



**Birdville ISD
2013 Bond**

What can bond money NOT be used for?

Bonds can only be used for capital improvements and related costs. They may not be used for personnel, utilities, and other such operating expenses.

How does the bond process work?

- o Boards call for an election.
- o If bonds are approved by voters, bonds are sold to investors.
- o Bond proceeds are delivered to the school district about four weeks after the bond sale.
- o Upon receipts of the bond proceeds, the district may enter into contracts for construction of facilities.
- o Bonds are invested until needed.
- o Each year, the school board must set a tax rate in two parts: one to cover the operating costs (payroll, supplies and equipment, insurance, utilities, etc.) and the other to pay principal and interest due on bonds.
- o Bonds can only be used for capital improvements and related costs. They may not be used for personnel, utilities, and other such operating expenses.
- o The district can only collect what is necessary to repay the debt.