

Facilities Funding

Even though the Board of Education may consider various options for funding the cost of constructing new schools, major facility remodels and other capital projects, the primary funding mechanism for large capital improvements will continue to be through the issuance of capital bonds. The Board of Education may submit to the registered qualified electors of the school district, at any regular school election or at a special election called for the purpose, the question of contracting a bonded indebtedness for any of the following purposes:

1. Acquiring or purchasing buildings or grounds
2. Enlarging, improving, remodeling, repairing or making additions to any school building or other District facility
3. Constructing or erecting school buildings
4. Equipping or furnishing any school building, but only in conjunction with a construction project for a new building or for an addition to an existing building or in conjunction with a project for substantial remodeling, improvement or repair of an existing building
5. Improving school grounds
6. Funding floating indebtedness
7. Technology acquisition
8. Other projects deemed appropriate by the Board of Education

Before such a bond election, the specific needs for facilities shall be made clear to the general public, and careful estimates will be made as to the amounts required for the sites, buildings and equipment.

Following approval by the voters, the bonds to be issued will be advertised in newspapers and national financial journals, the date of issue being coordinated with tax collection dates, payments on bonds already outstanding and favorable market conditions. Disposition of the bonds then shall be accomplished by public sale on the basis of sealed bids. The Board reserves the right to reject any and all bids.

The bond and interest fund of the district comes directly and solely out of the levy of taxes initiated by the successful bond election. The tax monies collected will be deposited in a separate custodial account in anticipation of interest and principal payments. The Board will adopt annual resolutions authorizing the withdrawal from the

bond and interest fund of the amounts needed to meet the payments due. The building fund is the fund authorized by the approval of the bond issue. The initial receipts from the sale of bonds are deposited in this fund, and actual expenditures for sites, buildings and equipment are made from it. The Board of Education will adopt an annual budget resolution authorizing the withdrawal from the fund of the amounts needed to meet the payments due architects, contractors and other individuals or firms. The Board shall receive periodic reports on the expenditures made from this fund as compared with the original appropriations for the various projects included.

Adopted February 28, 1968

Revised to conform with practice February 8, 1984

Revised to conform with practice June 8, 1994

Revised September 14, 1995

Revised June 11, 2003

LEGAL REFS.: C.R.S. 22-41-110
C.R.S. 22-41.5-101 *et seq.* (Debt Limitations)
C.R.S. 22-42-101 *et seq.* (Bonded Indebtedness)
C.R.S. 22-45-103 (1)(b) (Bond Redemption Fund)
C.R.S. 29-14-101 *et seq.* (Bond Anticipation Notes)

CROSS REF.: FDA, Bond Campaigns

CONTRACT REF.: SVVEA Agreement, Article 31–Association Rights, Section 31.3–
School Board, subsection 31.3.1

Note: C.R.S. 22-43.5-101 et seq. authorizes the Board of Education to create a capital improvement zone (CIZ) to contract bonded indebtedness if the district has had an unsuccessful bond election in the last two years and certain other conditions are met. The statute sets out procedures which must be followed prior to submitting the question of contracting bonded indebtedness to the electors in the CIZ.