

Board Policy Document

BUSINESS PROCEDURE

Series 800

Policy Title: Sales Tax

Code Number: 800.13

I. Philosophy

The Sioux City Community School District believes that the sales tax is a viable option to fund infrastructure needs. The sales collection period will run from October 1, 1998, through September 30, 2008. The referendum passed August 11, 1998.

II. Accounting

The District will follow generally accepted accounting principles to account for revenue and expenditure of all funds.

A. Revenue

1. The funds will be deposited in a separate account and all interest accrued will be accumulated to that account.
2. Revenues can only be utilized for the following:
 - a. new construction
 - b. reconstruction repair or remodeling
 - c. purchasing of facilities
 - d. acquisition of land
 - e. financing of bonds issued under this policy
 - f. furnishing and equipping a new or extensively remodeled school

B. Expenditures: No expenditures shall be permitted except those identified in Item A above.

First Adoption: August 18, 1998

Revision Adoption: September 8, 1998/December 19, 2000/May 22, 2001

Legal Reference: Iowa Code Chapter 298A.10, 427 (bonds), 446

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C. Funding Options for Infrastructure Needs

1. Cash, on a pay as you go basis. Tax anticipatory warrants may be issued for cash low purposes over a thirteen-month period.
2. Indebtedness (bonds)

The District shall only issue bonds if the Local Option Tax Revenues for the preceding fiscal year (with adjustments as hereinafter provided) were equal to at least 1.50 times the maximum amount that will be required in any fiscal year prior to the longest maturity of any of the then outstanding bonds or parity bonds for both principal of and interest on all bonds or parity bonds then outstanding which are payable from the Local Option Tax Revenues and the additional bonds then proposed to be issued with a repayment schedule equal to or less than the number of years left in the sales tax collection period.

D. Reporting

Monthly reports will be submitted by the Superintendent to the Board of Directors, Facilities Review Committee, and the general public reflecting revenues by source and expenditures by project number. Each project will be assigned a number and accounted for as required in the 800 policies.

E. Annual Report

The District shall annually report to the Board of Directors and general public on all revenue received and expenditures allowed during the year. An annual audit shall be prepared on the sales tax fund in accordance with Board Policy 804.5.