

RESOLUTION No. 03.112-21

Redefining One Fund, Establishing Two New Funds

- Rename Fund 09: Capital Improvements becomes GO Bond 2021
- Establish Fund 10: Matching Grant Fund
- Establish Fund 11: GO Bond Debt Service (was 11 Debt Service in prior years)

RECITALS

A. School Districts should maintain only those funds that are required to meet legal and operating requirements.

B. Corbett School District anticipates funding capital projects using debt proceeds from the issuance of General Obligation (GO) Bonds and the proceeds of a matching state grant, among other financing sources.

C. The need for effective financial control and transparency dictates that capital expenditures tied to a debt obligation be tracked separately in a capital projects fund.

D. Government Accounting Standards also require a method to ensure proper segregation of debt repayments for each debt issue.

E. On December 16, 2020, by way of Resolution No. 12.85-20, the Board authorized a General Obligation bond borrowing for capital projects.

F. Fund 09, "Capital Improvements", will be renamed "GO Bond 2021" and will be used to manage capital expenditures for specifically authorized projects funded by General Obligation bonds.

J. Fund 10, the "Matching Grant Fund", will be used to manage capital expenditures for specifically authorized projects funded using matching grant proceeds.

K. Oregon Local Budget Law (ORS 294.326) requires a debt service fund to manage the repayment of principal and interest on long-term debt issues.

L. Fund 11, the "GO Bond Debt Service Fund", will be used to manage the repayment of principal and interest for debt incurred using funds borrowed through the issuance of General Obligation bonds.

N. Business Manager prepared this resolution in anticipation of the bond sale and recommends approval to the Board.

RESOLUTION

1. The Board hereby renames Fund 09 to the "GO Bond 2021 Fund", which will be used to manage resources and capital expenditures for specifically authorized projects.

2. The Board hereby establishes Fund 10, the "Matching Grant Fund", which will be used to manage resources and capital expenditures for specifically authorized projects.

3. The Board hereby establishes Fund 11, the "GO Bond Debt Service Fund", which will be used to manage the repayment of principal and interest for debt incurred using funds borrowed through the issuance of General Obligation bonds.