

West Bonner County School District

FINANCIAL MANAGEMENT

7320

Establishment and Use of District General Fund Contingency Reserve

The West Bonner School District #83 desires to establish and maintain a General Fund Contingency Reserve Fund for unanticipated expenditures of a necessary, temporary and non-recurring nature. The purpose of this reserve fund shall be to minimize the effects of unanticipated economic fluctuations on revenue or needed expenditures; such as increases in fuel costs, decreases in student population during a school year, unexpected litigation expenses, insurance deductibles, etc.

The Board shall, by official action of the Board at a regular board meeting, determine what funds are to be placed into the General Fund Contingency Reserve Fund. The Board will only place revenues into this fund which were not obligated in the regular budget. The total of all funds in this account shall not exceed 5% (five percent) of the combination of the district's General Fund, and supplemental and emergency levy amounts.

The expenditure of any funds from the General Fund Contingency Reserve Fund must be approved by official resolution by the Board of Directors at a scheduled meeting. Prior to authorization of use of any funds from this reserve account the Board shall determine and state in an official motion the amount of the funds to be released from the Contingency Reserve Fund, as well as the specific approved use of these funds by the District.

LEGAL REFERENCE: Idaho Code 33-801A

Policy History:

Adopted: June 8, 2005

Revised: March 12, 2008