

Book	Policy Manual
Section	6000 Finances
Title	Copy of TAX BUDGET PREPARATION
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6220 - TAX BUDGET PREPARATION

The Board of Education considers the preparation of an annual budget to be one of its most important functions as the budget is the financial reflection of the educational plan for the District.

The budget should be scrutinized with care by each member of the Board, prior to adoption, but once adopted, it deserves the support of all members of the Board regardless of their position when adoption was voted.

The Board recognizes its obligation to the taxpayer of this community to approve only those expenses reasonably required to provide an educational program suitable to the desires of this community, and to apply any surplus funds from the prior years budget against taxes to be raised locally for the subsequent budget except such funds as may be required to operate the District for one pay period should funds become temporarily unavailable for that purpose.

In order to ensure adequate time for the preparation and review of the proposed budget, the Board requests that the Treasurer present to the Board all available information associated with the budget two (2) meetings prior to the due date.

With an affirmative vote of the majority of the County Budget Commission, including the County Auditor, the requirement that the Board of Education adopt a tax budget may be waived. Therefore, the Board directs the Treasurer to prepare the tax budget in compliance with the requirements of the Auglaize County Auditor, the Ohio Revised Code, and the State Auditor's Office.

The budget should evolve primarily from the needs of the individual schools as expressed by the central administration and be compatible with the approved District plans.

In preparing the budget, the responsible administrator shall set the following general priorities for expenditures:

- A. staff for the maintenance of current programs
- B. equipment and supplies for the maintenance of current programs
- C. maintenance of existing facilities and equipment
- D. new staff for the improvement or expansion of current programs
- E. new equipment and supplies for the improvement or expansion of current programs

The Board directs the Treasurer to present the tax budget to the Board prior to January 15th of each year. When presented to the Board for review and/or adoption, the tax budget shall indicate the information required by the State Auditor's Office.

When presented to the Board for review, the budget shall contain the number of administrators, teachers, and all other employees for the current year and the budgeted year, the proposed expenditure in each financial category for the ensuing school year, an estimate of unencumbered balances, all revenues from sources other than the general property tax, the amount each category requires from the general property tax, the anticipated (or budgeted) expenditure in each financial category for the current school year, the actual expenditure in each financial category for the immediately completed school year, the anticipated revenues showing sources and amounts of each, and the amount of surplus anticipated at the end of the current school year.

CASH BALANCE RESERVE

The Board supports good stewardship of taxpayer dollars. To that end, the Board is committed to operating the District with fiscally sound management practices. The Board directs the administration, teacher, and other school personnel in charge of making budgetary decisions and/or recommendations to responsibly manage operational costs while maintaining a high level of educational excellence within the District.

As part of its commitment to sound fiscal management, the Board affirms that tax levies shall be pursued and/or the District's finances otherwise managed to ensure a General Operating Fund unencumbered unreserved cash balance equivalent to at least ninety (90) days of operating expenditures. The Board directs the Treasurer/CFO to maintain such a cash reserve.

Promptly upon receiving any indication that such cash balance may not be achieved within any year of the five (5) year forecast, the Treasurer/CFO shall report such a finding to the Board. Upon such notification by the Treasurer/CFO, the Superintendent and Treasurer/CFO will prepare and propose options that the Board may consider to forestall such an eventuality.

Further, the Board believes the financial goals of the District should be in alignment with the District's strategic plan and instructional goals. When a General Operating Fund cash balance exceeds ~~ninety (90) days~~ **one (1) year**, the Superintendent may prepare a plan for the expenditure of the excess General Operating cash balance on one (1) or more of the major directives of the strategic plan. This plan must be approved by the Board and cannot result in the General Operating Fund cash balance falling below ninety (90) days in any year of the rolling five (5) year forecast.

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Legal

R.C. 3315.15, 5705.28(A)(1), 5705.29, 5705.30