

CAPITAL PROJECT FUNDING

CAPITAL RESERVE APPROPRIATIONS:

The State of Connecticut passed legislation in 2006 allowing regional school districts the means to establish a fund to provide for capital investments. The District set up such a fund in 2006, shortly after the legislation was passed.

The appropriation to the capital reserve fund can be made as part of the annual budget *or*

Supplemental appropriations to the capital reserve fund may be made from estimated fiscal year end surplus in operating funds.

The aggregate amount of annual and supplemental appropriations allowed to the CNRF increased in June of 2021 from 1% to 2% of the annual budget.

The District Administration plans to request the Board of Education appropriate up to 2% of the available surplus. The Board usually votes on additional appropriations at its August meeting.

OPERATING BUDGET:

Capital projects may be included in the operating budget which goes to a referendum each year. Some smaller projects are funded this way, such as sidewalk repair, field maintenance, gym floor refinishing and other small scale projects. Larger projects put a strain on the budget and can create large variances from year to year. Appropriations to the Capital Reserve from the end-of-year surplus keep operating and borrowing costs lower.