

TOWN OF CASTLE ROCK RESERVES POLICY

Purpose

The purpose of this policy is to provide general guidance on reserve levels within all funds of the Town of Castle Rock.

Policy

1. Comply with all legal reserve requirements
2. Provide adequate funds to meet obligations related to debt requirements and contract purposes
3. Reserve adequate funds for future major asset/infrastructure repair and replacement and new asset/infrastructure acquisition needs as demonstrated in five year capital planning and beyond for some specific funds
4. Reserve funds with the intent of stabilizing revenues which are highly volatile in the event that regular planned revenues do not materialize to the degree anticipated for regular operational needs
5. Reserve funds for operations as may be needed in the event of an emergency
6. Reserve funds for the potential economic development opportunities which may arise
7. Reserve funds for insurance claims and general health insurance increases in the Town employee health plan as the Town is self-funded
8. Reserve funds which are identified as committed for the specific purpose and intent of the individual fund to preserve the restriction in use relative to the fund