



Bond Interest Best Practices

Specific, Strategic and Legal Uses



Bond Interest 101

- Interest earned on unspent bond proceeds must be used in accordance with the law
 - Strategic use can reduce financial pressure, increase transparency, and enhance voter trust
 - Best practices ensure compliance and stewardship
 - Cannot be used for Salaries/Operational Expenses or New/Unapproved Projects
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Bond
interest can
be used only
for voter-
approved,
bond-eligible
purposes.



Cover Unanticipated Project Costs:
inflation, supply cost spikes, tariffs or
any other unforeseen delays



Enhance or Expand Approved Projects



Reduce Debt or Debt Service



I&S Fund Relief



Canutillo ISD Bond Interest History

- Canutillo's previous bond (Decision Canutillo 2011)
 - District did NOT designate any procedures for the use of expenditures of Bond Interest
 - Interest also was used on Furniture, Fixtures & Equipment (FF&E) for Reyes Elementary and the Canutillo Middle classroom addition
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Canutillo Bond 2024 Bond Interest Recommendation

- Schedule a Bond Workshop to discuss and approve procedures that would create clear expectations for the expenditure, approval, and reporting of Bond Interest usage.
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