

Resolution R25-2016
May 11, 2016

**METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
777 NORTH CAPITOL STREET, NE
WASHINGTON, DC 20002**

**RESOLUTION TO APPROVE AN OPERATING RESERVE POLICY AND CAPITAL EXPENDITURE RESERVE
POLICY, TO REPLACE THE EXISTING RESERVE FUND POLICY ESTABLISHED BY
RESOLUTION R52-04**

WHEREAS, the COG Board of Directors has determined that sound financial management should include specific guidelines for accumulating and managing reserve funds; and

WHEREAS, the board has determined that reserves should be managed to provide continuity of essential services in the face of unforeseen, extraordinary events, and to plan for the timely repair, upgrade, and purchase of capital assets; and

WHEREAS, the board has reviewed the Operating Reserve and Capital Expenditure Reserve Policies that have been recommended by COG staff and the Budget and Finance Committee to replace the existing Reserve Fund Policy (General Reserve Fund and Endowment Fund) established by Resolution R52-04 on November 10, 2004; and

WHEREAS, the Operating Reserve and Capital Expenditure Reserve will be established with funds from the General and Endowment Reserve funds.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN
WASHINGTON COUNCIL OF GOVERNMENTS THAT:**

The board approves the attached Operating Reserve Policy and Capital Expenditure Reserve Policy to take effect immediately, replacing the Reserve Fund Policy established by Resolution R52-04.

**I HEREBY CERTIFY THAT the foregoing resolution was adopted by the COG Board of Directors
on May 11, 2016.**

**Laura Ambrosio
COG Communications Specialist**