

2019-20 Budget Adoption Reserves

Dixie School District

Substantiation of need for reserves greater than the state required minimum reserve for economic uncertainty

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the Budget Adoption public hearing, provide:

The minimum recommended reserve for economic uncertainties;

The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; and

A statement of reasons to substantiate the need for reserves that are higher than the minimum recommended reserve.

		2019-20
Total General Fund Expenditures & Other Uses		\$ 24,747,110
Minimum Reserve requirement	3%	\$ 742,413
General Fund Combined Ending Fund Balance		\$ 1,957,529
Special Reserve Fund Ending Fund Balance		\$ -
Components of ending balance:		
Nonspendable (revolving, prepaid, etc.)		\$ 3,000
Restricted		\$ 256,488
Committed		\$ -
Assigned		\$ -
Reserve for economic uncertainties		\$ 1,698,041
Unassigned and Unappropriated		\$ -
Subtotal Assigned, Unassigned & Unappropriated		\$ 1,698,041
Total Components of ending balance		\$ 1,957,529
		<i>TRUE</i>
Assigned & Unassigned balances above the minimum reserve requirement		\$ 955,628

Statement of Reasons	
The District's Fund Balance includes assigned, unassigned and unappropriated components, that in total are greater than the Minimum Recommended Reserve for Economic Uncertainties because:	
	<i>The Board of Trustees has pass a policy requiring the Reserve for Economic Uncertainties to be at least 10% of the total General Fund expenditures. The current year is at 6.86%.</i>
	<i>The higher reserve assists the district with time to absorb increasing STRS/PERS costs, health & welfare cost increases, and the future funding of COLA only increases.</i>