

SCHOOL DISTRICT OF PITTSVILLE
BOARD POLICY

FISCAL MANAGEMENT

SHORT-TERM BORROWING

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The District Administrator and the District business official shall evaluate the District's financial condition and financial needs to determine whether, in any year, it would be in the District's best interests to engage in short-term borrowing to meet the immediate expenses of operating and maintaining instruction in the District, as further set forth in sections 67.12(8) and 67.12(8a) of the state statutes.

As required by state law, any such short-term borrowing that occurs (1) either in June for the next school year or in July or August for the current school year; **and** (2) prior to voting an annual tax for the operation and maintenance of the schools, shall be initiated by a resolution that is adopted by a two-thirds vote of the Board. The proceeds of the short-term borrowing approved by such a resolution shall be used to meet the immediate expenses of the District for the period from July 1 to the last working day in October. The resolution shall levy an irrevocable tax that is sufficient in amount to pay the principal of the loan and the interest thereon as they become due and payable.

Temporary School District Loan Against Revenues (Line of Credit) is regarded as paid debt. The District may pledge or assign all or portions of revenues due from state aids, tuition revenues, or taxes levied, but not yet paid as security for the repayment of loans required for operating purposes. Short-term indebtedness secured by such assignment shall be construed as a paid or satisfied debt in reporting or computing the outstanding debt of the District.

If deemed advantageous or necessary, the District may engage in such short-term borrowing more than one time per year and may also establish more than one maturity date for the obligations incurred through such borrowing.

LEGAL REFERENCES:

Wisconsin Statutes

Section 67.12(8)	[temporary borrowing by school boards]
Section 67.12(8a)	[temporary school district loan against revenues; regarded as paid debt]
Section 120.13(29)	[school board power to borrow money and issue municipal obligations]

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