

RESOLUTION NO. 393

**Resolution of the County Council of Dorchester County, Maryland adopting a fiscal policy on non-recurring revenues, under the authority of Article 25, Section 3 of the Annotated Code of Maryland, the policy to supersede any previously adopted or practiced policy on non-recurring revenues, and specifying the policy is applicable to all departments, offices and agencies of Dorchester County, Maryland government.**

WHEREAS, Dorchester County is accountable to its citizens for the use of public dollars and its resources should be used wisely to ensure adequate funding for the services, public facilities and infrastructure necessary to meet the County's present and future needs; and

WHEREAS, the adoption of financial policies is recognized as a best practice in public budgeting; and

WHEREAS, financial policies should be an integral part of the development of service, capital, and financial plans and the budget; and

WHEREAS, the County Council recognizes that one time non-recurring revenues cannot be relied on in future budget periods; and

WHEREAS, the County Council desires to develop a policy prohibiting the use of one time non-recurring revenues as a funding source for ongoing recurring expenditures.

NOW THEREFORE, BE IT RESOLVED by the County Council of Dorchester County, Maryland that the attached Fiscal Policy on Non-Recurring Revenues (summarized below) be adopted:

A. One-time non-recurring revenues shall only be utilized as a funding source of one-time non-recurring expenditures.

Examples of non-recurring revenues include but are not limited to: infrequent sales of government assets, bond refunding savings, infrequent revenues from development, and one-time state legislative sources. These revenues may be available for more than one year (e.g., a three-year grant), but are expected to be non-recurring. Examples of expenditures for which a government may wish to use one-time revenues include startup costs, stabilization (e.g., to cover expenditures that temporarily exceed revenues), early debt retirement, appropriations into the Strategic Reserve Fund, and capital purchases. Uses that add to the ongoing expenditure base should be carefully reviewed and minimized, e.g., capital expenditures that significantly increase ongoing operating expenses without sustainable and offsetting long-term revenue plan.

This Resolution shall be effective upon its adoption.

**PASSED** and **ADOPTED** this 20th day of July, 2004.

ATTEST:

DORCHESTER COUNTY COUNCIL

Jane Baynard  
Jane Baynard, County Manager

Absent  
Glenn L. Bramble, President

[Signature]  
David Yockey, Vice President

Effie M. Elzey  
Effie M. Elzey, Council Member

Thomas A. Flowers  
Thomas A. Flowers, Council Member

William V. Nichols  
William V. Nichols, Council Member

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