

**CHAPTER 57-19**  
**SCHOOL DISTRICT SPECIAL RESERVE FUND**

**57-19-01. School district - Establishment of special reserve fund.**

Each school district in this state may establish and maintain a special reserve fund, subject to the limitations in section 57-15-14.2. The balance of moneys in the fund may not exceed that which could be produced by a levy of fifteen mills in that district for that year.

**57-19-02. Special reserve fund - Transfer.**

1. Moneys in the special reserve fund may be deposited, held, or invested in the same manner as the sinking fund of the district or in the purchase of shares or securities of federal savings and loan associations or state-chartered building and loan associations, within the limits of federal insurance.
2. Each July first, the board of the school district shall transfer from the special reserve fund to the district's general fund any amount that exceeds the limitation in section 57-19-01.

**57-19-03. Transfer of other funds to special reserve fund.**

Any school district having on hand funds, other than sinking or building funds, which are not otherwise encumbered, and which are not required for the payment of the items contained in the current operating budget, by a resolution of the governing board of the school district, may set aside a part or all of such surplus funds in such a special reserve fund, subject to the limitation contained in section 57-19-01 on the size of such fund.

**57-19-04. May levy tax beyond levy limitations.**

Repealed by S.L. 2015, ch. 137, § 38.

**57-19-05. Fund not considered in fixing budget.**

Such special reserve fund and the funds therein may not be considered in determining the budget or the amount to be levied for each school fiscal year, for normal tax purposes, but must be shown in such budget as a special trust fund, and may not be deducted therefrom as otherwise provided by law.

**57-19-06. Special reserve fund - How and when used.**

Repealed by S.L. 1997, ch. 489, § 4.

**57-19-07. Limitation on amount drawn from fund - Tax collections used to restore fund.**

Repealed by S.L. 1997, ch. 489, § 4.

**57-19-08. When officers personally liable.**

Repealed by S.L. 1997, ch. 489, § 4.

**57-19-09. Special reserve fund -Correction of error.**

If a school district considered all or part of its special reserve fund in determining its budget and deducted all or part of its special reserve fund from the amount necessary to be levied for a fiscal year, the district may transfer from its special reserve fund into its general fund all or part of the amount that was so considered, contrary to section 57-19-05.

**57-19-10. Special reserve funds - Transfer of control.**

Repealed by S.L. 2013, ch. 13, § 64.

**57-19-11. Special reserve fund - Use.**

If collections from taxes levied for the current budget are insufficient to meet the requirements of the budget for teacher salaries, heat, light, and fuel, a majority of the school board may direct the school district business manager to draw on funds in the special reserve fund of the district. The school board, by resolution, may withdraw without repayment fifty percent of the funds from the special reserve fund of the school district.