

CAPITAL STABILIZATION FUND

The Acton-Boxborough Regional School Committee, with the approval of the 2019 Acton and Boxborough Annual Town Meetings, established a Capital Stabilization Fund in accordance with M.G.L. Chapter [71, Section 16G ½](#). The Capital Stabilization Fund will be used solely for school capital projects or the debt service for such projects, and is intended to support the implementation of the District's Capital Improvement Plan. This policy applies only to those funds allocated to the District's Capital Stabilization Fund.

Funding the Capital Stabilization Fund

Funds may be moved into the Capital Stabilization Fund by a two-thirds vote of the Regional School Committee through the annual budget process or by a budget amendment. In the case of a budget amendment, the Acton Board of Selectmen and Boxborough Select Board will have 45 days to call a Special Town Meeting to hold a vote on the amendment. If a member town chooses not to hold a vote, that shall mean that the member town approves the amendment.

Use of Capital Stabilization Funds

Through the Capital Planning Process, the Committee may designate that a portion of the funds be used for large projects that may exceed the capital funding line item in an annual operating budget. In addition to long-term planned projects, the Committee will target a reserve level for unforeseen capital emergencies. That portion of the Capital Stabilization Fund will be targeted in a range of 1% - 2.5% of the District's annual operating budget.

The Committee may appropriate, by a two-thirds vote of its members, funds from the Capital Stabilization Fund only for the purpose of funding school capital projects (with a value of \$25,000 or more and a multi-year useful life, per the DESE definition), or the debt service for such projects as follows:

1. Capital projects that exceed the District's ability to fund in one year;
2. Unforeseen or emergency capital projects that develop during the school year;
3. Remodel and repair of District-owned building(s);
4. Purchase of District-owned capital equipment;

5. Construction, reconstruction or improvements to District-owned athletic or recreational facilities;
6. Construction, reconstruction or resurfacing of roadways and parking lots on District-owned property; and
7. Acquisition of land or construction, reconstruction, addition to, or equipping of District-owned buildings.

As part of the annual budget process, the District shall report publicly on the funds maintained in the Capital Stabilization Fund and the intended uses of these funds.

Legal Ref: M.G.L. Chapter [71, Section 16G ½](#)

Cross Ref. [ABRSD Regional Agreement](#)

Reserves Policy, File: DP

Approved: 5/23/19