

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 protect against unforeseen circumstances.

Accordingly, the district adopts this policy regarding 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 strives to maintain a minimum fund balance goal of **\$400,000**.

The superintendent or designee will notify the board if the projected or actual general fund balance falls below **\$450,000** and will provide relevant financial information to support board awareness and decision-making.

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](#)

Cross References:

- [6040 - Expenditures in Excess of Budget](#)
 - [6020 - System of Funds and Accounts](#)
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