

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.

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:
 - To provide funds to build and furnish a new school building or buildings; to build and furnish addition(s) to school buildings in the District; to remodel, repair, expand, and improve the school buildings in the District; to purchase and improve grounds; for demolition work; to furnish and equip district facilities.
 - To provide funds for the purchase, lease or lease-purchase of buildings or equipment (including transportation, technology and recreation equipment) as authorized by law, to implement energy conservation measures, sharing or rental of facilities, procuring or acquisition of libraries, or opening roads to schoolhouses or buildings.
 - To provide funds for emergency repairs to respond to natural disasters, such as fire, wind damage, flood; unanticipated mechanical, plumbing, structural, roof, electrical system failures; environmental remediation; or to respond to changes in demographics that require construction of additions or improvements to school buildings or new school buildings.

First Adoption: August 18, 1998

Revision Adoption: September 8, 1998/December 19, 2000/May 22, 2001/January 25, 2010

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

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- To provide funds for the payment of principal and interest or retirement of general obligation bonds issued for school infrastructure purposes, energy improvement loans, loan agreements authorized by Iowa Code section 297.36, sales, service and use tax revenue bonds issued under Iowa Code section 423E.5; and other authorized capital expenditures now or hereafter permitted by law and designated by the Sioux City Community School District.
 - To provide funds for property tax relief.
- B. Expenditures: No expenditures shall be permitted except those identified in Item A above.
- 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 1.3 times the maximum amount that will be required in any fiscal year for payment of both principal and interest on all outstanding sales tax bonds.
- 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.