

IOWA CITY COMMUNITY SCHOOL DISTRICT

FY27 CERTIFIED BUDGET

March 24, 2026 Board Meeting



**IOWA CITY COMMUNITY
SCHOOL DISTRICT**

All In for All Kids

Areas of Focus

Tonight we focus on the components of the FY27 certified budget.



Purposes of Certified Budget

- Establish a maximum tax rate.
- Establish an estimate of budget year expenditures.

School district property tax rates are determined by the amount of revenue a district must raise through property tax levies and the district's total taxable property valuation. Property is first assessed at market value and then reduced by the state's rollback (assessment limitation), which determines the taxable value used for taxation. The amount of revenue needed from each levy is divided by the district's total taxable valuation to calculate the tax rate per \$1,000 of taxable value. The final school district property tax rate is the combined total of all school levies.

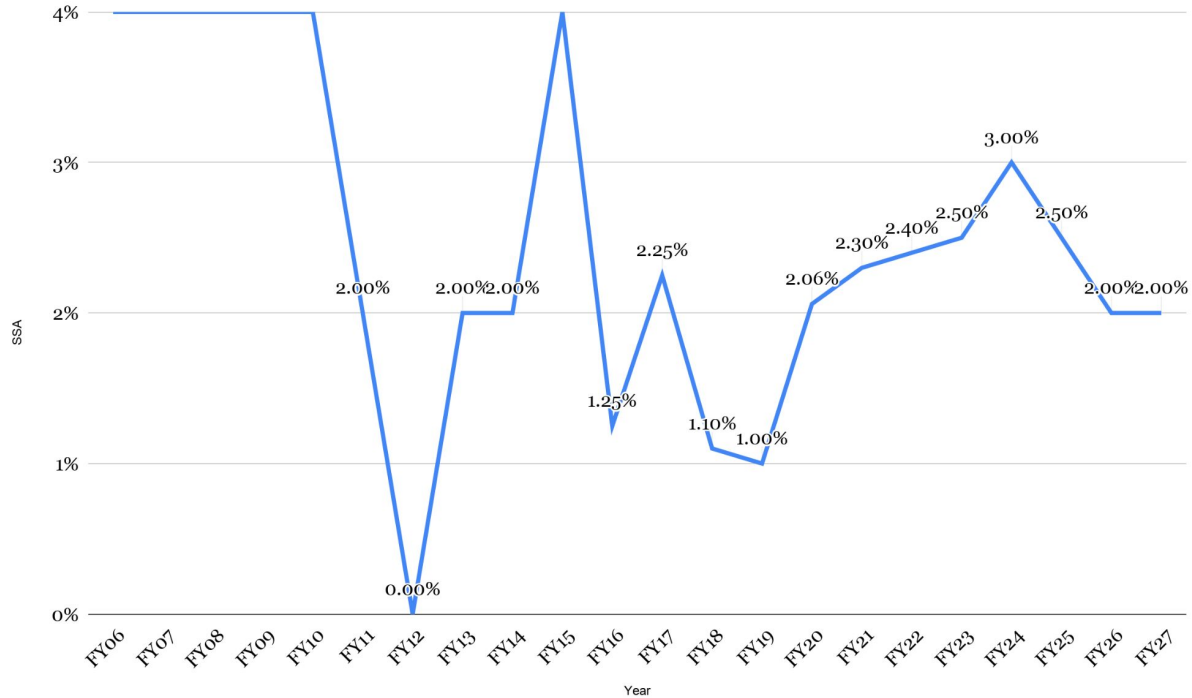
Components of the Certified Budget

- General Fund
 - Local Property Tax
 - State Aid
 - Categoricals
 - Cash Reserve Levy
- Management Fund
- PPEL
- Debt Service

General Fund

- The General Fund budget is driven by two primary factors:
 - Supplemental State Aid
 - Set by State Legislature at 2%
 - Certified Enrollment
 - Count taken in October each year. (e.g. Count taken in October 2025 is used for FY27 budget)
 - Legislative update: SF2201 will require two counts starting next year that will impact FY28 budget.

Supplemental State Aid

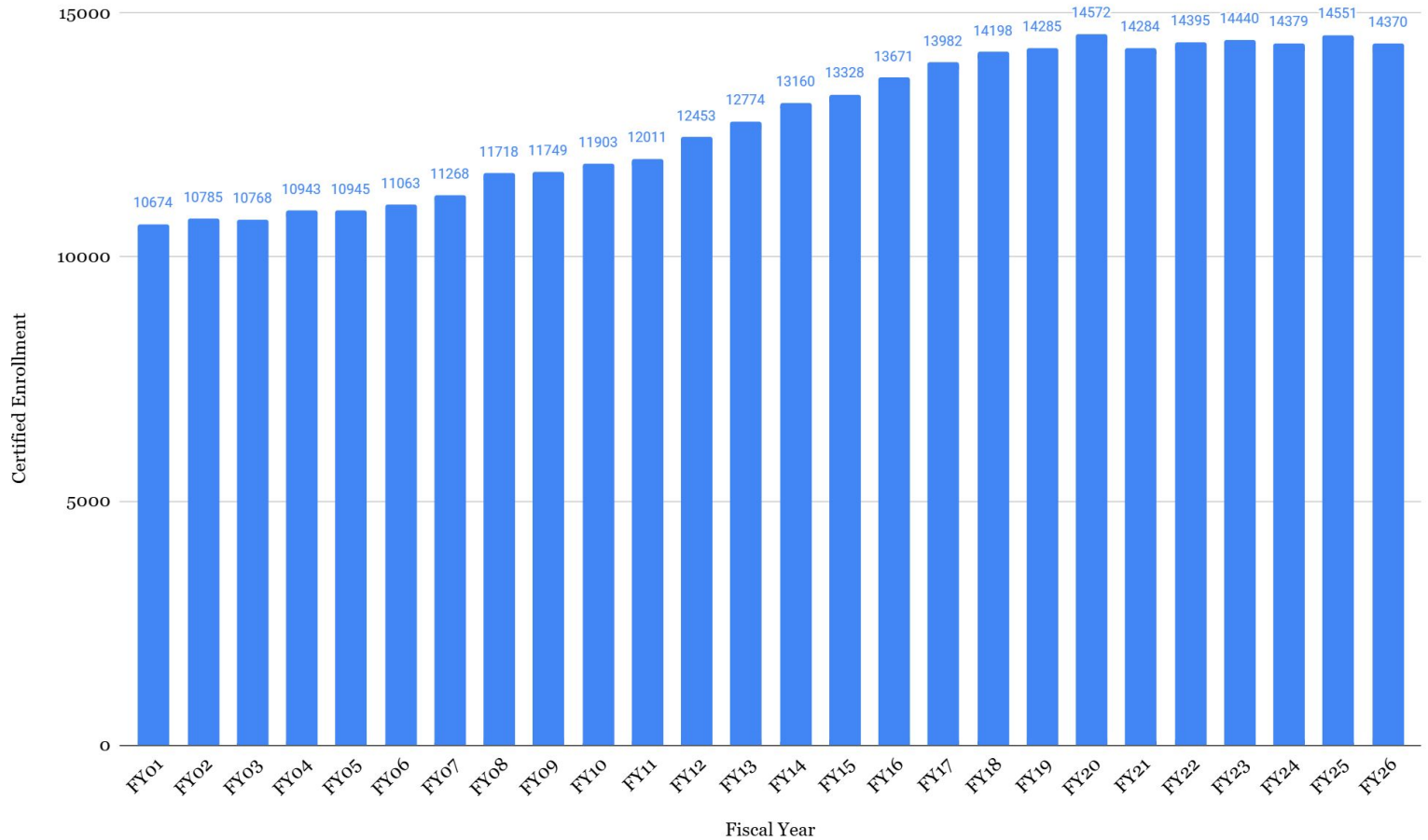


District Cost Per Pupil

Fiscal Year	District Cost Per Pupil
FY22	\$7,227
FY23	\$7,413
FY24	\$7,635
FY25	\$7,826
FY26	\$7,988
FY27	\$8,148

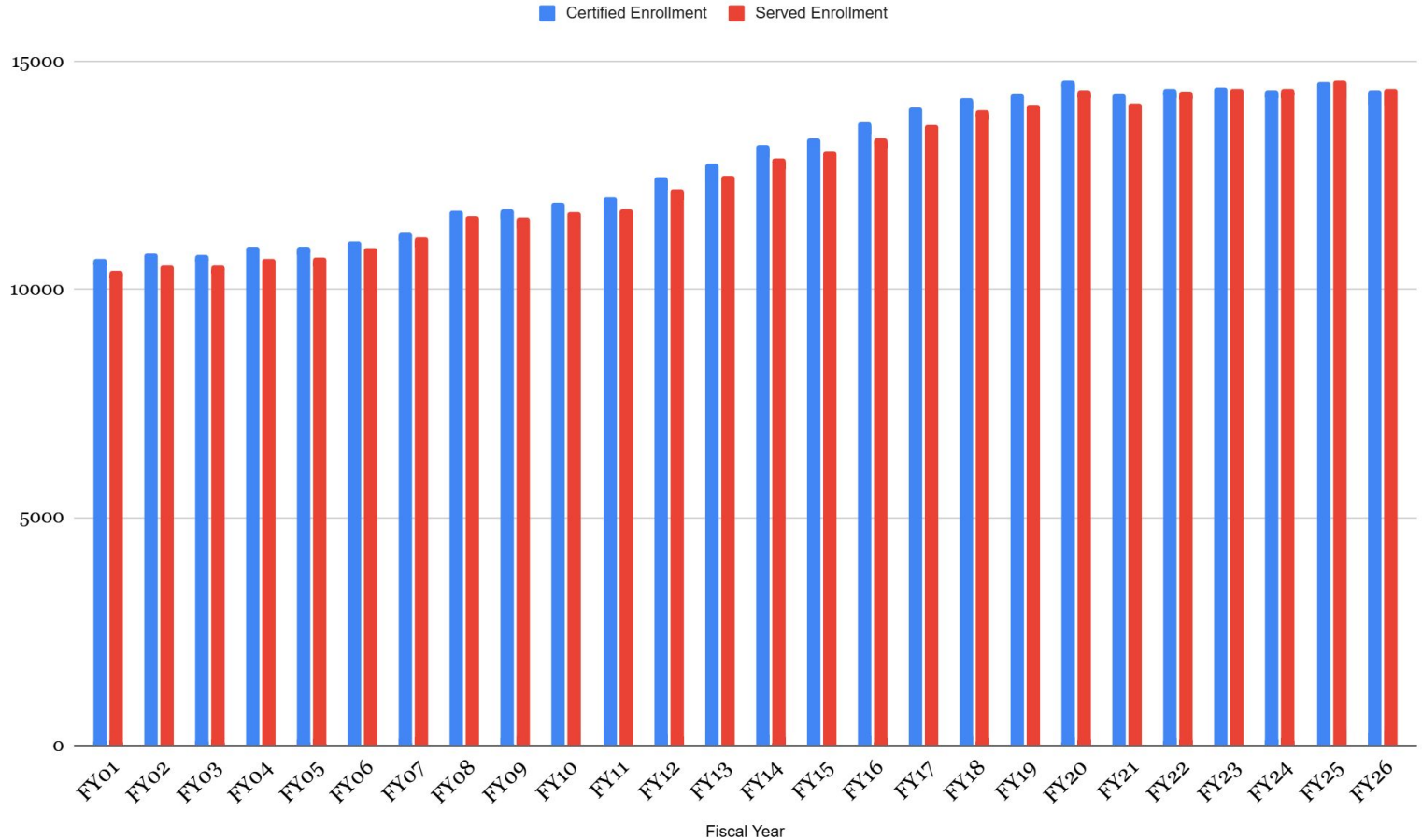
Source: Iowa Department of Management Budget Portal

Certified Enrollment



Source: Iowa Association of School Boards

Served vs. Certified Enrollment



Source: Iowa Association of School Boards

SSA & Budget Guarantee

- The budget guarantee is a part of Iowa's school funding system that helps school districts avoid sudden budget cuts when student enrollment drops. Because school funding is largely based on the number of students in a district, a decline in enrollment would normally reduce the district's budget right away.
- The budget guarantee allows districts to keep their spending authority from dropping too quickly. If enrollment declines and the normal funding formula would result in little or no growth, the guarantee allows the district's budget to still increase by at least 1% compared to the previous year.

SSA & Budget Guarantee

FY25 Certified Enrollment	FY26 District Cost Per Pupil	FY26 Regular Program District Cost
14,550.6 Students	\$7,983	\$116,157,440

FY26 Certified Enrollment	FY26 District Cost Per Pupil	+SSA Increase	FY27 Regular Program District Cost
14,369.6 Students	\$7,983	0%	\$114,712,517 (-1.2%)
14,369.6 Students	\$7,983	1% (\$8,062.83)	\$115,859,642 (-0.25%)
14,369.6 Students	\$7,983	2% (\$8,142.66)	\$117,006,767 (0.73%)
14,369.6 Students	\$7,983	3% (\$8,222.49)	\$118,153,892 (1.7%)

SSA & Budget Guarantee

FY25 Certified Enrollment	FY26 District Cost Per Pupil		FY26 Regular Program District Cost
14,550.6 Students	\$7,983		\$116,157,440
FY26 Certified Enrollment	Budget Guarantee Amount: \$116,157,440 x 101% = \$117,319,014		FY27 Regular Program District Cost
14,369.6 Students			\$114,712,517 (-1.2%)
14,369.6 Students			\$114,859,642 (-0.25%)
14,369.6 Students	\$7,983	2% (\$8,142.66)	\$117,006,767 (0.73%)
14,369.6 Students	\$7,983	3% (\$8,222.49)	\$118,153,892 (1.7%)

Aid and Levy Worksheet

Categoricals

General Fund Levy	A&L Line	Amount
FY27 Regular Program District Cost without Adjustment	4.3	\$ 117,083,501
FY27 Regular Program Budget Adjustment	4.8	\$ 308,994
Teacher Salary Supplement District Cost	4.22	\$ 11,745,584
Professional Development Supplement District Cost	4.3	\$ 1,301,446
Early Intervention Supplement District Cost	4.38	\$ 1,348,085
Teacher Leadership Supplement District Cost	4.46	\$ 6,213,173
Combined District Cost	5.19	\$ 169,369,697
Total Preschool Foundation Aid	7.35	\$ 2,086,128
State Foundation Aid	9.13	\$ 108,855,271
Instructional Support Income Surtax Dollars	10.17	\$ 6,903,352
Instructional Support Property & Utility Replacement Tax Dollars	10.21	\$ 2,122,957
Total Levy to Fund Combined District Cost	15.3	\$ 61,933,902
Ed Improvement Levy (Line 11.9)	15.5	\$ -
Cash Reserve Levy	15.9	\$ 30,298,066
Instructional Support Levy (Line 10.21)	15.13	\$ 2,122,957

General Fund Components

Fiscal Year	Total General Fund Levy Rate (Line 15.21)	Uniform Levy (Line 6.3)	Additional Levy (Line 8.4)	Instructional Support (Line 10.21)	Cash Reserve Levy (Line 15.9 + 15.10)	Total
FY23	\$10.79064	\$37,398,731	\$22,046,394	\$432,474	\$17,500,000 (Max = \$25,513,829)	\$39,978,868
FY24	\$10.94401	\$37,578,618	\$22,907,718	\$1,610,698	\$17,500,000 (Max = \$35,236,848)	\$42,018,416
FY25	\$11.63047	\$38,958,676	\$23,386,737	\$1,697,722	\$24,000,000 (Max = \$35,446,978)	\$49,084,459
FY26	\$11.65073	\$40,191,645	\$24,266,195	\$2,460,999	\$24,021,303 (Max = \$24,749,896)	\$50,748,497
FY27	\$12.16320	\$41,676,640	\$24,512,969	\$2,122,957	\$30,298,066 (Max = \$30,298,066)	\$56,933,992

Management Fund

- Special revenue fund used to pay certain risk-management and employment-related costs that cannot be paid from the General Fund. It is funded through property tax levy authorized under Iowa Code Section 298A.3 / 298.4.
- Allowable Expenses
 - Unemployment Compensation
 - Liability and Risk Insurance
 - Court Judgment and Settlements
 - Early Retirement Incentives
 - Risk-Related Studies
 - Mediation and Arbitration Costs
 - Insurance Deductible Transfers
 - Certain Debt Service Transfers

Management Fund

	Amount	Levy
FY23	\$ 5,200,000	\$ 0.75083
FY24	\$ 13,500,000	\$ 1.93993
FY25	\$ 13,000,000	\$ 1.80191
FY26	\$ 8,284,274	\$ 1.11304
FY27	\$ 12,425,000	\$ 1.60989

Physical Plant and Equipment Levy

- The Physical Plant and Equipment Levy (PPEL) is a restricted capital fund used to pay for facility, infrastructure, and equipment needs funded from property taxes.
- PPEL has two funding components
 - Board-approved (regular PPEL) which the board may vote to approve \$0.33 per \$1,000 of assessed valuation
 - Voter-approved PPEL (VPPEL) which requires voter approval and may be levied up to \$1.34 per \$1,000 of assessed valuation for up to ten years.
 - Voter approved PPEL approved through FY35
- Allowable Expenses
 - Purchase and improvement of school grounds
 - Construction, renovation, or repair of school buildings
 - Major equipment and technology purchases
 - Transportation equipment such as school buses
 - Energy conservation projects and safety/security improvements
 - Lease or lease-purchase of buildings or equipment.

Physical Plant and Equipment Levy

	Amount	Levy
FY23	\$ 12,577,125	\$ 1.67000
FY24	\$ 12,631,401	\$ 1.67000
FY25	\$ 13,106,246	\$ 1.67000
FY26	\$ 13,472,350	\$ 1.67000
FY27	\$ 14,022,872	\$ 1.67000

Debt Service

- The Debt Service Fund Levy is a voter-approved property tax used to repay long-term debt issued by the district, primarily for school facility projects. Revenue from this levy is deposited in the Debt Service Fund, which is used to accumulate resources and make payments on principal and interest for bonded indebtedness and other authorized debt obligations.
- \$191,525,000 General Obligation Bond Passed on September 12, 2017
 - All bonds were issued as 20 year bonds.

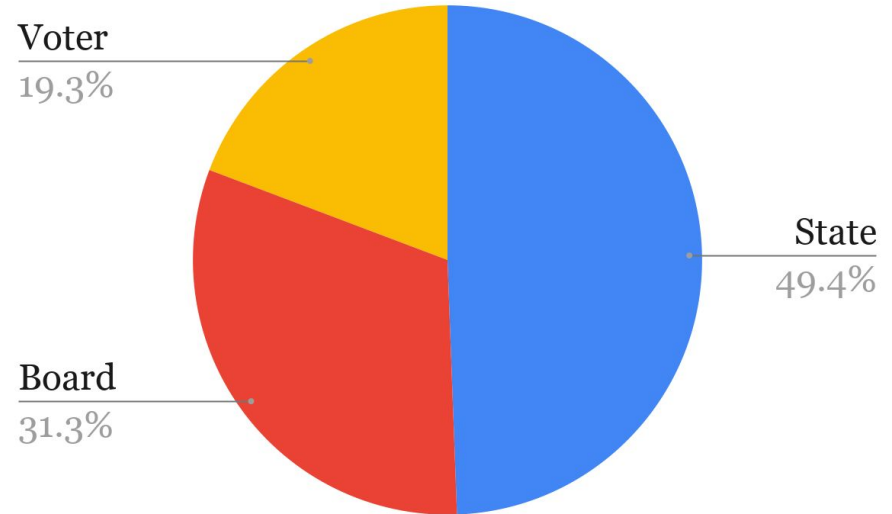
Debt Service

	Amount	Levy
FY23	\$ 12,970,286	\$ 1.72000
FY24	\$ 12,966,936	\$ 1.71436
FY25	\$ 13,468,486	\$ 1.71616
FY26	\$ 13,448,086	\$ 1.66699
FY27	\$ 13,587,836	\$ 1.61819

FY27 Total Property Tax Levy

Fund	Rate	Amount
General	\$ 12.20323	\$ 94,354,925
Management	\$ 1.60989	\$ 12,425,000
Regular PPEL	\$ 0.33000	\$ 2,770,987
Voted PPEL	\$ 1.34000	\$ 11,251,885
Debt Service	\$ 1.61819	\$ 13,587,836
Total	\$ 17.10131	\$ 134,390,633

Levy Control



FY26 Property Tax Levy Comparison

Original 8 UEN

	FY26
Cedar Rapids	\$ 13.64
Council Bluffs	\$ 16.04
Davenport	\$ 13.82
Des Moines	\$ 14.61
Dubuque	\$ 13.03
Iowa City	\$ 16.06
Sioux City	\$ 12.38
Waterloo	\$ 16.74

Johnson County

	FY26
Clear Creek Amana	\$ 16.95
Iowa City	\$ 16.06
Lone Tree	\$ 12.76
Solon	\$ 16.20
West Branch	\$ 15.00

**FY27 Proposed Property Tax
Levy: \$17.10131**

State Top 10

	FY26
West Sioux CSD	\$ 19.08
Ballard CSD	\$ 19.00
Woodward-Granger CSD	\$ 18.86
North Polk CSD	\$ 18.77
Perry CSD	\$ 18.59
Baxter CSD	\$ 18.54
Lamoni CSD	\$ 18.23
Dallas Center-Grimes CSD	\$ 18.15
Gilbert CSD	\$ 17.99
Linn-Mar CSD	\$ 17.99

Source: Iowa Association of School Boards

FY27 Proposed Budget Summary

		Budget 2027	Re-est. 2026	Actual 2025
Taxes Levied on Property	1	132,492,848	120,426,902	120,716,703
Utility Replacement Excise Tax	2	1,588,791	1,387,625	798,760
Income Surtaxes	3	6,534,233	7,112,018	6,775,731
Tuition\Transportation Received	4	3,414,563	3,414,563	3,103,805
Earnings on Investments	5	1,897,000	852,905	1,555,256
Nutrition Program Sales	6	3,800,000	3,644,045	3,858,293
Student Activities and Sales	7	2,406,670	2,431,670	2,482,697
Other Revenues from Local Sources	8	3,133,258	3,485,670	4,967,317
Revenue from Intermediary Sources	9	0	20,000	9,000
State Foundation Aid	10	109,164,265	107,372,810	102,064,103
Instructional Support State Aid	11	366,247	0	0
Other State Sources	12	19,536,000	19,983,372	20,129,449
Two Tier Assessment Limitation Replacement	13	1,271,188	1,271,188	1,346,379
Title 1 Grants	14	2,500,000	2,854,394	2,642,842
IDEA and Other Federal Sources	15	12,700,000	11,599,704	12,603,164
Total Revenues	16	300,805,063	285,856,866	283,053,499
General Long-Term Debt Proceeds	17	0	0	0
Transfers In	18	1,600,000	1,448,129	14,162,187
Proceeds of Fixed Asset Dispositions	19	200,000	4,060,998	26,282
Special Items/Upward Adjustments	20	0	0	80,072
Total Revenues & Other Sources	21	302,605,063	291,365,993	297,322,040
Beginning Fund Balance	22	39,309,511	48,788,458	92,391,364
Total Resources	23	341,914,574	340,154,451	389,713,404

FY27 Proposed Budget Summary

		Budget 2027	Re-est. 2026	Actual 2025
*Instruction	24	156,631,754	155,441,754	148,489,027
Student Support Services	25	7,602,444	7,646,160	7,857,286
Instructional Staff Support Services	26	14,245,016	14,245,016	9,505,335
General Administration	27	3,171,030	3,171,030	3,084,697
School Administration	28	12,563,216	12,563,216	11,535,234
Business & Central Administration	29	6,734,824	7,104,130	7,521,755
Plant Operation and Maintenance	30	29,302,580	29,074,479	24,401,997
Student Transportation	31	6,450,000	6,250,000	5,984,202
*Total Support Services (lines 25-31)	31A	80,069,110	80,054,031	69,890,506
*Noninstructional Programs	32	10,500,000	10,309,348	10,078,160
Facilities Acquisition and Construction	33	9,813,382	13,694,344	62,133,267
Debt Service (Principal, interest, fiscal charges)	34	37,858,592	34,951,869	28,669,194
AEA Support - Direct to AEA	35	5,676,144	4,945,465	5,868,388
*Total Other Expenditures (lines 33-35)	35A	53,348,118	53,591,678	96,670,849
Total Expenditures	36	300,548,982	299,396,811	325,128,542
Transfers Out	37	1,600,000	1,448,129	14,162,187
Other Uses	38	0	0	1,634,217
Total Expenditures, Transfers Out & Other Uses	39	302,148,982	300,844,940	340,924,946
Ending Fund Balance	40	39,765,592	39,309,511	48,788,458
Total Requirements	41	341,914,574	340,154,451	389,713,404

QUESTIONS & DISCUSSION