



POLICY # 20
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TITLE: **Financial Reserve Policy**

MANUAL: Petaluma Health Care District Board Governance Policies

Board Approval Date: November 6, 2018 Written By: A. Koblick/J. Stern/J. Tobias

Review Dates: January 15, 2019

I. POLICY

- A.** It is the policy of the Board of Directors of the Petaluma Health Care District (“District”) to establish guidelines that will ensure that the District maintains an Unrestricted Fund Balance derived from current investments, rent proceeds and other sources of revenue in an amount sufficient to ensure sources of funding for operating the District services focused on preventive health-related services and programs provided to the District population.

- B.** The District maintains a minimum Unrestricted Fund Balance of not less than six months of average general fund expenditures as a reserve for economic uncertainties. The District believes a reserve of this level is prudent.