

Annual Budget

The annual budget is the financial plan for the operation of Mapleton Public Schools (the “District”). It provides the framework for both expenditures and revenues for the year and future years and translates into financial terms the educational programs and objectives of the District.

Five-year Budget Plan

The Superintendent (or designee) is directed to develop, subject to annual approval by the Board, a five-year budget plan that assures the future financial viability of the District and achievement of the District’s objectives and takes into account future revenue, including tax and non-tax revenue, and future increases in operating expenses.

Budget Process

Mapleton Public Schools follows the statutes that control public school budgeting and the requirements of the State Board of Education that prescribe the form of district budgets to ensure uniformity throughout the state. The District shall use the Colorado Department of Education’s Financial Policies and Procedures Handbook in the development of the budget.

The budget shall be presented in a summary format that is understandable by any layperson. The budget format shall itemize expenditures of the District by fund and by student. It shall describe the expenditure and show the amount budgeted for the current fiscal year and the amount budgeted for the ensuing fiscal year. When budgeting for any enterprise funds, the District shall use the full accrual basis of accounting. The budget shall summarize revenues by revenue source and expenditures by function, fund, and object.

The budget shall include a uniform summary sheet for each fund administered by the District detailing:

- The beginning fund balance and anticipated ending fund balance for the budget year;
- The anticipated fund revenues for the budget year;
- The anticipated transfers and allocations that will occur to and from the fund during the budget year;
- The anticipated expenditures that will be made from the fund during the budget year; and
- The amount of reserves in the fund.

The budget shall also disclose planned compliance with spending limitations outlined in Article X, Section 20, of the Colorado Constitution, including holding TABOR reserve funds in an unrestricted general fund or in cash funds.

The Board of Education for Mapleton Public Schools (the “Board”) assigns to the Superintendent overall responsibility for annual budget preparation, budget presentation, and budget administration. As part of the Superintendent’s budget responsibility, the Superintendent shall ensure that a budget preparation calendar is developed to ensure that all deadlines established by law for budget presentation, hearings and adoption, and for certification of amounts to be raised by school tax levies are met by the District. The budget calendar must consider the possibility that the District may need to submit a request to raise additional local revenue to a vote by the District’s electorate. The Superintendent shall have authority to delegate portions of his or her budget responsibility to an appropriate designee.

The budget prepared and presented by the Superintendent shall be consistent with the budget priorities of the Board as established in policy DBD: Determination of Budget Priorities.

Operating Reserve

The Board of Education for Mapleton Public Schools recognizes that maintaining a fiscal year-end fund balance as an operating reserve in the general fund is a beneficial and sound financial management practice. The Board therefore assigns to the Superintendent (or designee) the responsibility of accumulating and maintaining a general fund balance amounting to 10% of the District’s current fiscal year adopted budget as an operating reserve. Accumulation of the full 10% general fund balance was completed by the end of the 2011 fiscal year. This amount will be inclusive of the emergency reserve required by Article X, Section 20 of the Colorado Constitution (TABOR) and other required reserves.

The operating reserve is intended to serve as a “rainy day” fund and will be used only for an unexpected loss of revenue or an extraordinary expenditure. Expenditures from this reserve shall be reported to the Board.

If any part of the operating reserve is used in any fiscal year to cover an unexpected loss of revenue or an extraordinary expenditure, funds will be reallocated to restore the year-end fund balance in the operating reserve before any other budget allocations in the subsequent fiscal year, unless the Board approves otherwise.

Lease-Purchase Payment Obligations

The District’s annual budget must separately set forth each of the following with respect to lease-purchase payment obligations:

- The total amount to be expended during the ensuing fiscal year for payment obligations under all lease-purchase agreements involving real property;
- The total maximum payment liability of the District under all lease-purchase agreements involving real property over the entire terms of such agreements, including all optional renewal terms;
- The total amount to be expended during the ensuing fiscal year for payment obligations under all lease-purchase agreements other than those involving real property; and
- The total maximum payment liability of the District under all lease-purchase agreements other than those involving real property over the entire terms of such agreements, including all optional renewal terms.

Adopted October 22, 2013, by the Board of Education for Mapleton Public Schools.

LEGAL REFERENCES:

C.R.S. § 22-11-302(1)(a) (*district accountability committee budget recommendations*)

C.R.S. § 22-11-402(1)(a) (*school level accountability committee budget recommendations*)

C.R.S. § 22-32-109(1)(b) (*Board's duty to adopt policies for efficient administration of the affairs of the district, including procedures for competitive bidding*)

C.R.S. §§ 22-44-101 through 117 (*school district budget law; Board shall cause a proposed budget to be prepared and shall adopt a budget for each fiscal year*)

C.R.S. § 22-44-106 (*Board may provide for an operating reserve in the general fund, not to exceed 15% of the amount budgeted for the current fiscal year*)

C.R.S. § 22-44-204(3) (*CDE Financial Policies and Procedures Handbook must be used by all school districts in the development of the budget*)

C.R.S. § 22-44-301 *et seq.* (*Public School Financial Transparency Act*)

C.R.S. § 22-45-103(1)(c) (*authorized expenditures from capital reserve fund*)

C.R.S. § 29-1-103(3) (*budget to reflect lease-purchase payment obligations*)

CROSS REFERENCES:

DAB: Financial Administration

DBD: Determination of Budget Priorities