

SECTION 200 – FISCAL MANAGEMENT

BORROWING

POLICY 203

ARTICLE 1 STATE INTEREST-FREE LOAN PROGRAM

- A. The District, with approval of the Board of Education, may elect to participate in an interest-free loan program upon application to the State Treasurer in any month in which a general fund cash deficit will exist. The State Treasurer shall determine the method for calculating cash deficits and appropriate reporting mechanisms.
- B. 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.

ARTICLE 2 TAX ANTICIPATION NOTES

- A. 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 August 31 of the fiscal year immediately following the fiscal year in which the tax anticipation notes were issued.
- B. 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.

ARTICLE 3 SHORT TERM BORROWING

- A. When it becomes evident early in the fiscal year before substantial tax moneys have been received that the cash balances will not meet anticipated obligation, the Board of Education shall negotiate, under the provisions of Colorado statutes, for a loan in such amounts as may be required to meet such obligations.
- B. The Board may authorize the President and the Secretary 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 are liquidated within six months of the close of the fiscal year from moneys received by the District for the general fund.

References:

C.R.S. 22-40-107 Short-term Loans
C.R.S. 22-42-101-129 Bonded Indebtedness
C.R.S. 22-43.7 to 103.5 Loans for Capital Construction
C.R.S. 22-44-103 Borrowing from Funds
C.R.S. 29-15-101 et seq.
Adopted: December 13, 2000