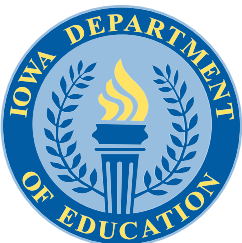


Legislative Report
**Fiscal Year 2023 Secure an Advanced Vision for
Education (SAVE) Annual Report**

February 2024



State of Iowa
Department of Education
Grimes State Office Building
400 E. 14th Street
Des Moines, IA 50319-0146

Administration

McKenzie Snow, Director and Executive Officer
of the State Board of Education

Office of the Chief Financial Officer

Bureau of School Business Operations

Kassandra Cline, Bureau Chief

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Introduction

Basis of Reporting

The Department is required to collect (Iowa Code § 423F.5) and report to the general assembly (Iowa Code § 256.9(19)) annual school district receipt and use of Secure an Advanced Vision for Education (SAVE) funds, which are intended to be used solely for property tax relief or infrastructure purposes. Districts report whether they used SAVE dollars to reduce local property tax levies and whether or not the local board adopted a revenue purpose statement to allow expenditures beyond those authorized in Iowa Code chapter 423F, which may include purchases for short-term needs (e.g., boiler, HVAC, building or playground safety needs, vehicle repairs, concrete), long-term planning needs (e.g., gym floor, windows, roof, new school bus, repayment of debt, remodeling, land purchase, new construction), or even infrastructure costs related to an executed 28E agreement (e.g., activity program, wellness center, community pool).

Statutory References

256.9 Duties of director.

19. The department shall compile the financial information related to chapter 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 monies 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 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 money 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.

SAVE Data

Aggregate District Data

District-by-district data related to the annual report to the legislature is posted to the [Secure an Advance Vision for Education \(SAVE\)](#) page of the Iowa Department of Education's website once available. Data used to populate the report are from two district-reported sources: Certified Annual Report (CAR) and the Facilities, Elections, and Sales Tax (FEST) application submissions. Aggregate district data is provided below.

Sales Tax Financial Information – Fund 33

Table 1: SAVE Balances

Balance Type	FY22	FY23	Variance	Percent Change
School District Count	327	327	0	0%
Beginning Balance	\$903,740,359	\$939,179,371	\$35,439,012	4%
Ending Balance	\$939,179,371	\$1,185,035,919	\$245,856,548	26%

Table 2: SAVE Revenues

Revenue Type	FY22	FY23	Variance	Percent Change
Sales Tax Revenues	\$584,019,439	\$657,683,531	\$73,664,092	13%
Other Local Revenues	\$16,373,495	\$36,595,476	\$20,221,981	124%
Other State Revenues	\$1,378,558	\$804,647	(\$573,911)	(42%)
Federal Revenues	\$1,239,653	\$2,446,440	\$1,206,787	97%
Sale of Long-Term Debt	\$269,031,593	\$479,028,425	\$209,996,832	78%
Transfer from Other Funds	\$18,495,925	\$41,694,599	\$23,198,674	125%

Revenue Type	FY22	FY23	Variance	Percent Change
Other Revenue	\$26,274,093	\$29,030,009	\$2,755,916	10%
Total Revenues and Transfers	\$916,812,756	\$1,247,283,127	\$330,470,371	36%

Table 3: SAVE Expenditures

Expenditure Type	FY22	FY23	Variance	Percent Change
School Infrastructure Construction	\$320,438,259	\$391,696,259	\$71,258,000	22%
Land Purchased	\$1,200,221	\$3,870,043	\$2,669,822	222%
Buildings Purchased	\$2,718,071	\$10,393,146	\$7,675,075	282%
Equipment	\$68,731,886	\$76,242,447	\$7,510,561	11%
Other	\$72,109,796	\$94,938,966	\$22,829,170	32%
Transfers to the Debt Service Fund	\$383,644,741	\$324,493,862	(\$59,150,879)	(15%)
Transfers to Other Funds	\$32,530,772	\$99,791,856	\$67,261,085	207%
Total Expenditures and Transfers	\$881,373,745	\$1,001,426,579	\$120,052,834	14%

“Other” expenditures refer 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.

Table 4: Comparison of Total SAVE Expenditures to Total SAVE Revenues

Fiscal Year	Expenditures as a Percentage of Revenues
2022	96.1%
2023	80.3%

Revenue Bond Information

Table 5: SAVE Fund Balances and Revenue Bonds Outstanding

Fund or Bond Balance	FY22	FY23	Variance	Percent Change
Restricted Fund Balance (for Revenue Bond Reserve)	\$53,573,999	\$64,240,199.00	\$10,666,200.35	20%
Other Restricted Balance	\$987,476,629	\$1,245,058,173.00	\$257,581,544.43	26%
Unassigned Fund Balance	(\$102,120,010)	(\$124,703,203.00)	(\$22,583,192.54)	22%
Revenue Bonds Outstanding	\$1,836,819,302	\$1,953,554,382.00	\$116,735,080.29	6%
Non-spendable Fund Balance	\$248,754	\$440,750.00	\$191,996.25	77%

Definitions for Revenue Bonds Information

Non-spendable Fund Balance – The non-spendable 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 non-spendable, restricted, and committed balances have been identified, if the residual amount is negative.

SAVE Reporting

Table 6: Revenue Purpose Statement (RPS) Summary

RPS Status	FY22		FY23	
	School Districts	Percentage	School Districts	Percentage
School districts that reported RPS expires in 2029	101	31%	90	28%
School districts that reported RPS expires before 2029	15	5%	7	2%
School districts that reported RPS expires after 2029	209	64%	228	70%
School districts that did not report the RPS expiration date	2	1%	2	1%
School Infrastructure Purposes	323	99%	324	99%
Property Tax Relief	287	88%	289	88%
Physical Plant and Equipment Levy (PPEL) Purposes	305	94%	303	93%
Public Education and Recreation Levy (PERL) Purposes	145	45%	127	39%
Share with other entities under a 28E agreement	47	14%	50	15%

Table 7: Levy Information

Did the district reduce levies as a result of the money received under Chapter 423E or 423F in the following funds?	FY22	FY23	Variance	Percent Change
Debt Service Levy				
Number of school districts that reported "yes"	14	14	0	0%
Amount of property tax reduction	\$6,595,693	\$11,870,801	\$5,275,108	80%
PPEL				
Number of school districts that reported "yes"	5	4	(1)	(20%)
Amount of property tax reduction	\$1,396,454	\$620,997	(\$775,457)	(56%)
PERL				
Number of school districts that reported "yes"	1	1	0	0%
Amount of property tax reduction	\$19,427	\$19,427	\$0	0%

Table 8: Miscellaneous Information

Other Data Points	FY22	FY23	Variance	Percent Change
Number of school districts that issued revenue bonds through Chapter 423F	138	135	(3)	(2%)
Amount of sales tax used to pay revenue bonds	\$151,211,916	\$179,111,442	\$27,899,526	18%
Number of school districts that reported if SAVE were not available, the district would have increased property taxes through a bond referendum, voter-approved PPEL, regular PPEL, and/or PERL	219	230	11	5%

Note: Due to rounding, numbers presented throughout this document may not add up precisely to the totals or percentages provided.

Summary Data

All 327 school districts completed this reporting requirement. During FY23, SAVE transactions totaled \$1,247,283,127 of revenues and \$1,001,426,579 of expenditures.