

Cash Reserve Fund**Fund 002****PURPOSE OF THE FUND:**

The Cash Reserve Fund was established as a revolving fund to meet any authorized expenditures of the City for any fiscal year in anticipation of and before the collection of taxes and other revenues of the City, and for the payment of authorized expenditures of the City for any fiscal year which became due and payable and must be paid prior to the receipt of taxes and other revenues for such fiscal year.

This reserve is built up from any available sources other than restricted sources in an amount which the Council deems sufficient to meet authorized expenditures. If necessary, tax anticipation notes may be issued, subject to the requirements of State law, for the purpose of funding the Cash Reserve Fund. Transfers may be approved by the City Council to any other fund(s) of such sum(s) of money that may be required to keep such other fund(s) on a cash basis. All funds transferred to any other fund(s) must be returned to the Cash Reserve Fund before the end of the fiscal year that the transfer(s) was/were made. The balance in the Cash Reserve Fund shall be carried forward to the next fiscal year; provided, however, that to the extent that the amount of money in the Cash Reserve Fund exceeds the amount the Council deems desirable for purposes of this Cash Reserve Fund, the Council may transfer such excesses to any other fund(s) for any other purposes(s).

AUTHORITY FOR THE FUND:

City Charter, Section 1212. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Interest earnings
- Interfund transfers

FUND RESTRICTIONS:

This fund is not subject to Proposition 218 requirements. To the extent that the amount of money in the Cash Reserve Fund exceeds the amount the Council deems desirable, the Council may transfer excess funds for any other purpose. Restrictions may be imposed in the fund to the extent revenue comes from tax anticipation notes.

LEAD RESPONSIBILITY:

Finance Department

Cash Reserve Fund

Fund 002

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources and Appropriation Ordinance Location:

Section 21.02

NOTES:

The Cash Reserve Fund is a memo fund to the General Fund.