

## **Minimum Fund Balance**

The district recognizes the importance of maintaining a prudent fund balance in the general fund to ensure operational cash flow needs are met, to set aside resources for known obligations and to help protect against unforeseen circumstances. Accordingly, the district adopts this policy in regards to those portions of fund balance that are in spendable form but are not legally restricted as to their use from outside sources.

Annually, the superintendent or designee will present a general fund budget that includes an acceptable and adequate minimum fund balance for district operations and to address potential general fund needs. It is in the best interest of Skamania School District that the board of directors target a goal of 20 percent of the current expenditures to address potential general fund needs and continue to maintain an acceptable and adequate minimum fund balance for district operations.

Cross References:                   6040 - Expenditures in Excess of Budget  
  6020 - System of Funds and Accounts

Legal References:                   RCW 28A.320.070 School district as self-insurer - Authority  
  RCW 28A.505 School Districts' Budgets  
  28A.505.130 Budget - Requirements for balancing estimated  
  expenditures

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