

FISCAL MANAGEMENT - UNAPPROPRIATED GENERAL FUND BALANCE
AND CONTINGENCY ACCOUNT

DATES (Adopted/Revised)	GUIDE WORDS
Adopted February, 1991 Revised February, 2005	Annual Budget General Fund Contingency Account Unappropriated Fund Balance

The unappropriated General Fund Balance and Contingency Account shall be maintained at a level not less than 4% of the estimated budget of current revenue for the year. Any variance below 4% is to be considered a reportable item at the time the Annual Budget is presented for Board approval, with an outline of a plan that will bring the Unappropriated Fund Balance to the desired 4% level.

An Unappropriated General Fund Balance of 4% is established so that unpredicted revenue shortfalls can be absorbed, desired cash flow maintained, and borrowing will be unnecessary or minimized. Any portion of the prior year ending fund balance in excess of 4% may be considered as a resource in the subsequent fiscal year, but must be noted and explained at the annual budget hearing.

The District will establish a General Fund Contingency account to provide for unanticipated expenditures. This revenue will be maintained at not less than 1% of the estimated budget of current revenue for the year.