



URMD Fund Balance strategy (adopted when the safety improvement program was created):

- Keep URMD fund balance at a target level. Started at \$5M, increasing 8% per year (inflation rate of pavement maintenance).
- Will provide adequate fund balance (kick start) for pavement maintenance when PCI target is reached.

If proposed budget were fully expended in 2016-17, ending fund balance would match target fund balance.

(Expect carry over for safety improvement projects as in past years.)

When the URMD Safety Improvement Program was started in 2011, it was estimated that by reducing the target PCI to 75, up to **\$17M** could be made available for improvements over a 10-year period before focus would need to return to pavement maintenance.

The target fund balance was set in 2011 at \$5 million (\$3M for cash flow/operating expenses and \$2M for unforeseen needs/disasters), with inflation of 8% per year.

With this strategy, current projections indicate 5 more years remaining – at about \$2.5M per year – for a total of about **\$22M** allocated toward safety improvements over a 10-year period.