

# Washakie County Conservation District Reserve Policy

## Statement of Reserve Policy

The purpose of this Policy is to help ensure the long-term financial stability of the Washakie County Conservation District and position it to respond to varying economic conditions, changes affecting the District's ability to carry out its mission, programs, employment and ongoing operations and be prepared to respond to natural disasters affecting the communities and constituents of the district. The District also strives for the highest level of accountability and transparency to the tax payers.

Reserve amounts will be recorded in the financial records of the Washakie County Conservation District and on the Wyoming Department of Audit Standard Budget Form.

### **Depreciation Reserve: Reported in Depreciation Reserve on the Department of Audit form**

Washakie County Conservation District will maintain a Capital (Depreciation) Reserve to fund the replacement of existing assets at the end of their useful lives. The probable replacement cost of assets will be accumulated each year over the life of the asset so it can be replaced readily when it becomes obsolete or totally depreciated. The Washakie County Conservation District Board of Supervisors will review and make necessary adjustments to the Capital Reserve annually. This reserve includes things such as vehicles, computers, tires, and equipment.

### **Restricted Fund Reserve –Reserves (Legally enforced)**

Washakie County Conservation District will maintain a Restricted Fund Reserve for any and all funds received by the District that are grantee or donor restricted. These funds are externally restricted funds for specific purposes or projects with legal obligations for use as determined by the donor or grantee. These funds shall be held in a separate account from all other district funds and other reserve funds.

### **Other Reserved fund balances – Reported in Assigned Fund Balance Reserve category on the Department of Audit**

Other restricted funds are determined by the Washakie County Conservation District Board of Supervisors.

Washakie County Conservation District will maintain an Operating Reserve fund in an amount sufficient to maintain ongoing operations and programs for a minimum of 6 months should there be a decrease in or loss of funding. The calculation of average monthly expenses includes all recurring, predictable expenses such as salaries and benefits, office, travel and ongoing District programs. The Operating Reserve will be reviewed annually by the Washakie County Conservation District Board of Supervisors and will be adjusted in response to internal and external changes. The maximum amount to be held in this account is \$160,000.00. Refer to WCCD Board's FY 2018 Working Budget spreadsheet Notes, in the Reserve Fund section for specific explanation of this budget breakdown.

#### **Identification and appropriate use of operating reserve funds.**

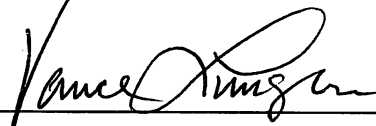
The Board will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. The Board must: (A) identify the reason for the shortfall; (B) determine the availability of any other sources of funds before using reserves; and (C) evaluate the period of time required to replenish the funds.

Reserves will be maintained in a segregated bank account and will require formal approval by the Washakie County Conservation District Board of Supervisors to be spent.

Approved, Passed and Adopted this 19<sup>th</sup> day of June, 2017.

FOR THE BOARD OF SUPERVISORS  
WASHAKIE COUNTY CONSERVATION DISTRICT

  
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Dave Slover, Chairman

ATTEST:   
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Vance Lungren, Secretary/Treasurer