





Funding Sources

- Major funding sources:
 - General Fund – funds the educational program (teachers, curriculum, energy)
 - Physical Plant and Equipment Levy (PPEL) funds
 - Debt Service funds
 - Sales Tax funds
 - Management Levy funds
 - ~~● Public Education and Recreation Levy funds~~
 - ~~● Cash Reserve Levy funds~~
-
- Nutrition funds (lunch \$'s)
 - Activity funds



General Fund

- Where does the money go?
 - 80% of the district's funds go to pay for staff
 - Remainder is spent on curriculum, utilities, professional development, and costs of transportation (fuel and salaries, usually not buses)



Optional Sources of Authority in the General Fund

- Instructional Support Levy (ISL)
 - First question: How much do we want to increase (up to 10% of credit card limit)?
 - How do we fund it (property taxes or income surtax)?
 - Voter approval – up to 10 years
 - Board approval – up to 5 years

Instructional Support Levy (ISL)

Projected Annual Expenses

<u>Funding Purpose</u>	<u>Expense</u>
Transportation (Bus / van)	95,000
Maintenance Equipment	10,000
Technology (Computer replacement schedule, annual exp.)	85,000
Digital Instructional materials (Digital textbooks, apps, programs, software)	20,000
Curriculum expansion (Project Lead the Way)	10,000
Instructional materials (Textbook purchases, additional PLTW costs)	<u>30,000</u>
Projected ISL \$\$ needed annually	250,000

Projected expenses for each fiscal year are identified above. However, categorical amounts are not guaranteed as the board must maintain the ability to prioritize crucial needs on an annual basis. If our computer servers crash and our technology needs warrant \$100,000 being spent in that area then the board has the authority to spend the ISL dollars where needed.

Property Tax Payments:

October 15	Initial fall pymt.
November 15	Remaining fall pymt.
April 15	Initial spring pymt.
May 15	Remaining spring pymt.

Income Tax Payments:

December 15	Initial annual pymt. (75%)
February 15	Remaining annual pymt. (25%)



Transition to Non General Fund Sources

- Step across the great divide
- Most of the following funding sources cannot be used in General Fund and vice versa
- Might have money in one of these sources but cannot use to offset a General Fund shortfall



Management Levy

- Property tax levy to fund certain costs in the district
 - Property insurance, liability insurance and workers' compensation
 - Early retirement benefits
 - Judgments against the district (lose court case)
 - Not rate limited, purpose limited
 - Set by school board action as part of district budget



PPEL

- Used for buildings, buses, equipment and technology – cannot be spent on staff
- Two levies:
 - Board-approved \$0.33 cents per thousand – exclusively property tax
 - Voter-approved – maximum equivalent of \$1.34 per thousand of property tax. May be funded by property tax or income surtax or a combination. Maximum 10 years – 50% + 1 vote
 - Can borrow against property tax portion of voter-approved. Cannot borrow against the board-approved PPEL levy.



Debt Service

- For buildings/grounds only
- Voter approved – think “bond issue”
- 60% + 1 to approve
- All property tax – maximum \$4.05 per thousand
- 20 year maximum duration
- Until State Penny, was the primary way we build schools in Iowa

[illegible]

	Principal		Interest	Registration	Total	
Fiscal Year	Outstanding	Due	Due	Costs	Obligation	
SALE & SERVICES TAX REVENUE BONDS (4,500,000.)						
FY 2013/2014	4,500,000.00	-	63,860.63	250.00	64,110.63	
FY 2014/2015	4,400,000.00	100,000.00	84,647.50	500.00	185,147.50	
FY 2015/2016	4,150,000.00	250,000.00	82,897.50	500.00	333,397.50	
FY 2016/2017	3,895,000.00	\$ 255,000.00	90,372.50	500.00	345,872.50	
FY 2017/2018	3,635,000.00	260,000.00	77,797.50	500.00	338,297.50	
FY 2018/2019	3,375,000.00	260,000.00	74,937.50	500.00	335,437.50	
FY 2019/2020	3,110,000.00	265,000.00	71,522.50	500.00	337,022.50	
FY 2020/2021	2,845,000.00	265,000.00	67,547.50	500.00	333,047.50	
FY 2021/2022	2,575,000.00	270,000.00	63,065.00	500.00	333,565.00	
FY 2022/2023	2,300,000.00	275,000.00	58,090.00	500.00	333,590.00	
FY 2023/2024	2,020,000.00	280,000.00	52,677.50	500.00	333,177.50	
FY 2024/2025	1,735,000.00	285,000.00	46,885.00	500.00	332,385.00	
FY 2025/2026	1,440,000.00	295,000.00	40,573.75	500.00	336,073.75	
FY 2026/2027	1,140,000.00	300,000.00	33,655.00	500.00	334,155.00	
FY 2027/2028	835,000.00	305,000.00	26,242.50	500.00	331,742.50	
FY 2028/2029	520,000.00	315,000.00	18,335.00	500.00	333,835.00	
FY 2029/2030	-	520,000.00	9,920.00	500.00	530,420.00	



Sales Taxes

- Started out as local option sales tax in early 1990's
- By 2004 all counties had passed
- Converted to "State Penny for School Infrastructure" July 1, 2008
- Still requires a district vote on a Revenue Purpose Statement
- Can be used for buildings/grounds, PPEL purposes, and PERL purposes (still depends on language you have in place in your district) – cannot be used for staff costs

REVENUE PURPOSE STATEMENT

To the residents of the Treynor Community School District:

Any revenue the Treynor Community School District may receive from the secure an advanced vision for education fund for school infrastructure (penny sales and services tax for schools) will be expended for any statutorily authorized purpose for school infrastructure, property tax relief and/or the issuance of bonds as authorized now or hereafter by Chapter 423E and Chapter 423F of the Iowa Code.

‘School infrastructure’ is defined by law to include the construction, reconstruction, repair, demolition work, purchasing, or remodeling of schoolhouses, stadiums, gyms, fieldhouses, and bus garages and the procurement of schoolhouse construction sites, the making of site improvements as authorized now or hereafter by the Iowa Code, and those equipment, transportation equipment, and public recreation and other activities for which revenues under Iowa Code sections 298.3 or 300.2 may be spent as authorized now or hereafter by the Iowa Code. Additionally, ‘school infrastructure’ includes the payment or retirement of outstanding bonds previously issued for school infrastructure purposes and the payment or retirement of new bonds issued for school infrastructure purposes issued under section 423E.5 and section 423F.4 of the Iowa Code.

If this revenue purpose statement is approved, it shall replace any revenue purpose statement currently in effect and will be in effect until amended or replaced by the District. If this revenue purpose statement is not approved, any funds received from the penny sales and services tax for schools shall be used pursuant to any revenue purpose statement previously approved by the District’s voters. Nothing in this revenue purpose statement shall restrict, terminate or impair the District from using funds received from the penny sales and services tax for schools pursuant to any prior revenue purpose statements previously adopted by the Treynor Community School District.

If approved, this Revenue Purpose Statement shall remain in effect until replaced or amended by the Treynor Community School District.

Board of Directors
Treynor Community School District