

SUBJECT:
Interest Earned Allocations

POLICY NUMBER 200-11
ADOPTED 9-8-10
REVISED 9-20-17

It is the Policy of the City Council that the General Fund will be allocated all interest earned on City investments, net of expenses, except where interest has been pledged for bonded debt, where contracts or grants require interest to be retained, where required by State or Federal law, or where otherwise directed by City Council.

The funds that do not have restrictions and are therefore allocated to the General Fund are as follows:

- All private grant funds that are not federal or state grants
- The City Debt Service Fund (420)
- The General Fund Community Facilities CIP Fund (581)
- Solid Waste Disposal Fund (731)
- All Internal Service Funds (800 series)
- All Trust Funds that are not endowments (900 series)

Prior to allocating the interest to all funds, one-third of the total interest earned will be dedicated to pay down the PERS Unfunded Liability. The remaining interest will be allocated to all eligible funds.

In the event of a fiscal emergency, this policy can be modified with the majority consent of Council at the recommendation of the City Manager in consultation with the City Treasurer and the Financial Services Director.