

CITY OF DENTON

POLICY/ADMINISTRATIVE PROCEDURE/ADMINISTRATIVE DIRECTIVE

SECTION: FINANCE	REFERENCE NUMBER: 402.05
SUBJECT: BUDGET ADMINISTRATION AND DEVELOPMENT	INITIAL EFFECTIVE DATE: 07/13/82
TITLE: RESERVE POLICIES	LAST REVISION DATE:

1. *Undesignated Reserve Fund Balance.* The City will establish a budgeted reserve to provide for unanticipated expenditures of a nonrecurring nature, or to meet unexpected increases in service delivery costs. This reserve will be maintained at eight (8) to ten (10) percent of the general operating fund.

End of year fund balances will be sufficient to provide working capital for the various funds that will assure a positive cash balance at all times during the year; and/or the fund balances will provide for thirty (30) to forty-five (45) days' working capital.