

**Emergency Reserve Fund****Fund 406****PURPOSE OF THE FUND:**

The Emergency Reserve Fund was created in accordance with the City Charter for the purpose of meeting any public emergency involving or threatening the lives, property, or welfare of the people or property of the City.

In case of a public emergency involving or threatening the lives, property or welfare of the people or the property of the City, the City Manager shall have the power, until the next meeting of the Council, subject to the availability of funds and subject to such conditions, restrictions and limitations as the Council may impose, to summon, organize and direct the forces of any department of the City in any needed service, to summon, marshal, deputize or otherwise employ other persons, or to do whatever else he or she may deem necessary for the purpose of addressing the emergency. To the extent that other moneys have not been appropriated or are otherwise unavailable, he or she may expend any unencumbered moneys in the Emergency Reserve Fund despite the fact that such moneys may not have been appropriated for such purpose. At the first meeting of the Council following any such action, the City Manager shall present to the Council a full report of what he or she has done to meet the emergency.

**AUTHORITY FOR THE FUND:**

City Charter Section 1213, San José Municipal Code Section 4.12.145. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

**SOURCE OF FUNDS:**

- Transfers from non-restricted funding sources in any amount which the Council deems desirable

**FUND RESTRICTIONS:**

This fund is not subject to Proposition 218 requirements. To the extent that the amount of money in the Emergency Reserve Fund exceeds the amount the Council deems desirable, the Council may transfer excess funds for any other purpose. The City Council has approved the transfer of interest earnings in this fund to the General Fund, as the San José Municipal Code contains no restrictions on the disposition of interest earnings in this fund.

**LEAD RESPONSIBILITY:**

Finance Department

**Emergency Reserve Fund****Fund 406****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

**Budget Location:**

Adopted Operating Budget

**Funding Sources Resolution and Appropriation Ordinance Location:**

Section 21.01

**NOTES:**

Funds are placed in the restricted fund balance in cases where the use of funds is still in negotiation with either the federal or State government.