

## **Get Answers!**

### **Building Reserve Fund**

Q: What is the last date to hold an election on the Building Reserve Fund?

A: Section 20-9-502, MCA, covers the fund but does not state an election deadline. The election must be held before the budget is set (2nd Monday in August).

Q: Must the school district hold any election for a building reserve fund on the first Tuesday after the first Monday of May, the election date required for the General Fund election?

A: No. An election for a building reserve is a special election that is not required to be held the same date as the General Fund election.

Q: If the district intends to borrow money from the MT Board of Investments (BOI) and pledge the building reserve levy to repay the loan under MCA 20-9-503, can the cost of interest on the loan be included in the amount of the total building reserve?

A: Neither the laws nor administrative rules (ARMS) specifically address this question. However, it seems reasonable that the law that allows the building reserve levy to be pledged to repay a building loan would allow repayment of associated interest on the loan.

Q: Who can the district contact for more information on pledging the building reserve fund to repay a loan?

A: Contact David Ewer at the MT Board of Investments at (406) 444-0257. It's a good idea to call for information before calling an election.

Q: Can a building reserve election be done using a mail ballot?

A: Yes. MCA 13-19-104 allows a mail ballot for this type of election.

Q: How do you conduct a mail ballot election?

A: MCA 13-19-106 explains the process for mail ballots.

Q: What flexibility does a school district have in wording the ballot for a building reserve election?

A: MCA 20-9-502 says the ballot must be "substantially" in the form stated in that section. Although the law allows variance, the acceptable amount of variation from the example format would be a matter of legal interpretation. OPI recommends trustees consult their county attorney for advice on wording of ballots.

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