

General Fund Balance

The Board of Education of the School District of Johnson Creek recognizes the need for carrying an operating reserve in the General Fund to:

1. provide adequate working capital sufficient to meet the District's cash-flow requirements, thus minimizing any cash-flow (short-term) borrowing during the annual operating cycle;
2. function as a safeguard to fund unanticipated expenses that the District might incur or to fund unrealized revenue which may occur but shall not be considered available to meet recurring operational expenses; and
3. demonstrate fiscal responsibility resulting in a high credit rating, which will help to reduce District borrowing costs.

In recognition of these needs, the Board of Education shall continually strive to maintain a minimum of 20% of total operating expenses in the fund balance.

Adopted: 3/16/09
Reviewed: 6/1/16
Reviewed: 3/7/22