BOARD OF HEALTH
RESOLUTION 2026 - _____

A RESOLUTION OF THE ARCHULETA COUNTY, COLORADO BOARD OF HEALTH ESTABLISHING A FINANCIAL RESERVE POLICY WITH MINIMUM AND MAXIMUM TARGET FUND BALANCE LEVELS FOR THE PUBLIC HEALTH FUND PURSUANT TO C.R.S. § 25-1-511

WHEREAS, the County Board of Health (the "Board") pursuant to C.R.S. § 25-1-508 is authorized to administer public health functions, programs, and services within Archuleta County, Colorado; and

WHEREAS, pursuant to C.R.S. § 25-1-511(2), the County Treasurer is statutorily required upon organization of a local public health agency to create a dedicated county public health agency fund to receive county general fund appropriations, state and federal grants, donations, and fees for local public health purposes; and

WHEREAS, pursuant to C.R.S. § 25-1-511(3), moneys credited to the public health agency fund shall be expended solely for public health purposes and allowed only upon certification by the Public Health Director and President of the Board of Health; and

WHEREAS, C.R.S. § 25-1-511(4) directs the Board to estimate total annual operating costs and available unexpended surpluses to determine budgetary needs for each fiscal year; and

WHEREAS, maintaining an adequate financial reserve within the statutory public health agency fund is essential to ensure operational continuity, safeguard against unanticipated revenue disruptions, accommodate seasonal cash flow variations, and respond effectively to public health emergencies; and

WHEREAS, financial management best practices recommended by the Government Finance Officers Association (GFOA) advise local health agencies to formally adopt target fund balance reserve policies establishing minimum and maximum thresholds; and

WHEREAS, establishing explicit minimum and maximum fund balance parameters prevents the depletion of critical operating cash while ensuring that public health funds are utilized efficiently and transparently without excessive accumulation; and

WHEREAS, the Board feels it prudent to establish a structured, prudent financial reserve policy for the Archuleta County Public Health agency fund to guide budget preparation, execution, and long-term financial stability.

NOW, THEREFORE, BE IT RESOLVED BY THE ARCHULETA COUNTY, COLORADO BOARD OF HEALTH:

1. The Board hereby approves and adopts the Financial Reserve Policy for the Archuleta County Public Health Agency Fund established pursuant to C.R.S. § 25-1-511, effective immediately upon passage.

2. A minimum unrestricted fund balance reserve threshold for the Public Health Agency Fund is hereby established at [_____ % of annual operating expenditures / $_____ / _____ days of operating expenses]. The Public Health Department shall manage its annual budget to ensure that unassigned/unrestricted balances do not fall below this minimum, except during extraordinary circumstances or emergency responses approved by the Board.

3. A maximum unrestricted fund balance reserve ceiling for the Public Health Agency Fund is hereby established at [_____ % of annual operating expenditures / $_____ / _____ days of operating expenses]. Unexpended surpluses accumulating above this maximum threshold shall be evaluated during the annual budget process pursuant to C.R.S. § 25-1-511(4) for potential strategic re-investment into core public health infrastructure, capital equipment, community health initiatives, or designated one-time expenditures.

4. In the event that the unrestricted fund balance exceeds the established maximum threshold, the Public Health Director is authorized to propose the allocation or reallocation of excess funds toward current or future operational, capital, or programmatic needs. Any such allocation of funds exceeding the maximum threshold shall be executed through the standardized budget amendment process as established and required by Archuleta County.

5. Drawdowns or allocations from the minimum reserve shall strictly require prior authorization by formal resolution of the Board of Health. Requests for drawdowns must outline the specific emergency, cash flow shortfall, or operational necessity requiring the use of reserves, along with a replenishment plan.

6. If the unrestricted fund balance falls below the established minimum threshold due to unexpected expenditures or revenue shortfalls, the Executive Director/Public Health Director shall submit a written Reserve Replenishment Plan to the Board within sixty (60) days. The plan shall outline concrete budgetary adjustments, grant strategies, or operational measures to restore the reserve to its required minimum level within [_____ months / years].

7. The Executive Director or designated Financial Officer shall report on the status of the Public Health Agency Fund reserve as part of the quarterly financial reporting and annual budget submission under C.R.S. § 25-1-511(4). The Board shall review this reserve policy annually to ensure alignment with economic conditions, operational costs, and statutory mandates.

APPROVED AND ADOPTED, this _____ day of _____ 2026.

ARCHULETA COUNTY, COLORADO
BOARD OF HEALTH

_____
President