

PLUMAS COUNTY OFFICE OF EDUCATION
50 Church Street, Quincy, CA 95971

**Resolution of the Plumas County Board of Education Establishing a Fifteen Percent
(15%) Reserve for Economic Uncertainties**
No. 2526-06

WHEREAS, the Plumas County Board of Education (“Board”) is responsible for ensuring the fiscal solvency, stability, and long-term financial health of the Plumas County Office of Education (PCOE); and

WHEREAS, sound fiscal practices require the establishment and maintenance of adequate reserves to address economic uncertainties, enrollment fluctuations, revenue volatility, and unforeseen expenditures; and

WHEREAS, California Education Code sections 42127 and 42127.01 emphasize the importance of maintaining appropriate reserve levels to ensure fiscal solvency; and

WHEREAS, maintaining a reserve in excess of the minimum required level provides greater financial stability and supports the continued delivery of educational programs and services to students and districts served by PCOE; and

WHEREAS, the Board has determined that a reserve equal to fifteen percent (15%) of total annual expenditures is prudent and necessary to protect the financial integrity of the Plumas County Office of Education;

NOW, THEREFORE, BE IT RESOLVED that the Plumas County Board of Education hereby directs the Plumas County Office of Education to establish and maintain a Reserve for Economic Uncertainties in an amount equal to no less than fifteen percent (15%) of total annual expenditures in its annual budget and financial projections; and

BE IT FURTHER RESOLVED, that this reserve requirement shall apply beginning with the 2025-2026 fiscal year budget and shall be reflected in all subsequent interim and adopted budgets, unless modified by formal action of the Board; and

BE IT FURTHER RESOLVED, that any use of reserve funds that would cause the reserve level to fall below fifteen percent (15%) shall require prior approval by the Plumas County Board of Education and a plan for restoration of the reserve; and

BE IT FINALLY RESOLVED, that this resolution shall remain in effect until amended or rescinded by the Board.

PASSED AND ADOPTED by the Plumas County Board of Education on this 14th day of January, 2026, by the following vote:

AYES:

NOES:

ABSENT:

JoDee Johnson, President of the Board