

# Excerpt from Financial and Budget Policies

## FY 2015 – Proposed Changes to Use of One-Time-Only Resources

<p>Use of One-Time-Only Resources</p>	<p>Unrestricted one-time-only resources present organizations with temptations that are hard to resist. In the short run it appears more beneficial to allocate such resources to the highest priority public service that would otherwise be unfunded than to restrict them to costs associated with one-time needs and those that will not recur in following years. However, the result of this practice is to expand operational levels and public expectations beyond the capacity of the organization to generate continuing funding. This inevitably produces shortfalls and crises.</p> <p>Sustaining an ongoing program level by deferring necessary expenditures or by incurring future obligations also inevitably produces shortfalls and crises.</p> <p>It is the policy of the Board that the County will fund ongoing programs with ongoing revenues, and to restrict the allocation of one-time revenues to non-recurring expenditures.</p> <p>Examples of one time revenues include:</p> <ul style="list-style-type: none"><li>• Proceeds on the sale of capital assets</li><li>• Business Income Taxes collected in excess of budgeted revenues</li><li>• General Fund ending fund balance in excess of budgeted balance</li></ul> <p>When the County budgets unrestricted one-time-only resources, the Board will <del>consider first setting</del> these funds aside for reserves. <u>If reserve requirements have been met one-time-only resources can be allocated</u> <del>or allocating them</del> to projects or programs that will not require future financial commitments. The Board will consider the following when allocating these one-time-only resources:</p> <ol style="list-style-type: none"><li><del>1. The level of reserves set aside as established by these Financial and Budget policies adopted by the Board</del><u>After fully funding reserves as established by policy, 50% of any remaining one-time-only resources will be allocated to the capitalization, or recapitalization, of major County facilities projects.-</u></li><li><del>2. The County's capital needs set out in the five-year Capital Improvement Plan or Information Systems Development Plan.</del></li><li><del>3.2.</del> One-time-only spending proposals for projects or pilot programs, particularly investments that may result in innovative ideas or technology, long-term efficiencies or savings that do not require ongoing support.</li><li><del>4.3.</del> Bridge or gap financing for exiting programs for a finite period of time.</li></ol>
<p>Policy Statement</p>	<p>Status</p> <p>During budget deliberations the Budget Director is responsible for providing a list of sources and uses of one-time-only funds and informing the Chair and the Board on the recommended use of the funds received. With this information, the Board is able to appropriate and direct one-time-only resources to infrequent and unique expenditures in an effort to achieve compliance with this policy.</p>