



### Capital Asset Renewal Funds and Plans

The Board of Education believes that all students deserve a quality learning environment. Consequently, the District should have a plan governing how all physical facilities that house and support the education programs of the District can be continuously maintained, regularly revitalized, and constructed using current best practices and methods that promote student learning. Such a plan should reflect actual funding capacity while supporting the goal of adequate funding to meet this policy goal.

The District should extend the useful life of District facilities, ensure public capital investments are properly preserved, and reduce deferred maintenance costs by:

- 1) Developing a 20-year Capital Asset Renewal Plan (CAR Plan) for Board approval with CAR Plan and funding updates at subsequent five-year intervals. CAR Plan funds are available to address any improvement that meets the definition of “capital improvement” as defined in ORS 320.183(3).
- 2) The District shall establish funding for the Capital Asset Renewal (CAR) Plan that shall include, but not be limited to, the following components:
  - a. Fund 404: Construction Excise Tax (CET) Revenues (net of approved expenses and charges).
  - b. A Capital Asset Renewal (CAR) Fund comprised of:
    - i. Following debt retirement estimated to begin in FY 2021/22, redirection of the Recovery Zone Bond debt service.
    - ii. Lease revenues and surplus property sales. At a minimum, lease revenue shall be base-lined at the FY 2011/12 present day value to hold the General Fund stable.
    - iii. Revenue generated from renting/leasing District athletic fields will be tracked through the Civic Use of Buildings office.
  - c. Interest earned in any of the above Funds.
- 3) Capital asset renewal projects identified in the CAR Plan and the use of funds from the CAR Fund and the CET Fund (Fund 404) will be proposed by the Superintendent in the District’s annual budget process and are subject to annual Board of Education approval.

#### RELATED POLICIES:

Preservation, Maintenance, and Disposition of District Real Property 8.70.040-P

History: Adopted 1/23/12; Amd. 6/3/13; Amd. 5/19