

WALTON CENTRAL SCHOOL DISTRICT CAPITAL RESERVE PROPOSITION FAQ's

What is a capital reserve fund?

A capital reserve fund allows the district to set aside money for future projects and equipment, much like a savings account. The fund cannot be established without voter approval AND any funds added to it cannot be spent without voter approval.

Where does the money for the capital reserve fund come from?

Once the reserve is authorized, the Board of Education may direct monies to be added to the capital reserve fund from prior year surpluses, incentive aid, stated aid related to expenditures from the capital reserve, interest income earned on any balance in the reserve, as well as other lawful sources. All additions will require board authorization.

Will my taxes go up due to the establishment of a capital reserve fund?

No. Taxes would not increase due to the establishment of a capital reserve fund.

Why establish a capital reserve fund now?

As the district plans for future capital projects and purchases, establishing and funding a reserve fund in advance will reduce the need to borrow, while still planning to maximize state and other aid. The district believes this is an effective and responsible fiscal management method to fund a portion of future costs.