

1 Obligations and Loans

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3 The District may, without a vote of the electors of the District, secure loans from or issue and sell
4 to the board of investments or a bank, building and loan association, savings and loan
5 association, or credit union that is a regulated lender under Montana law, obligations for the
6 purpose of financing all or a portion of:

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8 A. the costs of vehicles and equipment and construction of buildings used primarily
9 for the storage and maintenance of vehicles and equipment;
10 B. the costs associated with renovating, rehabilitating, and remodeling facilities,
11 including but not limited to roof repairs, heating, plumbing, electrical systems,
12 and cost-saving measures as defined in Montana law;
13 C. the costs of nonpermanent modular classrooms necessary for student instruction
14 when existing buildings of the district are determined to be inadequate by the
15 trustees;
16 D. any other expenditure that the district is otherwise authorized to make including
17 the payment of settlements of legal claims and judgments; and
18 E. the costs associated with the issuance and sale of the obligations.
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20 Before seeking to secure a loan or issue and sell obligations to a regulated lender, the District
21 shall first offer the board of investments a written notice of the board's right of first refusal. If
22 the board of investments accepts the offer to issue a loan or purchase obligations, the board shall
23 provide a written response to the trustees by the later of:

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25 A. 120 days following delivery of the trustees' offer to the board; or
26 B. the day after the next meeting of the board of investments.
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28 If the trustees have not received a written acceptance by the deadline the District may seek to
29 secure a loan or issue and sell an obligation to a regulated lender as outlined in this policy and
30 Montana law.
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32 The District may access its major maintenance aid account for school facility projects, including
33 the payment of principal and interest on obligations issued in accordance with this policy and
34 Montana law for school facility projects,
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36 Legal Reference: Section 20-9-471, MCA - Issuance of obligations
37 Section 20-9-525, MCA - School major maintenance aid account
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40 Policy History:

41 Adopted on: May 2020

42 Revised on:
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44 *Revision Note:*