

§1491. Reserve fund

1. Establishment. A regional school unit may establish a reserve fund for school construction projects, financing the acquisition or reconstruction of a specific or type of capital improvement, financing the acquisition of a specific item or type of capital equipment or any of the expenditures listed under section 1485, subsection 1, paragraph A by including a request in the regional school unit budget, which must include a description of the purpose of the reserve fund, and receiving voter approval. The regional school unit board is the trustee of the reserve fund. The reserve fund must be deposited or invested by the treasurer of the regional school unit under the direction of the regional school unit board.

[PL 2019, c. 588, §4 (AMD).]

2. Deposit or investment. All regional school unit funds, including reserve funds and trust funds to the extent not prohibited by the terms of the instrument or vote creating the fund, must be deposited or invested by the treasurer of the regional school unit under the direction of the regional school unit board according to the requirements for the deposit or investment of municipal funds contained in Title 30-A, chapter 223, subchapter 3-A.

[PL 2007, c. 240, Pt. XXXX, §13 (NEW).]

3. Expending money from reserve funds. The regional school unit board may expend the sum in the reserve fund when authorized to do so by a vote of the regional school unit at a regional school unit meeting or a regional school unit budget meeting when an article for that purpose is set out in the warrant calling the meeting, except that the regional school unit board may expend funds from a reserve fund by a vote of the board in accordance with the procedure in subsection 4:

A. In the event of an emergency that requires the immediate expenditure of funds and when, in responding to the emergency, a vote of the regional school unit for permission is cost-prohibitive; or [PL 2019, c. 588, §5 (NEW).]

B. When such an expenditure is required by law. [PL 2019, c. 588, §5 (NEW).]
[PL 2019, c. 588, §5 (AMD).]

4. Procedure for expending money from reserve funds by vote of board. The procedure for the regional school unit board to expend funds from the reserve fund pursuant to subsection 3, paragraph A or B must be as follows.

A. The regional school unit board shall provide public notice of the regular or special meeting at which the vote to expend funds from the reserve fund will be taken. [PL 2019, c. 588, §6 (NEW).]

B. The regional school unit board shall hold a public hearing prior to the vote to expend funds from the reserve fund. [PL 2019, c. 588, §6 (NEW).]

C. The vote to expend funds from the reserve fund must be recorded in the meeting minutes of the regional school unit board. [PL 2019, c. 588, §6 (NEW).]

[PL 2019, c. 588, §6 (NEW).]

SECTION HISTORY

PL 2007, c. 240, Pt. XXXX, §13 (NEW). PL 2019, c. 588, §§4-6 (AMD).

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