

Resolution R21-2018
May 9, 2018

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

RESOLUTION AMENDING THE OPERATING RESERVE POLICY

WHEREAS, the COG Board established an Operating Reserve Policy on May 11, 2016 by Resolution R52-2016 to provide continuity of essential services in the face of unforeseen, extraordinary events; and

WHEREAS, the current calculation of the target level of the Operating Reserve has an unintended consequence of potentially causing significant fluctuations in required funding from year to year; and

WHEREAS, a change in the calculation of the target level of the Operating Reserve would maintain the current level of the reserve while allowing gradual annual increases and decreases commensurate with COG's ongoing operating expenses; and

WHEREAS, increasing the funding level of the Operating Reserve over two to three years for new or expanded programs will allow better planning and management of the resources needed to maintain the Operating Reserve; and

WHEREAS, the Budget and Finance Committee has reviewed and recommends the proposed amendments to the policy.

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

The board approves the attached revised Operating Reserve Policy dated May 9, 2018.

I HEREBY CERTIFY THAT the foregoing resolution was adopted by the COG Board of Directors on May 9, 2018.

**Laura Ambrosio
COG Communications Specialist**