

## **GENERAL FUND RESERVE**

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. At the end of the district's fiscal year, the district shall maintain, in General Ledger Account 891, a minimum fund balance of no less than five (5) percent of the district's overall General Fund Budget. Any proposed use of these reserves below the five (5) percent will require approval by the board.

Should the board authorize use of the minimum fund balance below five (5) percent, the superintendent, or designee, will prepare a financial plan identifying how to return the fund balance reserves to a minimum of five (5) percent.

**Adoption Date: 6.13.2022**