

**COUNTY ORDINANCE NO. 12-21**

A BILL ENTITLED

AN ACT CONCERNING The Establishment of a Rainy Day Fund.

FOR THE PURPOSE of establishing and maintaining a Rainy Day Fund for contingencies of an emergency nature; requiring annual reports on such fund balance; providing for the appropriation of such funds to meet emergency needs; and requiring surplus revenues be used to maintain the Rainy Day Fund at a set minimum amount;

By enacting a new Subtitle 5 of Title 5 of the Code of Public Local Laws of Queen Anne's County (1996 Ed.).

NOW THEREFORE, BE IT ENACTED BY The County Commissioners of Queen Anne's County, as follows:

**SECTION I**

BE IT ENACTED that a new Subtitle 5 of the Title 5 of the Code of Public Local Laws be adopted as follows:

**TITLE 5. COUNTY FINANCE**

Subtitle 5. Rainy Day Fund - General Fund of the County.

5-17. Definitions.

(a) In General.

In this subtitle, the following terms have the meanings indicated.

(b) General Fund of the County.

"General Fund of the County" means that fund known as the general fund as defined by Generally Accepted Accounting Principles promulgated by the Government Accounting Standards Board.

5-18. Rainy Day Fund.

(a) The County shall maintain a Rainy Day Fund for contingencies in an amount equal to 7% of budgeted general fund operating revenues.

5-19. Appropriation of Rainy Day Fund.

(a) The County Commissioners may, at any time, appropriate funds from the Rainy Day Fund for contingencies to meet emergency needs of an unanticipated, non-recurring nature.

(b) The County Commissioners, at the time of making such an appropriation, shall publicly state the specific nature of the emergency and its expected long-term effects on the finances of the County.

(c) Should the County experience a shortfall of revenues above and beyond shortfalls that occur during the normal course of governmental operations, and that cannot be offset by reasonable reductions in expenditures, an appropriation may be made from the Rainy Day Fund for contingencies sufficient to offset the shortfall.

(d) In the event funds are appropriated from the Rainy Day Fund for contingencies, sufficient funds shall be appropriated to such Rainy Day Fund by the end of the second succeeding fiscal year following such appropriation to return the Rainy Day Fund to the minimal balance requirements of this Subtitle.

5-20. Surplus funds.

(a) Should the general fund of the County have a surplus of revenues over expenditures in any given fiscal year, sufficient funds shall be allocated from such surplus revenues to the Rainy Day Fund for contingencies to bring the same into compliance with the minimal balance requirements of this Subtitle.

(b) To the extent that surplus funds are not added to the Rainy Day Fund, they shall become part of the unassigned fund balance of the general fund.

(c) The County Commissioners shall adopt a policy for the use of the unassigned fund balance, taking into account the non - recurring nature of such monies.

5-21. Annual report.

(a) The County Finance Director shall, at the time of submission of the comprehensive annual financial report, include information detailing the status of the Rainy Day Fund for contingencies and the unassigned fund balance.

## **SECTION II**

BE IT FURTHER ENACTED that this Act shall take effect on the forty-sixth day following its passage.

Introduced By: Commissioner Dumenil

Date: October 23, 2012

Hearing Date: November 27, 2012 @ 6:00 p.m.

Vote: 5 Yea 0 Nay

Date of Vote: January 8, 2013

Effective Date: February 23, 2013