

## MINIMUM FUND BALANCE

The board 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 and support the district's goal of maintaining a credit rating of 'A' or higher as measured by Moody's or an equivalent agency.

Annually, it is in the best interest of Longview School District that the board of directors target a goal range of seven (7) to nine (9) percent of the *current* expenditures with a minimum of seven (7) percent to address potential general fund needs and continue to maintain an acceptable and adequate minimum fund balance for district operations.

### 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](#)

### Management Resources:

- [2011 - February Issue](#)

### Cross References:

- [6020 - System of Funds and Accounts](#)

Initially adopted: January 26, 2026 (formerly Policy 6006P)