



# Maintenance of Reserve Funds

- **City Council Policy #201**

- Unassigned Fund Balance: 10%
- Economic Contingency Reserve: 20%
- Facilities Maintenance Reserve: 3 times annual base Major Maintenance (defined as 1.5% of General Fund operating expenditures)
- Vehicle Replacement Reserve: Equal to accumulated depreciation or replacement value
- General Liability and Workers' Compensation: 80% of Confidence Level of Adequacy
- Pension, OPEB, Debt Service, Sewer, Streets



# Maintenance of Reserve Funds

Reserve Category	Target per Existing Policy 201	Level as of 6/30/2020	Level Projected for 6/30/2021	New Target	6/30/21 Over/(Under) New Target	Amended Policy
Unassigned Fund Balance*	None	16,294,668	14,382,280	6,100,000	8,543,132	10% of General Fund Operating Expenditures
Economic Contingency Reserve*		9,085,066	9,085,066	12,200,000	(3,114,934)	20% of General Fund Operating Expenditures
Debt Service Reserve	535,169	535,169	535,169	0	535,169	Eliminate this reserve
Facilities Maintenance Reserve**	6,020,000	2,400,000	2,400,000	2,745,000	(345,000)	3-times annual base need for major maintenance, defined as 1.5% of General Fund operating expenditures
Liability Insurance	13,283,000	14,466,396	15,000,000	13,283,000	1,717,000	80% confidence level
Vehicle Replacement	7,500,000	1,677,878	1,877,878	3,030,000	(1,152,122)	30% of the book value of vehicles
Pension Trust	114,700,000	6,339,807	6,466,604	18,400,000	(11,933,396)	Two years of UAL payments
OPEB Trust	5,700,000	3,197,914	3,261,872	4,560,000	(1,298,128)	80% of OPEB liability

\* Based on General Fund operating expenditures of \$61,000,000

\*\* Annual budget for major maintenance at 1.5% of General Fund operating expenditures