

**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OF THE CENTRAL TEXAS  
REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 10-12**

**Reserve Funds Policy**

WHEREAS, the Central Texas Regional Mobility Authority (“CTRMA”) was created pursuant to the request of Travis and Williamson Counties and in accordance with provisions of the Transportation Code and the petition and approval process established in 46 Tex. Admin. Code § 26.1, *et. seq.* (the “RMA Rules”); and

WHEREAS, the prudent and legally permissible management of CTRMA funds is the responsibility of the CTRMA Board of Directors and its designees; and

WHEREAS, it is necessary for the CTRMA to maintain reserve funds in order to ensure that the agency’s ongoing operational needs are provided for; and

WHEREAS, the CTRMA staff and consultants have developed a policy, attached hereto as Attachment “A”, setting forth certain requirements and guidelines regarding the maintenance of reserve funds by the CTRMA (the “Reserve Fund Policy”); and

WHEREAS, the Chief Financial Officer recommends the adoption of the Reserve Fund Policy by the CTRMA Board of Directors.

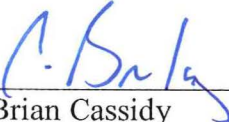
NOW THEREFORE, BE IT RESOLVED, that the CTRMA Board of Directors hereby approves and adopts the Reserve Fund Policy attached hereto as Attachment “A”; and

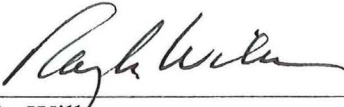
BE IT FURTHER RESOLVED, that the policy may be amended from time to time at the discretion of the Board of Directors.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 26th day of February, 2010.

Submitted and reviewed by:

Approved:

  
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C. Brian Cassidy  
Acting General Counsel for the Central  
Texas Regional Mobility Authority

  
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Ray A. Wilkerson  
Chairman, Board of Directors  
Resolution Number 10-12  
Date Passed: 02/26/10

**ATTACHMENT "A"**  
**To**  
**Resolution No. 10-12**  
**Reserve Fund Policy**

# CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

## RESERVE FUND POLICY

### **I. Purpose**

In Resolution No. 10-12, dated February 26, 2010, the CTRMA Board of Directors approved the establishment of a reserve fund. The reserve fund is intended to ensure that the authority maintains adequate funds to satisfy its outstanding financial commitments and operational requirements in the event of unforeseen circumstances or events. The Board of Directors recognizes that establishment and maintenance of sufficient reserve funds is of particular importance in light of the CTRMA's dependence upon discretionary user fees as its primary revenue stream.

### **II. Fund Balance**

It shall be the goal of the CTRMA to maintain twelve months of funds sufficient to pay, maintain, or satisfy all required debt service, debt service coverage, contractual financial commitments, and operational requirements (collectively, "Funding Requirements") as a reserve fund; provided, however, that the Executive Director shall have the authority to take action resulting in a reduction of the reserve fund to a minimum of nine months of funding sufficient to pay, maintain, or satisfy all Funding Requirements if he determines that such action is necessary, in the best interest of the authority, and will not adversely affect the authority's financial stability.

In the event that the Executive Director authorizes action on behalf of the authority to reduce the reserve fund balance to less than twelve months of funding sufficient to pay, maintain, or satisfy all Funding Requirements, he shall disclose to the Board of Directors at the next regular Board meeting the amount by which the reserve fund was reduced and the circumstances that led to the reduction.

In no event may the reserve fund balance be reduced to less than nine months of funding sufficient to pay, maintain, or satisfy all Funding Requirements without the prior approval of the Board of Directors.