



<b>Policy:</b>	F007 – Reserves
<b>Effective Date:</b>	September 9, 2010
<b>Approved by:</b>	Board

**PURPOSE**

To establish specific reserves for emergent financial needs and to set aside funds for the replacement of existing equipment and future projects.

**POLICY**

The Board recognizes that the ongoing commitment of funds to specific reserves provides for contingency funding and flexibility.

**GUIDELINES**

1. All reserve transactions, re-designations, revisions and new reserve requests must be ratified by the Audit & Finance Committee.
2. All reserves must be fully described and must include a purpose, application and approval. Unless otherwise stated, all funds are considered committed for the specific purpose as outlined by the reserve.
3. All reserve accounts must be represented in the Board’s financial statements.
4. All reserves must be reviewed annually by the Chief Executive Officer and the Audit & Finance Committee to determine if the reserves are still required. When the original intent of the reserve has been met or changed, any remaining amounts in the reserve shall, through an appropriate review and approval process by the Chief Executive Officer, Audit & Finance Committee and the Board, be either returned to surplus or re-designated. The Audit & Finance Committee will approve and recommend any changes to reserves to the CRB.
5. Reserves can be funded from either internal or external sources.
6. Interest will not be paid to these reserves; but will accrue to general revenue
7. All expenditures from reserves must have prior approval through the annual operating or capital budget; or from an approved carryover project; or by Board resolution.
8. Approval to re-designate reserve funds or approval for inter-reserve transfers shall be obtained prior to the transaction occurring through approval of the Audit & Finance Committee.
9. All Board reserves shall be administered by the Chief Executive Officer and in accordance with generally accepted accounting principles.



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Nolan Crouse, Board Chair

Revisions		
Date	Status	Comments
June 6, 2016	Amend	Delegated ability to approve reserves to Governance Priorities & Finance Committee
September 8, 2016	Approve	Approved by the Board
October 31, 2017	Amend	Non-substantive changes to ensure compliance with the new MGA, Regulation, Growth Plan, and approved Board Governance Structure