



RESOLUTION

RELATIVE TO AUTHORIZING THE EXPENDITURE OF \$2,000,000 FROM THE
SCHOOL CAPITAL RESERVE FUND TO BE USED FOR LEDGE STREET
ELEMENTARY SCHOOL HVAC IMPROVEMENTS

CITY OF NASHUA

In the Year Two Thousand and Ten

RESOLVED by the Board of Aldermen of the City of Nashua that the sum of \$2,000,000 be expended from the School Capital Reserve Fund, # 981-5368, to be used for Ledge Street Elementary School HVAC improvements.

LEGISLATIVE YEAR 2010

RESOLUTION: R-10-40

PURPOSE: Relative to authorizing the expenditure of \$2,000,000 from the School Capital Reserve Fund to be used for Ledge Street Elementary School HVAC improvements

SPONSOR(S): Alderman-at-Large David W. Deane

COMMITTEE ASSIGNMENT:

FISCAL NOTE: Reduces School Capital Reserve Fund balance. The current balance in the School Capital Reserve Fund is \$4,581,755. Resolution 2010-27 authorized the city to sell bonds not to exceed \$6,950,000 for various school improvements, including this project in the amount of \$4,200,000. Using these capital reserve funds would allow the amount to be bonded to be reduced by \$2,000,000. The total amount of bond interest saved or reduced over the 20 year period will be an estimated \$1,050,000 based on a 5% interest rate.

ANALYSIS

NRO Sec 30-13, A establishes a School Capital Reserve Fund under RSA Chapter 34 for the purpose of financing costs of school building, construction, additions and renovations. NRO Sec 30-13, B provides that "expenditures from said fund shall be as directed by resolution adopted by majority vote of the Board of Aldermen."

This resolution authorizes \$2,000,000 to be expended from the school capital reserve fund to be used towards the Ledge Street Elementary School HVAC improvements. Using these capital reserve funds would allow the bonding authorized for these projects under R-10-27 to be reduced by \$2,000,000. A resolution to reduce the amount of authorized bonding is being submitted in a companion piece of legislation.

NRO § 5-130, H provides that "when proposed legislation to transfer or reappropriate a particular appropriation or portion thereof has had its first reading, such funds shall not be expended or transferred while the legislation is pending".

Approved as to account structure, numbers, and amount:

Financial Services Division

By: 

Approved as to form:

Office of Corporation Counsel

By: 

Date: July 8, 2010