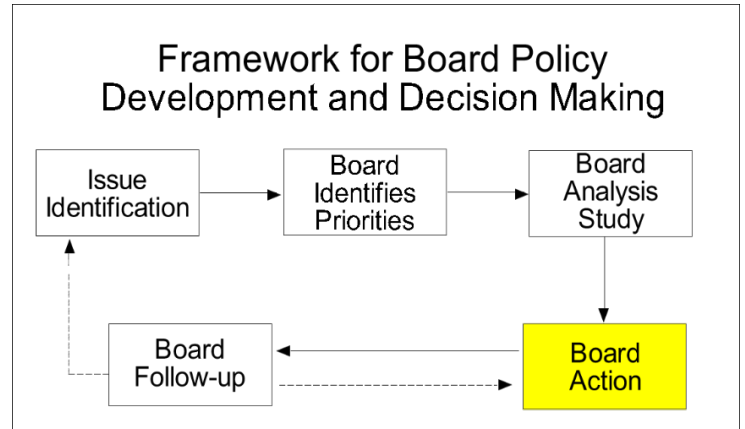


Iowa State Board of Education

Executive Summary

March 24, 2022



Agenda Item: Fiscal Year 2022-2023 Annual Budget Approval for Area Education Agencies (AEAs)

State Board Priority: All

State Board Role/Authority: Iowa Code section 273.3(12) authorizes the State Board to review the proposed budget of each area education agency (AEA) and either grant approval or return the budget without approval with comments of the State Board included. An unapproved budget shall be resubmitted to the State Board for final approval.

Presenter(s): Denise Ragias, Consultant
Bureau of School Business Operations

Attachment(s): One

Recommendation: It is recommended that the Board approve the AEA budgets for fiscal year 2022-2023.

Background: Iowa Code section 273.3, subsection 12, requires that the State Board review the proposed budget of each AEA and either grant approval or return the budget without approval with comments by May 1. The State Board shall give final approval only to budgets submitted by AEAs accredited by the State Board or that have been given conditional accreditation by the State Board. All nine AEAs are fully accredited for the 2021-2022 fiscal year.

Proposed Budget, Fiscal Year 2022-23

Proposed Resources by Major Source, all Budgeted Funds
Resources by Major Source – Pie Chart

Proposed Expenditures by Function Category, all Budgeted Funds
Expenditures by Function Category – Pie Chart

Budget – Three-Year Comparison

Fund Balance Comparisons

Definitions

Budgeted Funds. AEA and local school districts budget all funds except internal services, permanent, trust, and custodial (previously known as agency) funds. Budgeted funds include the general fund, special education instruction fund, juvenile home program instruction fund, special revenue trust funds, other special revenue funds, capital projects funds, debt service fund, and proprietary funds such as nutrition.

Sources. “Sources” mean classifications of revenues and other financing sources from the original source/payer. The primary classifications are revenues from local sources, revenues from intermediate sources, revenues from state sources, revenues from federal sources, and receipts other than revenues. Local sources would include such things as property taxes from the controlled funding, interest, tuition, and sales of services to school districts and other AEAs. Intermediate sources include revenues from cities or counties. State sources would include such things as state aid from the controlled funding and state grants such as Parent Education for At Risk (0-3yrs of age). Federal sources include federal grants such as Title I, IDEA (Individuals with Disabilities Education Act), Title III (English Language Acquisition State Grants) and Medical Assistance Program (Medicaid Direct Services Reimbursement). Long-term debt proceeds would include proceeds from loans and lease-purchases. Other financing sources would include sales or loss of fixed assets, and transfers from other funds.

Resources. “Resources” mean the sum of total Revenues, Other Financing Sources and Beginning Fund balance.

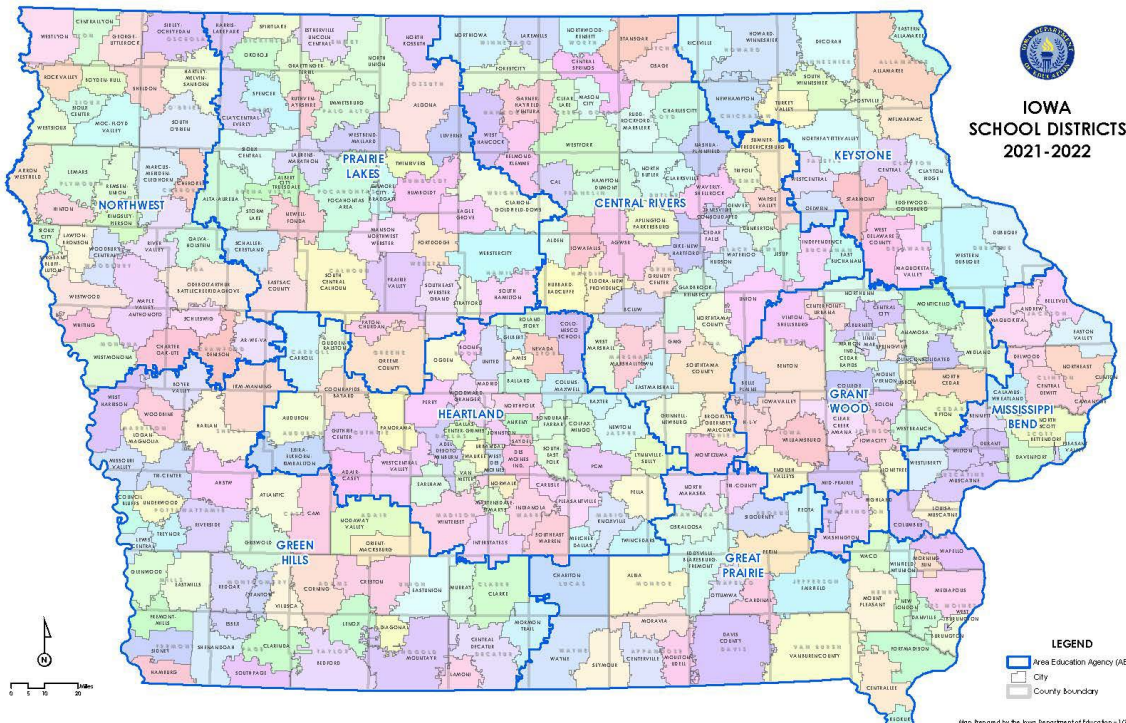
Function. “Function” means the major activities of the AEA and corresponds to those most frequently requested in reporting to external authorities. The AEAs expend the largest portion of their funding in the function areas of support services to students and support services to instructional staff.

Area Education Agencies

Financial Reporting and Budgeting

Area Education Agencies Legend

1 (9201)	Keystone AEA	Elkader
5 or 8 (9205)	Prairie Lakes AEA	Pocahontas
7 (9207)	Central Rivers AEA	Cedar Falls
9 (9209)	Mississippi Bend AEA	Bettendorf
10 (9210)	Grant Wood AEA	Cedar Rapids
11 (9211)	Heartland AEA	Johnston
12 (9212)	Northwest AEA	Sioux City
13 (9213)	Green Hills AEA	Council Bluffs
15 (9215)	Great Prairie AEA	Ottumwa



**Proposed Resources by Major Source
All Budgeted Funds
Fiscal Year 2023**

AEA	Taxes (Controlled Funding)	Other Local Revenues	Intermediate Revenues	State Aid (Controlled Funding)	Other State Revenues	IDEA Federal Grant *	Other Federal Revenues	Long-term Debt Proceeds	Other Financing Sources **	Beginning Fund Balance	Total
1	6,701,464	1,341,055	-	7,532,310	1,790,013	8,114,129	1,095,032	-	-	3,094,499	29,668,502
5	6,847,422	1,598,539	-	7,946,109	1,854,287	9,520,609	1,045,138	-	-	5,296,891	34,108,995
7	13,431,050	6,295,635	-	16,635,610	5,301,305	16,227,000	1,765,818	-	4,851,053	14,742,237	79,249,708
9	9,918,469	4,766,696	4,520	12,270,566	2,357,823	12,940,857	610,000	-	416,220	8,822,232	52,107,383
10	14,525,557	7,181,975	-	18,482,824	3,810,195	16,815,000	1,143,775	-	1,250,000	15,083,700	78,293,026
11	28,338,470	3,958,188	-	38,204,132	6,908,099	34,898,739	1,191,867	-	50,000	16,821,038	130,370,533
12	9,163,352	1,225,639	-	10,828,317	2,973,800	11,136,608	1,175,459	-	530,000	12,148,754	49,181,929
13	7,742,800	3,614,625	-	9,990,416	2,759,026	11,300,329	1,197,047	-	500,000	3,487,111	40,591,354
15	7,011,084	1,125,637	-	9,052,116	1,918,282	10,615,525	150,500	-	5,018	5,942,041	35,820,203
Total	103,679,668	31,107,989	4,520	130,942,400	29,672,830	131,568,796	9,374,636	0	7,602,291	85,438,503	529,391,633

Percentage of Total

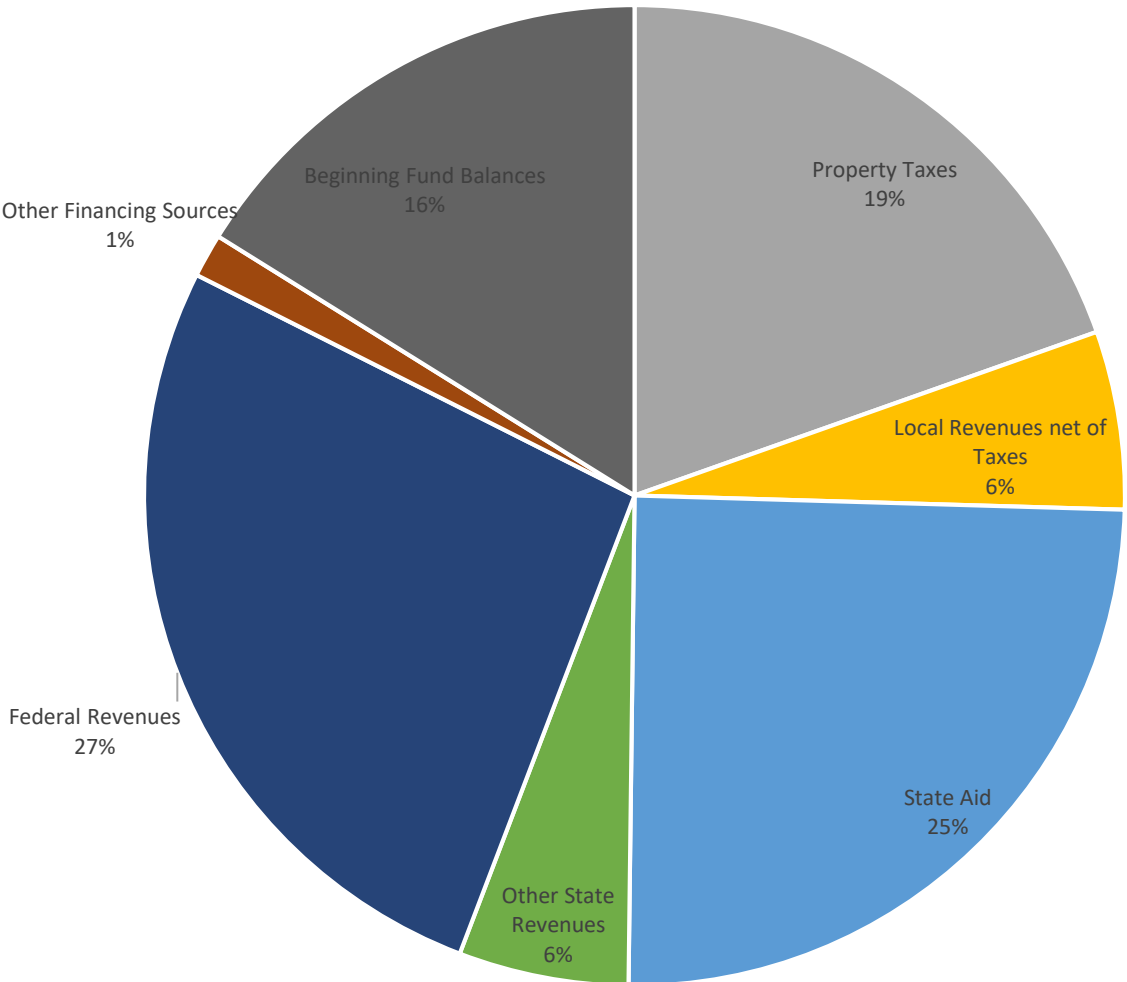
AEA	Taxes (Controlled Funding)	Other Local Revenues	Intermediate Revenues	State Aid (Controlled Funding)	Other State Revenues	IDEA Federal Grant *	Other Federal Revenues	Long-term Debt Proceeds	Other Financing Sources **	Beginning Fund Balance	Total
1	22.59%	4.52%	0.00%	25.39%	6.03%	27.35%	3.69%	0.00%	0.00%	10.43%	100.00%
5	20.08%	4.69%	0.00%	23.30%	5.44%	27.91%	3.06%	0.00%	0.00%	15.53%	100.00%
7	16.95%	7.94%	0.00%	20.99%	6.69%	20.48%	2.23%	0.00%	6.12%	18.60%	100.00%
9	19.03%	9.15%	0.01%	23.55%	4.52%	24.83%	1.17%	0.00%	0.80%	16.93%	100.00%
10	18.55%	9.17%	0.00%	23.61%	4.87%	21.48%	1.46%	0.00%	1.60%	19.27%	100.00%
11	21.74%	3.04%	0.00%	29.30%	5.30%	26.77%	0.91%	0.00%	0.04%	12.90%	100.00%
12	18.63%	2.49%	0.00%	22.02%	6.05%	22.64%	2.39%	0.00%	1.08%	24.70%	100.00%
13	19.07%	8.90%	0.00%	24.61%	6.80%	27.84%	2.95%	0.00%	1.23%	8.59%	100.00%
15	19.57%	3.14%	0.00%	25.27%	5.36%	29.64%	0.42%	0.00%	0.01%	16.59%	100.00%
Total	19.58%	5.88%	0.00%	24.73%	5.61%	24.85%	1.77%	0.00%	1.44%	16.14%	100.00%

* IDEA Federal Grant includes Part B flowthrough to LEAs of approximately \$24,000,000.

** Other financing sources include interfund transfers and proceeds from the disposition of fixed assets.

Resources by Major Source

Fiscal Year 2022-2023



**Proposed Expenditures by Function Category
All Budgeted Funds
Fiscal Year 2023**

AEA	Instruction	Student Support Services	Staff Support Services	Administration and Central Support Services	Plant Operation & Maintenance	Transportation	Other Support Services	Non-instructional Programs	Facilities Acquisition & Construction	Debt Service	Other Financing Uses *	Ending Fund Balance	Total
1	162,672	10,310,547	8,379,729	4,855,527	996,832	1,000	-	64,923	-	-	1,404,499	3,492,773	29,668,502
5	1,202,259	16,826,725	4,046,764	4,374,276	758,667	-	-	106,380	-	-	1,497,033	5,296,891	34,108,995
7	9,109,300	22,810,500	13,908,900	9,099,800	1,893,500	500	249,300	150,900	200,000	4,651,053	7,882,953	9,293,002	79,249,708
9	2,309,061	17,813,310	7,836,598	6,610,029	4,632,767	-	24,039	-	-	416,220	2,668,809	9,796,550	52,107,383
10	3,085,983	24,235,027	21,972,800	10,056,224	1,280,323	-	4,100	341,493	1,250,000	-	4,610,000	11,457,076	78,293,026
11	4,203,552	49,861,700	34,908,253	18,112,772	1,561,181	3,750	480	242,072	-	-	6,876,777	14,599,996	130,370,533
12	833,581	13,435,557	12,953,620	6,164,363	985,016	3,708	-	-	4,000,000	530,000	2,611,057	7,665,027	49,181,929
13	3,554,228	16,511,587	7,707,576	6,548,843	828,012	103	206,824	122,710	500,000	-	2,312,014	2,299,457	40,591,354
15	2,208,987	12,291,628	7,333,745	5,152,877	849,961	200	-	111,666	-	-	1,706,310	6,164,829	35,820,203
Total	26,669,623	184,096,581	119,047,985	70,974,711	13,786,259	9,261	484,743	1,140,144	5,950,000	5,597,273	31,569,452	70,065,601	529,391,633

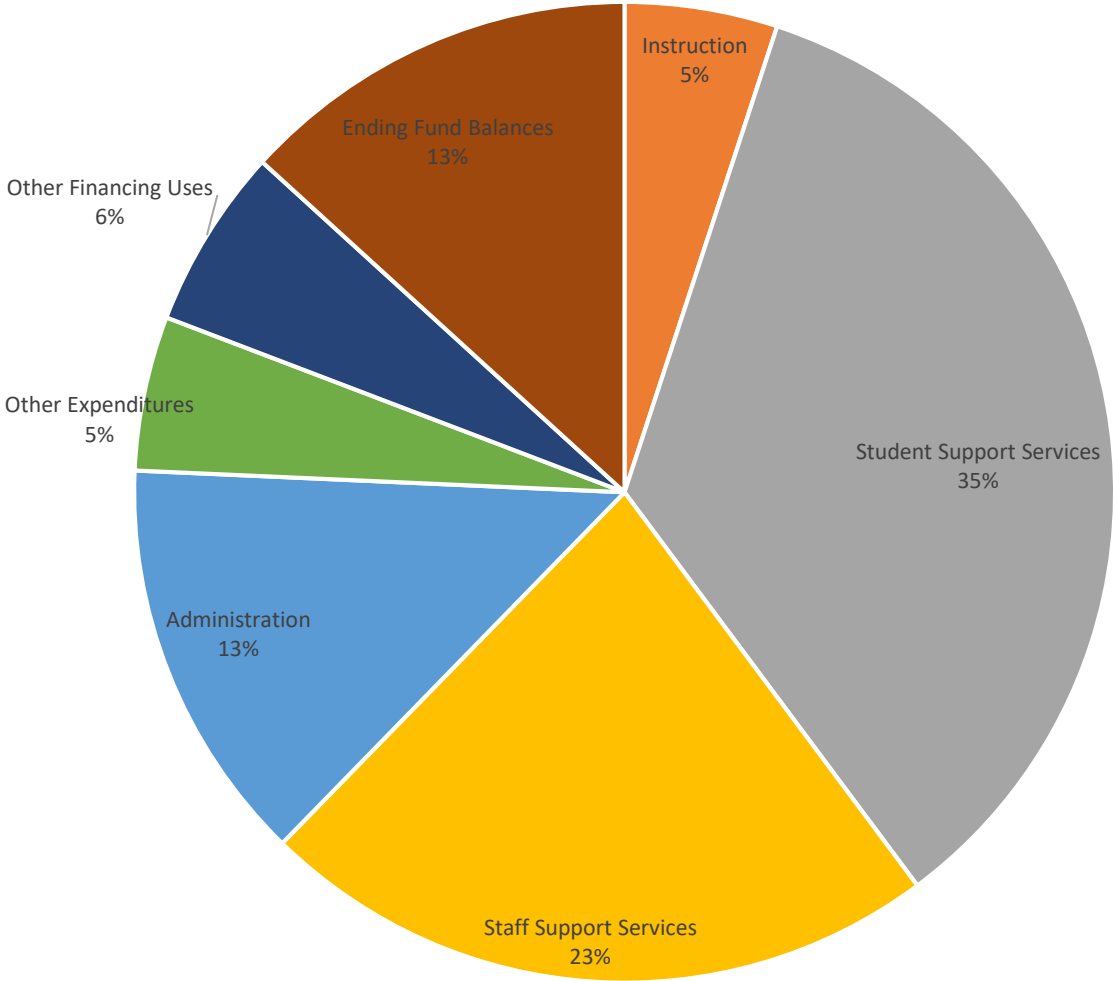
Percentage of Total

AEA	Instruction	Student Support Services	Staff Support Services	Administration and Central Support Services	Plant Operation & Maintenance	Transportation	Other Support Services	Non-instructional Programs	Facilities Acquisition & Construction	Debt Service	Other Financing Uses *	Ending Fund Balance	Total
1	0.55%	34.75%	28.24%	16.37%	3.36%	0.00%	0.00%	0.22%	0.00%	0.00%	4.73%	11.77%	100.00%
5	3.52%	49.33%	11.86%	12.82%	2.22%	0.00%	0.00%	0.31%	0.00%	0.00%	4.39%	15.53%	100.00%
7	11.49%	28.78%	17.55%	11.48%	2.39%	0.00%	0.31%	0.19%	0.25%	5.87%	9.95%	11.73%	100.00%
9	4.43%	34.19%	15.04%	12.69%	8.89%	0.00%	0.05%	0.00%	0.00%	0.80%	5.12%	18.80%	100.00%
10	3.94%	30.95%	28.06%	12.84%	1.64%	0.00%	0.01%	0.44%	1.60%	0.00%	5.89%	14.63%	100.00%
11	3.22%	38.25%	26.78%	13.89%	1.20%	0.00%	0.00%	0.19%	0.00%	0.00%	5.27%	11.20%	100.00%
12	1.69%	27.32%	26.34%	12.53%	2.00%	0.01%	0.00%	0.00%	8.13%	1.08%	5.31%	15.59%	100.00%
13	8.76%	40.68%	18.99%	16.13%	2.04%	0.00%	0.51%	0.30%	1.23%	0.00%	5.70%	5.66%	100.00%
15	6.17%	34.31%	20.47%	14.39%	2.37%	0.00%	0.00%	0.31%	0.00%	0.00%	4.76%	17.21%	100.00%
Total	5.04%	34.78%	22.49%	13.41%	2.60%	0.00%	0.09%	0.22%	1.12%	1.06%	5.96%	13.24%	100.00%

* Other financing uses include Part B flowthrough to LEAs. Interfund transfers are also included.

Expenditures by Function

Fiscal Year 2022-2023



Three-Year Comparison All Budgeted Funds

Revenues and Other Financing Sources plus Beginning Balance:	Proposed Budget Fiscal Year 2023	Re-estimated Fiscal Year 2022	Actual Fiscal Year 2021
Taxes (Controlled Funding)	103,679,668	102,191,427	100,723,442
Other Local Revenues	31,107,989	31,445,578	31,445,822
Intermediate Revenues	4,520	16,655	45,552
*State Aid (Controlled Funding)	130,942,400	115,379,909	113,730,998
Other State Revenues	29,672,830	29,959,860	29,502,361
IDEA Federal Grant	131,568,796	137,055,174	123,535,689
Other Federal Revenues	9,374,636	17,681,735	5,818,243
Long-term Debt Proceeds	-	7,000,000	-
Other Financing Sources	7,602,291	14,741,701	1,854,657
Beginning Fund Balance	85,438,503	73,857,836	61,095,710
Total	529,391,633	529,329,875	467,752,475
Expenditures and Other Financing Uses plus Ending Balance:	Proposed Budget Fiscal Year 2023	Re-estimated Fiscal Year 2022	Actual Fiscal Year 2021
Instruction	26,669,623	25,440,306	22,646,120
Student Support Services	184,096,581	170,224,952	163,964,426
Staff Support Services	119,047,985	115,730,386	103,710,529
Administration and Central Support Services	70,974,711	68,510,653	65,828,793
Plant Operation & Maintenance	13,786,259	12,211,694	8,540,926
Transportation	9,261	8,650	2,889
Other Support Services	484,743	472,359	452,917
Non-instructional Programs	1,140,144	1,027,168	1,380,154
Facilities Acquisition & Construction	5,950,000	5,338,601	674,562
Debt Service	5,597,273	4,506,606	935,075
Other Financing Uses	31,569,452	40,419,997	25,758,250
Ending Fund Balance	70,065,601	85,438,503	73,857,836
Total	529,391,633	529,329,875	467,752,475

*AEA Controlled funding reflects current law.

FUND BALANCE COMPARISON FY16 - FY23

Fund Balances do not include Permanent Funds; Internal Service Funds; Private-Purpose, Pension and Investment Trust Funds; and Custodial Funds

Year	Keystone 9201	Prairie Lakes 9205	Central Rivers 9207	Mississippi Bend 9209	Grant Wood 9210	Heartland 9211	Northwest 9212	Green Hills 9213	Great Prairie 9215
2016	1,928,842.39	2,327,546.45	6,361,473.33	(1,564,937.09)	10,926,938.53	12,045,092.46	3,847,426.45	3,596,321.59	3,661,448.12
2017	2,122,238.54	3,197,830.11	7,895,245.49	(4,656,459.64)	9,563,640.07	12,330,777.36	4,087,574.12	3,868,926.45	3,402,363.37
2018	2,635,650.68	3,518,161.69	8,946,199.69	(4,181,633.88)	9,028,728.54	13,480,656.82	5,001,981.54	4,452,384.03	3,503,260.42
2019	2,444,169.86	4,438,907.92	10,075,659.61	(1,225,944.79)	9,088,936.80	14,237,346.93	6,142,573.05	4,074,010.03	3,766,162.73
2020	2,396,868.07	4,367,340.70	11,392,556.89	2,565,657.75	10,083,518.54	14,213,375.54	7,385,460.27	4,389,185.45	4,301,746.48
2021	3,383,043.06	5,296,890.57	13,467,650.78	5,966,484.14	13,095,979.01	14,508,501.99	9,075,307.10	4,099,702.30	4,964,277.05
2022 Re-Estimated	3,094,499.00	5,296,891.00	14,742,237.00	8,822,232.00	15,083,700.00	16,821,038.00	12,148,754.00	3,487,111.00	5,942,041.00
2023 Budgeted	3,492,773.00	5,296,891.00	9,293,002.00	9,796,550.00	11,457,076.00	14,599,996.00	7,665,027.00	2,299,457.00	6,164,829.00

Description	Keystone 9201	Prairie Lakes 9205	Central Rivers 9207	Mississippi Bend 9209	Grant Wood 9210	Heartland 9211	Northwest 9212	Green Hills 9213	Great Prairie 9215
FY23 Expenditures & Other Financing Uses Estimated	\$ 26,175,729	\$ 28,812,104	\$ 69,956,706	\$ 42,310,833	\$ 66,835,950	\$ 115,770,537	\$ 41,516,902	\$ 38,291,897	\$ 29,655,374
Fund Balance to Budgeted Expenditures Ratio	13.34%	18.38%	13.28%	23.15%	17.14%	12.61%	18.46%	6.01%	20.79%
Certified Enrollment (Media/Ed Served)	31,617	31,995	64,559	48,556	73,649	150,716	45,231	37,686	35,034
Budgeted Expenditures per pupil	\$ 828	\$ 901	\$ 1,084	\$ 871	\$ 907	\$ 768	\$ 918	\$ 1,016	\$ 846
Budgeted Fund Balance per pupil	\$ 110	\$ 166	\$ 144	\$ 202	\$ 156	\$ 97	\$ 169	\$ 61	\$ 176

