

Chester Public Utility District

Manual of Policies

POLICY TITLE: Operational Reserves

POLICY NUMBER: 3025

3025.10 Operational Reserves are set aside to ensure cash resources are available to fund daily administration, operations and maintenance of providing water, wastewater, emergency medical response, and fire services.

3025.20 Operational Reserves amounts shall be determined during the annual budget preparation cycle and set to the following amounts:

Water Service – An amount equal to two (2) months average daily operating expenses;

Wastewater Service – An amount equal to two (2) months average daily operating expenses;

Emergency Medical Response & Fire Services – An amount equal to three (3) months average daily operational expenses.

3025.30 The use of Operational Reserves shall require prior authorization from the Board of Directors.