



Dubuque
COMMUNITY SCHOOLS



CERTIFIED FISCAL YEAR 2022-23 BUDGET PROPOSAL

PRESENTED FOR APPROVAL TO THE BOARD OF EDUCATION APRIL 11, 2022



A MESSAGE FROM THE SUPERINTENDENT

As we look ahead to the future, I am pleased to share this budget proposal with you – my last one as superintendent of the Dubuque Community School District.

As I reflect on my time as superintendent, I am proud of the work the district has continually done to maximize our resources while putting the success of our students first and foremost in our work.

Our focus now rests firmly in recovery from the impacts of COVID-19, with those efforts bolstered for another year by federal ESSER funds to support that work. These dollars are being strategically used to provide enrichment and remediation support to address the learning loss that occurred during the pandemic.

Outside of COVID-related expenditures, we remain committed to our long-standing work to maintain strong financial footing. We do this by proactively keeping an eye to the future, while always planning within current budget realities.

As we plan our finances moving forward, in the pages that follow, you can learn about school financing, the Iowa Code that governs it, and the current financial position of the Dubuque Community Schools.

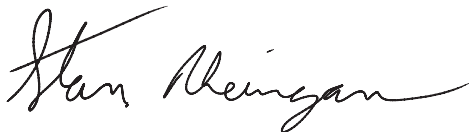
For the 2022-2023 school year, the Iowa Legislature has approved a 2.5 percent increase in supplemental state aid – the state's primary mechanism for funding schools. This increase again fails to meet the needs of the district when compared to our average year-over-year cost increases.

Recognizing the impact lower-than-needed state support has on our budget, the district continues to plan ways to realize significant cost savings through additional efficiency measures. We will do this planning thoughtfully and strategically.

You will see in this report that we also rely on other funding streams to support our schools. Most notably is the Secure an Advanced Vision for Education (SAVE) sales tax, most commonly referred to as the One-Cent Sales Tax. This revenue stream ensures that our infrastructure and technology meet the needs of today's students. One of the most visible signs of this impact is the phase two renovation of Dubuque Senior High School that is underway.

Overall, we want you to feel confident that we always keep a keen eye on our financial strength and are proactively working to maintain this financial health. It is a role we take very seriously and we know that having a financially healthy district allows us to provide the students of the Dubuque Community School District with a first-rate educational experience that will prepare them for a future filled with success.

Sincerely,



Stan Rheingans
Superintendent of Schools

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SCHOOL FUNDING 101:

the basics on where the money comes from and where it goes



GENERAL FUND TOTAL REVENUE: \$145.2 MILLION

	State Income Taxes (state aid) (AEA)	\$76.6 million
	Property Taxes	\$49.7 million
	Grants and Miscellaneous Income	\$18.9 million



- SALARIES
- BOOKS AND MATERIALS
- OTHER OPERATING EXPENSES

CAPITAL PROJECTS TOTAL: \$14.8 MILLION

	Property Taxes	\$4.3 million
	One-cent Local Option Sales Tax	\$10.5 million




- FACILITIES IMPROVEMENTS
- BOND PAYMENTS
- EQUIPMENT PURCHASES

OTHER FUNDS


	MANAGEMENT FUND Property Taxes	\$3.5 million
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- PROPERTY INSURANCE
- EARLY RETIREMENT BENEFITS

	NUTRITION FUND Cafeteria Revenue Subsidies and Sales	\$4.8 million
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- BREAKFAST AND LUNCH

	STUDENT ACTIVITY FUND Fundraising and Activity Admissions	\$0.8 million
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- ACTIVITIES NOT COVERED BY STUDENT FEES

AMOUNTS ARE FISCAL YEAR 2020-21 RESULTS

Navigating the labyrinth of public school funding is complicated. The budget is a maze of funding sources that, for the Dubuque Community School District (the “District”), total \$195 million for the current 2021-22 fiscal year.

The previous graph and the following questions and answers outline the routes that funds take coming from taxpayers, going to classrooms, playing fields, cafeterias, and libraries.

Although the dollar amounts differ between school districts, the funding concepts described here are generally the same for all school districts in Iowa.

WHERE DOES FUNDING COME FROM?

Like most states, Iowa pays for schools through a mix of income taxes (also called state aid), local property taxes, and sales taxes. Less than ten percent comes from federal funding. The *General Fund*, the District’s largest fund, pays for teachers and supports instructional programs. The *General Fund* is separate from other funds such as the *Capital Projects Fund*, which can be used only for buildings, property, and equipment.

In Iowa, the ratio of property tax to the state aid supporting a district’s general fund budget varies based on a statewide foundation formula. This formula is designed to ensure that all districts spend approximately the same dollar amount per student.

The formula calculates district revenues based on a “uniform” property tax rate, plus a mix of state aid and an “additional” property tax rate. The current “uniform” tax rate is \$5.40 per \$1,000 of taxable valuation. The “additional” property tax rates are adjusted based on the size of the district’s tax base. Property-rich districts (on a per-student basis) receive less state aid than property-poor districts because they can generate more revenue from the property tax levy.

The primary revenue sources for the other District funds is shown on the graph on the previous page.

HOW MUCH FUNDING DOES THE DISTRICT GET?

Most *General Fund* revenue for Iowa schools is based on the number of students enrolled. The number of students enrolled on October 1 determines a school district’s budget for the following (not the current) fiscal year. Even if more students enroll after this date, the district’s operating budget is set. For example, the 10,120 students enrolled in the District on October 1, 2021, determined the majority of the 2022-23 *General Fund* budget.

The funding formula uses certified enrollment multiplied by a cost per student. This cost is established by the state and represents the amount of revenue the district can spend per student. For 2022-23 the District’s per student cost is \$7,413.

Additional weightings are added to certified enrollment and these generate additional district revenue. Special education students and English language learners, for example, are among the students counted with additional weightings. The amount of district funding based on weighted enrollment (certified plus additional), plus some other amounts, is called *combined district cost*.

Additional general fund revenue also comes from miscellaneous income. Miscellaneous income includes grants and fees. The amounts and sources of revenue for funds other than the *General Fund* are shown on the graph on the previous page.

HOW DOES THE DISTRICT PAY FOR COST INCREASES IN EDUCATIONAL PROGRAMS, SALARIES, AND UTILITIES?

Each year, the Iowa Legislature determines the *Regular-Program District Cost per Pupil*. This amount, multiplied by the district's certified enrollment on October 1 of the previous year, determines the total amount of foundation formula funds available for the district to spend on regular education. The increase in *District Cost per Pupil* is called *Supplemental State Aid* and is a percentage based on the previous year. For FY 2021-22, *Supplemental State Aid* was 2.40 percent. For FY 2022-23, *Supplemental State Aid* is 2.50 percent.

In years prior to 2010, the legislature had always set the *Supplemental State Aid* rate early in the session, to be applied to the school year beginning the July 1 a year and a half after the session. From 2010 through 2017, the legislature failed to meet the law and set *Supplemental State Aid* timely in seven of eight years. Because of these actions, in 2017, the legislature changed the law and implemented new language that the *Supplemental State Aid* rate will be set within 30 days of the release of the Governor's budget proposal. In 2018, 2020, 2021 and again in 2022, they failed to meet the deadline. **This makes any type of budgeting very difficult and especially creates significant barriers to do long-term financial planning.**

Authorized budget is the mechanism used by the legislature to control school district spending. *Supplemental State Aid* is the principal driver of *authorized budget*. Since Iowa law mandates that schools stay within their *authorized budget*, their only options for coping with reduced funding are to increase other revenues, where possible, and to cut costs by reducing programs, staff, or both.

Schools are people-intensive establishments and salaries and benefits consume approximately 84 percent of the District's *General Fund* expenses.

HOW CAN SCHOOL DISTRICTS AFFORD TO BUILD AND REMODEL BUILDINGS WHEN THEY'RE CUTTING TEACHERS?

Iowa law requires school districts to maintain separate funds (restricted) for specific uses. Property insurance and early retirement benefits, for example, are paid from the *Management Fund*. These restricted funds have designated purposes and cannot be used for other types of expenses. Other examples of these restricted funds are the *Physical Plant and Equipment Levy Fund* and the *Secured an Advanced Vision for Education Fund*. The use of these funds is generally limited to facilities improvements, bond payments, and equipment purchases.

WHO IS ACCOUNTABLE FOR SCHOOL DISTRICT BUDGET DECISIONS?

The Iowa Legislature annually establishes the per-pupil amounts that districts may spend. These amounts are determined by *Supplemental State Aid*.

Iowa school boards, made up of elected citizens, are accountable to their communities for making decisions about spending school funds, and educators (superintendents and other administrators) are accountable to school boards for managing these funds.

The state limits the amount of money each district can generate and spend for *General Fund* educational programs. The revenue determined by the district funding formula, miscellaneous income and its *unspent balance authority* from the prior year makes up the district's spending authority.

WHAT HAPPENS IF A SCHOOL DISTRICT SPENDS LESS THAN ITS SPENDING AUTHORITY?

The unspent authority carries over to the next year as unspent budget authority (sometimes called *unspent balance*) and can be used to pay for future *General Fund* expenses.

WHAT HAPPENS IF A SCHOOL DISTRICT SPENDS MORE THAN ITS SPENDING AUTHORITY?

Iowa Code states that if a district exceeds its spending authority for two or more consecutive years, the Iowa Department of Education can conduct a fiscal review and take over management of the district.

HOW DOES THE DISTRICT FARE IN TERMS OF SPENDING AUTHORITY?

Each year the District's *General Fund* expenses are subtracted from spending authority. The resulting number is termed *unspent balance*. State law requires that *unspent balance* be more than zero. The District's unspent balance increased by \$3.5 million to \$14.0 million as of June 30, 2021.

TAXABLE VALUATION PER PUPIL

The taxable valuation per pupil is determined by dividing the district's taxable valuation by certified enrollment. In general (with all other factors being equal), districts with higher taxable valuations per pupil have relatively lower real estate tax levy rates than districts with lower taxable valuations per pupil. The correlation of low taxable valuations per pupil with high *General Fund* levy rates is primarily a function of a concept called the uniform levy rate. The Iowa Legislature is addressing perceived inequities caused by the uniform levy rate. It is unlikely that a change in the uniform levy rate will have a substantial impact on the District's funding or its levy rates.

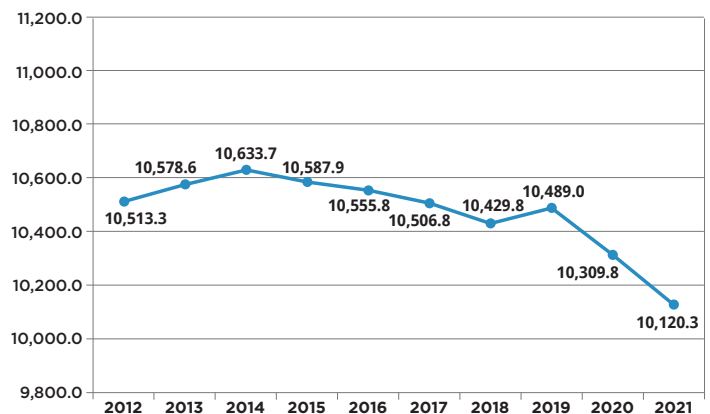
ENROLLMENT

Iowa school district budgets are closely related to enrollment. In districts with increasing enrollments, there is a direct correlation between regular-program budget and enrollment. That is, each additional pupil will generate a set additional amount of district funding. This is appropriate because additional district costs are incurred for each additional pupil. The amount of additional per-pupil funding is set by the Iowa Legislature and is called *State Supplemental Aid*.

The term certified enrollment has specific meaning in Iowa school finance. Certified enrollment is defined as student count as of the first day in October as determined by state law. That enrollment is used as the basis for funding for the fiscal year beginning the following July 1. It is clear from this description, that although students are already "in their seats" on count day, districts do not receive funding for these students until one full year later.

The following chart shows Dubuque's certified enrollment for the ten years ending October 2021.

CERTIFIED ENROLLMENT

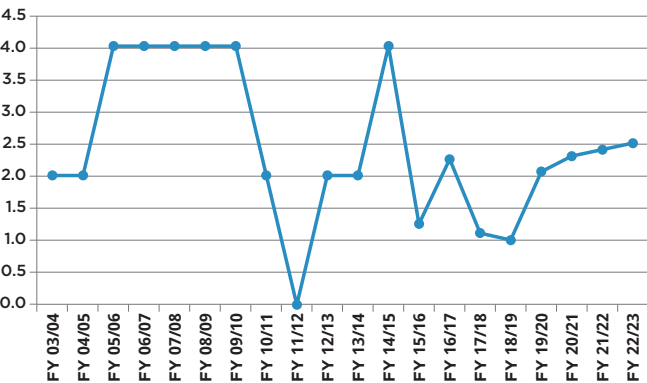


STATE SUPPLEMENTAL AID
(formerly known as allowable growth)

The Iowa Legislature sets the *State Supplemental Aid* percentage. This percentage is applied to the prior year’s state cost per pupil. The cost per pupil is multiplied by certified enrollment to yield the district’s regular-program district cost.

Both factors (*State Supplemental Aid* and enrollment) greatly affect district budgets. However, for districts with moderate increases in enrollment, the *State Supplemental Aid* percentage has the greater budget impact. The *State Supplemental Aid* percentage has been highly variable over the past 30 years, ranging from a low of zero percent in 2011 to a high of 14.5 percent in 1981. Note for FY 2009-10, the Governor ordered a 10% across-the-board budget cut and for FY 2010-11, only a portion of the two percent *State Supplemental Aid* was funded. The last twenty years’ *State Supplemental Aid* history is shown in the following chart:

STATE SUPPLEMENTAL AID HISTORY



The following table illustrates the past five years’ growth in Dubuque’s regular program budget resulting from the *State Supplemental Aid* percentage and the portion resulting from the increase in pupil enrollments:

STATE SUPPLEMENTAL AID \$*

FISCAL YEAR	STATE SUPPLEMENTAL AID %	FROM STATE SUPPLEMENTAL AID %	FROM INCREASE IN PUPILS
2018-19	1.00%	\$ 564,365	\$ 0
2019-20	2.06%	\$ 635,105	\$ 0
2020-21	2.30%	\$ 1,752,206	\$ 417,242
2021-22	2.40%	\$ 739,265	\$ 0
2022-23	2.50%	\$ 588,277	\$ 0

* Regular program costs only

UNSPENT AUTHORIZED BUDGET

Unspent authorized budget (also called *unspent balance*) is the amount of accumulated unspent spending authority. This is a statutory concept that limits school district budgets. In general, a decline in year-end *unspent authorized budget* indicates a deteriorating financial position and an increase indicates an improving financial position. The State of Iowa monitors *unspent balance* by accumulating and reporting the following information. Certain FY 2021-22 and 2022-23 amounts shown are District estimates.

AUTHORIZED BUDGET ("BUDGET")

	Actual FY 2020-21	Re-estimated FY 2021-22	Budget FY 2022-23
Budget Enrollment	10,489.0	10,309.8	10,120.3
Regular Program District Cost	\$ 73,926,472	\$ 74,508,925	\$ 75,021,784
Regular Program Budget Adjustment (Budget Guarantee)	0	156,812	232,230
State Categorical Funding	11,699,850	11,769,564	11,835,589
Supplementary Weighting District Cost	940,203	862,817	944,891
Special Education District Cost	13,813,798	14,108,044	14,534,373
AEA Flow- through (net) *	5,445,421	5,483,327	5,887,251
Enrollment Adjustment *	0	7,302	(1,951)
Drop-out Prevention	3,608,216	3,633,174	3,656,970
Other SBRC Allowable Growth *	1,052,099	1,175,422	1,200,000
Special Education Deficit *	4,410,311	5,000,000	5,000,000
Instructional Support *	5,491,258	5,543,931	5,895,579
Preschool Foundation Aid *	2,614,808	2,265,844	2,338,802
Other Miscellaneous Income *	18,896,299	19,600,000	15,700,000
Total	\$ 140,784,388	\$ 144,115,162	\$ 142,245,518
Expenditures *	\$ 138,393,762	\$ 146,000,000	\$ 148,500,000
Increase <Decrease> Unspent Balance	\$ 2,390,626	\$ (1,884,838)	\$ (6,254,482)
Year-end Unspent Balance	\$ 13,969,257	\$ 12,084,419	\$ 5,829,937

* Changed from prior year report to reflect actual amounts

REVENUES

District *General Fund* revenues consist primarily of state foundation aid and property taxes. Both amounts result from application of the Iowa School Finance Formula to Dubuque's specific enrollment and tax data. The application of the formula is shown in the *General Fund* levy table included in this document.

A third source of revenue is called Miscellaneous Income and includes all other sources of district revenue. The following table summarizes miscellaneous income for the years shown:

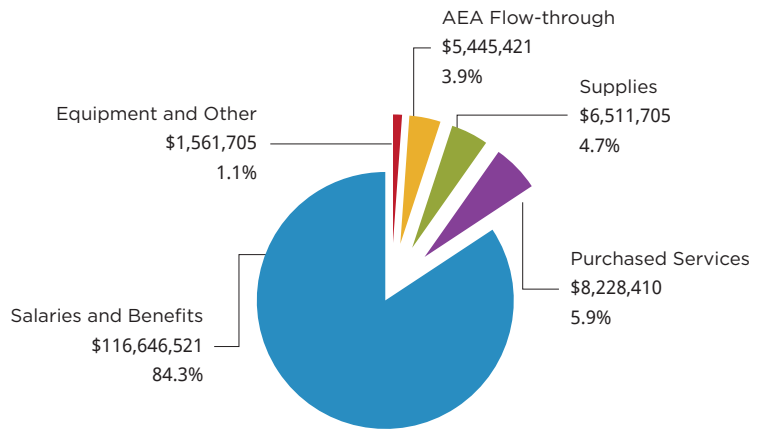
MISCELLANEOUS INCOME

	Actual FY 2020-21	Re-estimated FY 2021-22	Budget FY 2022-23
Federal Sources	\$ 14,853,575	\$ 15,851,819	\$ 12,033,055
State Sources	857,009	804,529	744,500
Local Sources	3,185,715	2,943,652	2,922,445
Totals	<u>\$ 18,896,299</u>	<u>\$ 19,600,000</u>	<u>\$ 15,700,000</u>

EXPENDITURES

Total district expenditures are reported annually to the Iowa Department of Education in a report called the Certified Annual Report ("CAR"). In addition, they are reported to the public in the comprehensive annual financial report. A summary of District expenditures is shown in the following chart:

GENERAL FUND EXPENDITURES FOR FY 2020-21



FINANCIAL CONDITION

Iowa school districts generally measure financial condition by reference to the following four standards:

- Unspent Balance
- Cash and Investment Balance
- Un-assigned Fund Balance
- Solvency Ratio

The first three standards need to be converted to a per-pupil basis for meaningful comparisons to other districts. The fourth standard is a ratio by definition and therefore readily allows district-to-district comparisons. In addition, the Iowa Association of School Boards (IASB) has published acceptable and unacceptable ranges for the *solvency ratio*. A *solvency ratio* of 5 percent to 15 percent is IASB's target range. Between 0 percent and 5 percent is concerning.

HOW DO WE COMPARE TO OTHER UEN SCHOOLS?

Many factors affect a district's financial performance and condition. Simple dollar-amount comparisons between districts are generally not meaningful because factors such as student populations, property values, and other financial factors can vary greatly. Certain ratio and per-pupil comparisons can, however, be helpful.

The following table shows the per-pupil financial standards and *solvency ratios* for all UEN districts based on the current year's reported budget enrollments:

JUNE 30, 2021 PER-PUPIL BALANCES

District	Unspent Balance	Cash and Investment Balance	Un-assigned Fund Balance	Solvency Ratio
Sioux City	\$ 3,161	\$ 4,832	\$ 3,540	29.1%
Waterloo	\$ 2,946	\$ 3,946	\$ 2,536	19.1%
Des Moines	\$ 2,283	\$ 5,010	\$ 4,806	31.3%
Cedar Rapids	\$ 1,578	\$ 2,925	\$ 1,897	14.2%
Dubuque	\$ 1,355	\$ 3,022	\$ 2,237	16.5%
Council Bluffs	\$ 1,344	\$ 3,052	\$ 1,757	12.4%
Davenport	\$ 553	\$ 3,405	\$ 1,542	11.9%
Iowa City	\$ 222	\$ 1,524	\$ 816	6.3%

TAX LEVY RECOMMENDATION

School district tax levies are intended to provide funds to support district education objectives and to achieve financial-condition goals. The District's levy has three components: the *General Fund* levy, the *Management Fund* levy and the *Physical Plant and Equipment Levy*.

The *General Fund* levy is the largest and most significant component of the total district levy. The following table shows the major components of *General Fund* Budget Authority and how the total Budget Authority is financed.

GENERAL FUND LEVY

BUDGET AUTHORITY	FY 2021-22	FY 2022-23
Regular Weighting (certified enrollment)	10,309.800	10,120.300
Supplemental Weighting	119.388	127.464
Special Education Weighting (additional)	1952.130	1960.660
Total Weighted Enrollment	12,381.318	12,208.424
District Cost per Pupil (set by State)	\$ 7,227	\$ 7,413
District Cost	\$ 89,479,785	\$ 90,501,047
State Categorical Funds	11,769,564	11,835,589
Enrollment Adjustment	7,302	(1,951)
Budget Guarantee	156,812	232,230
AEA Flow Through (net of prorata reduction)	5,483,327	5,887,251
Drop-out Prevention	3,633,174	3,656,970
Instructional Support	5,543,931	5,895,579
Preschool Foundation Aid	2,265,844	2,338,802
Miscellaneous Income	19,600,000	15,700,000
Budget Authority - <u>Before</u> SBRC Additions	\$ 137,939,739	\$ 136,045,517
FINANCING BUDGET AUTHORITY	FY 2021-22	FY 2022-23
State Aid	\$ 75,645,003	\$ 78,664,700
Property Taxes Levied (includes utility replacement)	41,697,316	42,055,422
Miscellaneous Income	19,600,000	15,700,000
Commercial and Industrial Valuation State Aid	998,411	(374,604)
General Fund Revenues (excluding cash reserve)	\$ 137,940,730	\$ 136,045,518
Taxable Valuation without TIF	\$ 3,926,129,037	\$ 4,031,415,093
General Fund Levy Rate (excluding cash reserve)	9.20841	9.04311
General Fund before ISL	\$ 36,153,406	\$ 36,456,530
Taxable Valuation with TIF	\$ 4,367,515,715	\$ 4,527,873,487
ISL Levy Rate	1.26936	1.23654
ISL	\$ 5,543,950	\$ 5,598,897
Combined General Fund Levy Rate	10.47777	10.27965
Combined General Fund	\$ 41,697,356	\$ 42,055,427

The *Management Fund* levy consists of amounts needed to fund insurance and early retirement programs, the components of which are shown in the following table:

MANAGEMENT FUND LEVY

	Actual FY 2020-21	Re-estimated FY 2021-22	Requested FY 2022-23
General and Liability Insurance	\$ 567,770	\$ 705,836	\$ 804,653
Transportation Equipment Insurance	113,751	126,609	144,334
Equipment Maintenance Insurance	1,222,728	1,596,116	1,819,572
Workers' Comp. Insurance & Unemployment	1,060,202	941,078	939,296
Early Retirement Programs	1,054,301	910,361	1,162,145
Total	\$ 4,018,752	\$ 4,280,000	\$ 4,870,000

The *PPEL* levy has two components. One part is set by school board action and the balance by public referendum. The *PPEL* levy can only be used for specific purposes – generally facilities improvements. It cannot be used for salaries.

The following table shows the current and prior years' levy rates and compares them with the recommendation for FY 2022-23:

DISTRICT LEVY RATES PER \$1,000 OF TAXABLE VALUATION

Levy Components	FY 2020-21	FY 2021-22	Recommended FY 2022-23
Combined District Cost	\$ 9.29019	\$ 9.16846	\$ 8.98550
Instructional Support	1.28644	1.26936	1.23654
Cash Flow:			
Increased Enrollment	0.10663	0.00000	0.00000
Increased Enrollment/ Open Enrolled Out	0.00741	0.09463	0.00000
LEP Beyond 5 Years	0.02853	0.03002	0.00000
Special Education Deficit	1.56733	1.46880	1.09399
LEP Deficit	0.06701	0.08382	0.05045
Budget Guarantee	0.00000	0.03994	0.05761
Solvency Ratio Purposes	0.39270	0.12735	0.00000
Sub-total	\$ 12.74624	\$ 12.28238	\$ 11.42409
Management Fund	0.91631	1.27352	1.48831
Regular PPEL	0.33000	0.33000	0.33000
Voted PPEL	0.67000	0.67000	0.67000
Total	\$ 14.66255	\$ 14.55590	\$ 13.91240
% Increase (Decrease)	(0.3%)	(0.7%)	(4.4%)

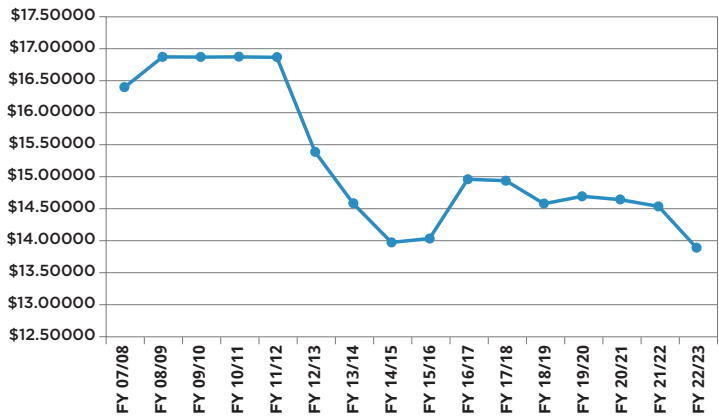
The FY 2022-23 Cash Reserve levy for cash flow generates funds to improve the district's *solvency ratio* and to offset the large cash reduction. Over the past few years, the District's cash reserve has effectively generated an accumulation of cash that allows the District to cash flow during summer months when there are no payments from the State of Iowa. For FY 2022-23, there will not be a Cash Reserve levy for cash flow purposes as the District has accumulated a sufficient cash balance to meet the summer cashflow needs. The breakdown of cash flow needs are listed above.

The Cash Reserve levy is the most variable part of the total tax levy and Iowa Code sets a maximum of what it may be. The following table shows recent Cash Reserve levies in comparison to the legally allowed maximum:

CASH RESERVE LEVY

	FY 2020-21	FY 2021-22	FY 2022-23
Levy Amount	\$ 8,287,213	\$ 7,085,158	\$ 4,613,729
Legal Maximum	\$ 9,337,794	\$ 10,014,582	\$ 4,613,729

The following graph shows a fifteen-year history of the District's total levy rate and the proposed total levy rate for FY 2022-23.



The following table compares the District's proposed FY 2022-23 levy rate to the other UEN schools' current rates.

**UEN SCHOOLS' FY 2021-22
TOTAL PROPERTY TAX RATES
COMPARED TO DUBUQUE'S
RECOMMENDED 2022-23 RATE**

**(INCLUDES INCOME SURTAX LEVY EQUIVALENTS
FOR APPLICABLE DISTRICTS)**

District	Actual FY 2021-22
Council Bluffs	16.99462
Cedar Rapids	16.68396
Des Moines	16.05937
Iowa City	15.98797
Davenport	15.29534
Dubuque	13.91240
Waterloo	13.84769
Sioux City	13.15461

Dubuque strives to meet its student achievement goals while at the same time maintaining financially efficient delivery of education and support services.

**GENERAL FUND FINANCIAL
ISSUES FOR FISCAL YEAR 2022-23
AND BEYOND**

The 2021-22 fiscal year had 2.40 percent *State Supplemental Aid*. FY 2022-23 is 2.50 percent. The District will need to find ways to reduce costs and create operational efficiencies by making changes in our facility operations. The District will need to monitor future expenditure levels very closely as future school funding levels are expected to remain low.

The current percent of *State Supplemental Aid* will adversely affect *unspent balance* which will probably decline for the year. The clear challenge will be maintaining an acceptable level of *unspent balance*, which is set within the District strategic plan.

Respectfully submitted,

Kevin Kelleher
Chief Financial Officer

Rick Till
Director of Finance

NOTICE OF PUBLIC HEARING
Proposed DUBUQUE School Budget Summary
Fiscal Year 2022 - 2023

Location of Public Hearing: 2300 Chaney Road, Dubuque, IA 52001	Date of Hearing: 04/11/2022	Time of Hearing: 05:30 PM
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The Board of Directors will conduct a public hearing on the proposed 22/23 school budget at the above noted location and time. At the hearing, any resident or taxpayer may present objections to, or arguments in favor of, any part of the proposed budget. This notice represents a summary of the supporting detail of the revenues and expenditures on file with the district secretary. A copy of the details will be furnished upon request.

		Budget 2023	Re-est. 2022	Actual 2021	Avg % 21-23
Taxes Levied on Property	1	56,050,320	56,890,165	56,190,032	% -0.1
Utility Replacement Excise Tax	2	1,146,704	1,259,843	1,392,002	% -9.2
Income Surtaxes	3	0	0	0	
Tuition\Transportation Received	4	1,098,945	1,087,152	1,186,213	
Earnings on Investments	5	188,500	222,583	182,995	
Nutrition Program Sales	6	650,000	650,000	391,019	
Student Activities and Sales	7	699,000	681,000	505,986	
Other Revenues from Local Sources	8	2,282,500	2,345,957	2,212,926	
Revenue from Intermediary Sources	9	0	0	0	
State Foundation Aid	10	78,368,019	75,460,629	75,234,424	
Instructional Support State Aid	11	296,681	0	0	
Other State Sources	12	12,202,262	13,272,357	11,356,775	
Commercial & Industrial State Replacement	13	0	1,511,044	1,537,416	
Title I Grants	14	2,273,712	2,266,507	2,136,563	
IDEA and Other Federal Sources	15	16,179,343	20,005,312	16,617,296	
Total Revenues	16	171,435,986	175,652,549	168,943,647	
General Long-Term Debt Proceeds	17	0	42,383,562	27,732,806	
Transfers In	18	7,358,630	8,072,047	9,602,740	
Proceeds of Fixed Asset Dispositions	19	100,000	113,986	137,254	
Special Items/Upward Adjustments	20	0	0	0	
Total Revenues & Other Sources	21	178,894,616	226,222,144	206,416,447	
Beginning Fund Balance	22	80,157,967	57,572,847	48,505,244	
Total Resources	23	259,052,583	283,794,991	254,921,691	
*Instruction	24	102,782,446	101,271,375	92,986,987	% 5.1
Student Support Services	25	9,551,890	9,399,410	7,497,857	
Instructional Staff Support Services	26	6,555,247	6,868,906	6,632,671	
General Administration	27	1,564,948	1,501,671	1,505,476	
School Administration	28	7,882,876	7,764,166	7,760,441	
Business & Central Administration	29	6,710,178	6,255,890	6,065,116	
Plant Operation and Maintenance	30	13,733,047	13,109,444	12,650,178	
Student Transportation	31	5,317,904	5,495,436	5,065,271	
*Total Support Services (lines 25-31)	31A	51,316,090	50,394,923	47,177,010	% 4.3
*Noninstructional Programs	32	7,494,913	6,873,594	4,457,778	% 29.7
Facilities Acquisition and Construction	33	19,288,630	14,139,786	6,225,393	
Debt Service (Principal, interest, fiscal charges)	34	7,776,440	17,401,972	31,453,515	
AEA Support - Direct to AEA	35	5,887,251	5,483,327	5,445,421	
*Total Other Expenditures (lines 33-35)	35A	32,952,321	37,025,085	43,124,329	% -12.6
Total Expenditures	36	194,545,770	195,564,977	187,746,104	
Transfers Out	37	7,358,630	8,072,047	9,602,740	
Other Uses	38	0	0	0	
Total Expenditures, Transfers Out & Other Uses	39	201,904,400	203,637,024	197,348,844	
Ending Fund Balance	40	57,148,183	80,157,967	57,572,847	
Total Requirements	41	259,052,583	283,794,991	254,921,691	
Proposed Property Tax Rate (per \$1,000 taxable valuation)		13.91240			

LEVY IMPACT ON RESIDENTIAL PROPERTY - CITY OF DUBUQUE

	BUDGET YEAR 2022-23 *	BUDGET YEAR 2021-22	\$ CHANGE	% CHANGE
Average Property Value *	\$ 146,467	\$ 146,467	\$ 0.00	0.00%
Equalization Order *	1.0890	1.0000	0.0890	8.90%
Average Property Value after Equalization Order *	\$ 159,503	\$ 146,467	\$ 13,036	8.90%
Rollback *	0.541302	0.564094	(0.02279)	-4.04%
Taxable Value *	\$ 86,339	\$ 82,621	\$ 3,718	4.50%
School Tax Rate	\$ 13.91240	\$ 14.55606	\$ (0.64366)	-4.42%
School Tax	\$ 1,201.18	\$ 1,202.64	\$ (1.46)	-0.12%

* The above information is produced from the City of Dubuque's Fiscal Year 2023 Recommended Resident's Guide Part 1 budget document, page 167.

LEVY IMPACT ON COMMERCIAL PROPERTY - CITY OF DUBUQUE

	BUDGET YEAR 2022-23 *	BUDGET YEAR 2021-22	\$ CHANGE	% CHANGE
Average Property Value *	\$ 432,475	\$ 432,475	\$ 0.00	0.00%
Equalization Order *	1.0000	1.0000	0.00	0.00%
Average Property Value after Equalization Order *	\$ 432,475	\$ 432,475	\$ 0.00	0.00%
Rollback *	0.900000	0.900000	0.00	0.00%
Taxable Value *	\$ 389,228	\$ 389,228	\$ 0.00	0.00%
School Tax Rate	\$ 13.91240	\$ 14.55606	\$ (0.64366)	-4.42%
School Tax	\$ 5,415.10	\$ 5,665.63	\$ (250.53)	-4.42%

* The above information is produced from the City of Dubuque's Fiscal Year 2023 Recommended Resident's Guide Part 1 budget document, page 168.

LEVY IMPACT ON INDUSTRIAL PROPERTY - CITY OF DUBUQUE

	BUDGET YEAR 2022-23 *	BUDGET YEAR 2021-22	\$ CHANGE	% CHANGE
Average Property Value *	\$ 599,500	\$ 599,500	\$ 0.00	0.00%
Rollback *	0.900000	0.900000	0.00	0.00%
Taxable Value *	\$ 539,550	\$ 539,550	\$ 0.00	0.00%
School Tax Rate	\$ 13.91240	\$ 14.66223	\$ (0.74983)	-5.11%
School Tax	\$ 7,506.44	\$ 7,911.01	\$ (404.57)	-5.11%

* The above information is produced from the City of Dubuque's Fiscal Year 2023 Recommended Resident's Guide Part 1 budget document, page 169.

LEVY IMPACT ON MULTI-RESIDENTIAL PROPERTY - CITY OF DUBUQUE

	BUDGET YEAR 2022-23 *	BUDGET YEAR 2021-22	\$ CHANGE	% CHANGE
Average Property Value *	\$ 262,418	\$ 224,289	\$ 38,129	17.00%
Equalization Order *	1.0000	1.1700	(0.1700)	-14.53%
Average Property Value after Equalization Order *	\$ 262,418	\$ 262,418	\$ 0.00	0.00%
Rollback *	0.637500	0.712500	(0.07500)	-10.53%
Taxable Value *	\$ 167,291	\$ 186,973	\$ (19,682)	-10.53%
School Tax Rate	\$ 13.91240	\$ 14.66223	\$ (0.74983)	-5.11%
School Tax	\$ 2,327.42	\$ 2,741.44	\$ (414.02)	-15.10%

* The above information is produced from the City of Dubuque's Fiscal Year 2023 Recommended Resident's Guide Part 1 budget document, page 170.

ADOPTION OF BUDGET AND TAXES JULY 1, 2022 - JUNE 30, 2023
DUBUQUE
DISTRICT NUMBER - 1863

Department of Management - Form S-TX

Total Special Program Funding					
Instructional Support (A&L line 10.27)		5,895,579			
Educational Improvement (A&L line 11.3)		0			
Voted Physical Plant & Equipment (A&L line 19.3)		3,033,675			
Special Program Income Surtax Rates					
Instructional Support (A&L line 10.15)		% 0			
Educational Improvement (A&L line 11.4)		% 0			
Voted Physical Plant & Equipment (A&L line 19.4)		% 0			
Utility Replacement and Property Taxes Adopted					
		Utility Replacement AND Property Tax Dollars	Levy Rate	Property Taxes Levied	Estimated Utility Replacement Dollars
Levy to Fund Combined District Cost (A&L line 15.3)	1	36,456,524			
+Educational Improvement Levy (A&L line 15.5)	2	0			
+Cash Reserve Levy - SBRC (A&L line 15.9)	3	4,613,729			
+Cash Reserve Levy - Other (A&L line 15.10)	4	0			
-Use of Fund Balance to Reduce Levy (A&L line 15.11)	5	0			
=Subtotal General Fund Levy (A&L line 15.14)	6	41,070,253	10.18755	40,230,564	839,689
+Instructional Support Levy (A&L line 15.13)	7	5,598,898	1.23654	5,496,979	101,919
=Total General Fund Levy (A&L line 15.12)	8	46,669,151	11.42409	45,727,543	941,608
	9				
Management	10	6,000,000	1.48831	5,877,326	122,674
Amana Library	11	0	0	0	0
Voted Physical Plant & Equipment (Loan Agreement)	12	0			
+Voted Physical Plant & Equipment (Capital Project)	13	3,033,675			
=Subtotal Voted Physical Plant & Equipment	14	3,033,675	0.67000	2,978,452	55,223
+Regular Physical Plant & Equipment	15	1,494,198	0.33000	1,466,999	27,199
=Total Physical Plant & Equipment	16	4,527,873			
	17				
Reorganization Equalization Levy	18	0	0.00000	0	0
Emergency Levy (for Disaster Recovery)	19	0	0.00000	0	0
Public Education/Recreation (Playground)	20	0	0.00000	0	0
Debt Service	21	0	0.00000	0	0
GRAND TOTAL	22	57,197,024	13.91240	56,050,320	1,146,704
1-1-2021 Taxable Valuation WITH Gas & Electric Utilities		4,031,415,093	WITHOUT Gas & Elec	3,948,993,059	
1-1-2021 Tax Increment Valuation WITH Gas & Electric Utilities		496,458,394	WITHOUT Gas & Elec	496,458,394	
1-1-2021 Debt Service, PPEL, ISL Valuation WITH Gas & Electric Utilities		4,527,873,487	WITHOUT Gas & Elec	4,445,451,453	

FY 2023 Adopted Budget Control Lines - The amounts below must be equal to or less than the publication amounts to be certified to the County Auditor

Taxes Levied on Property (Line 1) = 56,050,320

Instruction (Line 24) = 102,782,446

Total Support Services (Line 31A) = 51,316,090

Noninstructional Programs (Line 32) = 7,494,913

Total Other Expenditures (Line 35A) = 32,952,321

(entered upon adoption)

District Secretary

Date Budget Adopted

County Auditor

GLOSSARY

Comprehending Iowa school finance concepts assumes an understanding of certain unique technical terms and phrases whose meanings have evolved over the past decades. Some of these terms and phrases are defined in Iowa statutes. Others are simply used by finance practitioners who have developed a common understanding of their meanings. Some of these terms and phrases are defined below.

Regular-Program District Cost per Pupil (cost per pupil), also called **district cost per pupil**, was originally established by dividing the school district's expenditures by the number of pupils in the district. Iowa Code 257.10(1). Each school district had its own district cost per pupil. In FY 1990-91, each district's cost per pupil was recalculated by the state and subsequent changes were only made by statute.

Regular-Program State Cost per Pupil (state cost per pupil) was originally calculated by dividing a statewide expenditure figure by the total number of pupils. Since the original calculation, the value has been modified to meet changing state policy. Iowa Code 257.9(1). The state cost per pupil is the basis for calculating state aid. However, the amount of state aid a school district receives consists of only a portion of the state cost per pupil multiplied by a school district's weighted enrollment. This portion of the state cost per pupil is called the state regular program and special education foundation cost per pupil and is currently set at 88.4 percent.

Supplemental State Aid is also called state percent of growth. This percentage is legally required to be established annually by the legislature and is used (along with other factors) to calculate a district's authorized budget, real estate tax levy and state aid. Supplemental State Aid has ranged between 1.0 percent and 2.40 percent during the past five years. State Supplemental Aid is extremely important to districts.

Authorized Budget, sometimes called spending authority, is the sum of:

- Property tax and state aid (as calculated under the Iowa School Finance Formula)
 - Miscellaneous income (all revenues not included above)
 - Unspent balance from previous years
 - Other amounts granted by School Budget Review Committee ("SBRC")
-

Unspent Balance (also known as **Unspent Authorized Budget**) is the end-of-fiscal-year amount remaining after all expenditures are subtracted from authorized budget.

Special Education Deficits occur when current-year special education expenditures exceed current-year special education receipts. Receipts come from various sources including taxes, state program dollars, nonresident tuition, Federal IDEA Part B program dollars, and the Medicaid program. Expenditures include general program expenses, special program expenses, and tuition paid to other districts for resident students served elsewhere. A special education deficit is not part of the Iowa School Finance Formula and therefore funding is not automatically provided. However, upon district application, the SBRC retroactively grants authorized budget for the year in which the deficit occurred. A district may then use the cash reserve levy to subsequently collect taxes to cover this deficit.

Solvency Ratio is a percentage determined by dividing the (assigned plus unassigned fund balance) by (total general fund revenue – AEA support).

School Budget Review Committee (“SBRC”) is established in Section 257.30, Code of Iowa. One of its enumerated duties is to grant supplemental aid to school districts for unusual or extraordinary circumstances.

Assigned Fund Balances are those amounts that are set aside by the governing body itself, by another body (budget or finance committee), or by an official who has been delegated the authority to assign those amounts for a specific purpose by the governing body.

Unassigned Fund Balances are those amounts in the general fund that have not been classified as nonspendable, restricted, committed, or assigned.

Capital Projects Fund money comes from bond proceeds, PPEL property taxes, and the one-cent local option sales tax; used for purchase and construction of major capital projects, such as new schools.

Secure an Advanced Vision for Education (SAVE) Fund money comes from the one-cent local option sales tax and bond proceeds; may be used only for buildings, grounds, and certain equipment.

Physical Plant and Equipment Levy (PPEL) Fund money comes from special property tax levy and/or income surtax; may be used only for buildings, grounds, and certain equipment.

Cash Reserves money comes from General Fund dollars not used in prior year; kept as savings and may be used for any General Fund operating expenses.

General Fund money primarily comes from property taxes, state aid, state and federal grants, and student fees; used for salaries, supplies and other operational costs, and specific activities and materials funded by the student fees.

Student Activity Fund money comes from fundraising and activity admissions only, not taxes; used to augment district-sponsored and supervised student activities such as athletics, band, speech, and student council.

Management Levy Fund money comes from special property tax levy; used for liability insurance, unemployment benefits, early retirement incentives, and legal judgments.

Debt Service Fund money comes from a separate property tax levy approved by voters and/or local option sales tax revenue; used to pay principal and interest on long-term debt such as bonds. Money is also transferred here from the SAVE fund.

Nutrition Fund is a separate fund used to manage the revenue and expenses for the district's food service program.

