

# **Town of Colchester**

## ***Board of Education Capital Reserve Fund***

**WHEREAS** the members of the Board of Selectmen, Board of Education and Board of Finance of the Town of Colchester all recognize the ongoing need to address capital improvement projects for the school district;

**WHEREAS** the Board of Education has developed, and will continue to develop, a comprehensive capital improvement plan for the school district;

**WHEREAS** the Board of Finance intends to provide funding for such plan, in an amount that may vary from year to year; and

**WHEREAS** the Board of Finance, working in conjunction with the Board of Education, has determined that an appropriate source for such funding is the unexpended funds (if any) remaining in the Board of Education's budget at the end of each fiscal year.

**NOW THEREFORE**, be it resolved that:

The Town of Colchester, acting through this joint resolution of the Board of Selectmen, Board of Education and Board of Finance, hereby establishes the Board of Education Capital Reserve Fund (the "Fund"), to be maintained and administered as follows:

1. To provide funding of the Board of Education Capital Reserve Fund, the Board of Finance shall, each year, and following the receipt of audited financial statements for the prior fiscal year, motion to transfer into said fund all or a portion of the unexpended funds remaining from the prior year's Board of Education Budget. Such transfer shall be authorized pursuant to the procedures required under the Town Charter.
2. To provide additional funding of the Board of Education Capital Reserve Fund, the Board of Finance, in conjunction with the Board of Education, may include a separately-budgeted amount for such fund in the overall Town budget.
3. Funds budgeted into the Board of Education Capital Reserve Fund shall be expended only pursuant to the recommendation of the Board of Education and under the authority of the Chief Financial Officer of the Town, and shall be expended only on the following:
  - i. items listed in the Board of Education's Capital Improvement Plan;
  - ii. capital items of an emergency nature which may arise and require immediate attention;
  - iii. such other capital items as the Board of Education, in its sole and absolute discretion, shall determine are required for the improvement of the school district.

Funds in the Board of Education Capital Reserve Fund shall not be used for any purpose other than those listed above.

4. Funds remaining in the Board of Education Capital Reserve Fund shall be carried forward to following years, to be expended in accordance with the terms listed in (3) above.