



Boulder Valley School District
File: DEB
Adopted: date of manual adoption
Revised: April 13, 2004

Loan Programs (Funds from State Tax Sources)

SHORT-TERM BORROWING

The superintendent shall notify the Board when it becomes evident that cash balances will not meet anticipated obligations. Under such circumstances the Board may negotiate, under the provisions of Colorado statutes, for a loan in such amounts as may be required to meet such obligations. Such a loan may not be obtained without prior approval of the Board.

The Board authorizes the President and the Superintendent to execute promissory notes on behalf of the School District from time to time as such borrowing of funds becomes necessary and may further authorize them to execute any and all other documents necessary or incidental to the borrowing of funds. By law, these short-term loans must be repaid by the close of the fiscal year in which the loan was received.

STATE INTEREST-FREE LOAN PROGRAM

The superintendent shall notify the Board when it becomes evident that a general fund cash deficit will occur in any month in the coming fiscal year. Under such circumstances the Board may elect to participate in an interest-free loan program through the state treasurer's office by adopting a resolution approving participation in the program. The loan may not exceed an amount certified by the district's chief financial officer and the superintendent. However, the superintendent may not apply for such loan without a resolution of the Board. The state treasurer shall determine the method for calculating cash deficits and appropriate reporting mechanisms.

All loans shall be repaid by June 25 of the fiscal year in which they were made or an alternate date determined by the state treasurer.

TAX ANTICIPATION NOTES

The Board may issue tax anticipation notes without an election if it determines that taxes due the district will not be received in time to pay projected budgeted expenses. Tax anticipation notes shall mature on or before June 30 of the

fiscal year in which the tax anticipation notes were issued.

Tax anticipation notes issued by the district shall not exceed 75 percent of the taxes the district expects to receive in the current fiscal year as shown by the current budget.

LEGAL REFS.:

C.R.S. § 22-40-107 (short term loans)

C.R.S. § 22-54-110 (loans to alleviate cash flow problems)

C.R.S. § 29-15-101, et seq. (Tax Anticipation Note Act)

End of File: DEB