



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager   **DATE:** May 26, 2026

**SUBJECT:** Fund Balance and Reserve Policy Update

**PRESENTER:** Chase Fosse, Director of Budget & Research

**SUMMARY:**

Staff will present proposed revisions to the City's Fund Balance and Reserve Policy.

**GENERAL DESCRIPTION:**

Staff will present proposed revisions to the City's Fund Balance and Reserve Policy. This policy underwent significant revisions in early 2025 to strengthen policy requirements by increasing minimum reserve amounts and the number of funds the policy applies to. The proposed revisions maintain existing requirements, expand the policy to cover all budgeted expenditures, and clarify terms and definitions.