, 2024
Regular Meeting**

SECOND:

Res. No. 24-

RE:

AUTHORIZE THE CONTRIBUTION OF FISCAL YEAR 2025 OPERATING SURPLUS TO MAINTAIN THE REQUIRED FUND BALANCES IDENTIFIED IN THE PRINCIPLES OF SOUND FINANCIAL MANAGEMENT

ACTION:

WHEREAS, the Principles of Sound Financial Management provide financial policies necessary to assure sound stewardship of taxpayer dollars and guide the County in the planning of expenditures and revenues to ensure discipline and structural stability to weather economic cycles; and

WHEREAS, the Principles of Sound Financial Management identify annual fund balance requirements necessary to mitigate current and future economic risks; and

WHEREAS, bond rating agencies examine fund balances when considering the overall economic health and credit quality of the County; and

WHEREAS, the Prince William Board of County Supervisors adopted the current Principles of Sound Financial Management on April 10, 2018, including fund balance policies regarding the Capital Reserve and Economic Development Opportunity Fund Reserve; and

WHEREAS, Fiscal Year 2025 operating surplus from the general fund will be used to support these commitments;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors hereby authorizes the Finance Director to use the Fiscal Year 2025 operating surplus from the general fund to maintain required fund balances identified in the Principles of Sound Financial Management listed in priority order as follows:

1. Maintain unassigned fund balance at 7.5% of general fund revenues;
2. Maintain the revenue stabilization fund reserve at 2.0% of general fund revenues;
3. Maintain the capital reserve at 2.0% of the current capital projects funds appropriations;
4. Maintain the fiscal year-end balance of the Economic Development Opportunity Fund at \$3,000,000.

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BE IT FURTHER RESOLVED that the Finance Director shall report the unaudited Fiscal Year 2025 operating surplus to the Prince William Board of County Supervisors;

BE IT FURTHER RESOLVED that the Finance Director shall report the results of the Fiscal Year 2025 audit upon completion.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Finance Director

Management and Budget Director

ATTEST: _____

Clerk to the Board