

February 1, 2015



Legislative Report

Secure an Advanced Vision for
Education (SAVE) Annual Report

STATE BOARD OF EDUCATION

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Department of Education
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Des Moines, IA 50319-0146

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IOWA CODE REQUIREMENTS REGARDING SAVE REPORTING

This report regarding the Secure an Advanced Vision for Education (SAVE) fund and any remaining School Infrastructure Local Option (SILO) funds is provided per the following requirements from Iowa Code.

These funds are intended to be used solely for school infrastructure purposes or property tax relief.

256.9 Duties of director.

19. The department shall compile the financial information related to chapters 423E and 423F from the certified annual reports of each school district received pursuant to section 291.10, subsection 2, and shall submit the information to the general assembly in an annual report each February 1.

291.10 Reports by secretary.

1. The school district shall file an annual report with the director of the department of education on forms prepared for that purpose.

2. The annual report shall include the financial information required in section 423F.5, subsection 1, as related to moneys received under chapter 423E or 423F, as applicable, for each budget year.

423F.5 Contents of financial audit.

1. A school district shall include as part of its financial audit for the budget year beginning July 1, 2007, and for each subsequent budget year the amount received during the year pursuant to chapter 423E or 423F, as applicable. In addition, the financial audit shall include the amount of bond levies, physical plant and equipment levy, and public educational and recreational levy reduced as a result of the moneys received under chapter 423E or 423F, as applicable. The amount of the reductions shall be stated in terms of dollars and cents per one thousand dollars of valuation and in total amount of property tax dollars. Also included shall be an accounting of the amount of moneys received which were spent for infrastructure purposes pursuant to chapter 423E or 423F, as applicable.

SAVE/SILO ANNUAL REPORT JANUARY 2015

| Sales Tax Financial Information – Certified Annual Report, Fund 33 | FY13 | FY14 | Difference | Growth |
|--|-------------------------|-------------------------|--------------------------|---------------|
| School Districts Submitting Information | 348 | 346 | -2 | -0.57% |
| Beginning Balances | \$726,249,562.56 | \$668,700,149.27 | -\$57,549,413.29 | -7.92% |
| Ending Balances | \$668,700,149.27 | \$741,643,648.28 | \$72,943,499.01 | 10.91% |
| Revenues | | | | |
| Total Revenues and Transfers | \$661,728,743.95 | \$774,628,670.38 | \$112,899,926.43 | 17.06% |
| Sales Tax Revenues | \$401,338,105.05 | \$410,214,858.48 | \$8,876,753.43 | 2.21% |
| Other Local Revenues | \$11,471,117.01 | \$12,151,569.46 | \$680,452.45 | 5.93% |
| School Infrastructure Supplemental Amount | \$9,952,337.56 | \$0.00 | (\$9,952,337.56) | -100.00% |
| Other State Revenues | \$1,738,859.57 | \$446,618.55 | (\$1,292,241.02) | -74.32% |
| Federal Revenues | \$8,765,955.45 | \$4,359,526.15 | (\$4,406,429.30) | -50.27% |
| Sale of Long-Term Debt | \$188,098,461.97 | \$314,628,422.86 | \$126,529,960.89 | 67.27% |
| Transfer from Other Funds | \$27,954,824.08 | \$12,944,132.10 | (\$15,010,691.98) | -53.70% |
| Other Revenues | \$12,409,083.26 | \$19,883,542.78 | \$7,474,459.52 | 60.23% |
| Expenditures | | | | |
| Total Expenditures and Transfers | \$719,278,157.24 | \$701,685,171.37 | (\$17,592,985.87) | -2.45% |
| School Infrastructure Construction | \$347,522,930.13 | \$316,363,662.97 | (\$31,159,267.16) | -8.97% |
| Land Purchased | \$3,968,087.41 | \$7,554,972.57 | \$3,586,885.16 | 90.39% |
| Buildings Purchased | \$1,189,926.42 | \$3,210,027.20 | \$2,020,100.78 | 169.77% |
| Equipment | \$57,384,812.31 | \$57,836,351.89 | \$451,539.58 | 0.79% |
| Other | \$54,208,166.11 | \$55,189,994.01 | \$981,827.90 | 1.81% |
| Transfers to the Debt Service Fund | \$214,547,498.90 | \$197,942,534.99 | (\$16,604,963.91) | -7.74% |
| Transfers to Other Funds | \$40,456,735.96 | \$63,587,627.74 | \$23,130,891.78 | 57.17% |
| Comparison of Expenditures to Revenues | 108.70% | 90.58% | | |

SAVE Reporting

1. Revenue Purpose Statement (RPS) Summary:

| |
|--|
| School districts that indicated RPS expires 2029. |
| School districts that indicated RPS expires before 2029. |
| School Infrastructure Purposes |
| Property Tax Relief |
| PPEL Purposes |
| PERL Purposes |
| Share with other entities under a 28E agreement |

| FY 13 | | FY14 | |
|-------------------------|-------------------|-------------------------|-------------------|
| <u>School Districts</u> | <u>Percentage</u> | <u>School Districts</u> | <u>Percentage</u> |
| 229 | 65.80% | 265 | 76.59% |
| 122 | 35.06% | 81 | 23.41% |
| 345 | 99.14% | 341 | 98.55% |
| 305 | 87.64% | 308 | 89.02% |
| 309 | 88.79% | 310 | 89.60% |
| 156 | 44.83% | 155 | 44.80% |
| 70 | 20.11% | 73 | 21.10% |

2. Levy Information: Did the district reduce levies as a result of the moneys received under Chapter 423E or 423F in the following funds?

| | <u>FY13</u> | <u>FY14</u> | <u>Difference</u> | <u>Growth</u> |
|--|-----------------|-----------------|-------------------|----------------|
| Debt Service Levy | | | | |
| Number of school districts that indicated "yes." | 72 | 60 | -12 | -16.67% |
| Amount of property tax reduction. | \$28,687,484.19 | \$25,812,222.68 | -\$2,875,261.51 | -10.02% |
| PPEL | | | | |
| Number of school districts that indicated "yes." | 15 | 14 | -1 | -6.67% |
| Amount of property tax reduction. | \$3,092,878.53 | \$2,772,809.52 | -\$320,069.01 | -10.35% |
| PERL | | | | |
| Number of school districts that indicated "yes." | 0 | 0 | 0 | 0.00% |
| Amount of property tax reduction. | \$0.00 | \$0.00 | \$0.00 | 0.00% |

3. Miscellaneous Information:

| | | | | |
|---|------------------|------------------|----------------|---------------|
| Number of school districts that issued revenue bonds through Chapter 423F. | 131 | 128 | -3 | -2.29% |
| Amount of sales tax to pay revenue bonds during FY2014 year. | \$110,174,775.28 | \$112,233,074.64 | \$2,058,299.36 | 1.87% |
| Number of school districts that indicated if LOSST/SAVE were not available, the district would have increased property taxes through a bond referendum, voter-approved PPEL, regular PPEL, and/or PERL. | 222 | 220 | -2 | -0.90% |