



To: Dave Plyman, City Manager
From: Chris Cardott, Finance Director
Date: January 16, 2016
Re: Water and Water Reclamation Unrestricted Cash Reserve Policies

Both the Water and Water Reclamation Unrestricted Cash Reserve Policies will provide the ratepayers, investors, and regulatory and credit rating agencies an assurance that the City is committed to maintaining the future fiscal strength of each utility. The goal is to maintain a balance of at least 365 days of operating and maintenance expenses in each fund. Currently the Water Fund has 771 days and the Water Reclamation Fund has 557 days of cash on hand. The policies were discussed and approved at the January 18th Utility Advisory Board meeting.

Thank you.