

LOCAL REVENUE SOURCES
BOND ISSUES

CCA
(LOCAL)

Debt Management

The Superintendent or designee shall develop administrative regulations to address the District's debt management. The regulations shall establish well-defined guidelines for the issuance and management of debt that is payable from the interest and sinking fund.

Objectives

Debt management procedures shall incorporate prudent debt management practices that:

1. Maintain the District's financial stability;
2. Provide debt management flexibility;
3. Preserve public trust;
4. Minimize costs to taxpayers;
5. Minimize borrowing costs;
6. Preserve access to capital markets; and
7. Demonstrate administrative oversight of debt programs to credit rating agencies and taxpayers.

Guidelines

Debt management procedures shall include guidelines for the use, management, and issuance of debt obligations including, but not limited to:

8. Allowable purposes for the issuance of debt;
9. Repayment of debt obligations;
10. Composition of the debt portfolio and debt strategies;
11. Refunding debt obligations;
12. Methods of sale the District may use;
13. Credit ratings and the use of credit enhancement;
14. Selection of consultants, underwriters, and remarketing agents;
15. Investment of debt proceeds;
16. Compliance with federal arbitrage rebate regulations; and
17. Compliance with continuing disclosure requirements.

**Compliance with
Law and Sound
Management
Requirements**

The District shall structure and manage its debt in compliance with all federal, state, and local requirements and shall manage its debt in compliance with governmental and industry-recommended debt management practices.

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New Money Bonds

New money general obligation bonds require voter approval to be issued. Proceeds must be used to meet capital requirements as identified by the District, reviewed by a citizen's bond committee known as the Facilities & Bond Oversight Committee, and approved by the Board.

Capital improvements include, but are not limited to:

18. The purchase of sites for schools or facilities;
19. The construction, acquisition, and equipping of schools or facilities;
20. The renovation of school or facilities;
21. The purchase of school buses; and
22. Any other purpose legally available to the District pursuant to state law.

**Facilities & Bond
Oversight Committee**

The Board shall appoint a standing Facilities & Bond Oversight Committee comprised of citizens for the purposes of making recommendations regarding potential bond initiatives and reviewing the implementation of voter-approved bond programs. The committee shall be governed by the committee charter, which must be approved by the Board.

The committee shall consist of 28 voting members. Each of the seven Board members shall appoint four individuals to serve on the committee as voting members. Voting members must reside within the territory of the District. The Superintendent or designee shall appoint nonvoting members to serve on the committee in an advisory capacity.

**Bond
Recommendation
Development
Process**

Upon the charge of the Board, the Facilities & Bond Oversight Committee shall develop recommendations to present to the Board regarding potential future bond elections.

The Facilities & Bond Oversight Committee shall study information and needs identified by District administration and seek clarification of any questions members may have prior to developing recommendations.

The administration shall assist the Facilities & Bond Oversight Committee in seeking public input and communicating information regarding the development of recommendations.

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**Bond Interest
Proceeds**

Earnings from the investment of bond proceeds are considered bond proceeds and shall be spent in accordance with the bond covenants and the intended purpose of the bonds from which such earnings are derived. Expenditures shall be approved by the Superintendent or designee. Additionally, expenditures of earnings from bond proceeds exceeding \$50,000 must be approved by the Board in accordance with CH (Local). To ensure transparency and accountability, the Board is to be regularly informed of expenditures of earnings from the investment of bond proceeds through regular reporting. The Facilities & Bond Oversight Committee may be consulted on the proposed expenditure of earnings from the investment of bond proceeds, ensuring their guidance in the decision-making process. This policy aims to uphold the bond covenants, align with the voters' intentions, and promote transparency and informed use of earnings from the investment of bond proceeds.