

Transportation Reserve Fund

Managing Bureau: Portland Bureau of Transportation

Statement of Purpose: The Transportation Reserve Fund was created in FY 1992-93 in accordance with the transportation reserve policy. The policy designates two types of reserves: 1) Countercyclical reserves to maintain current service level programs or buffer the impact of major revenue interruptions, such as those caused by an economic recession. The policy sets this reserve amount at 5% of the Portland Bureau of Transportation's (PBOT's) gas tax and on-street parking revenues in the Adopted Budget. 2) Emergency reserves to fund major one-time unexpected requirements, such as those related to a structural failure or road emergency associated with a natural disaster or event. The policy sets this reserve amount at 5% of PBOT's gas tax and on-street parking revenues in the Adopted Budget.

Sources of Revenue: Sources of revenue include interest earnings on the cash balance and from cash transfers from the Transportation Operating Fund.

Contingency Requirements: Per Financial Policy 2.04, contingency funds should be used to address reasonable but unforeseen requirements within the fiscal year. There are no minimum or maximum contingency requirements for the Transportation Reserve Fund.

Reserve Requirements: Per policy, the reserve should be 10% of gas tax and parking revenue received by the Transportation Operating. There are two purposes for this fund: 1) To fund major one-time, unexpected requirements related to a structural failure or road emergency associated with a natural disaster or event. 2) To maintain current service level programs or to buffer the impact of a major revenue interruptions, such as those caused by an economic recession. PBOT will follow the General Fund's use of its reserves or Council approval. Draws should be restored within three fiscal years.

Disposition of Funds: In the event the fund is closed, all remaining resources shall revert to the Transportation Operating Fund.