

# Legislative Report FY 2017 Secure an Advanced Vision for Education (SAVE) Annual Report



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## TABLE OF CONTENTS

Iowa Code Requirements Regarding SAVE Reporting.....	4
FY17 Sales Tax Financial Information - Fund 33.....	5
Revenues.....	5
Expenditures.....	6
Comparison of Total Expenditures to Total Revenues.....	6
FY17 Revenue Bonds Information.....	7
SAVE Balances and Revenue Bonds.....	7
Definitions for Revenue Bonds Information.....	7
SAVE/SILO Reporting.....	8
Revenue Purpose Statement (RPS) Summary.....	8
Levy Information.....	9
Miscellaneous Information.....	9

## 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.

### **256.9 (19) Duties of director.**

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 (1) Reports by secretary.**

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

### **291.10 (2) Reports by secretary.**

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 (1) Contents of financial audit.**

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 this chapter, 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 this chapter, 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 this chapter, as applicable.

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

## SAVE ANNUAL REPORT - JANUARY 2018

### FY17 SALES TAX FINANCIAL INFORMATION - FUND 33

	FY16	FY17	Difference	Growth/Decline
School Districts Submitting Information	336	333	-3	-0.89%
Beginning Balance	\$736,704,784.11	\$731,305,485.91	-\$5,399,298.20	-0.73%
Ending Balance	\$731,035,485.91	\$638,806,248.95	-\$92,229,236.96	-12.62%

Note: FY17 beginning balance is \$270,000 more than the FY16 ending balance due to correction of a school district's coding error.

### REVENUES

	FY16	FY17	Difference	Growth/Decline
<b>Total Revenues and Transfers</b>	<b>\$725,434,351.46</b>	<b>\$614,891,375.69</b>	<b>-\$110,542,975.77</b>	<b>-15.24%</b>
Sales Tax Revenues	456,846,403.75	464,505,558.56	7,659,154.81	1.68%
Other Local Revenues	12,054,959.06	11,895,084.78	-159,874.28	-1.33%
Other State Revenues	141,820.81	141,635.84	-184.97	-0.13%
Federal Revenues	1,517,145.07	2,000,788.04	483,642.97	31.88%
Sale of Long-Term Debt	231,619,660.23	122,608,665.17	-109,010,995.06	-47.06%
Transfer from Other Funds	1,836,841.88	8,529,888.69	6,693,046.81	364.38%
Other Revenue	21,417,520.66	5,209,754.61	-16,207,766.05	-75.68%

## EXPENDITURES

	FY16	FY17	Difference	Growth/Decline
<b>Total Expenditures and Transfers</b>	<b>\$731,103,649.66</b>	<b>\$707,390,612.65</b>	<b>-\$23,713,037.01</b>	<b>-3.24%</b>
School Infrastructure Construction	322,514,079.47	281,713,228.73	<b>-40,800,850.74</b>	<b>-12.65%</b>
Land Purchased	1,839,732.94	4,979,305.15	<b>3,139,572.21</b>	<b>170.65%</b>
Buildings Purchased	3,661,207.60	1,800,691.06	<b>-1,860,516.54</b>	<b>-50.82%</b>
Equipment	71,766,062.52	63,327,464.91	<b>-8,438,597.61</b>	<b>-11.76%</b>
Other	55,386,423.88	74,243,025.28	<b>18,856,601.40</b>	<b>34.05%</b>
Transfers to the Debt Service Fund	223,828,000.04	256,412,220.28	<b>32,584,220.24</b>	<b>14.56%</b>
Transfers to Other Funds	52,108,143.21	24,914,677.24	<b>27,193,465.97</b>	<b>-52.19%</b>

“Other” expenditures refers to issuance costs and debt-related costs, purchased professional and technical services such as architectural and legal, salaries and benefits related to project costs, construction services, building construction supplies, equipment, and purchased property services.

## COMPARISON OF TOTAL EXPENDITURES TO TOTAL REVENUES

Year	Expenditures as a Percent of Revenues
<b>FY16</b>	100.78%
<b>FY17</b>	<b>115.04%</b>

## FY17 REVENUE BONDS INFORMATION

	FY16	FY17	Difference	Growth/Decline
<b>SAVE Balances and Revenue Bonds</b>				
Nonspendable Fund Balance	\$132,000.00	\$693,455.75	<b>\$561,455.75</b>	<b>425.35%</b>
Restricted Fund Balance (for Revenue Bond Reserve)	\$60,477,831.52	\$53,035,260.35	<b>-\$7,442,571.17</b>	<b>-12.31%</b>
Other Restricted Balance	\$685,497,393.89	\$618,471,485.48	<b>-\$67,025,908.41</b>	<b>-9.78%</b>
Unassigned Fund Balance	-\$15,071,739.50	-\$33,393,952.63	<b>-\$18,322,213.13</b>	<b>121.57%</b>
Revenue Bonds Outstanding	\$1,800,550,605.27	\$1,784,043,945.20	<b>-\$16,506,660.07</b>	<b>-0.92%</b>

### Definitions for Revenue Bonds Information

**Nonspendable Fund Balance** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This may include the long-term amount of loans and receivables, as well as property acquired for resale and the corpus (principal) of a permanent fund.

**Restricted Fund Balance** – The restricted fund balance classification should be reported when legally enforceable constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Unassigned Fund Balance** – The unassigned fund balance classification is used to report the residual amount for all *other* governmental funds after nonspendable, restricted, and committed balances have been identified, if the residual amount is negative.

## SAVE/SILO REPORTING

### REVENUE PURPOSE STATEMENT (RPS) SUMMARY

	FY16		FY17	
	School Districts	Percentage	School Districts	Percentage
School districts that indicated RPS expires 2029.	278	82.7	285	85.6
School districts that indicated RPS expires before 2029.	58	17.3	48	14.4
School Infrastructure Purposes	334	99.4	332	99.7
Property Tax Relief	297	88.4	294	88.3
Physical Plant and Equipment Levy (PPEL) Purposes	304	90.5	309	92.8
Public Education and Recreation Levy (PERL) Purposes	133	39.6	128	38.4
Share with other entities under a 28E agreement	66	19.6	62	18.6



## LEVY INFORMATION

Did the district reduce levies as a result of the moneys received under Chapter 423E or 423F in the following funds?	FY16	FY17	Difference	Growth/Decline
<b>Debt Service Levy</b>				
Number of school districts that indicated "yes."	39	37	-2	-5.13%
Amount of property tax reduction.	\$21,637,897.23	\$20,012,199.03	-\$1,625,698.20	-7.51%
<b>PPEL</b>				
Number of school districts that indicated "yes."	8	10	2	25.00%
Amount of property tax reduction.	\$2,446,580.33	\$3,641,822.21	\$1,195,241.88	48.85%
<b>PERL</b>				
Number of school districts that indicated "yes."	0		0	0.00%
Amount of property tax reduction.	\$0.00		\$0.00	0.00%

## MISCELLANEOUS INFORMATION

	FY16	FY17	Difference	Growth/Decline
Number of school districts that issued revenue bonds through Chapter 423F.	139	144	5	3.60%
Amount of sales tax used to pay revenue bonds during FY18.	\$117,833,268.82	\$122,738,490.34	\$4,905,221.52	4.16%
Number of school districts that indicated if local option sales and services tax (LOSST)/SAVE were not available, the district would have increased property taxes through a bond referendum, voter-approved PPEL, regular PPEL, and/or PERL.	231	238	7	3.03%