

ALBANY PARKING AUTHORITY
UNRESTRICTED CASH RESERVE FUND POLICY

SECTION 1. PURPOSE. The purpose of this reserve fund policy (the “Policy”) is to establish and maintain an Albany Parking Authority (“APA”) an unrestricted cash reserve fund to deal with unforeseen emergencies, changes in economic conditions, and ensuring continued debt service obligations. It is the objective of this policy to maintain a minimum unrestricted cash reserve of two months of the annual budget and a goal of four months to ensure continued operations.

SECTION 2. GENERAL RESERVE FUND. The Albany Parking Authority shall maintain an Unrestricted General Reserve with a minimum budgetary target of 15% of the approved annual budget and a goal of 30% of the approved annual budget. The funds shall be used to pay for budgetary shortfalls that cannot be reasonably accommodated by current budget appropriations. Any use of the fund over One Hundred and Twenty-Five Thousand Dollars (\$125,000.00) must be approved by the Albany Parking Authority Board of Directors, this shall not be meant to include investments of the fund pursuant to the Albany Parking Authority Investment Policy. In the event the 30% goal has been achieved, the APA Board of Directors shall have the option to but is not limited to: pay off APA debts; authorize additional capital investments; authorize increased goals for the Fund.

SECTION 3. FUNDING. The General Reserve shall be funded by year end excess budget lines and/or periodic transfers throughout the year of unrestricted funds. If funds are spent from the Unrestricted General Reserve, it should be replenished as resources become available.

SECTION 4. INVESTMENT OF FUND. It is the intent of the APA to invest the Unrestricted General Reserve Funds, subject to the APA Investment Policy, in methods that ensure appropriate liquidity. Any interest earned or capital gains realized on the moneys in the Fund so deposited or invested shall accrue to and become part of the Fund.

SECTION 5. POLICY REVIEW. This policy will be reviewed annually.