

## **AR DFAC-R Fund Balance**

Issued 04/21

The board is committed to providing sound, fiscal management for the district. To that end, the board desires stability for the district while considering instructional needs and the financial burden placed upon the taxpayers.

To provide sound, fiscal management and stability, the board believes that an operating reserve fund is necessary for the general fund budget each year.

The operating reserve will equal ten percent by fiscal year 2027-2028. The increase will be phased in as follows, otherwise push increase to next year:

| <b>Fiscal Year</b> | <b>Operating Reserve Fund Percent</b> |
|--------------------|---------------------------------------|
| 2020-2021          | 8.25%                                 |
| 2021-2022          | 8.50%                                 |
| 2022-2023          | 8.75%                                 |
| 2023-2024          | 9.0%                                  |
| 2024-2025          | 9.25%                                 |
| 2025-2026          | 9.50%                                 |
| 2026-2027          | 9.75%                                 |
| 2027-2028          | 10.00%                                |

No portion of the general funds operating reserve funds will be spent without first receiving approval from the board.

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Richland County School District One