

# Fire & Police Disability & Retirement Reserve Fund

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**Managing Bureau:** Bureau of Fire & Police Disability & Retirement

**Statement of Purpose:** The Fire & Police Disability & Retirement (FPDR) Reserve Fund was established by City Charter and is to be maintained in the amount of \$750,000. It is for use only in the event the FPDR Fund becomes depleted to the extent that current obligations cannot be met. Interest income on the \$750,000 is booked directly to the FPDR Fund.

**Sources of Revenue:** City Charter requires that the FPDR Reserve Fund be maintained in the amount of \$750,000. The Board of Trustees and City Council may authorize some or all of the \$750,000 to be advanced to the FPDR Fund during the fiscal year, but since the charter requires all advances received by the FPDR Fund to be repaid, the transferred amount must be returned to the FPDR Reserve Fund. The ultimate source of the FPDR Reserve Fund balance is the dedicated FPDR tax levy, whose proceeds are restricted in City Charter to the fulfillment of FPDR obligations.

**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 Fire & Police Disability & Retirement Reserve Fund.

**Reserve Requirements:** The amount of \$750,000 must remain in this reserve fund.

**Disposition of Funds:** Since this fund is established and its disposition restricted by City Charter, the voters of the City of Portland would need to amend the charter to close the fund and dispose of any remaining fund balance.