

Water Fund

Managing Bureau: Portland Water Bureau

Statement of Purpose: The Water Fund is the operating fund of the Portland Water Bureau. All expenditures are made from this fund for operation, maintenance, and capital assets except for debt service payments. The primary revenue source for the Water Fund is water sales.

Sources of Revenue: Water sales are the primary source of revenue for the fund. Other revenue sources include: other water-related fees and charges as defined in the annual water rate ordinance, rents, miscellaneous revenues including interest, interagency revenues, capital revenues that are transferred to the Water Construction Fund, and reimbursement for capital expenditures from the Water Construction 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 Water Fund.

Reserve Requirements: There are no reserve requirements for this fund, however, the bureau targets a minimum fiscal year-end operating cash reserve of \$15.0 million and will maintain a minimum rate stabilization reserve of \$2.0 million.

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