

Finance Policy Summary

FUND	SURPLUS	GENERAL FUND TRANSFER/ TRANSFER TO CAPITAL	OPERATING RESERVE	OTHER
<p>GENERAL</p> <p><u>General Government:</u> aggregate revenues or expenditures in the General Fund plus transfers to StarMetro, CRTPA, and Golf Course funds, when required.</p>	<p>Any remaining balance is first used to fund the Deficiencies Reserve until the target level is achieved. After fully funding the deficiencies fund, any remaining balance may be used to support the subsequent year's operating budget, up to a maximum of 5% of general government operating expenditures, and to buy down debt-financed capital improvement projects.</p>	<p>\$5.0 million in new funding is budgeted to support projects in FY17; less than \$1 million has been programmed from the Undesignated Balance for FY17 projects.</p>	<p><u>Deficiencies Fund:</u> up to 5% of year-end surpluses will be allocated to support subsequent year's operating deficit.</p>	<p><u>Fleet Reserve:</u> The FY17 contribution is \$1.37 million.</p> <p><u>RR&I:</u> Undesignated balance set at a maximum of 3% of general government capital projects.</p>
<p>FIRE SERVICES</p>	<p>Retained for fire operating and capital costs.</p>	<p>No transfer.</p>	<p>No reserve.</p>	<p>Not applicable.</p>
<p>GAS</p>	<p>Designated to fully fund the operating reserve and thereafter to fund gas system capital projects.</p>	<p>The transfer policy was changed in FY12 to 6.99% of a 3-year average of system revenues. The transfer is now based on CPI. The transfer for FY17 is \$2.8 million.</p>	<p>Funded at 25% of the previous year's General Fund transfer. Used to meet General Fund transfer, if required.</p>	<p><u>RR&I:</u> Transfer budgeted at a level equivalent to depreciation expense as provided in the applicable rate study.</p>
<p>INTERNAL SERVICE FUNDS</p>	<p>Except for the Information Systems Services Fund, revenues for all funds are balanced against actual expenditures, resulting in zero surpluses.</p>	<p>Not applicable. Excess balances from budgeted revenues are transferred to the original funding source at year-end.</p>	<p>No reserve.</p>	<p>Funding needed for large capital outlays in the Information Systems Services Fund may be accumulated over a period of time in its RR&I fund.</p>

Finance Policy Summary

FUND	SURPLUS	GENERAL FUND TRANSFER/ TRANSFER TO CAPITAL	OPERATING RESERVE	OTHER
ELECTRIC	Operating fund balance after General Fund transfer minus bond reserves used to fully fund the operating reserve, with the balance designated for electric system capital projects.	Starting in FY13 the transfer was fixed at \$23.9 million and increased annually by CPI. The transfer for FY17 totals \$29.1 million.	The operating reserve is comprised of four subcomponents, with the primary purpose aimed at providing working capital. The working capital component is targeted with having a balance of 60 to 90 days of operating expenses. The other three components are fuel risk management, emergency reserve and rate stabilization.	<u>RR&I</u> : Transfer budgeted at a level equivalent to depreciation expense as provided in the Comprehensive Annual Financial Report (CAFR). Bond covenants for 1998 Energy System bonds require a transfer to RR&I but do not specify an amount.
WATER	Designated to fully fund the operating reserve and thereafter to fund water system capital projects.	Starting in FY12, the transfer is budgeted at 6.99% of a 3-year average of system revenues. The transfer for FY17 is \$3.4 million.	Funded at 25% of the previous year's General Fund transfer. Used to meet General Fund transfer, if required.	<u>RR&I</u> : Transfer budgeted at a level equivalent to depreciation expense as provided in the Comprehensive Annual Financial Report (CAFR).
CEMETERY PERPETUAL CARE	Retained for cemetery operating and capital costs.	No transfer.	No reserve.	Not applicable.
SEWER	Designated to fully fund the operating reserve and thereafter to fund sewer system capital projects.	Starting in FY12, the transfer is budgeted at 6.99% of a 3-year average of system revenues. The FY17 transfer is \$4.7 million.	Funded at 25% of the prior year's General Fund. Used to meet General Fund transfer, if required.	<u>RR&I</u> : Transfer budgeted at a level equivalent to depreciation expense as provided in the Comprehensive Annual Financial Report (CAFR).
STORMWATER	Retained for stormwater system capital projects.	The transfer to the General Fund represents administrative cost sharing only.	No reserve.	<u>RR&I</u> : Maximum of 5% of capital projects funding sources, with a minimum level of 3%.

Finance Policy Summary

Fund	SURPLUS	GENERAL FUND TRANSFER/ TRANSFER TO CAPITAL	OPERATING RESERVE	OTHER
AVIATION	Retained within fund and allocated according to airline use agreement.	No transfer to General Fund. Full recovery of cost.	Minimum of 1/12th of operating and maintenance budget for Airport (less fuel for resale) designated for unanticipated non-recurring expenditures.	RR&I: Not applicable.
SOLID WASTE	Retained for rate stabilization reserve.	Starting in FY12, the transfer is budgeted at 6.99% of a 3-year average of system revenues. The FY17 transfer is \$1.8 million.	No reserve.	RR&I: Not applicable.