

§1312. Reserve fund

School administrative districts may establish a reserve fund as follows. [PL 1989, c. 132, §1 (AMD).]

1. Establishment. A school administrative district 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 district budget, which must include a description of the purpose of the reserve fund, and receiving voter approval. The board of directors is the trustee of the reserve fund. The reserve fund must be deposited or invested by the treasurer under the direction of the board.
[PL 2019, c. 588, §1 (AMD).]

2. Deposit or investment. All district funds, including reserve funds and trust funds to the extent that the terms of the instrument or vote creating the fund do not prohibit, shall be deposited or invested by the treasurer under the direction of the board of directors according to the requirements for the deposit or investment of municipal funds contained in Title 30-A, chapter 223, subchapter III-A.
[PL 1987, c. 737, Pt. C, §§42, 106 (AMD); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8,10 (AMD).]

3. Expending money from reserve funds. The board of directors may expend the sum in the reserve fund when authorized to do so by a vote of the district at a district meeting or a district budget meeting, when an article for that purpose is set out in the warrant calling the meeting, except that the board of directors 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 district for permission is cost-prohibitive; or [PL 2019, c. 588, §2 (NEW).]

B. When such an expenditure is required by law. [PL 2019, c. 588, §2 (NEW).]
[PL 2019, c. 588, §2 (AMD).]

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

A. The board of directors 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, §3 (NEW).]

B. The board of directors shall hold a public hearing prior to the vote to expend funds from the reserve fund. [PL 2019, c. 588, §3 (NEW).]

C. The vote to expend funds from the reserve fund must be recorded in the meeting minutes of the board of directors. [PL 2019, c. 588, §3 (NEW).]
[PL 2019, c. 588, §3 (NEW).]

SECTION HISTORY

PL 1981, c. 693, §§5,8 (NEW). PL 1983, c. 98, §1 (AMD). PL 1987, c. 737, §§C42,C106 (AMD). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,C10 (AMD). PL 1989, c. 132, §§1,2 (AMD). PL 2019, c. 588, §§1-3 (AMD).

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