## Setting Board Budget Parameters

To Guide Financial and Budget Discussions

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<th><strong>FINANCIAL TOPIC</strong></th>
<th><strong>FINANCIAL POLICY/PARAMETER TOPICS</strong></th>
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| **FINANCIAL HEALTH** | - District year-end *unspent maximum budget ratio* will be X%.  
- District year-end *solvency ratio* will be X%.  
- Changes in any of the key financial measures (*Seven General Fund Key Financial Indicators*) will be explained and corrective action, if needed, initiated.  
IASB Recommends:  
5% - 15%, no more than 25%. |
| **FUNDING EDUCATIONAL PRIORITIES** | - The District budget will be developed to maintain focus on district educational priorities.  
- District resources will be aligned to achieve district education goals and priorities. |
| **TAXES** | - The budget will be built to maintain a consistent overall tax rate from year to year, unless circumstances dictate otherwise.  
- Any change in tax rate will be discussed by the board, including public input, in advance of adoption. |
| **SOUND BUDGETARY PRINCIPLES** | - The District will present a balanced budget, aligning authority/revenues with expenses in the same fiscal year, unless circumstances dictate otherwise.  
- One-time funding will be used for one-time purchases and not for ongoing expenses. Unobligated fund balance will be “used” thoughtfully. |
| **TRANSPARENCY AND COMMUNICATION** | Discussions on the district’s financial health, budget, and related matters will be open and as frequent as needed. |
| **BUDGET REDUCTIONS** | In determining budget reductions or budget realignment, the district will:  
- Use a systemic approach.  
- Minimize negative impact on students.  
- Be transparent in approach and decision-making.  
- Will only consider reductions that are sustainable. |